

**REGULAR MEETING
DESTIN CITY COUNCIL
AUGUST 15, 2022
ANNEX COUNCIL CHAMBERS
6:00 PM**

*****Core Value of the Month - Stewardship*****

CALL TO ORDER

*** INVOCATION (Pastor Steve Farris, First Baptist Church of Destin)**

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL *(Matters not specifically listed on the agenda may be added and acted upon with a super-majority vote of the Council members present and eligible to vote on the matter)*

- 1. PROCLAMATIONS / RECOGNITIONS / SPECIAL / **PUBLIC PRESENTATIONS / ANNOUNCEMENTS**
- 2. PUBLIC COMMENTS (Section 5 - Public Hearings has separate public comments time for these items)** (Note: Individual speakers will be limited to 3 minutes. At the discretion of the mayor, this 3 minute allowance may be adjusted depending on the level of business coming before the City Council)
- 3. *** CONSENT AGENDA**
 - A. Operations Financial Report
 - B. Quarterly Investment Report
 - C. Capital Project Status
 - D. FY 2022 Budget Amendment for TDC FY2022
 - E. Harbor Boardwalk Repairs
 - F. Single-family Residential Marine Construction Proposed at 4145 Belcourt Drive
 - G. Authorization to Purchase Decorative Holiday Lighting, Harbor-CRA Advisory Board Recommendation
 - H. Replacement of two HVAC units, City Hall Annex
 - I. Committee Absentee Report through July 2022
 - J. Approval of minutes of July 11, 2022 Regular City Council Meeting
 - K. City Boards & Committee Minutes
- 4. CITY MANAGER REPORTS**
 - A. Destin High School Request for A Baseball Field @ Morgan Sports Fields, Update
 - B. Adoption of a Formal Annexation Policy
 - C. Mobility Plan Update
 - D. Impact Fee Study Update
 - E. Destin Youth Council Membership Appointments

F. Announcements:

1. Derelict boats update
2. Early voting for the 2022 Primary Election begins on August 23rd
3. The next Council Meeting is scheduled for September 8.

5. PUBLIC HEARINGS

- A. Second reading of Ordinance 22-09-CN - Exclusive Solid Waste Franchise Agreement with Waste Management, Inc, of Florida
- B. Second reading of Ordinance 109.11 - Amending the City's Personnel Rules and Regulations
- C. Second reading of Ordinance 22-11-CN - Relating to the lease of certain real property owned by the City of Destin. Providing for city council approval of the second amendment to the reclaimed water lease for the lease of property located at 4200 Indian Bayou Trail, Destin, Florida to Destin Water Users, Inc.
- D. First reading of Ordinance 22-12-CN - Approving the form and authorizing execution and delivery of an interlocal agreement between the City of Destin and Okaloosa County to facilitate the city's acquisition of certain beach property and the development or redevelopment of such property for public recreation and tourism purposes, and to establish the respective financial obligations of the city and county associated therewith.

6. COMMENTS / PRESENTATIONS FROM MAYOR, COUNCIL, LAND USE ATTORNEY AND CITY ATTORNEY

- A. Councilmember Braden
- B. Councilmember Wagner
 1. Community First Meetings
 2. Florida League of Cities Annual Conference - Report
- C. Councilmember Destin
- D. Councilmember Bagby
 1. City Manager Evaluation
- E. Councilmember Hebert
- F. Councilmember King
- G. Councilmember Schmidt
 1. Fiscal Year 2022 - 2023 Strategic Plan
- H. Mayor Gary Jarvis
- I. Land Use Attorney
- J. City Attorney

7. PUBLIC COMMENTS (Comments from the public on any matters considered at the meeting, or on any matters not on the agenda)

8. ADJOURN

* Any invocation that is offered before the official start of the City Council meeting shall be the voluntary offering of a private person, to and for the benefit of the City Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the City Council, or the City staff, and the City is not allowed by law to endorse the religious beliefs or views of this, or any other speaker. Persons in attendance at the City Council meeting are invited to stand during the opening invocation and Pledge of Allegiance. However, such invitation shall not be construed as a demand, order, or any other type of command. No person in attendance at the meeting shall be required to participate in any opening invocation that is offered. A person may exit the City Council Chambers and return upon completion of the opening invocation if a person does not wish to participate in or witness the opening invocation.

** To be placed on the agenda under public presentations, citizens must contact the City Manager or City Clerk's office one (1) week prior to the scheduled City Council Meeting, completing a Speakers Request Form and providing any accompanying documentation as requested in the form's instructions.

*** All items listed under Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and may be considered separately.

If a person decides to appeal any decision made by the Council with respect to any matter considered at this meeting, he/she may need a record of the proceedings, and for such purpose, he/she may need to ensure that verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. FS 286.0105.

Persons with disabilities who require assistance to participate in City meetings are requested to notify the City Clerk's Office at (850) 837-4242 in advance. Hearing Impaired: TTY: 711. Assistance also available through Human Resources, Title VI Coordinator, at (850) 837-4242. Personas con discapacidades que necesitan asistencia o personas que necesitan ayuda con un idioma para participar en las reuniones de la ciudad, deberán notificar la oficina de la Secretaria Municipal al (850) 837-4242 antes de la reunión. Discapacidad auditiva: TTY: 711 (Solicitar Espanol CA). La ayuda tambien está disponible por Recursos Humanos, Coordinador del Título VI, al (850) 837-4242.

All regularly scheduled city council meetings will be streamed live via the city's YouTube channel, www.youtube.com/CityofDestin. Past council meetings can also be viewed here. Please visit our agenda center on the city website at www.cityofdestin.com/agendas.

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Consent Agenda
AGENDA OUTLINE NUMBER: 3.A.

TO: City Council

THRU: Webb Warren, Deputy City Manager
Kyle Bauman, City Attorney
Lance Johnson, City Manager

FROM: Krystal Strickland, Finance Director

DATE: August 8, 2022

SUBJECT: Operations Financial Report

I. BACKGROUND: This item is informational only.

II. DISCUSSION: Year-to-date budget versus actuals for the General Fund and the two CRAs shall be provided to Council within forty-five days of the month end. Governmental funds are accounted for on a modified accrual basis.

Highlights as of 06/30/2022:

- *We are 75% of the way through the fiscal year
- * 102% of Ad Valorem Taxes have been received/recorded
- * We have expended approximately 60% of Operating budget
- * We have expended approximately 31% of Capital Outlay budget
- *Current net change in total fund balance is a year-to-date increase of \$6.3 million

Details for all funds are on file with the Finance Department, and are available upon request.

- A. Link to Strategic Goals / Objectives:** Goal #1: Financially sound city providing service excellence
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**
- D. Legislative Sponsor:**

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

1. 2022 0630 YTD Actuals vs Budget

City of Destin, Florida

Balance Sheet - Governmental Funds

	01, 700	102	110	111	122, 125, 129	209, 213, 214, 221	300, 305, 315	
<i>Period ended June 30,</i>								2022
	General Fund	1998-2028 or to 2037 Town Center CRA	2003-2043 Harbor CRA	Florida Building Code Fund	Other Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 10,478,476	\$ 993,531	\$ -	\$ -	\$ 4,695,435	\$ -	\$ 2,334,754	\$ 18,502,196
Investments	16,238,285	-	-	-	-	-	-	16,238,285
Due from other funds	351,929	-	-	-	-	-	-	351,929
Due from other governments	202,208	-	-	-	-	-	399,827	602,035
Advance to other funds	2,448,824	-	-	-	-	-	-	2,448,824
Accounts receivable - other	189,884	-	-	-	137,171	-	-	327,056
Prepaid expenditures	83,669	-	-	-	-	-	-	83,669
Restricted cash and cash equivalents	-	-	602,077	448,252	-	503,353	5,155,962	6,709,644
Total assets	\$ 29,993,274	\$ 993,531	\$ 602,077	\$ 448,252	\$ 4,832,606	\$ 503,353	\$ 7,890,543	\$ 45,263,636
Liabilities, deferred inflows of resources and fund balances								
Liabilities:								
Accounts payable	241,779	5,910	1,957	17,202	21,355	-	314,063	602,267
Accrued payroll	2,159	-	-	-	-	-	-	2,159
Due to other funds	-	-	-	-	-	1,363	350,566	351,929
Advance from other funds	-	2,448,824	-	-	-	-	-	2,448,824
Total liabilities	243,938	2,454,734	1,957	17,202	21,355	1,363	664,628	3,405,179
Deferred inflows of resources								
Deferred revenue	262,290	-	-	-	-	-	1,581,098	1,843,388
Total deferred inflows of resources	262,290	-	-	-	-	-	1,581,098	1,843,388
Fund balances:								
Nonspendable	2,561,840	-	-	-	-	-	-	2,561,840
Restricted	-	-	584,702	428,478	-	501,990	2,538,529	4,053,700
Committed	10,084,733	-	-	-	4,557,329	-	1,149,899	15,791,961
Assigned	1,176,824	24,667	15,417	2,572	253,922	-	1,956,388	3,429,789
Unassigned	15,663,649	(1,485,869)	-	-	-	-	-	14,177,779
Total fund balances (deficit)	29,487,046	(1,461,202)	600,119	431,050	4,811,251	501,990	5,644,817	40,015,069
Total liabilities, deferred inflows of resources and fund balances	\$ 29,993,274	\$ 993,531	\$ 602,077	\$ 448,252	\$ 4,832,606	\$ 503,353	\$ 7,890,543	\$ 45,263,636

Nonspendable = Long-term advance to TownCenter CRA \$2,448,823.50 (in 01 fund) plus prepaid expenses

Restricted = Interlocal Agreements, State and Local Regulations (Harbor CRA 110, Florida Building Code Fund 111, Impact Fees 315), Bond covenants (2013, 2014, 2021 Debt Service Funds), Grant Agreements (305)

Committed = Council resolutions, motions, includes fund balance resolution for 1 yr debt service (\$2.7m) + 3 mos emergency ops x 2 (\$6.7m), Tech Fund balance (125), Oka Half Penny fund balance (129)

Assigned = Contracts, purchase orders, unofficial RR fund (300)

Unassigned = Funds with a negative balance (TC CRA 102), net assets not otherwise categorized

CITY OF DESTIN

Actuals 10/01/2021 - 06/30/2022

SUMMARY ALL FUNDS	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
Ad Valorem Taxes	\$ 9,333,671	\$ 9,480,841		\$ 9,488,296	\$ (147,170)
Tax Increment Financing (TIF)	1,310,929	1,313,239		1,313,239	(2,310)
Delinquent Ad Valorem Taxes	5,000	(759)		491	5,759
Sales and Use Taxes	3,230,855	2,549,785		3,553,779	681,070
Licenses and Permits	3,463,479	3,583,039		4,885,604	(119,560)
Impact Fees	115,500	61,810		90,685	53,690
Intergovernmental	10,062,078	2,978,904		5,691,748	7,083,174
Charges for services	749,898	627,602		1,199,558	122,296
Fines and Forfeitures	59,957	42,203		63,709	17,754
Investment Income	60,120	(796,743)		(792,566)	856,863
Contributions	32,500	8,334		38,334	24,166
Miscellaneous income	2,701	22,589		22,836	(19,888)
TOTAL REVENUES	28,426,688	19,870,843	-	25,555,711	8,555,844
	28,426,688	19,870,843	-	25,555,711	8,555,844
General Government	4,347,731	2,535,198	327,014	3,843,374	1,485,519
Public Safety	4,532,131	2,848,565	726,815	4,121,108	956,751
Physical Environment	199,073	100,897	943	151,556	97,232
Transportation	1,936,628	1,210,413	32,661	1,670,698	693,553
Economic Environment	325,636	94,999	40,084	261,421	190,553
Health & Human Services	101,254	34,029	18,325	52,879	48,900
Culture and Recreation	3,724,508	2,279,014	77,567	3,284,734	1,367,927
Capital Outlay	16,884,161	2,420,632	2,741,351	6,731,150	11,722,177
Debt Service	2,669,656	1,847,941	7,500	2,677,156	814,215
TOTAL EXPENDITURES	34,720,778	13,371,689	3,972,261	22,794,076	17,376,828
	34,720,778	13,371,689	3,972,261	22,794,076	17,376,828
Excess (deficiency) of revenues over expenditures	(6,294,090)	6,499,155		2,761,635	
Proceeds from issuance of debt	-	-	-	-	-
Transfers In	6,150,854	3,859,188	-	5,405,628	2,291,667
Transfers Out	(6,150,854)	(3,859,188)	-	(5,405,628)	(2,291,666)
Total other financing sources (uses)	0	(0)	-	(0)	0
Net change in fund balances	(6,294,090)	6,499,155		2,761,635	
Fund Balance, Beginning	33,515,914	33,515,914		33,515,914	
Fund Balance, Ending	27,221,824	40,015,069		36,277,549	

* FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward

FUND BALANCE SUMMARY ALL FUNDS	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 PROJECTION
Nonspendable	2,448,824	2,561,840	2,561,840
Restricted	2,467,004	4,053,700	4,593,386
Committed	11,930,294	15,791,961	14,853,881
Assigned	1,000,000	3,429,789	1,000,000
<i>Unassigned</i>	9,867,547	14,177,779	13,268,442
Ending Fund Balance	27,221,824	40,015,069	36,277,549

	FY2022	FY2022	FY2022	FY2022	FY2022
01 GENERAL FUND	BUDGET	YTD Actuals	ENCUMBRANCES	PROJECTION	AVAILABLE BUDGET
01-31 Ad Valorem Taxes	8,574,910	8,722,080		8,729,535	(147,170)
01-31 Delinquent Ad Valorem Taxes	5,000	(759)		491	5,759
01-31 Sales and Use Taxes	1,608,694	1,176,172		1,581,838	432,522
01-32 Licenses and Permits	2,826,871	2,380,931		3,249,741	445,940
01-32 Impact Fees	-	-		-	-
01-33 Intergovernmental	2,763,870	2,344,617		3,456,897	419,253
01-34 Charges for Services	331,398	377,869		783,128	(46,471)
01-35 Fines and Forfeitures	59,957	42,203		63,709	17,754
01-36 Investment Income	58,084	(805,986)		(802,352)	864,070
01-36 Contributions	2,500	8,334		8,334	(5,834)
01-36 Miscellaneous Revenue	2,201	21,289		21,411	(19,088)
TOTAL REVENUES	16,233,485	14,266,750	-	17,092,730	1,966,735
01-51 General Government	4,347,731	2,535,198	327,014	3,843,374	1,485,519
01-52 Public Safety	3,251,454	2,262,276	724,243	3,265,461	264,935
01-53 Physical Environment	199,073	100,897	943	151,556	97,232
01-54 Transportation	1,849,128	1,162,721	32,661	1,591,798	653,746
01-55 Economic Environment	14,200	10,839	-	14,452	3,361
01-56 Health & Human Services	101,254	34,029	18,325	52,879	48,900
01-57 Culture and Recreation	3,724,508	2,279,014	77,567	3,284,734	1,367,927
01-59 Capital Outlay	109,250	36,947	-	48,105	72,303
01-59 Debt Service Principal	78,405	65,257	4,905	83,310	8,243
01-59 Debt Service Interest	2,511	2,070	2,595	5,106	(2,154)
TOTAL EXPENDITURES	13,677,514	8,489,248	1,188,254	12,340,776	4,000,012
Excess (deficiency) of revenues over expenditures	2,555,971	5,777,502		4,751,955	
01-38 Proceeds from Issuance of Debt	-	-		-	-
01-38 Transfers In	-	-		-	-
01-58 Transfers Out	(4,522,085)	(2,609,891)		(3,742,029)	(1,912,194)
Total other financing sources (uses)	(4,522,085)	(2,609,891)		(3,742,029)	(1,912,194)
01 Net change in fund balances	(1,966,114)	3,167,611		1,009,925	
01 Fund Balance (deficit), Beginning	26,319,436	26,319,436		26,319,436	
01 Fund Balance (deficit), Ending	24,353,322	29,487,047		27,329,361	
<i>* FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward</i>					

102 TOWN CENTER CRA 1998-2028 OR until Debt Paid 2037 (RESTRICTED; ECON DEV)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
102-31 County TIF	954,620	957,717		957,717	(3,097)
102-31 City TIF (Ad Valorem)	402,452	402,452		402,452	-
102-36 Investment Income	1,301	643		1,003	658
TOTAL REVENUES	1,358,373	1,360,812		1,361,172	(2,439)
102-55 Economic Environment	153,257	57,039	24,667	133,136	71,551
102-59 Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	153,257	57,039	24,667	133,136	71,551
Excess (deficiency) of revenues over expenditures	1,205,116	1,303,773		1,228,036	
102-38 Transfers In	-	-		-	-
102-58 Transfers Out	(731,418)	(548,581)		(731,437)	(182,837)
Total other financing sources (uses)	(731,418)	(548,581)		(731,437)	(182,837)
102 Net change in fund balances	473,698	755,192		496,598	
102 Fund Balance (deficit), Beginning	(2,216,394)	(2,216,394)		(2,216,394)	
102 Fund Balance (deficit), Ending	(1,742,696)	(1,461,202)		(1,719,796)	

**FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward*

110 HARBOR CRA 2003-2043 (RESTRICTED; ECON DEV)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
110-31 County TIF	356,309	355,522		355,522	787
110-31 City TIF (Ad Valorem)	356,309	356,309		356,309	-
110-36 Investment Income	300	433		508	(133)
TOTAL REVENUES	712,918	712,264		712,339	654
110-55 Economic Environment	158,179	27,122	15,417	113,833	115,641
110-59 Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	158,179	27,122	15,417	113,833	115,641
Excess (deficiency) of revenues over expenditures	554,739	685,143		598,506	
110-38 Transfers In	-	-		-	-
110-58 Transfers Out	(481,057)	(361,267)		(481,057)	(119,790)
Total other financing sources (uses)	(481,057)	(361,267)		(481,057)	(119,790)
110 Net change in fund balances	73,682	323,876		117,449	
110 Fund Balance (deficit), Beginning	276,242	276,242		276,242	
110 Fund Balance (deficit), Ending	349,924	600,118		393,691	

**FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward*

111 FLORIDA BUILDING CODE FUND (RESTRICTED; PUBLIC SAFETY)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
111-32 Licenses and Permits	636,608	745,997		984,752	(109,389)
111-36 Investment Income	60	21		36	39
TOTAL REVENUES	636,668	746,019		984,788	(109,351)
111-52 Public Safety	1,153,178	551,429	2,572	820,787	599,176
111-59 Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	1,153,178	551,429	2,572	820,787	599,176
Excess (deficiency) of revenues over expenditures	(516,510)	194,589		164,001	
111-38 Transfers In	328,507	-		-	328,507
111-58 Transfers Out	(63,210)	(74,289)		(98,019)	11,079
Total other financing sources (uses)	265,297	(74,289)		(98,019)	339,586
111 Net change in fund balances	(251,213)	120,300		65,982	
111 Fund Balance (deficit), Beginning	310,750	310,750		310,750	
111 Fund Balance (deficit), Ending	59,537	431,050		376,732	

**FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward*

122 PARKING FUND (COMMITTED; TRANSPORTATION)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
122-34 Charges for Services	418,500	249,733		416,430	168,767
122-36 Investment Income	25	23		29	2
TOTAL REVENUES	418,525	249,756		416,459	168,769
122-54 Transportation	87,500	47,692	-	78,900	39,808
122-59 Capital Outlay	126,000	-	4,426	114,426	121,574
TOTAL EXPENDITURES	213,500	47,692	4,426	193,326	161,382
Excess (deficiency) of revenues over expenditures	205,025	202,064		223,133	7,387
122-38 Transfers In	-	-		-	-
122-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	-	-		-	-
122 Net change in fund balances	205,025	202,064		223,133	
122 Fund Balance (deficit), Beginning	-	-		-	
122 Fund Balance (deficit), Ending	205,025	202,064		223,133	

**FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward*

125 TECH FUND (COMMITTED; PUBLIC SAFETY)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
125-36 Investment Income	-	182		182	(182)
TOTAL REVENUES	-	182		182	(182)
125-52 Public Safety	127,500	34,860	-	34,860	92,640
125-59 Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	127,500	34,860	-	34,860	92,640
Excess (deficiency) of revenues over expenditures	(127,500)	(34,678)		(34,678)	
125-38 Transfers In	139,982	151,882		184,584	(11,900)
125-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	139,982	151,882		184,584	(11,900)
125 Net change in fund balances	12,482	117,204		149,906	
125 Fund Balance (deficit), Beginning	201,407	201,407		201,407	
125 Fund Balance (deficit), Ending	213,889	318,611		351,313	

129 OKA 1/2 PENNY 01/01/2019-12/31/2029 (COMMITTED; CAPITAL OUTLAYS)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
129-31 Sales and Use Taxes	1,390,761	1,187,049		1,727,527	203,712
129-36 Investment Income	150	3,038		3,075	(2,888)
TOTAL REVENUES	1,390,911	1,190,087		1,730,603	200,824
129-59 Capital Outlay	3,324,756	213,813	253,922	717,450	2,857,022
TOTAL EXPENDITURES	3,324,756	213,813	253,922	717,450	2,857,022
Excess (deficiency) of revenues over expenditures	(1,933,845)	976,274		1,013,152	
129-38 Transfers In	-	-		-	-
129-58 Transfers Out	(353,084)	(265,159)		(353,084)	(87,925)
Total other financing sources (uses)	(353,084)	(265,159)		(353,084)	(87,925)
129 Net change in fund balances	(2,286,929)	711,115		660,068	
129 Fund Balance (deficit), Beginning	3,579,461	3,579,461		3,579,461	
129 Fund Balance (deficit), Ending	1,292,532	4,290,576		4,239,529	

*FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward

213 DEBT SERVICE 2013 NOTE (RESTRICTED; DEBT SERVICE)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
213-36 Investment Income	100	222		247	(122)
TOTAL REVENUES	100	222		247	(122)
213-59 Debt Service Principal	412,531	-	-	412,531	412,531
213-59 Debt Service Interest	142,713	71,357	-	142,713	71,357
TOTAL EXPENDITURES	555,245	71,357	-	555,245	483,888
Excess (deficiency) of revenues over expenditures	(555,145)	(71,134)		(554,997)	
213-38 Transfers In	555,245	416,433		555,245	138,812
213-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	555,245	416,433		555,245	138,812
213 Net change in fund balances	100	345,299		247	
213 Fund Balance (deficit), Beginning	93,097	93,097		93,097	
213 Fund Balance (deficit), Ending	93,197	438,396		93,344	

214 DEBT SERVICE 2014 NOTE (RESTRICTED; DEBT SERVICE)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
214-36 Investment Income	100	292		317	(192)
TOTAL REVENUES	100	292		317	(192)
214-59 Debt Service Principal	427,021	427,021	-	427,021	-
214-59 Debt Service Interest	304,397	304,397	-	304,397	-
TOTAL EXPENDITURES	731,418	731,418	-	731,418	-
Excess (deficiency) of revenues over expenditures	(731,318)	(731,126)		(731,101)	
214-38 Transfers In	731,418	548,581		731,437	182,837
214-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	731,418	548,581		731,437	182,837
214 Net change in fund balances	100	(182,544)		337	
214 Fund Balance (deficit), Beginning	245,566	245,566		245,566	
214 Fund Balance (deficit), Ending	245,666	63,022		245,903	

221 DEBT SERVICE 2021 NOTE (RESTRICTED; DEBT SERVICE)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
221-36 Investment Income	-	35		35	(35)
TOTAL REVENUES	-	35		35	(35)
221-59 Debt Service Principal	1,200,000	900,000	-	1,200,000	300,000
221-59 Debt Service Interest	102,077	77,839	-	102,077	24,238
221-51 General Government	-	-	-	-	-
TOTAL EXPENDITURES	1,302,077	977,839	-	1,302,077	324,238
Excess (deficiency) of revenues over expenditures	(1,302,077)	(977,804)		(1,302,042)	
221-38 Transfers In	1,302,077	977,839		1,302,077	324,238
221-58 Transfers Out	-	-		-	-
221-38 Proceeds from issuance of debt	-	-		-	-
Total other financing sources (uses)	1,302,077	977,839		1,302,077	324,238
221 Net change in fund balances	-	35		35	
221 Fund Balance (deficit), Beginning	537	537		537	
221 Fund Balance (deficit), Ending	537	572		572	

300 RENEWAL AND REPLACEMENT FUND (COMMITTED; CAPITAL OUTLAYS)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
300-36 Investment Income	-	1,663		1,663	(1,663)
TOTAL REVENUES	-	1,663		1,663	(1,663)
300-59 Capital Outlay	2,784,199	521,236	1,064,551	1,585,787	1,198,412
TOTAL EXPENDITURES	2,784,199	521,236	1,064,551	1,585,787	1,198,412
Excess (deficiency) of revenues over expenditures	(2,784,199)	(519,573)		(1,584,125)	
300-38 Transfers In	1,410,814	1,314,084		1,441,787	96,730
300-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	1,410,814	1,314,084		1,441,787	96,730
300 Net change in fund balances	(1,373,385)	794,511		(142,337)	
300 Fund Balance (deficit), Beginning	1,402,960	1,402,960		1,402,960	
300 Fund Balance (deficit), Ending	29,575	2,197,471		1,260,623	

**FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward*

305 GRANT AND GF CAPITAL PROJECT FUND (RESTRICTED; CAPITAL OUTLAYS)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
305-33 Intergovernmental	7,298,208	634,287		2,234,851	6,663,921
305-36 Contributions	30,000	-		30,000	30,000
TOTAL REVENUES	7,328,208	634,287		2,264,851	6,693,921
305-59 Capital Outlay	9,011,020	1,227,435	1,181,345	3,455,348	6,602,240
TOTAL EXPENDITURES	9,011,020	1,227,435	1,181,345	3,455,348	6,602,240
Excess (deficiency) of revenues over expenditures	(1,682,812)	(593,148)		(1,190,497)	
305-38 Transfers In	1,682,811	450,368		1,190,498	1,232,444
305-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	1,682,811	450,368		1,190,498	1,232,444
305 Net change in fund balances	(1)	(142,780)		1	
305 Fund Balance (deficit), Beginning	(0)	(0)		(0)	
305 Fund Balance (deficit), Ending	(1)	(142,781)		0	

**FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward*

315 IMPACT AND OTHER RESTRICTED FUND (RESTRICTED IN GF; CAPITAL OUTLAYS)	FY2022 BUDGET	FY2022 YTD Actuals	FY2022 ENCUMBRANCES	FY2022 PROJECTION	FY2022 AVAILABLE BUDGET
315-32 Impact Fees	115,500	61,810		90,685	53,690
315-32 Licenses and Permits	-	456,111		651,111	(456,111)
315-31 Sales and Use Taxes	231,400	186,563		244,413	44,837
315-36 Investment Income	-	2,690		2,690	(2,690)
315-36 Miscellaneous Revenue	500	1,300		1,425	(800)
TOTAL REVENUES	347,400	708,475		990,325	(361,075)
315-59 Capital Outlay	1,528,935	421,201	237,107	810,033	870,627
TOTAL EXPENDITURES	1,528,935	421,201	237,107	810,033	870,627
Excess (deficiency) of revenues over expenditures	(1,181,535)	287,273		180,291	
315-38 Transfers In	-	-		-	-
315-58 Transfers Out	-	-		-	-
Total other financing sources (uses)	-	-	-	-	-
315 Net change in fund balances	(1,181,535)	287,273		180,291	
315 Fund Balance (deficit), Beginning	3,302,853	3,302,853		3,302,853	
315 Fund Balance (deficit), Ending	2,121,318	3,590,126		3,483,144	

**FY2022 BUDGET is the Adopted Budget plus prior year encumbrances rolled forward*

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022**TYPE OF AGENDA ITEM:** Consent Agenda**AGENDA OUTLINE NUMBER:** 3.B.

TO: City Council

THRU: Webb Warren, Deputy City Manager
Lance Johnson, City Manager

FROM: Krystal Strickland, Finance Director

DATE: July 11, 2022

SUBJECT: Quarterly Investment Report

I. BACKGROUND:

Attached for your review is the current quarterly investment report with schedules showing the current status of the City investment accounts with Raymond James. Summary tables of activity are provided in the Discussion section below.

II. DISCUSSION:

March 7, 2022, the City adopted a new Investment Policy under Resolution 22-05. The Raymond James report is attached, which includes a listing of investments by type with their book and market values as of the report date as well as portfolio activity during the period. Following are supplementary tables.

Table 1 shows the value of the portfolio as of June 30, 2022 by security type. This table also shows the percentage of each security type along side the maximum amount allowed by our investment policy.

Table 1: Investment Portfolio current fair value by type and weight by percentage

Investment Type	Fair Value	Percentage of Portfolio	Max % as per Investment Policy 22-05
US Treasuries	\$ 3,942,345	18%	75%
Mortgage and Asset Backed Securities	9,327,319	42%	75%
Investment grade corporate bonds	1,286,477	6%	20%
FDIC Insured certificates of deposit	1,764,120	8%	75%
Cash at Raymond James	439,600	2%	75%
Unrestricted Cash at Trustmark*	5,497,588	25%	75%
Portfolio Total	\$ 22,257,448	100%	

Table 2 shows the income earned for the current quarter and the 12-month cumulative.

Table 2: Income earned for quarter and last 12 months

	Current Quarter		Last 12 months	
	(04/01/2022 -		(06/30/2021 -	
	06/30/2022)		06/30/2022)	
Interest Realized on Portfolio	\$	78,451	\$	324,936
Change in Fair Market Value		(305,446)		(1,060,435)
Income earned	\$	(226,994)	\$	(735,498)

Table 3 compares the performance of the City of Destin's investments against two benchmarks.

Table 3: Comparison of Quarterly and Calendar Year-to-Date Performance to Benchmarks

	Current Quarter		Last 12 Months	
	(04/01/2022 -		(06//2021 -	
	06/30/2022)		06/30/2022)	
City of Destin		-1.29%		-4.69%
ICE BofA 1-Year US Treasury		-0.48%		-1.44%
Florida Prime		0.85%		0.32%

Table 4 lists the investments by type, lists maturity dates and average maturities of the investments in each major category. The percentage of portfolio total is then applied to find the weighted average maturity of the total portfolio. The significant amount of cash brings the average weighted maturity down to the equivalent of 1.78 years. Ratings by Standard & Poors are also listed in this table. Eagle Assets of Raymond James is working diligently to replace BBB- investment grade corporate bonds with corporate bonds with a minimum rating of A and asset-backed securities with a minimum rating of AAA. We aim to complete this transition by October 1, 2022.

Table 4: Maturity dates and weighted average maturity of the investment portfolio

Investment Type	Fair Value	Maturity	Percentage of Portfolio (Weight)	Average Maturity (years)	Weighted Average Maturity	Ratings
US Treasuries	\$ 3,942,345	11/30/22-11/15/31	18%	3.11	0.55	
Mortgage and Asset Backed Securities	9,327,319	07/25/22 -09/01/51	42%	2.02	0.85	AA+ to AAA
Investment grade corporate bonds	1,286,477	10/01/22-09/15/30	6%	4.30	0.25	BBB- to AA-
FDIC Insured certificates of deposit	1,764,120	07/05/22-04/13/26	8%	1.66	0.13	
Cash at Raymond James	439,600	6/30/2022	2%	0.00	-	
Unrestricted Cash at Trustmark*	5,497,588	6/30/2022	25%	0.00	-	
Portfolio Total	\$ 22,257,448		100%		1.78	

Table 5 is a summary of changes for the fiscal year to date as compared to the prior four fiscal years for the funds transferred to Raymond James. During fiscal year 2022, the City has realized

income in the amount of \$238,641 and has accumulated an unrealized decrease in market value of \$1,016,861. At the completion of the Audit in March 2022, \$1,742,528 was transferred to the investment accounts from the General Fund. Investment administration expenses this year to date total \$35,249.

Table 5: Additions and Deductions five-year trend

	10/01/2021- 06/30/2022	10/01/2020- 09/30/2021	10/01/2019- 09/30/2020	10/01/2018- 09/30/2019	10/01/2017- 09/30/2018
Additions					
Contributions	\$ 1,742,528	\$ 5,234,644	\$ -	\$ -	\$ -
Interest Earnings	238,641	291,529	261,031	253,389	213,534
Unrealized gain/(loss)*	(1,016,861)	(250,557)	167,448	252,775	(192,880)
Total Additions	\$ 964,308	\$ 5,275,615	\$ 428,479	\$ 506,164	\$ 20,654
Deductions					
Investment Admin Expenses	35,249	58,455	35,592	34,330	37,560
Total Deductions	35,249	58,455	35,592	34,330	37,560
 Net Change	 \$ 929,059	 \$ 5,217,160	 \$ 392,887	 \$ 471,834	 \$ (16,906)
Beginning Balance	\$15,739,545	\$10,522,385	\$10,129,498	\$ 9,657,663	\$ 9,674,570
Ending Balance	\$16,668,604	\$15,739,545	\$10,522,385	\$10,129,498	\$ 9,657,663

*Unrealized gain/loss is the fair market value of the investments if sold on the reporting date instead of holding to maturity.

Table 6 shows the fund balance characterization of the funds held with our Investment Firm plus the additional available to be invested currently on hand at Trustmark. The committed balances listed below are in accordance with the City's Fund Balance policy Resolution 12-20.

Table 7: Investment Fund Balance

Fund Balance	As of 06/30/2022
<i>Committed</i>	
Emergency Operations	\$ 3,707,539 = 3 months operating
Emergency Maintenance	3,707,539 = 3 months operating
Debt Service	2,669,655 = 1 year debt service
Total Committed	<u>10,084,733</u>
 <i>Unrestricted</i>	 \$12,172,715
Total Fund Balance	<u>\$22,257,448</u>

A current report as of June 30, 2022 produced by Raymond James is attached.

A. Link to Strategic Goals / Objectives:

Financially sound city providing service excellence.

B. Effect on Budget (EOB):

This item is for information only and has no effect on the Budget.

C. Level of Service (LOS):

This report provides the City Council with the current financial condition of the City.

D. Legislative Sponsor:

III. CONCLUSION:

The City is currently receiving the investment interest revenue and paying investment administrative expenses in a manner consistent with prior years.

IV. RECOMMENDED MOTION:

No motion is required for this item.

Attachments:

1. City of Destin Jun 2022 report



Brian Haugen WMS, CRPS®, CEP®
Senior Vice President, Investments

Steve Cann MS, MPAS®, CFP®
Associate Vice President, Investments

July 25, 2022

Krystal:

Attached is the City's most recent quarterly report for the period ending 6/30/2022.

Summary of Investment Objectives and Restrictions

Accounts at Raymond James / Eagle Asset Management are managed in accordance with the City's published objectives and restrictions as referenced and summarized below:

- **Compliance with Florida Statutes 218.415 & 208.02, and City's Investment Policy Statement adopted in Resolution 22-05**

Allowable investment securities are restricted to:

- Bank deposits at Qualified Public Depository
- U.S. Treasuries, TIPS, T-bills
- U.S. Government Agencies
- U.S. Government Sponsored Enterprises
- Certificates of Deposit (FDIC-insured CDs)
- Commercial paper (Prime-I, A-1+ or better)
- Investment Grade Corporate Bonds (A or better)
- Asset Backed Securities (AAA only)
- Government Money Market Funds
- Municipal Bonds (AA, Aa or better)

Resolution 22-05 provides for a transitional period until October 1, 2022 for the City's portfolio to become fully compliant with changes adopted in the revised Investment Policy Statement

- **Compliance with City's stated Investment Objectives and Criteria (Investment Policy Statement, Resolution 22-05)**

- Safety, risk management (interest rate, and credit), liquidity, income, prudence
- Average portfolio maturity of not more than five (5) years
- Performance goal to regularly exceed the average rate of return on the ICE BOA Merrill Lynch 1-yr US Treasury Index, or three-month annualized net participant yield for Florida Prime

Performance Analysis as of Jul 14, 2022



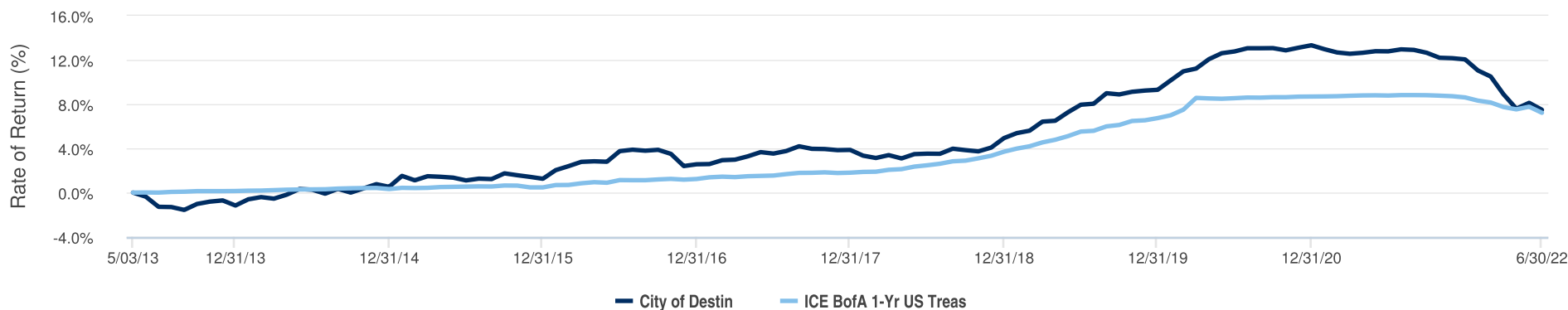
City of Destin

BRIAN HAUGEN, STEVE CANN
brian.haugen@raymondjames.com

Performance Analysis Summary

Time-Weighted (Net of Fees)

Total Market Value as of 6/30/2022: \$16,718,973.76



The Cumulative Return is charted above.

	QTD 3/31/22 6/30/22	Last 12 Months 6/30/21 6/30/22	Last 3 Years* 6/30/19 6/30/22	Since Inception* 5/03/13 6/30/22
City of Destin	(1.29%)	(4.69%)	(0.14%)	0.79%
ICE BofA 1-Yr US Treas	(0.48%)	(1.44%)	0.54%	0.76%
S&P 500 Total Return Indx	(16.10%)	(10.62%)	10.59%	11.89%
Bloomberg U.S. Agg Bd	(4.69%)	(10.29%)	(0.93%)	1.42%

Inception Date: 5/3/13

*Returns are annualized for periods greater than one year.

Performance Analysis as of Jul 14, 2022



City of Destin

BRIAN HAUGEN, STEVE CANN
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Performance Analysis Detail

Time-Weighted (Net of Fees)

	Account	Market Value(\$) 6/30/22	Performance Inception/ Close	QTD 3/31/22 6/30/22	Last 12 Months 6/30/21 6/30/22	Last 3 Years* 6/30/19 6/30/22	Since Inception* 5/03/13 6/30/22
City of Destin - CD's	xxxxx714	1,895,239.15	9/21/2017	(1.19%)	(1.40%)	0.59%	1.15%
EM Maintenance Fund	xxxxx675	3,602,953.19	5/03/2013	(0.65%)	(3.68%)	(0.43%)	0.46%
Alternate Investment Fund	xxxxx680	5,004,628.10	5/03/2013	(2.47%)	(7.77%)	(0.69%)	0.84%
Debt Service Fund	xxxxx699	2,609,796.03	5/03/2013	(0.80%)	(3.75%)	(0.41%)	0.46%
EM Operating Fund	xxxxx703	3,606,357.29	5/03/2013	(0.68%)	(3.58%)	(0.31%)	0.51%

*Returns are annualized for periods greater than one year.

Additional Information Regarding This Report

City of Destin

BRIAN HAUGEN, STEVE CANN
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This report should not be used as a substitute for your monthly statement, 1099 or to determine taxability. Changes in tax laws may occur at any time and could have a substantial impact upon each person's situation. While we are familiar with the tax provisions of the issues presented herein, we are not qualified to render advice on tax or legal matters. The information in this report has been obtained from sources that we believe to be reliable, but cannot be guaranteed.

©2022 Raymond James & Associates, Inc., member New York Stock Exchange/SIPC. Investment products are: not deposits, not FDIC/NCUA insured, not insured by any government agency, not bank guaranteed, subject to risk and may lose value.

Alex.Brown a division of Raymond James.

The account listing may or may not include all of your accounts with Raymond James & Associates, Inc. This report is comprised of data from the following accounts: xxxxx714, xxxxx675, xxxxx680, xxxxx699, xxxxx703

Report ID: a_113652_1657857600000_1657936511000_00001of00001

Performance

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The current performance may be lower or higher than the performance data quoted. It is not possible to invest directly in an index.

Performance is depicted using the Time-Weighted method for the entire period.

Time-Weighted - The geometric (compounded) return measured on the basis of periodic market valuations of assets. If applicable, the return includes the effects of leverage. Unlike the dollar-weighted method, it minimizes the impact of cash flows on the rate of return; however, in principle it requires valuations to be made on the occasion of each cash flow. Approximation to this measure can be obtained by prorating cash flows to successive valuation points or by computing internal rates of return between valuation points. If there are no interim cash flows, the time-weighted return, compounded annually determines the entire value of an investment.

Returns are calculated net of fees.

Annualized refers to the annualized return from the inception date of the account, or the selected beginning date when using the date-to-date functionality.

The inception date indicates the date of account or household initiation in the Portfolio Performance system. This date may not match the date the account was opened.

Managed Account Performance- In order for managers to track real time cash in managed AMS accounts, certain activity may not reflect the actual transaction dates and market values may differ from what is reported on client statements. The Time-Weighted Total Equity and Time-Weighted All Cash returns are the same for these accounts.

All performance figures exclude unpriced securities (including securities of indeterminate value), limited partnerships (other than limited partnerships classified as Alternative Investments and

appearing in that section of your statement).

Dividends are not guaranteed and will fluctuate.

The CFA Institute has not been involved with the preparation or review of this statement.

Accounts that have been closed may be included in the consolidated performance report. When closed accounts are included in the consolidated report, the performance report will only include information for the time period the account was active during the consolidated performance reporting time period.

Accounts with Real Time Cash may have cash values updated throughout the day, note that this may cause a difference in account values between performance and holdings reports.

Securities Information

Non-proprietary annuity values will show as contributions on the date they became available to the Portfolio Performance system. They are included through the selected calculation ending date. Prior inclusion of these values in the rate of return calculation is not available.

Raymond James Certificates of Deposit values will show as contributions on the date they became available to the Portfolio Performance system. They are included through the selected calculation ending date. Prior inclusion of these values in the rate of return calculation is not available.

Values include accrued income. Values are based on trade date accounting method.

Additional Information Regarding This Report

City of Destin

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Benchmark Information

Bloomberg U.S. Agg Bd - The Bloomberg U.S. Aggregate Bond index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

ICE BofA 1-Yr US Treas - The ICE BofA 1-Year US Treasury Note Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding two-year Treasury note that matures closest to, but not beyond, one year from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date.

S&P 500 Total Return Indx - The S&P 500 Index Total Return is a broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. It consists of 400 industrial, 40 utility, 20 transportation, and 40 financial companies listed on U.S. market exchanges. This is a capitalization-weighted calculated on a total return basis with dividends reinvested. The S&P represents about 75% of the NYSE market capitalization.

FDIC Insured CD Ladder

Description	Symbol/CUSIP	Maturity Date	Coupon	Quantity	Est. Annual Income
CASH				\$ 125,391.69	
ALLY BANK MIDVALE, UT FDIC # 57803 CERTIFICATE OF DEPOSIT SEMI-ANNUAL	02007GKN2	7/5/2022	2.15%	113,000.00000	\$2,429.50
BANK OF NEW ENGLAND FDIC # 24540 CERTIFICATE OF DEPOSIT MONTHLY	063847BJ5	9/29/2022	0.10%	150,000.00000	\$150.00
GOLDMAN SACHS BANK USA FDIC # 33124 CERTIFICATE OF DEPOSIT SEMI-ANNUAL	38149MNX7	1/30/2023	1.80%	40,000.00000	\$720.00
AMERICAN NATIONAL BANK FDIC # 33812 CERTIFICATE OF DEPOSIT MONTHLY CALLABLE BEGINNING 07/30/22	02772JCC2	6/30/2023	0.15%	100,000.00000	\$150.00
FIRST NATIONAL BANK DAMARISCOTTA, ME FDIC # 4256 CERTIFICATE OF DEPOSIT MONTHLY	32117BES3	10/30/2023	1.90%	200,000.00000	\$3,800.00
TEXAS EXCH BANK SSB CROWLEY, TX FDIC # 20099 CERTIFICATE OF DEPOSIT MONTHLY CALLABLE BEGINNING 08/18/22	88241TJP6	12/18/2023	0.35%	95,000.00000	\$332.50
EXCHANGE BK GIBBON, NE FDIC # 1435 CERTIFICATE OF DEPOSIT MONTHLY	301074FL9	4/29/2024	1.75%	200,000.00000	\$3,500.00
MORGAN STANLEY BANK, NATIONAL ASSOCIATION SALT LAKE CITY, UT FDIC # 32992 CERTIFICATE OF DEPOSIT SEMI-ANNUAL CALLABLE BEGINNING 04/20/23	61773TDL4	10/18/2024	2.35%	200,000.00000	\$4,700.00
GOLDMAN SACHS BANK USA NEW YORK, NY FDIC # 33124 CERTIFICATE OF DEPOSIT MONTHLY CALLABLE BEGINNING 10/13/22	38149M4U4	4/14/2025	2.65%	200,000.00000	\$5,300.00
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION COLUMBUS, OH FDIC # 628 CERTIFICATE OF DEPOSIT SEMI-ANNUAL CALLABLE BEGINNING 10/19/22	48128WRW7	4/17/2025	2.75%	250,000.00000	\$6,875.00
CAPITAL ONE BANK (USA) NA GLEN ALLEN, VA FDIC # 33954 CERTIFICATE OF DEPOSIT SEMI-ANNUAL	14042TFH5	4/13/2026	2.65%	250,000.00000	\$6,625.00
Total:	11			\$ 1,923,391.69	\$34,582.00

Emergency Maintenance Fund (Page 1 of 2)

CUSIP	Coupon	Maturity	Quantity	Market Price	Mkt Value + Accrued	Moody Rating	S&P Rating	Duration	Yield to Worst	Current Yield	Avg Life Yrs	Weight	
DESTCT - City of Destin (Prices as of 07/01/2022)	1.952	03/30/2027	3,664	98.386	3,609,972.05				1.793	2.808	1.985	1.961	100.00
Cash													
-													
CASHCASH6 - OPENING BALANCE	0.000	07/05/2022	97	100.000	97,390.45	U.S./#Aaa	U.S.		0.000	0.000	0.000	0.011	2.70
ABS													
-													
12660DAC1 - Cnh Equipment Tr 2022-a 20270715 0.00000 a-3	2.940	07/15/2027	72	98.350	70,906.08		AAA		3.250	3.466	2.989	3.501	1.96
14041NFU0 - Capital One CC Tr 2019-2 20240815 1.72000 a	1.720	08/15/2024	70	99.980	70,039.52		AAA		0.110	1.891	1.720	0.121	1.94
14041NFW6 - COMET 2021-A1 A1 0.55% 07/15/2026	0.550	07/15/2026	72	94.700	68,201.60		AAA		1.980	3.262	0.581	2.041	1.89
14315NAC4 - CARMX 2019-1 A3 3.05% 03/15/2024	3.050	03/15/2024	12	100.100	11,633.59	Aaa	AAA		0.140	2.431	3.047	0.159	0.32
14317DAC4 - Carmax Auto Owner Trust 2021-3 20260615 0.00000 a-3	0.550	06/15/2026	73	96.200	70,243.84	Aaa	AAA		2.360	2.166	0.572	2.430	1.95
254683CM5 - DCENT 2019-A3 A 1.89% 10/15/2024	1.890	05/15/2024	18	99.870	18,020.07	Aaa			0.270	2.353	1.892	0.290	0.50
34528QHK3 - Ford Credit Mstr Tr a 2020-1 20250915 0.00000 a-1	0.700	09/15/2025	73	96.570	70,518.81	Aaa			1.170	3.639	0.725	1.210	1.95
362590AC5 - Gm Fin Cons Atmb Tr 2020-3 20250716 0.00000 a3	0.450	04/16/2025	50	98.360	48,724.86	Aaa	AAA		1.010	2.051	0.458	1.049	1.35
43813GAC5 - HAROT 2021-1 A3 0.27% 04/21/2025	0.270	03/01/2025	73	97.660	71,357.50	Aaa	AAA		1.090	2.396	0.276	1.131	1.98
448977AD0 - Hyundai Auto Rec Tr 2022-a 20261015 0.00000 a-3	2.220	10/15/2026	72	97.160	70,026.24		AAA		2.810	3.246	2.285	2.970	1.94
47787JAC2 - John Deere Owner Tr 2022 20260915 0.00000 a-3	2.320	09/15/2026	72	97.670	70,396.64	Aaa			2.470	3.277	2.375	2.611	1.95
65479CAD0 - Nissan Auto Rec Tr 2020-B 20240715 0.00000 a-3	0.550	07/15/2024	15	98.990	14,847.89		AAA		0.550	2.320	0.556	0.581	0.41
65480BAC1 - NAROT 2021-A A3	0.330	10/15/2025	73	95.980	70,076.11	Aaa	AAA		1.800	2.563	0.344	1.861	1.94
92348CAA9 - Verizon Owner Tr 2020-C 20250421 0.00000 a	0.410	12/01/2025	72	97.890	70,480.80		AAA		0.760	3.142	0.419	0.789	1.95
92348KAH6 - Verizon Master Trust 2022-2 20280720 0.00000 a	1.530	07/20/2028	30	94.900	28,484.03	Aaa	AAA		2.450	3.652	1.612	2.551	0.79
92348KAS2 - Verizon Master Trust 2022-4 20281120 0.00000 a	3.400	11/20/2028	60	99.550	59,792.33	Aaa			2.690	3.591	3.415	2.890	1.66
Agencies													
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3133EMYX4 - Federal Farm Cr Bks Cons Bd 0.125%23 Cons B	0.125	05/10/2023	110	97.800	107,599.48	Aaa	AAA		0.848	2.736	0.128	0.858	2.98
3135G0T78 - Federal Natl Mtg Assn 2%100522 2%1005	2.000	10/05/2022	50	99.960	50,218.89	Aaa	AA+		0.260	2.144	2.001	0.263	1.39
3137EAET2 - Federal Home Ln Mtg Corp Fr 0.125%072522 Fr 0.1	0.125	07/25/2022	29	99.930	28,995.41	Aaa	AA+		0.066	1.175	0.125	0.066	0.80
3137EAEV7 - Federal Home Ln Mtg Corp Fr 082423 Fr 082	0.250	08/24/2023	144	97.150	140,023.00	Aaa	AAA		1.132	2.791	0.257	1.148	3.88
742651DT6 - Private Expt Fdg Corp Nt 3.55%24 Nt 3.5	3.550	01/15/2024	149	100.940	152,839.65	Aaa			1.493	2.920	3.517	1.541	4.23
742651DX7 - Private Export Funding Corp. 1.75% Snr Sec Pidi Nts 15/11/20	1.750	11/15/2024	70	96.850	67,951.53	Aaa	AAA		2.304	3.138	1.807	2.375	1.88
CMBS													
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3137B4GX8 - FHLMC Remic Series K-032 20230225 3.01600 a-1	3.016	02/01/2023	6	100.060	6,012.11	Aaa	AAA		0.310	2.186	3.014	0.310	0.17
3137B7YY9 - FHLMC Series K-037 20240125 3.49000 a-2	3.490	01/01/2024	75	100.340	75,255.00	Aaa	AAA		1.330	3.084	3.478	1.380	2.08
CMO													
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3136A06K8 - FNMA Remic Trust 2011-91 20260825 2.50000 E	2.500	08/01/2026	48	99.220	47,647.22	Aaa	AAA		1.200	3.025	2.520	1.251	1.32
3136A73R1 - FNMA Remic Trust 2012-95 20320825 2.00000 Bd	2.000	08/01/2032	129	95.570	123,063.83	Aaa	AAA		3.110	3.353	2.093	3.510	3.41
3136AGDV1 - FNMA Remic Trust 2013-97 20311125 3.00000 Eb	3.000	11/01/2031	85	99.810	84,542.05	Aaa	AAA		1.260	3.012	3.006	1.391	2.34
3137A1N25 - FHLMC Remic Series 3706 20231015 2.00000 Cb	2.000	10/01/2023	0	99.360	115.85	Aaa	AA+		0.460	3.186	2.013	0.490	0.00
3137ABQF8 - FHLMC Remic Series 3841 20260415 3.00000 Bd	3.000	04/01/2026	0	99.850	0.25	Aaa	AA+		0.310	3.112	3.005	0.321	0.00
3137ANTK1 - FHLMC Remic Series 4027 20410715 3.50000 Ta	3.500	07/01/2041	86	101.040	87,007.51	Aaa	AAA		2.670	3.191	3.464	3.890	2.41
3137AWNN1 - FHLMC Remic Series 4136 20260115 3.00000 Vj	3.000	01/01/2026	25	99.820	25,032.44	Aaa	AAA		1.550	3.055	3.005	1.839	0.69
3137B1XY3 - FHLMC Remic Series 4204 20280515 1.75000 Hd	1.750	05/01/2028	45	97.040	43,598.30	Aaa	AAA		1.770	3.406	1.803	1.850	1.21
3137B95Q4 - FHLMC Remic Series 4316 20330315 3.00000 Mh	3.000	03/01/2033	36	99.830	35,682.75	Aaa	AAA		1.490	3.052	3.005	1.710	0.99
3137BDYM2 - FHLMC Remic Series 4387 20281115 2.00000 E	2.000	11/01/2028	105	97.530	102,383.51	Aaa	AAA		1.820	3.326	2.051	1.921	2.84
3137BGVZ9 - FHLMC Remic Series 4447 20330215 3.00000 Ba	3.000	02/01/2033	2	99.950	1,660.52	Aaa	AAA		0.160	2.638	3.002	0.181	0.05
31393RTE0 - FHLMC Remic Series 2631 20330615 3.62500 Da	3.625	06/01/2033	38	100.770	38,392.33	Aaa	AA+		1.510	3.078	3.597	1.669	1.06

Emergency Maintenance Fund (Page 2 of 2)

CUSIP	Coupon	Maturity	Quantity	Market Price	Mkt Value + Accrued	Moody Rating	S&P Rating	Duration	Yield to Worst	Current Yield	Avg Life Yrs	Weight
DESTCT - City of Destin (Prices as of 07/01/2022)	1.952	03/30/2027	3,664	98.386	3,609,972.05			1.793	2.808	1.985	1.961	100.00
31394CBB7 - FNMA Remic Trust 2005-3 20350225 5.50000 Ap	5.500	02/01/2035	15	104.830	15,456.74	Aaa	AAA	2.590	3.563	5.247	2.890	0.43
31397QLT3 - FNMA Remic Trust 2011-4 20400425 3.00000 Pk	3.000	04/01/2040	11	99.600	10,633.26	Aaa	AA+	0.850	3.264	3.012	0.841	0.29
31398VUJ3 - FHLMC Remic Series 3659 20250415 4.00000 Dy	4.000	04/01/2025	2	100.360	1,769.53	Aaa	AA+	0.180	1.377	3.986	0.200	0.05

MBS

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3128MFNA2 - FHLMC Giant Mbs Gold Comb 15 3.000 20330501 3.	3.000	05/01/2033	75	99.380	74,997.63	Aaa	AAA	3.180	3.162	3.019	3.890	2.08
3132A8SY6 - FHLMC Super 15y Fixed 2.000 20320101 2.	2.000	01/01/2032	33	96.250	32,055.89	Aaa	AAA	3.060	3.172	2.078	3.389	0.89
3138EHQ21 - FNMA Umbs Int 15 Year 5.000 20240901 5.	5.000	09/01/2024	5	103.090	5,530.89	Aaa	AAA	0.520	-1.245	4.850	0.551	0.15
3138EL4S9 - FNMA Pass-Thru Int 15 Year 4.500 20261001 4.	4.500	10/01/2026	33	102.460	33,862.55	Aaa	AAA	1.330	2.522	4.392	1.421	0.94
3140X8BF3 - FNMA Super Int 15 Year 4.000 20340601 4.	4.000	06/01/2034	40	102.180	40,586.41	Aaa	AAA	2.100	2.958	3.915	2.441	1.12
3140X8RF6 - FNMA Super Shrt 10 Year 1.500 20301201 1.	1.500	12/01/2030	83	95.660	79,511.14	Aaa	AAA	3.060	2.912	1.568	3.249	2.20
3140XACH3 - FNMA Super Int 15 Year 4.500 20360401 4.	4.500	01/01/2027	80	102.460	81,738.80	Aaa	AAA	1.170	2.247	4.392	1.240	2.26
31418AJK5 - FNMA Umbs Int 20 Year 3.000 20320901 3.	3.000	09/01/2032	98	99.150	96,675.85	Aaa	AAA	3.240	3.205	3.026	3.849	2.68
31418CB45 - FNMA Pass-Thru Int 20 Year 3.500 20360901 3.	3.500	09/01/2036	34	100.190	34,195.08	Aaa	AAA	3.910	3.432	3.493	5.221	0.95
31418CMJ0 - FNMA Umbs Int 15 Year 3.000 20320701 3.	3.000	07/01/2032	76	99.600	75,812.81	Aaa	AAA	2.990	3.080	3.012	3.619	2.10
31418DY55 - FNMA Umbs Shrt 10 Year 1.500 20310501 1.	1.500	05/01/2031	29	95.660	27,839.30	Aaa	AAA	3.270	2.806	1.568	3.521	0.77
31418MXQ0 - FNMA Super Int 15 Year 4.500 20250201 4.	4.500	02/01/2025	37	102.770	38,002.59	Aaa	AAA	0.910	1.298	4.379	0.970	1.05
36202FJC1 - GNMA Pass-Thru M Single Family 4.000 20250820 4.	4.000	08/01/2025	28	99.770	28,355.87	Aaa	AAA	1.200	4.050	4.009	1.260	0.79
3622AANY6 - GNMA Pass-Thru C Platinum 15yr 3.500 20310420 3.	3.500	04/01/2031	28	101.760	28,269.62	Aaa	AAA	2.450	2.749	3.439	2.679	0.78

Treasuries

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9128282Y5 - United States Treas Nts 2.125%09/30/24 2.125%	2.125	09/30/2024	215	98.480	212,880.43	U.S./#Aaa	U.S.	2.185	2.827	2.158	2.249	5.90
912828M80 - United States Treas Nts 2%11/30/22 2%11/3	2.000	11/30/2022	141	99.850	141,027.35	U.S./#Aaa	U.S.	0.413	2.361	2.003	0.416	3.91
912828VS6 - United States Treas Nts 2.5%08/15/23 2.5%08	2.500	08/15/2023	25	99.590	25,132.31	U.S./#Aaa	U.S.	1.101	2.872	2.510	1.123	0.70
91282CBM2 - United States Treas Nts 0.125%02/15/24 0.125%	0.125	02/15/2024	146	95.770	139,892.76	U.S./#Aaa	U.S.	1.607	2.807	0.131	1.626	3.88
91282CDN8 - United States Treas Nts 1%12/15/24 1%12/1	1.000	12/15/2024	195	95.640	186,583.25	U.S./#Aaa	U.S.	2.401	2.850	1.046	2.458	5.17

Alternate Investment Fund (1 of 3)

CUSIP	Coupon	Maturity	Quantity	Market Price	Mkt Value + Accrued	Moody Rating	S&P Rating	Duration	Yield to Worst	Current Yield	Avg Life Yrs	Weight
DESTC2 - City of Destin (Prices as of 07/01/2022)	2.414	09/22/2027	5,192	96.586	5,032,750.09			3.805	3.183	2.500	4.173	100.00
Cash												
-												
CASHCASH6 - OPENING BALANCE	0.000	07/05/2022	153	100.000	152,947.76	U.S./#Aaa	U.S.	0.000	0.000	0.000	0.011	3.04
ABS												
-												
34528QHK3 - Ford Credit Mstr Tr a 2020-1 20250915 0.00000 a-1	0.700	09/15/2025	93	96.570	89,839.03	Aaa		1.170	3.639	0.725	1.210	1.79
380149AC8 - Gm Fin Cons Atmb Rec Tr 2021-2 20260416 0.00000 a-3	0.510	04/16/2026	56	96.840	54,242.30	Aaa	AAA	1.860	2.200	0.527	1.929	1.08
92348KAA1 - VZMT 2021-1 A 0.50% 05/20/27	0.500	05/20/2027	65	94.480	61,421.93	Aaa	AAA	1.830	3.555	0.529	1.891	1.22
98162WAD9 - WOART 2018-D A3 3.33% 3/15/2024	3.330	03/15/2024	4	100.120	4,204.68	Aaa	AAA	0.150	2.621	3.326	0.170	0.08
98163LAC4 - World Omni Auto Recv Tr 2021-B 20260615 0.00000 a-3	0.420	06/15/2026	37	96.090	35,560.21		AAA	2.070	2.308	0.437	2.140	0.71
Agencies												
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3133EHNP4 - Federal Farm Cr Bks Cons Bd 2.35%25 Cons B	2.350	06/16/2025	38	98.470	37,455.81	Aaa	AA+	2.837	2.893	2.387	2.959	0.74
742651DT6 - Private Expt Fdg Corp Nt 3.55%24 Nt 3.5	3.550	01/15/2024	37	100.940	37,953.47	Aaa		1.493	2.920	3.517	1.541	0.75
742651DY5 - Private Expt Fdg Corp Sr Sec Nt 1.4%28 Sr Sec	1.400	07/15/2028	54	90.090	48,997.20	Aaa	AAA	5.714	3.219	1.554	6.038	0.97
880591ER9 - Tennessee Valley Auth Sr Nt 2.875%24 Sr Nt	2.875	09/15/2024	98	99.880	98,712.00	Aaa	AA+	2.131	2.930	2.878	2.208	1.96
880591EU2 - Tennessee Valley Auth Sr Gbl Nt 27 Sr Glb	2.875	02/01/2027	75	99.390	75,440.94	Aaa	AA+	4.267	3.018	2.893	4.589	1.50
CMBS												
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3137B1UG5 - FHLMC Remic Series K-027 20230125 2.63700 a-2	2.637	01/01/2023	48	99.850	47,728.48	Aaa	AAA	0.410	2.589	2.641	0.411	0.95
3137B7YY9 - FHLMC Series K-037 20240125 3.49000 a-2	3.490	01/01/2024	35	100.340	35,119.00	Aaa	AAA	1.330	3.084	3.478	1.380	0.70
3137BBBD1 - FHLMC Remic Series K-038 20240325 3.38900 a-2	3.389	03/01/2024	36	100.140	36,050.40	Aaa	AAA	1.520	3.172	3.384	1.579	0.72
3137BSRZ8 - FHLMC Remic Series K-J09 20220925 2.83800 a-2	2.838	09/01/2022	5	99.920	5,355.61	Aaa	AAA	0.230	2.381	2.840	0.170	0.11
3137F83P6 - FHLMC Remic Series K-121 20300825 Flt a-1	0.995	08/01/2030	40	88.420	35,513.18	Aaa	AAA	5.350	3.256	1.125	5.680	0.71
3137FARE0 - FHLMC Remic Series K-727 20240725 2.94600 a-2	2.946	07/01/2024	37	99.450	36,441.44	Aaa	AAA	1.820	3.159	2.962	1.891	0.72
3137FEBQ2 - FHLMC Remic Series K-072 20271225 3.44400 a-2	3.444	12/01/2027	45	100.380	45,171.00	Aaa	AAA	4.880	3.344	3.431	5.410	0.90
3137FG6X8 - FHLMC Remic Series K-077 20280525 Flt a-2	3.850	05/01/2028	47	102.430	48,142.10	Aaa	AAA	5.160	3.364	3.759	5.809	0.96
3137FJYB9 - FHLMC Remic K-J22 20240925 4.09400 a-2	4.094	09/01/2024	19	101.020	18,729.69	Aaa	AAA	1.330	3.159	4.053	1.391	0.37
3137FJZ93 - FHLMC Remic Series K-084 20281025 Flt a-2	3.780	10/01/2028	35	101.660	35,581.00	Aaa	AAA	5.510	3.465	3.718	6.249	0.71
3137FQXJ7 - FHLMC Remic Series K-737 20261025 2.52500 a-2	2.525	10/01/2026	75	96.990	72,742.50	Aaa	AAA	3.910	3.275	2.603	4.181	1.45
3137FV5M0 - FHLMC Remic Series K-113 20291025 0.80500 a-1	0.805	10/01/2029	82	88.540	72,452.41	Aaa	AAA	4.860	3.273	0.909	5.101	1.44
Corporates												
Financial												
12572QAJ4 - Cme Group Inc Sr Nt 3.75%28 Sr Nt	3.750	06/15/2028	47	99.150	46,678.83	Aa3	AA-	5.256	3.911	3.782	5.956	0.93
46625HRY8 - Jpmorgan Chase & CO Sr Nt Fxd/Flt 28 Sr Nt	3.782	02/01/2028	50	96.680	49,127.92	A2	A-	4.973	4.460	3.912	5.587	0.98
49326EEK5 - Keycorp Medium Term Nts Be Fr 2.25%040627 Fr 2.2	2.250	04/06/2027	50	90.570	45,550.63	Baa1	BBB+	4.443	4.469	2.484	4.764	0.91
571748AZ5 - Marsh & McLennan Cos Inc Sr Gbl Nt 26 Sr Glb	3.750	03/14/2026	24	99.540	24,157.10	Baa1	A-	3.387	3.883	3.767	3.701	0.48
6174468Q5 - Morgan Stanley Fr 2.188%042826 Fr 2.1	2.188	04/28/2026	55	94.220	52,031.60	A1	A-	3.624	3.826	2.322	3.825	1.03
631103AG3 - Nasdaq Inc	3.850	06/30/2026	60	99.630	59,784.41	Baa2	BBB+	3.618	3.951	3.864	3.997	1.19
808513AY1 - Schwab Charles Corp New Sr Gbl Nt 24 Sr Glb	3.550	02/01/2024	37	100.260	37,643.49	A2	A	1.520	3.371	3.541	1.503	0.75
92277GAT4 - Ventas Rlty Ltd Partnership Sr Nt 2.65%25 Sr Nt	2.650	01/15/2025	45	96.120	43,803.88	Baa1	BBB+	2.427	4.279	2.757	2.542	0.87
970648AJ0 - Willis North Amer Inc Sr Gbl Nt 29 Sr Glb	2.950	09/15/2029	51	86.450	44,532.49	Baa3	BBB	6.337	5.230	3.412	7.208	0.88
Industrial												
00206RGL0 - At&T Inc Sr Gbl Nt4.1%28 Sr Glb	4.100	02/15/2028	56	98.940	56,273.78	Baa2	BBB	4.952	4.314	4.144	5.626	1.12
00287YAQ2 - Abbvie Inc Sr Nt 3.6%25 Sr Nt	3.600	05/14/2025	50	99.060	49,765.00	Baa2	BBB+	2.704	3.948	3.634	2.868	0.99

Alternate Investment Fund (2 of 3)

CUSIP	Coupon	Maturity	Quantity	Market Price	Mkt Value + Accrued	Moody Rating	S&P Rating	Duration	Yield to Worst	Current Yield	Avg Life Yrs	Weight
DESTC2 - City of Destin (Prices as of 07/01/2022)	2.414	09/22/2027	5,192	96.586	5,032,750.09			3.805	3.183	2.500	4.173	100.00
00846UAK7 - Agilent Technologies Inc Sr Gbl Nt 26 Sr Gbl	3.050	09/22/2026	41	96.100	39,744.89	Baa2	BBB+	3.921	4.063	3.174	4.227	0.79
032095AJ0 - Amphenol Corporation Snr Pidi Nts Usd (Sec Regd)	2.800	02/15/2030	50	87.890	44,473.89	A3	BBB+	6.717	4.709	3.186	7.627	0.88
053015AE3 - Automatic Data Processing Inc Sr Gbl Nt 25 Sr Gbl	3.375	09/15/2025	40	100.480	40,589.50	Aa3	AA-	2.874	3.203	3.359	2.956	0.81
075887BW8 - Becton Dickinson & CO Sr Gbl Nt3.7%27 Sr Gbl	3.700	06/06/2027	50	97.430	48,843.47	Baa2	BBB	4.459	4.283	3.798	4.932	0.97
101137AZ0 - Boston Scientific Corp Sr Gbl Nt1.9%25 Sr Gbl	1.900	06/01/2025	55	94.950	52,309.58	Baa1	BBB	2.804	3.743	2.001	2.918	1.04
117043AS8 - Brunswick Corporation Snr Nts Usd (Sec Regd)	0.850	08/18/2024	54	92.690	50,222.18	Baa2	BBB-	2.086	4.485	0.917	2.132	1.00
126650CU2 - Cvs Health Corp Sr Gbl Nt 26 Sr Gbl	2.875	06/01/2026	50	95.780	48,009.79	Baa2	BBB	3.662	4.050	3.002	3.918	0.95
171340AH5 - Church & Dwight Inc Sr Nt 2.875%22 Sr Nt	2.875	10/01/2022	30	99.960	30,203.63	A3	BBB+	0.249	3.015	2.876	0.252	0.60
22160KAN5 - Costco Whsl Corp New Sr Nt 1.375%27 Sr Nt	1.375	06/20/2027	58	90.690	52,624.57	Aa3	A+	4.737	3.428	1.516	4.970	1.05
25470DBF5 - Discovery Communications Llc Snr Pidi Nts Usd (Sec Regd)	4.125	05/15/2029	55	92.980	51,428.89	Baa3	BBB-	5.881	5.359	4.436	6.871	1.02
37940XAE2 - Global Pmts Inc Sr Nt 26 Sr Nt	1.200	03/01/2026	55	88.760	49,038.00	Baa3	BBB-	3.524	4.563	1.352	3.666	0.97
57636QAR5 - Mastercard Inc Sr Nt 3.3%27 Sr Nt	3.300	03/26/2027	56	99.010	55,933.27	A1	A+	4.330	3.528	3.333	4.734	1.11
75886FAE7 - Regeneron Pharmaceuticals Sr Nt 1.75%30 Sr Nt	1.750	09/15/2030	61	80.820	49,614.52	Baa3	BBB+	7.448	4.580	2.165	8.208	0.99
92343VDD3 - Verizon Communications Inc Sr Gbl Nt 26 Sr Gbl	2.625	08/15/2026	64	95.180	61,549.87	Baa1	BBB+	3.862	3.902	2.758	4.123	1.22
<u>Utilities</u>												
03040WAQ8 - American Wtr Cap Corp Sr Nt 2.95%27 Sr Nt	2.950	09/01/2027	50	94.570	47,776.67	Baa1	A	4.732	4.127	3.119	5.169	0.95
15189TAZ0 - Centerpoint Energy Inc Sr Gbl FL Nt 24 Sr Gbl	1.867	05/13/2024	56	97.540	54,764.71	Baa2	BBB	-0.015	3.297	1.914	1.866	1.09

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3128MCDX0 - FHLMC Pc Gold Comb 15 4.500 20240501 4.	4.500	05/01/2024	1	102.550	758.79	Aaa	AAA	0.680	0.657	4.388	0.710	0.02
3128MDBR3 - FHLMC Pc Gold Comb 15 4.000 20261001 4.	4.000	10/01/2026	18	101.430	17,957.11	Aaa	AAA	1.160	2.692	3.944	1.230	0.36
3128MFL48 - FHLMC Pc Gold Comb 15 3.500 20320901 3.	3.500	09/01/2032	40	100.630	40,541.22	Aaa	AAA	2.150	3.185	3.478	2.419	0.81
3128MMUS0 - FHLMC Pc Gold Comb 15 3.000 20310301 3.	3.000	03/01/2031	24	100.250	23,957.24	Aaa	AAA	2.750	2.896	2.993	3.241	0.48
3128P7QP1 - FHLMC Pc Gold Cash 20 4.500 20310301 4.	4.500	03/01/2031	43	102.340	44,434.40	Aaa	AAA	2.740	3.678	4.397	3.219	0.88
3128P8D99 - FHLMC Mbs Gold Cash 20 3.500 20370501 3.	3.500	05/01/2037	46	100.280	45,720.17	Aaa	AAA	3.840	3.435	3.490	5.339	0.91
31307B2Y5 - FHLMC Pc Gold 15 Yr 2.500 20280501 2.	2.500	05/01/2028	11	99.240	11,007.70	Aaa	AAA	2.000	2.840	2.519	2.140	0.22
31329KW59 - FHLMC Umbs 20Y Fixed 3.000 20370801 3.	3.000	08/01/2037	12	98.090	12,157.44	Aaa	AAA	4.040	3.385	3.058	5.399	0.24
3138ELGM9 - FNMA Pass-Thru Int 15 Year 3.000 20280601 3.	3.000	06/01/2028	12	100.160	12,413.24	Aaa	AAA	1.690	2.811	2.995	1.820	0.25
3138EMNQ0 - FNMA Pass-Thru Int 15 Year 4.500 20270101 4.	4.500	01/01/2027	5	102.460	5,370.30	Aaa	AAA	1.140	2.198	4.392	1.221	0.11
3138EPPE8 - FNMA Super Int 20 Year 4.000 20340601 4.	4.000	06/01/2034	18	102.340	18,654.79	Aaa	AAA	3.230	3.298	3.909	3.940	0.37
3138EPS70 - FNMA Pass-Thru 15yr	4.000	02/01/2029	6	101.350	5,824.79	Aaa	AAA	1.140	2.651	3.947	1.210	0.12
3138EQE81 - FNMA Pass-Thru Int 15 Year 4.000 20290501 4.	4.000	05/01/2029	11	101.350	11,166.01	Aaa	AAA	1.300	2.813	3.947	1.380	0.22
3138ERTL4 - FNMA Pass-Thru Int 15 Year 3.000 20311201 3.	3.000	12/01/2031	39	99.910	39,291.29	Aaa	AAA	2.620	2.978	3.003	2.910	0.78
3138WJLU0 - FNMA Umbs Int 20 Year 3.000 20361201 3.	3.000	12/01/2036	16	98.590	15,774.70	Aaa	AAA	4.060	3.280	3.043	5.320	0.31
3138VWVW31 - FNMA Pass-Thru Int 15 Year 3.000 20280601 3.	3.000	06/01/2028	15	99.730	15,314.29	Aaa	AAA	2.080	3.052	3.008	2.271	0.30
3140X5JP9 - FNMA Super Int 15 Year 3.500 20330301 3.	3.500	03/01/2033	72	100.540	72,290.38	Aaa	AAA	3.747	3.295	3.481	4.142	1.44
3140X6M73 - FNMA Super Int 15 Year 3.000 20330401 3.	3.000	04/01/2033	17	99.920	17,341.50	Aaa	AAA	2.840	2.980	3.002	3.329	0.34
3140X6RH6 - FNMA Super Int 15 Year 3.500 20330201 3.	3.500	02/01/2033	18	100.540	18,534.18	Aaa	AAA	2.430	3.216	3.481	2.690	0.37
3140X6XR7 - FNMA Super Int 15 Year 3.500 20350301 3.	3.500	03/01/2035	42	100.190	41,755.03	Aaa	AAA	3.050	3.405	3.493	3.910	0.83
3140XACH3 - FNMA Super Int 15 Year 4.500 20360401 4.	4.500	01/01/2027	25	102.460	25,477.03	Aaa	AAA	1.170	2.247	4.392	1.240	0.51
31410LHK1 - FNMA Pass-Thru Int 15 Year 3.000 20270701 3.	3.000	07/01/2027	9	100.160	8,845.40	Aaa	AAA	1.660	2.807	2.995	1.779	0.18
31418AF78 - FNMA Pass-Thru Int 20 Year 4.000 20320601 4.	4.000	06/01/2032	24	102.340	24,108.42	Aaa	AAA	3.110	3.263	3.909	3.740	0.48
31418BFZ4 - FNMA Pass-Thru Int 20 Year 4.000 20340801 4.	4.000	08/01/2034	26	102.340	26,674.84	Aaa	AAA	3.490	3.375	3.909	4.479	0.53
31418BTLO - FNMA Pass-Thru Int 20 Year 3.500 20350801 3.	3.500	08/01/2035	20	100.690	20,568.48	Aaa	AAA	3.750	3.310	3.476	4.871	0.41
31418BYV2 - FNMA Umbs Int 20 Year 3.000 20360201 3.	3.000	02/01/2036	57	99.030	56,338.31	Aaa	AAA	3.890	3.194	3.029	5.011	1.12
31418CQM9 - FNMA Umbs Shrt 10 Year 3.000 20271001 3.	3.000	10/01/2027	32	100.290	32,463.30	Aaa	AAA	1.840	2.764	2.991	2.030	0.65
31418CTH7 - FNMA Pass-Thru Shrt 10 Year 3.500 20280101 3.	3.500	01/01/2028	13	99.910	12,867.79	Aaa	AAA	1.920	3.452	3.503	2.079	0.26

Alternate Investment Fund (3 of 3)

CUSIP	Coupon	Maturity	Quantity	Market Price	Mkt Value + Accrued	Moody Rating	S&P Rating	Duration	Yield to Worst	Current Yield	Avg Life Yrs	Weight
DESTC2 - City of Destin (Prices as of 07/01/2022)	2.414	09/22/2027	5,192	96.586	5,032,750.09			3.805	3.183	2.500	4.173	100.00
<u>Treasuries</u>												
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9128282Y5 - United States Treas Nts 2.125%09/30/24 2.125%	2.125	09/30/2024	399	98.480	395,066.48	U.S./#Aaa	U.S.	2.185	2.827	2.158	2.249	7.85
9128283F5 - United States Treas Nts 2.25%11/15/27 2.25%1	2.250	11/15/2027	103	96.700	99,896.99	U.S./#Aaa	U.S.	5.021	2.918	2.327	5.374	1.98
9128283W8 - United States Treas Nts 2.75%02/15/28 2.75%0	2.750	02/15/2028	51	99.120	51,078.11	U.S./#Aaa	U.S.	5.181	2.920	2.774	5.626	1.01
9128284R8 - United States Treas Nts 2.875%05/31/25 2.875%	2.875	05/31/2025	35	100.060	35,106.23	U.S./#Aaa	U.S.	2.781	2.853	2.873	2.915	0.70
9128284V9 - United States Treas Nts 2.875%08/15/28 2.875%	2.875	08/15/2028	16	99.680	16,121.62	U.S./#Aaa	U.S.	5.585	2.932	2.884	6.123	0.32
9128285M8 - United States Treas Nts 3.125%11/15/28 3.125%	3.125	11/15/2028	355	101.140	360,463.87	U.S./#Aaa	U.S.	5.759	2.927	3.090	6.375	7.16
912828M56 - United States Treas Nts 2.25%11/15/25 2.25%1	2.250	11/15/2025	52	97.950	51,083.43	U.S./#Aaa	U.S.	3.226	2.892	2.297	3.375	1.02
912828U24 - United States Treas Nts 2%11/15/26 2%11/1	2.000	11/15/2026	51	96.340	49,263.67	U.S./#Aaa	U.S.	4.153	2.897	2.076	4.375	0.98
912828YS3 - United States Treas Nts 1.75%11/15/29 1.75%1	1.750	11/15/2029	209	92.720	194,251.93	U.S./#Aaa	U.S.	6.845	2.852	1.887	7.375	3.86
91282CBH3 - United States Treas Nts 0.375%01/31/26 0.375%	0.375	01/31/2026	41	91.500	37,579.13	U.S./#Aaa	U.S.	3.518	2.889	0.410	3.586	0.75
91282CCH2 - United States Treas Nts 1.25%06/30/28 1.25%0	1.250	06/30/2028	55	90.800	49,941.87	U.S./#Aaa	U.S.	5.709	2.934	1.377	5.997	0.99
91282CDJ7 - United States Treas Nts 1.375%11/15/31 1.375%	1.375	11/15/2031	275	87.780	241,877.94	U.S./#Aaa	U.S.	8.661	2.871	1.566	9.374	4.81
91282CDQ1 - United States Treas Nts 1.25%12/31/26 1.25%1	1.250	12/31/2026	161	93.170	150,009.16	U.S./#Aaa	U.S.	4.329	2.880	1.342	4.501	2.98
91282CED9 - United States Treas Nts 1.75%03/15/25 1.75%0	1.750	03/15/2025	52	97.130	50,774.67	U.S./#Aaa	U.S.	2.618	2.859	1.802	2.704	1.01
91282CEX5 - United States Treas Nts 3%06/30/24 3%06/3	3.000	06/30/2024	100	100.340	100,348.15	U.S./#Aaa	U.S.	1.939	2.824	2.990	1.997	1.99

Debt Service Fund (1 of 2)

CUSIP	Coupon	Maturity	Quantity	Market Price	Mkt Value + Accrued	Moody Rating	S&P Rating	Duration	Yield to Worst	Current Yield	Avg Life Yrs	Weight
DESTCI - City of Destin (Prices as of 07/01/2022)	2.070	05/02/2028	2,653	98.403	2,614,819.95			1.918	2.928	2.104	2.043	100.00
Cash												
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CASHCASH6 - OPENING BALANCE	0.000	07/05/2022	23	100.000	22,727.69	U.S./#Aaa	U.S.	0.000	0.000	0.000	0.011	0.87
ABS												
-												
12660DAC1 - Cnh Equipment Tr 2022-a 20270715 0.00000 a-3	2.940	07/15/2027	53	98.350	52,194.75		AAA	3.250	3.466	2.989	3.501	2.00
14041NFQ9 - Capital One CC Tr 2017-6 20250715 2.29000 a	2.290	07/15/2025	21	100.040	21,029.77		AAA	0.190	2.104	2.289	0.211	0.80
14041NFU0 - Capital One CC Tr 2019-2 20240815 1.72000 a	1.720	08/15/2024	36	99.980	36,020.32		AAA	0.110	1.891	1.720	0.121	1.38
14041NFW6 - COMET 2021-A1 A1 0.55% 07/15/2026	0.550	07/15/2026	11	94.700	10,419.69		AAA	1.980	3.262	0.581	2.041	0.40
14041NFZ9 - COMET 2022-A1 A1 2.8% 03/15/2027	2.800	03/15/2027	53	98.670	52,361.06		AAA	2.550	3.338	2.838	2.710	2.00
14315NAC4 - CARMX 2019-1 A3 3.05% 03/15/2024	3.050	03/15/2024	3	100.100	2,547.50	Aaa	AAA	0.140	2.431	3.047	0.159	0.10
14317DAC4 - Carmax Auto Owner Trust 2021-3 20260615 0.00000 a-3	0.550	06/15/2026	68	96.200	65,432.62	Aaa	AAA	2.360	2.166	0.572	2.430	2.50
254683CM5 - DCENT 2019-A3 A 1.89% 10/15/2024	1.890	05/15/2024	20	99.870	20,022.31	Aaa		0.270	2.353	1.892	0.290	0.77
34528QHA5 - Ford Credit Flrpln Tr 2019-3 20240915 2.23000 a-1	2.230	09/15/2024	20	99.980	20,015.82	Aaa	AAA	1.105	2.245	2.230	1.137	0.77
34528QHK3 - Ford Credit Mstr Tr a 2020-1 20250915 0.00000 a-1	0.700	09/15/2025	44	96.570	42,504.49	Aaa		1.170	3.639	0.725	1.210	1.63
362590AC5 - Gm Fin Cons Atmb Tr 2020-3 20250716 0.00000 a3	0.450	04/16/2025	37	98.360	36,361.84	Aaa	AAA	1.010	2.051	0.458	1.049	1.39
43813GAC5 - HAROT 2021-1 A3 0.27% 04/21/2025	0.270	03/01/2025	23	97.660	22,482.50	Aaa	AAA	1.090	2.396	0.276	1.131	0.86
43813KAC6 - Honda Auto Recv 2020-3 A3	0.370	10/18/2024	37	98.200	36,088.77		AAA	0.810	2.558	0.377	0.841	1.38
448977AD0 - Hyundai Auto Rec Tr 2022-a 20261015 0.00000 a-3	2.220	10/15/2026	53	97.160	51,547.09		AAA	2.810	3.246	2.285	2.970	1.97
47787JAC2 - John Deere Owner Tr 2022 20260915 0.00000 a-3	2.320	09/15/2026	53	97.670	51,819.75	Aaa		2.470	3.277	2.375	2.611	1.98
58769VAC4 - MBART 2020-1 A3 0.55% 02/18/2025	0.550	02/15/2025	12	98.630	11,588.41	Aaa	AAA	0.840	2.144	0.558	0.879	0.44
65479CAD0 - Nissan Auto Rec Tr 2020-B 20240715 0.00000 a-3	0.550	07/15/2024	6	98.990	6,434.09		AAA	0.550	2.320	0.556	0.581	0.25
65480BAC1 - NAROT 2021-A A3	0.330	10/15/2025	22	95.980	21,118.83	Aaa	AAA	1.800	2.563	0.344	1.861	0.81
92348CAA9 - Verizon Owner Tr 2020-C 20250421 0.00000 a	0.410	12/01/2025	11	97.890	10,767.90		AAA	0.760	3.142	0.419	0.789	0.41
92348KAD5 - Verizon Master Tr 2021-2 20280420 0.00000 a	0.990	04/20/2028	18	94.350	16,988.45		AAA	2.230	3.575	1.049	2.301	0.65
92348KAH6 - Verizon Master Trust 2022-2 20280720 0.00000 a	1.530	07/20/2028	62	94.900	58,866.99	Aaa	AAA	2.450	3.652	1.612	2.551	2.25
92348KAS2 - Verizon Master Trust 2022-4 20281120 0.00000 a	3.400	11/20/2028	52	99.550	51,820.02	Aaa		2.690	3.591	3.415	2.890	1.98
98163MAD0 - World Omni Auto Recv Tr 2020-a 20250415 0.00000 a-3	1.100	04/15/2025	39	98.980	38,353.27	Aaa	AAA	0.820	2.322	1.111	0.849	1.47
Agencies												
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3130AJ7E3 - Federal Home Loan Banks Cons Bd 1.375%23 Cons B	1.375	02/17/2023	20	99.210	19,944.36	Aaa	AAA	0.620	2.651	1.386	0.633	0.76
3133EMYX4 - Federal Farm Cr Bks Cons Bd 0.125%23 Cons B	0.125	05/10/2023	33	97.800	32,279.84	Aaa	AAA	0.848	2.736	0.128	0.858	1.23
3135G0T78 - Federal Natl Mtg Assn 2%100522 2%1005	2.000	10/05/2022	12	99.960	12,052.53	Aaa	AA+	0.260	2.144	2.001	0.263	0.46
3135G0V75 - Federal Natl Mtg Assn Fr 1.75%070224 Fr 1.7	1.750	07/02/2024	105	98.040	103,855.65	Aaa	AA+	1.961	2.763	1.785	2.003	3.97
3137EAET2 - Federal Home Ln Mtg Corp Fr 0.125%072522 Fr 0.1	0.125	07/25/2022	5	99.930	4,999.21	Aaa	AA+	0.066	1.175	0.125	0.066	0.19
3137EAEV7 - Federal Home Ln Mtg Corp Fr 082423 Fr 082	0.250	08/24/2023	44	97.150	42,784.80	Aaa	AAA	1.132	2.791	0.257	1.148	1.64
742651DT6 - Private Expt Fdg Corp Nt 3.55%24 Nt 3.5	3.550	01/15/2024	102	100.940	104,628.48	Aaa		1.493	2.920	3.517	1.541	4.00
742651DX7 - Private Export Funding Corp. 1.75% Snr Sec Pidi Nts 15/11/20	1.750	11/15/2024	11	96.850	10,678.10	Aaa	AAA	2.304	3.138	1.807	2.375	0.41
880591EN8 - Tennessee Valley Auth -a Bd 1.875%22 -a Bd	1.875	08/15/2022	10	99.980	10,068.83	Aaa	AA+	0.122	2.025	1.875	0.123	0.39
CMBS												
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3137AYCE9 - FHLMC Remic Series K-025 20221025 2.68200 a-2	2.682	10/01/2022	25	99.970	25,087.77	Aaa	AAA	0.240	2.072	2.683	0.241	0.96
3137B4WB8 - FHLMC Remic Series K-033 20230725 Flt a-2	3.060	07/01/2023	24	99.930	23,983.20	Aaa	AAA	0.920	2.933	3.062	0.940	0.92
3137BBBC3 - FHLMC Remic Series K-038 20231025 2.60400 a-1	2.604	10/01/2023	4	99.980	3,796.64	Aaa	AAA	0.340	2.172	2.605	0.351	0.15
3137BLMY1 - FHLMC Remic Series K-049 20250325 2.47500 a-1	2.475	03/01/2025	9	99.050	8,741.49	Aaa	AAA	1.100	3.201	2.499	1.139	0.33
3137FARE0 - FHLMC Remic Series K-727 20240725 2.94600 a-2	2.946	07/01/2024	50	99.450	49,245.20	Aaa	AAA	1.820	3.159	2.962	1.891	1.88

Debt Service Fund (2 of 2)

CUSIP	Coupon	Maturity	Quantity	Market Price	Mkt Value + Accrued	Moody Rating	S&P Rating	Duration	Yield to Worst	Current Yield	Avg Life Yrs	Weight
DESTCI - City of Destin (Prices as of 07/01/2022)	2.070	05/02/2028	2,653	98.403	2,614,819.95			1.918	2.928	2.104	2.043	100.00
38378XGG0 - GNMA Remic Trust 2014-109 20510916 Flt B	3.200	09/01/2051	65	99.230	64,035.62	Aaa	AAA	1.200	3.751	3.225	1.260	2.45

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3136A06K8 - FNMA Remic Trust 2011-91 20260825 2.50000 E	2.500	08/01/2026	18	99.220	17,881.86	Aaa	AAA	1.200	3.025	2.520	1.251	0.68
3136A73R1 - FNMA Remic Trust 2012-95 20320825 2.00000 Bd	2.000	08/01/2032	37	95.570	35,061.91	Aaa	AAA	3.110	3.353	2.093	3.510	1.34
3136AHHB9 - FNMA Remic Trust 2013-124 20281225 2.50000 Bd	2.500	12/01/2028	5	99.210	4,471.32	Aaa	AA+	1.100	3.084	2.520	1.131	0.17
3136AYRS4 - FNMA Remic Trust 2017-91 20450625 3.00000 Pc	3.000	06/01/2045	71	98.630	69,643.22	Aaa	AAA	2.090	3.575	3.042	2.260	2.66
3137A1N25 - FHLMC Remic Series 3706 20231015 2.00000 Cb	2.000	10/01/2023	0	99.360	30.23	Aaa	AA+	0.460	3.186	2.013	0.490	0.00
3137AJYG3 - FHLMC Remic Series 3973 20261215 2.50000 Pd	2.500	12/01/2026	41	98.910	40,499.61	Aaa	AA+	1.580	3.134	2.528	1.680	1.55
3137B1XY3 - FHLMC Remic Series 4204 20280515 1.75000 Hd	1.750	05/01/2028	13	97.040	12,169.43	Aaa	AAA	1.770	3.406	1.803	1.850	0.47
3137B8K89 - FHLMC Remic Series 4317 20230115 2.00000 MT	2.000	01/01/2023	0	99.860	80.72	Aaa	AA+	0.180	2.327	2.003	0.200	0.00
3137B95Q4 - FHLMC Remic Series 4316 20330315 3.00000 Mh	3.000	03/01/2033	11	99.830	10,744.25	Aaa	AAA	1.490	3.052	3.005	1.710	0.41
3137BDYM2 - FHLMC Remic Series 4387 20281115 2.00000 E	2.000	11/01/2028	32	97.530	30,851.16	Aaa	AAA	1.820	3.326	2.051	1.921	1.18
3137BVXR2 - FHLMC Remic Series 4661 20430515 3.00000 Ha	3.000	05/01/2043	85	99.970	85,035.41	Aaa	AAA	1.010	2.939	3.001	1.131	3.25
31393RTE0 - FHLMC Remic Series 2631 20330615 3.62500 Da	3.625	06/01/2033	19	100.770	18,816.46	Aaa	AA+	1.510	3.078	3.597	1.669	0.72
31394CBB7 - FNMA Remic Trust 2005-3 20350225 5.50000 Ap	5.500	02/01/2035	3	104.830	3,170.98	Aaa	AAA	2.590	3.563	5.247	2.890	0.12
31398SRE5 - FNMA Remic Trust 2010-137 20251225 2.50000 Cj	2.500	12/01/2025	1	99.130	1,240.03	Aaa	AA+	1.180	3.112	2.522	1.221	0.05

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3128MFDL9 - FHLMC Giant Mbs Gold Comb 15 3.500 20320701 3.	3.500	07/01/2032	70	100.630	70,362.17	Aaa	AAA	4.323	3.324	3.478	4.858	2.69
3128MFNA2 - FHLMC Giant Mbs Gold Comb 15 3.000 20330501 3.	3.000	05/01/2033	23	99.380	22,557.88	Aaa	AAA	3.180	3.162	3.019	3.890	0.86
3138EHHB1 - FNMA Super Int 15 Year 4.500 20260901 4.	4.500	09/01/2026	5	102.660	4,932.02	Aaa	AAA	1.300	2.320	4.383	1.380	0.19
3138EP2P8 - FNMA Super Int 15 Year 4.000 20290701 4.	4.000	07/01/2029	88	102.280	89,934.77	Aaa	AAA	2.910	3.138	3.911	3.156	3.44
3138ERB90 - FNMA Super Int 15 Year 3.500 20310201 3.	3.500	02/01/2031	15	100.540	15,558.54	Aaa	AAA	2.630	3.249	3.481	3.041	0.59
3138WCC27 - FNMA Umbs Int 15 Year 3.500 20290701 3.	3.500	07/01/2029	24	100.930	24,189.10	Aaa	AAA	2.330	3.044	3.468	2.589	0.93
3138WJGA0 - FNMA Umbs Int 15 Year 2.500 20311101 2.	2.500	11/01/2031	5	98.650	4,518.21	Aaa	AAA	3.010	2.883	2.534	3.479	0.17
3140X8RF6 - FNMA Super Shrt 10 Year 1.500 20301201 1.	1.500	12/01/2030	24	95.660	23,427.39	Aaa	AAA	3.060	2.912	1.568	3.249	0.90
3140XACH3 - FNMA Super Int 15 Year 4.500 20360401 4.	4.500	01/01/2027	21	102.460	21,761.63	Aaa	AAA	1.170	2.247	4.392	1.240	0.83
3140XF3M1 - FNMA Super Int 20 Year 4.500 20381101 4.	4.500	11/01/2038	66	101.750	67,117.47	Aaa	AAA	3.368	3.900	4.423	3.764	2.57
31417YTV9 - FNMA Pass-Thru Int 20 Year 4.000 20301101 4.	4.000	11/01/2030	23	102.340	23,913.71	Aaa	AAA	2.710	3.135	3.909	3.159	0.91
31418CG99 - FNMA Umbs Int 20 Year 3.500 20370301 3.	3.500	03/01/2037	4	99.830	4,377.13	Aaa	AAA	3.940	3.512	3.506	5.350	0.17
31418CMJ0 - FNMA Umbs Int 15 Year 3.000 20320701 3.	3.000	07/01/2032	22	99.600	21,469.12	Aaa	AAA	2.990	3.080	3.012	3.619	0.82
31418DY55 - FNMA Umbs Shrt 10 Year 1.500 20310501 1.	1.500	05/01/2031	18	95.660	17,012.90	Aaa	AAA	3.270	2.806	1.568	3.521	0.65
31418MXQ0 - FNMA Super Int 15 Year 4.500 20250201 4.	4.500	02/01/2025	11	102.770	11,446.43	Aaa	AAA	0.910	1.298	4.379	0.970	0.44
3622AANY6 - GNMA Pass-Thru C Platinum 15yr 3.500 20310420 3.	3.500	04/01/2031	9	101.760	9,086.66	Aaa	AAA	2.450	2.749	3.439	2.679	0.35

Treasuries

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9128282Y5 - United States Treas Nts 2.125%09/30/24 2.125%	2.125	09/30/2024	130	98.480	128,718.40	U.S./#Aaa	U.S.	2.185	2.827	2.158	2.249	4.92
912828M80 - United States Treas Nts 2%11/30/22 2%11/3	2.000	11/30/2022	64	99.850	64,012.42	U.S./#Aaa	U.S.	0.413	2.361	2.003	0.416	2.45
912828VS6 - United States Treas Nts 2.5%08/15/23 2.5%08	2.500	08/15/2023	6	99.590	6,031.75	U.S./#Aaa	U.S.	1.101	2.872	2.510	1.123	0.23
91282CBM2 - United States Treas Nts 0.125%02/15/24 0.125%	0.125	02/15/2024	44	95.770	42,159.46	U.S./#Aaa	U.S.	1.607	2.807	0.131	1.626	1.61
91282CCG4 - United States Treas Nts 0.25%06/15/24 0.25%0	0.250	06/15/2024	164	95.110	155,998.32	U.S./#Aaa	U.S.	1.937	2.837	0.263	1.956	5.97
91282CDN8 - United States Treas Nts 1%12/15/24 1%12/1	1.000	12/15/2024	189	95.640	180,842.23	U.S./#Aaa	U.S.	2.401	2.850	1.046	2.458	6.92

Emergency Operating Fund (Page 1 of 2)

CUSIP	Coupon	Maturity	Quantity	Market Price	Mkt Value + Accrued	Moody Rating	S&P Rating	Duration	Yield to Worst	Current Yield	Avg Life Yrs	Weight
DESTC1 - City Of Destin (Prices as of 07/01/2022)	1.934	05/05/2027	3,670	98.296	3,612,806.84			1.734	2.824	1.968	1.860	100.00
Cash												
-												
CASHCASH6 - OPENING BALANCE	0.000	07/05/2022	41	100.000	41,142.85	U.S./#Aaa	U.S.	0.000	0.000	0.000	0.011	1.14
ABS												
-												
12660DAC1 - Cnh Equipment Tr 2022-a 20270715 0.00000 a-3	2.940	07/15/2027	72	98.350	70,906.08		AAA	3.250	3.466	2.989	3.501	1.96
14041NFQ9 - Capital One CC Tr 2017-6 20250715 2.29000 a	2.290	07/15/2025	88	100.040	88,124.77		AAA	0.190	2.104	2.289	0.211	2.44
14041NFU0 - Capital One CC Tr 2019-2 20240815 1.72000 a	1.720	08/15/2024	53	99.980	53,029.92		AAA	0.110	1.891	1.720	0.121	1.47
14315NAC4 - CARMX 2019-1 A3 3.05% 03/15/2024	3.050	03/15/2024	7	100.100	6,878.26	Aaa	AAA	0.140	2.431	3.047	0.159	0.19
14317DAC4 - Carmax Auto Owner Trust 2021-3 20260615 0.00000 a-3	0.550	06/15/2026	73	96.200	70,243.84	Aaa	AAA	2.360	2.166	0.572	2.430	1.94
254683CM5 - DCENT 2019-A3 A 1.89% 10/15/2024	1.890	05/15/2024	17	99.870	17,018.96	Aaa		0.270	2.353	1.892	0.290	0.47
34528QHA5 - Ford Credit Flrpln Tr 2019-3 20240915 2.23000 a-1	2.230	09/15/2024	36	99.980	36,028.48	Aaa	AAA	1.105	2.245	2.230	1.137	1.00
34528QHK3 - Ford Credit Mstr Tr a 2020-1 20250915 0.00000 a-1	0.700	09/15/2025	73	96.570	70,518.81	Aaa		1.170	3.639	0.725	1.210	1.95
362590AC5 - Gm Fin Cons Atmb Tr 2020-3 20250716 0.00000 a3	0.450	04/16/2025	50	98.360	48,724.85	Aaa	AAA	1.010	2.051	0.458	1.049	1.35
43813GAC5 - HAROT 2021-1 A3 0.27% 04/21/2025	0.270	03/01/2025	86	97.660	84,065.00	Aaa	AAA	1.090	2.396	0.276	1.131	2.33
448977AD0 - Hyundai Auto Rec Tr 2022-a 20261015 0.00000 a-3	2.220	10/15/2026	73	97.160	70,998.83		AAA	2.810	3.246	2.285	2.970	1.97
47787JAC2 - John Deere Owner Tr 2022 20260915 0.00000 a-3	2.320	09/15/2026	73	97.670	71,374.37	Aaa		2.470	3.277	2.375	2.611	1.98
65479CAD0 - Nissan Auto Rec Tr 2020-B 20240715 0.00000 a-3	0.550	07/15/2024	20	98.990	20,292.11		AAA	0.550	2.320	0.556	0.581	0.56
65480BAC1 - NAROT 2021-A A3	0.330	10/15/2025	72	95.980	69,116.16	Aaa	AAA	1.800	2.563	0.344	1.861	1.91
92348CAA9 - Verizon Owner Tr 2020-C 20250421 0.00000 a	0.410	12/01/2025	36	97.890	35,240.40		AAA	0.760	3.142	0.419	0.789	0.98
92348KAH6 - Verizon Master Trust 2022-2 20280720 0.00000 a	1.530	07/20/2028	72	94.900	68,361.66	Aaa	AAA	2.450	3.652	1.612	2.551	1.89
92348KAS2 - Verizon Master Trust 2022-4 20281120 0.00000 a	3.400	11/20/2028	72	99.550	71,750.80	Aaa		2.690	3.591	3.415	2.890	1.99
98162YAD5 - WOART 2019-A A3 3.04% 05/15/2024	3.040	05/15/2024	6	100.090	5,808.03	Aaa	AAA	0.220	2.672	3.037	0.241	0.16
Agencies												
-												
3130AJ7E3 - Federal Home Loan Banks Cons Bd 1.375%23 Cons B	1.375	02/17/2023	70	99.210	69,805.26	Aaa	AAA	0.620	2.651	1.386	0.633	1.93
3133EMYX4 - Federal Farm Cr Bks Cons Bd 0.125%23 Cons B	0.125	05/10/2023	105	97.800	102,708.59	Aaa	AAA	0.848	2.736	0.128	0.858	2.84
3135G0T78 - Federal Natl Mtg Assn 2%100522 2%1005	2.000	10/05/2022	27	99.960	27,118.20	Aaa	AA+	0.260	2.144	2.001	0.263	0.75
3137EAET2 - Federal Home Ln Mtg Corp Fr 0.125%072522 Fr 0.1	0.125	07/25/2022	27	99.930	26,995.73	Aaa	AA+	0.066	1.175	0.125	0.066	0.75
3137EAEV7 - Federal Home Ln Mtg Corp Fr 082423 Fr 082	0.250	08/24/2023	144	97.150	140,022.99	Aaa	AAA	1.132	2.791	0.257	1.148	3.88
742651DR0 - Private Expt Fdg Corp Sr Sec Nt2.05%22 Sr Sec	2.050	11/15/2022	37	99.800	37,022.92	Aaa		0.369	2.586	2.054	0.375	1.02
742651DT6 - Private Expt Fdg Corp Nt 3.55%24 Nt 3.5	3.550	01/15/2024	144	100.940	147,710.80	Aaa		1.493	2.920	3.517	1.541	4.09
742651DX7 - Private Export Funding Corp. 1.75% Snr Sec Pidi Nts 15/11/20	1.750	11/15/2024	53	96.850	51,449.01	Aaa	AAA	2.304	3.138	1.807	2.375	1.42
CMBS												
-												
3137B3NX2 - FHLMC Remic Series K-031 20230425 Flt a-2	3.300	04/01/2023	77	100.010	77,007.70	Aaa	AAA	0.740	3.013	3.300	0.751	2.13
3137B4GX8 - FHLMC Remic Series K-032 20230225 3.01600 a-1	3.016	02/01/2023	17	100.060	17,309.55	Aaa	AAA	0.310	2.186	3.014	0.310	0.48
38378XGG0 - GNMA Remic Trust 2014-109 20510916 Flt B	3.200	09/01/2051	89	99.230	88,751.12	Aaa	AAA	1.200	3.751	3.225	1.260	2.46
CMO												
-												
3136A06K8 - FNMA Remic Trust 2011-91 20260825 2.50000 E	2.500	08/01/2026	48	99.220	47,647.22	Aaa	AAA	1.200	3.025	2.520	1.251	1.32
3136A73R1 - FNMA Remic Trust 2012-95 20320825 2.00000 Bd	2.000	08/01/2032	122	95.570	116,468.02	Aaa	AAA	3.110	3.353	2.093	3.510	3.22
3137A1N25 - FHLMC Remic Series 3706 20231015 2.00000 Cb	2.000	10/01/2023	0	99.360	110.82	Aaa	AA+	0.460	3.186	2.013	0.490	0.00
3137A8QF8 - FHLMC Remic Series 3841 20260415 3.00000 Bd	3.000	04/01/2026	0	99.850	0.24	Aaa	AA+	0.310	3.112	3.005	0.321	0.00
3137B1XY3 - FHLMC Remic Series 4204 20280515 1.75000 Hd	1.750	05/01/2028	40	97.040	39,259.63	Aaa	AAA	1.770	3.406	1.803	1.850	1.09

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CUSIP	Coupon	Maturity	Quantity	Market Price	Mkt Value + Accrued	Moody Rating	S&P Rating	Duration	Yield to Worst	Current Yield	Avg Life Yrs	Weight
DESTC1 - City Of Destin (Prices as of 07/01/2022)	1.934	05/05/2027	3,670	98.296	3,612,806.84			1.734	2.824	1.968	1.860	100.00
3137B95Q4 - FHLMC Remic Series 4316 20330315 3.00000 Mh	3.000	03/01/2033	36	99.830	35,781.32	Aaa	AAA	1.490	3.052	3.005	1.710	0.99
3137BDYM2 - FHLMC Remic Series 4387 20281115 2.00000 E	2.000	11/01/2028	105	97.530	102,232.28	Aaa	AAA	1.820	3.326	2.051	1.921	2.83
31393RTE0 - FHLMC Remic Series 2631 20330615 3.62500 Da	3.625	06/01/2033	38	100.770	38,392.33	Aaa	AA+	1.510	3.078	3.597	1.669	1.06
31394CBB7 - FNMA Remic Trust 2005-3 20350225 5.50000 Ap	5.500	02/01/2035	14	104.830	14,390.27	Aaa	AAA	2.590	3.563	5.247	2.890	0.40
31397QLT3 - FNMA Remic Trust 2011-4 20400425 3.00000 Pk	3.000	04/01/2040	13	99.600	13,422.30	Aaa	AA+	0.850	3.264	3.012	0.841	0.37
31398FN98 - FNMA Remic Trust 2009-87 20370825 5.00000 Qa	5.000	08/01/2037	3	100.770	3,094.91	Aaa	AA+	0.570	3.307	4.962	0.649	0.09
38374L5Y3 - GNMA Remic Trust 2005-74 20350916 7.50000 Hb	7.500	09/01/2035	21	105.810	21,744.10	Aaa	AA+	1.590	3.835	7.088	1.740	0.60

MBS

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3128MFNA2 - FHLMC Giant Mbs Gold Comb 15 3.000 20330501 3.	3.000	05/01/2033	75	99.380	74,997.63	Aaa	AAA	3.180	3.162	3.019	3.890	2.08
3128MMVM2 - FHLMC Giant Mbs Gold Comb 15 2.500 20311101 2.	2.500	11/01/2031	67	98.740	66,342.17	Aaa	AAA	2.970	2.882	2.532	3.419	1.84
3132A8SY6 - FHLMC Super 15y Fixed 2.000 20320101 2.	2.000	01/01/2032	31	96.250	29,766.18	Aaa	AAA	3.060	3.172	2.078	3.389	0.82
3138EHHB1 - FNMA Super Int 15 Year 4.500 20260901 4.	4.500	09/01/2026	22	102.660	22,539.32	Aaa	AAA	1.300	2.320	4.383	1.380	0.62
3138EHQ21 - FNMA Umbs Int 15 Year 5.000 20240901 5.	5.000	09/01/2024	6	103.090	6,107.78	Aaa	AAA	0.520	-1.245	4.850	0.551	0.17
3138EL4S9 - FNMA Pass-Thru Int 15 Year 4.500 20261001 4.	4.500	10/01/2026	13	102.460	13,118.51	Aaa	AAA	1.330	2.522	4.392	1.421	0.36
3140X7WA3 - FNMA Super Int 15 Year 2.500 20350201 2.	2.500	02/01/2035	14	98.650	14,099.14	Aaa	AAA	2.650	2.943	2.534	2.959	0.39
3140X8BF3 - FNMA Super Int 15 Year 4.000 20340601 4.	4.000	06/01/2034	40	102.180	41,004.82	Aaa	AAA	2.100	2.958	3.915	2.441	1.13
3140X8RF6 - FNMA Super Shrt 10 Year 1.500 20301201 1.	1.500	12/01/2030	83	95.660	79,511.14	Aaa	AAA	3.060	2.912	1.568	3.249	2.20
3140XACH3 - FNMA Super Int 15 Year 4.500 20360401 4.	4.500	01/01/2027	50	102.460	50,954.05	Aaa	AAA	1.170	2.247	4.392	1.240	1.41
31418CG99 - FNMA Umbs Int 20 Year 3.500 20370301 3.	3.500	03/01/2037	20	99.830	20,426.58	Aaa	AAA	3.940	3.512	3.506	5.350	0.57
31418CMJ0 - FNMA Umbs Int 15 Year 3.000 20320701 3.	3.000	07/01/2032	81	99.600	80,509.18	Aaa	AAA	2.990	3.080	3.012	3.619	2.23
31418DY55 - FNMA Umbs Shrt 10 Year 1.500 20310501 1.	1.500	05/01/2031	57	95.660	54,905.29	Aaa	AAA	3.270	2.806	1.568	3.521	1.52
31418MXQ0 - FNMA Super Int 15 Year 4.500 20250201 4.	4.500	02/01/2025	37	102.770	38,002.59	Aaa	AAA	0.910	1.298	4.379	0.970	1.05
3622AANY6 - GNMA Pass-Thru C Platinum 15yr 3.500 20310420 3.	3.500	04/01/2031	26	101.760	26,250.37	Aaa	AAA	2.450	2.749	3.439	2.679	0.73

Treasuries

-												
9128282Y5 - United States Treas Nts 2.125%09/30/24 2.125%	2.125	09/30/2024	213	98.480	210,900.15	U.S./#Aaa	U.S.	2.185	2.827	2.158	2.249	5.84
912828M80 - United States Treas Nts 2%11/30/22 2%11/3	2.000	11/30/2022	141	99.850	141,027.35	U.S./#Aaa	U.S.	0.413	2.361	2.003	0.416	3.90
912828VS6 - United States Treas Nts 2.5%08/15/23 2.5%08	2.500	08/15/2023	26	99.590	26,137.60	U.S./#Aaa	U.S.	1.101	2.872	2.510	1.123	0.72
91282CBM2 - United States Treas Nts 0.125%02/15/24 0.125%	0.125	02/15/2024	146	95.770	139,892.76	U.S./#Aaa	U.S.	1.607	2.807	0.131	1.626	3.87
91282CCG4 - United States Treas Nts 0.25%06/15/24 0.25%0	0.250	06/15/2024	18	95.110	17,121.77	U.S./#Aaa	U.S.	1.937	2.837	0.263	1.956	0.47
91282CDN8 - United States Treas Nts 1%12/15/24 1%12/1	1.000	12/15/2024	252	95.640	241,122.97	U.S./#Aaa	U.S.	2.401	2.850	1.046	2.458	6.67

Fixed Income

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James Camp, CFA

Managing Director and
Portfolio Manager

Joseph Jackson, CFA

Portfolio Co-Manager

Burton Mulford, CFA

Portfolio Co-Manager

Sheila King, CFA

Portfolio Co-Manager

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Market Overview^{1,2}

The bond market, as measured by the Bloomberg U.S. Aggregate Bond Index, fell -4.69% during the second quarter: the fourth-worst quarterly return on record. This negative return brings year-to-date losses to -10.35%, which marks the worst first half of the year since the index's inception. A lot of the same pressures impacting the markets we've harped on in past commentary continue to influence market sentiment. The U.S. Federal Reserve (Fed) continues to combat persistent and still elevated inflation with increasingly hawkish commentary and restrictive rate hikes, all of which are happening simultaneously with an economic slowdown.

The implied volatility on Treasuries, as tracked by the MOVE Index, remains at multi-year highs and will likely remain that way as investors struggle to digest the implications of hawkish commentary from the Fed versus the possibility of a looming recession. The yield on the benchmark 10-year U.S. Treasury note rose to 3.01%, compared to 2.34% on March 31. The 10-year yield briefly touched 3.50% intra-day on June 14, but fell sharply into the end of the quarter. That level is the highest on the 10-year note in more than a decade and the first time since 2018 that the yield closed the quarter above 3%.

The economic outlook has become increasingly bleak as concerns regarding consumer and corporate health led corporate credit spreads to widen 39 basis points (bps) from the beginning of the quarter. Corporate bonds posted negative returns for the quarter and underperformed both duration-matched U.S. Treasuries and other fixed-income sectors on a total return basis. Securitized products (asset-backed securities and mortgage-backed securities) delivered a negative total return while outperforming relative to Treasuries.

Fed Update and Outlook¹

Our near-term outlook remains cautious as the concerns we documented going back to last year for the current timeframe have been mostly realized. Slowing economic growth is now clear to most market participants, with the focus shifting to whether we can avoid a recession. At the same time, the Fed's targeting of financial conditions as the transmission mechanism for demand destruction in order to get inflation under control is in full effect. Since inflation is not likely to recede anytime soon, Fed officials will remain on course until they break the economy or we have a significant and steep deterioration in financial conditions (i.e., equity and credit markets).

The debate around a possible recession is easy to get drawn into, but we believe it's also unconstructive. Predicting recessions is quite difficult and by the time it becomes more evident it tends to be too late. But recognizing the potential for an economic slowdown is much easier, and a good macroeconomic process will provide enough time to take necessary risk management steps should that slowdown lead to a more serious downturn. Markets have shown that you don't need a recession to experience bouts of volatility and risk-asset drawdowns.

This year the environment has been especially difficult to navigate as traditional safe haven assets such as U.S. Treasuries and even Treasury Inflation-Protected Securities (TIPS) have not provided much protection with the macroeconomic backdrop skewed by inflation at levels we haven't seen in decades and the overhang of several idiosyncratic events (i.e., the Russian invasion, global COVID shutdowns, etc.) that could either solidify or weaken market theses. But we believe the most likely path is still for weaker growth and slowing but elevated inflation. This scenario means risk assets remain

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susceptible to further downside while interest rates are likely peaking.

We now have data for most key economic indicators through May (June numbers will be reported in July). So with two of three months for the second quarter in the books, and no meaningful improvement in weekly, high-frequency indicators for June, the probability that headline real gross domestic product (GDP) growth comes in negative for the second quarter is better than not (the advance estimate for second-quarter real GDP growth will be reported on July 28). Keep in mind that “headline” real GDP growth is calculated as quarter-over-quarter at an annualized rate. In reality, headline real GDP growth can be negative again in the second quarter, but could still indicate positive growth on a year-over-year basis. The more important takeaway is not the actual level, but that economic growth continues to decelerate.

Even more important than the backward-looking data is the view forward. In this respect, we continue to believe that risks are to the downside. Even if inflation has peaked as many market participants hope – and our process would also suggest – it’s very likely to remain high, as many of the inflationary forces at work are out of the Fed’s control. Elevated inflation will continue putting further pressure on household outlays, which the markets recently got an unwelcome glimpse of in the downwardly revised data for first-quarter real GDP. Financial cushions built up by consumers as a result of the prior two years’ fiscal stimulus appear to be whittling down. The U.S. Bureau of Economic Analysis’s monthly personal savings rate has been trending below pre-pandemic levels since the beginning of the year while the Fed’s consumer credit reports show consumer borrowing has surged to the highest levels on record in each of the past three months, just as interest rates for credit cards and loans are soaring higher. Consumers leaning on savings and credit cards to maintain spending, which has been decelerating anyway, is not

sustainable or healthy. And if you believe in the wealth effect on the way up, then the trillions of dollars lost in the equity, fixed income, and crypto markets in the past six months can be added as another consumer headwind.

Corporate earnings estimates based on Bloomberg’s blended 12-month forward mean consensus estimate for the S&P 500 Index have barely changed in the past few months – and have in fact gone up – despite the challenges facing the economy and households. To us that means the prospects of downward earnings revisions are increasing and would be another hurdle for risk assets. While sell-side analysts have not revised earnings expectations, chief executives’ perceptions of current and future business conditions appear to be sounding an alarm. The Conference Board Measure of CEO Confidence™ declined sharply in the second quarter to 42, down from 57 in the first quarter (a reading below 50 points reflects more negative than positive responses). Mirroring this less than sanguine outlook is the National Federation of Independent Business’s Small Business Optimism Index, which has dropped to a reading of -54%, the lowest level in history of the 48-year-old survey.

While the outlook for risk assets appears fraught with vulnerabilities, we believe the Treasury market is providing a better entry point. Treasury market volatility remains elevated, so by definition there’s still a possibility that yields could retest their highs, especially around the Federal Open Market Committee’s meetings as the market struggles for footing between the implications of slowing growth and the Fed’s rate hike schedule. But as we have mentioned in prior commentary, fixed-income investors have likely already captured the majority of the move higher, and yields are now at levels that we haven’t seen in more than a decade and that can provide a much better income cushion going forward.

The macroeconomic trends we highlighted and their impact on markets are not likely to self-adjust anytime soon as part of a “healthy” economic cycle since most growth-oriented metrics – including corporate earnings – still face the mathematical headwind of difficult base effects (“comps”) through the rest of the year. Meanwhile, as we mentioned at the beginning, the Fed’s goal of demand destruction through tight financial conditions in order to get inflation under control is a lose-lose scenario for risk assets. We continue to err on the side of caution based on this backdrop and will remain nimble until a reversal in recent trends is confirmed or we receive indications of a potential pivot in monetary policy. We are opportunistically taking advantage of the attractive yield landscape; however, we are maintaining our neutral stance on duration and continue to rotate out of higher-beta cyclical assets for more defensive names.

Corporate Market Review^{1,2}

Investment-grade corporate bonds, as measured by the Bloomberg U.S. Corporate Bond Index, fell -7.26% during the quarter and are down -14.39% for the year. Higher interest rates along the curve coupled with corporate credit spread widening were the largest detractors to performance. Long bond exposure was the most dilutive to performance during the period. Credit spreads widened 39 basis points during the quarter to 1.55% from the 1.16% spread level on March 31 with majority of the move in April (+19 basis points) and June (+35 basis points).

Municipal Market Review^{1,2}

The municipal bond market experienced negative returns during the second quarter, with the Bloomberg Municipal Bond Index down -2.94%, bringing year-to-date returns to -8.98%. The AAA municipal curve steepened, with the short and intermediate portions of the curve outperforming the long end. The Bloomberg Municipal Long Bond (22+) index was down 6.59%, compared to the 5-year and 10-year municipal indices, which

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were down -0.42% and -2.16%, respectively. Municipals outperformed U.S. Treasuries by 0.85 of a percentage point over the quarter, with Treasuries down -3.78%. Uncertainty around inflation and recession continue to add volatility to the market, resulting in investors pulling cash out of municipal bond funds.

AAA Municipal general obligation to Treasury ratios compressed over the quarter with the 1-year, 5-year, 10-year, and 30-year ratios richening by roughly 36 percentage points (pp), 8 pp, 4 pp, and 3 pp, ending the quarter at 59%, 73%, 91%, and 102%, respectively. Despite the richening, the entire curve continues to have relative value compared to its 12-month average with maturities of more than five years providing the most value. As opportunities arise in those portions of the curve, we will reinvest cash appropriately, while concurrently maintaining our barbell strategy. Our municipal bond programs are currently underweight the housing sector due to the sector's longer maturities and low coupons, which has proved accretive to performance. The Bloomberg Municipal Housing Index is down -11.74% year to date, compared to the Bloomberg Municipal Bond Index, which is down -8.98%.

As of the end of the quarter, we have seen 25 consecutive weeks of outflows from municipal mutual funds. In June, municipal investors withdrew \$16.5 billion, bringing total net outflows to \$53.8 billion for the quarter and \$75.6 billion for the year. Due to the record-breaking inflows in 2020 and 2021, we expected this outflow cycle to be large and persistent. In addition to the outflows, municipal new issuance has been much lower than expected this year. New issuance in June totaled \$27 billion, down 46% from June of last year and significantly below the \$42 billion five-year monthly average. Year-to-date total issuance is \$202 billion, 15% less than the prior year, and redemptions have totaled

\$174 billion. Year to date, the municipal market net supply of \$28 billion has been a headwind to performance. Our expectations are that third-quarter redemptions of approximately \$92 billion will produce a negative net supply for the next quarter. Negative net supply environments provide a technical support to prices; bonds that mature need reinvestment, creating a scarcity of paper within the market.

Headlines this quarter focused around fears over inflation and uncertainty over the Fed's tightening path. The Fed increased interest rates by 0.75% in June in an attempt to suppress inflation, which hit a 40-year high. By the end of the second quarter the year-end expected federal funds rate was 3.50%, 100 bps higher than expectations at the end of the first quarter. As interest rate volatility persists, we will continue to structure our portfolios defensively and prioritize capital preservation. The Bloomberg AA Index was down -2.65% for the quarter, and the Baa index was down -4.52%. Given the performance disparity among credit quality, our focus on high-quality credit as well as our active management has helped mitigate market losses during this period. For portfolios underweight fixed income, dollar-cost averaging into municipals now makes sense given the possible economic slowdown and elevated yields.

1. References to specific securities are intended to illustrate the types of securities Eagle may hold in this portfolio. They are not intended as representations of specific investment recommendations that would have been profitable to an investor. Past performance is not a guarantee of future results. Opinions and estimates offered constitute Eagle's judgment and are subject to change without notice as are statements of financial-market trends, which are based on current market conditions. Investing involves risk, including the possible loss of principal.

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2. Sources: Investor Tools Perform and Yield Book

Investing in bonds involves risks that may adversely affect the value of your investment such as inflation risk, credit risk, call risk, interest rate risk, and liquidity risk, among others. The two most prominent factors are interest rate movements and the credit worthiness of the bond issuer. Investors should pay careful attention to the types of fixed income securities that comprise their portfolios and remember that, as with all investments, there is the risk of loss of capital. A Real Estate Mortgage Investment Conduit (REMIC) is a type of multiclass mortgage-related security in which interest and principal payments from mortgages are structured into separately traded securities. These classes are distinguished by their sensitivity to the prepayment risk of the underlying mortgage-related collateral. Therefore, they may be more or less sensitive to prepayment risk, bear different interest rates, and have various average lives and final maturities.

Investment grade refers to fixed-income securities rated BBB or better by Standard & Poor's or Baa or better by Moody's. Convertible securities and preferred stock combine the fixed income characteristics of bonds with some of the potential for capital appreciation of equities and, thus, may be subject to greater risk than pure fixed-income instruments. Unlike bonds, preferred stock and some convertible securities do not have a fixed par value at maturity, and in this respect may be considered riskier than bonds. Convertible securities may include convertible bonds, convertible preferred stocks and other fixed-income instruments that have conversion features.

Investments in high-yield bonds and convertible securities are subject to the client's authorization, as set forth in the Investment Management Agreement. Such investments may be subject to greater risks than other fixed-income investments. The lower rating of high-yield bonds (less than investment grade) reflects a greater possibility that the financial condition of the issuer or adverse changes in general economic conditions may impair the ability of the issuer to pay income and principal. Periods of rising interest rates or economic downturns may cause highly leveraged issuers to experience financial stress, and thus markets for their securities may become more volatile. Moreover, to the extent that no established secondary market exists, there may be thin trading of

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high-yield bonds, which increases the potential for volatility.

Implied volatility is a measure of volatility levels based on the market's assessment of likely future volatility. It is thus different from realized volatility, also known as historical volatility, which measures levels of volatility that took place in the past.

The MOVE Index is a measure of U.S. interest rate volatility that tracks the movement in U.S. Treasury yield volatility implied by current prices of one-month over-the-counter options on 2-year, 5-year, 10-year and 30-year Treasuries.

Hawkish, dovish, and centrist are terms used to describe the monetary policy preferences of central bankers and others. Hawks prioritize controlling inflation and may favor raising interest rates to reduce it or keep it in check. Doves tend to support maintaining lower interest rates, often in support of stimulating job growth and the economy more generally. Centrists tend to occupy the middle of the continuum between tight (hawkish) and loose (dovish) monetary policy.

A credit spread is the difference in yield between a U.S. Treasury bond and another debt security with the same maturity but different credit quality. Also referred to as "bond spreads" or "default spreads," credit spreads are measured in basis points, with a 1% difference in yield equaling a spread of 100 basis points. Credit spreads reflect the risk of the debt security being compared with the Treasury bond, which is considered to be risk-free. Higher quality securities have a lower chance of the issuer defaulting. Lower quality securities have a higher chance of the issuer defaulting.

Basis points (bps) are measurements used in discussions of interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01%.

Duration incorporates a bond's yield, coupon, final maturity and call features into one number, expressed in years, that indicates how price-sensitive a bond or portfolio is to changes in interest rates. Bonds with higher durations carry more risk and have higher price volatility than bonds with lower durations.

Total return, when measuring performance, is the actual rate of return of an investment or a pool of investments over a given period of time. Total return includes interest, capital gains, dividends, and distributions realized over the specified period. Total return accounts for two categories of return: income including interest paid by fixed-income investments, distributions, or dividends and capital appreciation, representing the change in the market price of an asset.

A yield curve is a line that plots yields (interest rates) of bonds having equal credit quality but differing maturity dates. The slope of the yield curve gives an idea of future interest rate changes and economic activity.

U.S. Treasury Inflation-Protected Securities (TIPS) provide protection against inflation. The principal of a TIPS instrument increases with inflation and decreases with deflation, as measured by the Consumer Price Index. When a TIPS matures, investors are paid the adjusted principal or original principal, whichever is greater.

Securitized products, such as asset-backed securities (ABS) and mortgage-backed securities (MBS), are created by pooling loans from a variety of sources and issuing bonds that are backed by these loans. Creditworthiness stems from the credit quality of the underlying loans, as opposed to corporate bonds in which creditworthiness is derived from the earning power of the issuing company. The primary risk of these securities is interest-rate risk. Rising interest rates might cause loan principal prepayments to slow, resulting in less available principal to invest at prevailing higher rates. Conversely, rate decreases might accelerate prepayments, leaving more dollars to invest at lower rates.

Real gross domestic product (GDP) is nominal GDP adjusted for inflation. Nominal GDP is the total value of all goods and services produced in a specified time period, typically quarterly or yearly.

The U.S. Bureau of Economic Analysis's monthly personal savings rate is a measure of U.S. personal saving as a percentage of disposable personal income. In other words, it's the percentage of people's incomes left after they pay taxes and spend money.

A consensus estimate is a forecast of a public company's projected earnings based on the combined estimates of all equity analysts that cover the stock. Blended earnings combine actual results for companies that have reported earnings and estimated results for companies that have yet to report.

The Conference Board Measure of CEO Confidence™ is a barometer of the health of the U.S. economy from the perspective of U.S. chief executives. The Measure of CEO Confidence is based on CEOs' perceptions of current and expected business and industry conditions. The survey also gauges CEOs' expectations about future actions their companies plan on taking in four key areas: capital spending, employment, recruiting, and wages.

The National Federation of Independent Business's Small Business Optimism Index surveys small and independent business owners on 10 equally weighted and seasonally adjusted variables, including their hiring, investment, and inventory plans, as well as on their economic expectations, assessment of the state of the economy, labor market, credit conditions, and earnings trends. The monthly change of each variable contributes proportionally to the overall monthly change in the index.

Beta is a measure of the volatility or systemic risk of a security or portfolio compared with the market as a whole.

Cyclical securities have prices influenced by macroeconomic changes in the economy and are known for following the economy as it cycles through expansion, peak, recession, and recovery.

Defensive securities provide consistent, stable returns regardless whether an overall capital market is rising or falling. Companies with securities considered to be defensive tend to have a constant demand for their products or services and thus their operations are more stable during different phases of the business cycle.

A municipal to Treasury ratio is a comparison of the current yield of municipal bonds, such as AAA municipal general obligation bonds, to U.S. Treasuries. The ratio is used to assess whether the municipal bonds in question are an attractive buy in comparison to Treasury bonds.

A barbell investment strategy in fixed income typically entails investing half the portfolio in long-term bonds (generally those with maturities of 10 years or more) and the other half in short-term bonds (generally those with maturities of five years or less), with little or nothing in between. Barbell strategies can allow investors to benefit from current interest rates by investing in short-term bonds and also benefit from the higher yields of holding long-term bonds. The risks associated with using a barbell strategy include interest rate risk and inflation risk.

The federal funds rate, known as the fed funds rate, is the target interest rate set by the Federal Open Market Committee of the U.S. Federal Reserve. The target is the Fed's suggested rate for commercial banks to borrow and lend their excess reserves to each other overnight.

Dollar-cost averaging is an investment strategy in which investors divide the total amount to be invested across periodic purchases of a target asset in an effort to reduce the impact of volatility on the overall purchase. The purchases occur at regular intervals regardless of the asset's price.

The S&P 500 Index measures change in stock market conditions based on the average performance of 500 widely held common stocks. It is a market-weighted index calculated on a total return basis with dividend reinvested. The S&P 500 represents approximately 75% of the investable U.S. equity market.

The Bloomberg U.S. Aggregate Bond Index is composed of the total U.S. investment-grade bond market. The market-weighted index includes Treasuries, agencies, commercial mortgage-backed securities (CMBS), asset-backed securities (ABS) and investment-grade corporates. The inception date of the index is Jan. 1, 1976.

The Bloomberg U.S. Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market.

The Bloomberg Municipal Bond Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market.

The Bloomberg Long (22+ Year) Municipal Bond Index is a rules-based, market-value-weighted index comprised of investment-grade municipal bonds with maturities of more than 22 years.

The Bloomberg Municipal 5-Year Bond Index is an unmanaged index comprised of investment-grade municipal bonds with maturities of four to six years.

The Bloomberg 10-Year Municipal Bond Index is an unmanaged index comprised of investment-grade municipal bonds with maturities of eight to 12 years.

The Bloomberg Municipal Housing Index is an index of municipal housing bonds.

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The Bloomberg AA Municipal Index covers the USD-denominated Aaa-rated tax exempt bond market.

The Bloomberg Baa Municipal Index covers the USD-denominated Baa-rated tax exempt bond market.

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CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Consent Agenda
AGENDA OUTLINE NUMBER: 3.C.

TO: City Council

THRU: Jeffrey Cozadd, Grants Manager
Webb Warren, Deputy City Manager
Kyle Bauman, City Attorney
Lance Johnson, City Manager

FROM: Krystal Strickland, Finance Director

DATE: August 8, 2022

SUBJECT: Capital Project Status

I. BACKGROUND: Informational Item Only

II. DISCUSSION: Please find attached a summary of the current capital improvement projects, showing status and Year-to-Date expenditures and encumbrances.

- A. Link to Strategic Goals / Objectives:** Financially sound City providing Service Excellence
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**
- D. Legislative Sponsor:**

III. CONCLUSION:

IV. RECOMMENDED MOTION: Not applicable. Informational only.

Attachments:

1. 2022 0808 Capital Projects

CITY OF DESTIN CAPITAL IMPROVEMENT PLAN - Monthly Status Report

COUNCIL/ MGMT OBJECTIVE	October 1, 2021 - August 8, 2022		FY2022 Budget*	YTD Actuals	YTD Encumbrances	FY2022 Available Budget	Status	Notes
PRIORITY	Citizen/Council Directed							
1.2	EN615	Cross-Town Connector	\$ 3,029,931	\$ 354,307	\$ 325,366	\$ 2,350,259	Ongoing	Atkins working on stormwater retention pond re-design. Accomplished 3/9 ROW acquisitions.
1.3, 2.2	CM001	Beach Acquisition	4,972,283	89,953	95,364	4,786,966	Ongoing	TDC working on beach park design. Legal is working towards 3rd parcel acquisition.
1.6	EVENT	Multi-Use Convention/Sports/Comm Ctr	-	-	-	-		<i>Funds moved to Council Contingency</i>
1.4, 2.3	UNDER	Undergrounding	608,629	187,492	171,421	249,716	Ongoing	Survey was ordered and completed. Waiting on a binding cost estimate from FPL.
1.8	TR621	Transit Trolley	25,000	-	-	25,000	In process	This is being reviewed as part of the mobility study in process with 3TP Ventures.
1.9	MARIN	City Marina	75,000	-	-	75,000	Not Started	Staff need direction on what to research/pursue.
1.7	ANNEX	Annexation Study	10,000	-	-	10,000	In process	Planning staff working with land attorney to summarize the enclave annexation process for an agenda item scheduled for August 2022.
	Renewal & Replacement							
3.2	RR051	General Government	204,752	18,789	3,669	182,295	Ongoing	
3.2	RR052	Public Safety	217,044	1,618	-	215,426	Ongoing	
3.2	RR053	Physical Environment (Stormwater, Cemetery)	295,868	231,600	69,048	(4,780)	Ongoing	Harbor Pump has been rebuilt and re-installed. VFD installed. Repairs and Improvements complete.
1.10, 3.2, 3.7	RR054	Roads, Sidewalks, Street Lighting (Gas Tax 1 + GF)	957,727	69,360	457,870	430,497	On Hold	Benning Drive Striping complete; Azalea Dr PO issued; Scenic 98 milling/resurfacing/striping scheduled. A pavement assessment has been completed. Findings to be presented at June 2022 PW/PS committee meeting include Kel-Aire Drive/Kel-Aire Ct and MistyWay/Lakeside Dr. 06/30/22: ACCESS TO ASPHALT DELAYED BY FDOT.
3.2	RR057	Parks and Recreation	681,765	107,563	94,469	479,733	Ongoing	Library AC unit replaced; replaced morgans ice machine; replaced dock decking at Joe's Bayou; replacing a drinking/pet water fountain; replacing com ctr stage; bid request to replace com ctr doors/windows & fix roof leaks.
3.2	RRVEH	Vehicles	523,044	101,499	419,326	2,219	Ongoing	FY22 vehicles/equipment on order include Dump Truck, Brush Chipper, JD410L Loader and two F150s.
	Growth Necessitated & Comp Plan							
	LB002	Library Impact Fee Projects	24,000	2,542	-	21,458		
4.10	NORG1	Norriego Point Road	368,370	54,519	6,981	306,870	Ongoing	Council-approved development order. Jenkins (engineer) is working on parking and road design. Developer's contractor will begin work on the roadway this fall in coordination with FDEP.
4.14	SW54	Stormwater Improvements	60,000	-	14,995	45,005		Swales constructed on 3rd and 4th streets, Gulf Shore Drive swales (x2) in process.

COUNCIL/ MGMT OBJECTIVE	October 1, 2021 - August 8, 2022		FY2022 Budget*	YTD Actuals	YTD Encumbrances	FY2022 Available Budget	Status	Notes
1.5, 4.8	TR618	Zerbe-Calhoun Pedestrian Pathway (under the Marler Bridge)	155,932	6,361	149,571	-	Ongoing	Baskerville-Donovan engineering firm presented 60% design. FDOT is not supporting pathway development under the Marler Bridge due to bridge renovation plans and location of critical utility lines. Consider refocus to Stahlman.
1.10	TR619	Sibert-Zerbe Parking Lot Consolidation	150,000	-	-	150,000		Will get quotes to pave/consolidated when FDOT is done using this space for Hwy 98 landscaping project.
3.9	TR620	ADA Transition - Pedestrian Facilities	142,000	26,194	114,450	1,357	Ongoing	Phase 2 underway.
1.10	TR622	General Parking Improvements (FY22 kiosk)	30,000	-	4,426	25,574		
	Other Capital Projects							
	CE001	Code Compliance Vessel	41,000	-	7,500	33,500	Completed	Sheriff's office donated a vessel. Code using some of these funds to purchase a trailer for the donated boat. Code Compliance team updating equipment needs list for potential budget transfer.
3.3, 4.7	CRH63	Captain Royal Melvin Heritage Park and Plaza (RESTORE)	878,815	618,133	128,011	132,671	Ongoing	The estimated completion date for the construction is September 23, 2022. Landscaping projected for October. The park opening may take place in October if the project stays on the current schedule.
3.5	CRH64	Harbor CRA Wayfinding Plan Signage	-	-	-	-		See 2023 budget.
4.2	CRH65	Harbor Capacity Study	250,000	250,000	-	-	Ongoing	Contractor procurement is underway for ground surveys and aerial imagery. Estimated completion December 2022.
4.15	CRT17	Town Center CRA Easement Trail/Linear Park	-	-	-	-		Grant award for state appropriation in process.
3.5	CRT64	Town Center CRA Wayfinding Plan Signage	-	-	-	-		See 2023 budget
3.5	TR64	General Wayfinding Plan Signage	100,000	-	-	100,000		Coordinating with TDC
3.2	IT002	CD Tech Fund Hardware/Software Replacements	75,000	16,168	-	58,832	Ongoing	
	IT003	Other Hardware/Software Replacements	38,779	22,576	-	16,203	Ongoing	
	LB001	Library Tablet Station & Biblioteca RFID and Mobil Ap	27,704	19,246	1,833	6,626	Complete	Tablet station is open to public. RFID tagging is complete.
	NPDES	National Pollutant Discharge Elimination System (NPDES)	32,500	16,250	16,250	-	Annual Certification	
	PW015	Vehicle WashDown Station	-	-	-	-		
	RC124	Morgan's Children's Park Playground Structure	51,745	-	-	51,745	In Process	Plaground contractor is working on a design (and quote) to best fit our budget.
	RC125	Buck Destin Restrooms	135,000	-	-	135,000	In Process	Location is chosen. Engineering (continuing svcs contractor) is being choseN to do site plan related to stormwater impacts. Reviewing modular options.
4.16	RC127	Pickleball Court	400,000	-	-	400,000		Staff is working to procure space and potential funding assistance.

COUNCIL/ MGMT OBJECTIVE		October 1, 2021 - August 8, 2022	FY2022 Budget*	YTD Actuals	YTD Encumbrances	FY2022 Available Budget	Status	Notes
	RC128	Morgan's Bathrooms/Storage/Fieldhouse	250,000	-	-	250,000		Staff is drafting a tentative layout for an engineering firm to start a design.
	RC130	Cultural Facilities Grant Bldg Improvements	-	-	-	-	Cancelled	Grant not awarded.
3.3, 4.11	RC216	Clement Taylor Park Renovations	764,918	-	-	764,918		New Construction Project manager will be tasked to draft construction RFP after closeout of Captain Royal Melvin park project.
	ARP	Infrastructure Project TBD	790,000	8,793	478,459	302,748	Started	One IT Security project and one Stormwater project approved to date.
	TRSAF	Intersection Safety	100,000	17,241	37,470	45,289	Ongoing	
	SW55	Mobile Pumps and Hoses (Flood Prevention)	96,619	83,718	-	12,901	Ongoing	Received (2) 6" pumps and hoses and (1) 4" pump. A 3" pump and hoses is being ordered.
	SALLY	Hurricane Sally Repairs	58,951	57,234	2,457	(740)	Ongoing	Started Sept 2020
	SW53	Stormwater Master Plan	6,148	-	4,023	2,125	Ongoing	Started in 2018 Jenkins Engineering
	XMAS	Christmas Decorations (capital items)	68,160	69,846	-	(1,686)	Complete	
Total Funded Projects			\$ 16,696,685	\$ 2,431,001	\$ 2,602,956	\$ 11,662,727		

CITY OF DESTIN 5-YEAR CAPITAL IMPROVEMENT PLAN

COUNCIL/ MGMT OBJECTIVE			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
PRIORITY	Citizen/Council Directed							
1.2	EN615	Cross-Town Connector	\$ 2,700,000	\$ -	\$ 1,650,000	\$ 1,650,000	\$ -	\$ 6,000,000
1.3, 2.2	CM001	Beach Acquisition	6,585,000	-	-	-	11,346,132	17,931,132
1.6	EVENT	Multi-Use Convention/Sports/Comm Ctr	75,000	-	-	-	-	75,000
1.4, 2.3	UNDER	Undergrounding	250,000	780,000	375,000	-	-	1,405,000
1.8	TR621	Transit Trolley	25,000	-	-	-	-	25,000
1.9	MARINA	City Marina	75,000	-	-	-	-	75,000
1.7	ANNEX	Annexation Study	10,000	-	-	-	-	10,000
	Renewal & Replacement							
3.2	RR051	General Government	195,000	22,500	51,500	28,500	142,500	440,000
3.2	RR052	Public Safety	217,044	259,544	132,544	128,044	239,500	976,678
3.2	RR053	Physical Environment (Stormwater, Cemetery)	26,307	26,307	26,307	26,307	26,307	131,533
1.10, 3.2, 3.7	RR054	Roads, Sidewalks, Street Lighting (Gas Tax 1)	1,018,000	1,011,667	1,031,667	1,011,667	1,011,667	5,084,667
3.2	RR057	Parks and Recreation	602,751	331,512	537,512	329,512	362,512	2,163,799
3.2	RRVEH	Vehicles	463,427	-	-	-	-	463,427
	Growth Necessitated & Comp Plan							
	LB002	Library Impact Fee Projects	24,000	10,000	120,000	-	-	154,000
4.10	NORG1	Norriego Point Road	350,000	-	-	-	-	350,000
	RC004	Park Impact Fee Projects	-	-	-	-	-	-
4.14	SW54	Stormwater Improvements	60,000	60,000	-	-	-	120,000
1.5, 4.8	TR618	Zerbe-Calhoun Pedestrian Pathway	-	-	-	-	-	-
1.10	TR619	Sibert-Zerbe Parking Lot Consolidation	150,000	-	-	-	-	150,000
3.9	TR620	ADA Transition - Pedestrian Facilities	142,000	-	-	-	-	142,000
1.10	TR622	General Parking Improvements (FY22 kiosk)	30,000	75,000	100,000	-	-	205,000
	Other Capital Projects							
	CE001	Code Compliance Vessel	41,000	-	-	-	-	41,000
3.3, 4.7	CRH63	Captain Royal Melvin Heritage Park and Plaza (R	706,530	-	-	-	-	706,530
3.5	CRH64	Harbor CRA Wayfinding Plan Signage	-	150,000	-	-	-	150,000
4.2	CRH65	Harbor Capacity Study	-	-	-	-	-	-
4.15	CRT17	Town Center CRA Easement Trail/Linear Park	-	270,000	50,000	1,000,000	-	1,320,000
3.5	CRT64	Town Center CRA Wayfinding Plan Signage	-	100,000	-	-	-	100,000
3.5	TR64	General Wayfinding Plan Signage	100,000	-	-	-	-	100,000
3.2	IT002	CD Tech Fund Hardware/Software Replacement	75,000	225,000	-	-	-	300,000
	IT003	Other Hardware/Software Replacements	50,000	-	-	100,000	-	150,000

	LB001	Library Tablet Station & Biblioteca RFID and Mo	57,904	-	-	-	-	57,904
	NPDES	National Pollutant Discharge Elimination System	32,500	32,500	32,500	32,500	32,500	162,500
	PW015	Vehicle WashDown Station	-	-	-	-	-	-
	RC124	Morgan's Children's Park Playground Structure	51,745	-	-	-	-	51,745
	RC125	Buck Destin Restrooms	135,000	-	-	-	-	135,000
4.16	RC127	Pickleball Court	400,000	-	-	-	-	400,000
	RC128	Morgan's Bathrooms/Storage/Fieldhouse	250,000	-	-	-	-	250,000
	RC129	World's Luckiest Fishing Pond at X-Town Park	-	-	-	-	-	-
	RC130	Cultural Facilities Grant Bldg Improvements	-	-	-	-	-	-
3.3, 4.11	RC216	Clement Taylor Park Renovations	764,918	-	-	-	-	764,918
	SW55	Mobile Pumps and Hoses (Flood Prevention)	-	-	-	-	-	-
	ARP	Infrastructure Project TBD	790,000	790,000	-	-	-	1,580,000
	TRSAF	Intersection Safety	100,000	-	-	-	-	100,000
Total Projects			\$ 16,553,126	\$ 4,144,030	\$ 4,107,030	\$ 4,306,530	\$ 13,161,117	\$ 42,271,832

Funding Sources			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
TC CRA	10258500	TOWN CENTER CRA	\$ -	\$ 370,000	\$ 50,000	\$ 1,000,000	\$ -	\$ 1,420,000
Harbor CRA	11058500	HARBOR CRA	-	150,000	150,000	-	-	300,000
Parking Fund	12254500	PARKING FUND	126,000	95,667	120,667	20,667	20,667	383,667
Tech Fund	12552329	TECHNOLOGY FUND	-	-	-	-	-	-
Oka 1/2 Penny	12953831	OKA 1/2 STORMWATER	-	-	-	-	-	-
Oka 1/2 Penny	12953931	OKA 1/2 UNDERGROUNDING	250,000	780,000	225,000	-	-	1,255,000
Oka 1/2 Penny	12957231	OKA 1/2 BEACH ACQ	2,699,850	-	-	-	4,651,914	7,351,764
Gas Taxes	30054131	GAS TAX#1 RR ROADS	440,000	509,000	509,000	509,000	509,000	2,476,000
Half Cent	30058585	RR GENERAL	1,986,529	1,121,863	1,249,863	994,363	1,252,819	6,605,437
Grant	30553833	FL DEM STRMWTR GRANT	-	-	-	-	-	-
Grant	30554133	FDOT TRIP GRANT	2,700,000	-	-	-	-	2,700,000
Grant	30554137	OKA BOCC X-TOWN GRANT	-	-	1,650,000	1,650,000	-	3,300,000
Grant	30557133	LIBRARY/MUSEUM GRANTS	57,904	-	-	-	-	57,904
Grant	30557233	RESTORE PARK GRANT	1,286,448	-	-	-	-	1,286,448
Grant	30557237	TDC BEACH ACQ GRANT	3,885,150	-	-	-	6,694,218	10,579,368
General Fund	30558500	GENERAL FUND	1,205,700	225,000	-	100,000	-	1,530,700
Impact Fees	31552000	POLICE IMPACT FEES	11,300	-	-	-	-	11,300
Impact Fees	31553732	NPEB IMPACT FEES	36,500	32,500	32,500	32,500	32,500	166,500
Grant	31553833	STORMWATER	60,000	60,000	-	-	-	120,000
Gas Taxes	31554031	GAS TAX#2 COMP PLAN	150,000	-	-	-	-	150,000
Impact Fees	31554032	MULTI-MODAL IMPACT FEES	142,000	-	-	-	-	142,000

Impact Fees	31554132	ROAD IMPACT FEES	350,000	-	-	-	-	350,000
Impact Fees	31557132	LIBRARY IMPACT FEES	24,000	10,000	120,000	-	-	154,000
Impact Fees	31557232	PARK IMPACT FEES	325,000	-	-	-	-	325,000
Grant	31557236	MORGANS KID PARK GRANT	26,745	-	-	-	-	26,745
Grant	30555900	AMERICAN RESCUE PLAN	790,000	790,000	-	-	-	1,580,000
Total Sources			\$ 16,553,126	\$ 4,144,030	\$ 4,107,030	\$ 4,306,530	\$ 13,161,117	\$ 42,271,832

*30558500 GF CIP PROJECTS includes General Fund excess cash balances

		5-Year Capital Budget Amount
Council Objectives		
1.1	Offer livable wages & benefits to attract and maintain high caliber, quality staff	\$ 355,000
1.2	Complete two-lane Crosstown Connector	6,000,000
1.3	Public Beachfront acquisition initiative	17,931,132
1.4	Underground Utilities	1,405,000
1.5	Zerbe St/Calhoun Ave Phase II - Design pedestrian pathway under Marler Bridge	-
1.6	Research viability of Multi-use Convention/Sports/Community Center (phase 1 Feasibility study)	75,000
1.7	Annexation of unincorporated enclaves	10,000
1.8	Transit/Trolley system	25,000
1.9	City Marina (phase 1 Feasibility Study)	75,000
1.10	Improve parking	355,000
1.11	Beach re-nourishment, planning and scheduling	-
Management Objectives		
2.1-2.8	These are management-related, not capital project related	-
Management in Progress		
3.1	Memorialize institutional knowledge	-
3.2	Plan for renewal and replacement of city facilities and infrastructure	4,475,437
3.3	Monitor RESTORE Act grants	-
3.4	Implement enhanced signage control	-
3.5	Develop/implement wayfinding program	350,000
3.6	Update golf cart/low speed vehicle rules	-
3.7	Implement a roadway striping program	5,084,667
3.8	Provide training to Board and Committee members	-
3.9	Improve sidewalks (wider, more walkable)	142,000
3.10	Enforce residential boat and RV parking regulations	-
3.11	Monitor beach cleaning with Okaloosa County	-
3.12	Redevelopment (citywide)	-
3.13	Reestablish environmental committee	-
Major Projects		
4.1	Implement and manage COMPASS software	-
4.2	Harbor Capacity Study (USACE)	-
4.3	Land Development Code revision	-
4.4	Impact Fee Study	-
4.5	Building Permit Fee Study	-
4.6	Update BTR Fee Schedule and processes	-
4.7	Construction of Capt Royal Melvin Heritage Park	706,530
4.8	Zerbe St/Calhoun Ave Phase II - Design pedestrian pathway under Marler Bridge	-
4.9	Hwy 98 Median Improvement project (w/FDOT)	-
4.10	Norriego Point Recreation components (w/FDEP)	350,000

4.11	Renovate Clement Taylor Park	764,918
4.12	Redevelop Joe's Bayou Recreation Area (w/FDEP)	-
4.13	Continuity of streetlights/Conversion to LEDs	-
4.14	Implement prioritized stormwater improvements based on the Stormwater Master Plan	120,000
4.15	Design and construct Gulf Power Easement Trail/Linear Park	1,320,000
4.16	Design and construct pickleball courts	400,000
	TOTAL	<u>\$ 39,944,683</u>

TOTAL FY2022-2026 CAPITAL BUDGET	\$	42,271,832
% FOR COUNCIL OBJECTIVES		94%

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Action Item
AGENDA OUTLINE NUMBER: 3.D.

TO: City Council

THRU: Krystal Strickland, Finance Director
 Webb Warren, Deputy City Manager
 Kyle Bauman, City Attorney
 Lance Johnson, City Manager

FROM: Jeffrey Cozadd, Grants Manager

DATE: August 8, 2022

SUBJECT: FY 2022 Budget Amendment for TDC FY2022

I. BACKGROUND: Each of the Municipalities participating in the Interlocal agreement with the Okaloosa Tourist Development District submitted expenditure plans in March 2022. The plans were approved by the Okaloosa Board of County Commissioners on August 3, 2022.

II. DISCUSSION: Attached is the e-mail informing the City of the award from the TDC as per the new interlocal agreement to distribute 12.5% of the TDD's revenues for the municipalities to invest in their communities. For FY2022, the City of Destin was awarded \$1,104,920. The City of Destin plans to use these funds as follows:

Boardwalk Renewal	\$	500,000
Captain Royal Melvin Park		120,000
Beach Acquisition Phase I		484,920
	\$	<u>1,104,920</u>

A. Link to Strategic Goals / Objectives: Enhanced quality of life and safety for families and visitors.

B. Effect on Budget (EOB): Adopting this amendment will increase the FY 2022 budget by \$1,104,920 as follows:

ORG	OBJECT	PROJECT	(I)Increase (D)Decrease	AMOUNT	CURRENT AVAILABLE BUDGET	REVISED AVAILABLE BUDGET
305300 Restricted	337712 TDC 12.5%		I	\$ 1,104,920.00	\$ -	\$ 1,104,920.00
30557212 TDC 12.5% ILA	565000 Construction in Progress	RC101 Boardwalk	I	\$ 500,000.00	\$ -	\$ 500,000.00
30557212 TDC 12.5% ILA	565000 Construction in Progress	CRH63 Capt Royal	I	\$ 120,000.00	\$ -	\$ 120,000.00
30557212 TDC 12.5% ILA	561000 Land Purchase	CM001 Beach	I	\$ 484,920.00	\$ -	\$ 484,920.00

C. Level of Service (LOS): Increased

D. Legislative Sponsor:

III. CONCLUSION: Staff recommend adoption of this budget amendment.

IV. RECOMMENDED MOTION: I move to increase the FY 2022 Budget by \$1,104,920 through the Budget Amendment Form attached as Exhibit "A."

Attachments:

1. Exhibit "A" - 2022 0801 Budget Amendment FY22 TDC ILA 12.5
2. FY 2023 BOCC approval of TDC Funding Requests
3. 2022 0803 TDC Municipal Expenditure Plan approval

CITY OF DESTIN Budget Amendment Form

Fiscal Year 2022 Short Description 12.5% Interlocal FY22 Entity Code 1
 Period 11 Effective Date 8/15/2022 Amendment Type* 2
 Ref 1 BUA Budget Year Code 1 Budget Projection Inclusion One Time
 Ref 2 ADJ

*AMENDMENT TYPE: 1 = Exp/Exp or Rev/Rev, 2 = Exp/Rev, 3 = Exp/Rev one sided, 7 = Exp/Rev Inter fund, 8 = Exp/Exp Inter Fund

ORG	OBJECT	PROJECT	LINE DESCRIPTION	(I)ncrase (D)ecrease	AMOUNT	CURRENT AVAILABLE BUDGET	REVISED AVAILABLE BUDGET
305300 Restricted	337712 TDC 12.5%		FY22 Award TDC 12.5% ILA	I	\$ 1,104,920.00	\$ -	\$ 1,104,920.00
30557212 TDC 12.5% ILA	565000 Construction in Progress	RC101 Boardwalk	FY22 Award TDC 12.5% ILA	I	\$ 500,000.00	\$ -	\$ 500,000.00
30557212 TDC 12.5% ILA	565000 Construction in Progress	CRH63 Capt Royal Melvin	FY22 Award TDC 12.5% ILA	I	\$ 120,000.00	\$ -	\$ 120,000.00
30557212 TDC 12.5% ILA	561000 Land Purchase	CM001 Beach	FY22 Award TDC 12.5% ILA	I	\$ 484,920.00	\$ -	\$ 484,920.00

increase/(decrease)
 revs \$ 1,104,920.00
Increase to FY22 Budget **exps \$ 1,104,920.00**

Created by: _____
 Entered by: _____
 Approved by: _____

Initials Date

_____ _____
 _____ _____
 _____ _____

Note
 To record award from TDC of FY2022 Expenditure plans as per Municipal
 Sharing Interlocal Agreement

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Okaloosa County Florida

Action Item 13500

Request approval of municipal expenditure plans for the 12.5% allocation of tourist development taxes for FY 2022 and FY 2023, and staff's specific project recommendations related thereto. Dist: All

Information

Department:

Tourist Development
Department

Sponsors:
Category:

Approval

Attachments

[Printout](#)
[Crestview](#)
[Destin](#)
[Fort Walton Beach](#)
[Laurel Hill](#)
[Niceville](#)
[Shalimar](#)

Body

STATEMENT OF ISSUE: Request approval of municipal expenditure plans for the 12.5% allocation of tourist development taxes for FY 2022 and FY 2023, and staff's specific project recommendations related thereto.

BACKGROUND: Effective March 1, 2022 municipalities each receive a proportionate share of 12.5% of bed taxes collected. Initial expenditure plans were reviewed by staff and legal for compliance with the Interlocal Agreement, Tourist Development Plan, and Florida Statute. Staff met with each municipality to discuss project details and provide direction regarding additional information needed. Correspondence and expenditure plans are provided herein for Board consideration.

To avoid thousands of tourism dollars being invested that don't lead to any tourism asset development, promotion, enhancement or benefit, staff requested cities fund any PD&E/Concept Plans. Concept Plans should include: potential site layout, planned amenities types (to include support items as bathrooms, concessions, parking, lighting, landscaping), and approximate cost estimates. Once a Concept Plan is completed, the County will work with the City to determine each project component's relation to tourism and identify funding participation - i.e. City, Grants, Tourism. Construction design (or partial design depending on tourism relevance) may be funded, if tied to immediate construction of a tourism facility/asset. After the initial year, Staff will likely be offering up suggested revisions to the TDD manual to better clarify expenditures and processes to help make things run smoother moving forward as we will be managing these issues for decades.

To ensure tourism brand standards/Little Adventures alignment, the county is retaining final creative approval for all promotional/marketing and wayfinding initiatives.

Per the TDD Manual, payments are on a reimbursement basis no more frequent than monthly, but preferably quarterly. An Expenditure Transaction Report (or comparable) listing transaction date, vendor name, amount, and description is required for operational and maintenance expenses. Vendor invoices and proof of payment is required for capital project expenses. Any payment shall only be made up to the amount currently available from accumulated TDT funds. Expenditures made prior to Board approval may not be eligible for payment.

For municipalities who didn't request or requested less than available funds, the balance of their allocation rolls over to be used in future years.

Budget overruns - actual payments for project scopes as approved herein may exceed the amounts budgeted herein to the extent funds are available within accumulated TDT funds.

The Tourist Development Council recommended approval at its May 18, 2022 meeting.

<u>City of Crestview</u>	<u>Funding</u>
Wayfinding Systems & Kiosks	\$15,000
Brookmeade Park (Skate Park & RC Track)	\$275,000
Sports Complex & Nature Trails	\$120,000
Marketing & Promotions	<u>\$15,000</u>
	\$425,000

<u>City of Destin</u>	
Beach Acquisition Phase I	\$1,920,545
Harbor Boardwalk Improvements	\$500,000
Captain Royal Melvin Park	\$120,000
Beach & Boardwalk Operations	<u>\$200,000</u>
	\$2,740,545

<u>City of Fort Walton Beach</u>	
Arts & Cultural Strategic Plan	\$150,000
Batting Cage Shade/Rain Structure	\$80,000
Downtown/CRA Branding/Wayfinding	\$50,000
Heritage Park & Cultural Center Addition	\$390,000
Liza Jackson Waterfront Park Design	\$37,500
Athletic Complex Expansion	\$150,000
Travel Tournament Maintenance/Repair	<u>\$100,000</u>
	\$957,500

<u>City of Laurel Hill</u>	
Welcome Signage	<u>\$32,500</u>
	\$32,500

<u>City of Niceville</u>	
Community Aquatic Center Complex	<u>\$150,000</u>
	\$150,000

<u>City of Shalimar</u>	
Combs Park Improvements	<u>\$54,280</u>
	\$54,280

FUNDING SOURCE:

<u>Municipality</u>	<u>%</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Total Budget</u>	<u>Account</u>
Destin	48.50%	\$1,104,920	\$1,636,875	\$2,741,795	1413-599300
Fort Walton Beach	18.00%	\$410,075	\$607,500	\$1,017,575	1414-599300
Crestview	11.50%	\$261,990	\$388,125	\$650,115	1412-599300
Niceville	10.00%	\$227,820	\$337,500	\$565,320	1417-599300
Mary Esther	5.00%	\$113,910	\$168,750	\$282,660	1416-599300
Valparaiso	2.50%	\$56,955	\$84,375	\$141,330	1419-599300
Cinco Bayou	2.00%	\$45,565	\$67,500	\$113,065	1411-599300
Shalimar	1.50%	\$34,175	\$50,625	\$84,800	1418-599300
Laurel Hill	1.00%	\$22,780	\$33,750	\$56,530	1415-599300
		\$2,278,190	\$3,375,000	\$5,653,190	

OPTIONS: Approve, Disapprove or Provide Direction

RECOMMENDATION: Approve the municipal expenditure plans for the 12.5% allocation of tourist development taxes for FY 2022 and FY 2023, and staff's specific project recommendations related thereto.

Note: FY 2023 funding is not considered approved until final adoption of the annual budget by the Board in mid-September, but is presented herein to streamline the approval process.

From: [Charlotte Dunworth](#)
To: ["Cinco Bayou Town Manager \(Keith Williams\)"; "Crestview CDS Director \(Barry Henderson\)"; "Crestview City Manager \(Tim Bolduc\)"; "Crestview Senior Planner \(Nicholas Schwendt\)"; Lance Johnson; Webb Warren; Krystal Strickland; Jeffrey Cozadd; "Fort Walton Beach City Manager \(Michael Beedie\)"; "Fort Walton Beach Rec Director \(Jeff Peters\)"; "Laurel Hill City Clerk \(Nita Miller\)"; "Laurel Hill Mayor \(Robby Adams\)"; "Mary Esther City Manager \(Jared Cobb\)"; "Niceville City Clerk \(Dan Doucet\)"; "Niceville City Manager \(Lannie Corbin\)"; "Niceville Finance Director \(Steven Rausch\)"; "Niceville Grants Administrator \(Ammy Hanson\)"; Shalimar Town Administrator \(Tom Burns\); "Shalimar Town Clerk \(Jessica Rehr\)"; "Valparaiso City Clerk \(Tammy Johnson\)"; "Valparaiso Town Administrator \(Carl Scott\)"](#)
Cc: [Craig Coffey; Jennifer Adams; "Parsons, Kerry"](#)
Subject: Municipal Expenditure Plan approval
Date: Wednesday, August 03, 2022 8:32:12 AM
Attachments: [image001.png](#)

[CAUTION: This email originated from outside of the City of Destin email system. DO NOT CLICK on links or open attachments unless you are sure the content is safe.]

Good morning everyone-

The municipal applications were approved by the Board yesterday, so you may move forward as we've discussed. Each of your applications and project-specific guidance and approval may be found in the attachments to Board agenda item:

http://okaloosacountyfl.ig2.com/Citizens/Detail_LegiFile.aspx?Frame=&MeetingID=1813&MediaPosition=&ID=13500&CssClass=

As a reminder:

Payment

- 1) Payments are on a reimbursement basis no more frequent than monthly, but preferably quarterly. Invoicing shall be in sufficient detail for pre- and post-audit review.
 - a. Expenditure Transaction Report (or comparable) listing transaction date, vendor name, amount, and description is required for operational and maintenance expenses.
 - b. Vendor invoices and proof of payment is required for capital project expenses.
 - c. Direct vendor payment, rather than reimbursement, may be permitted for smaller municipalities if denoted on the expenditure plan and approved by the Board.
 - d. All procurement responsibilities rest with the municipalities.
 - e. Additional documentation may be required as necessary to determine the validity of any expenditure.
- 2) Any payment shall only be made up to the amount currently available from accumulated TDT funds.

Happy to answer any questions you may have as we navigate the first year of this process.



CHARLOTTE DUNWORTH
DEPUTY DIRECTOR OF FINANCE & COMPLIANCE
Destin-Fort Walton Beach, Florida
850.609.5385
1540 Miracle Strip Pkwy Fort Walton Beach, Florida 32548
destinfb.com

Please note: Due to Florida's very broad public records laws, most written communications to or from County employees regarding County business are public records, available to the public and media upon request. Therefore, this written e-mail

communication, including your e-mail address, may be subject to public disclosure.

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Consent Agenda
AGENDA OUTLINE NUMBER: 3.E.

TO: City Council

THRU: Jeffrey Cozadd, Grants Manager
Krystal Strickland, Finance Director
Lance Johnson, City Manager

FROM: lisa Firth, Parks & Rec Director

DATE: August 4, 2022

SUBJECT: Harbor Boardwalk Repairs

I. BACKGROUND:

II. DISCUSSION: The total area of the Heron Harbor Boardwalk that needs to be replaced is 13,030.5 sq ft. The TDC FY22 Expenditure Plan will allow us to expend up to \$500,0000 to replace and renew boardwalk decking.

Because the cost to replace worn decking at Heron Harbor Boardwalk exceeds the City Manager's \$15,000 threshold set forth in the City's Purchasing Manual, Council consent is required.

Competitive procurement procedures are required for purchases over \$15,000.

Anderson/Gore Homes, Inc. is the continuing decking service contractor for the City.

Anderson/Gore won RFB 21-01-PS Boardwalk Repair, Replacement & Maintenance in a sealed bid procurement. A quote has been provided by Anderson/Gore Homes, Inc. for all labor and materials, excluding Wear Deck boards, to make necessary repairs at the Harbor Boardwalk. The quote attached is \$285,367.95, a 10% contingency of \$28,536.00 is added for a total of \$313,903.95.

Hodges Bros Lumber is the exclusive Authorized Distributor of Wear Deck boards for our region of Florida. Hodges Bros Lumber has provided a quote for Wear Deck Boards at their wholesale price, which is lower than the contractor's price. A quote and Authorized Distributor letter are attached, amounting to \$149,040.00 and a 10% contingency amount of \$14,904.00 is added for a total of \$163,944.00. Competitive procurement procedures are typically required for purchases over \$15,000. Wear Deck is the City's preferred boardwalk

decking material due to longer life as compared to general marine lumber in our environment. The City has been consistently applying this same type of decking to all boardwalks on both the beach and bay areas. In this case, because Hodges Bros is the exclusive authorized distributor, staff is requesting the Council to waive the competitive procurement process for this particular purchase. The City Purchasing Manual IV.C.A.2. states that City Council may exempt a purchase from regular purchasing requirements by motion if the procurement is necessary to protect the public's health, safety, and welfare.

There is no insurance coverage for the boardwalks as this project is to replace boards damaged due to normal wear and tear from aging and usage. In addition, the boardwalks are excluded under the City's insurance policy - Public Entity-Property and Inland Marine Coverage, Section II Exclusions. The total of \$477,847.95 will complete the Boardwalk that the City is responsible for.

A. Link to Strategic Goals / Objectives: Strategic Goal: Enhanced quality of life and safety for families

B. Effect on Budget (EOB): This project will be paid using TDC funds that were awarded to the City on August 3, 2022, if the budget amendment is adopted.

	30557212	
	TDC 12.5% ILA	TOTAL
565000-RC101		
capital project-Boardwalk	\$ -	\$ -
FY22 Adopted Budget	-	-
Budget Amendment	500,000	500,000
Revised Budget	500,000	500,000
Previous Expenses/Encumbrances	-	-
Available Program Budget	500,000	500,000
This Agreement +(-)	(477,848)	(477,848)
FY22 Remaining Program Budget	\$ 22,152	\$ 22,152

Anderson Gore	313,903.95	labor & hardware
Hodges Bros	163,944.00	wear deck
	<u>477,847.95</u>	

C. Level of Service (LOS): Level of service will be increased by providing an aesthetically pleasing harbor boardwalk that will also require less maintenance and be structurally sound.

D. Legislative Sponsor:

III. CONCLUSION: Staff is requesting approval for Anderson/Gore Homes to perform necessary boardwalk repairs, which entails the removal and replacement of the Boardwalk at Heron Harbor for the amount of \$313,903.95. Staff is also requesting approval for the city to purchase Wear Deck from Hodges Bros Lumber for the amount of \$163,944.00.

IV. RECOMMENDED MOTION: I move to approve the work orders for the Continuing Services Contractor, Anderson/Gore Homes, Inc, to replace the boardwalk in accordance

with the attached quotes in an amount not to exceed \$313,903.95, and to ensure the public's health, safety, and welfare, due to the nature of the timing, potential trip/fall hazards, and for consistency of use of long-term materials, I move to exempt the purchase of Wear Deck from the competitive procurement process required in Resolution 13-10, and to allow staff to move forward with the purchase of this particular decking product in an amount not to exceed \$163,944.00.

Attachments:

1. Doc Aug 03 2022 8_44
2. Destin_WearDeck 2x6_QT
455722_0001
3. Anderson Gore Contract
4. Hodges Bros Lumber

Anderson Gore Homes, Inc.
125 Rainbow Drive
Fort Walton Beach, FL 32547
Phone # 850-259-1845
CGC025698

ANDERSON GORE
general contractors CGC 025698

Monday, April 25, 2022

City of Destin
4200 Indian Bayu Trail
Destin, FL 32541

Reference : Remove and Replace Boardwalk Huron Harbor

Remove existing 2 X 10s and replace with pressure treated 2 X 10s secure 2 x 10s with stainless steel hurricane clips and stainless-steel clip nails. Install 2 x 6 wear boards and secure with color watched composite stainless-steel screws.

Please note that the City of Destin is providing the wear boards at there expense.

Total square footage of deck @ Huron Harbor is $13,030.5 \times 21.50 =$ **\$285,367.95**

Total Due **\$285,367.95**



Hodges Bros. Lumber, Inc.
437 Eglin Parkway NE
Fort Walton Beach, FL 32547
PH 850-862-1555 | FX 850-862-4238

Quotation
** INVOICE/ORDER **

Invoice #
455722
CIDE

FINANCE DEPARTMENT
C/O CITY OF DESTIN
4200 INDIAN BAYOU TR
DESTIN FL

32541

DESTIN HARBOR
BOARDWALK PROJECT
--PRICE QUOTATION--

ATTN LISA FIRTH

07/25/22 QT-2620WDK Packer: _____ Driver: _____ 03 000000 NET 10th 08/14/22

NON-INV 1500 1500 2x6x20 WEARDECK COOL GREY EA 99.36 149040.00 *

=====
LEAD-TIME = TWO WEEKS
FOR INTIAL LOAD;
ADDITIONAL LOADS AVAIL.
EVERY TWO WEEKS UNTIL
BALANCE IS COMPLETED--

<u>Subtotal:</u>	<u>Freight:</u>	<u>Sales Tax:</u>	<u>Net Invoice:</u>
149040.00			149040.00

X _____

Received by

Refunds and exchanges must be made within ten days
and are subject to a reinventory fee. This invoice must
accompany and be shown at the time.

quoted by: *Jordan Hodges*

Notes:

CITY OF DESTIN, FLORIDA

BOARDWALK REPAIR AND REPLACEMENT CONTINUING SERVICES CONTRACT

On May 2, 2022, THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA, herein referred to as the "City," accepted the bid of Anderson-Gore Homes Inc., herein referred to as the "Contractor," to supply boardwalk repair and replacement for City properties. The Contractor's Cost Schedule for the terms of their engagement is included in their entirety by reference at Exhibit "A" and as completely as if incorporated herein.

TERMS AND CONDITIONS OF CONTRACT FOR BOARDWALK REPAIR AND REPLACEMENT CONTINUING SERVICES CONTRACT:

1. **Entire Contract:**

This Contract represents the entire and integrated Contract between the City and Contractor and supersedes all prior negotiations, representations or contracts, either written or oral. Provisions of this Contract may be amended only by written instrument approved by the Destin City Council and signed by the City Manager and Contractor.

2. **Intent of Contract:**

This Contract is for supplying the City boardwalk repair and replacement for City properties. The Scope of Work, herein referred to as the **Work**, encompasses the foregoing and all descriptive work components described within Exhibit "A".

3. **Term of Contract and Time Extensions:**

This contract will be in effect from May 2, 2022 through April 30, 2025, and is for supplying the City with boardwalk repair and replacement for City properties. Upon mutual agreement of the parties, this contract may be renewed on a year by year basis up to two times.

4. **Time for Performance:**

The Contractor agrees to provide boardwalk repair and replacement for City properties.

5. **Compensation:**

All payments upon contract are contingent upon the Contractor's Work being acceptable to the City. For satisfactory completion and acceptance of the Work, the City agrees to pay the Contractor in accordance with the terms of this Contract and the Contractor's Cost Schedule as identified in the Bid Form submitted by the Contractor, as may have been adjusted at the time of contract approval and incorporated herein.

The labor billing rate will increase automatically each year beginning October 1 based on the change of the "Monthly-Single-Family Houses Under Construction" Laspeyres (fixed) consumer price index (CPI) maintained by the US Census bureau available at: <https://www.census.gov/construction/cpi/>. The calculation will be calculated each year in July based upon the following formula:

April Current Year CPI/April Prior Year CPI x current labor billable rate = New labor rate effective October 1

- a. Requests for Compensation (Invoices) shall be accompanied by the following:
 1. A description of the Work performed and a copy of email (or similar) that initiated said Work;
 2. An itemized list of goods or services to include materials, flat fees, billable man-hours with rates, and any other payable items identified in Exhibit "A"; and
 3. Dates when these services were performed and the names of Contractor's staff who performed billable Work.

6. Changes in the Work:

The City shall have the right at any time during the progress of the Work to increase or decrease the Work. Promptly after having been notified of a change, the Contractor shall submit an itemized estimate of any costs and/or time increases or savings it foresees as a result of the change. No additions or changes to the Work shall be made except upon written order of the City and the City shall not be liable to Contractor for any increased compensation without such written order.

7. Insurance:

Contractor shall, during the performance of the contract, maintain Worker's Compensation Insurance sufficient to secure benefits of the Florida Workmen's Compensation Law for all employees and any of the work sublet to any vendor or subcontractor, Comprehensive General Liability Insurance, Auto Liability Insurance, all with companies and in the form and amounts acceptable to the City. Said certificates of insurance of contractor are attached hereto and made a part hereof by reference. If any part of the work is sublet, similar insurance shall be provided by and in behalf of any subcontractors.

All binders, policies, or certificates of insurance shall provide for at least ten days notice from insurers to the City of any cancellation or amendment to any of the insurance policies.

8. Indemnification:

Contractor shall indemnify, defend, save, and hold the City, its agents, officers and employees, harmless of and from any losses, fines, penalties, costs, damages, claims, demands, suits, and liabilities of any nature, including reasonable attorney's fees (including regulatory and appellate fees), arising out of, because of, or due to any accidents arising in any manner on account of the exercise or attempted exercise of Contractor's rights hereunder whether the same regards person or property of any nature whatsoever, regardless of the apportionment of negligence, unless due to the sole negligence of the City.

Contractor shall indemnify, defend, save and hold the City, its agents, officers and employees, harmless of and from and against any and all liens, claims, damages, demands, suits and liabilities, attorney's fees and costs, including appellate attorney's fees and costs, of and for mechanics and materialmen furnishing labor and materials in the performance of this contract.

9. Licensing:

The Contractor shall obtain all permits and maintain at his expense all professional and business certificates and licenses required by law and as necessary to perform services under this Contract. If Contractor performs any Work without obtaining, or contrary to, permits and licenses, Contractor shall bear all costs arising therefrom. The City may waive fees for City controlled permits, but in no instance can the City waive permit requirements nor fees beyond their control.

10. Cancellation:

This contract may be canceled by either party with a thirty-day written notice and is contingent upon the annual appropriation by the City of legally available funds. City's obligation to pay the amount due hereunder in any fiscal year is contingent upon the appropriation by the City Council of legally available funds for the purposes set forth in this contract.

11. Performance of Work/Responsibilities:

For each task, the Contractor will be issued a work order by the City's Public Works Director or designee or the City's Parks and Recreation Director or designee. The Public Services / Parks and Recreation Director or designee will issue verbal work orders only in emergency situations. The Contractor shall commence work in a reasonable length of time and shall complete the work in an expeditious manner. In emergency situations, the Contractor shall endeavor to commence work immediately. All work shall be done under the supervision of the City's Public Services Director / Parks and Recreation Director or designated representative. The performance of Work and responsibilities hereto are outlined and made a part hereof as identified in Exhibit "A".

12. Termination for Default:

The Contract will remain in force for the full period specified and until the City Manager or his designee determines that all requirements and conditions have been satisfactorily met and the City Manager or his designee has accepted the work under the Contract Documents following the initial contract terms and all subsequent contract terms, including warranty and guarantee periods. However, the City Manager will have the right to terminate this Contract sooner if the Contractor has failed to perform satisfactorily the work required or comply with the other requirements of the Contract.

In the event the City Manager decides to terminate this Contract for the Contractor's failure to perform satisfactorily or meet its other responsibilities under the Contract, the City Manager will give the Contractor five (5) days' notice, whereupon the Contract will terminate, unless during the notice period the Contractor cures the failure to perform or meets its other responsibilities under the Contract to the satisfaction of the City Manager.

Upon Contract termination for the Contractor's failure to provide satisfactory contract performance, the Contractor will be entitled to receive compensation for Contract services satisfactorily performed by the Contractor and allocable to the Contract and accepted by the City Manager or his designee prior to such termination. However, an amount equal to all additional costs required to be expended by the City to complete the Work covered by the Contract, including costs of delay in completing the project, shall be either subtracted from any amount due or amount charged to the Contractor in the event the City Manager terminates the Contract.

Except as otherwise directed by the City Manager, or in the case of termination for default (in which event the Contractor may be entitled to cure, at the option of the City Manager), the Contractor shall stop work on the date of receipt of the notice or other date specified in the notice, place no further orders or subcontract for materials, services, or facilities except as are necessary for the completion of such portion of the work not terminated, and terminate all contractor and subcontracts and settle all outstanding liabilities and claims.

In the event that any termination for default shall be found to be improper or invalid by any court of competent jurisdiction, then such termination shall be deemed to have been a termination for convenience.

13. Termination for Convenience:

The performance of work under this Contract may be terminated by the City Manager in whole or in part whenever the City Manager, in their discretion, determines that such termination is in the City's best interest. Any such termination shall be effected by the City Manager giving at least five (5) days' notice to the Contractor, specifying the extent to which performance of the work under this Contract is terminated and the date upon which such termination becomes effective.

As to termination for convenience, after receipt of the date of termination, the Contractor shall stop all work as specified in the notice; place no further orders or subcontract for materials, services, or facilities except as are

necessary for the completion of such portion of the Work not terminated; immediately transfer all documentation and paperwork for terminated work to the City; and terminate all contractors and subcontracts and settle all outstanding liabilities and claims.

14. Disclosure:

Contractor warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Contractor to solicit or secure this Contract and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Contract.

15. Miscellaneous:

15.1 Governing Law

The parties intend that this Contract and the relationship of the parties shall be governed by the laws of the State of Florida. Venue for any action arising out of this contract shall be in Okaloosa County Florida and no where else.

15.2 Severability

If any section, subsection, term or provision of this Contract or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Contract or the application of same to parties or circumstances other than those to which it was held invalid or unenforceable, shall not be affected thereby and each remaining section, subsection, term or provision of this Contract shall be valid or enforceable to the fullest extent permitted by law.

15.3 Sovereign Immunity

The parties further agree, nothing contained herein is intended nor shall be construed to waive the City of Destin's rights and immunities under the Florida constitution, common law or Florida Statutes 768.28, as amended from time to time.

15.4 Construction

The Parties have participated jointly in the negotiation and drafting of this Contract. In the event an ambiguity or question of intent or interpretation arises, this Contract shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provision of this contract.

15.5 Jury Trial Waiver

CONTRACTOR AND CITY AGREE TO WAIVE THEIR RIGHTS TO A TRIAL BY JURY REGARDING ANY LAWSUIT INVOLVING THE INTERPRETATION, CONSTRUCTION, ENFORCEMENT, OR GOVERNANCE OF THIS CONTRACT, AND FOR ANY LAWSUIT RELATED IN ANY WAY TO THIS CONTRACT OR FOR THE WORK PERFORMED PURSUANT TO THIS CONTRACT.

15.6 Attorney's Fees

In any dispute relating to this contract each party shall be responsible for their respective attorney's fees and costs.

15.7 Notices

All notices under the Contract shall be in writing and shall be effective when mailed by certified mail, return receipt requested, or when delivered personally, as provided hereafter, or to such other addresses as may be designated by notice:

As to the City:

Lance A. Johnson
4200 Indian Bayou Trail
Destin, Florida 32541

As to the Contractor:

Anderson Gore Homes, Inc.
125 Rainbow Drive NW
Fort Walton Beach, Fl 32548

15.8 Public Records

Contractor shall comply with Florida Public Records Laws, specifically to:

- a) Keep and maintain public records that ordinarily and necessarily would be required by the City of Destin in order to perform the service.
- b) Provide the public with access to public records on the same terms and conditions that the City of Destin would provide the records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes or as otherwise provided by law.
- c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
- d) Meet all requirements for retaining public records and transfer, at no cost, to the City of Destin all public records in possession of the contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the City of Destin in a format that is compatible with the information technology systems of the City of Destin.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE OFFICE OF THE CITY CLERK, (850) 837-4242, 4200 INDIAN BAYOU DRIVE, DESTIN, FLORIDA 32541, rbailey@cityofdestin.com.

IN WITNESS WHEREOF, the City hereunto caused these presents to be subscribed and the Contractor has affixed their name and seal, this the 4th day of May, 2022.

ATTEST:


Rey Bailey
City Clerk

CITY OF DESTIN

By: 
Lance A. Johnson
City Manager



As to Legal Form:

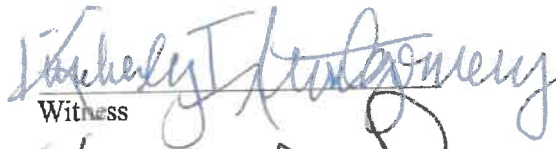

Kyle Bauman, Esq.
City Attorney

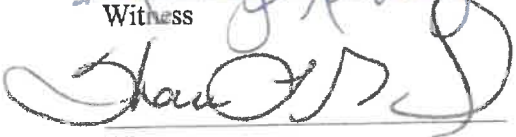
CONTRACTOR:

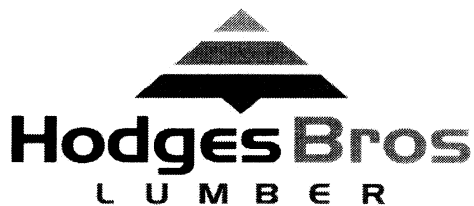
By: 
(Signature)

Robert Gore
(Printed Name)

Its: Pres.
(Title)


Witness


Witness



437 Eglin Parkway N.E.
Fort Walton Beach, FL 32547
850-862-1555
www.hodgesbros.com

Lisa Firth
Parks and Recreation Division
City of Destin

05 August 2022

Dear Ms. Firth,

Hodges Bros. Lumber, Inc. in Fort Walton Beach, Florida is the Authorized Distributor for this region of Florida for **WearDeck® brand Reinforced Polymeric Lumber**.

As such, our company is providing a wholesale price quotation (lower than a contractor price) for the **City of Destin** project.

Sincerely,

A handwritten signature in black ink that reads "Jordan L. Hodges". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Jordan L. Hodges, Vice-President

Hodges Bros. Lumber, Inc.
850-862-1555

Quality Treated Lumber Since 1980

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022**TYPE OF AGENDA ITEM:** Action Item**AGENDA OUTLINE NUMBER:** 3.F.**TO:** City Council**THRU:** Lance Johnson, City Manager**FROM:** Louis Zunguze, Community Development Director
Kimberly Kopp, Land Use Attorney**DATE:** August 8, 2022**SUBJECT:** Single-family Residential Marine Construction Proposed at 4145 Belcourt Drive

I. BACKGROUND: Loftis Marine, on behalf of Marty Harrell, has submitted an application for Harbor and Waterways Board review of a residential construction application for construction of one (1) 40' x 5' access pier, one (1) 23' x 3' finger pier, one (1) 40' x 4' finger pier, one (1) 40' x 3' finger pier, one (1) 16' x 40' covered boat slip with a boat lift underneath the cover, and a 12.5' x 22' covered boat slip with a boat lift underneath. Both slips to be covered by a L-shaped boathouse roof, comprising approximately 1469.5 square feet. The pier will be built 4' above the mean high water line along with associated pilings (12 8" and 18 10" synthetic composite pilings). The project consists of approximately 1,469.5 square ft.

II. DISCUSSION:

The applicant requests Harbor and Waterways Board approval for the proposed marine construction project located at 4145 Belcourt Drive, located within Indian Bayou, a Class II Florida Waterbody, and tributary of Choctawhatchee Bay.

The proposed marine construction project meets the requirements of Article 11.05.00, City of Destin Land Development Code, including the following section:

- **11.05.01.A** – Construction of new pilings.
- **11.05.01.C** – Waste Disposal into the Harbor and Waterways of Destin.
- **11.05.01.F** – Length of the pier.
- **11.05.01.H, 11.05.01.K** – Mooring of the vessel.
- **11.05.01.S** – 25' riparian setback.

COMPREHENSIVE PLAN CONSISTENCY: The proposed marine construction project is consistent with **Coastal Management Element Goal 6-1, Coastal Management Element Objective 6-1.1, and Coastal Management Element Policy 6-1.1.3: Protect Coastal and Estuarine Environmental Quality and the Shoreline.**

A. Link to Strategic Goals / Objectives:

1) Enhance Quality of Life, 2) Enhance and Preserve Heritage and Environment.

B. Effect on Budget (EOB): There is no anticipated effect on the budget.

C. Level of Service (LOS): There is no anticipated effect on the LOS.

D. Legislative Sponsor:

III. CONCLUSION:

The applicant provided the Florida Department of Environmental Protection (FDEP) Environmental Resource Permit (Permit No.: 0296235-002-EI/46) and United States Army Corps of Engineers permit (SAJ-2021-03981). City staff reviewed the application and determined that the plans comply with City Codes and regulations, including ***Section 11.05.01, Marina Siting.***

HARBOR AND WATERWAYS BOARD RECOMMENDATION: At a public hearing on August 8, 2022, the Harbor and Waterways Board recommended City Council approve the proposed project for single-family marine construction at 4145 Belcourt Drive, subject to the applicant meeting all applicable City permit requirements.

IV. RECOMMENDED MOTION: I move that the City Council approve the proposed project for the single-family marine construction at 4145 Belcourt Drive, subject to the applicant meeting all applicable City permit requirements.

Attachments:

1. A. Permit drawings
2. B. FDEP permit
3. C. USACE permit
4. D. 4145 Belcourt Dr_Abutter Notice

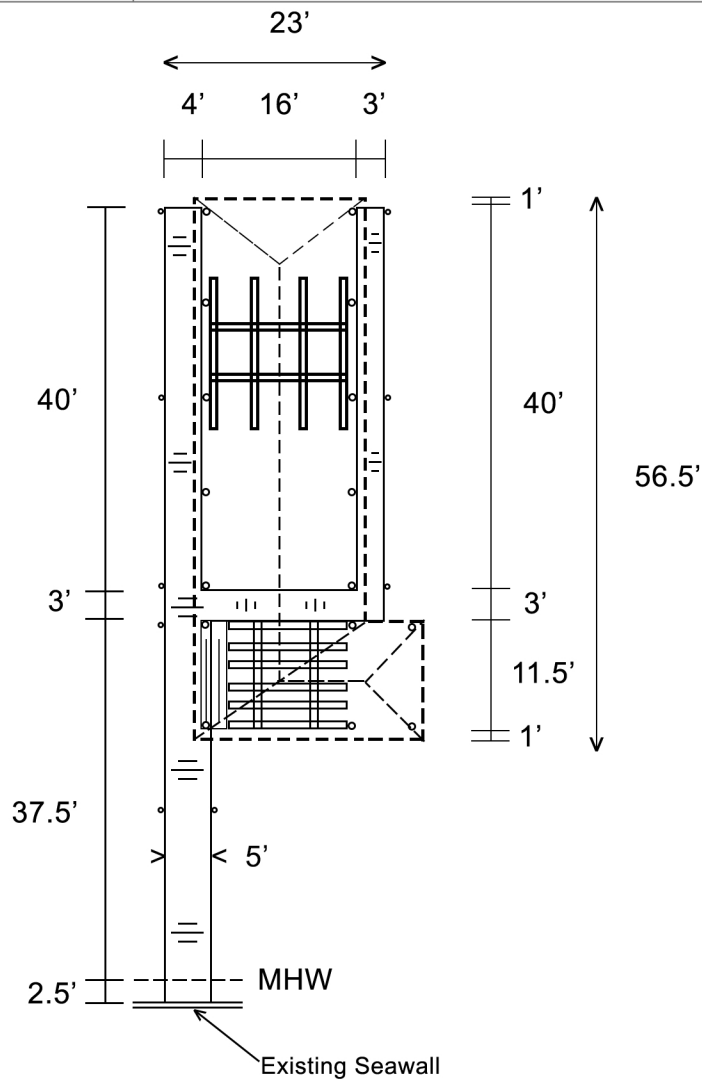
Client/Owner:

Red Elk Exchange LLC
4145 Belcourt Dr.
Destin, FL 32541

~ DOCK VIEW ~
Scale: Dimensioned

Contractor/Agent:

Loftis Marine Division, Inc.
Date: 11/25/21
Initials: *g*

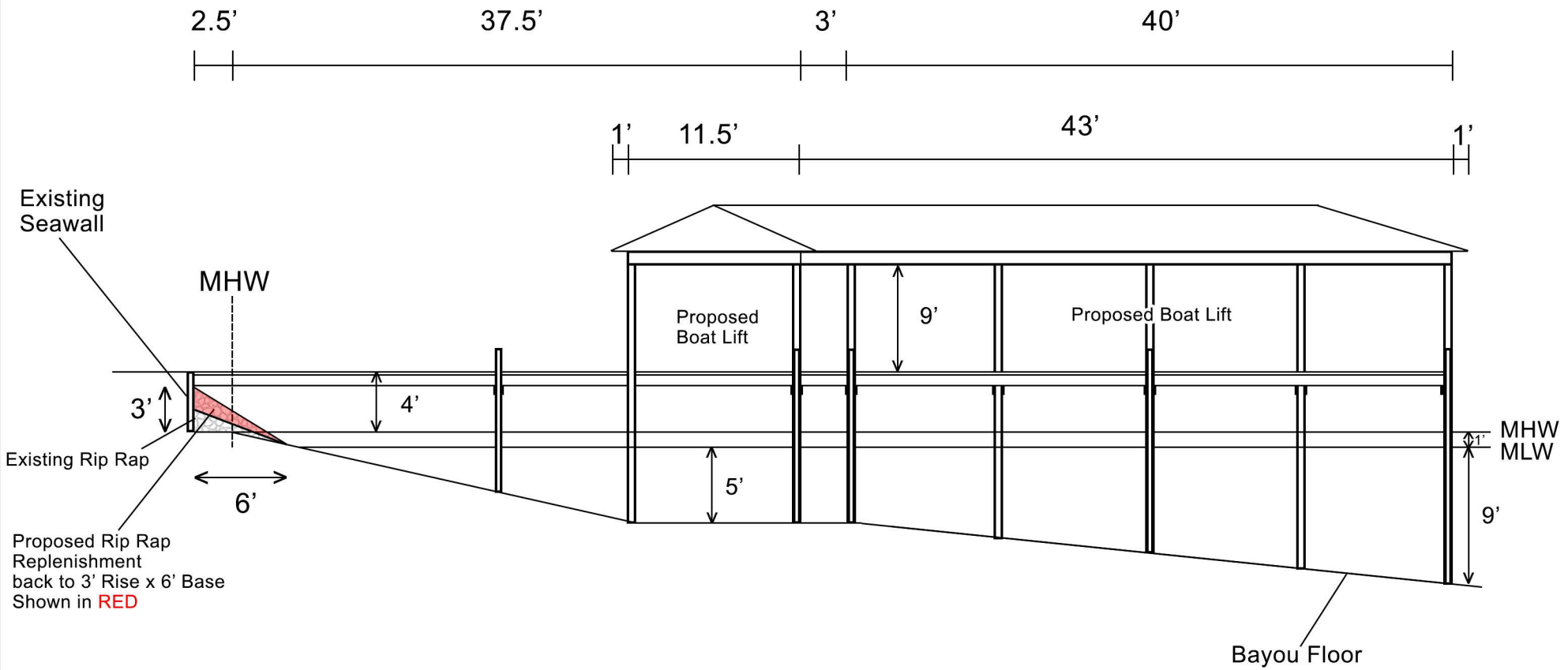


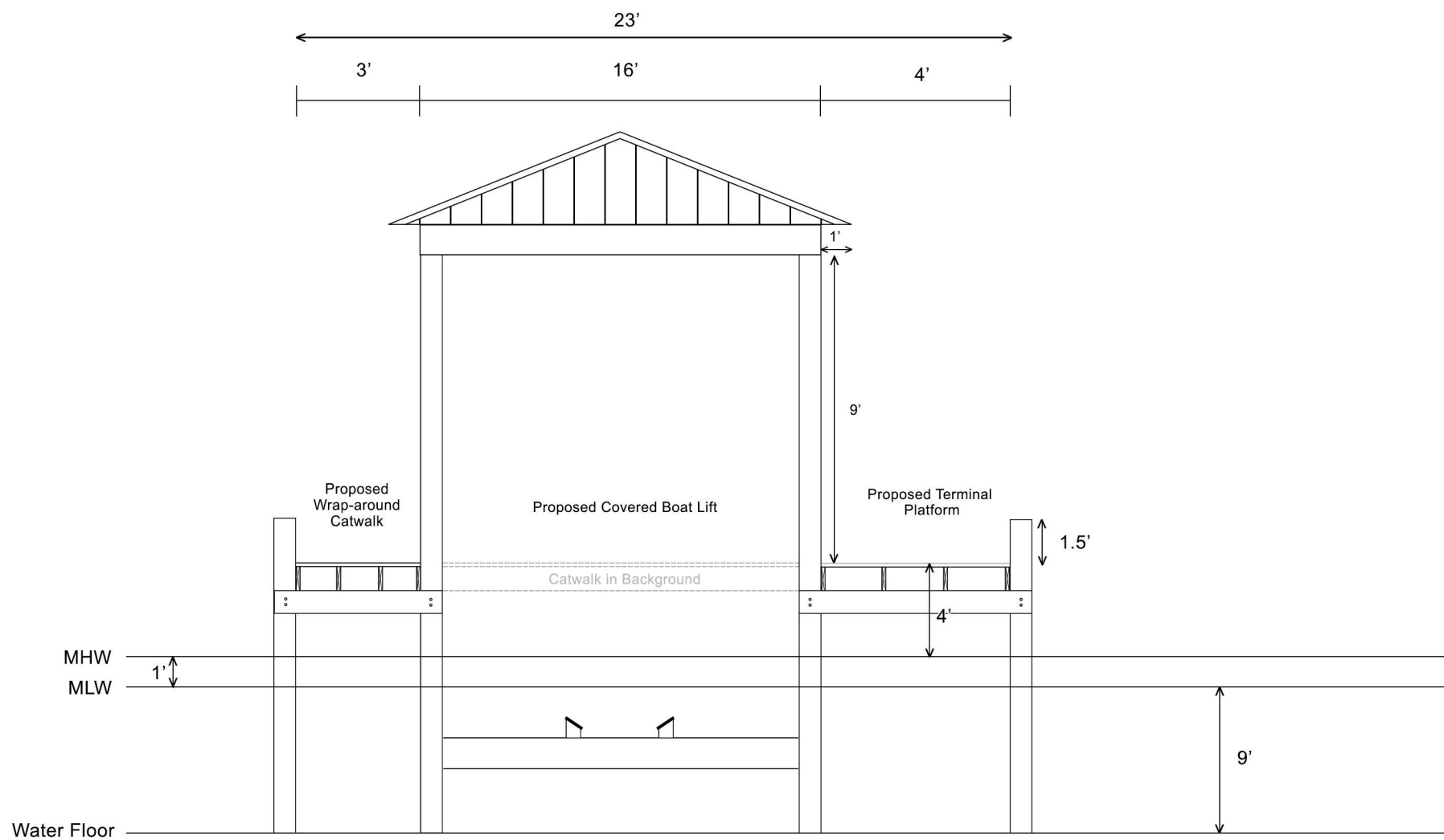
Square Footage:

37.5' x 5' Dock = 187.5 sq. ft.
23' x 3' Catwalk = 69 sq. ft.
40' x 4' Catwalk = 160 sq. ft.
40' x 3' Catwalk = 120 sq. ft.
16' x 40' Slip = 640 sq. ft.
22' x 12.5' Slip/Overhang = 275 sq. ft.
+18 sq. ft. Overhang

Total: 1469.5 sq. ft.

Client/Owner:	~ SIDE VIEW ~ Scale: Dimensioned	Contractor/Agent:
Red Elk Exchange LLC 4145 Belcourt Dr. Destin, FL 32541		Loftis Marine Division, Inc. Date: 11/25/21 Initials: <i>g</i>







FLORIDA DEPARTMENT OF Environmental Protection

Northwest District
160 W. Government Street, Suite 308
Pensacola, Florida 32502-5740

Ron DeSantis
Governor

Jeanette Nuñez
Lt. Governor

Shawn Hamilton
Secretary

Permittee/Authorized Entity:

Red Elk Exchange LLC
c/o Marty Harrell
4145 Belcourt Drive
Destin, Florida 32541
martyharrell@icloud.com

Red Elk Exchange Dock

Authorized Agent:

John Loftis
6610 Bon Bay Drive
Milton, Florida 32583
permits@loftismarine.com

**Environmental Resource Permit
State-owned Submerged Lands Authorization – Granted**

**U.S. Army Corps of Engineers Authorization – Separate Corps Authorization
Required**

Okaloosa County
Permit No.: 0296235-002-EI/46

Permit Issuance Date: May 2, 2022
Permit Construction Phase Expiration Date: May 2, 2027



FLORIDA DEPARTMENT OF Environmental Protection

Northwest District
160 W. Government Street, Suite 308
Pensacola, Florida 32502-5740

Ron DeSantis
Governor

Jeanette Nuñez
Lt. Governor

Shawn Hamilton
Secretary

Consolidated Environmental Resource Permit and Sovereignty Submerged Lands Authorization

Permittee/Grantee: Red Elk Exchange LLC
Permit No: 0296235-002-EI/46

PROJECT LOCATION

The activities authorized by this permit and sovereignty submerged lands authorization are located at 4145 Belcourt Drive, Destin, Florida 32541, Parcel ID 00-2S-22-4600-0000-0100, in Section 21, Township 2 South, Range 22 West in Okaloosa County, at 30°24'17.6784" North Latitude, 86°27'07.2929" West Longitude.

PROJECT DESCRIPTION

The permittee is authorized to remove an existing dock, restore existing riprap to a 3-foot rise, 6-foot base, and 147.1-foot length, and construct a private, single-family dock comprising a 40-foot by 5-foot access pier, a 23-foot by 3-foot catwalk, a 40-foot by 4-foot catwalk, a 40-foot by 3-foot catwalk, a 16-foot by 40-foot covered boat slip with lift, and a 12.5-foot by 22-foot covered boat slip with lift within Indian Bayou, a Class II Florida Waterbody, Prohibited Shellfish Harvesting Area. Those activities include the construction and use of a private, single family dock serving 2 vessels, comprising 1469.5 square feet of over-water structure and 1469.5 square feet of preemption of state-owned sovereignty submerged lands, and the restoration of riprap comprising 882.6 square feet of preemption of state-owned sovereignty submerged lands. Authorized activities are depicted on the attached exhibits.

AUTHORIZATIONS

Red Elk Exchange Dock

Environmental Resource Permit

The Department has determined that the activity qualifies for an Environmental Resource Permit. Therefore, the Environmental Resource Permit is hereby granted, pursuant to Part IV of Chapter 373, Florida Statutes (F.S.), and Chapter 62-330, Florida Administrative Code (F.A.C.).

Sovereignty Submerged Lands Authorization

The activity is located on sovereignty submerged lands owned by the State of Florida. It therefore also requires authorization from the Board of Trustees of the Internal Improvement Trust Fund (Board of Trustees), pursuant to Article X, Section 11 of the Florida Constitution, and Section 253.77, F.S. As staff to the Board of Trustees of the Internal Improvement Trust Fund (Board of Trustees) under Sections 253.002, F.S., the Department has determined that the activity qualifies for and requires a Letter of Consent, as long as the work performed is located within the boundaries as described and is consistent with the terms and conditions herein.

During the term of this Letter of Consent you shall maintain satisfactory evidence of sufficient upland interest as required by paragraph 18-21.004(3)(b), Florida Administrative Code. If such interest is terminated or the Board of Trustees determines that such interest did not exist on the date of issuance of this Letter of Consent, this Letter of Consent may be terminated by the Board of Trustees at its sole option. If the Board of Trustees terminates this Letter of Consent, you agree not to assert a claim or defense against the Board of Trustees arising out of this Letter of Consent.

Federal Authorization

Your proposed activity as outlined in your application and attached drawings **does not qualify** for Federal authorization pursuant to the State Programmatic General Permit VI-R1. **SEPARATE permit(s) or authorization will be required** from the U.S. Army Corps of Engineers.

Authority for review - an agreement with the USACOE entitled “Coordination Agreement Between the U. S. Army Corps of Engineers (Jacksonville District) and the Florida Department of Environmental Protection (or Duly Authorized Designee), State Programmatic General Permit”, Section 10 of the Rivers and Harbor Act of 1899, and Section 404 of the Clean Water Act.

Coastal Zone Management

Issuance of this authorization also constitutes a finding of consistency with Florida's Coastal Zone Management Program, as required by Section 307 of the Coastal Zone Management Act.

Water Quality Certification

This permit also constitutes a water quality certification under Section 401 of the Clean Water Act, 33 U.S.C. 1341.

Other Authorizations

You are advised that authorizations or permits for this activity may be required by other federal, state, regional, or local entities including but not limited to local governments or municipalities. This permit does not relieve you from the requirements to obtain all other required permits or authorizations.

The activity described may be conducted only in accordance with the terms, conditions and attachments contained in this document. Issuance and granting of the permit and authorizations herein do not infer, nor guarantee, nor imply that future permits, authorizations, or modifications will be granted by the Department.

PERMIT/SOVEREIGNTY SUBMERGED LANDS CONDITIONS

The activities described must be conducted in accordance with:

- **The Specific Conditions**
- **The General Conditions**
- **The Special Consent Conditions**
- **The General Conditions for Sovereignty Submerged Lands Authorization**
- **The limits, conditions and locations of work shown in the attached drawings**
- **The term limits of this authorization**

You are advised to read and understand these conditions and drawings prior to beginning the authorized activities, and to ensure the work is conducted in conformance with all the terms,

conditions, and drawings herein. If you are using a contractor, the contractor also should read and understand these conditions and drawings prior to beginning any activity. Failure to comply with these conditions, including any mitigation requirements, shall be grounds for the Department to revoke the permit and authorization and to take appropriate enforcement action. Operation of the facility is not authorized except when determined to be in conformance with all applicable rules and this permit and sovereignty submerged lands authorization, as described.

SPECIFIC CONDITIONS – ADMINISTRATIVE/EMERGENCIES

1. The construction phase expires at 11:59 p.m. on the date indicated on the cover page of this permit.
2. For emergencies involving a serious threat to the public health, safety, welfare, or environment, the emergency telephone contact number is (800) 320-0519 (State Warning Point). The Department telephone number for reporting nonthreatening problems or system malfunctions is (850) 595-0663, day or night.
3. The mailing address for submittal of forms for the “Construction Commencement Notice”, “As-Built Certification ...”, “Request for Conversion of Stormwater Management Permit Construction Phase to Operation and Maintenance Phase”, or other correspondence is FDEP, SLERP, 160 W Government Street, Suite 308, Pensacola, Florida 32502.

SPECIFIC CONDITIONS – PRIOR TO ANY CONSTRUCTION

4. Prior to the initiation of any work authorized by this permit, floating turbidity screens with weighted skirts that extend to within 1 ft. of the bottom shall be placed around the active construction areas of the site. The screens shall be maintained and shall remain in place for the duration of the project construction to ensure that turbidity levels outside the construction area do not exceed 29 NTU’s above background levels. The permittee shall be responsible for ensuring that turbidity control devices are inspected daily and maintained in good working order so that there are no violations of state water quality standards outside of the turbidity screens.
5. Best management practices for erosion control shall be implemented prior to construction commencement and shall be maintained at all times during construction to prevent siltation and turbid discharges in excess of State water quality standards pursuant to Rule 62-302, F.A.C. Methods shall include, but are not limited to the use of staked hay bales, staked filter cloth, sodding, seeding, staged construction and the installation of turbidity screens around the immediate project site.

SPECIFIC CONDITIONS – CONSTRUCTION ACTIVITIES

6. Best management practices for erosion control shall be implemented and maintained at all times during construction to prevent siltation and turbid discharges in excess of State water quality standards pursuant to Rule 62-302, F.A.C. Methods shall include, but are not limited to the use of staked hay bales, staked filter cloth, sodding, seeding, and mulching; staged construction; and the installation of turbidity screens around the immediate project site.
7. All wetland areas or water bodies which are adjacent to the specific limits of construction authorized by this permit shall be protected from erosion, sedimentation, siltation, scouring, excess turbidity or dewatering.

8. A floating turbidity curtain shall be installed around the construction area and will remain in place until pilings have been installed and turbidity levels within the work area have returned to background levels prior to construction of the dock.

9. The permittee shall be responsible for ensuring erosion control devices/procedures are inspected and maintained daily during all phases of construction authorized by this permit until areas disturbed during construction are sufficiently stabilized to prevent erosion, siltation, and turbid discharges.

10. Any damage to wetlands outside of the authorized impact areas as a result of construction shall be immediately reported to the Department at (850)595-8300 and repaired by reestablishing the pre-construction elevations and replanting vegetation of the same species, size, and density as that in the adjacent areas. The restoration shall be completed within 30 days of completion of construction, and the Department shall be notified of its completion within that same 30-day period.

11. The following measures shall be taken by the permittee whenever turbidity levels within waters of the State surrounding the project site exceed 29 NTU's above background:

- a. Immediately cease all work contributing to the water quality violation;
- b. Stabilize all exposed soils contributing to the violation;
- c. Modify the work procedures responsible for the violation, install additional turbidity containment devices and repair any non-functioning turbidity containment devices; and
- d. Notify the Department's Northwest District Office at (850)595-8300 within 24 hours of the time the violation is first detected.

12. There shall be no stock piling of tools, materials, (i.e., lumber, pilings, riprap, and debris) within wetlands, along the shoreline within the littoral zone, or elsewhere within waters of the state.

13. All cleared vegetation, excess lumber, scrap wood, trash, garbage, and any other type of debris shall be removed from wetlands/waters of the state within 14 days of completion of the work authorized in this permit.

14. Construction equipment shall not be repaired or refueled in wetlands or elsewhere within waters of the state.

15. No dredging or filling of submerged grassbeds or live bottom communities is authorized by this permit.

16. Watercraft associated with the construction of the permitted structure shall operate within waters of sufficient depth to preclude bottom scouring, prop dredging or damage to submerged bottom or submerged resources. During all construction activities, there shall be a minimum of 1-foot clearance between the draft of the construction vessel/barge and the top of any submerged resources or submerged bottom.

17. The following construction sequence shall be adhered to for all piers and docking structures. Structures shall be built progressively, commencing at the shoreline and continuing waterward. No more than three sets of pilings shall be installed at a time. The decking then will be installed on

those pilings, and the finished decking will be used to transport the remaining tools and materials. No impacts shall occur outside the footprint of the permitted dock.

18. The waterward corners of the dock shall be marked by a sufficient number of reflectors so as to be visible from the water at night by reflected light. The reflectors shall not be green or red in color.

19. This permit does not authorize the construction of any additional structures not illustrated on the permit drawings. Examples of additional structures include but are not limited to walkways, awnings, enclosed sides and covers over slip areas, finger piers, step-down stairs, storage closets and decking. Storage of equipment, pesticides, herbicides, construction material, trash receptacles, or part of a septic tank system beneath the pile-supported structure is prohibited.

20. "Riprap" shall consist of unconsolidated boulders, rocks, or clean concrete rubble with no exposed reinforcing rods or similar protrusions. The riprap shall be free of sediment, debris and toxins or otherwise deleterious substances. Riprap shall have a diameter of at least 12 inches to 3 feet.

21. Riprap shall be installed along the toe of the bulkhead at a slope of 2:1 (Horizontal/Vertical) to an elevation of at least one foot above mean high water to comply with the requirements of section 373.414(5), Florida Statutes. The distance the riprap extends waterward from the mean high water shall be no more than ten (10) feet.

22. Riprap shall not disturb any existing submerged grassbeds.

SPECIFIC CONDITIONS – OTHER LISTED SPECIES

23. This permit does not authorize the permittee to cause any adverse impact to or "take" of state listed species and other regulated species of fish and wildlife. Compliance with state laws regulating the take of fish and wildlife is the responsibility of the owner or applicant associated with this project. Please refer to Chapter 68A-27 of the Florida Administrative Code for definitions of "take" and a list of fish and wildlife species. If listed species are observed onsite, FWC staff are available to provide decision support information or assist in obtaining the appropriate FWC permits. Most marine endangered and threatened species are statutorily protected and a "take" permit cannot be issued. Requests for further information or review can be sent to FWCConservationPlanningServices@MyFWC.com.

SPECIFIC CONDITIONS – OPERATION AND MAINTENANCE ACTIVITIES

24. There shall be a minimum 12-inch clearance between the deepest draft of the vessel (with the motor in the down position) and top of the outstretched submerged aquatic vegetation or submerged bottom at mean low water so as to preclude bottom scouring or prop dredging.

25. Overboard discharges of trash, human or animal waste, or fuel shall not occur at the dock.

GENERAL CONDITIONS FOR INDIVIDUAL PERMITS

The following general conditions are binding on all individual permits issued under this chapter, except where the conditions are not applicable to the authorized activity, or where the conditions must be modified to accommodate project-specific conditions.

1. All activities shall be implemented following the plans, specifications and performance criteria approved by this permit. Any deviations must be authorized in a permit modification in accordance with rule 62-330.315, F.A.C. Any deviations that are not so authorized may subject the permittee to enforcement action and revocation of the permit under chapter 373, F.S.
2. A complete copy of this permit shall be kept at the work site of the permitted activity during the construction phase, and shall be available for review at the work site upon request by the Agency staff. The permittee shall require the contractor to review the complete permit prior to beginning construction.
3. Activities shall be conducted in a manner that does not cause or contribute to violations of state water quality standards. Performance-based erosion and sediment control best management practices shall be installed immediately prior to, and be maintained during and after construction as needed, to prevent adverse impacts to the water resources and adjacent lands. Such practices shall be in accordance with the State of Florida Erosion and Sediment Control Designer and Reviewer Manual (Florida Department of Environmental Protection and Florida Department of Transportation, June 2007), and the Florida Stormwater Erosion and Sedimentation Control Inspector's Manual (Florida Department of Environmental Protection, Nonpoint Source Management Section, Tallahassee, Florida, July 2008), which are both incorporated by reference in subparagraph 62-330.050(9)(b)5., F.A.C., unless a project-specific erosion and sediment control plan is approved or other water quality control measures are required as part of the permit.
4. At least 48 hours prior to beginning the authorized activities, the permittee shall submit to the Agency a fully executed Form 62-330.350(1), "Construction Commencement Notice," (October 1, 2013), (<http://www.flrules.org/Gateway/reference.asp?No=Ref-02505>), incorporated by reference herein, indicating the expected start and completion dates. A copy of this form may be obtained from the Agency, as described in subsection 62-330.010(5), F.A.C., and shall be submitted electronically or by mail to the Agency. However, for activities involving more than one acre of construction that also require a NPDES stormwater construction general permit, submittal of the Notice of Intent to Use Generic Permit for Stormwater Discharge from Large and Small Construction Activities, DEP Form 62-621.300(4)(b), shall also serve as notice of commencement of construction under this chapter and, in such a case, submittal of Form 62-330.350(1) is not required.
5. Unless the permit is transferred under rule 62-330.340, F.A.C., or transferred to an operating entity under rule 62-330.310, F.A.C., the permittee is liable to comply with the plans, terms, and conditions of the permit for the life of the project or activity.
6. Within 30 days after completing construction of the entire project, or any independent portion of the project, the permittee shall provide the following to the Agency, as applicable:
 - a. For an individual, private single-family residential dwelling unit, duplex, triplex, or quadruplex – "Construction Completion and Inspection Certification for Activities Associated with a Private Single-Family Dwelling Unit" [Form 62-330.310(3)]; or
 - b. For all other activities – "As-Built Certification and Request for Conversion to Operation Phase" [Form 62-330.310(1)].
 - c. If available, an Agency website that fulfills this certification requirement may be used in lieu of the form.

7. If the final operation and maintenance entity is a third party:
 - a. Prior to sales of any lot or unit served by the activity and within one year of permit issuance, or within 30 days of as-built certification, whichever comes first, the permittee shall submit, as applicable, a copy of the operation and maintenance documents (see sections 12.3 thru 12.3.4 of Volume I) as filed with the Florida Department of State, Division of Corporations, and a copy of any easement, plat, or deed restriction needed to operate or maintain the project, as recorded with the Clerk of the Court in the County in which the activity is located.
 - b. Within 30 days of submittal of the as-built certification, the permittee shall submit "Request for Transfer of Environmental Resource Permit to the Perpetual Operation and Maintenance Entity" [Form 62-330.310(2)] to transfer the permit to the operation and maintenance entity, along with the documentation requested in the form. If available, an Agency website that fulfills this transfer requirement may be used in lieu of the form.
8. The permittee shall notify the Agency in writing of changes required by any other regulatory agency that require changes to the permitted activity, and any required modification of this permit must be obtained prior to implementing the changes.
9. This permit does not:
 - a. Convey to the permittee any property rights or privileges, or any other rights or privileges other than those specified herein or in chapter 62-330, F.A.C.;
 - b. Convey to the permittee or create in the permittee any interest in real property;
 - c. Relieve the permittee from the need to obtain and comply with any other required federal, state, and local authorization, law, rule, or ordinance; or
 - d. Authorize any entrance upon or work on property that is not owned, held in easement, or controlled by the permittee.
10. Prior to conducting any activities on state-owned submerged lands or other lands of the state, title to which is vested in the Board of Trustees of the Internal Improvement Trust Fund, the permittee must receive all necessary approvals and authorizations under chapters 253 and 258, F.S. Written authorization that requires formal execution by the Board of Trustees of the Internal Improvement Trust Fund shall not be considered received until it has been fully executed.
11. The permittee shall hold and save the Agency harmless from any and all damages, claims, or liabilities that may arise by reason of the construction, alteration, operation, maintenance, removal, abandonment or use of any project authorized by the permit.
12. The permittee shall notify the Agency in writing:
 - a. Immediately if any previously submitted information is discovered to be inaccurate; and
 - b. Within 30 days of any conveyance or division of ownership or control of the property or the system, other than conveyance via a long-term lease, and the new owner shall request transfer of the permit in accordance with rule 62-330.340, F.A.C. This does not apply to the sale of lots or units in residential or commercial subdivisions or condominiums where the stormwater management system has been completed and converted to the operation phase.
13. Upon reasonable notice to the permittee, Agency staff with proper identification shall have permission to enter, inspect, sample and test the project or activities to ensure conformity with the plans and specifications authorized in the permit.

14. If prehistoric or historic artifacts, such as pottery or ceramics, projectile points, stone tools, dugout canoes, metal implements, historic building materials, or any other physical remains that could be associated with Native American, early European, or American settlement are encountered at any time within the project site area, the permitted project shall cease all activities involving subsurface disturbance in the vicinity of the discovery. The permittee or other designee shall contact the Florida Department of State, Division of Historical Resources, Compliance Review Section (DHR), at (850)245-6333, as well as the appropriate permitting agency office. Project activities shall not resume without verbal or written authorization from the Division of Historical Resources. If unmarked human remains are encountered, all work shall stop immediately and the proper authorities notified in accordance with section 872.05, F.S. For project activities subject to prior consultation with the DHR and as an alternative to the above requirements, the permittee may follow procedures for unanticipated discoveries as set forth within a cultural resources assessment survey determined complete and sufficient by DHR and included as a specific permit condition herein.

15. Any delineation of the extent of a wetland or other surface water submitted as part of the permit application, including plans or other supporting documentation, shall not be considered binding unless a specific condition of this permit or a formal determination under rule 62-330.201, F.A.C., provides otherwise.

16. The permittee shall provide routine maintenance of all components of the stormwater management system to remove trapped sediments and debris. Removed materials shall be disposed of in a landfill or other uplands in a manner that does not require a permit under chapter 62-330, F.A.C., or cause violations of state water quality standards.

17. This permit is issued based on the applicant's submitted information that reasonably demonstrates that adverse water resource-related impacts will not be caused by the completed permit activity. If any adverse impacts result, the Agency will require the permittee to eliminate the cause, obtain any necessary permit modification, and take any necessary corrective actions to resolve the adverse impacts.

18. A Recorded Notice of Environmental Resource Permit may be recorded in the county public records in accordance with subsection 62-330.090(7), F.A.C. Such notice is not an encumbrance upon the property.

19. In addition to those general conditions in subsection (1), above, the Agency shall impose any additional project-specific special conditions necessary to assure the permitted activities will not be harmful to the water resources, as set forth in rules 62-330.301 and 62-330.302, F.A.C., Volumes I and II, as applicable, and the rules incorporated by reference in this chapter.

SPECIAL CONSENT CONDITIONS

1. The applicant agrees to indemnify, defend and hold harmless the Board of Trustees and the State of Florida from all claims, actions, lawsuits and demands in any form arising out of the authorization to use sovereignty submerged lands or the applicant's use and construction of structures on sovereignty submerged lands. This duty to indemnify and hold harmless will include any and all liabilities that are associated with the structure or activity including special assessments

or taxes that are now or in the future assessed against the structure or activity during the period of the authorization.

2. Failure by the Board of Trustees to enforce any violation of a provision of the authorization or waiver by the Board of Trustees of any provision of the authorization will not invalidate the provision not enforced or waived, nor will the failure to enforce or a waiver prevent the Board of Trustees from enforcing the unenforced or waived provision in the event of a violation of that provision.

3. Applicant binds itself and its successors and assigns to abide by the provisions and conditions set forth in the authorization. If the applicant or its successors or assigns fails or refuses to comply with the provisions and conditions of the authorization, the authorization may be terminated by the Board of Trustees after written notice to the applicant or its successors or assigns. Upon receipt of such notice, the applicant or its successors or assigns will have thirty (30) days in which to correct the violations. Failure to correct the violations within this period will result in the automatic revocation of this authorization.

4. All costs incurred by the Board of Trustees in enforcing the terms and conditions of the authorization will be paid by the applicant. Any notice required by law will be made by certified mail at the address shown on page one of the authorization. The applicant will notify the Board of Trustees in writing of any change of address at least ten days before the change becomes effective.

5. This authorization does not allow any activity prohibited in a conservation easement or restrictive covenant that prohibits the activity.

GENERAL CONDITIONS FOR SOVEREIGNTY SUBMERGED LANDS AUTHORIZATION

Any use of sovereignty submerged lands is subject to the following general conditions are binding upon the applicant and are enforceable under Chapter 253, F.S.

1. Sovereignty submerged lands may be used only for the specified activity or use. Any unauthorized deviation from the specified activity or use and the conditions for undertaking that activity or use will constitute a violation. Violation of the authorization will result in suspension or revocation of the applicant's use of the sovereignty submerged lands unless cured to the satisfaction of the Board of Trustees.

2. Authorization under Rule 18-21.005, F.A.C., conveys no title to sovereignty submerged lands or water column, nor does it constitute recognition or acknowledgment of any other person's title to such land or water.

3. Authorizations under Rule 18-21.005, F.A.C., may be modified, suspended or revoked in accordance with its terms or the remedies provided in Sections 253.04, F.S. and Chapter 18-14, F.A.C.

4. Structures or activities will be constructed and used to avoid or minimize adverse impacts to resources.

5. Construction, use, or operation of the structure or activity will not adversely affect any species which is endangered, threatened or of special concern, as listed in Rules 68A-27.003, 68A-27.004, and 68A-27.005, F.A.C.
6. Structures or activities will not unreasonably interfere with riparian rights. When a court of competent jurisdiction determines that riparian rights have been unlawfully affected, the structure or activity will be modified in accordance with the court's decision.
7. Structures or activities will not create a navigational hazard.
8. Activities shall not interfere with the public easement for traditional uses of the sandy beaches provided in section 161.141, F.S.
9. Structures shall be maintained in a functional condition and shall be repaired or removed if they become dilapidated to such an extent that they are no longer functional. This shall not be construed to prohibit the repair or replacement subject to the provisions of rule 18-21.005, F.A.C., within one year, of a structure damaged in a discrete event such as a storm, flood, accident, or fire.
10. Structures or activities shall be constructed, operated, and maintained solely for water dependent purposes, or for non-water dependent activities authorized under paragraph 18-21.004(1)(g), F.A.C., or any other applicable law.
11. The applicant agrees to indemnify, defend and hold harmless the Board of Trustees and the State of Florida from all claims, actions, lawsuits and demands in any form arising out of the authorization to use sovereignty submerged lands or the applicant's use and construction of structures on sovereignty submerged lands. This duty to indemnify and hold harmless will include any and all liabilities that are associated with the structure or activity including special assessments or taxes that are now or in the future assessed against the structure or activity during the period of the authorization.
12. Failure by the Board of Trustees to enforce any violation of a provision of the authorization or waiver by the Board of Trustees of any provision of the authorization will not invalidate the provision not enforced or waived, nor will the failure to enforce or a waiver prevent the Board of Trustees from enforcing the unenforced or waived provision in the event of a violation of that provision.
13. Applicant binds itself and its successors and assigns to abide by the provisions and conditions set forth in the authorization. If the applicant or its successors or assigns fails or refuses to comply with the provisions and conditions of the authorization, the authorization may be terminated by the Board of Trustees after written notice to the applicant or its successors or assigns. Upon receipt of such notice, the applicant or its successors or assigns will have thirty (30) days in which to correct the violations. Failure to correct the violations within this period will result in the automatic revocation of this authorization.
14. All costs incurred by the Board of Trustees in enforcing the terms and conditions of the authorization will be paid by the applicant. Any notice required by law will be made by certified mail at the address shown on page one of the authorization. The applicant will notify the Board of Trustees in writing of any change of address at least ten days before the change becomes effective.

15. This authorization does not allow any activity prohibited in a conservation easement or restrictive covenant that prohibits the activity.

NOTICE OF RIGHTS

This action is final and effective on the date filed with the Clerk of the Department unless a petition for an administrative hearing is timely filed under Sections 120.569 and 120.57, F.S., before the deadline for filing a petition. On the filing of a timely and sufficient petition, this action will not be final and effective until further order of the Department. Because the administrative hearing process is designed to formulate final agency action, the hearing process may result in a modification of the agency action or even denial of the application.

Petition for Administrative Hearing

A person whose substantial interests are affected by the Department's action may petition for an administrative proceeding (hearing) under Sections 120.569 and 120.57, F.S. Pursuant to Rules 28-106.201 and 28-106.301, F.A.C., a petition for an administrative hearing must contain the following information:

- (a) The name and address of each agency affected and each agency's file or identification number, if known;
- (b) The name, address, any e-mail address, any facsimile number, and telephone number of the petitioner, if the petitioner is not represented by an attorney or a qualified representative; the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination;
- (c) A statement of when and how the petitioner received notice of the agency decision;
- (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;
- (e) A concise statement of the ultimate facts alleged, including the specific facts that the petitioner contends warrant reversal or modification of the agency's proposed action;
- (f) A statement of the specific rules or statutes that the petitioner contends require reversal or modification of the agency's proposed action, including an explanation of how the alleged facts relate to the specific rules or statutes; and
- (g) A statement of the relief sought by the petitioner, stating precisely the action that the petitioner wishes the agency to take with respect to the agency's proposed action.

The petition must be filed (received by the Clerk) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station 35, Tallahassee, Florida 32399-3000, or via electronic correspondence at Agency_Clerk@dep.state.fl.us. Also, a copy of the petition shall be mailed to the applicant at the address indicated above at the time of filing.

Time Period for Filing a Petition

In accordance with Rule 62-110.106(3), F.A.C., petitions for an administrative hearing by the applicant and persons entitled to written notice under Section 120.60(3), F.S., must be filed within 14 days of receipt of this written notice. Petitions filed by any persons other than the applicant, and other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14

days of publication of the notice or within 14 days of receipt of the written notice, whichever occurs first. You cannot justifiably rely on the finality of this decision unless notice of this decision and the right of substantially affected persons to challenge this decision has been duly published or otherwise provided to all persons substantially affected by the decision. While you are not required to publish notice of this action, you may elect to do so pursuant Rule 62-110.106(10)(a).

The failure to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated by another party) will be only at the discretion of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C. If you do not publish notice of this action, this waiver will not apply to persons who have not received written notice of this action.

Extension of Time

Under Rule 62-110.106(4), F.A.C., a person whose substantial interests are affected by the Department's action may also request an extension of time to file a petition for an administrative hearing. The Department may, for good cause shown, grant the request for an extension of time. Requests for extension of time must be filed with the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station 35, Tallahassee, Florida 32399-3000, or via electronic correspondence at Agency_Clerk@dep.state.fl.us, before the deadline for filing a petition for an administrative hearing. A timely request for extension of time shall toll the running of the time period for filing a petition until the request is acted upon.

Mediation

Mediation is not available in this proceeding.

FLAWAC Review

The applicant, or any party within the meaning of Section 373.114(1)(a) or 373.4275, F.S., may also seek appellate review of this order before the Land and Water Adjudicatory Commission under Section 373.114(1) or 373.4275, F.S. Requests for review before the Land and Water Adjudicatory Commission must be filed with the Secretary of the Commission and served on the Department within 20 days from the date when this order is filed with the Clerk of the Department.

Judicial Review

Once this decision becomes final, any party to this action has the right to seek judicial review pursuant to Section 120.68, F.S., by filing a Notice of Appeal pursuant to Florida Rules of Appellate Procedure 9.110 and 9.190 with the Clerk of the Department in the Office of General Counsel (Station #35, 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000) and by filing a copy of the Notice of Appeal accompanied by the applicable filing fees with the appropriate district court of appeal. The notice must be filed within 30 days from the date this action is filed with the Clerk of the Department.

Executed in Orlando, Florida.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION



Kimberly R. Allen
Permitting Program Administrator

KRA:jbw

Attachments:

Exhibit 1, Project Drawings and Design Specs., 4 pages

Copies of 62-330 forms may be obtained at: <https://floridadep.gov/water/submerged-lands-environmental-resources-coordination/content/forms-environmental-resource>

Copies furnished to:

Kimberly R. Allen, DEP, Kim.Allen@FloridaDEP.gov
Blake Chapman, DEP, Blake.A.Chapman@FloridaDEP.gov
Jennifer Waltrip, DEP, Jennifer.Waltrip@FloridaDEP.gov
Russell Sullivan, DEP, Russell.Sullivan@FloridaDEP.gov
John Loftis, Agent, permits@loftismarine.com
Julian Loftis, Agent, julian@loftismarine.com
Department of Community Affairs, Ray.Eubanks@deo.myflorida.com,
DCPPermits@deo.myflorida.com
Okaloosa County, mmartinez@co.okaloosa.fl.us, jautrey@co.okaloosa.fl.us,
sbitterman@co.okaloosa.fl.us, propertyappraiser@okaloosapa.com

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this permit and authorization to use sovereignty submerged lands, including all copies, were mailed before the close of business on **May 2, 2022**, to the above listed persons.

FILING AND ACKNOWLEDGMENT

FILED, on this date, under 120.52(7) of the
Florida Statutes, with the designated Department Clerk,
receipt of which is hereby acknowledged.



Clerk

May 2, 2022
Date

Client/Owner:

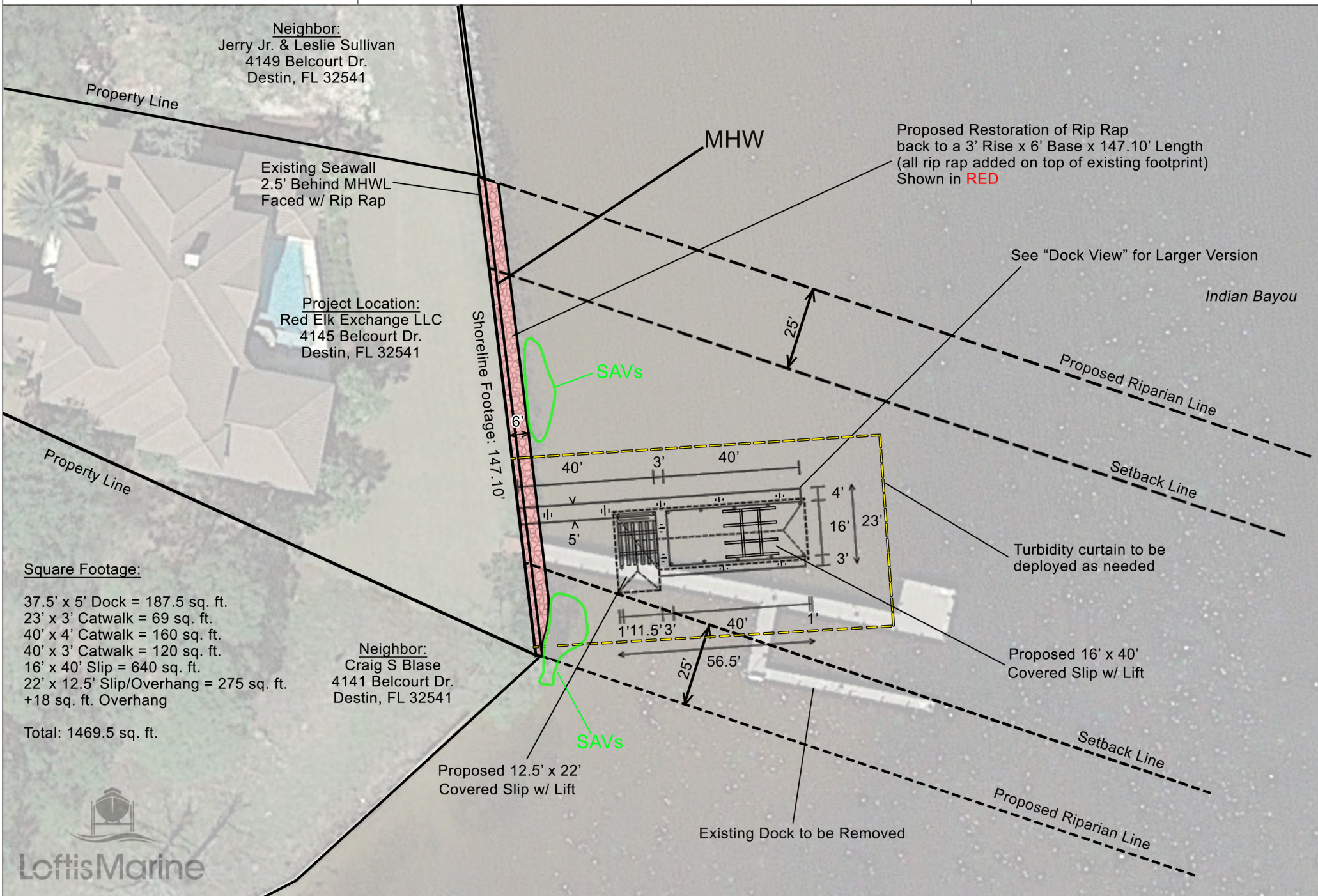
Red Elk Exchange LLC
4145 Belcourt Dr.
Destin, FL 32541

~ PLAN VIEW ~

Scale: Dimensioned

Contractor/Agent:

Loftis Marine Division, Inc.
Date: 3/3/22
Initials: *g*



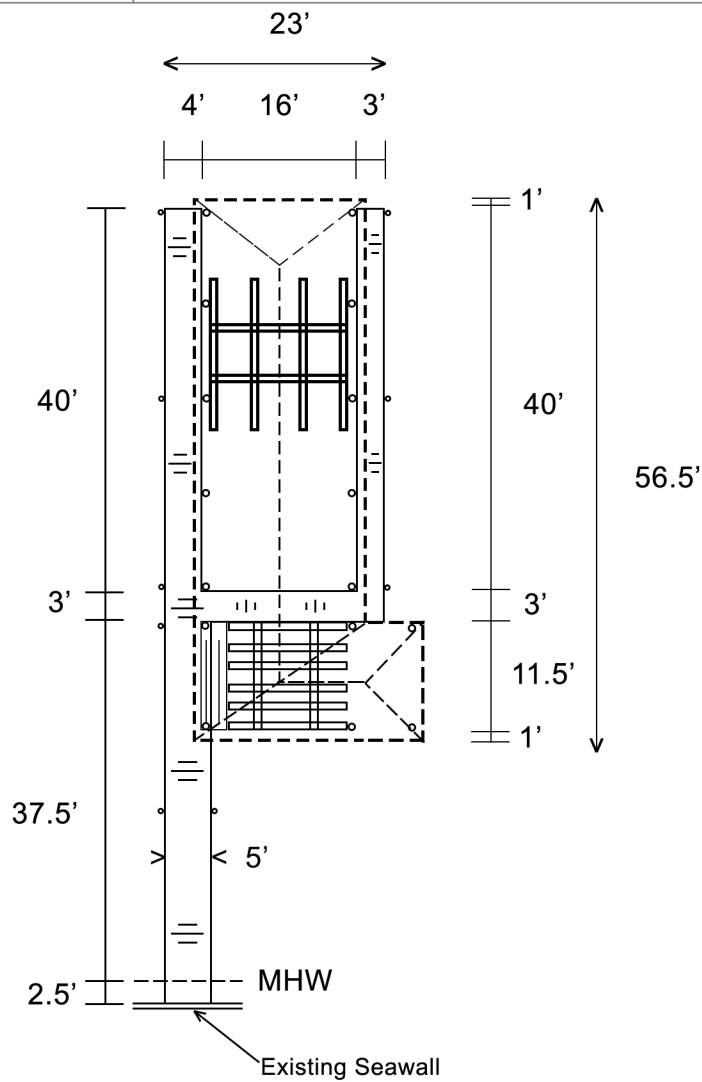
Client/Owner:

Red Elk Exchange LLC
4145 Belcourt Dr.
Destin, FL 32541

~ DOCK VIEW ~
Scale: Dimensioned

Contractor/Agent:

Loftis Marine Division, Inc.
Date: 11/25/21
Initials: *g*



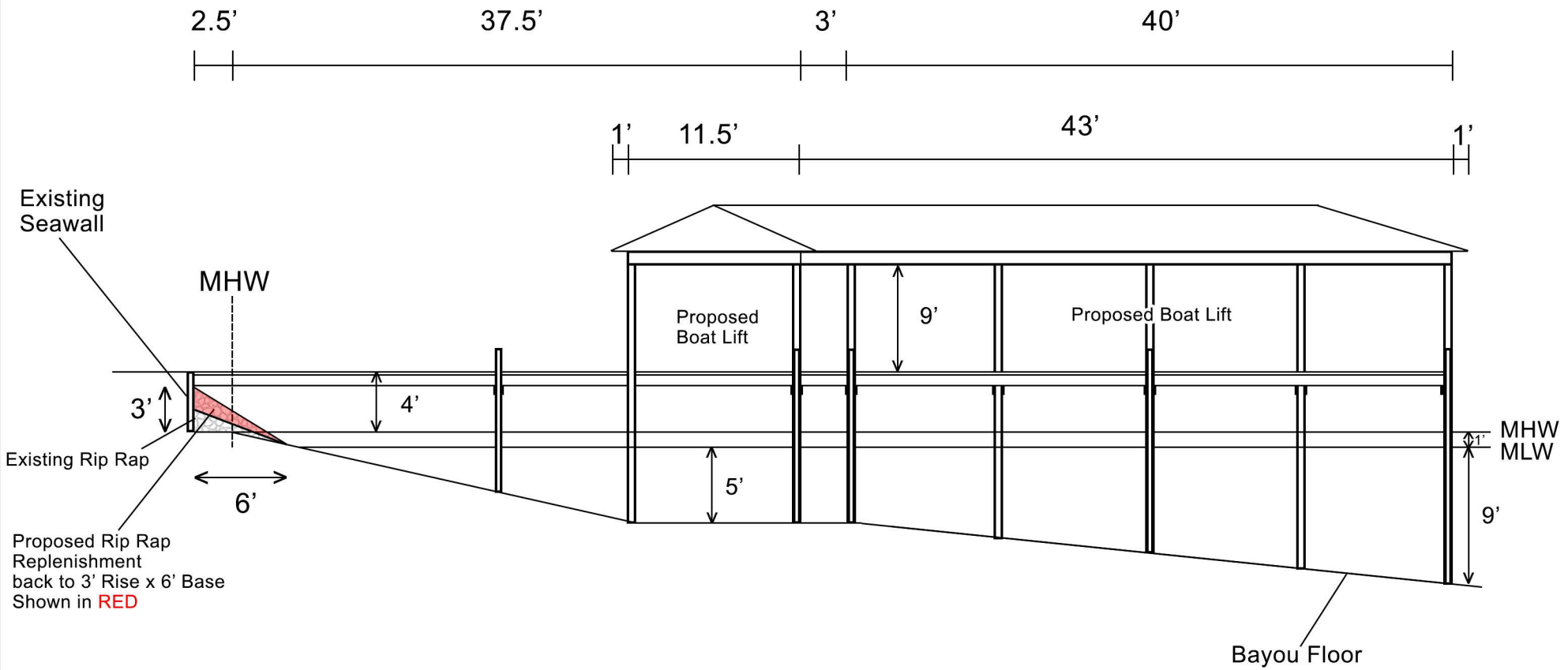
Square Footage:

- 37.5' x 5' Dock = 187.5 sq. ft.
- 23' x 3' Catwalk = 69 sq. ft.
- 40' x 4' Catwalk = 160 sq. ft.
- 40' x 3' Catwalk = 120 sq. ft.
- 16' x 40' Slip = 640 sq. ft.
- 22' x 12.5' Slip/Overhang = 275 sq. ft.
- +18 sq. ft. Overhang

Total: 1469.5 sq. ft.



Client/Owner:	~ SIDE VIEW ~ Scale: Dimensioned	Contractor/Agent:
Red Elk Exchange LLC 4145 Belcourt Dr. Destin, FL 32541		Loftis Marine Division, Inc. Date: 11/25/21 Initials: <i>g</i>





DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS, JACKSONVILLE DISTRICT
PENSACOLA REGULATORY OFFICE
41 NORTH JEFFERSON STREET, SUITE 301
PENSACOLA, FLORIDA 32502

April 20, 2022

Regulatory Division
North Branch
Pensacola Section
SAJ-2021-03981 (NW/GP-SWA)

Marty Harrell
4145 Belcourt Drive
Destin, Florida 32541
Sent via email: martyharrell@icloud.com

Dear Mr. Harrell:

The U.S. Army Corps of Engineers (Corps) has completed the review of your application for a Department of the Army permit received on December 7, 2021. Your application was assigned file number SAJ-2021-03981. A review of the information and drawings provided indicates that the proposed project is to remove an existing dock and construct a new single-family dock consisting of a 5-foot by 37.5-foot access pier, a 23-foot by 3-foot catwalk, a 40-foot by 4-foot catwalk, a 40-foot by 3-foot catwalk, a 40-foot by 16-foot covered boat slip and a 22-foot by 12.5-foot covered boat slip. Additionally, maintenance will be conducted on the existing riprap revetment with the placement of supplemental riprap within the existing footprint. The activities subject to this permit are authorized pursuant to authorities under Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. § 403), and Section 404 of the Clean Water Act (33 U.S.C. § 1344). The project is located Indian Bayou at 4145 Belcourt Drive, Latitude: 30.40486°; Longitude: -86.45188°, Destin, Okaloosa County, Florida.

The aspect of your project involving the maintenance of 147 linear feet of existing riprap, as depicted on the attached drawings, is authorized by Nationwide Permit 13 (NWP-13), Bank Stabilization. **This verification is valid until March 14, 2026.** In order for this NWP authorization to be valid, you must ensure that the work is performed in accordance with the Nationwide Permit General Conditions, the Jacksonville District Regional Conditions, and the General and Project-Specific Special Conditions listed below. Furthermore, if you commence or are under contract to commence this activity before the date that the relevant NWP is modified or revoked, you will have 12 months from the date of the modification or revocation of the NWP to complete the activity under the present terms and conditions of this NWP. Alternatively, you can access the U.S. Army Corps of Engineers' (Corps) Jacksonville District's Regulatory Source Book web page for links to view NWP information at: <https://www.saj.usace.army.mil/Missions/Regulatory/Source-Book/>. Please be aware this Internet address is case sensitive and should be entered as it appears above. Once there you will need to select "Source Book" and then select "Nationwide Permits." These

files contain the description of the NWP authorization, the NWP general conditions, and the regional conditions, which apply specifically to this NWP verification.

The aspect of your project involving the construction of a single-family dock, as depicted on the attached drawings, is authorized by Regional General Permit (RGP) SAJ-20 and its subsequent modifications, if applicable. **This RGP authorization is valid until March 27, 2023.** Please access the Corps' Jacksonville District Regulatory Division Source Book webpage to view the special and general conditions for SAJ-20, which apply specifically to this authorization. The Internet URL address is: <http://www.saj.usace.army.mil/Missions/Regulatory.aspx>. Please be aware this Internet address is case sensitive, and you will need to enter it exactly as it appears above. Once there select "Source Book" and then select "General Permits." Then you will need to select the specific SAJ permit noted above.

You must comply with all of the special and general conditions for the NWP and RGP, including any project-specific conditions included in this letter and all conditions incorporated by reference as described above.

General Conditions (33 CFR PART 320-330):

1. The time limit for completing the work authorized by NWP 13 ends on **March 14, 2026**. The time limit for completing the work authorized by RGP SAJ-20 ends on **March 27, 2023**.
2. You must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity, although you may make a good faith transfer to a third party in compliance with General Condition 4 below. Should you wish to cease to maintain the authorized activity, or should you desire to abandon it without a good faith transfer, you must obtain a modification of this permit from this office, which may require restoration of the area.
3. If you discover any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit, you must immediately notify this office of what you have found. We will initiate the Federal and state coordination required to determine if the remains warrant a recovery effort of if the site is eligible for listing in the National Register of Historic Places.
4. If you sell the property associated with this permit you must obtain the signature of the new owner on the transfer form attached to this letter and forward a copy to this office to validate the transfer of this authorization.
5. If a conditioned water quality certification has been issued for your project, you must comply with the conditions specified in the certification as special conditions to this

permit. For your convenience, a copy of the certification is attached if it contains such conditions.

6. You must allow a representative from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished in accordance with the terms and conditions of your permit.

Project Specific Special Conditions:

The following project specific special conditions are included with this verification:

1. Reporting Address: The Permittee shall submit all reports, notifications, documentation and correspondence required by the general and special conditions of this permit to either (not both) of the following addresses:

a. For electronic mail (preferred): SAJ-RD-Enforcement@usace.army.mil (not to exceed 15 MB).

b. For standard mail: U.S. Army Corps of Engineers, Regulatory Division, Enforcement Section, 415 Richard Jackson Boulevard, Suite 411, Panama City Beach, Florida 32407.

The Permittee shall reference this permit number, SAJ-2021-03981 (NW/GP-SWA), on all submittals.

2. Permit Conditions Prevail: If information in the permit attachments conflict with the special conditions of this permit, the requirements of the permit special conditions shall prevail.

3. Commencement Notification: Within 10 days from the date of initiating the work authorized by this permit the Permittee shall complete and submit the attached "*Commencement Notification*" Form.

4. Posting of Permit: The Permittee shall have available and maintain for review a copy of this permit and approved plans at the construction site.

5. Self-Certification: Within 60 days of completion of the work authorized by this permit, the Permittee shall complete the attached "*Self-Certification Statement of Compliance*" form and submit it to the Corps. In the event that the completed work deviates in any manner from the authorized work, the Permittee shall describe the deviations between the work authorized by this permit and the work as constructed on the "*Self-Certification Statement of Compliance*" form. The description of any deviations on the "*Self-Certification Statement of Compliance*" form does not constitute approval of any deviations by the Corps.

6. Assurance of Navigation and Maintenance: The Permittee understands and agrees that, if future operations by the United States require the removal, relocation, or other alteration, of the structures or work herein authorized, or if in the opinion of the Secretary of the Army or his authorized representative, said structure or work shall cause unreasonable obstruction to the free navigation of the navigable waters, the Permittee will be required, upon due notice from the Corps of Engineers, to remove, relocate, or alter the structural work or obstructions caused thereby, without expense to the United States. No claim shall be made against the United States on account of any such removal or alteration.

7. Turbidity Barriers: Prior to the initiation of any of the work authorized by this permit, the Permittee shall install floating turbidity barriers with weighted skirts that extend to within 1-foot of the bottom around all work areas that are in, or adjacent to, surface waters. The turbidity barriers shall remain in place and be maintained until the authorized work has been completed and all suspended and erodible materials have been stabilized. Turbidity barriers shall be removed upon stabilization of the work area.

8. Jacksonville District Programmatic Biological Opinion (JAXBO): Structures and activities authorized under this permit will be constructed and operated in accordance with all applicable PDCs contained in the JAXBO, based on the permitted activity. Failure to comply with applicable PDCs will constitute noncompliance with this permit. In addition, failure to comply with the applicable PDCs, where a take of listed species occurs, would constitute an unauthorized take. The NMFS is the appropriate authority to determine compliance with the Endangered Species Act. The most current version of JAXBO can be accessed at the Jacksonville District Regulatory Division website in the Endangered Species section of the Sourcebook located at:
<http://www.saj.usace.army.mil/Missions/Regulatory/SourceBook.aspx>

JAXBO may be subject to revision at any time. The most recent version of these JAXBO must be utilized during the design and construction of the permitted work.

9. Manatee Conditions: The Permittee shall comply with the attached “*Standard Manatee Conditions for In-Water Work – 2011*”. The most recent version of the Manatee Conditions must be utilized.

10. Cultural Resources/Historic Properties:

a. No structure or work shall adversely affect impact or disturb properties listed in the *National Register of Historic Places* (NRHP) or those eligible for inclusion in the NRHP.

b. If, during permitted activities, items that may have historic or archaeological origin are observed the Permittee shall immediately cease all activities adjacent to the discovery that may result in the destruction of these resources and shall prevent his/her

employees from further removing, or otherwise damaging, such resources. The applicant shall notify both the Florida Department of State, Division of Historical Resources, Compliance Review Section at (850)-245-6333 and the Corps, of the observations within the same business day (8 hours). Examples of submerged historical, archaeological or cultural resources include shipwrecks, shipwreck debris fields (such as steam engine parts, or wood planks and beams), anchors, ballast rock, concreted iron objects, concentrations of coal, prehistoric watercraft (such as log "dugouts"), and other evidence of human activity. The materials may be deeply buried in sediment, resting in shallow sediments or above them, or protruding into water. The Corps shall coordinate with the Florida State Historic Preservation Officer (SHPO) to assess the significance of the discovery and devise appropriate actions. Project activities shall not resume without verbal and/or written authorization from the Corps.

c. Additional cultural resources assessments may be required of the permit area in the case of unanticipated discoveries as referenced in accordance with the above Special Condition; and if deemed necessary by the SHPO, THPO(s), or Corps, in accordance with 36 CFR 800 or 33 CFR 325, Appendix C (5). Based, on the circumstances of the discovery, equity to all parties, and considerations of the public interest, the Corps may modify, suspend or revoke the permit in accordance with 33 CFR Part 325.7. Such activity shall not resume on non-federal lands without written authorization from the SHPO for finds under his or her jurisdiction, and from the Corps.

d. In the unlikely event that unmarked human remains are identified on non-federal lands; they will be treated in accordance with Section 872.05 Florida Statutes. All work and ground disturbing activities within a 100-meter diameter of the unmarked human remains shall immediately cease and the Permittee shall immediately notify the medical examiner, Corps, and State Archeologist within the same business day (8-hours). The Corps shall then notify the appropriate SHPO and THPO(s). Based, on the circumstances of the discovery, equity to all parties, and considerations of the public interest, the Corps may modify, suspend or revoke the permit in accordance with 33 CFR Part 325.7. Such activity shall not resume without written authorization from the State Archeologist and from the Corps.

11. Section 401 Water Quality Certification and Coastal Zone Consistency

Concurrence: Prior to the initiation of any construction, projects qualifying for this DA permit must qualify for an exemption under section 403.813(1), Florida Statutes or 373.406, Florida Statutes, or otherwise be authorized by the applicable permit required under Part IV of Chapter 373, Florida Statutes, by the Department of Environmental Protection, a water management district under section 373.069, Florida Statutes, or a local government with delegated authority under section 373.441, Florida Statutes, and receive Water Quality Certification and applicable Coastal Zone Consistency Concurrence or waiver thereto, as well as any authorizations required for the use of state-owned submerged lands under Chapter 253, Florida Statutes, and, as applicable, Chapter 258, Florida Statutes. You should check State-permitting requirements with the

Florida Department of Environmental Protection or the appropriate water management district.

12. Listed Species Incident Reporting: Incidents where Johnson's seagrass, or any individuals of whale, sea turtle, sturgeon, sawfish, coral, or other species listed by NOAA Fisheries under the Endangered Species Act appear to be injured or killed as a result of discharges of dredged or fill material into waters of the United States or structures or work in navigable waters of the United States authorized by this NWP shall be reported to NOAA Fisheries, Office of Protected Resources at (301) 713-1401 and the Regulatory Office of the Jacksonville District of the U.S. Army Corps of Engineers at 904-232-1177. The finder should leave the plant or animal alone, make note of any circumstances likely causing the death or injury, note the location and number of individuals involved and, if possible, take photographs. Adult animals should not be disturbed unless circumstances arise where they are obviously injured or killed by discharge exposure, or some unnatural cause. The finder may be asked to carry out instructions provided by NOAA Fisheries, Office of Protected Resources, to collect specimens or take other measures to ensure that evidence intrinsic to the specimen is preserved.

A jurisdiction determination was not completed with this request. Therefore, this is not an appealable action. However, you may request an approved JD, which is an appealable action, by contacting the Corps for further instruction.

This letter of authorization does not include conditions that would prevent the 'take' of a state-listed fish or wildlife species. These species are protected under sec. 379.411, Florida Statutes, and listed under Rule 68A-27, Florida Administrative Code. With regard to fish and wildlife species designated as species of special concern or threatened by the State of Florida, you are responsible for coordinating directly with the Florida Fish and Wildlife Conservation Commission (FWC). You can visit the FWC license and permitting webpage (<http://www.myfwc.com/license/wildlife/>) for more information, including a list of those fish and wildlife species designated as species of special concern or threatened. The Florida Natural Areas Inventory (<http://www.fnai.org/>) also maintains updated lists, by county, of documented occurrences of those species.

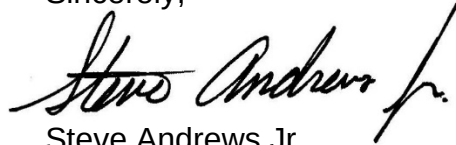
This letter of authorization does not give absolute Federal authority to perform the work as specified on your application. The proposed work may be subject to local building restrictions mandated by the National Flood Insurance Program. You should contact your local office that issues building permits to determine if your site is located in a flood-prone area, and if you must comply with the local building requirements mandated by the National Flood Insurance Program.

This letter of authorization does not preclude the necessity to obtain any other Federal, State, or local permits, which may be required.

Thank you for your cooperation with our permit program. The Corps' Jacksonville District Regulatory Division is committed to improving service to our customers. We strive to perform our duty in a friendly and timely manner while working to preserve our environment. We invite you to complete our automated Customer Service Survey at <https://regulatory.ops.usace.army.mil/customer-service-survey/>. Please be aware this Internet address is case sensitive and you will need to enter it exactly as it appears above. Your input is appreciated – favorable or otherwise.

Should you have any questions related to this verification letter or have issues accessing the documents reference in this letter, please contact Steve Andrews Jr. at the letterhead address above, via telephone at 850-439-0707, or via e-mail at stephen.w.andrews@usace.army.mil.

Sincerely,

A handwritten signature in black ink that reads "Steve Andrews Jr." with a stylized flourish at the end.

Steve Andrews Jr.
Project Manager

Enclosures
Transfer Request
Permit Drawings
Commencement Notification
Self-Certification
Standard Manatee Conditions

Copy Furnished:
Loftis Marine

DEPARTMENT OF THE ARMY PERMIT TRANSFER REQUEST

DA PERMIT NUMBER: SAJ-2021-03981 (NW/GP-SWA)

When the structures or work authorized by this permit are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. Although the construction period for works authorized by Department of the Army permits is finite, the permit itself, with its limitations, does not expire.

To validate the transfer of this permit and the associated responsibilities associated with compliance with its terms and conditions, have the transferee sign and date below and mail to the U.S. Army Corps of Engineers, Enforcement Section, Post Office Box 4970, Jacksonville, FL 32232-0019 or submit via electronic mail to: SAJ-RD-Enforcement@usace.army.mil (not to exceed 15 MB).

(TRANSFEREE-SIGNATURE)

(SUBDIVISION)

(DATE)

(LOT)

(BLOCK)

(NAME-PRINTED)

(STREET ADDRESS)

(MAILING ADDRESS)

(CITY, STATE, ZIP CODE)

Client/Owner:

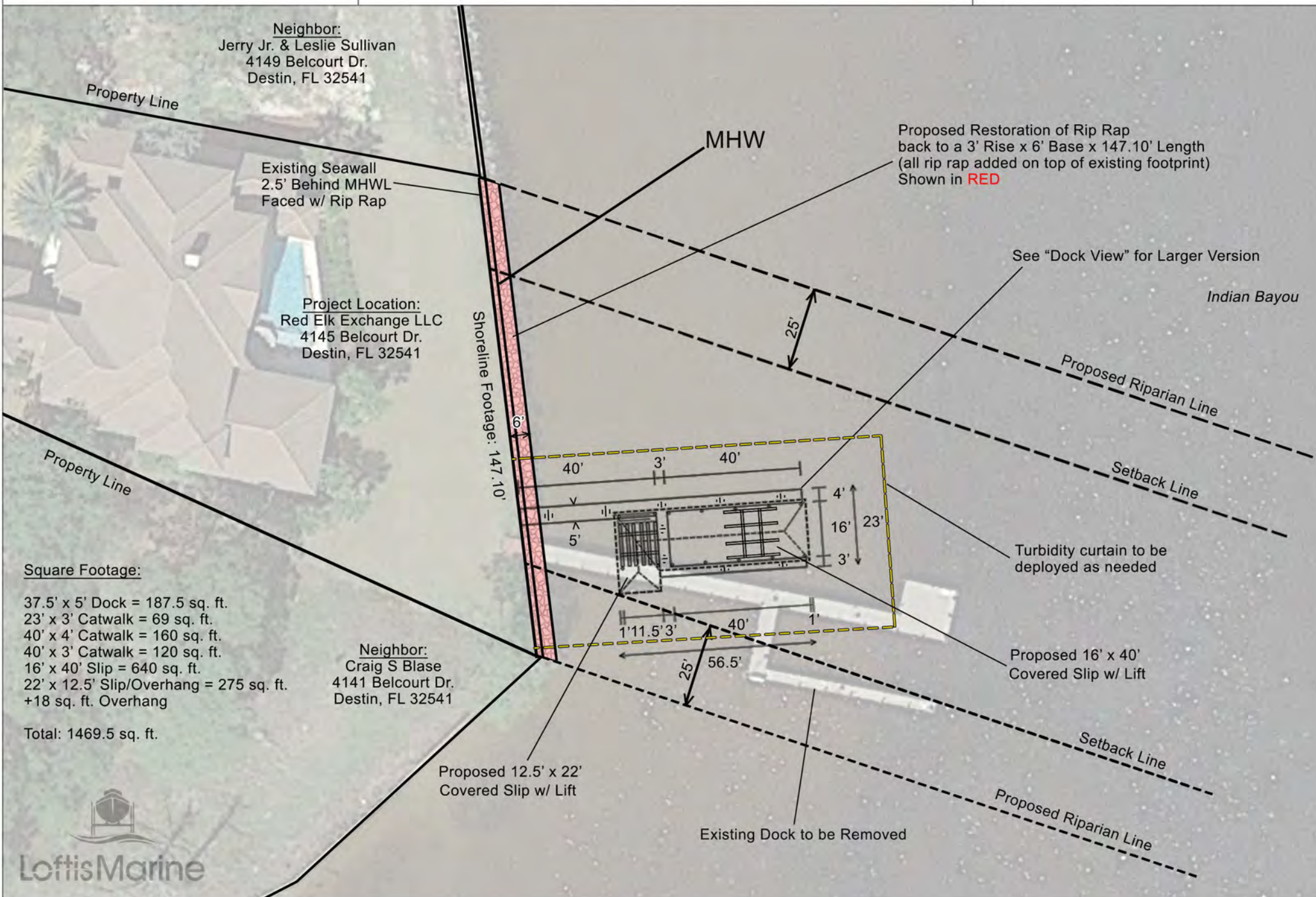
Red Elk Exchange LLC
4145 Belcourt Dr.
Destin, FL 32541

~ PLAN VIEW ~

Scale: Dimensioned

Contractor/Agent:

Loftis Marine Division, Inc.
Date: 11/25/21
Initials: *g*



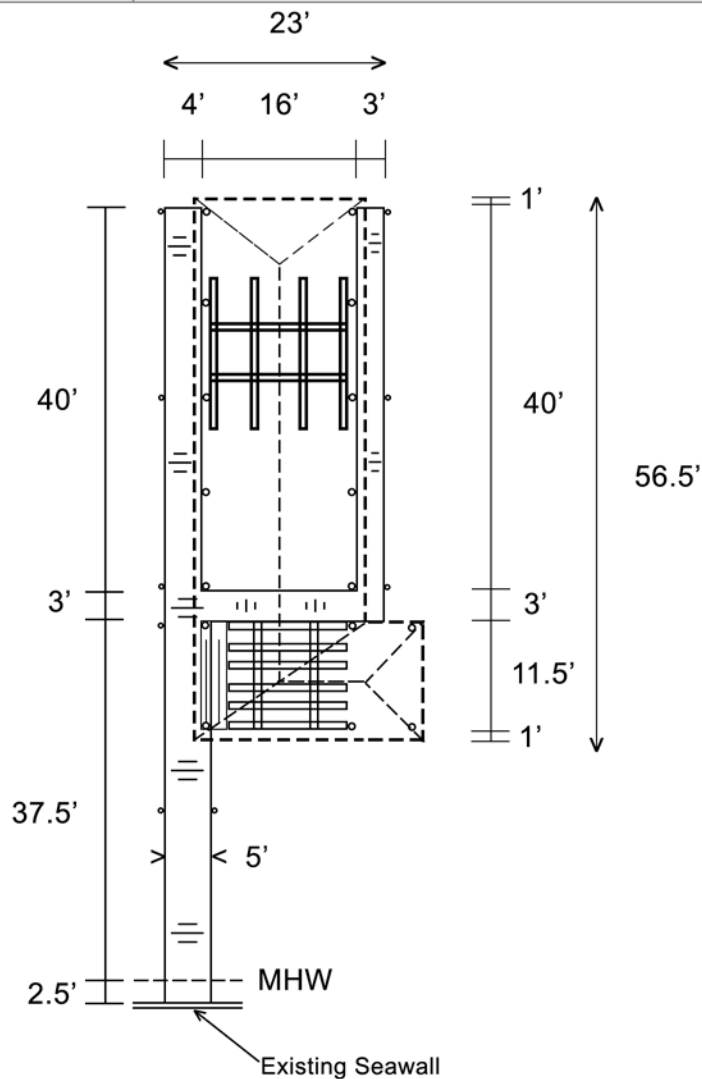
Client/Owner:

Red Elk Exchange LLC
4145 Belcourt Dr.
Destin, FL 32541

~ DOCK VIEW ~
Scale: Dimensioned

Contractor/Agent:

Loftis Marine Division, Inc.
Date: 11/25/21
Initials: *g*



Square Footage:

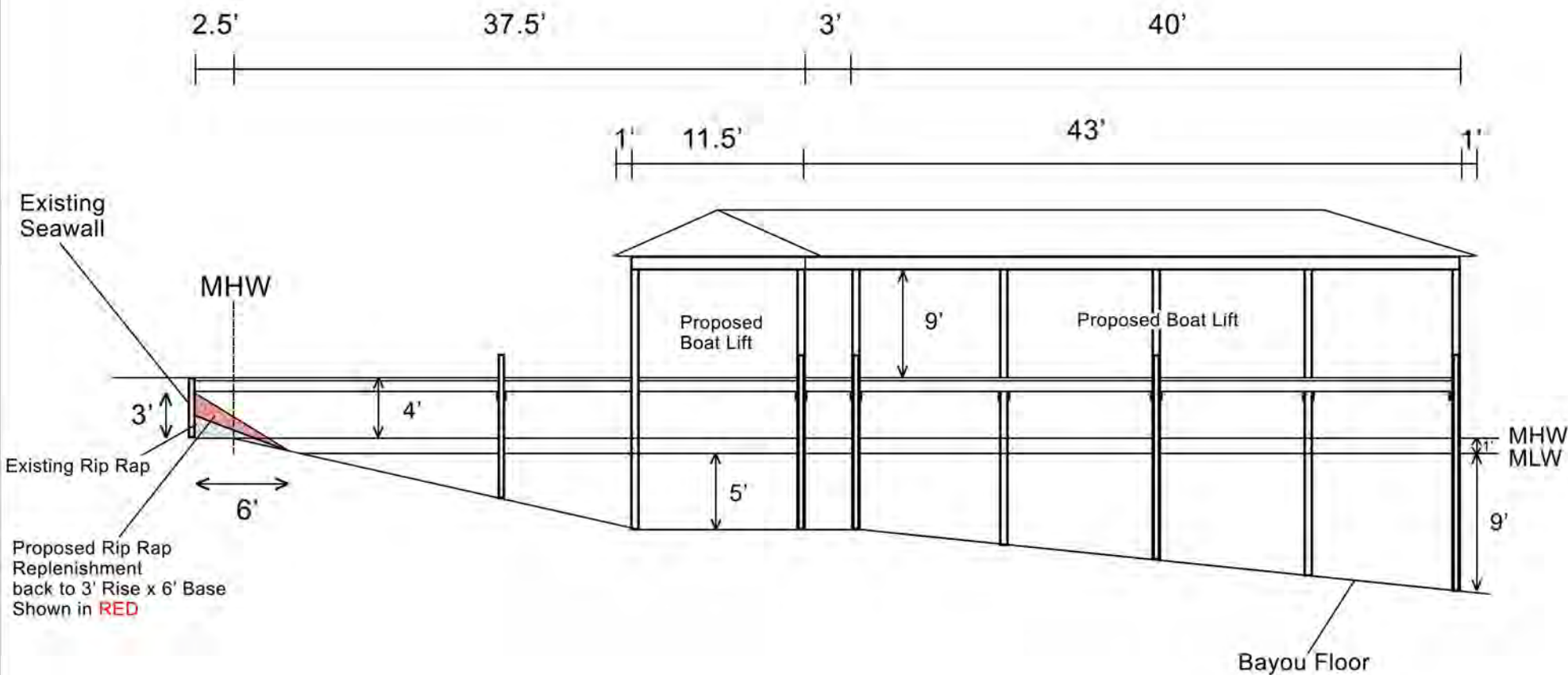
37.5' x 5' Dock = 187.5 sq. ft.
23' x 3' Catwalk = 69 sq. ft.
40' x 4' Catwalk = 160 sq. ft.
40' x 3' Catwalk = 120 sq. ft.
16' x 40' Slip = 640 sq. ft.
22' x 12.5' Slip/Overhang = 275 sq. ft.
+18 sq. ft. Overhang

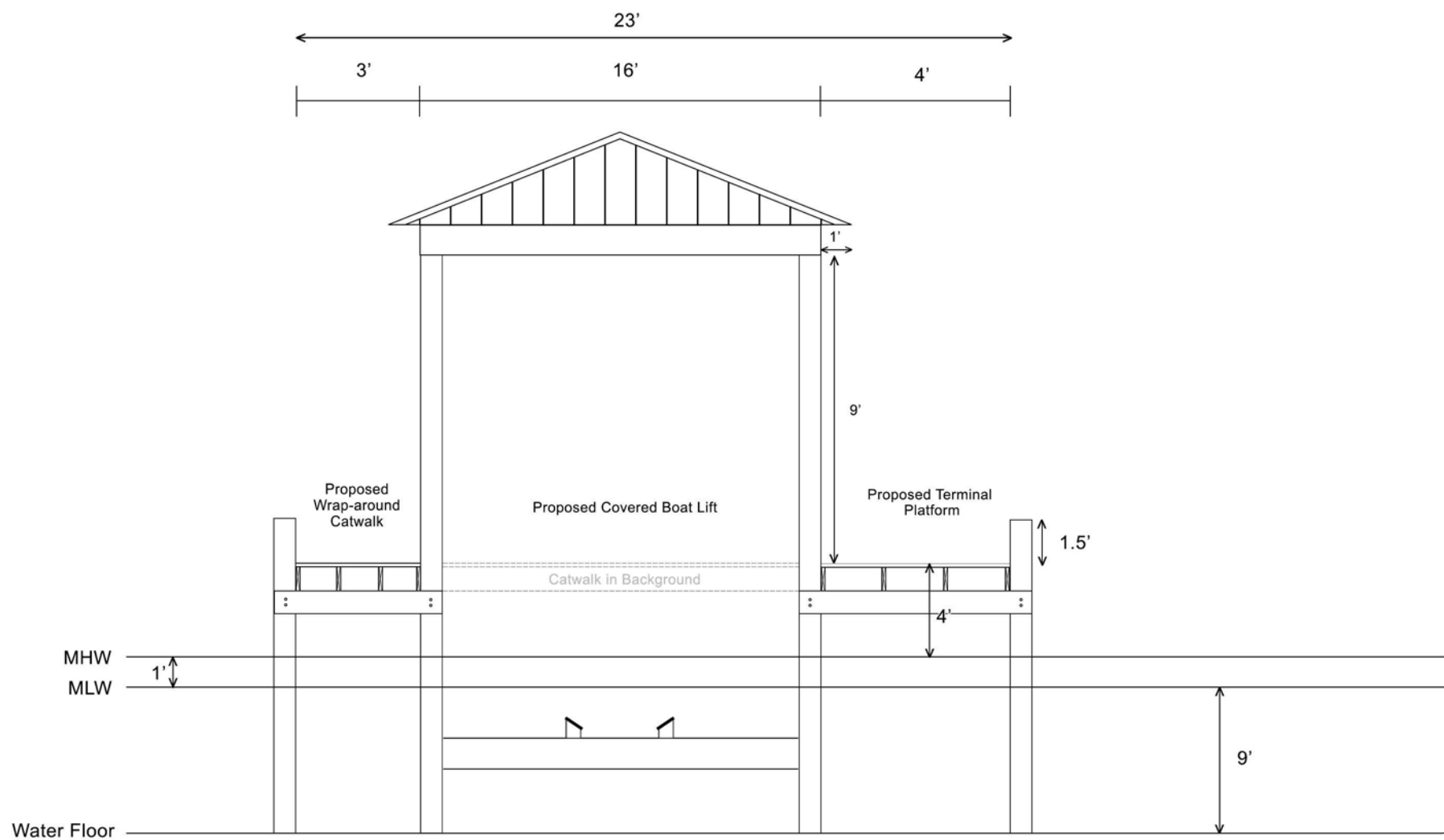
Total: 1469.5 sq. ft.

Client/Owner:
Red Elk Exchange LLC
4145 Belcourt Dr,
Destin, FL 32541

~ SIDE VIEW ~
Scale: Dimensioned

Contractor/Agent:
Loftis Marine Division, Inc.
Date: 11/25/21
Initials: *g*





COMMENCEMENT NOTIFICATION

*Within ten (10) days of initiating the authorized work, submit this form via electronic mail to saj-rd-enforcement@usace.army.mil (preferred, not to exceed 15 MB) **or** by standard mail to U.S. Army Corps of Engineers, Enforcement Section, P.O. Box 4970, Jacksonville, FL 32232-0019.*

1. Department of the Army Permit Number: SAJ-2021-03981 (NW/GP-SWA)

2. Permittee Information:

Name: _____

Email: _____

Address: _____

Phone: _____

3. Construction Start Date: _____

4. Contact to Schedule Inspection:

Name: _____

Email: _____

Phone: _____

Signature of Permittee

Printed Name of Permittee

Date

SELF-CERTIFICATION STATEMENT OF COMPLIANCE

*Within sixty (60) days of completion of the authorized work, submit this form via electronic mail to saj-rd-enforcement@usace.army.mil (preferred, not to exceed 15MB) **or** by standard mail to U.S. Army Corps of Engineers, Enforcement Section, P.O. Box 4970, Jacksonville, FL 32232-0019.*

1. **Department of the Army Permit Number:** SAJ-2021-03981 (NW/GP-SWA)

2. **Permittee Information:** Name: _____

Email: _____

Address: _____

Phone: _____

3. **Date Authorized Work Started:** _____ **Completed:** _____

4. **Contact to Schedule Inspection:** Name: _____

Email: _____

Phone: _____

5. **Description of Authorized Work (e.g. bank stabilization, fill placed within wetlands, docks, dredging, etc.):** _____

6. **Acreage or Square Feet of Impacts to Waters of the United States:** _____

7. **Describe Mitigation completed (if applicable):** _____

8. **Describe any Deviations from Permit (attach drawing(s) depicting the deviations):**

I certify that all work and mitigation (if applicable) was done in accordance with the limitations and conditions as described in the permit. Any deviations as described above are depicted on the attached drawing(s).

Signature of Permittee

Printed Name of Permittee

Date

Dated 9/18/2019

STANDARD MANATEE CONDITIONS FOR IN-WATER WORK
2011

The permittee shall comply with the following conditions intended to protect manatees from direct project effects:

- a. All personnel associated with the project shall be instructed about the presence of manatees and manatee speed zones, and the need to avoid collisions with and injury to manatees. The permittee shall advise all construction personnel that there are civil and criminal penalties for harming, harassing, or killing manatees which are protected under the Marine Mammal Protection Act, the Endangered Species Act, and the Florida Manatee Sanctuary Act.
- b. All vessels associated with the construction project shall operate at "Idle Speed/No Wake" at all times while in the immediate area and while in water where the draft of the vessel provides less than a four-foot clearance from the bottom. All vessels will follow routes of deep water whenever possible.
- c. Siltation or turbidity barriers shall be made of material in which manatees cannot become entangled, shall be properly secured, and shall be regularly monitored to avoid manatee entanglement or entrapment. Barriers must not impede manatee movement.
- d. All on-site project personnel are responsible for observing water-related activities for the presence of manatee(s). All in-water operations, including vessels, must be shutdown if a manatee(s) comes within 50 feet of the operation. Activities will not resume until the manatee(s) has moved beyond the 50-foot radius of the project operation, or until 30 minutes elapses if the manatee(s) has not reappeared within 50 feet of the operation. Animals must not be herded away or harassed into leaving.
- e. Any collision with or injury to a manatee shall be reported immediately to the Florida Fish and Wildlife Conservation Commission (FWC) Hotline at 1-888-404-3922. Collision and/or injury should also be reported to the U.S. Fish and Wildlife Service in Jacksonville (1-904-731-3336) for north Florida or Vero Beach (1-772-562-3909) for south Florida, and to FWC at ImperiledSpecies@myFWC.com



Community Development Planning Division

4100 Indian Bayou Trail | Destin, FL 32541 | Phone: 850-654-1119 | Email: planning@cityofdestin.com

July 1, 2022

Subject: Notification of Application Submittal – Residential Marine Construction: 4145 Belcourt Dr

Dear Property Owner:

The purpose of this letter is to notify you of the Marine Construction Permit received by the Community Development Department. The Marine Construction application seeks Harbor and Waterways Board approval to construct an access pier and two finger piers for two covered slips. **The Harbor and Waterways Board will hear the Application at 5:00 p.m. at Destin City Hall Annex, 4100 Indian Bayou Trail, on Monday, July 25, 2022.** As an owner of property adjacent to this project, *Article 2.17.00 of the Destin Land Development Code (LDC)* requires a written notice providing you with the following information:

This notice is for informational purposes only. No action is required on your part.

1. Name of Owner: Marty Harrell
2. Name of Agent: John Loftis
3. Address of Project: 4145 Belcourt Dr
4. Parcel ID Number: 00-2S-22-4600-0000-0100
5. Project Description: The proposed project includes the construction of a 40' x 5' access dock, 23' x 3' catwalk section, 40' x 4' catwalk section, 40' x 3' catwalk section, 16' x 40' covered boat slip w/ lift underneath, and a 12.5' x 22' covered boat slip w/ lift underneath., along with associated support pilings.
6. Location of Application Package: To request a digital copy of the application package be sent to you, please call the City Clerk at (850) 837-4242 or fill out a Public Records Request (PRR) online: <http://www.cityofdestin.com/forms.aspx?fid=121>

If you have any questions or concerns regarding this letter, please do not hesitate to call (850) 654-1119 option 2 or email at planning@cityofdestin.com.

Sincerely,

Tunazzina Binte Alam
Planner



CC: Louis Zunguze, MURP, Community Development Director
Planning Division
Community Development Department Project File

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022

TYPE OF AGENDA ITEM: Action Item

AGENDA OUTLINE NUMBER: 3.G.

TO: City Council

THRU: Lance Johnson, City Manager
Webb Warren, Deputy City Manager
Louis Zunguze, Community Development Director
Steve O'Connor, Principal Planner
Krystal Strickland, Finance Director

FROM: Michael Burgess, Public Services Director

DATE: 07/14/2022

SUBJECT: Authorization to Purchase Decorative Holiday Lighting, Harbor-CRA Advisory Board Recommendation

I. BACKGROUND: The Harbor-CRA Advisory Committee would like to purchase Holiday Lighting to beautify their service area for the upcoming Holiday season.

II. DISCUSSION: The Harbor-CRA Advisory Committee passed a motion at its May 11, 2022 meeting to recommend to City Council that it authorize the purchase Holiday Lighting for the upcoming Christmas season with a budget of no more than \$50,000.

Possible locations for these fixtures include: US 98 corridor medians, Capt. Royal Melvin Heritage Park, Capt. Leonard Destin Park, Marler Street Parking lot, and Destin Community Center.

ATT1: The minutes of the May 11 Harbor-CRA Advisory Committee meeting

ATT2: Examples of Holiday lighting fixtures and techniques

A. Link to Strategic Goals / Objectives: from Strategic Goals 2026:

II. Enhanced quality of life and safety for families

IV. Effective, efficient, and aesthetically pleasing infrastructure

B. Effect on Budget (EOB): Budgeted funds are available in the Town Center CRA under the account "Rents and Leases" for a third party to install rented decorations.

These funds can be reclassified if the decoration committee chooses to purchase decorations instead of renting. The amount recommended is not to exceed \$50,000.

	11055235	
	Harbor CRA	TOTAL
544000		
Rents and Leases	\$ 73,000	\$ 73,000
FY22 Adopted Budget	73,000	73,000
Internal Budget Transfer	(10,000)	(10,000)
Revised Budget	63,000	63,000
Previous Expenses/Encumbrances	-	-
Available Program Budget	63,000	63,000
This Agreement +(-)	(50,000)	(50,000)
FY22 Remaining Program Budget	\$ 13,000	\$ 13,000

C. Level of Service (LOS): Enhanced Community Beautification during the 2022 Holiday Season

D. Legislative Sponsor:

III. CONCLUSION: Approval of this item will enable staff to purchase those fixtures and decorative lighting displays identified by the Harbor-CRA's coordinating member, Sandy Trammell.

IV. RECOMMENDED MOTION: I move that the City Manager be authorized to purchase Holiday Lighting for the Harbor-CRA District for an amount not to exceed \$50,000.

Attachments:

1. ATT1: 5-11-2022 - hcraac minutes
2. ATT2: Harbor CRA possible Lighting Ideas 2022

**MINUTES
HARBOR COMMUNITY REDEVELOPMENT
AGENCY ADVISORY COMMITTEE MEETING
MAY 11, 2022 - 5:30 PM
DESTIN CITY HALL BOARDROOM**

1. CALL TO ORDER:

Vice Chairman Green called the meeting to order at 5:30 p.m. on Thursday, May 11, 2022, in the Destin City Hall Council Chambers.

2. ROLL CALL & PLEDGE OF ALLEGIANCE:

Present

James Green
Sandy Trammell
Jan Best
Ian Blaise
Casey Jones
Mike Raim

Members Absent

Mike Buckingham

Staff Present

Kim Montgomery Deputy City Clerk
Steven O'Connor Principal Planner
Tunazzina Alam

3. MINUTES: April 13, 2022

Motion to have the meeting minutes moved for approval to the next scheduled meeting was made by Committee member Trammell with Committee member Best providing the second. The motion passed 6-0.

4. OLD BUSINESS:

None

5. NEW BUSINESS:

➤ **Utility Undergrounding Presentation**

Ms. Strickland introduced Mark Porter with Utility Consultants of Florida who is assisting with the Undergrounding of Florida Project as well as Mr. Sheff Wright who is the attorney also assisting the city.

Mr. Wright detailed his extensive background assisting Florida cities utilities underground and how the gameplan is to get everything that is on the poles, underground and all of the cities that he has assisted with to get theirs underground. He spoke of the benefits of having utilities put underground and how it limits the issues of outages from not only storm events knocking trees and branches into the lines but also from animals, birds and reptiles that can frequently disrupt service. He talked of the planned phases, the execution of the contracts and the processes it will take. Also, how a state mandate is now being enforced by statutes that will enforce concrete poles to replace wooden ones; so, if the utilities are not put underground in time, then they will go up on large and very unsightly concrete poles and if that is the case, then the cost will be significantly more in the future for cities for the concrete poles to be installed.

Therefore, by proceeding as rapidly as possible that higher cost can be avoided.

Mr. Mark Porter provided the members a brief synopsis of his background experience and showed the members a before and after photo of a completed project in Bradenton, Florida of their CRA District that has had all of the utilities taken underground.

There was a discussion regarding the increase in the franchise fees and how that effects the customer's electricity bills as well as how a portion of the increments are now dedicated to the undergrounding project.

Vice Chairman Green asked if the plan is to build the conduit to capacity of how it is now and if so, it may need to be redug and increased later or are they going to build it to where it could easily be expanded, if necessary in the future.

According to Mr. Wright, for an area that is built out, it would be comparable to the conditions of the capacity and if its an area with an opportunity for redevelopment, the engineers will take that into account for the necessary sizing.

Ms. Strickland provided the members with the preliminary phased plan and timeline for the project and the total cost. Explaining that Phase I will be from Marler Bridge to Airport Road and how the decision to have this area done first was made to get the major businesses and restaurants online first in order to help everyone in the event of an emergency that knocks power out, they can support the communities needs for food and supplies.

Vice Chairman Green asked what the estimated timeline is to finish each phase. According to Ms. Strickland the estimate is about 18-24 months for each phase. She then briefly provided an example for the mobilization process for the phases.

➤ **Long Term Financials**

Ms. Strickland explained to the members that by 2029 all of the debt will be paid off and there is about \$14.7M that they need to address and plan in their Master Plan to spend on projects in their district.

Motion by Committee member Trammell to recommend to the CRA to accept the 2021 Annual Audit and Financial Statements, with Committee member Raim providing the second. The motion passed 6-0.

➤ **Operational Financials**

According to Ms. Strickland this report ended in February with the budget being about 41% through the Fiscal Year and has received about 94% of the Ad-Valorem, and about 34% spent for operating, and about 23% spent for the largest capital overlays being spent on beachfront acquisitions. She further explained that she has added a balance sheet of modified accrual, so it won't show the total liabilities with all the debt and is basically a cash basis of \$40M to get through the end of the fiscal year. Additionally, \$15M is committed to reserves by Council through a Resolution for debt service and 6-months of operating costs.

- Summary's for Revenues and Expenditures

- Fund 110 is Harbor CRA
 - Parking Lot account for revenue and expenditures for upkeep

➤ **Capital Status Report**

Lists all of the working projects

- Council and Citizen directed projects
 - Renewal & Replacement Program
 - Growth Necessitated Projects

➤ **Budget Calendar**

- May 17, 2022 - Initial Operating Budget Workshop
- June 23, 2022 – Capital Improvement Plans
- July 1, 2022 - Estimates of Property Values are due from the County to calculate the Millage Rate
- Mid July one last budget workshop for Council to ensure all objectives are met for the coming year
- August 4, 2022 – Millage rates due to Property Appraiser and dates of public hearings

Committee member Trammell asked about the status of the pathway under the Marler Bridge and asked what the notation means that it was not supported by FDOT because of the Bridge Renovation Plan.

According to Mr. O'Connor, FDOT has the Marler Bridge on their 5-Year PD&E Study.

Mr. Zunguze added that the study will help determine something agreeable between them and the city. Ms. Strickland added that there is also a high powered gas line discovered that would have prevented the original location for the pathway along with a few other issues that they discovered.

➤ **Holiday Decorations – Michael Burgess**

Mr. Burgess explained to the members that the city spent about \$70k last year on fifteen (15) twenty-five foot tall LED lighted trees for the medians and staff is asking the members what they would like to see in the harbor district for additional holiday decorations. He did point out that staff still needs to determine if FPL will allow lights on their poles because Gulf Power did not. He also explained that they can also use a rental company who would come in and decorate and then come back and remove them after the holiday.

Committee member Trammell spoke of wanting to have some kind of archway decoration for the Capt. Royal Melvin Heritage Park.

The City Attorney suggested that they choose someone to represent the committee to work with Mr. Burgess on the decisions.

Motion by Committee member Raim to have Committee member Trammell work as the liaison with staff to help make decisions on holiday decorations for the Harbor District with a \$50k cap and bring those ideas back to their next meeting for ratification. Committee member Blaise

provided the second and the motion passed 6-0.

➤ **Development Projects Updates**

Committee member Best asked why the Crooked Island Rum Bar Distillery is allowed to operate because she thought the use was not allowed in the zoning district. Mr. O'Connor explained that the timing of the applicant initially meeting with staff for his project happened before the zoning use changes were approved, and with the applicant having already invested in the project, it was allowed to continue. She added that she has a tenant that did have a staff meeting for a similar use and they have encountered roadblocks and it doesn't seem fair. She then asked staff why a traffic study is required for a Minor Deviation. According to Mr. O'Connor, in the particular case she is referring to, the change of use for the prior structure had an x-amount of parking impacts and the use that is going in it now has a different impact and when that impact is an increase from the previous use, a study is required. Additionally, if they can show from a traffic engineers' standpoint that it's a negligible impact, then the traffic study is not necessary and that is what staff needs to be told in order to be able to not require one.

6. COMMITTEE MEMBER COMMENTS:

➤ **Committee member Raim** – Spoke of his concerns of the dangerous traffic problems that is occurring in the harbor district especially around Calhoun Avenue with all the different means of transportation such as bicycles, scooters, golf carts, etc. He also spoke of how Airport Road being the alternate means of transportation from Hwy. 98 and he does not agree with lowering the speed limit for the roadway.

➤ **Committee member Best - Purpose of Harbor CRA Work Plans**

Committee member Best spoke of the original Destin Harbor Taskforce that was created in 1999 where a report was created that spoke of a plan to articulate a community vision and how to achieve it, which is being implemented through their work plans to maintain the fishing village atmosphere. She asked staff to add the harbor regulations on the agenda for their next meeting. According to Mr. O'Connor, there are several positions vacant with two being the Director and Deputy Director and that the City Manager is now serving as Interim Director until the positions can be filled. Regarding the process owner for the Master Plan Update Work Plan Item, she reminded staff that it only shows staff on the form and should be updated to reflect her name.

Committee member Trammell – Informed the members that she is working with the City Manager and the Deputy City Manager to come up with a plan for training the members on all of committees work plans and annual reports. She spoke of how they decided they best time to do this would be sometime after the first of the year when the new council members are seated and their volunteers have been appointed.

Vice Chairman Green – Spoke of writing a letter as the President of the Charter Boat Association to City Council regarding waste oil disposal. He explained that currently the only place the County shows where waste oil can be dumped is at Time Saver, which is no longer in business. He spoke of how Destin being the largest fishing fleet in the state and also has a large number of livery vessels and similar businesses in operation in the harbor, yet there is nowhere for used oil to be collected. He spoke of how he has to store his in a storage facility that is costing him monthly because he does not have the time to take his to the other places in nearby cities that does take it. He spoke how he feels the city should offer this incentive explaining

there are grants available that the city could apply for to help create a collection facility for the businesses in the city. Adding that the industry should not have to rely on a private business to take and dispose of their oil. Especially for the sake of water quality and the environment.

Motion by Vice Chairman Green to recommend to City Council direct staff to look into a location on a manned city property for a disposal of used oil collection site for residents and small businesses. With Committee member Raim providing the second. In discussion, Committee member Blaise agreed that it's a great idea and has been discussed at the Harbor Capacity Study Committee as well. The Vice Chairman also spoke of how there are companies that will come to the locations, pump the oil out of the holding tanks and pay for the oil minus their trucking fees. **The motion passed 6-0.**

7. ADJOURNMENT:

Having no further business at this time, the meeting was adjourned at 6:55 PM.

Adopted and approved this ____ day of _____ 2022.

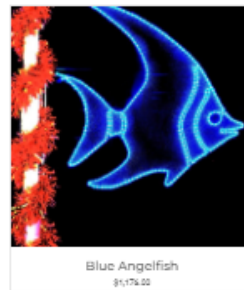
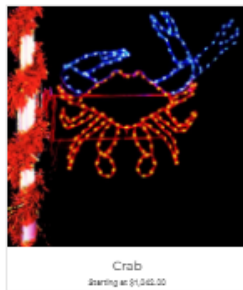
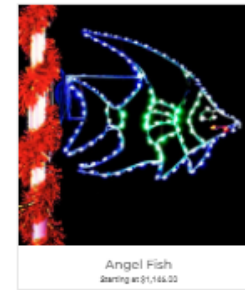
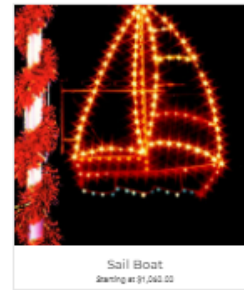
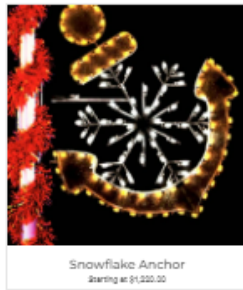
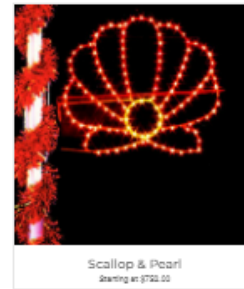
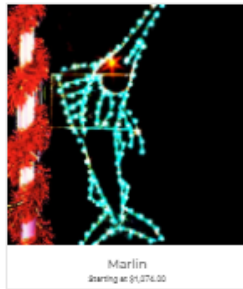
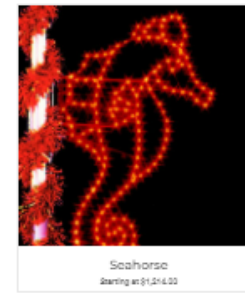
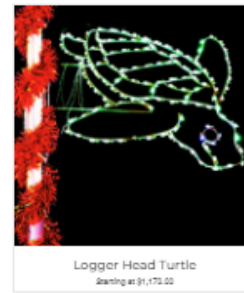
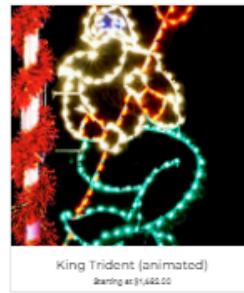
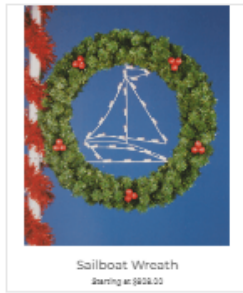
Mike Buckingham, Chairman

Kim Montgomery, Deputy City Clerk

Possible Holiday Decorations for Harbor-CRA Area, Holiday Season 2022



Possible Holiday Decorations for Harbor-CRA Area, Holiday Season 2022



CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022

TYPE OF AGENDA ITEM: Action Item

AGENDA OUTLINE NUMBER: 3.H.

TO: City Council

THRU: Lance Johnson, City Manager
Webb Warren, Deputy City Manager
Krystal Strickland, Finance Director

FROM: Michael Burgess, Public Services Director

DATE: 08/08/2022

SUBJECT: Replacement of two HVAC units, City Hall Annex

I. BACKGROUND: The City Hall Annex has two units that are in need of replacement (one has an existing refrigerant leak, the other has an issue with the blower motor). Both units use R-22 refrigerant, which is very difficult to obtain since this material was phased out during 2020. The replacement units will use R-410a refrigerant. The units are mounted one-on-top of the other providing an additional and complicating issue. It is staff's recommendation that both units be replaced.

II. DISCUSSION: The replacement of these units, prior to failure, is consistent with the City's Renewal and Replacement Program.

A. Link to Strategic Goals / Objectives: from Strategic Goals 2026:
Effective, efficient, and aesthetically pleasing infrastructure.

B. Effect on Budget (EOB): The renewal and replacement plan adopted for FY 2022 includes funds to renew major components of the City Hall Annex, including the HVAC units.

	30058585
	RR GF
565000-RR052	
Annex Capital Improvements	\$ 217,044
FY22 Adopted Budget	217,044
Internal Budget Transfer	-
Revised Budget	217,044
Previous Expenses/Encumbrances	(1,618)
Available Program Budget	215,426
This Agreement +(-)	(20,666)
FY22 Remaining Program Budget	\$ 194,760

C. Level of Service (LOS): Increased reliability of Air Conditioning systems in the City Hall Annex.

D. Legislative Sponsor:

III. CONCLUSION: By approving this item, staff will coordinate the replacement of these two units as soon as possible through the City's continuing services provider.

IV. RECOMMENDED MOTION: I move that the City Manager be authorized to issue a Purchase Order to D&D Air Conditioning, Heating, and Electrical Services in the amount of \$20,665.50.

Attachments:

1. ATT1: D _ D Air Conditioning
Extension Misc. Mechanical Services
2021-2023
2. ATT2: City Hall Annex, Two 5-ton
units, quote

CONTRACT EXTENSION AGREEMENT

This Contract Extension Agreement ("Agreement") dated the 1st day of October 2021 is between the City of Destin, Florida, a Florida municipal corporation, (the "City") of 4200 Indian Bayou Trail, Destin, Florida, 32541, and D&D Air Conditioning, Heating and Electrical Services, Inc. ("D&D Air Conditioning"). The purpose of this Agreement is to extend for fifteen months a contract for services dated October 1, 2018 between the City of Destin and D&D Air Conditioning, to provide miscellaneous mechanical services for the City (the "Original Contract").

It is expressly agreed by the parties that this Agreement is an extension to the Original Contract. Except as otherwise modified herein, the terms and conditions of the Original Contract are made a part hereof as though expressly rewritten, incorporated, and included herein, and these terms and conditions are fully enforceable by the parties. **This is the 4th of 4 possible extensions.**

D&D requested the unit prices in the contract's original "Exhibit A" be revised and are approved as such.

1. Labor
 - a. Mechanical Service Work per hour **\$75**
 - b. Additional Labor Costs per Service Call **\$40**
2. Materials and Supplies
 - a. Materials and Supplies will be billed at contractor's wholesale price or **contractor's wholesale price plus 25%**. Preference may be given to contractors providing materials at cost. The contractor shall supply materials invoices upon request. The City reserves the right to purchase items if obtainable at a lower cost than can be provided by contractor to perform the requested work.
3. Please list any additional costs associated with the above services and materials:
 - a. New R-22 Refrigerant (price per pound) NOTE: Price varies with demand **\$95**
 - b. New 410A Refrigerant (price per pound) NOTE: Price varies with demand **\$25**
 - c. Refrigerant Recovery Fee (price per job) IF REQUIRED **\$30**
 - d. Vacuum Pump Fee (price per job) IF REQUIRED **\$20**
 - e. Torch Material (price per job) IF REQUIRED **\$20**
 - f. Trip Fee (price per job) **\$45**
 - g. System Maintenance – Filters, Belts, Cleaning Drain line (price per system) **\$80**

The following provision amends the contract of the parties and is binding upon them. The Parties mutually agree to add a jury trial waiver, and a public records provision, as follows:

Jury Trial Waiver:

CONTRACTOR AND CITY AGREE TO WAIVE THEIR RIGHTS TO A TRIAL BY JURY REGARDING ANY LAWSUIT INVOLVING THE INTERPRATION, CONSTRUCTION, ENFORCEMENT, OR GOVERNANCE OF THIS CONTRACT, AND FOR ANY LAWSUIT RELATED IN ANY WAY TO THIS CONTRACT OR FOR THE WORK PERFORMED PURSUANT TO THIS CONTRACT.

Public Records:

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC

RECORDS RELATING TO THE CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE OFFICE OF THE CITY CLERK, (850) 837-4242, 4200 INDIAN BAYOU TRAIL, DESTIN, FLORIDA 32541, rbailey@cityofdestin.com

Contractor shall comply with Florida Public Records Laws, specifically to:

- Keep and maintain public records that ordinarily and necessarily would be required by the City of Destin in order to perform the service.
- Shall immediately provide the City Clerk for the City with any documents requested by the Clerk in response to a public records request.
- Provide the public with access to public records on the same terms and conditions that the City of Destin would provide the records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes or as otherwise provided by law.
- Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.

It is understood that final authorization for this Agreement must be made by the Destin City Council, and that either party may cancel this contract extension with 30 days written notice.

- Meet all requirements for retaining public records and transfer, at no cost, to the City of Destin all public records in possession of the Contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the City of Destin in a format that is compatible with the information technology systems of the City of Destin.

It is understood that final authorization for this Agreement must be made by the Destin City Council, and that either party may cancel or terminate this Agreement in accordance with the provisions of the Original Contract.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the day and year first above written.

Witnesses:

Cheryl Wyren Cheryl Wyren
(Signature)

Kimberly Montgomery
(Signature)

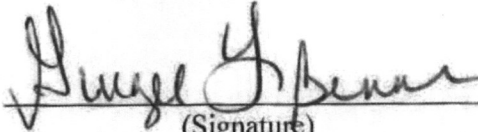
CITY OF DESTIN

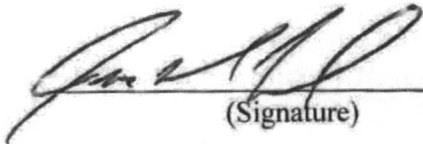
By: Lance Johnson
Lance Johnson
City Manager

ATTEST: Rey Bailey
REY BAILEY
City Clerk

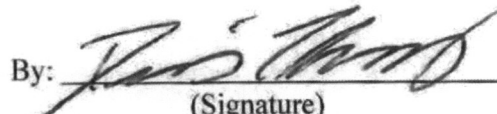


Witnesses:


(Signature)

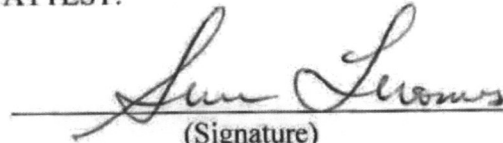

(Signature)

D & D Air Conditioning, Heating and
Electrical Services

By: 
(Signature)

Dennis Thomas President
(Name & Title)

ATTEST:


(Signature)

Sandra Thomas Book/keeper
(Name & Title)

Distribution: 1 Original to – City Clerk, Vendor
1 Copy to – PS, Fin, Attorney



P.O. Box 5239 Destin, FL 32540
Voice: (850) 650-3995 Fax: (850) 650-4454

A/C Contractor • Electrical Contractor • Commercial & Residential Service
Licensed • CAC057538 • EC13001418 • Insured

Proposal # 2022-189

(850) 837-6869

Date: 8/5/2022

Job Name / Location

City of Destin
City Annex
4200 Indian Bayou Trail
Destin, FL 32541
1A & 1B

Description	Qty/Hou...	Unit Price	Total:
Proposal per the following scope of work Remove & Replace existing (2) existing 5 ton split system with new American standard equipment Below Prices Includes: - (2) American Standard model TEM4A0C60S51SB 5 ton air Handler featuring tin plated evaporator coils - (2) American Standard model 4A6H4060G1000A 5 ton heat pump condenser units featuring R-410A refrigerant - (2) American Standard electric heat - (2) Secondary drain pans - (2) Torch & Vacuum - (2) New copper line sets - (2) Liquid Line Dryer - (2) Honeywell programmable thermostat - (2) Concrete condenser pads - (2) Recovery & Disposal - (2) Nitrogen - (2) Re-work existing Supply & Return duct work - (2) Fittings / pipe - (2) Charge system to factory specifications with R-410A refrigerant - Labor - Permit Qualifiers: ** 1 year labor warranty ** 1 year limited parts warranty ** 5 year compressor warranty **No electrical if incurred			

Total

All material is guaranteed to be as specified. All work to be completed in a professional manner according to standard practices. Any alteration from above specifications involving extra costs will be executed only upon written orders and will become extra charge over and above estimate.

Authorized Signature 

Payment to be made as follows: ____ on acceptance ____ on rough in ____ on completion

Acceptance of Proposal - The above prices, specs and conditions are hereby accepted. D&D Services is authorized to do the work specified. Payment to be made as outlined above.

Acceptance Signature _____ Date _____



P.O. Box 5239 Destin, FL 32540
Voice: (850) 650-3995 Fax: (850) 650-4454

A/C Contractor • Electrical Contractor • Commercial & Residential Service
Licensed • CAC057538 • EC13001418 • Insured

Proposal # 2022-189

(850) 837-6869

Date: 8/5/2022

Job Name / Location

City of Destin
City Annex
4200 Indian Bayou Trail
Destin, FL 32541
1A & 1B

Description	Qty/Hou...	Unit Price	Total:
**No hole cutting or patching			
Mechanical New R410A Refrigerant (Per Pound)	20	25.00	500.00
Mechanical Refrigerant Recovery Fee (Per Job)	2	30.00	60.00
Mechanical Torch Material (Per Job)	2	20.00	40.00
Mechanical Service Call Trip Fee (Per Job)	1	45.00	45.00
Mechanical Vacuum Pump Fee (Per Job)	2	20.00	40.00
American Standard Equipment	1	7,900.00	7,900.00
Mechanical Service Work Lead Technician	40	75.00	3,000.00
Mechanical Service Work Helper	40	40.00	1,600.00
Mis. Materials	2	1,650.00	3,300.00
Copper line Set	1	682.00	682.00
25% Material Markup		3,170.50	3,170.50
Permit	1	328.00	328.00

Total \$20665.50

All material is guaranteed to be as specified. All work to be completed in a professional manner according to standard practices. Any alteration from above specifications involving extra costs will be executed only upon written orders and will become extra charge over and above estimate.

Authorized Signature 

Payment to be made as follows: ____ on acceptance ____ on rough in ____ on completion

Acceptance of Proposal - The above prices, specs and conditions are hereby accepted. D&D Services is authorized to do the work specified. Payment to be made as outlined above.

Acceptance Signature _____ Date _____

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Consent Agenda
AGENDA OUTLINE NUMBER: 3.I.

TO: City Council
THRU: Lance Johnson, City Manager
FROM: Rey Bailey, City Clerk
DATE: August 5, 2022
SUBJECT: Committee Absentee Report through July 2022

I. BACKGROUND: The committee attendance report for July is provided in attachment
1. The report shows absentee status for January through July 2022.

II. DISCUSSION: A copy of the committee membership roster is provided in attachment
2.

- A. Link to Strategic Goals / Objectives:** Enhanced Quality of Life
- B. Effect on Budget (EOB):** None. These are volunteer positions
- C. Level of Service (LOS):** Each committee is designed to consist of 7 members, with 4 constituting a quorum. A fully seated committee is necessary to more effectively procure the business for which it was established.
- D. Legislative Sponsor:** City Clerk

III. CONCLUSION:

IV. RECOMMENDED MOTION: None. For information only.

Attachments:

- 1. Committee Absentee Report - January-July 2022
- 2. Committee Membership Roster

COMMITTEE ABSENTEE REPORT
(January – July 2022)

BOARD OF ADJUSTMENT

SCHEDULED MEETINGS	MEMBERS ABSENT	NOMINATING COUNCIL MEMBER
<u>July 6, 2022</u> <i>(Meeting cancelled. No applications submitted)</i>		
<u>June 1, 2022</u> <i>(Meeting Held)</i>	<i>Kimberly Mergler</i> <i>Daniella Piper</i>	<i>Wagner</i> <i>Hebert</i>
<u>May 4, 2022</u> <i>(Meeting Held)</i>	<i>Kimberly Mergler</i> <i>James Moomaw</i> <i>Tom Weidenhamer</i>	<i>Wagner</i> <i>King</i> <i>Braden</i>
<u>April 6, 2022</u> <i>(Meeting Held)</i>	<i>Kimberly Mergler</i> <i>Daniella Piper</i>	<i>Wagner</i> <i>Hebert</i>
<u>March 2, 2022</u> <i>(Meeting cancelled. No applications submitted)</i>		
<u>February 2, 2022</u> <i>(Meeting cancelled. Applicant withdrew application)</i>		
<u>January 5, 2022</u> <i>(Meeting cancelled. No applications submitted)</i>		

HARBOR AND WATERWAYS BOARD

SCHEDULED MEETINGS	MEMBERS ABSENT	NOMINATING COUNCIL MEMBER
<u>July 25, 2022</u> <i>(Meeting cancelled for lack of a quorum)</i>	<i>Jim Green</i> <i>Casey Jones</i> William McKissick	Braden King Hebert
<u>June 27, 2022</u> <i>(Meeting cancelled for lack of a quorum)</i>	<i>Jim Green</i> Richard Hoey William McKissick	Braden Bagby Hebert
<u>May 23, 2022</u> <i>(Meeting Held)</i>		
<u>April 25, 2022</u> <i>(Meeting Held)</i>	<i>Casey Jones</i> <i>Jim Green</i>	King Braden
<u>March 28, 2022</u> <i>(Meeting Held)</i>	<i>Casey Jones</i> <i>Jim Green</i>	King Braden
<u>February 28, 2022</u> <i>(Meeting Held)</i>	<i>Casey Jones</i>	King
<u>January 24, 2022</u> <i>(Meeting Held)</i>	<i>Jim Green</i> <i>Casey Jones</i> William McKissick	Braden King Hebert

HARBOR COMMUNITY REDEVELOPMENT AGENCY (CRA)
ADVISORY COMMITTEE

SCHEDULED MEETINGS	MEMBERS ABSENT	NOMINATING COUNCIL MEMBER
<u>July 13, 2022</u> <i>(Meeting Held)</i>	<i>Mike Buckingham</i> <i>Jim Green</i> <i>Jan Best</i>	<i>Destin King</i> <i>Overdier/Bagby</i>
<u>June 8, 2022</u> <i>(Meeting cancelled for lack of a quorum)</i>	<i>Mike Buckingham</i> <i>Mike Raim</i> <i>Casey Jones</i> <i>Ian Blaise</i> <i>Jim Green</i>	<i>Destin Braden</i> <i>Wagner</i> <i>Schmidt</i> <i>King</i>
<u>May 11, 2022</u> <i>(Meeting Held)</i>	<i>Mike Buckingham</i>	<i>Destin</i>
<u>April 13, 2022</u> <i>(Meeting Held)</i>	<i>Mike Buckingham</i> <i>Jim Green</i>	<i>Destin King</i>
<u>March 9, 2022</u> <i>(Meeting cancelled. No items to be heard)</i>		
<u>February 9, 2022</u> <i>(Meeting Held)</i>	<i>Ian Blaise</i> <i>Jim Green</i>	<i>Schmidt</i> <i>King</i>
<u>January 12, 2022</u> <i>(Meeting Held)</i>	<i>Mike Buckingham</i> <i>Casey Jones</i>	<i>Destin</i> <i>Ramswell/Wagner</i>

LOCAL PLANNING AGENCY
(Two scheduled meetings per month)

SCHEDULED MEETINGS	MEMBERS ABSENT	NOMINATING COUNCIL MEMBER
<u>July 28, 2022</u> (Meeting Held)	<i>Jason Klosterman</i>	<i>Braden</i>
<u>July 7, 2022</u> (Meeting Held)	<i>Jason Klosterman</i> <i>Todd Buhr</i>	<i>Braden</i> <i>Bagby</i>
<u>June 23, 2022</u> (Meeting Held)	<i>Jason Klosterman</i>	<i>Braden</i>
<u>June 2, 2022</u> (Meeting cancelled. No items to present)		
<u>May 26, 2022</u> (Meeting Held)	<i>Jason Klosterman</i>	<i>Braden</i>
<u>May 5, 2022</u> (Meeting cancelled. No items to present)		
<u>April 28, 2022</u> (Meeting Held)	<i>Jason Klosterman</i>	<i>Braden</i>
<u>April 7, 2022</u> (Meeting cancelled. No items to discuss)		
<u>March 24, 2022</u> (Meeting Held)	<i>Corey Ledbetter</i>	<i>Schmidt</i>
<u>March 3, 2022</u> (Meeting cancelled. No items to be heard)		
<u>February 3, 2022</u> (Meeting Held)	<i>Corey Ledbetter</i> <i>Jason Klosterman</i>	<i>Schmidt</i> <i>Braden</i>
<u>February 24, 2022</u> (Meeting Held)	<i>None</i>	

<u>January 27, 2022</u> (Cancelled due to Council Visioning Session)		
<u>January 6, 2022</u> (Meeting Held)	<i>Karen Hudson</i>	<i>King</i>

PARKS AND RECREATION COMMITTEE

SCHEDULED MEETINGS	MEMBERS ABSENT	NOMINATING COUNCIL MEMBER
<u>July 26, 2002</u> <i>Meeting cancelled. No items to discuss)</i>		
<u>June 28, 2022</u> <i>(Meeting Held)</i>	<i>Brian Liesveld</i>	<i>Bagby</i>
<u>May 24, 2022</u> <i>(Meeting cancelled for lack of a quorum)</i>	<i>Nikki Johnson</i> <i>Matthew Sweetser</i> <i>Barbara Telford</i>	<i>King</i> <i>Braden</i> <i>Wagner</i>
<u>April 26, 2022</u> <i>(Meeting cancelled for lack of a quorum)</i>	<i>Brian Liesveld</i> <i>Barbara Telford</i> <i>Leslie Schmidt</i> <i>Sandy Trammell</i>	<i>Overdier/Bagby</i> <i>Ramswell/Wagner</i> <i>Schmidt</i> <i>Destin</i>
<u>March 22, 2022</u> <i>(Meeting Held)</i>	<i>Brian Liesveld</i> <i>Matthew Sweetser</i>	<i>Overdier/Bagby</i> <i>Braden</i>
<u>February 22, 2022</u> <i>(Meeting cancelled due to conflict with Tuesday city council meeting)</i>		
<u>January 25, 2022</u> <i>(Meeting cancelled for lack of quorum)</i>	<i>Nikki Johnson</i> <i>Matthew Sweetser</i> <i>Brian Liesveld</i> <i>Daniella Piper</i>	<i>King</i> <i>Braden</i> <i>Overdier/Bagby</i> <i>Hebert</i>

PUBLIC WORKS/PUBLIC SAFETY COMMITTEE

SCHEDULED MEETINGS	MEMBERS ABSENT	NOMINATING COUNCIL MEMBER
<u>July 12, 2022</u> <i>(Meeting Held)</i>	<i>Sam Perman</i>	<i>Destin</i>
<u>June 14, 2022</u> <i>(Meeting Held)</i>	<i>All Present</i>	
<u>May 10, 2022</u> <i>(Meeting Held)</i>	<i>All Present</i>	
<u>April 12, 2022</u> <i>(Meeting cancelled. No items to be heard)</i>		
<u>March 8, 2022</u> <i>(Meeting Held)</i>	<i>Mark Brown</i> <i>Jim Wood</i>	<i>Bagby</i> <i>Ramswell/Wagner</i>
<u>February 8, 2022</u> <i>(Meeting Held)</i>	<i>Mark Brown</i>	<i>Bagby</i>
<u>January 11, 2022</u> <i>(Meeting Held)</i>	<i>Marcie Bell</i> <i>John Green</i>	<i>King</i> <i>Hebert</i>

TOWN CENTER COMMUNITY REDEVELOPMENT AGENCY
(CRA) ADVISORY COMMITTEE

SCHEDULED MEETINGS	MEMBERS ABSENT	NOMINATING COUNCIL MEMBER
<u>July 20, 2022</u> (Meeting Held)	<i>Alexander Santos</i> Matthew Sweetser	Schmidt Wagner
<u>June 15, 2022</u> (Meeting cancelled for lack of a quorum)	Lockwood Wernet Matthew Sweetser <i>Alexander Santos</i>	Bagby Wagner Schmidt
<u>May 18, 2022</u> (Meeting Held)	<i>Alexander Santos</i> Dorothy Robinson	Schmidt Braden
<u>April 20, 2022</u>	<i>Alexander Santos</i>	Schmidt
<u>March 16, 2022</u> (Meeting cancelled for lack of quorum)	Matthew Sweetser <i>Alexander Santos</i>	Ramswell/Wagner Schmidt
<u>February 16, 2022</u> (Meeting cancelled for lack of quorum)	Matthew Sweetser <i>Alexander Santos</i>	Ramswell/Wagner Schmidt
<u>January 19, 2022</u> (Meeting cancelled for lack of quorum)	Matthew Sweetser <i>Alexander Santos</i>	Ramswell/Wagner Schmidt

BOARD OF ADJUSTMENT

<u>MEMBER</u>	<u>NOMINATED BY</u>	<u>DATE APPTD.</u>	<u>EXP. DATE</u>
***Tom Weidenhamer (Chairman) 808 Wild Oak Avenue Destin, FL 32541 585-1400 cell & preferred contact # 837-7600 (Hm) tweidenhamer@cityofdestin.com	Braden	4/2/2018	11/2022
David Emerson (V Chair) 501 Beach Drive Destin, FL 32541 269-1080 (hm) 585-2633 (cell) demerson@cityofdestin.com	Schmidt	12/7/2020	11/2024
Daniella Piper 608 Main Street Destin, FL 32541 (404) 435-6493 dpiper@cityofdestin.com	Hebert	4/19/2021	11/2024
***Cyron Marler 616 2 nd Street Destin, FL 32541 850-687-0654 (cell) cyronmarler@cox.net	Bagby	12/6/2021	11/2022
***Kimberley Mergler 3598 Waverly Circle Destin, FL 32541 404-731-9685 (cell) Kmergler@gmail.com	Wagner	12/6/2021	11/2022
Robert Pinard 220 Dolphin Estates Ct Destin, FL 32541 850-533-9632 (cell) bob.pinard@gmail.com	Destin	12/6/2021	11/2024
James Moomaw 1048 Hwy 98 E, Unit 303W Destin, FL 32541 214-683-0484 (cell) j.moomaw@sbcglobal.net	King	12/6/2021	11/2024

***** Member will need to apply for reappointment in November 2022.**

HARBOR AND WATERWAYS BOARD

<u>MEMBER</u>	<u>NOMINATED BY</u>	<u>DATE APPTD.</u>	<u>EXP. DATE</u>
***Richard Hoey (Chair) 3819 Indian Bayou Trail Destin, FL 32541 (404) 457-5158 rhoey@cityofdestin.com	Bagby	4/2/2018	11/2022
***Capt. Jim Green (V. Chair) 824 N. Lakeside Drive Destin, FL 32541 837-1293 (W) 259-5308 (Main) jgreen@cityofdestin.com	Braden	11/5/2018	11/2022
***Guy Tadlock 502 Norriego Road Destin, FL 32541 837-7078 334-728-0091 gtadlock@cityofdestin.com	Ramswell/Wagner	4/4/2018	11/2022
William McKissick 151 Calhoun Avenue Destin, FL 32541 (850) 803-4269 bmckissick@cityofdestin.com	Hebert	12/7/2020	11/2024
Casey Jones 3830 Indian Trail Destin, FL 32541 837-6935 (H) 259-5531 (C) cjones@cityofdestin.com	King	12/7/2020	11/2024
John Stephens 4025 Indian Trail Destin, FL 32541 850-217-4711 (cell) jstephens@cityofdestin.com	Destin	12/7/2020	11/2024
Harvey Hurst 404 Spanish Moss Trail Destin, FL 32541 310-910-7964 hhurst@cityofdestin.com	Schmidt	4/5/21	11/2024
<u>Deployed for one year beginning July 1, 2022</u>			

*** **Member will need to apply for reappointment in November 2022.**

HARBOR COMMUNITY REDEVELOPMENT AGENCY ADVISORY COMMITTEE

<u>MEMBERS</u>	<u>APPTD. BY</u>	<u>DATE APPTD.</u>	<u>EXP. DATE</u>
Mike Buckingham (Chair) 510 Calhoun Avenue Destin, FL 32541 (850) 837-7770 (H) (850) 654-1633 (W) (850) 259-6533 (C) mbuckingham@cityofdestin.com	Destin	12/7/2020	11/2024
Capt. Jim Green (V. Chair) 824 N. Lakeside Drive Destin, FL 32541 837-1293 (W) 259-5308 (Main) jgreen@cityofdestin.com	King	12/7/2020	11/2024
***Mike Raim 619 Calhoun Avenue Destin, FL 32541 (850) 837-9538 (H) (850) 837-9161 (W) mrain@cityofdestin.com	Braden	4/2/2018	11/2022
***Casey Jones 3830 Indian Trail Destin, FL 32541 837-6935 (H) 259-5531 (C) cjones@cityofdestin.com	Ramswell/Wagner	4/2/2018	11/2022
***H. Jan Best 504 Norriego Road Destin, FL 32541 837-6360 (Home) 678-472-4745 (Cell) 837-0955 (Work) hbest@cityofdestin.com	Overdier/Bagby	4/2/2018	11/2022
Sandy Trammell 3823 Indian Trail Destin, FL 32541 837-6366 (home) 585-3408 (cell) strammell@cityofdestin.com	Hebert	12/7/2020	11/2024
Ian Blaise 702 Lakeside Drive Destin, FL 32541 (850) 748-8002 lblaise@cityofdestin.com	Schmidt	12/7/2020	12/2024

***** Member will need to apply for reappointment in November 2022.**

LOCAL PLANNING AGENCY

<u>MEMBERS</u>	<u>NOMINATED BY</u>	<u>DATE APPTD.</u>	<u>EXP. DATE</u>
Jim T. Wood, Jr. (Chair) 3790 Misty Way 269-0196 (home) jwood@cityofdestin.com	Destin	12/7/2020	11/2024
Corey Ledbetter (V. Chair) 301 Cypress Street Destin, FL 32541 (850) 240-2449 cl Ledbetter@cityofdestin.com	Schmidt	3/15/2021	11/2024
***Todd Buhr 4510 Luke Avenue Destin, FL 32541 334-494-3749	Bagby	1/18/2022	11/2022
Karen Hudson (formerly Drexler) 4221 Commons Dr. Apt. 2311 Destin, FL 32541 (615) 418-0142 khudson@cityofdestin.com	King	12/7/2020	11/2024
Marcie Bell 3 Gulf Breeze Ct. Destin, FL 32541 (850) 974-2711 mbell@cityofdestin.com	Hebert	12/7/2020	11/2024
***Jason Klosterman 1014 Airport Road Destin, FL 32541 714-3880 © jklosterman@cityofdestin.com	Braden	7/16/2018	11/2022
*** VACANT	Wagner	12/6/2021	-----

*** Member will need to apply for reappointment in November 2022.

PARKS & RECREATION COMMITTEE

<u>MEMBER</u>	<u>NOMINATED BY</u>	<u>DATE APPTD.</u>	<u>EXP. DATE</u>
Nikki Johnson 3710 First Street Destin, FL 32541 (850) 225-0562 njohnson@cityofdestin.com	King	12/7/2020	11/2024
*** Matthew Sweetser 3710 First Street Destin 850-830-4433 msweetser@cityofdestin.com	Braden	4/2/2018	11/2022
<u>Elected to the council effective November 2022</u>			
***Brian Liesveld 301 Primrose Circle Destin, FL 32541 (520) 850-9500 bliesveld@cityofdestin.com	Overdier/Bagby	3/2/2020	11/2022
Vacant	Wagner		
Leslie Schmidt 833 Kell Aire Drive Destin, FL 32541 lschmidt@cityofdestin.com	Schmidt	12/7/2020	11/2024
Daniella Piper 608 Main Street Destin, FL 32541 (404) 435-6493 dpiper@cityofdestin.com	Hebert	12/7/2020	11/2024
Sandy Trammell 3823 Indian Trail Destin, FL 32541 837-6366 (home) 585-3408 (cell) strammell@cityofdestin.com	Destin	12/7/2020	11/2024

*** **Member will need to apply for reappointment in November 2022.**

PUBLIC WORKS/PUBLIC SAFETY

<u>MEMBER</u>	<u>NOMINATED BY</u>	<u>DATE APPTD.</u>	<u>EXP.DATE</u>
***Jim T. Wood, Jr. (Chair) 3790 Misty Way 269-0196 (home) jwood@cityofdestin.com	Ramswell/Wagner	3/18/2019	11/2022
Marcie Bell 3 Gulf Breeze Court Destin, FL 32541 (850) 974-2711 mbell@cityofdestin.com	King	12/7/2020	11/2024
***Tom Weidenhamer 808 Wild Oak Avenue Destin, FL 32541 585-1400 cell & preferred contact # 837-7600 (Hm) tweidenhamer@cityofdestin.com	Braden	4/2/2018	11/2022
John Green 3792 Indian Trail Destin, FL 32541 770-630-7555 jgreen@gmail.com	Hebert	12/7/2021	11/2024
Shirley "Sam" Perman 4652 Destiny Way Destin, FL 32541 269-7684 (H) 803-7684 (C) sperman@cityofdestin.com	Destin	12/7/2020	11/2024
John Stephens 4025 Indian Trail Destin, FL 32541 850-217-4777 (cell) john@lutherspontoon.com	Schmidt	12/6/2021	11/2024
***Mark Brown 85 Dolphin Stree Destin, FL 32541 850-420-7371 (cell) marklbrownjr@yahoo.com	Bagby	12/6/2021	11/2022

*** **Member will need to apply for reappointment in November 2022.**

TOWN CENTER COMMUNITY REDEVELOPMENT AGENCY ADVISORY COMMITTEE

<u>MEMBERS</u>	<u>NOMINATED BY</u>	<u>DATE APPTD.</u>	<u>EXP. DATE</u>
***Lockwood Wernet (Chairman) 10 Country Club Dr Destin, FL 32541 837-6146 (wk) 200-2028 (c) 654-5173 (fax) lwernet@cityofdestin.com	Overdier/Bagby	12/7/2020	11/2022
Michelle Sandstead (V. Chair) 337 Calhoun Ave. Destin, FL 32541 837-0327 (hm) 269-3200 (wk) 974-4031 (cell) msandstead@cityofdestin.com	Hebert	12/7/2020	11/2024
Delores Morrell 3828 Indigo Circle Destin, FL 32541 (850) 238-1942 dmorrell@cityofdestin.com	Destin	12/7/2020	11/2024
***Matthew Sweetser 710 Legion Dr. #F3 Destin 850-830-4433 msweetser@cityofdestin.com	Ramswell/Wagner	1/7/2020	11/2022
<u>Elected to the council effective November 2022</u>			
Alexander Santos 174 Bayou Drive Destin, FL 32541 850-716-7911 asantos@cityofdestin.com	Schmidt	5/3/2021	11/2024
Dorothy Robinson 12 Weekewachee Circle Destin, FL 32541 850-217-1542	Braden		11/2022
VACANT	King		11/2024

***** Member will need to apply for reappointment in November 2022.**

**MINUTES
REGULAR MEETING
DESTIN CITY COUNCIL
JULY 11, 2022
CITY HALL ANNEX COUNCIL CHAMBERS
6:00 PM**

The Council of the City of Destin met in regular session with the following members and staff present:

Destin City Council

Mayor Gary Jarvis
Councilmember Jim Bagby
Councilmember Terésa Hebert
Councilmember Dewey Destin

Councilmember Johnny King
Councilmember Bobby Wagner
Councilmember Rodney Braden
Councilmember Kevin Schmidt

Destin City Staff

City Manager Lance Johnson
City Clerk Rey Bailey
Community Development Director Louis Zunguze
Engineering Assistant Joe Bodi
Code Compliance Deputy Director Danny Sullivan
Finance Director Krystal Strickland
Land Use Attorney Kim Kopp

Public Works Director Michael Burgess
Public Info Mgr. Catherine Card
Building Official Noel Belle
Deputy Parks & Rec Director Ryan Reed
Parks/Recreation Director Lisa Firth
Grants/Project Manager Jeffrey Cozadd
City Attorney Kyle Baumann

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Gary Jarvis called the meeting to order at 6:00 PM. Pastor Harold Staples of the First Baptist Church of Destin gave the invocation, which was then followed by the recitation of the Pledge of Allegiance.

AGENDA APPROVAL

Motion by Councilmember Hebert, seconded by Councilmember King, to approve the agenda passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

**1. PROCLAMATIONS / RECOGNITIONS / SPECIAL/PUBLIC
PRESENTATIONS / ANNOUNCEMENTS**

A. Public Works/Public Safety Committee Work Plan 2022-2023

Mr. Jim Wood, Chairman of the Public Works/Public Safety Committee, presented the committee’s work plan for Fiscal Year 2022-2023.

He informed the council they have added stormwater discussions to their monthly meeting agenda. He also noted they have continued to divide the City of Destin into 7 different

areas with committee members looking into those areas for issues and reporting back to the committee. He also mentioned that the city received \$100,000 in Fiscal Year 2022 for traffic safety. Public Works Department use the money to purchase some Hawk Flashing Beacon and other items for placement around the Destin Elementary School. Expenditures also included two message boards and a stop sign placed at the corner of Luke and Dalton Streets. He continued that the city received a 5% allocation of the Okaloosa County half-penny sales tax for Fiscal Year 2023 totaling \$271,000. The committee will discuss proposed expenditures for some of that money at their August meeting, present it to staff for review, and then briefed the council possibly at their August 15th meeting.

Mayor Jarvis noted that crosswalks on Old Hwy 98 are not lit and not visible at night, making it hazardous for people crossing the street specially in the fall when it gets dark early. So many people are either coming off the beach or going to the beach to watch the sunset. He asked the committee to take stock of those crosswalks and consider recommending using part of the funding to place flashing pavement lights on each of those crosswalks.

Councilmember Destin echoed the mayor's sentiments stating he has been approached by several residents of Crystal Beach expressing similar concerns about the crosswalks and people getting hit and made a similar suggestion. He added that it should be one of their priorities.

Councilmember Bagby suggests the committee review their prioritized list for sidewalks, paving and striping projects and recommend the use of the available funding for those items that require funding.

Councilmember Wagner inquired as to the best way for people to report any safety issue they observe to the committee.

Mr. Wood suggests contacting either the staff liaison to the committee Mr. Michael Burgess or himself to have that item placed on the agenda for discussion at their meeting which takes place the second Tuesday of each month.

Councilmember Schmidt moved to adopt the 2022-2023 Public Works/Public Safety Committee's work plan; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted "yes").

B. Request for Speed Humps - Pastor Harold Staples

Pastor Harold Staples requests placement of speed bumps at the school markings just north of Sandalwood, the crosswalk on Beach and Bent Arrow, and at the school markings just south of the Methodist Church entrance. This is to slow down the traffic between the schools at First Baptist Church and First Methodist, as well as safety for the various public-school students who cross and catch the school bus at that location. He stated that the rate of speed as well as traffic has increased and that this issue needs to be dealt with before someone gets hit, hurts or killed. He asked this to be done before school starts this year. He also requests the placement of speed bump at the parking lot exit on the preschool on Sandalwood Drive; adding is on church property but within the 15-foot right-of-way south of the markings for pedestrians.

Councilmember Destin moved to direct the Public Works Department to bring back an estimate for construction of speed bumps at proposed locations, and to bring back alternative materials that are available for construction of the speed bumps. Councilmember Hebert provided a second to the motion.

Councilmember Bagby asked staff to also bring back a prioritization list for the speed bumps; adding that 3 speed humps within 80 feet from each other seems excessive.

Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

2. PUBLIC COMMENTS

Mr. Mike Buckingham, a Destin resident, discussed his vision regarding construction of a city marina, and the city being able to bring back the fishing tournaments in Destin. He stated that a city marina is a very lucrative endeavor, and that it will also help bring back the city to the way it was as a fishing community. He added there are people on the harbor with property big enough to accommodate a city marina.

Mr. John King., a Walton County resident and a long-time former resident of Destin, stated that the Destin Cross Town Connector has been discussed for over 16 years. This project consists of 6 acres and 31,000 square feet of pavement and so having an exfiltration system would be quite expensive. Properties they need for the project will just cost a lot more if they wait any longer to purchase them. He urged the council to move forward with the project.

Ms. Marcie Bell, a Destin resident and member of the Public Works/Safety Committee noted that the committee has had a conversation over the past year about crosswalks and lighting. She asked Public Works Director Michael Burges, the staff liaison to the committee, to elaborate more on that discussion.

Mr. Burgess explained that the type of product they were considering was a combination Hawk Beacon, a rectangular rapid flashing beacon, with a streetlight. Unfortunately, it was not an FDOT approved product, and so they are still looking for other options. He continued they are in the process of converting a lot of their streetlights into LED. They may be able to take that opportunity to enhance lighting in few other areas.

The mayor recommends crosswalk lights that blink across the road, in the ground in the crosswalk, and flashing light on the pole, similar to what they see in Walton County; adding it is the most effective in gaining people’s attention and it should be the standard for crosswalks in Destin.

Mr. Claude Perry, a Destin resident, expressed concern about an article in the newspaper regarding a PD&E Study being conducted at state level to add two more lanes on US Hwy 98 through Destin. He asked the city to elaborate more about this article.

Councilmember Hebert, council representative to the Okaloosa-Walton Transportation Planning Organization (TPO), stated it is simply a feasibility study that has not even began.

Engineering Assistant Joe Bodi added that the feasibility study is to determine if it is practical to create a 6-lane roadway section. At this point, more information is still being gathered.

Mr. Jim Wood, a citizen representative to the TPO, stated it is purely a feasibility study; adding that at this time they do not believe 6-laning Hwy 98 is possible as they would have to give up buildings, sidewalks, bike lanes and other amenities to support it. He added that this corridor has been studied at least 3 times, and they really do not need to do it again.

Councilmember Bagby stated that they need to be proactive about this issue as Destin residents deserve to have a voice on this matter. They need to know the scope of the PD&E study, who is conducting it and when they plan to start.

3. CONSENT AGENDA

- A. Resolution 22-06 - 401(A) Money Purchase Plan Agreement
- B. FY23 Agent-Broker of Record for Health & Ancillary Benefits, Contract Renewal
- C. Approval of Destin High School Tri-Party Agreement Amendment
- D. Operations Financial Report
- E. Capital Project Status
- F. DO-20-02 The Charles Final Plat Approval
- G. Re-Striping of Luke Ave and John Ave
- H. Pond Lease - First Amendment to Reclaimed Water Lease Agreement with DWU
- I. Third Amendment to Morgan Sports Center Lease
- J. Approval of minutes of June 20, 2022 Regular City Council Meeting
- K. Approval of minutes of June 23, 2022 Budget Workshop
- L. Draft Minutes of Board and Committees
- M. Committees/Boards Monthly Absentee Report

Councilmember Bagby requests Consent Agenda item 3A be pulled for further discussion.

Motion by Councilmember Hebert, seconded by Councilmember Braden, to approve Consent Agenda items 3B thru 3M, as printed above, passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

With regards to Consent Agenda item 3A, Councilmember Bagby recommends adding in Resolution 22-06 or in the agreement the amount of contribution to the City Manager’s plan.

The City Manager stated that the amount should be up to 5 percent, which is based on the City Manager’s contract. The logic behind leaving it blank initially was because at times staff needs to be able to adjust the amount going in because the city cannot put in more than the maximum amount allowed by the IRS. It would just be easier to make corrections moving forward.

Councilmember Bagby moved for approval of Consent Agenda item 3A, with the addition of “up to 5 percent as our contribution to the City Manager’s plan” was seconded by Councilmember Destin and passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

4. CITY MANAGER REPORTS

A. Post Certificate of Occupancy Building Inspections- Update

The City Manager noted that the council has previously directed the City Land Use Attorney and staff to draft a resolution for the mayor’s signature addressed to the State Legislature, specifically State Representative Maney, Senator Gainer, and Governor DeSantis, requesting they strengthen the state’s oversight of condominium maintenance by raising the threshold for owners to waive raising the necessary money to protect their investment. The recommendation was made to table establishment of city regulations on these issues until after adjournment of the state’s legislative session. Since then, the Florida Legislature passed Senate Bill 4D, which was subsequently signed by Governor DeSantis and made effective immediately. In relevant part, Senate Bill 4D amends Chapters 553 and 718 of Florida Statutes relating to mandatory structural inspections for condominium and cooperative buildings. The Bill establishes a statewide structural inspection program, requiring condominium and cooperative associations to conduct milestone structural inspection of their buildings and to perform structural reserve studies to ensure the condominium and cooperative buildings are safe for continued use. Staff is requesting council’s direction to prepare an ordinance for compliance with the new state laws, and to establish measures for local enforcement.

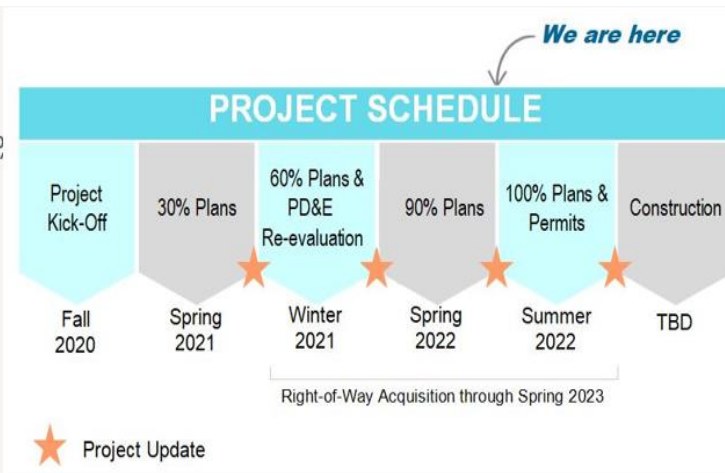
Councilmember Schmidt moved to direct the City Land Use Attorney and staff to prepare an ordinance compliant with the new state law; seconded by Councilmember King. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

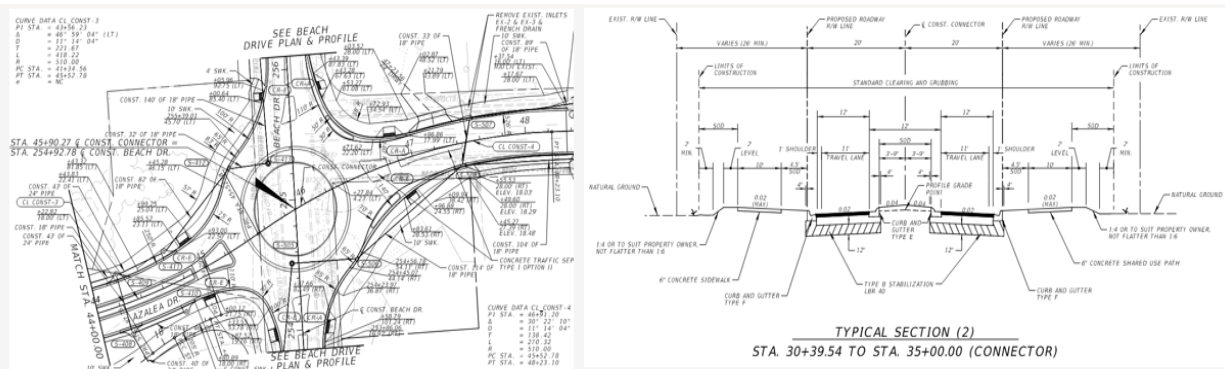
B. Cross Town Connector Design - 90% Update

Mr. James Park of Atkins Engineering discussed the Destin Cross Town Connector 90% design.

90% Plan Updates

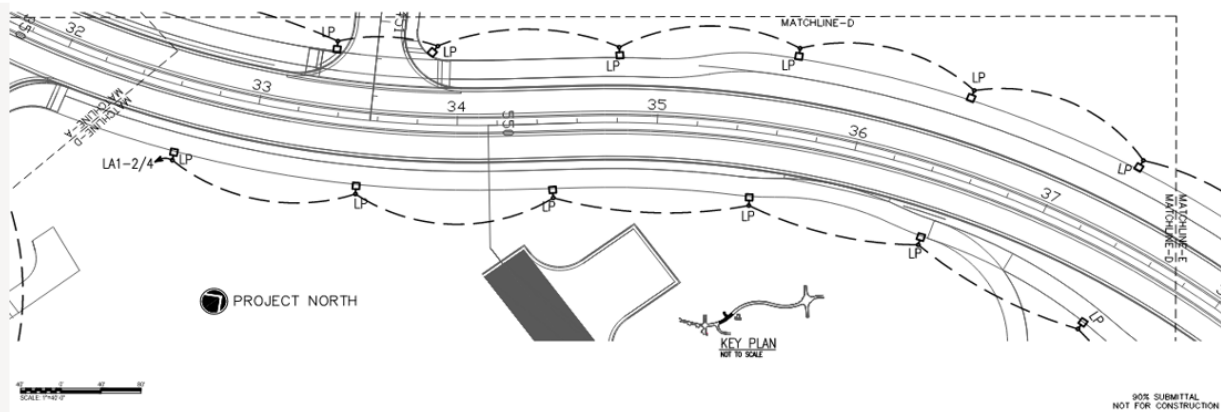
- › 90% Plans Submitted 5-31-2022
- › Incorporated City comments from 60%
- › Quantities and Cost Estimate
- › Design Updates:
 - › Roadway
 - › Signing and Pavement Marking
 - › Drainage & Permitting
 - › Landscaping
 - › Lighting





90% Plan Updates

- › Roadway Plan Updates
 - › Designated R/W at Back of Curb
 - › Additional 10' sidewalk locations
 - › Safety Improvements
 - › Reduced radii at side streets and intersections



90% Plan Updates

- › Lighting Plan Updates
 - › Update layout to match roadway changes
 - › Typical spacing 100'
 - › Back of sidewalk location
 - › Architectural pole and fixture

In Progress

- Addressing 90% design comments
- Develop Specifications Package
- 100% submittal – September 2022
- PD&E Re-evaluation
- Right-of-Way Designation (Back of Curb)
- Major Development Order/Major Subdivision Application
- Right-of-Way Acquisition (By City)
- NFWFMD Permit Application Submittal to City Review – July 12, 2022

Right-of-Way Acquisition

- Parcel 1 – Winton – Benning Drive
- Parcel 2 – 602 Sandalwood Drive
- Parcel 3 – 604 Sandalwood Drive
- Parcel 4 – 605 Sandalwood Drive
- Parcel 5 – 609 Sandalwood Drive
- Parcel 6 – 611 Sandalwood Drive
- Parcel 8 – 700 Legion Drive
- Parcel 10 – 606 Sandalwood Drive
- Parcel 11 – 608 Sandalwood Drive

Councilmember Schmidt moved to direct the City Manager to continue the design of the Destin Cross Town Connector as presented. Councilmember Hebert provided a second to the motion.

Councilmember Schmidt asked if they could still potentially utilize the north side of the connector for parks and recreation to include ideas and options such as placement of benches or fountain.

Mr. Park stated that it would be a separate effort from this design project, but there is ample space to the north side for parks and recreation. He continued they are doing the landscaping to allow for future developments.

Councilmember Destin stated that they have not gotten any kind of indication of how they are going to get this cross-town connector back on to US Hwy 98. The only opportunity they have is through Stahlman Avenue, which is probably the most dysfunctional intersection they have in Destin. They are going to attract traffic from US Hwy 98 by routing it through residential areas in Destin. He stated that their job as the council is to make things better for the citizens, not worse. But, until they figure out a way to put traffic back on US Hwy 98 and actually improve traffic congestion on that roadway, this would be the worse idea a Destin City Council has ever pursued.

Councilmember King noted that they purchased the property for the cross-town connector in 2008 for over \$4.5 million to get traffic off of Legion Drive and Mountain Drive. People area running the stop signs and speeding through those streets. The cross-town connector

will be a welcome relief for the people who live there. He continued that people are not necessarily using the back roads to get back to US Hwy 98 but to get to other parts of the city. At this point they are blatantly wasting more money and staff's time. The time is now to move forward with this project.

Councilmember Bagby noted that the landscaping plan seemed very robust. He asked if this plan has been vetted through the appropriate committees for their input or whether it is simply the contractor's idea of what they feel needs to be part of the project.

Community Development Director Louis Zunguze noted that the next phase of the review includes the subdivision and other related matters, which would be reviewed through their code and brought through the Local Planning Agency.

The mayor commented that it is against the best practices for any governmental entity not to increase its connectivity whenever possible. The majority of the cross-town connector traffic will go to different parts of the city and not necessarily through Stahlman Avenue back to US Hwy 98. Several years ago, a petition with 62 signatures from residents of Legion Drive and Mountain Drive, was presented to the city encouraging the council to move forward with the cross-town connector to get the traffic out of their houses. Building the cross-town connector will give residents a better way to get around town and will make the City of Destin a better place to live.

Councilmember Schmidt echoed the mayor's sentiments adding that one of the biggest goals he heard since he was elected to council was to alleviate traffic in Destin, especially in places like Legion Drive and Mountain Drive. He feels building the cross-town connector will really help attain that goal, and the advantages of going forward with this process will far outweigh the negative issues that have been mentioned.

Councilmember Hebert stated they have already spent a lot of money and will continue to spend more money if they do not move forward with this project immediately; adding there are a lot of citizens begging them to do so.

Councilmember Bagby stated that he wanted to see little pocket parks where residents could walk through a park no matter where they live in this town, which they would not be able to do because of the swales. He added that if they are going to spend a lot of money purchasing land for this project, they need to have other use for it other than water retention. He would also like to see the cost for the landscaping.

Councilmember Destin offered a substitute motion to modify the 90% plan, place the drainage on the ground (exfiltration drainage), and not create a retention pond, and have the property available for a linear park, seconded by Councilmember Bagby.

Councilmember Schmidt inquired as to the timeline and the cost involved if the substitute motion passes.

Mr. Park stated it would push the design back to 60% and moving forward from that again, because it would be a completely different design with different design elements.

Councilmember Schmidt added it could cost \$300,000 to do an underground drainage system, plus the increase cost of the additional valuation of the properties they are trying to obtain. The last time they did a property appraisal was in the fall of 2021 and they can expect the price to be higher now.

Mr. Park stated that building the exfiltration system could cost significantly higher than \$300,000.

Councilmember King stated that he absolutely cannot support moving forward with a plan that would set the design back to 60%.

Councilmember Destin asked whether changing the drainage design would prevent them from acquiring the rights-of-way they will discuss later in this meeting.

The City Attorney expressed they will still be able to acquire the properties.

Councilmember Destin stated that changing the design would not be much of a factor in delaying the project as it will not stop them from acquiring the properties they need, their construction price is now \$9 million which is not yet budgeted, they have more properties to acquire, and that they are at least 4 years away from construction of the project.

The mayor called for a vote on the substitute motion, which passes 4-3 (Council members Bagby, Destin, Wagner, and Braden voted “yes”; Council members Schmidt, King, and Hebert voted “no”).

At this time, the mayor called for a 5-minute break.

Upon return from the break, the mayor asked Mr. Park to share the information he just received with regards to the exfiltration system.

Mr. Park informed the council that in speaking with staff, they were able to recall a statement made by Atkins’ stormwater engineer during their discussion regarding the 60% plan that they would not be able to replace the entire pond with the exfiltration system. They would still have a portion of the pond that would need to remain; adding they would be able to determine the exact percentage of what could be replaced during the redesign.

Councilmember Destin noted that the intent of the motion was to have the property available for a linear park, which means the entire retention pond has to be removed. He asked that Atkins Engineering bring back a detailed explanation why the removal of the entire pond is not possible, and any option available to be able to comply with the spirit of the motion.

Councilmember Bagby requests they invite the stormwater engineer to discuss all the facts involved in not being able to remove the entire pond.

The City Manager noted that the costs to amend the design could be well above his threshold. He asked if they should bring the cost estimate to council for approval beforehand.

It was the consensus of the council to bring back the additional amount necessary for amending the design if it exceeds the City Manager's spending threshold.

C. Acquisition of Properties for the Crosstown Connector

Ms. Marsha Hayes of Atkins Engineering informed the council that she has been working to acquire purchase agreements for the needed properties, and that she has secured purchase agreements for the following properties:

- **605 Sandalwood:**
 - Purchase of Property - \$345,000
 - *Closing Costs on Purchase - \$5,000
 - Relocation - Land Lord Eligibility (LLE) Reestablishment - up to \$25,000
 - Relocation - Tenant Rent Supplement - \$60,632.46
 - *Relocation - Tenant Move Costs - \$5,000
 - Total Costs - \$440,632.46**

- **606 Sandalwood:**
 - Purchase of Property - \$265,000
 - *Closing Costs on Purchase - \$5,000
 - Relocation - Land Lord Eligibility (LLE) Reestablishment - up to \$25,000
 - Relocation - Tenant Rent Supplement - \$26,334
 - *Relocation - Tenant Move Costs - \$5,000
 - Total Costs - \$326,334.00**

- **608 Sandalwood:**
 - Purchase of Property - \$345,000
 - *Closing Costs on Purchase - \$5,000
 - Relocation - Land Lord Eligibility (LLE) Reestablishment - up to \$25,000
 - Relocation - Tenant Rent Supplement - \$37,800
 - *Relocation - Tenant Move Costs - \$5,000
 - Total Costs - \$417,800.00**

- **Vacant Land (Winton) - Anna Street & Benning Drive:**
 - Purchase of Property - \$752,450
 - *Closing Costs on Purchase - \$10,000
 - Total Costs - \$762,450.00**

Ms. Hayes stated that the first 3 properties are tenant-occupied townhomes. There are tenants that would have to relocate and reestablished in another home. She continued that in accordance with the Federal Uniformed Act, the landlords are entitled to relocation benefits to reestablish those income producing properties.

Councilmember Bagby asked whether staff has come up with a response to his questions relating to eminent domain.

According to the City Attorney, the TRIP agreement is completely silent as to whether funds can be used in an eminent domain process. They have submitted the question to their

FDOT representative, but they have not received a response. It is impossible to say just based on the contract language whether FDOT would allow the funds to be used for an eminent domain process.

The Land Use Attorney stated that he has had a conversation with an FDOT representative recently. She was informed there is not a prohibition on using the funds for eminent domain.

Councilmember Bagby asked if they should attempt to reopen negotiations and use this information as leverage.

Ms. Hayes stated that based on her 35 years' experience in negotiating properties, if this becomes an eminent domain project, they will be paying attorney fees, costs for the appraisal, and any other items that the opposing attorney determine are needed for their client. This is also under the Uniformed Act and FDOT guidelines and policies. She continued that an eminent domain is a quick means of getting possession of the property for government entities, but the negotiations are virtually the same.

Councilmember Destin asked whether they could do a parcel-by-parcel decision if they are convinced that some prices are more outrageous than the other, or their decision applies to all the properties.

The City Attorney stated that a parcel-by-parcel decision is recommended.

Councilmember Schmidt moved for approval of the purchase of 605 Sandalwood and to authorize the City Manager to execute the purchase agreement and proceed with closing; seconded by Councilmember King. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted "yes").

Councilmember Schmidt moved for approval of the purchase of 606 Sandalwood and authorize the City Manager to execute the purchase agreement and proceed with closing; seconded by Councilmember Wagner. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted "yes").

Councilmember Schmidt moved for approval of the purchase of 608 Sandalwood and authorize the City Manager to execute the purchase agreement and proceed with closing; seconded by Councilmember King. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted "yes").

Councilmember Schmidt moved to approve the purchase of the vacant land at the corner of Anna Street and Benning Drive and authorize the City Manager to execute the purchase agreement and proceed with closing; seconded by Councilmember King. Motion failed 4-3 for lack of supermajority vote (Council members Schmidt, King, Hebert, and Wagner voted "yes"; Council members Bagby, Destin, and Braden voted "no").

Motion by Councilmember Destin, seconded by Councilmember Wagner, to continue negotiations on the vacant piece of property located at the corner of Anna Street

and Benning Drive passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

D. Proposed Ordinance 109.11 - Amending the City's Personnel Rules and Regulations

The City Manager explained that staff is proposing to incorporate the federal holiday schedule into the city's holiday schedule to be in line with area municipality holiday schedules as well as other government entities. The two federal holidays not currently on the city's holiday schedule are the Columbus Day Holiday and the Juneteenth Holiday.

Councilmember Hebert moved to direct staff to bring back proposed Ordinance 109.11 for first reading; seconded by Councilmember Wagner.

Some members of the council do not feel a blanket approval for future federal holidays is appropriate and would like to make that] determination on a case-by-case basis.

Councilmember Destin offered a substitute motion to direct staff to bring back the proposed ordinance for first reading and include all federal holidays in effect as of the effective date of the ordinance. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

E. Auditor Selection Committee - Formation and appointment of members

Finance Director Krystal Strickland explained that Florida Statute 218.391 requires that the City establish an Audit Selection Committee to choose an Audit Firm. The committee must include a minimum of three members. The Chairman of this Committee must be a Council Member. City staff may serve in an advisory capacity but may not serve as committee members.

Motion by Councilmember Hebert, seconded by Councilmember Destin, to appoint Councilmember Bagby as the Chairman of the Auditor Selection Committee passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

Councilmember Bagby moved to appoint Jim Wood as member of the Auditor Selection Committee; seconded by Councilmember Wagner. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

Councilmember Bagby moved to appoint Tom Weidenhamer as member of the Auditor Selection Committee; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

Councilmember Bagby moved to appoint Marcie Bell as member of the Auditor Selection Committee; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

F. Announcements

1. Proposed process to annex unincorporated properties or services to the City of Destin to be brought before the council for adoption in August 2022.
2. Third Budget Workshop to be held on Thursday, July 14th, at 5:30 PM.
3. Annual Big Truck Day scheduled for Friday, July 29th, 9-11 AM, at the Destin Community Center

5. PUBLIC HEARINGS

A. First Reading of Ordinance 22-09-CN - Exclusive Solid Waste Franchise Agreement with Waste Management, Inc, of Florida

The City Attorney read proposed Ordinance 22-09-CN by title, and then presented it to the city council on first reading.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA PROVIDING FOR THE EXCLUSIVE FRANCHISE TO WASTE MANAGEMENT, INC. OF FLORIDA, A PRIVATE CORPORATION, FOR THE COLLECTION AND DISPOSAL OF ALL RESIDENTIAL AND COMMERCIAL TRASH, GARBAGE, AND OTHER REFUSE WITHIN THE CITY LIMITS; PROVIDING FOR THE COLLECTION OF RESIDENTIAL RECYCLABLE MATERIALS WITHIN THE CITY LIMITS; PROVIDING FOR DEFINITIONS; GRANT OF FRANCHISE; LIMITS OF FRANCHISE; TERM; FRANCHISE CONSIDERATION; ASSIGNMENT; BANKRUPTCY OR INSOLVENCY; DEFAULT; RATE CHANGES; RIGHTS OF FIRST REFUSAL; RESTORATION; COMPLIANCE WITH LAWS, LIABILITY INSURANCE, HOLD HARMLESS, WORKERS COMPENSATION; PERFORMANCE BOND; RIGHT TO REQUIRE PERFORMANCE; DISPUTE RESOLUTION; OPERATIONS DURING DISPUTE; STANDARD OF PERFORMANCE; CURBSIDE RECYCLABLE MATERIALS COLLECTION AND DISPOSAL; RECYCLING PROGRAM; COLLECTION SERVICES AND OPERATIONS; OFFICE AND COLLECTION HOURS; COLLECTION EQUIPMENT; DISPOSAL ROUTES AND SCHEDULES; GRANTEE PERSONNEL; SPILLAGE AND LITTER; STORMS AND OTHER EMERGENCIES; NONDISCRIMINATION PROVISION; RATES AND CHARGES; RATE CHANGES; DELINQUENT ACCOUNTS; ACCOUNTING, RIGHT TO AUDIT; COMPLAINTS; CHARGES FOR FAILURE OF PERFORMANCE; VENUE; SOVEREIGN IMMUNITY; CONFLICTING ORDINANCES AND RESOLUTIONS; SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

The mayor opened a public hearing to receive comments for or against the proposed ordinance.

Ms. Marcie Bell, a Destin resident, urged the council to add a language in the ordinance requiring that each garbage can is properly identified as to which property it belongs to avoid any confusion and cans stay where they belong. This will stop people from placing the can in front of other people's home, especially those of the absentee owners, just because they do not want it in front of their homes.

Ms. Bell also recommends getting rid of recycle cans. The people who choose to recycle will take their recycle materials to a drop-off location. As it stands, the recycle cans are being filled with garbage rather than recycle materials.

Mr. Doug Rainer of Waste Management stated there may be some very significant cost involve but they will look at it.

Having no further comments from the public, the mayor closed the public hearing portion of this item and turn the matter over to the city council for their discussion and consideration.

Councilmember Hebert moved for approval of Ordinance 22-09-CN on first reading and direct staff to schedule it for second reading on August 1, 2022; seconded by Councilmember King.

Councilmember Braden stated that he has been getting calls from citizens who are not happy with the additional fees they have to pay if their trash can is overflowing, or there is contaminant in the recycle materials.

Mr. Jake Alderfer of Waste Management stated that they have been seeing an extraordinary amount of trash. A lot of the trash cans are overflowing. He also stated that possibly only 8 percent of the customers will be affected by this, mostly short-term rental properties, because they do not have the correct number of trash cans.

Mr. Rainer stated they have added some educational components for the overage and contamination fees. Customers will not get fined for the first and second violations, instead they will receive a notice and a photograph showing the violation. Fines will be imposed starting on the third violation. He added that, violations are relatively low at this point, especially for residential customers.

Councilmember Destin stated that even though he understands the overage and contamination issues, he feels a little uncomfortable with the current language in the proposed ordinance with regards to fines to be imposed for violations. He is not sure how they arrived at those numbers.

Mr. Rainer explained that those figures came from their corporate office. Several changes have been made to those numbers. For the ease of not having to do math and figuring things out percentagewise each time, they have decided on a flat rate of \$10.00 and \$5.00 as punishment for the violations.

Councilmember Destin stated that those numbers could add up depending on the number of pickups each month and could even double the monthly service rate. He recommends having a limiting language on the contract.

Councilmember Bagby stated he is happy with the price staff has negotiated with Waste Management. He also understands the contamination fee as he has witnessed people putting trash in the recycling bin; and 90% of those are probably short-term rental customers. He added that people will learn after they get fined.

Councilmember Schmidt stated he has some issues with Waste Management being the only company that was able to submit a bid for the service. Also, they are already increasing the pickup charges, and now they are adding contamination and overage charges.

Councilmember Schmidt also noted there is no language in the contract that stipulates how and that Waste Management not the City of Destin is responsible for educating the customers and make them aware of the changes in the contract.

Mr. Rainer stated that Waste Management will work with the City of Destin with regards to the educational aspect. The city has a direct contact with its residents through many channels, and Waste Management has a direct contact with them as customers. He added that the length of public education is infinite, however, they could look at drafting a language if the council so desires.

Councilmember Schmidt offered a substitute motion to remove the overage and contamination fees, and to put language in the contract with regards to how Waste Management will notify customers of the changes. Substitute motion dies for lack of a second.

Councilmember Destin stated that a 5-year contract is too long. He recommends adding a language in the contract that the overage and contamination sections of the ordinance will be subject to renegotiation after two years. They should be able to determine how these issues are working out within that two-year period and can make some necessary adjustments.

Councilmember Hebert offered an amended motion to approve Ordinance 22-09-CN on first reading and direct staff to schedule it for second reading on August 1, 2022; and that the overage and contamination sections of the ordinance will be subject to renegotiation at the two-year period. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted “yes”).

6. COMMENTS/PRESENTATIONS FROM MAYOR, COUNCIL, LAND USE ATTORNEY AND CITY ATTORNEY

A. Councilmember Braden

1. Signage from Airport Road to the Marler Bridge

Councilmember Braden provided some photos showing different size banners and flags at business locations on different parts of the city. He stated that some of these signs are in the rights-of-way, and most are on private property; adding that some have been there for years, and the city has not done anything about it even though these types of signage are illegal in the City of Destin.

Code Compliance Deputy Director Danny Sullivan noted that some of the signage being shown have either been taken down or addressed by the Code Compliance officers. Business owner have been informed that those signs are not allowed in the city. They have also been provided a pamphlet showing which signs are illegal and which signs are permitted on the property. Some of the businesses have been given 3 to 14 days to comply, and that they will be cited if they are not in compliance after that period. He added that this information is programmed into the EGov system and follow up inspections are conducted. Further code enforcement actions will be taken against those that failed inspection.

The Land Use Attorney noted that in addition to the Notice of Violation process when they have to give the respondents reasonable time to correct the violation, there is another method of code enforcement that can be used and the city does use dealing with signs, which is simply issuing a citation. Code Compliance officers can provide one warning and then issue monetary fines for non-compliance.

Councilmember Braden stated that code compliant seemed to be complaint driven. Nothing is done unless someone files a complaint. He added that Code Compliance officers need to be more proactive in enforcing the code.

The City Manager explained that the concept the code compliant is complaint driven was how the Code Compliant Department was originally formed many years ago similar which is similar to the Sheriff's Office; but it is not the only way violations are being addressed now. The department has been moving towards being more proactive the past several years. Eight officers are being asked to make rounds throughout the entire city. There are 70 miles of roads within the city limits of Destin, which includes US Hwy 98. If an officer identifies a code violation, they are required to contact the person in-charge, especially with regards to construction projects. He added that if it was not for the fact the department has been responding to so many complaints which are documented, they would have more time to go out and be more proactive. They are doing their best, but they have to balance where they spend their time.

Councilmember Destin stated that the sign ordinance is not as easy to enforce as everybody thinks because there are constitutional issues and a whole lot of exceptions involved. They need to look at the ordinance and make the necessary changes, and possibly make it simpler and not expect Code Compliance officers to accomplish impossible missions.

B. Councilmember Wagner

Councilmember Wagner announced his plan to ride in the Waste Management truck, take a tour of their facility, and gather some facts by taking pictures and video of the facility. He has scheduled this tour on July 20th through Waste Management.

C. Councilmember Destin

D. Councilmember Bagby

1. Procurement Policy

Councilmember Bagby discussed the two versions of a draft ordinance on procurement policy which have been presented to council for review.

After a brief discussion, the council reached a general consensus to have staff finalize and bring back version 2 of the two alternative resolutions provided by Councilmember Bagby for their adoption consideration.

Councilmember Bagby moved to appoint Mr. Curtis Smith to the Public Works/Safety Committee; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Wagner, and Braden voted "yes").

- E. Councilmember Hebert
- F. Councilmember King
- G. Councilmember Schmidt

1. Destin High School baseball field at Morgan Sports Complex

Councilmember Schmidt stated that he looks forward to hearing an update on this issue at their August meeting.

Councilmember Schmidt requests an update on the big barge in the harbor he previously reported to Code Compliance and City Manager.

Captain Fulghum from the Sheriff's Office that the barge used to be a Crab Island Sand Bar. When the new ordinances came into effect, the owner decided not to continue doing business out there and has sold the barge. They intend to contact the new owner of the barge and find out what they intend to do with it. The barge now has a motor and has been registered and so it is now considered a vessel and it is legal to be at its present location.

Next, Councilmember Schmidt asked why the City of Destin has never put a franchise tax on Destin Water Users.

Mr. Lockwood Wernet, General Manager of Destin Water Users, noted there was a franchise fee. There was a litigation, and the franchise fee was determined to be illegal as they pre-dated the City of Destin. They stop collecting fees and paying the city in the 1990s. They were operating in the rights-of-way and has continued to operate in the rights-of-way of the City of Destin.

- H. Mayor Gary Jarvis
- I. Land Use Attorney
- J. City Attorney

7. PUBLIC COMMENT

8. ADJOURN

Having no further business at this time, the meeting was adjourned at 10:10 PM.

Gary Jarvis, Mayor

ATTEST:

Rey Bailey, City Clerk

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Consent Agenda
AGENDA OUTLINE NUMBER: 3.K.

TO: City Council

THRU:

FROM:

DATE:

SUBJECT: City Boards & Committee Minutes

I. BACKGROUND:

II. DISCUSSION:

- A. Link to Strategic Goals / Objectives:**
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**
- D. Legislative Sponsor:**

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

1. 7-12-22 pwps
2. 7-13-2022 - hcraac
3. 7-20-2022 tcraac

**PUBLIC WORKS/PUBLIC SAFETY COMMITTEE
MEETING MINUTES
TUESDAY, JULY 12, 2022 - 5:30 PM
DESTIN CITY HALL BOARDROOM**

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE:

Chairman Wood called the Public Works/Public Safety Committee to order on Tuesday, July 12, 2022, at 5:30 p.m., with the Pledge of Allegiance immediately following.

2. ROLL CALL:

<u>Members Present</u>	<u>Members Absent</u>	<u>Staff</u>
James T. Wood, Jr.	Sam Perman	Kim Montgomery Deputy City Clerk
John Green		Michael Burgess PW Director
Tom Weidenhamer		
Marcie Bell		
John Stephens		

**** Chairman Wood welcomed new member; Curtis Smith appointed by Councilmember Bagby.****

3. APPROVAL OF MINUTES: June 14, 2022

Motion to approve the minutes of the June 14, 2022 meeting was made by Committee member Bell with Committee member Weidenhamer providing the second. The motion passed 5-0.

4. NEW BUSINESS:

➤ **Half Penny Surtax Allocation Budgeting**

Mr. Burgess explained to the members how they need to make recommendations to spend the surtax funds. He spoke of how last year's allocations, staff purchased rapid flashing beacon systems, and six school beacon systems for the Destin Elementary School, and speed tables/speed humps were installed to improve the traffic calming for pedestrian safety. With that, there is about \$37k left for FY-22 to spend before the end of September. He then explained to the members the asphalt problem with the asphaltic contract holder not being able to obtain asphalt caused by the current shortage of train conductors to bring the necessary aggregate down to the area. As a result, most of the jobs that need it, are being set aside. However, staff is researching other options for the projects that need getting completed.

There was a discussion regarding getting the pedestrian crosswalks lit for all beach accesses in the city and how this has been an ongoing concern for this committee. Mr. Burgess explained how the ones he initially looked at were not FDOT approved, and it was determined they shouldn't

be installed for liability purposes for the city and he and his staff are still investigating other options.

Chairman Wood briefly spoke of alternative methods for speed humps since asphalt is so hard to obtain.

Committee member Smith mentioned that there are other options for speed humps and provided some examples that he has dealt with in the past and recommends bringing the options back for further discussion.

Regarding sink hole problems, Mr. Burgess explained to the members his reference to sink holes is not the same issues that south Florida has. The ones here are pipe issues, and there is about 40-80 feet of pipe on Airport Road that is in need of replacing because it was made out of Hardy pipe that is failing. He also mentioned how piping is now in the same situation that lumber was a couple years ago and currently, it is very expensive. Additionally, staff is in the process of determining if they would need to put the job out to bid.

Committee member Smith spoke of his experience with dealing with similar situation in SanDestin with replacing piping and he can offer staff some solutions.

Mr. Burgess explained the different types of thermoplastic for pedestrian crosswalks that can be put down and how the ladder type cost more but is highly visible.

Chairman Wood spoke of how he prefers consistency, and prefers the same design be used throughout the city. He then asked Committee member Smith if he was familiar with the stormwater project that Councilmember Bagby spoke of at the last Council meeting.

According to Committee member Smith, he is, and explained how Councilmember Bagby was referring to Four Prong Lake in Destiny East. He further explained how it will be a multistep project to get the exfiltration system addressed. He spoke of how the stormwater runoff west of the Crab Trap to just east of the Destiny East entrance on Scenic 98 is flowing directly into the lake without any retention or treatment. Additionally, FDOT added linear retention ponds that directs runoff into the lake with no treatment, which adds a massive amount of water to the lake. He also briefly mentioned the city's Grants and Projects Manager assisting him by researching financial assistance through grants.

Committee member Green spoke of 106 Benning Drive also has an old exfiltration system that is beyond cleaning and also needs to be replaced. He then talked about that the flashing beacon lights for the crosswalk at the Dog Park and how he feels they should be moved further on both sides of the road to alert the drivers someone is entering it to give drivers more time to slow for the pedestrians. He also feels the crosswalks for the roundabout should be relocated as well and

is afraid someone is going to get hit and seriously hurt. He also mentioned there are streets between Airport Road and Bayou Drive and streets between Kelly and Airport Road near Kell-Aire that don't have and need crosswalks.

Mr. Burgess explained that staff just finished a sign and pavement marker assessment and has listed all the ones missing stop bars and crosswalks. Additionally, he asked the members if they are out on the roads and see something that needs to be reported to please call them in or email him.

Chairman Wood spoke of several crosswalks that are dark and noted the one by the Fire Station on Airport Road has streetlights before and after on both sides of the roadway and asked if the lumens could be increased to improve the visibility of the crosswalk.

Committee member Smith spoke of how the stormwater drain on Scenic and Henderson Beach Resort is always backed up. Mr. Burgess stated he is aware of it and explained that the size of that system is too small for the pipe hunter they have, and staff has to rig an adapter to be able to get in there and clean it out as best as they possibly can. Additionally, with all the ongoing construction, that entire roadway's improvements are on pause until the construction for The Henderson is finished. Then all of it will be redone, including that inlet.

Chairman Wood suggest buying and stockpiling whatever is needed regardless if it is stop signs or Hawk Flashing Systems. Further noting that the decision for where they need to be installed can be decided later.

Committee member Stephens spoke of the pedestrian conflicts at the Stahlman Ave/Hwy 98 intersection where pedestrians are crossing at the same time the light is green for traffic and feels something needs to be corrected. Mr. Burgess noted that pedestrians have the right of way and drivers must wait until the way is clear.

The following is the list of projects identified by the committee for possible funding:

1. Quotes for Rectangular Rapid Flashing Beacon Systems for Crosswalks (RRFBs or HAWKs)
2. Quotes for in-ground pedestrian warning systems
3. Quotes for Flashing Stop Signs
4. Quotes for Speed Humps/Tables, composite systems, paver systems
5. Have staff work on standing up those traffic signs that are leaning, city-wide
6. Order thermoplastic for crosswalks, stop bars, etc., check for slip resistance specs
7. Install ladder style crosswalks at Main Street/Wild Oak and Kell-Aire intersections, others as needed

8. Contact FPL about LEDs on Airport adjacent to crosswalks, increase lumens, add LEDs to existing poles
9. Explore re-locating crosswalk locations at Indian Bayou Trail at Commons Drive
10. Explore re-configuration of median on Airport Road at Industrial Park Dr, close to DWU plant to facilitate left turns

5. ADJOURNMENT:

Having no further business at this time, the meeting adjourned at 6:40 p.m.

Adopted and approved this _____ day of _____ 2022.

James T. Wood, Jr. Chairman

Rey Bailey, City Clerk

**MINUTES
HARBOR COMMUNITY REDEVELOPMENT
AGENCY ADVISORY COMMITTEE MEETING
JULY 13, 2022 - 5:30 PM
DESTIN CITY HALL BOARDROOM**

1. CALL TO ORDER:

The City Attorney called the meeting to order at 5:30 p.m. on Thursday, July 13, 2022, in the Destin City Hall Council Chambers.

2. ROLL CALL & PLEDGE OF ALLEGIANCE:

Present

Sandy Trammell
Mike Raim
Casey Jones
Ian Blaise

Members Absent

Mike Buckingham
James Green
Jan Best

Staff Present

Kim Montgomery Deputy City Clerk
Steven O'Connor Principal Planner
Tunazzina Alam Planner
Krystal Strickland Finance Director
Jeffrey Cozadd Grants & Projects Mgr.
Michael Burgess Public Services Dir.
Kyle Bauman City Attorney

3. Nomination of Chair Pro Tem

Committee member Trammell nominated herself to run the meeting in the absence of both Chairman Buckingham and Vice Chairman Green, Committee member Jones provided the second. The motion passed 4-0.

4. MINUTES: April 13, 2022 & May 11, 2022

Motion to approve the meeting minutes of the April 13, 2022 and the May 11, 2022 meeting was made by Committee member Raim with Committee member Blaise providing the second. The motion passed 4-0.

5. OLD BUSINESS:

➤ **Utility Undergrounding Presentation**

Ms. Strickland explained to the members staff needs a firm commitment from this committee for funding of the project so that it can be written in their Master Plan. Once the plan is finalized, it will go before the CRA Board for final adoption. She informed the members that the projections currently look like the Harbor CRA will accrue \$16 to \$17M at time of sunset of therefore, staff is requesting a commitment of \$6 to \$9M of that revenue stream towards the utility undergrounding project. Additionally, Council has committed \$22.6M, which breaks down to

being \$13M from the electric franchise fees and \$9.6M from the Okaloosa County Infrastructure Surtax. She also informed the members that after the initial phase of going from the Marler Bridge to Airport Road, Council would prefer for the project to go more northward into the two CRA Districts before going eastward.

Chair Pro Tem Trammell briefly spoke of her concern for the property values that went up again this year and how she is leery of the bubble bursting, similar what happened in the past. She spoke of how she doesn't want the Harbor District to be in the same situation that happened to the Town Center and end up owing the city money. Therefore, she does not agree with the full amount and feels that \$8M is a good number.

Motion by Chair Pro Tem Trammell to recommend the Harbor CRA commit \$8M to the future undergrounding utilities project on Highway 98, with Committee member Raim providing the second. The motion passed 4-0.

Chair Pro Tem Trammell asked Ms. Strickland if the funds have to be approved by the County since the city partners with them for the TIFF agreement.

Ms. Strickland, explained after the initial steps of their Master Plan adoption, she with staff will work with a Bond Council to turn it into a Financing Agreement, and determine the right timing to go take it out to the market for funding. After that, the project can be put out to bid.

- **Long Term Financials** – Informational - No Comments
- **Operating Financial Report**

For this report, the Chair Pro Tem asked Ms. Strickland to explain how CRA TIFF monies are allocated.

According to Ms. Strickland, most of the funds are restricted unless they have been assigned to active contracts and provided the Median Maintenance Contract as an example of funds that are assigned to a contract in the Operating Economic Environment line item. She explained further where the details are shown in their report and the breakdown of committed and future funds.

Committee member Jones asked if the city would get skipped if there is interest proven to FPL so that the storm hardening concrete poles will not be installed in the city. According to Ms. Strickland, all that is required is to provide proof that the city is in the process of the undergrounding project, and they will skip past the city limits.

- **Capital Status Report – Informational** - No Comments
- **Budget Calendar** – Informational - No Comments

5. NEW BUSINESS:

- **Development Projects Updates**

Ms. Alam provided the members with information on the five projects that are active in the Harbor CRA district.

Mr. O'Connor brought to the members attention that the development map now includes projects from the Town Center CRA as well, explaining how it is easier on staff to have one map with all of the projects in both districts than having to create two separate maps and two reports, for timeliness purposes. Additionally, the monthly updates will be a month behind because of their deadlines to get the information loaded into CivicClerk and reviewed for approval by the City Manager and his staff.

6. COMMITTEE MEMBER COMMENTS:

➤ **Committee member Blaise** – Asked about the needed dredging materials for Norriego Point from the spoils of the Coastguard site and when this would take place because the erosion is beginning to get bad around the rocks. According to Mr. Cozadd, he is only aware that the city has asked FDEP to take that inconsideration so it can be added to the permit for Norriego Point Park.

➤ **Committee member Raim** – Mentioned that he spoke with Mr. Zunguze about his concerns for the safety issues on Calhoun Avenue regarding motorized bikes and street illegal golf carts being illegally operated.

Mr. O'Connor informed the members he looked in to Calhoun Avenue's road designation and discovered that even though Calhoun Avenue is designated State Road 30A, it is not recognized by the State and the road is the jurisdiction of the city.

The Chair Pro Tem suggested to Committee member Raim to take his concerns to the Public Works/Public Safety Committee.

➤ **Committee member Jones** – Thanked staff for their hard work in getting the meetings and the information put together monthly.

➤ **Chair Pro Tem Trammell** – Reported that she almost hit two people in the crosswalk on Commons near the Dog Park and reported the yellow flashing beacons in the road were not flashing. Mr. Burgess reported that system was deactivated because of it being antiquated and parts were no longer available when repairs were necessary. He explained that system was replaced by the two flashing cross walk signs, but they must be activated by the pedestrians. Additionally, the goal of the PWPS committee for the upcoming year is to enhance the visibility of the lighting for pedestrian crosswalks and to provide safety devices at areas that don't have them.

Chair Pro Tem spoke of her efforts to acquire Christmas decorations for the district and how she originally was going to decide on something grand for the entrance but since learning that the park may not be ready by the holidays, she made alternative decisions for recommending the anchor with the snowflake design for the light poles in the district.

Mr. Burgess stated that he has emailed Bernard Johnson with FPL to find out first, before anything is ordered, they would be allowed on the poles. Explaining when it was owned by Gulf Power, they were not allowed on the poles in the city limits. He then suggested to have the motion state to have Mrs. Trammell work with him and give her the authorization to make other selections.

Motion by Committee member Raim to have Committee member Trammell work with Mr. Burgess to select Christmas decorations for the Harbor CRA District.

Chair Pro Tem Trammell asked the members if they even like to anchor design she suggested and if not, what is their preference. After a lengthy discussion, the decision was made to wrap the oaks in the Capt. Royal Melvin Heritage Park, install the pre-lit trees in the medians and install the anchor with the snowflake decorations, if allowed by FPL.

Motion by Committee member Blaise to get Council's approval to spend \$50k for holiday decorations in the Harbor District and have Chair Pro Tem Trammell work with staff to make the final decisions on all the decorations for the district. Committee member Jones provided the second. The motion passed 4-0.

The Chair Pro Tem inquired about the status of the Harbor CRA-AC Master Plan. According to Mr. O'Connor, it has been determined that because to the lack of staff members, the decision was made to have the consulting group work on writing the plan.

She then asked Mr. Burgess the status of the road resurfacing plan. Mr. Burgess explained that the Asphaltic Continuing Services Contractor has notified him that they will no longer be able to supply the city with asphalt for smaller projects because of the shortage of aggregate, due to a shortage of train conductors. As a result of those shortages, they have promised FDOT all their projects would get priority. Additionally, the newest member of the Public Works/Public Safety Committee, Curtis Smith, being a Civil Engineer, has agreed to help the city explore other options.

7. ADJOURNMENT:

Having no further business at this time, the meeting was adjourned at 6:30 PM.

Adopted and approved this _____ day of _____ 2022.

Sandy Trammell Chair Pro Tem

Kim Montgomery, Deputy City Clerk

DRAFT

**MINUTES
TOWN CENTER COMMUNITY
REDEVELOPMENT AGENCY
ADVISORY COMMITTEE MEETING
JULY 20, 2022 - 5:30 PM
DESTIN CITY HALL BOARDROOM**

1. CALL TO ORDER:

Chairman Wernet called the meeting to order at 5:30 PM on Wednesday, July 20, 2022, at the Destin City Hall Annex Council Chambers with the Pledge of Allegiance immediately following.

2. ROLL CALL:

<u>Members Present</u>	<u>Members Absent</u>	<u>Staff Present</u>
Lockwood Wernet	Alexander Santos	Kim Montgomery Deputy Clerk
Michele Sandstead	Matthew Sweetser	Steven O'Connor
Delores Morrell		Krystal Strickland
Dorothy Robinson		Jeffrey Cozadd Grants & Projects Mgr.

2. APPROVAL OF MINUTES:

April 20, 2022 & May 18, 2022

Motion to approve the minutes of the April 20, 2022, meeting was made by Committee member Morrell with Committee member Sandstead providing the second. The motion passed 4-0.

Motion to approve the minutes as amended of the May 18, 2022, meeting was made by Committee member Morrell with Committee member Sandstead providing the second. The motion passed 4-0.

3. OLD BUSINESS:

➤ **Utility Undergrounding Commitment – Krystal Strickland**

Ms. Strickland briefly explained that part of the update for the Town Center Master Plan is to include the commitment to budgeting funds to help with the cost of the Utility Undergrounding project, as well as other projects in the district they would like to have accomplished. She explained by projections, the Town Center CRA should have \$14-\$16M at time of sunset and now is a good time to implement those projects into the Master Plan.

She provided the members with an overview of the Town Center's Proforma showing the bank account balance with line items of expenditures and revenues and staff is requesting the members make a commitment of \$4.5M towards the Utility Undergrounding project.

DRAFT

Committee member Sandstead made the motion to recommend the CRA commit \$4.5M to the Town Center CRA District Master Plan for funding the Utility Undergrounding project with Committee member Morrell providing the second. The motion passed 4-0.

➤ **Budget Calendar**

Ms. Strickland informed the members that there is one more budget workshop on August 11, 2022, then the Millage rates are due to Property Appraiser and when dates of public hearings will be in September.

➤ **Capital Projects Status Report**

According to Ms. Strickland, she will be providing the status reports to them at every meeting with updated information, regardless if she can attend the meeting, and briefly went over each category and explained what each are for.

There was a discussion regarding the upcoming budgeted funds for the following years that are being set aside for the Linear Park.

Mr. Cozadd explained appropriations of \$270k in grant funds with an additional \$270k to be matched by the city will go towards the design for the first three phases of the project. This will include the necessary right-of-way acquisitions and easements with Phase I estimated to start in a couple of years.

Committee member Sandstead asked if this committee and the public will be able to provide input for the design features.

According to Mr. O'Connor, they will, and this will be an item added to their agenda when the time comes for them to review the plans, as well as any public comments will be considered in order for the members to make their recommendations to Council. He briefly spoke of the potential hinderances that will come into play with the easements, noting that some areas of the park may not be any wider than 20-feet in width. However, the goal for both the design engineers and staff will use best management practices to develop the park as best as it can possibly be designed.

Committee member Robinson asked for a map of the location of the project diagraming the potential park. Mr. O'Connor agreed to provide one the members.

➤ **Operations Financial Report**

Ms. Strickland informed the members that this is informational purposes and explained what the status of the Financials are through May 31st, which is at 67% of the fiscal year.

Chairman Wernet briefly explained the reasoning as to why the Town Center owes money to the General Fund, so that Committee member Robinson would be up-to-speed on what happened in the past with the property value decline, almost a decade ago.

➤ **Holiday Decorations –**

Ms. Strickland explained that there are not any funds set aside for holiday decorations for this year however, now it the time to set aside funds for the 2023 budget. For informational purposes, she explained the Harbor CRA Advisory Committee has been allocated \$50k for purchasing decorations, and she will create a line item account for theirs in the 2023 budget.

After a discussion of the cost of decorations and where they will be stored when not in use, **Committee member Robinson made the motion to request the CRA Board set aside \$50k in the 2023 budget for the purchase of decorative holiday lights for the Town Center CRA Advisory Committee, with Committee member Sandstead providing the second. The motion passed 4-0.**

The members discussed several options to improve the decorations on Main Street and agreed to have the Public Works Director and the Parks & Recreation Director to work together with the Finance Director to determine if there are any funds available to allocate towards ordering additional rope lighting to wrap the banner poles or up-lighting set up on them in the Town Center CRA District along the Mains Street area this holiday season. The Public Works Director suggested he work closely with Committee member Sandstead, as a liaison to the committee, for any decisions because of the timeliness to get any items ordered without having to bring it back to them for discussion and decisions. The members all agreed for Committee member Sandstead work with Mr. Burgess. He also mentioned they have several 25-foot trees that were purchased last year and how the colors of the bulbs can be changed out to make them different every season.

Motion by Chairman Wernet to recommend the CRA Board allocate any excess funds for holiday decorations to be used to light up Main Street this holiday season, with Committee member Sandstead providing the second. The motion passed 4-0.

➤ **2021 Audit**

Ms. Strickland informed the members the Auditor General for the State now requires a stand-alone audit report for the CRA districts review and approval. However, since in the past, it has been hard getting quorums for this committee, their report has already been presented to the CRA for their approval. Additionally, the report is basically informational only with no action needed from them.

➤ **Development Projects Update**

Mr. O'Connor brought to the members attention that the development map now includes projects from the Harbor CRA as well. Explaining for timeliness purposes, it is easier for staff to have one map with all the projects in both districts than having to create two separate maps and two reports. Additionally, the monthly updates will be a month behind because of their deadlines to get the information loaded into CivicClerk and reviewed for approval by the City Manager and his staff.

Chairman Wernet inquired about the DO exemption for Alvin's Island.

DRAFT

According to Mr. O'Connor, the exemption for their development order process is because they are significantly reducing the size of the building and not building in the original footprint. Therefore, the total impacts are significantly reduced, which makes them meet the criteria for a development order exemption.

Committee member Sandstead questioned what the Domo restaurant is and where it would be located. According to Mr. O'Connor, this is going in the old Popeye's restaurant, and they determined they needed a larger walk-in cooler, so they are asking for an exemption for a larger cooler. She then asked if there was any news regarding the Old Time Pottery shopping center being bought by Publix. According to Mr. O'Connor, he has not heard anything new as far as the discussions between the two parties for purchase.

4. COMMITTEE MEMBER REPORTS:

- **Committee member Sandstead** – Informed everyone she attended the June 23rd Budget Workshop held by Council and recommended everyone should attend one to better understand the process. She stated that at the public comment portion, she did encourage Council to fill their empty seats. Additionally, she asked them if there are any extra funds they could allocate to the committee, it would be appreciated.

Lastly, she spoke of the conflicting information on the website for applicants regarding requirements to volunteer to serve on the committee and feels that it needs to be clearer for who can be volunteers for the *at large* requirements. Possibly having Council change those requirements to anyone who either lives, works, or owns property in Destin city limits. Adding that she knows some people that own property but don't reside in the city limits.

- **Committee member Robinson** – Agrees that Council should fill their empty seats so there are enough members to have a quorum to meet.

- **Chairman Wernet** – Welcomed Committee member Robinson and spoke of being sorry that Committee member Sweetser can no longer attend but he understands the circumstances. He thanked staff for their hard work at putting their materials together. As for the financials, this information had been lacking in the past and is very appreciative for the monthly budget updates.

5. PUBLIC COMMENTS: Chairman Wernet opened this portion to the public for comment. With no comment, he closed the public portion of the meeting.

6. ADJOURNMENT:

Having no further discussions, the meeting was adjourned at 6:30 PM.

Adopted and approved _____ day of _____ 2022.

Lockwood Wernet Chairman

Kim Montgomery Deputy City Clerk

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: City Manager Report
AGENDA OUTLINE NUMBER: 4.A.

TO: City Council

THRU: Lance Johnson, City Manager

FROM: lisa Firth, Parks & Rec Director

DATE: 08/08/2022

SUBJECT: Destin High School Request for A Baseball Field @ Morgan Sports Fields, Update

I. BACKGROUND: Destin High School representatives are scheduled to present their request to convert a softball field at Morgan Sports Center into a high school compliant baseball field to the Parks and Recreation Committee on August 23. Destin Water Users will be providing the City a report with their recommendations or concerns once they have received all the required information from DHS. This item is tentatively scheduled to be on the September 8, 2022 Council agenda.

II. DISCUSSION:

- A. Link to Strategic Goals / Objectives:**
- B. Effect on Budget (EOB):**
- C. Level of Service (LOS):**
- D. Legislative Sponsor:**

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Action Item
AGENDA OUTLINE NUMBER: 4.B.

TO: City Council

THRU: Lance Johnson, City Manager

FROM: Louis Zunguze, Community Development Director
Kimberly Kopp, Land Use Attorney

DATE: August 8, 2022

SUBJECT: Adoption of a Formal Annexation Policy

I. BACKGROUND:

In order to better prepare for and accommodate anticipated growth and its impacts, municipalities, typically, take a proactive approach to develop sound policies regarding future annexations. Currently, the City of Destin does not have a formal procedure or process for the annexation of properties into the City's jurisdiction. In the past, properties have been annexed into the City through a petition presented to the City Council. This included an agreement between the property owners and City Council that was then approved by the City Council. The current process lacks the two following fundamental elements:

- **First, it lacks a clear and comprehensive vision of the City's goals regarding annexation.**
- **Second, it lacks criteria and standards to allow for an objective review of properties being annexed.**

This creates uncertainty for applicants as there is no set checklist or criteria for an application to be submitted for an annexation request. It also creates issues from the City's standpoint, as there is no clear standard for the City Staff to review an annexation request. In light of this, Staff is recommending that the City develop an annexation policy that:

- **Outlines the City's strategic long-range approach to annexation**
- **Requires a review of the City's ability to annex and**

- **Establishes a required process for annexation**

The overall objective of this policy is to demonstrate the City's desire to balance growth and the demand on City services it creates, with the goals of maintaining a desirable living environment.

II. DISCUSSION:

A very common practice among municipalities is to have a formal annexation process and policy. This policy and process is often in two parts:

1. **City initiated annexations**
2. **Property owner-initiated annexation**

1). City Initiated Annexations

There are several reasons why the City would want to consider annexation of properties:

- **For continuity of the City boundary (removal of enclaves)**
- **Economic benefits**
- **Impacts on services**

The purpose and intent of the annexation policy should be to allow the City to manage growth without creating hardships and unnecessary costs for existing residents and visitors through:

- **The promotion of orderly growth by facilitating long-range planning for the provision of municipal services to developed and redevelopment areas.**
- **The application of appropriate land use regulations, development and property maintenance standards, fire, and construction codes and environmental regulations.**
- **Ensuring that residents and businesses outside the corporate limits share the tax and maintenance costs for facilities, streets, and utilities necessary to meet the demand.**

To achieve this, the City needs to develop an annexation policy to accomplish the following:

- **Enable the City to be proactive in identifying areas for annexation.**
- **Provide decision makers with specific, objective parameters for making decisions relating to annexation.**
- **Provide for meaningful public participation in formulating the annexation program as part of the City's periodic review of the Comprehensive Plan.**

The following are the main objectives of the City initiated annexation policy:

Elimination of Enclaves: The easiest properties to consider for annexation are enclave properties; properties that are surrounded by the City limits. Currently, the City has several “enclaves” mostly concentrated along **Commons Drive and a few along Airport Road to Commons Drive**. Enclaves present the City with the opportunity to provide both continuity in its boundary and services, but also the economic benefits not currently realized. **Annexation of Enclaves is a Desirable Priority 1.7 for Council in FY 2022.**

Enhance the City Economic and Tax Base: The City is currently impacted by the commercial development north of Emerald Coast Parkway from Triumph Drive to the Walton County Line. Due to the geographical nature of the City of Destin being a peninsula, the users of these commercial establishments impact City roads and infrastructure, and traffic overall, as users must utilize either Commons Drive or Emerald Coast Parkway (Highway 98), both of which are predominantly within City Limits. **However, the City does not benefit from the significant economic and tax base that these properties offer.**

Impacts on the City’s Infrastructure: Many of the enclaves, south of Indian Bayou Subdivision and north of Emerald Coast Pkwy, contribute to a significant stormwater concern that is outlined in the City’s **Stormwater Master Plan Update** - noted in the Plan, as the **Indian Bayou Study Area**. The stormwater impacts from unincorporated properties are not limited to the enclaves, many of the unincorporated residential and commercial properties west of Danny Wuerffel Way (Highway 293) also impact the City’s stormwater infrastructure. These stormwater impacts range from minimal to critical, and the City does not recoup any costs associated with the impacts. **Annexation of the enclaves, commercial areas and residential areas would allow the City to work with the businesses and residents to find the best solutions to mitigate the stormwater challenges.**

In addition, the unincorporated properties south of the Choctawhatchee Bay all impact the City transportation services and infrastructure. All traffic from unincorporated Okaloosa County, south of the Choctawhatchee Bay, will use either Commons Drive or Emerald Coast Pkwy (Highway 98). to travel east or west, within and through the City limits. **Essentially the City is impacted by users of these properties, without recouping any of the costs associated from these impacts.**

Given the current status and the impacts of the unincorporated Okaloosa County and south of Choctawhatchee Bay properties upon the City, Staff proposes a phased annexation process of the properties that lie in unincorporated Okaloosa County south of Choctawhatchee Bay. Please see the attached maps that show various phasing options based on the Land Use, Economics, and Geographic characteristics of the unincorporated properties south of the Choctawhatchee Bay.

2.) Property Owner Initiated Annexation

There are multiple issues to assess when considering annexations, in general. These issues must be considered and evaluated by the City Management, Staff and the elected officials. However, with respect to property owner-initiated requests, the primary issues to review are:

- 1) **Future Land Use Designation**
- 2) **Zoning Designation**
- 3) **Compatibility/Conformity to current standards**
- 4) **Are services available without a negative impact on budgets?**

The first two items, Future Land Use and Zoning, must be addressed in conjunction with any annexation. Therefore, all annexations should be accompanied by both a **Future Land Use Map** and **Zoning Map amendment Application** to address the criteria and standards set in those respective processes. The last two items would need to be assessed, in conjunction with, various analyses conducted on the benefits or risks to the City should the property be annexed into the City, specifically the impact to the City's budget and services.

A. Link to Strategic Goals / Objectives:

- 1) Financially sound City providing service excellence
- 3) Improve mobility and connectivity
- 4) Enhance life and safety for families
- 5) Economic development and revitalization

B. Effect on Budget (EOB): This project is already approved in the budget.

C. Level of Service (LOS):

With an increase in jurisdiction, various City Departments will see an increase in workload to provide the new residents and businesses with the services needed in terms of infrastructure, utilities, planning, permitting, licensing and recreation.

D. Legislative Sponsor:

III. CONCLUSION:

Adoption of a formal annexation policy will help the City evaluate and analyze all requests for annexation, as well as consider City initiated annexation of properties in a standardized and predictable process. It will also help City Staff better inform City Council of the effects and impacts to City services and land use vision. If City Council approves the adoption of a formal annexation policy, Staff further recommends the policy be formally incorporated into the **Comprehensive Plan** and **Land Development Code (LDC)**, through the current Land Development Code (LDC) Update project.

The following is a summary of the main Pros and Cons of Annexation.

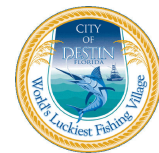
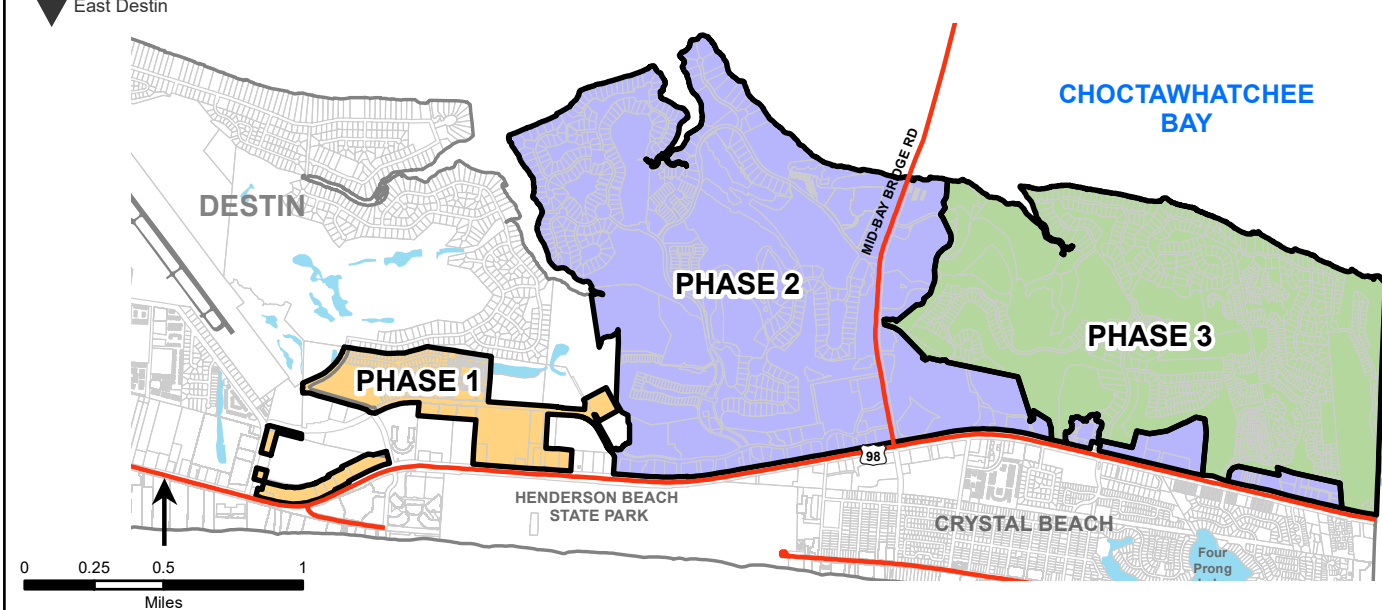
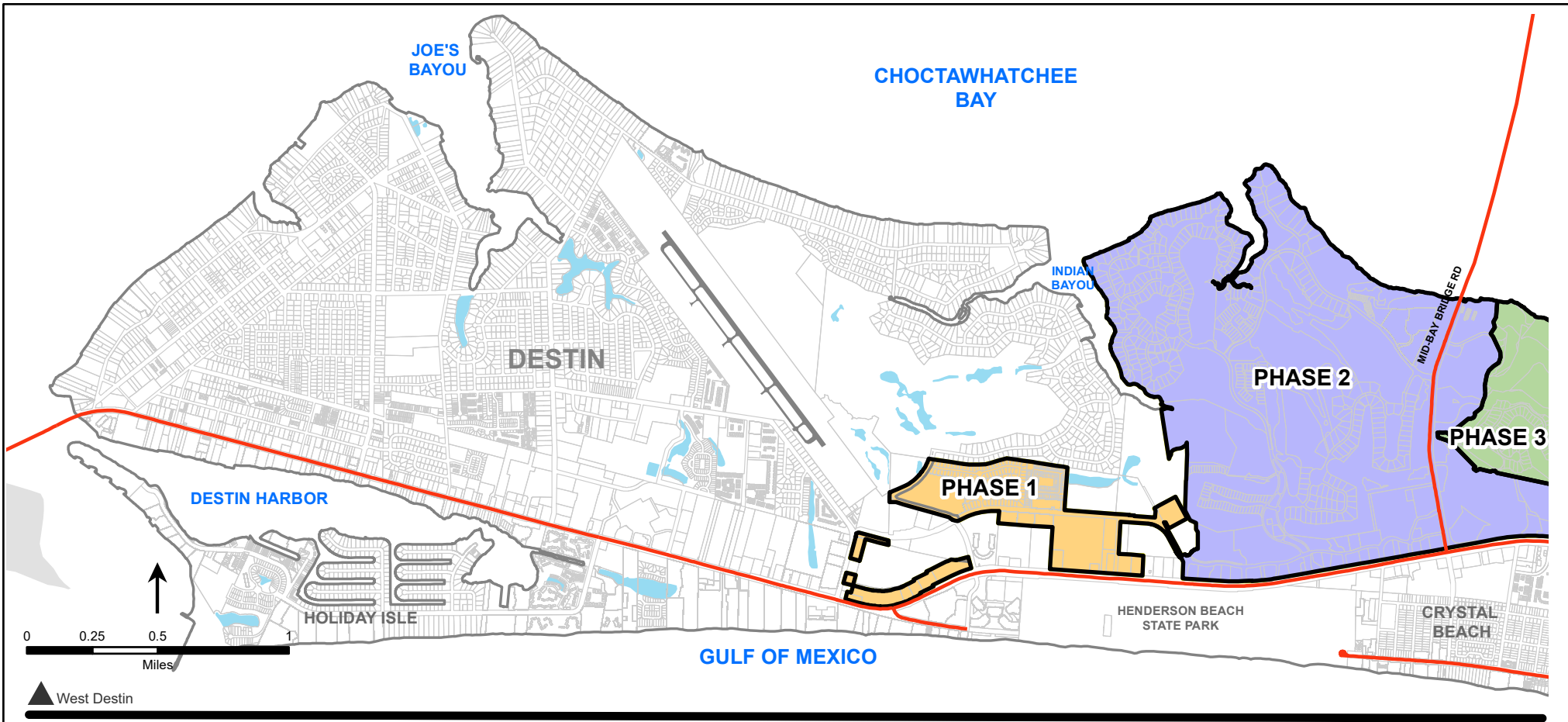
Annexation Pros	Annexation Cons
Management of land use & development (i.e., Zoning/uses, signage, building height)	Increased impact/costs to City Budget for current services (i.e., Library, Parks, etc.)
Increased tax base	Increased service area for road/stormwater infrastructure and costs to City budget
Lower cost of or access to enhanced services (i.e., solid waste, library, recreation, etc.)	Possibility of non-compatible/conforming land uses
Increased electorate base	
Less confusion for residents and visitors	

IV. RECOMMENDED MOTION:

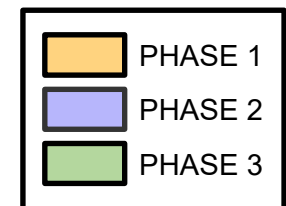
I move that the City Council direct the City Manager to prepare an Annexation Policy for council consideration.

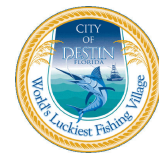
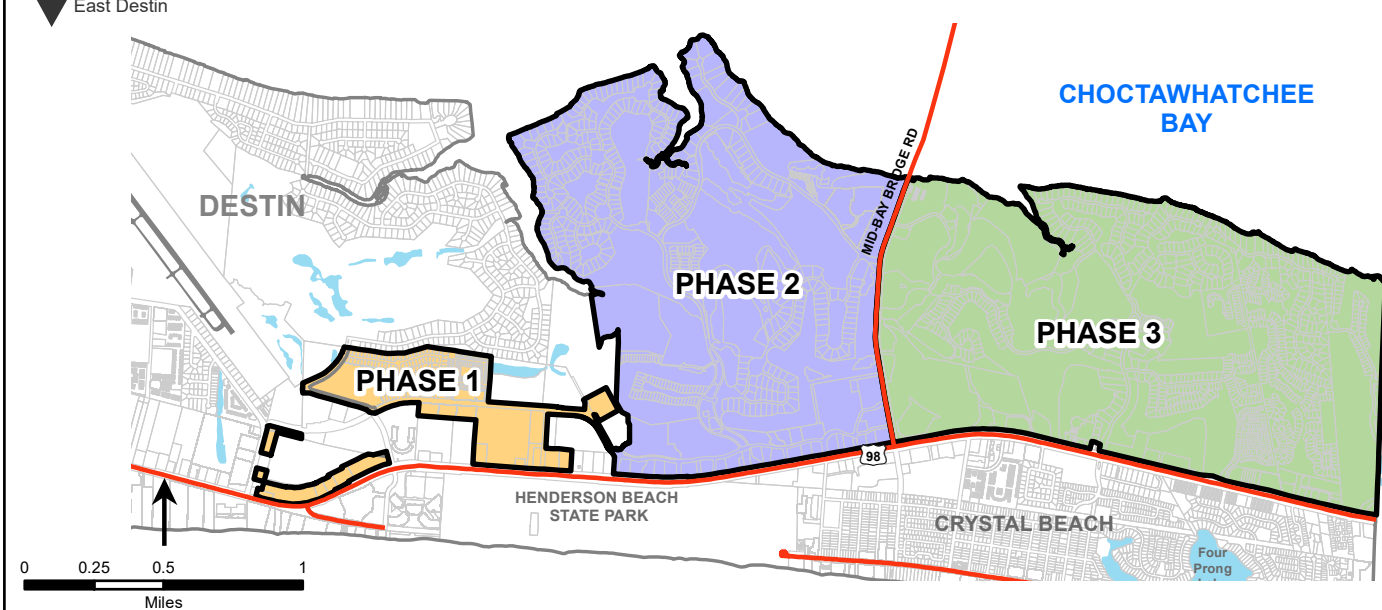
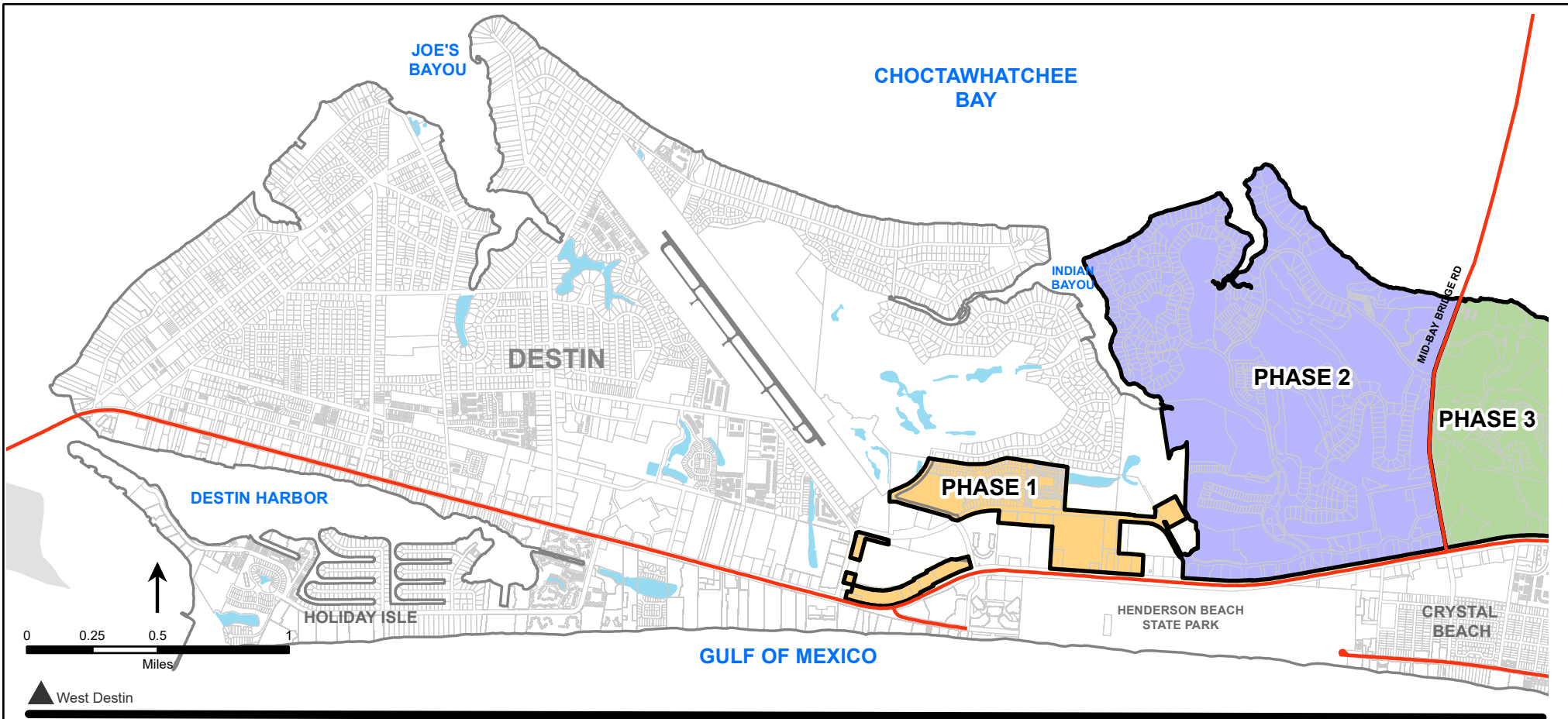
Attachments:

1. Economic
2. Geographic
3. LandUse
4. Formal Annexation Policy PP
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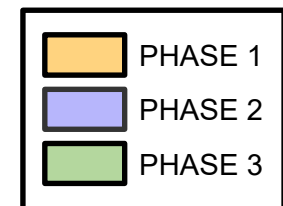


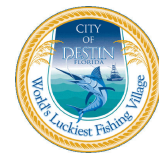
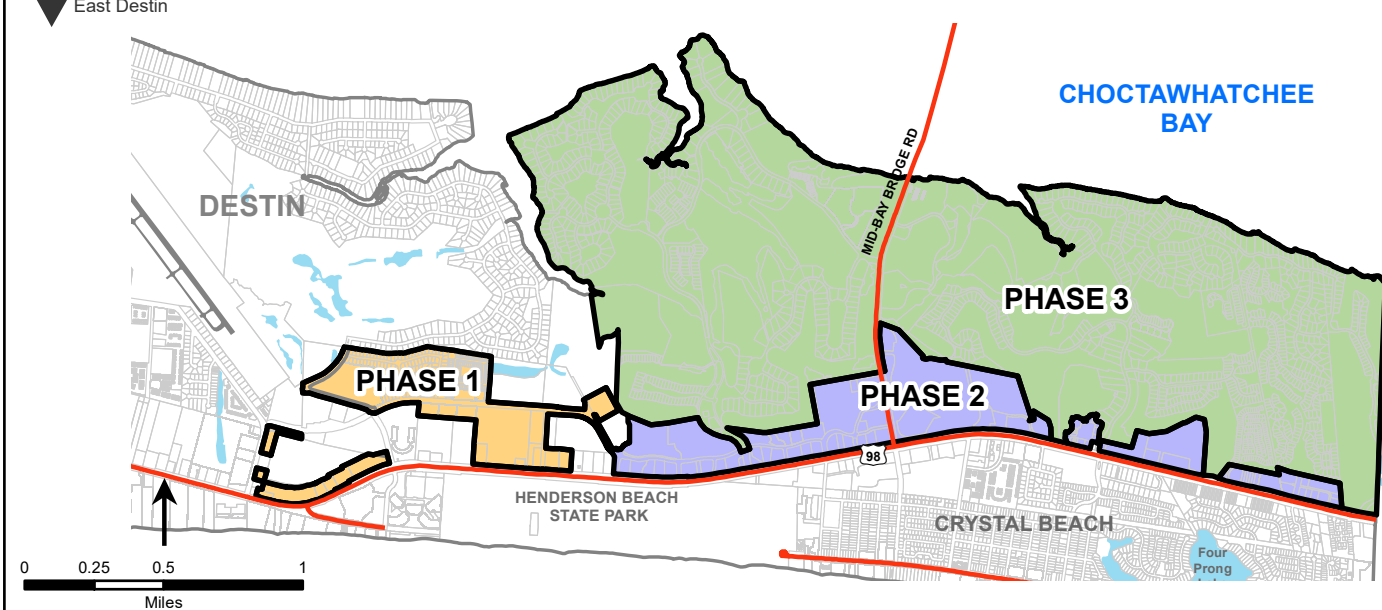
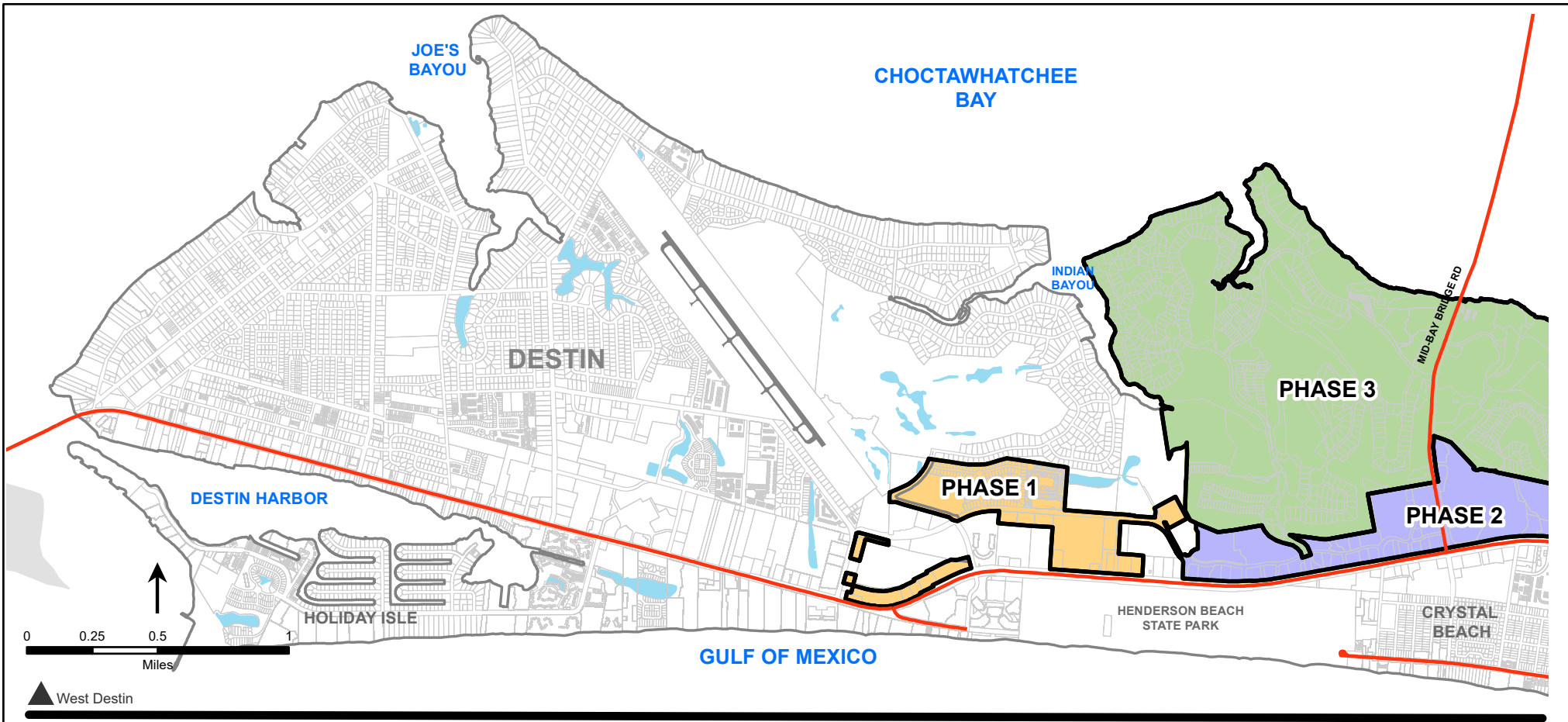
Proposed Annexation Plan of Unincorporated Properties ECONOMIC OPTION





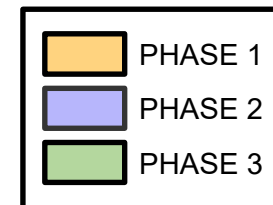
Proposed Annexation Plan of Unincorporated Properties GEOGRAPHIC OPTION





Proposed Annexation Plan of Unincorporated Properties

LAND USE OPTION



FORMAL ANNEXATION POLICY



Need For A Formal Annexation Policy

- To provide a clear and comprehensive vision of the City's goals regarding annexation.
 - To establish a policy and procedure for annexation application.
 - To establish criteria and standards to allow for an objective review of properties proposing annexation.
- 
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Two Types of Annexation Policies and Processes

1. City Initiated Annexation
2. Property Owner Initiated Annexation

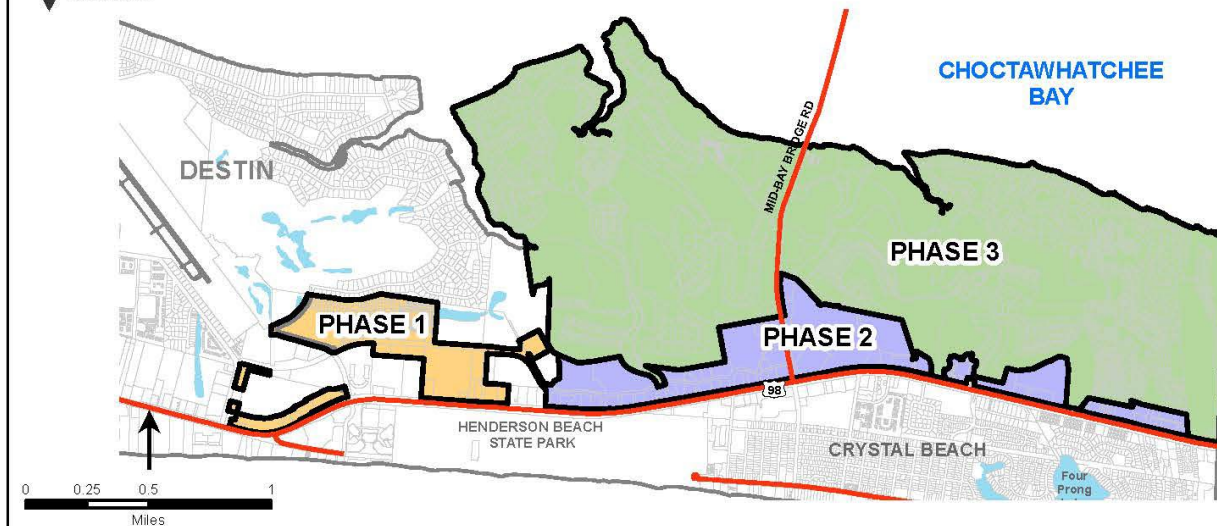
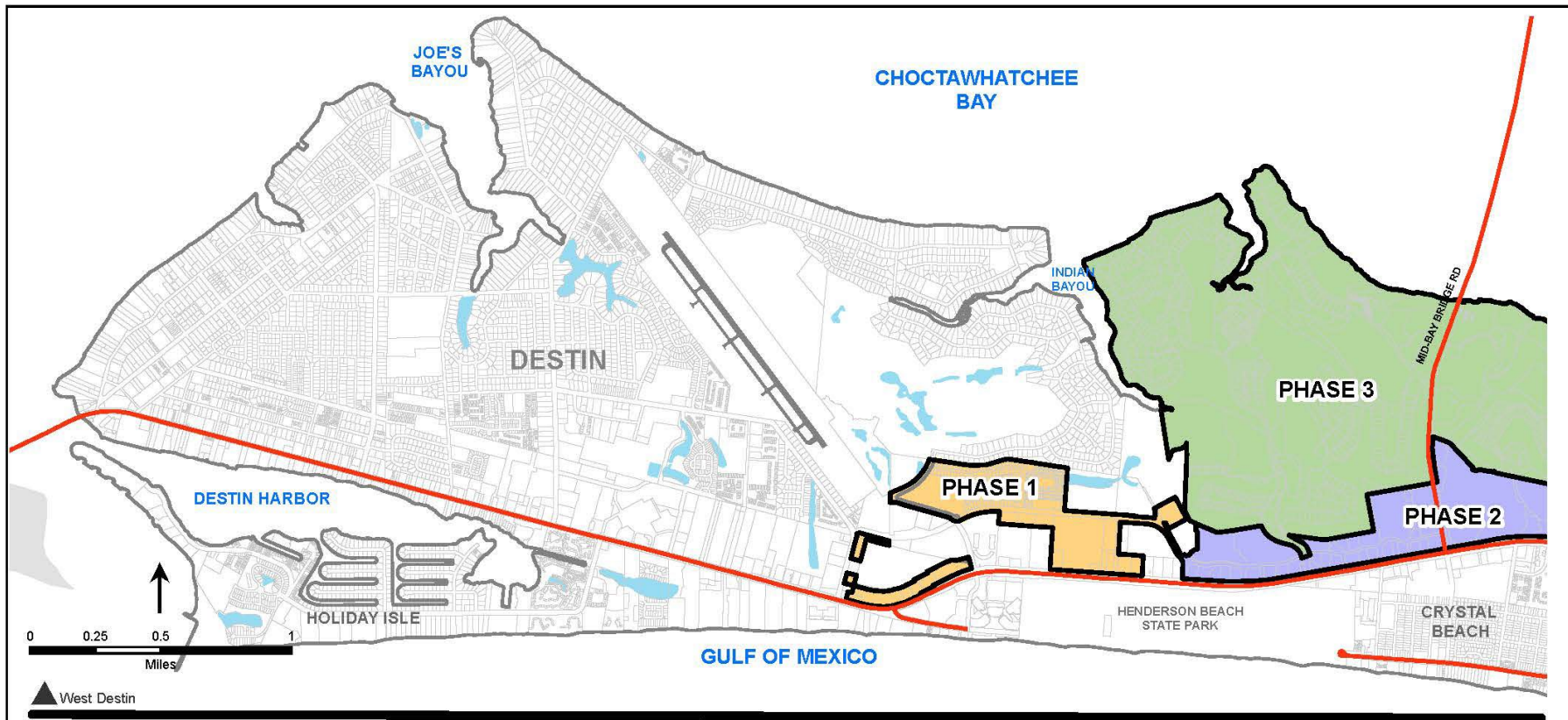
City Initiated Annexation

- For continuity of the City boundary (removal of enclaves)
 - **Elimination of Enclaves:** The easiest properties to consider for annexation are enclave properties; properties that are surrounded by the City limits. Currently, the City has several “enclaves” mostly concentrated along **Commons Drive and a few along Airport Road to Commons Drive**. Enclaves present the City with the opportunity to provide both continuity in its boundary and services, but also the economic benefits not currently realized. **Annexation of Enclaves is a Desirable Priority 1.7 for Council in FY 2022.**
- Economic Benefits
 - **Enhance the City Economic and Tax Base:** The City is currently impacted by the commercial development north of Emerald Coast Parkway from Triumph Drive to the Walton County Line. Due to the geographical nature of the City of Destin being a peninsula, the users of these commercial establishments impact City roads and infrastructure, and traffic overall, as users must utilize either Commons Drive or Emerald Coast Parkway (Highway 98), both of which are predominantly within City Limits. **However, the City does not benefit from the significant economic and tax base that these properties offer.**

City Initiated Annexation

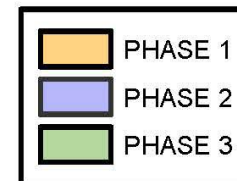
- Impacts of Services

- **Stormwater:** Annexation of the enclaves, commercial areas and residential areas would allow the City to work with the businesses and residents to find the best solutions to mitigate the stormwater challenges. The stormwater impacts from unincorporated properties are not limited to the enclaves, many of the unincorporated residential and commercial properties west of Danny Wuerffel Way (Highway 293) also impact the City's stormwater infrastructure. These stormwater impacts range from minimal to critical, and the City does not recoup any costs associated with the impacts.
- **Traffic:** All from unincorporated Okaloosa County, south of the Choctawhatchee Bay, will use either Commons Drive or Emerald Coast Pkwy (Highway 98) to travel east or west, within and through the City limits. Essentially the City is impacted by users of these properties, without recouping any of the costs associated from these impacts.



Proposed Annexation Plan of Unincorporated Properties

LAND USE OPTION



Property Owner Initiated Annexation

Issues for consideration:

- Future Land Use Designation
- Zoning Designation
- Compatibility/Conformity to current standards
- Are services available without a negative impact on budgets.

Pros and Cons of Annexation

Annexation Pros	Annexation Cons
Management of land use & development (i.e., Zoning/uses, signage, building height)	Increased impact/costs to City Budget for current services (i.e., Library, Parks, etc.)
Increased tax base	Increased service area for road/stormwater infrastructure and costs to City budget
Lower cost of or access to enhanced services (i.e., solid waste, library, recreation, etc.)	Possibility of non-compatible/conforming land uses
Increased electorate base	
Less confusion for residents and visitors	

Conclusion

- Annexation policy will help the City evaluate and analyze all requests for annexation.
- Annexation policy will help City Staff better inform City Council of the effects and impacts to City services and land use vision.
- The Annexation policy should be formally incorporated into the **Comprehensive Plan** and **Land Development Code (LDC)**, through the current Land Development Code (LDC) Update project.

Questions



CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022**TYPE OF AGENDA ITEM:** Presentation**AGENDA OUTLINE NUMBER:** 4.C.**TO:** City Council**THRU:** Lance Johnson, City Manager**FROM:** Louis Zunguze, Community Development Director
Kimberly Kopp, Land Use Attorney**DATE:** August 5, 2022**SUBJECT:** Mobility Plan Update**I. BACKGROUND:**

At the City Council Meeting on March 1, 2021, the motion to replace transportation concurrency (MMTD) with a Mobility Fee-Based Plan passed 7-0.

II. DISCUSSION: The Community Development Department is continuing work on the Mobility Plan to address transportation needs through 2050. The overall goal of the Plan is to compile a comprehensive list of projects the City can undertake and fund with Mobility Fees and other sources of funding. After completing an assessment of existing conditions, issues and potential needs, the process is moving on to identify projects to include in the plan.

The purpose of this Agenda Item is to brief City Council on the status of the process and introduce the list of transportation projects that are being recommended for the Mobility Plan. The following **projects, categories of projects, and policy priorities** have already been identified based on the existing conditions assessment, review of City plans and previously identified project priorities, and stakeholder feedback received on the Plan.

1. Continuous multimodal facilities and a cohesive design strategy for the Cross Town Connector from US Highway 98 and Stahlman Avenue to Commons Drive and Indian Bayou Trail. (Including pedestrian safety enhancements at the US 98/Stahlman Ave. intersection)

2. Intersection improvements that address safety and connectivity, which currently include 13 intersections of local and collector roads.

3. US Highway 98 strategy west of Airport Road includes priorities the City of Destin can emphasize in its coordination with the Florida Department of

Transportation (FDOT) during the ongoing PD&E Study.

4. Gulf Shore Drive reconfiguration to convert the four travel lanes to two travel lanes to reduce speed, improve safety, better accommodate all modes of transportation, and create a pleasing gateway into the neighborhood.
5. Small project initiatives on local streets that create new connections and improve traffic flow.
6. Main Street streetscape improvements on the section south of Airport Road to include multimodal facilities, lighting, landscape, and signage.
7. Coordinated transit and park and ride strategy that incorporates transit strategy from the Transit Development Plan.
8. Parking strategy for Harbor District that details improvements to existing City-owned parking lots.
9. Gulf Power Linear Park and Trail implementation plan that stages sections based on opportunities and some of the constraints related to right-of-way.
10. Emphasizing the need for sidewalks on both sides of the street for City-initiated roadway and sidewalk gap infill projects.
11. Coordinate street requirements, capacity improvements, and Mobility Plan projects with new development and the Mobility Fee that is being developed.

A. Link to Strategic Goals / Objectives:

3. Improve mobility and connectivity
4. Enhanced quality of life and safety for families
6. Effective, efficient, and aesthetically pleasing infrastructure

B. Effect on Budget (EOB): This project is already approved in the budget.

C. Level of Service (LOS): Improved Level of Service

D. Legislative Sponsor:

III. CONCLUSION: Staff is seeking feedback from City Council on this list of projects. The presentation highlights some early decisions and commitments that need to be made to shape the **projects, categories of projects, and policy priorities.**

IV. RECOMMENDED MOTION: Informational and feedback from City Council

Attachments:

1. MobilityPlanUpdate 08.15.22

The background image shows a street intersection with a blue overlay. A street sign for "Emerald Coast 34800 Pkwy" is visible. Several cars are parked or moving in the intersection. The sky is cloudy.

City of Destin Mobility Plan

City Council Briefing

August 2022

Agenda

- Project status
- Public Feedback on Mobility Plan topics
- Major projects
- Intersection and small network improvements
- Other project and policy initiatives
- Next Steps

Overall Mobility Plan Goal

Compile a comprehensive list of projects the City can undertake and fund with mobility fees and other sources of funding.

Current Status



Completed

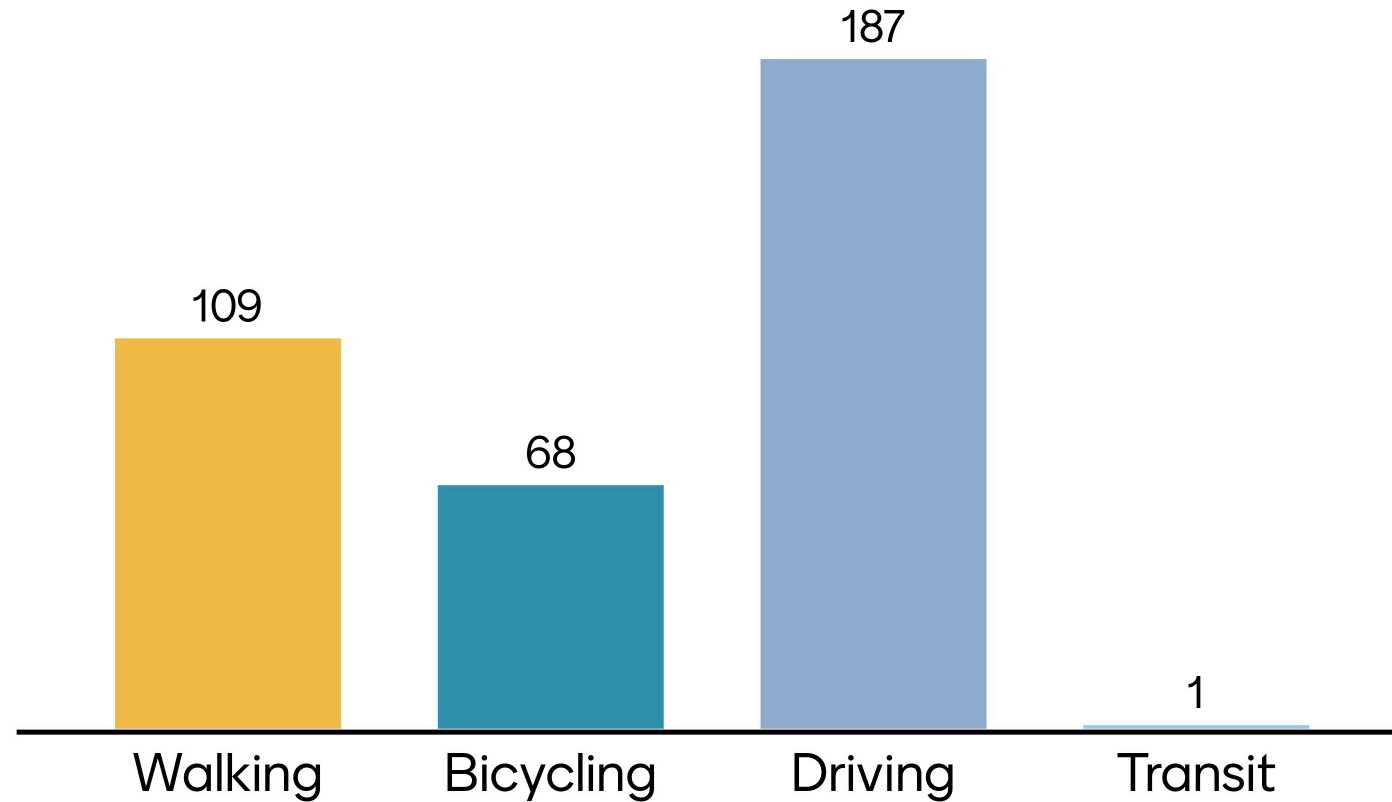
- Needs assessment and trends and conditions analysis
- Initial feedback on transportation issues and needs
- Identified primary roadway projects and intersection improvements

In Progress

- Mobility Plan and Fee Study documentation
- Evaluating and vetting projects



What modes of transportation do you use to get around Destin (not including exercise)?

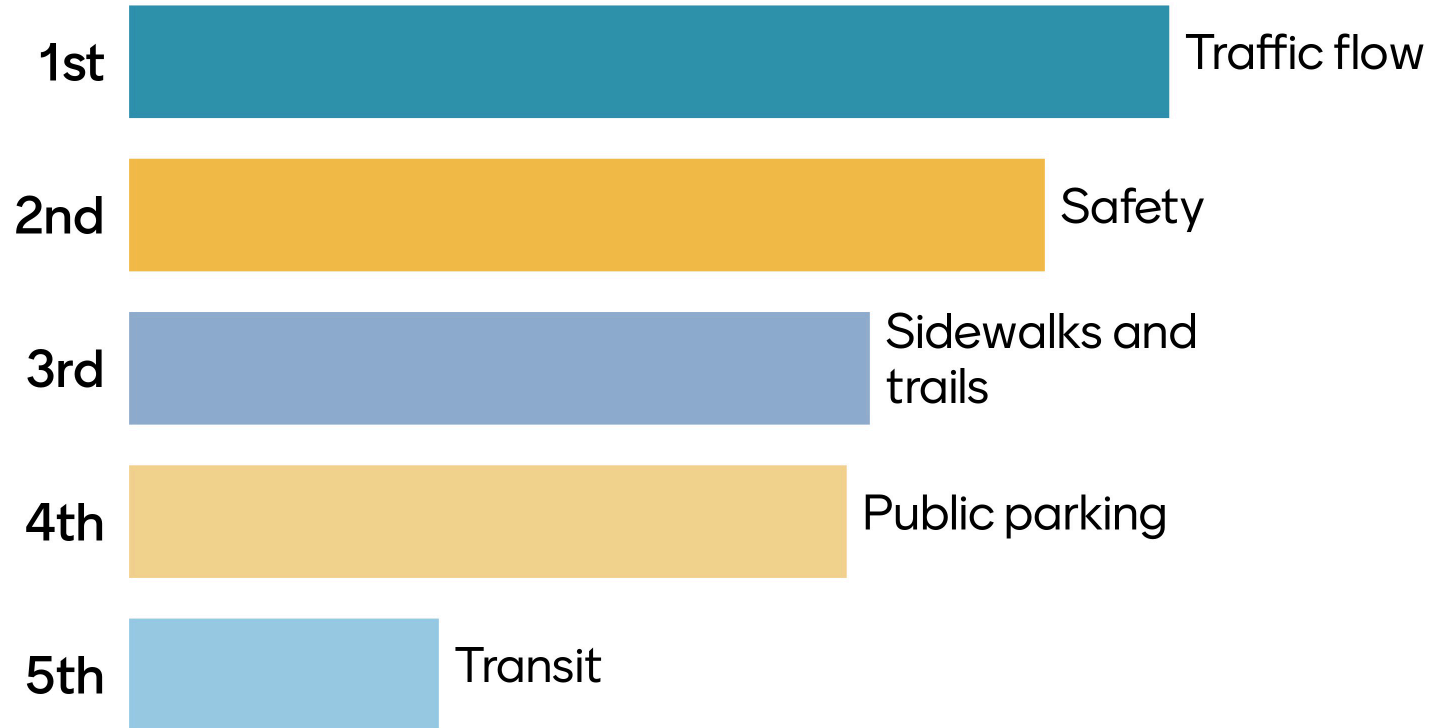


QUALITY OF LIFE



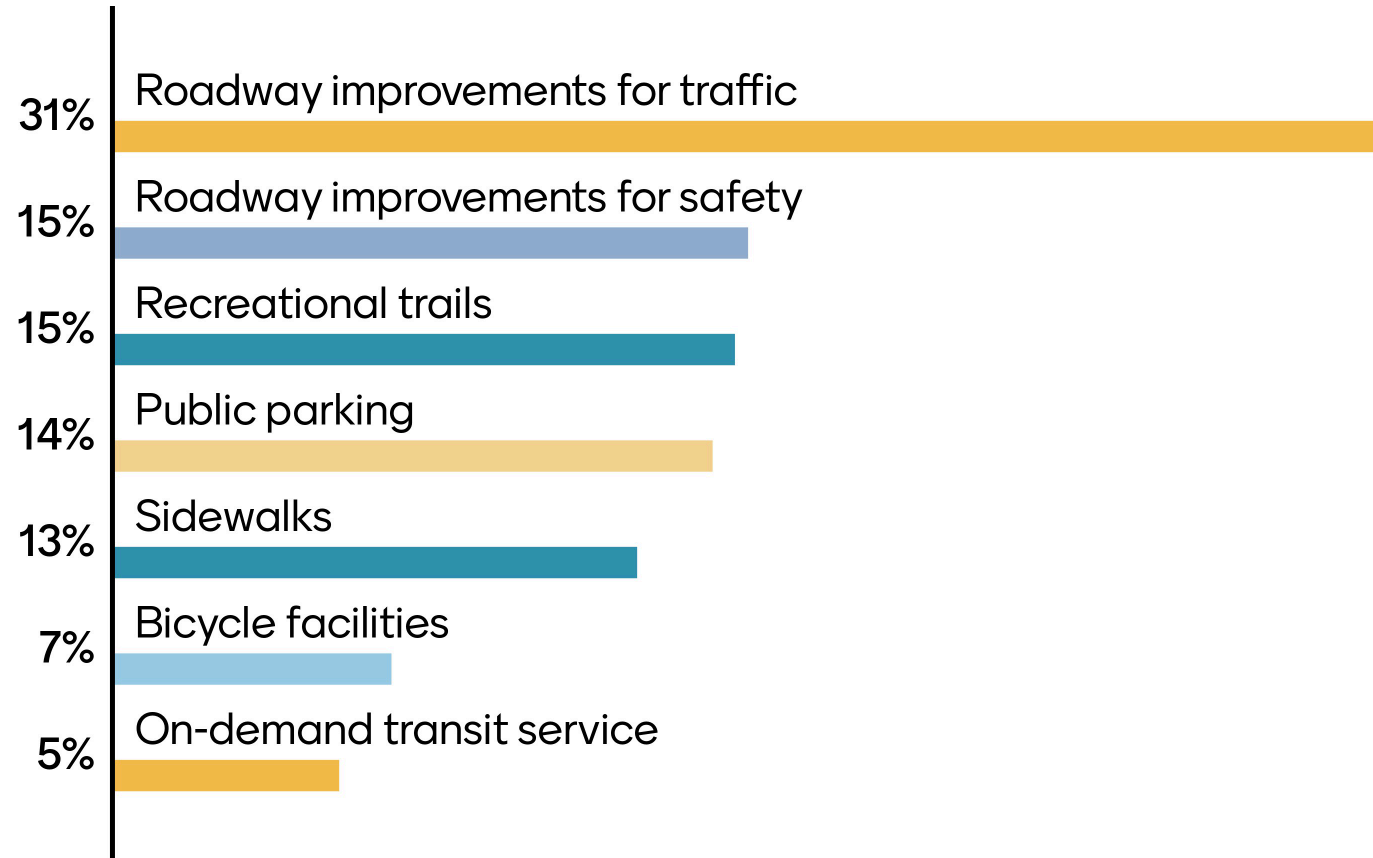


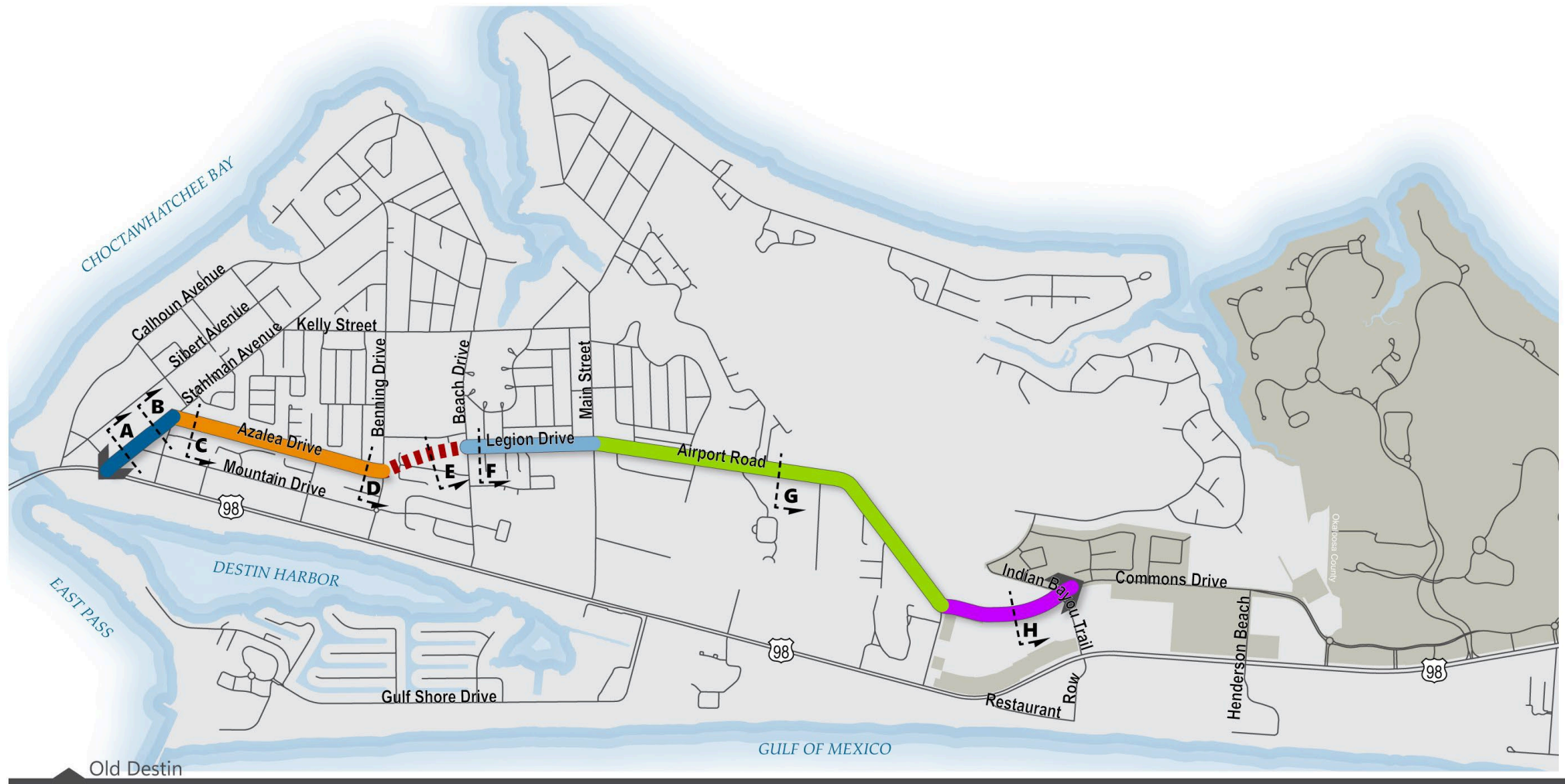
Rank the following transportation emphasis areas in order of importance to you





If you had \$100, what percentage would you spend on the following?



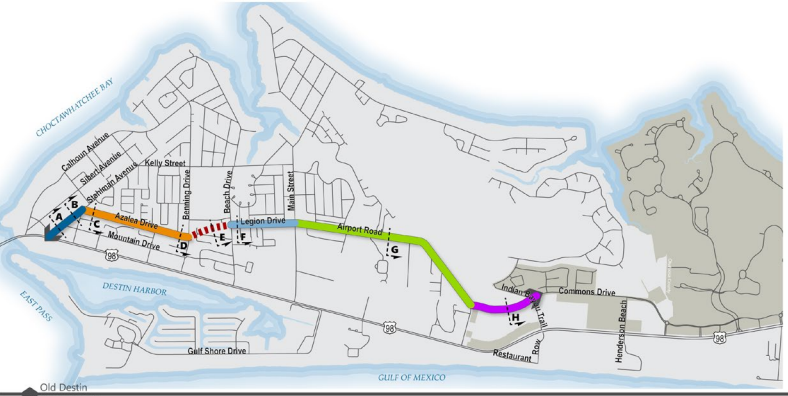


MOBILITY PLAN | Cross Town Connector

- | | |
|--|---|
|  Stahlman Avenue |  Legion Drive |
|  Azalea Drive |  Airport Road |
|  Azalea Drive Extension |  Commons Drive |

 Section A





Crosstown Connector Sections

A Stahlman Avenue north of Zerbe Street

B Stahlman Avenue north of Mountain Drive

C Azalea Drive east of Stahlman Avenue

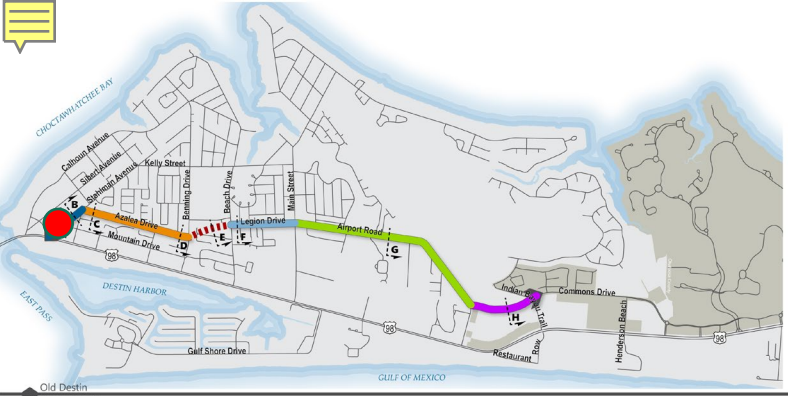
D Azalea Drive west of Benning Drive

E Azalea Drive Extension east of Benning Drive

F Legion Drive west of Benning Drive

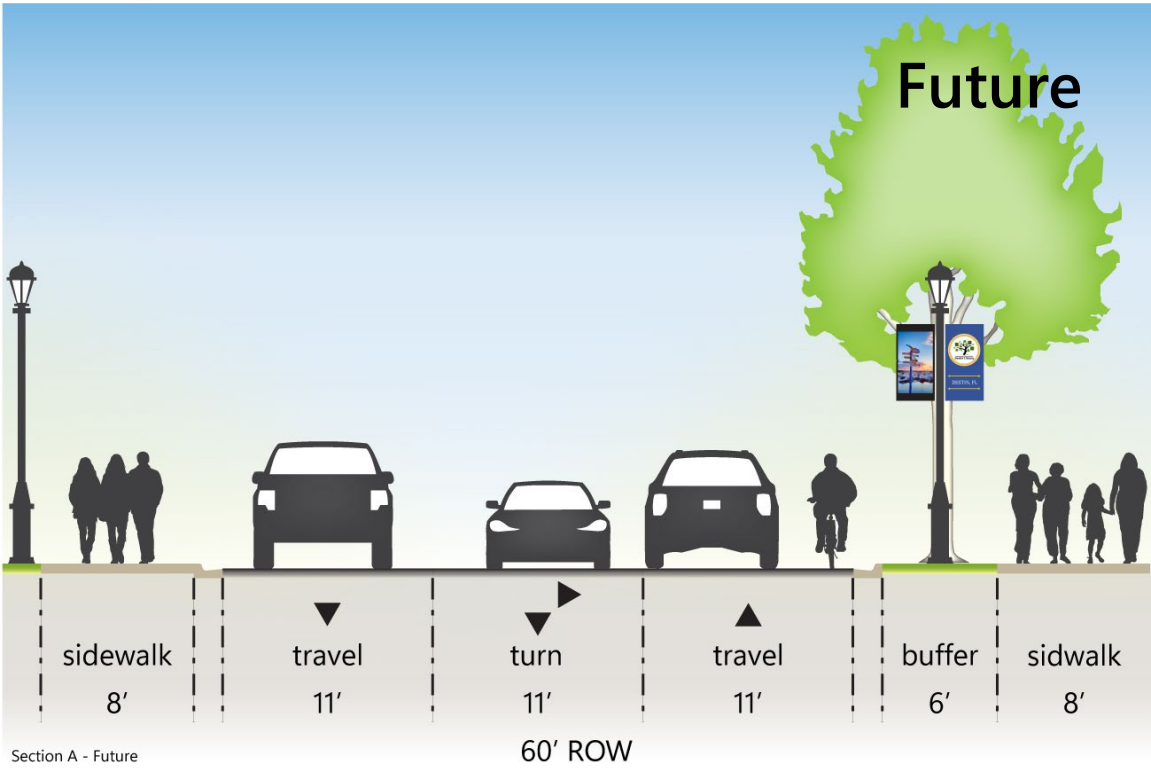
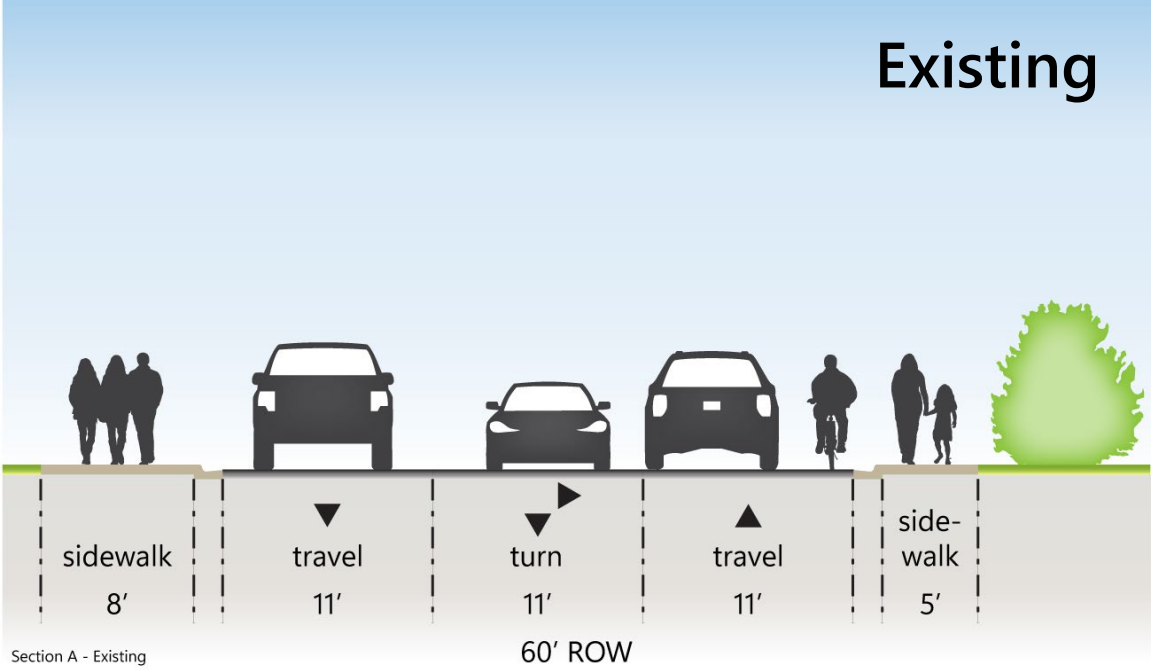
G Airport Road east of Main Street

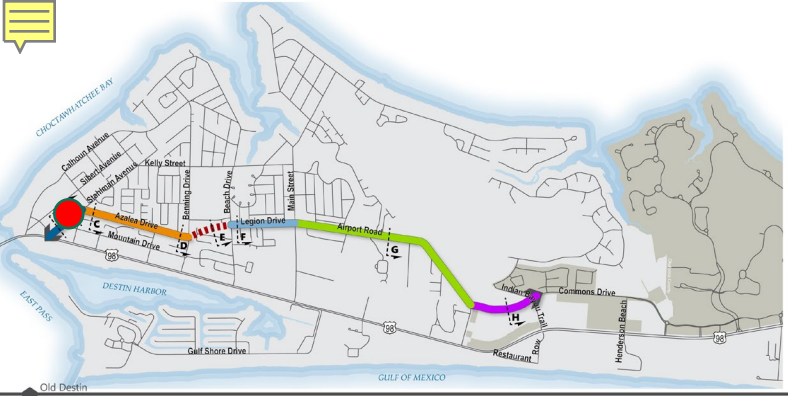
H Commons Drive east of Airport Road



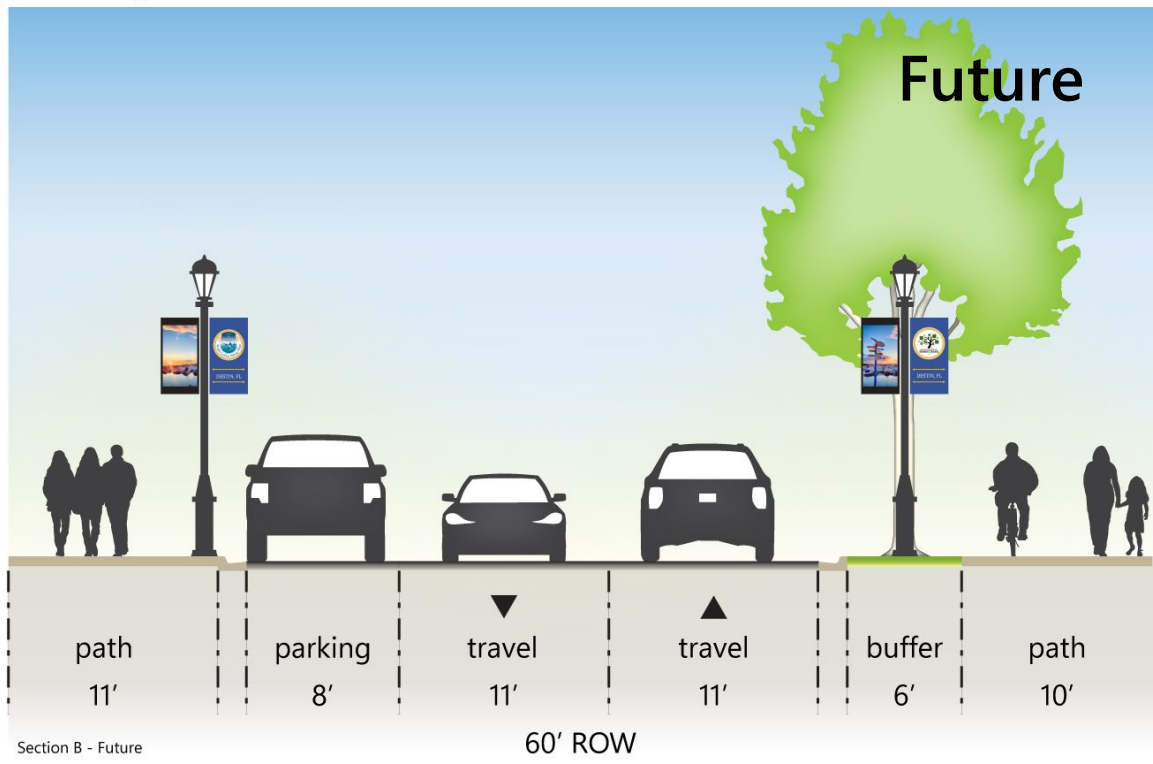
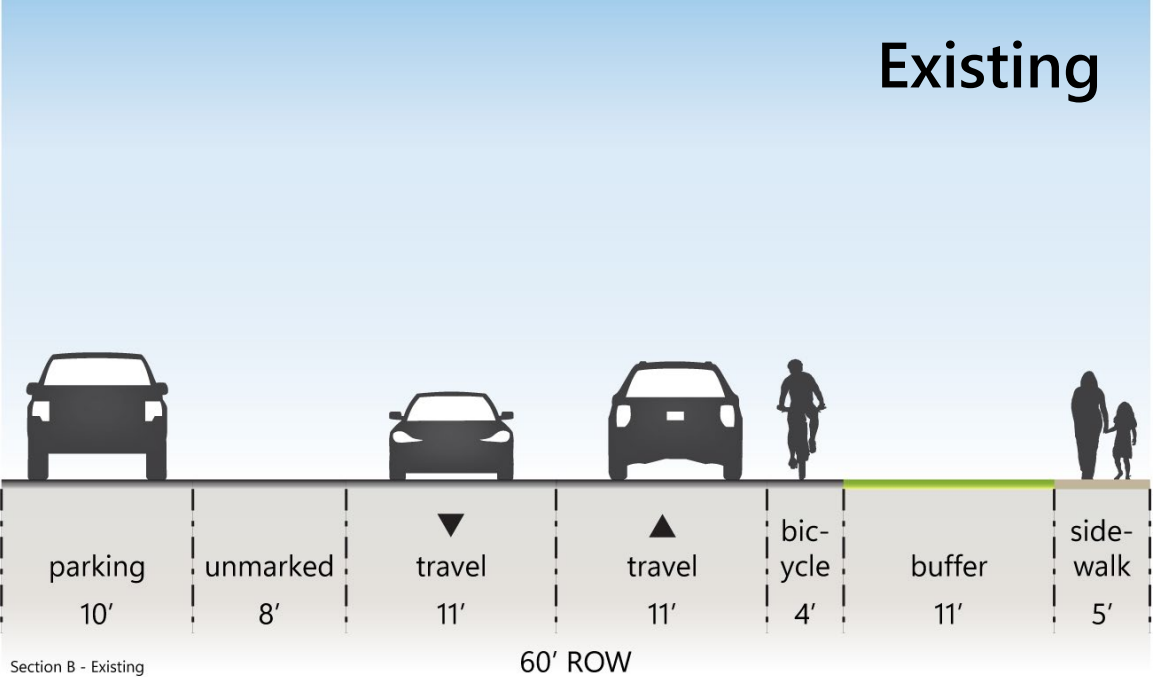
Stahlman Avenue north of Zerbe Street

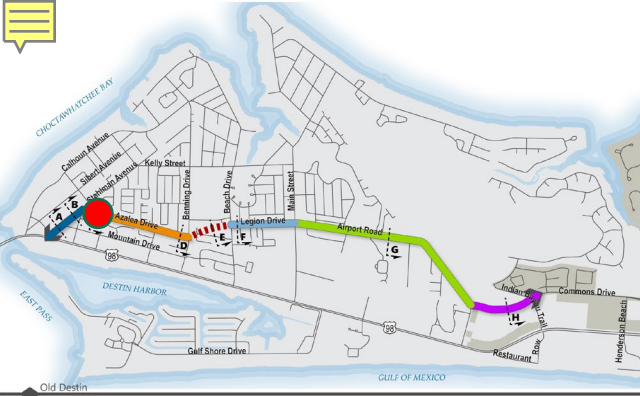
Section A





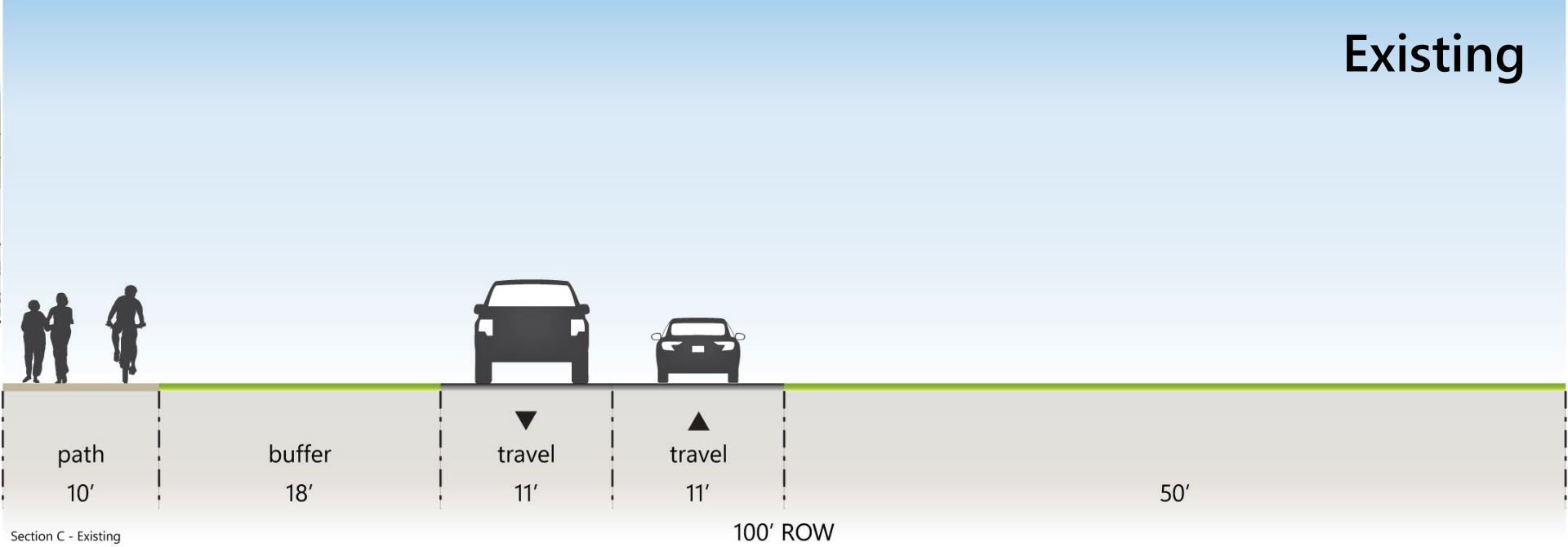
Stahlman Avenue north of Mountain Drive Section B



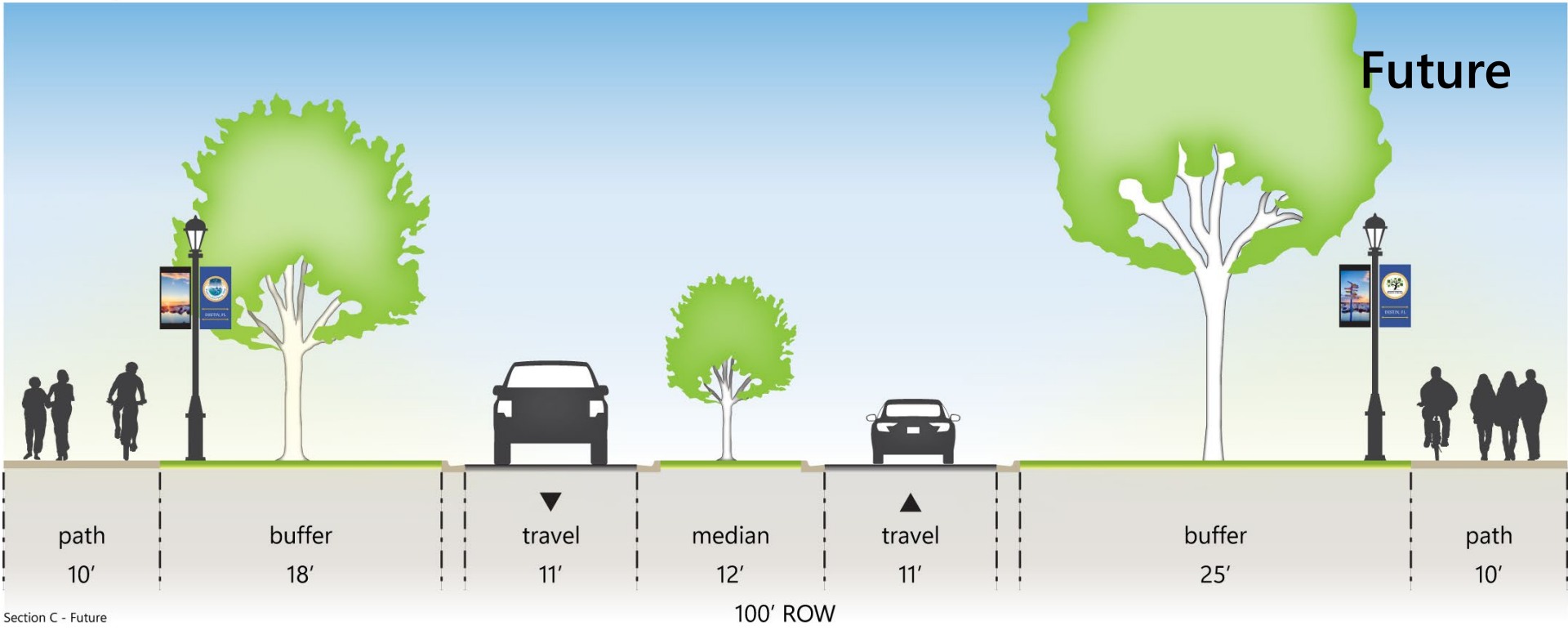


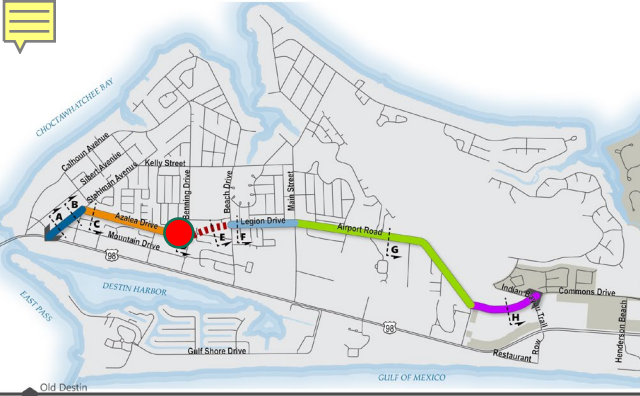
Azalea Drive east of Stahlman Avenue Section C

Existing

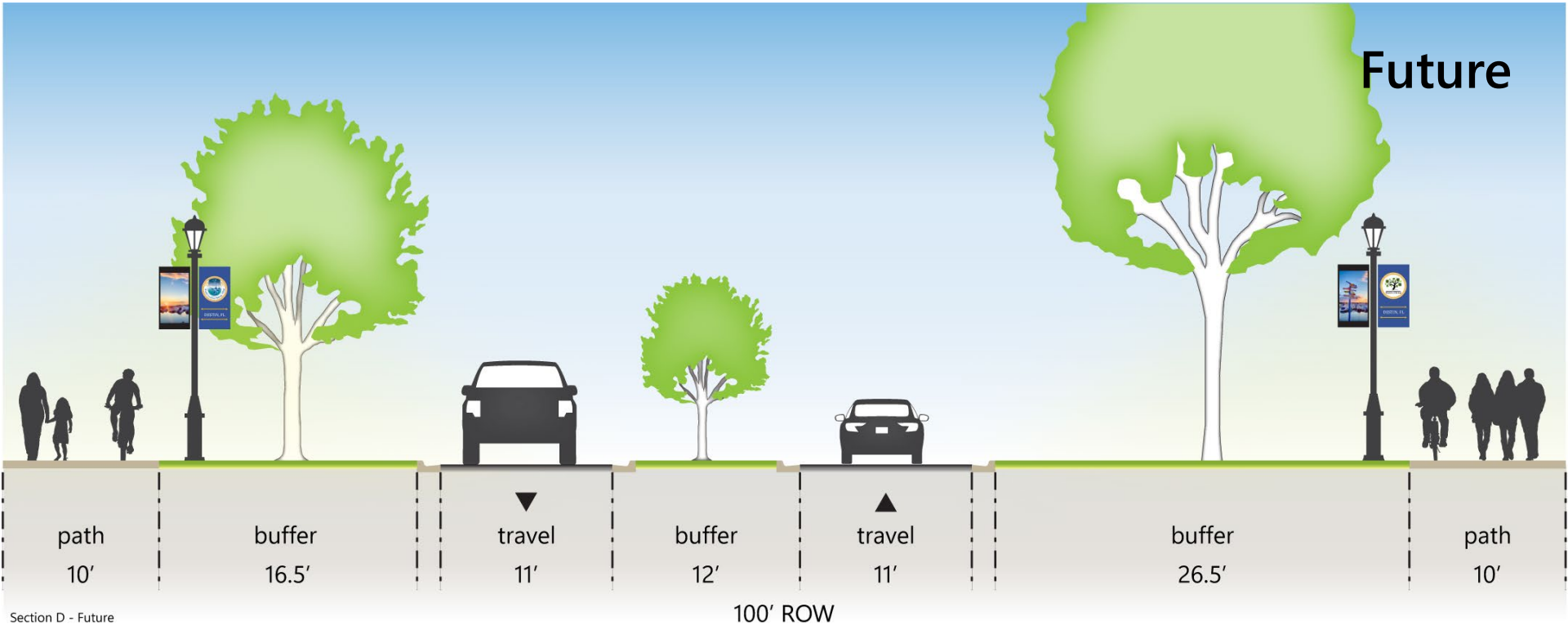
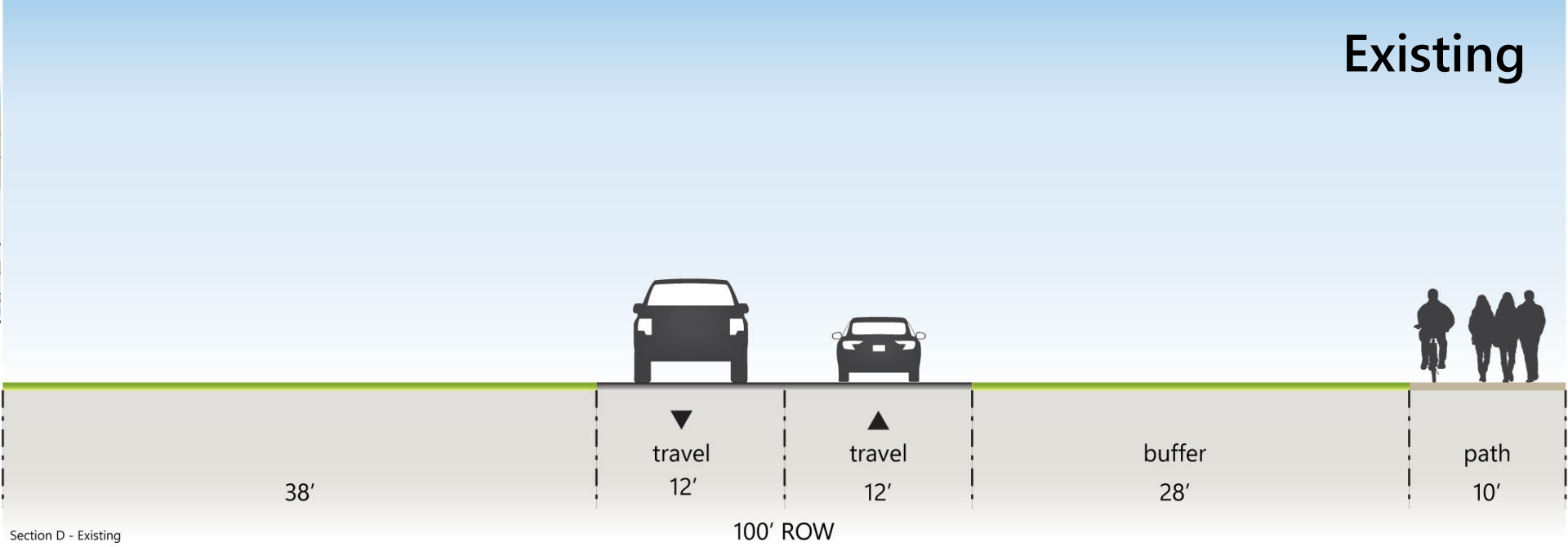


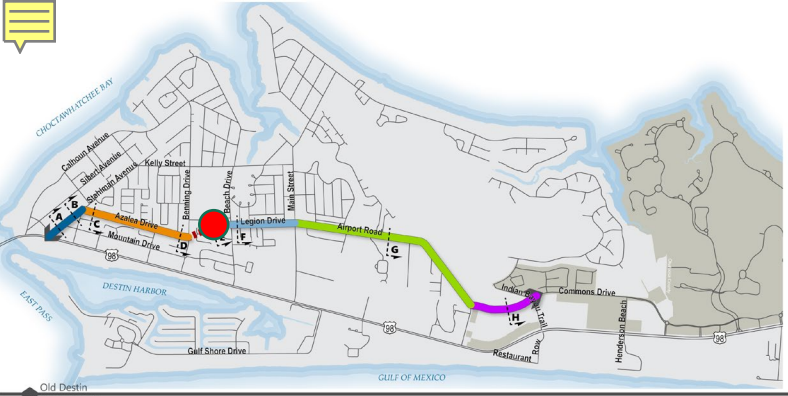
Future



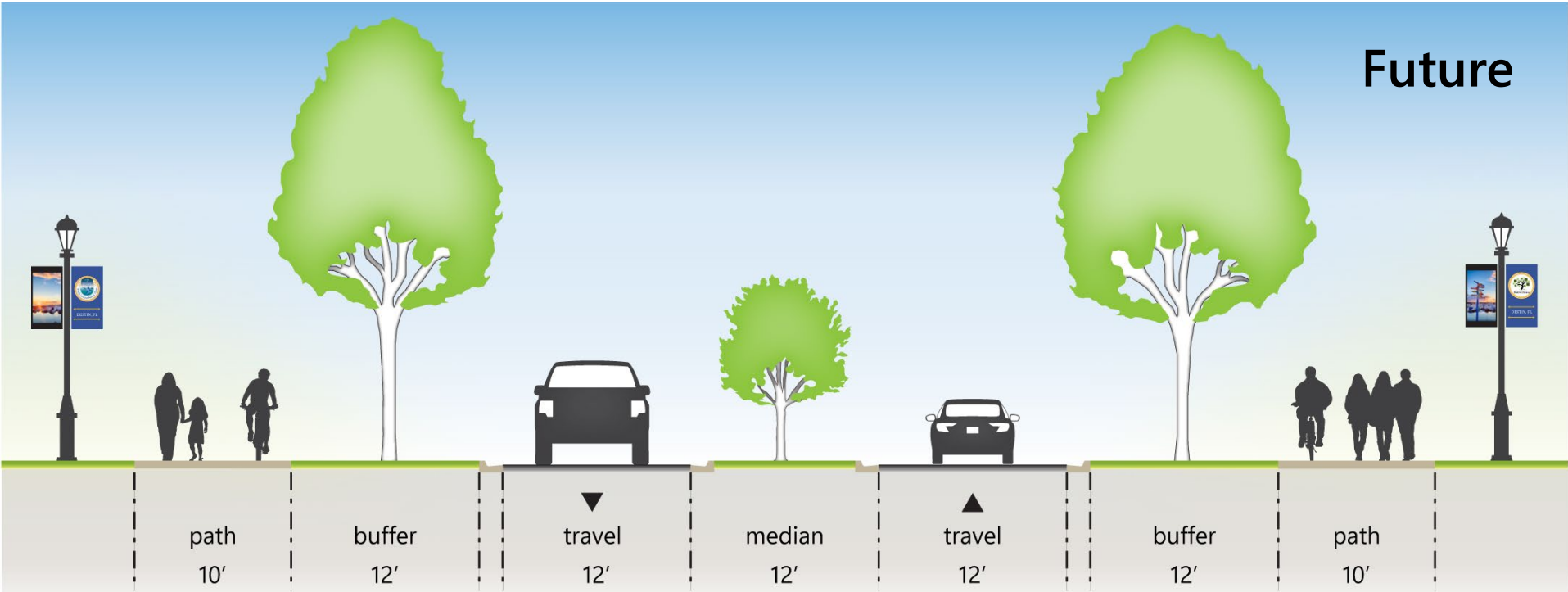


Azalea Drive west of Benning Drive Section D





Azalea Drive Extension east of Benning Drive Section E

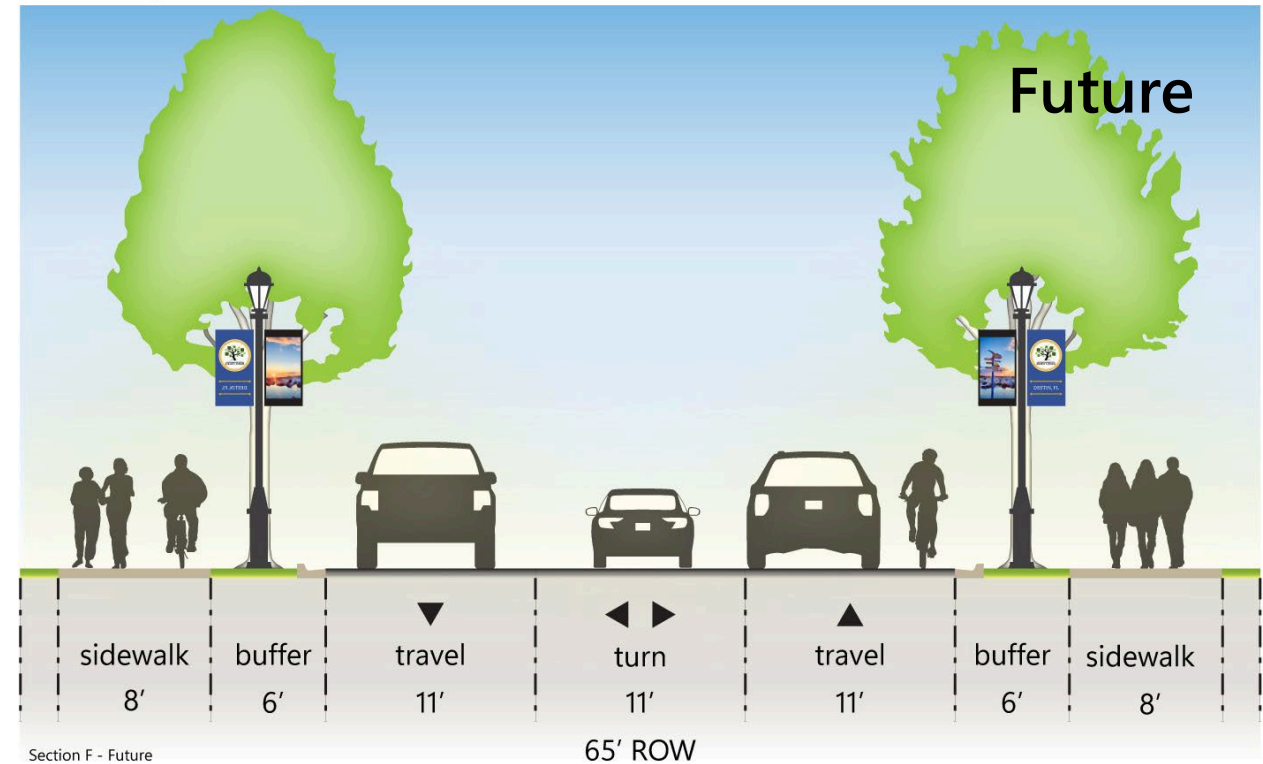
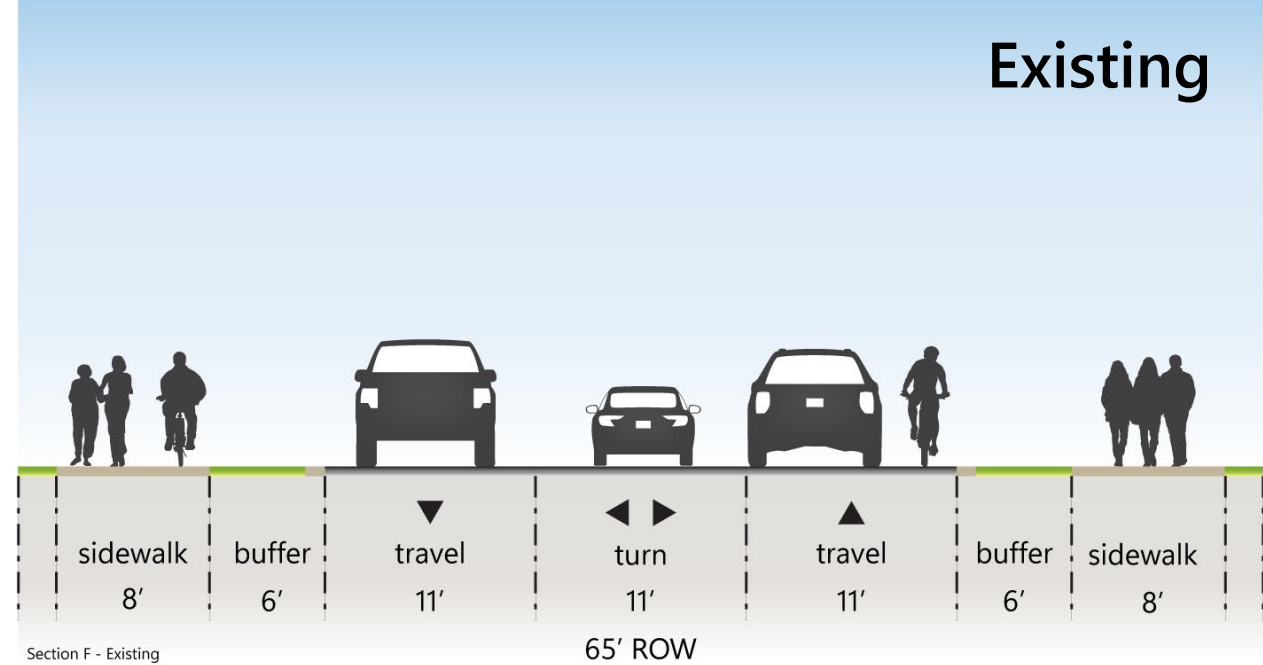


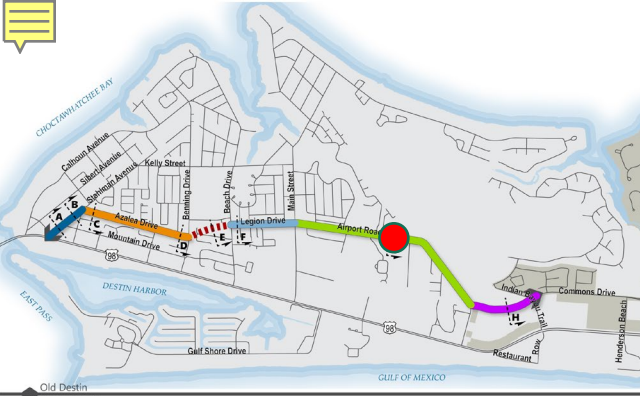
Section E - Future

ROW varies



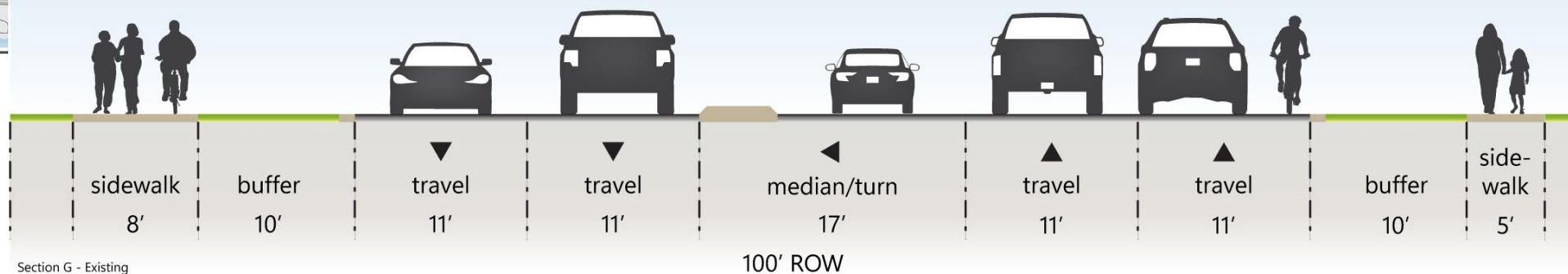
Legion Drive west of Benning Drive Section F



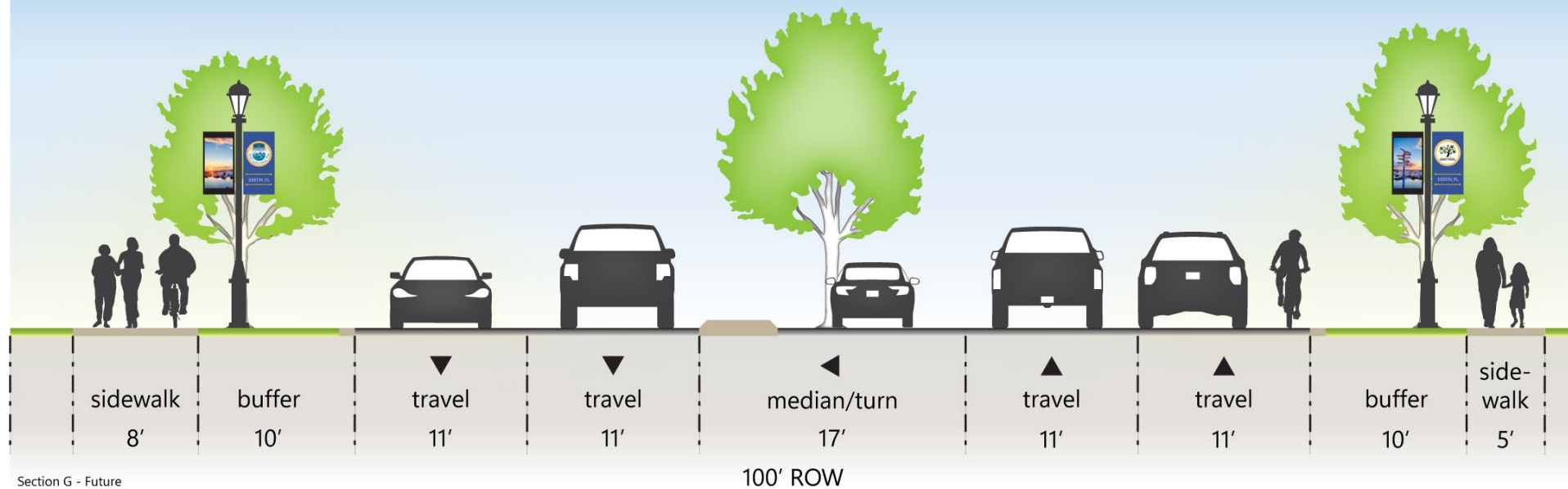


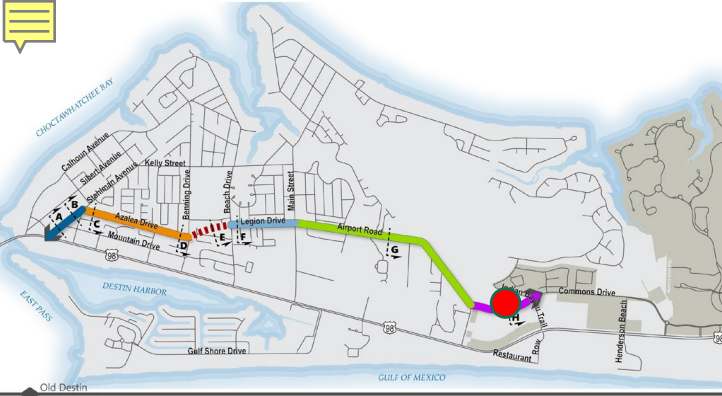
Airport Road east of Main Street Section G

Existing

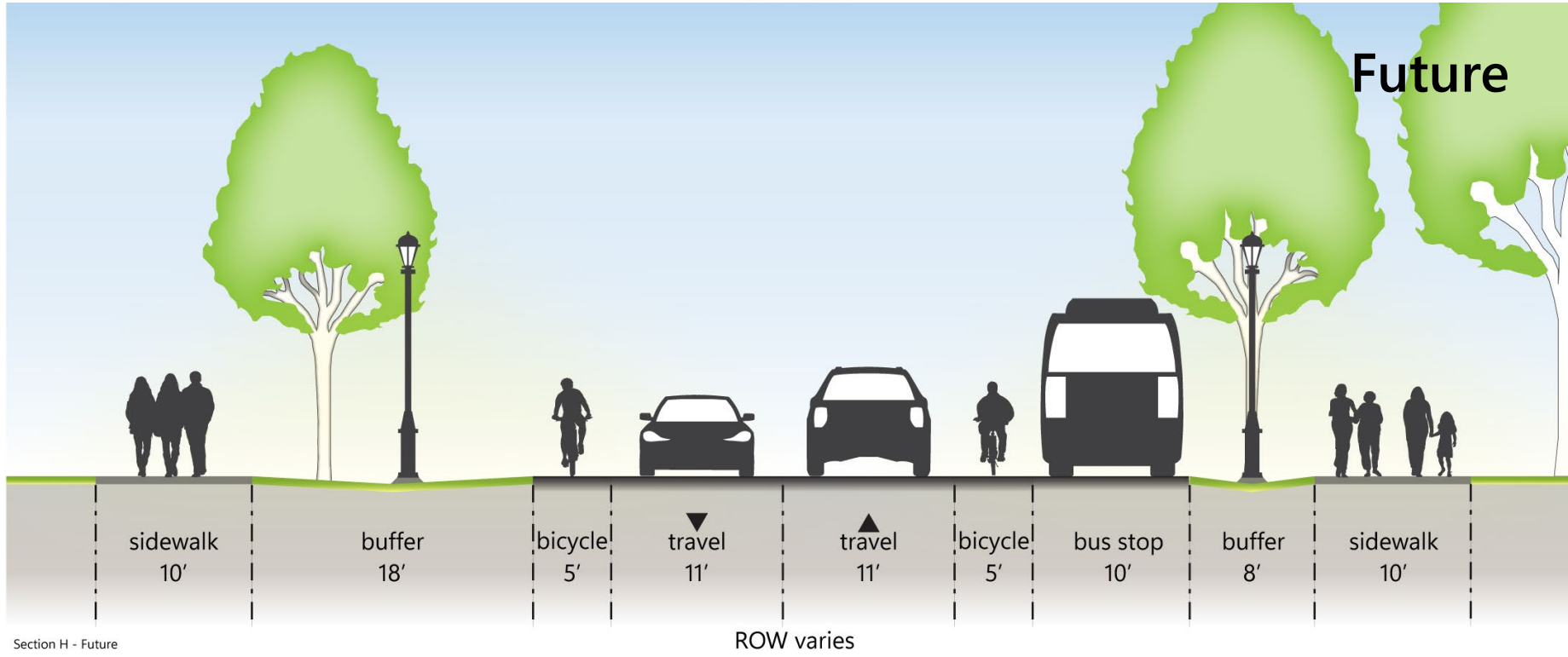
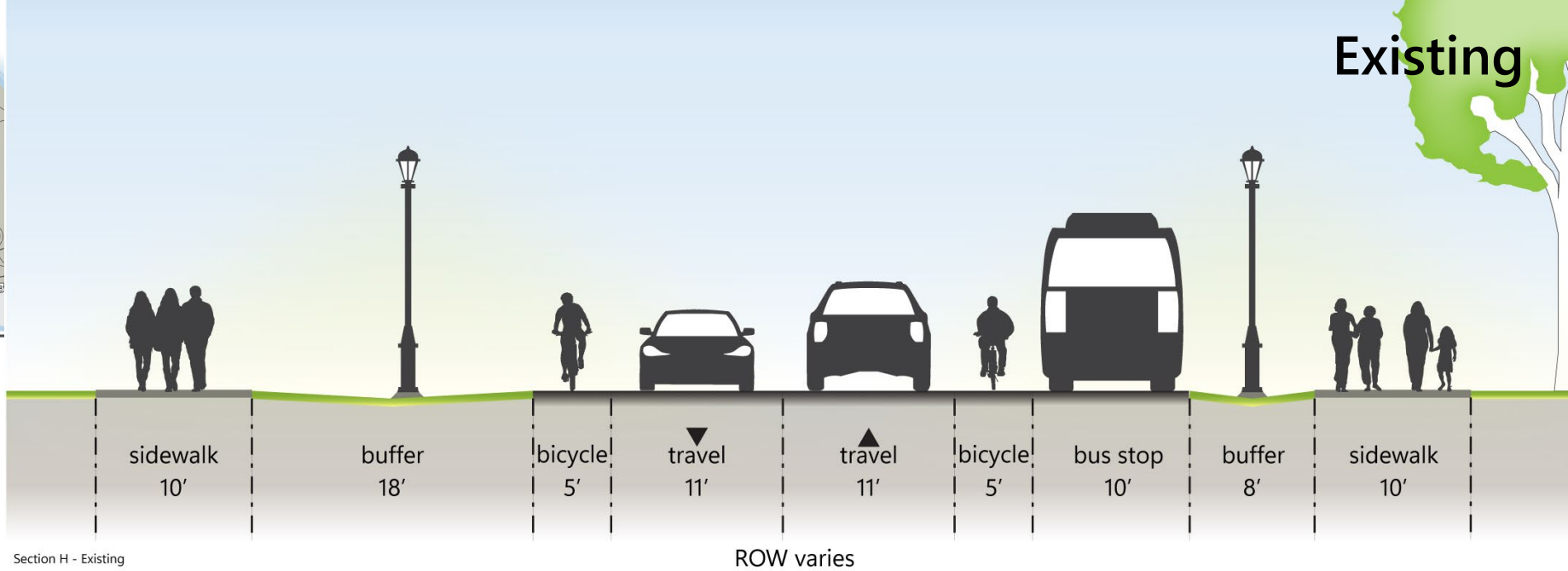


Future





Commons Drive east of Airport Road Section H

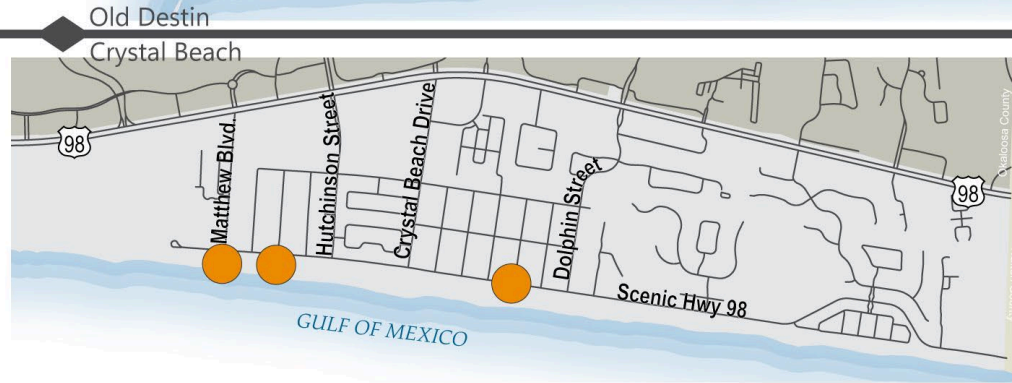
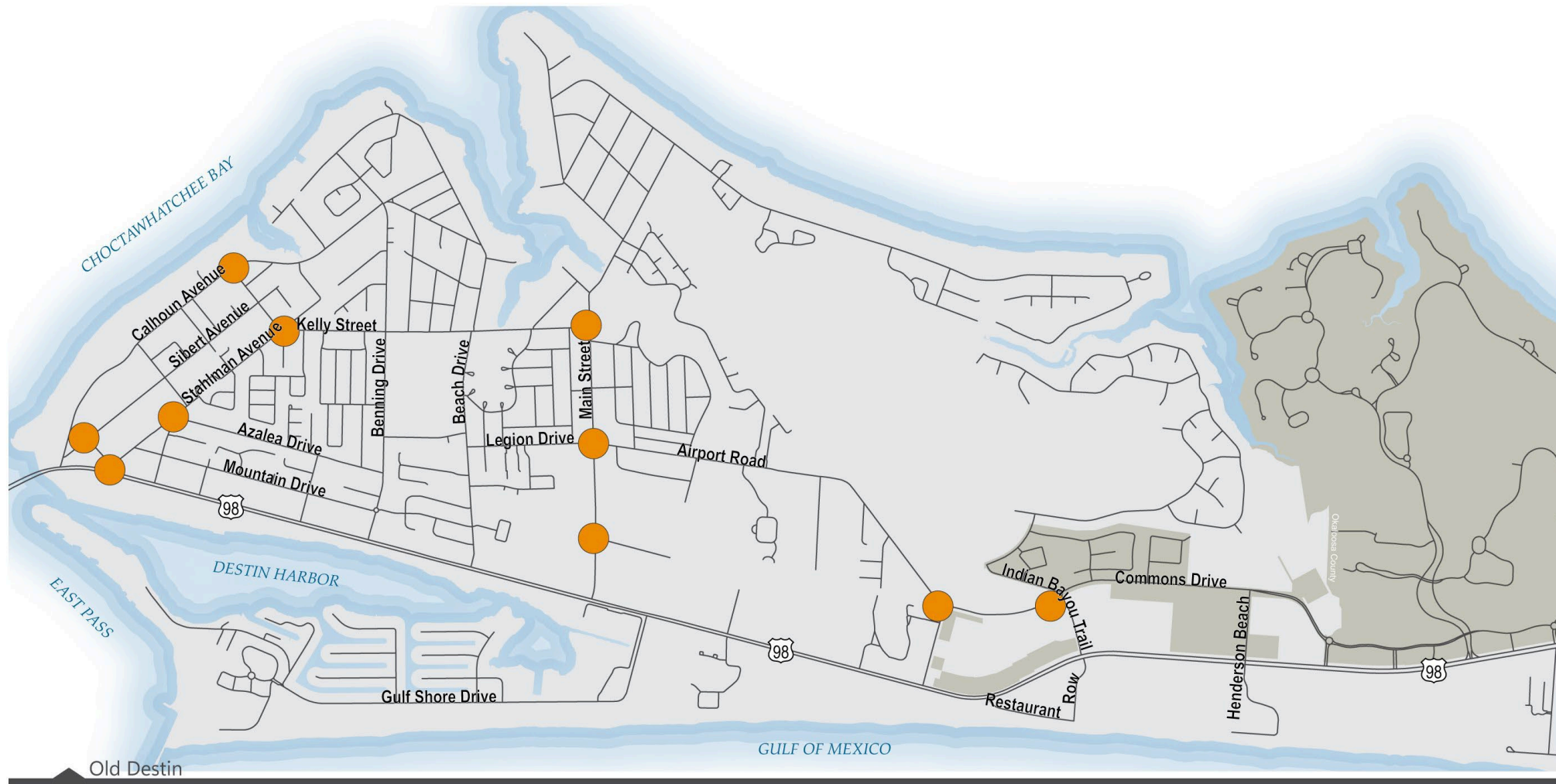


US 98 West of Airport Road

- Coordination issues with FDOT during current PD&E study
 - Status of Marler Bridge replacement
 - Operational improvements at intersections (US 98 and Stahlman Avenue)
 - Pedestrian pathway under the bridge
 - Intersection design – safety for all users
 - Ultimate design condition back of curb for sidewalks and buffer zone
 - Utilities relocation
 - Lighting and landscape
 - Location of transit stops and transit operations
 - Wayfinding

Gulf Shore Drive

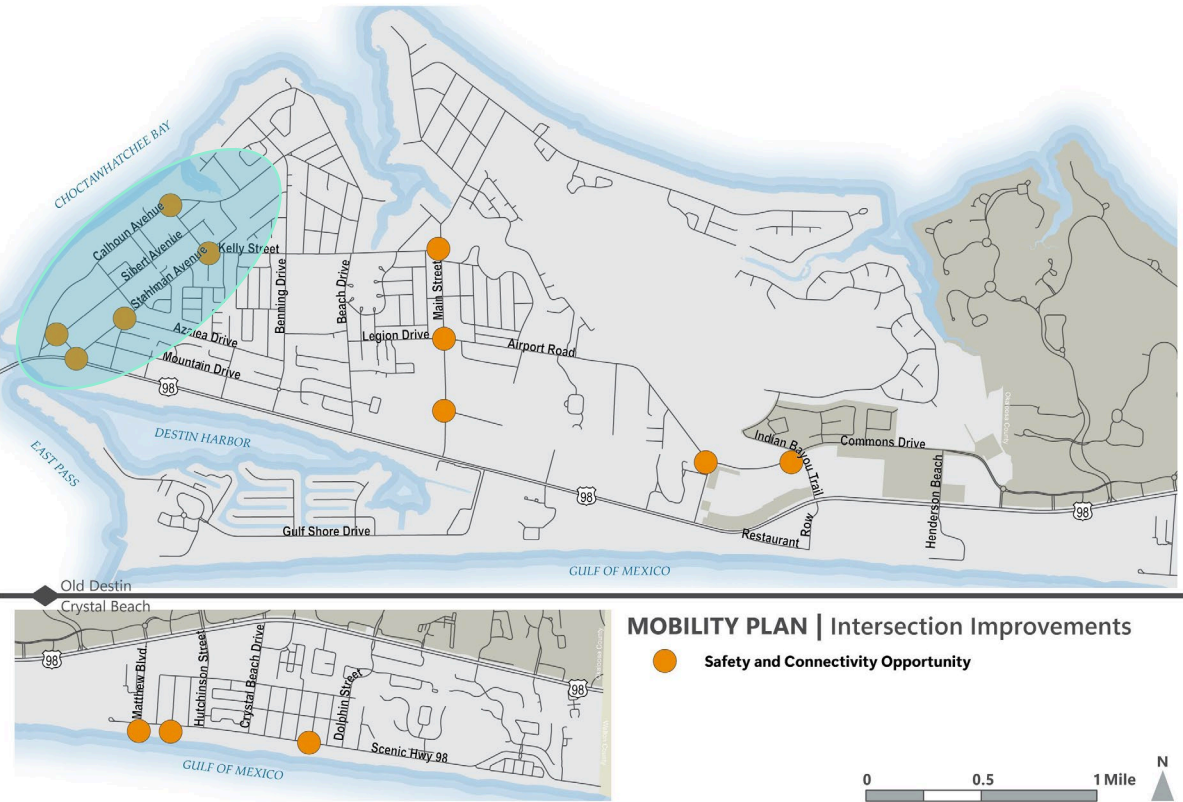
- Better utilization of ROW (lane reassignment) for the four travel lanes and continuous turn lane
- Increase safety for drivers and others
- Pedestrian and bicycle facilities
- Bus stop location and design
- Gateway to Holiday Isle
 - Lighting and landscape



MOBILITY PLAN | Intersection Improvements

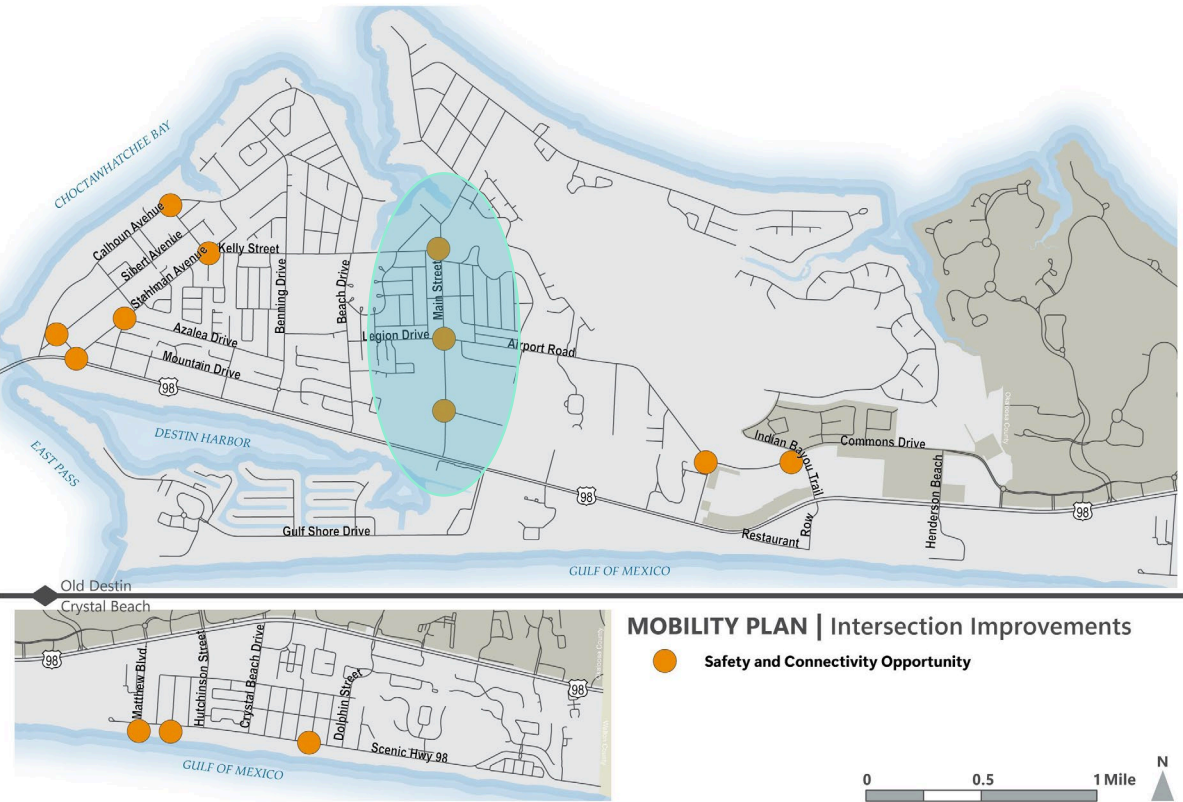
● Safety and Connectivity Opportunity





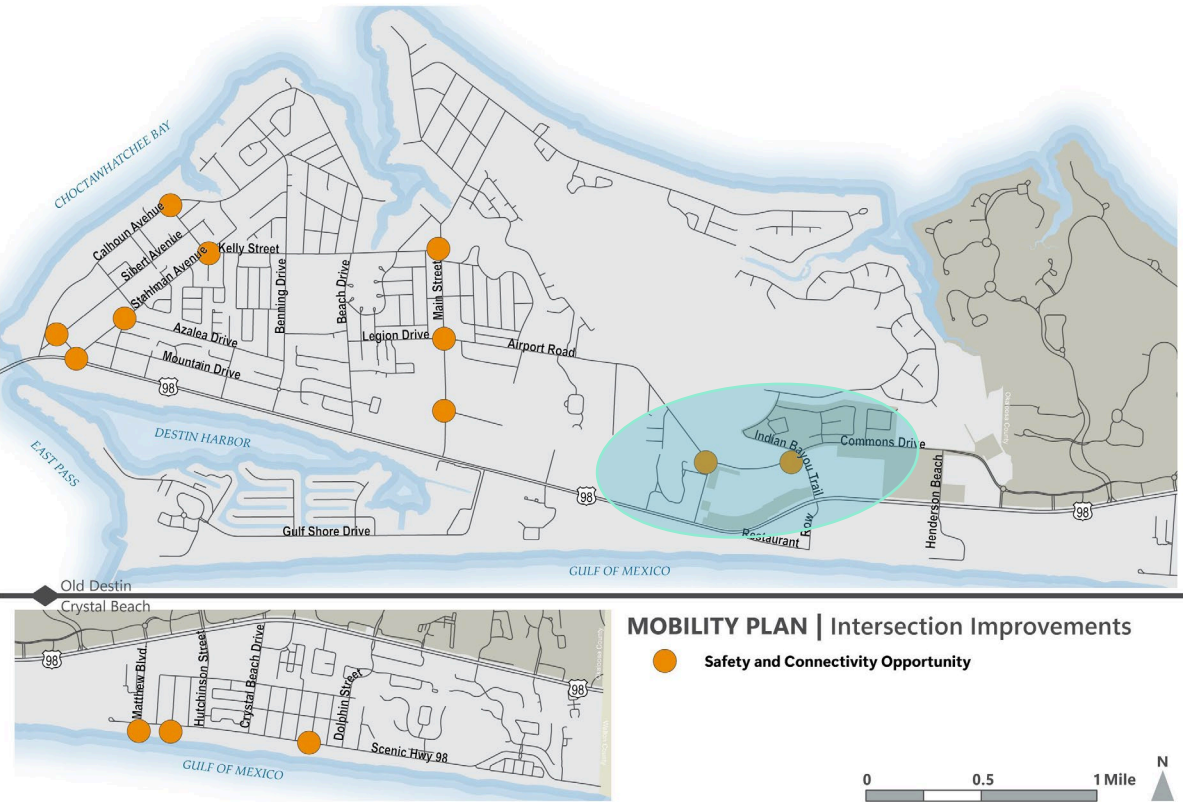
Intersection Improvements West

- Stahlman Avenue/Zerbe Street @ US 98 – Cross Town Connector – Pedestrian facilities linking public parking and Harbor
- Stahlman Avenue @ Azalea Drive – Cross Town Connector – Skew angles and lack of pedestrian crossing
- Stahlman Avenue @ Kelly Street
- Calhoun Avenue @ Sibert Avenue – Pedestrian facilities linking public parking and Harbor
- Calhoun Avenue @ Kelly Street – Traffic calming, east-west bicycle connection



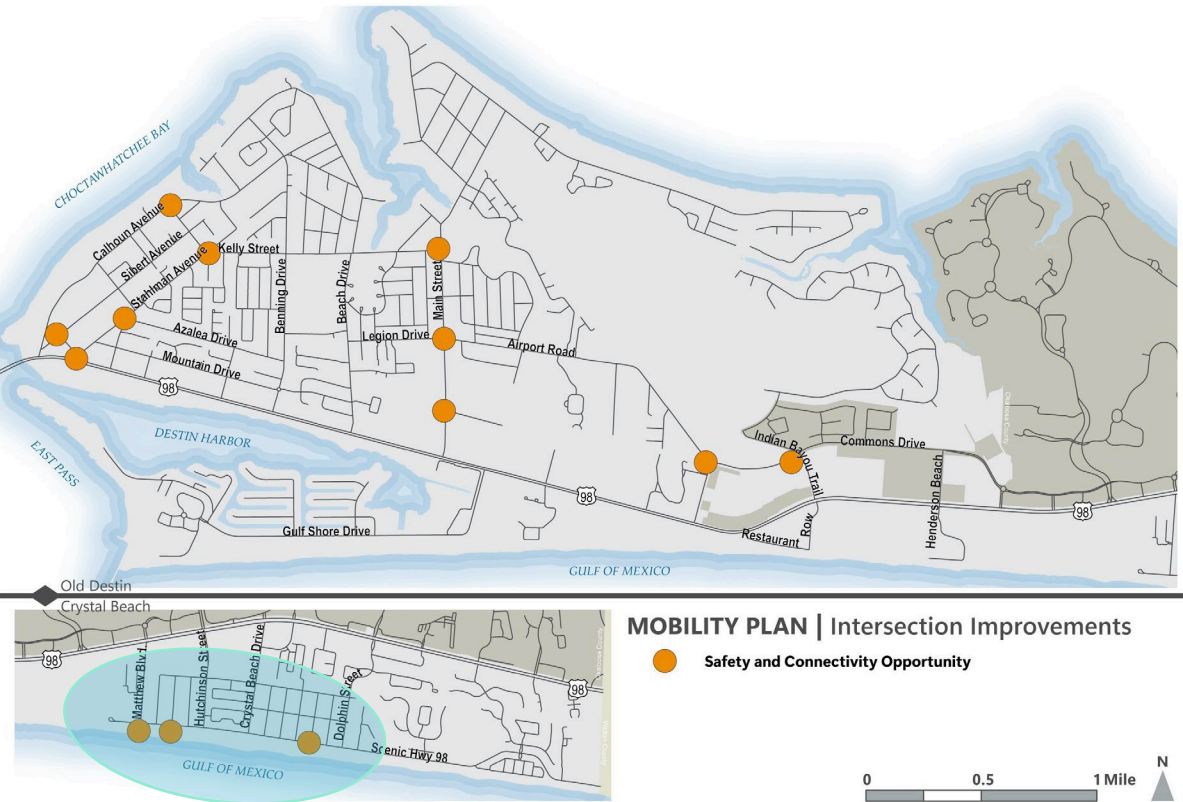
Intersection Improvements Main Street

- Main Street @ Legion Drive/Airport Road – Cross Town Connector, transition between 2 and 4 lane
- Main Street @ 98 Palms Boulevard
- Main Street @ Kelly Street – Pedestrian safety, traffic calming, east-west bicycle connection



Intersection Improvements Commons Drive

- Commons Drive @ Airport Road – Cross Town Connector, connection to Gulf Power Linear Park
- Commons Drive @ Indian Bayou Trail – Cross Town Connector – Bike ramp connection to sidewalk, complete sidewalks and crossings



Intersection Improvements Scenic 98

- Scenic 98 @ Matthew Boulevard – Bicycle and pedestrian connection between US 98 and Scenic 98
- Scenic 98 @ Shirah Street – Mid-block crossing links to beach access
- Scenic 98 @ Pompano Street – Mid-block crossing links to beach access

SMALL PROJECT INITIATIVES

- Construct John Avenue between Dolphin and Sunfish Streets
- Construct Pine Street between Blue Marlin Court and Sibert
- Construct Sailfish Drive between Sailfish Circle and Azalea Drive
- Acquire ROW and construct roadway between Indian Trail and Indian Bayou North
- Roundabout at First and 4th Streets @ Benning Drive
- Provide 6' sidewalks on all local streets in Crystal Beach, prioritize streets with beach accesses to the Gulf
- Transportation infrastructure linked to stormwater improvements

POLICY AND PROJECT INITIATIVES

- Continuous multimodal facilities for east to west connection/Cross Town
- Intersection improvements that address safety and connectivity
- US 98 strategy west of Airport Road
- Gulf Shore Drive reconfiguration
- Improvements at local intersections
- Main Street streetscape improvements
- Coordinated transit and park and ride strategy
- Parking strategy for harbor district
- Gulf Power Linear Park and Trail
- Sidewalks on both sides of street
- Implement sidewalk and other street requirements for new development

Next Steps

- Complete scoping and cost estimating for priority projects
- Update and publish a draft project list
- Map recommended projects
- Vet, refine and prioritize projects

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Presentation
AGENDA OUTLINE NUMBER: 4.D.

TO: City Council

THRU: Lance Johnson, City Manager

FROM: Louis Zunguze, Community Development Director
Kimberly Kopp, Land Use Attorney

DATE: August 5, 2022

SUBJECT: Impact Fee Study Update

I. BACKGROUND: Pursuant to City Council's direction, the administration is updating the City's Impact Fee Program.

II. DISCUSSION: The Community Development Department is in the process of updating the Impact Fees for the City. This effort includes creating a new Impact Fee Study for parks, library, public safety and transportation. The overall goal of the project is to have a new study that institutes a fee structure that captures current costs and has a useful life of at least ten years.

The parks, library and public safety fees are based on methodology where the fee is calculated based on the replacement cost of facilities and equipment. The transportation fee is a Mobility Fee that is going to be calculated based on the projects in the Mobility Plan that is currently under development. Even though these methods are different, many of the base assumptions are shared and the required documentation of all the new fees will be done in one Impact Fee Study. Work on the Impact Fee Study has commenced, including the forecasting required for the Mobility Fee, the inventory of facilities for parks, library, and public safety, and the documentation of study assumptions.

This Agenda Item includes a presentation of the project status and the early decisions that need to be made about targeting a fee amount in the context of the Impact Fee Legislation that was passed in 2021 that regulates the conditions under which impact fees can be increased. The following is a brief summary of the fee legislation and the new statutes that apply.

The Florida Impact Fee Act (F.S. 163.31801) provides requirements for all jurisdictions in

Florida utilizing impact fees. Originally adopted in 2006, this Act has been amended several times, most recently in 2021. This act provides the following minimum requirements for local governments:

- **Impact fee calculation must be based on the most recent and localized data,**
- **Accounting and reporting of impact fee collections and expenditures shall be provided in a separate accounting fund, and administrative charges for impact fee collection shall be limited to actual costs,**
- **A 90-day notice shall be provided before an increase in impact fees,**
- **The collection of impact fees shall not be required earlier than the issuance of a building permit,**
- **The impact fee is proportional and reasonably connected to, or has a rational nexus with the expenditure of the funds collected, and the benefits to the new construction,**
- **Specifically, earmark funds collected for use in acquiring, constructing or improving capital facilities to benefit new users,**
- **Ensure fees are not used to pay existing debt or previously approved projects, unless reasonably connected to, or has a rational nexus with, the increased impact generated by the new development.**

The Florida Impact Fee Act also specifies methodology for the calculation of impact fees, considering other forms of contributions, how fees may be implemented if increased, required public participation, and financial reporting requirements.

In 2021, **The Florida Impact Fee Act** was amended (**HB 337**) to include the following major revisions:

- **Specific definitions for “infrastructure” and “public facilities”**

- **Limitations on how much an existing impact fee may be increased and the speed at which it is increased, including:**
 - **Impact Fees may not be increased by more than 50% over 4 years (Rates cannot be increased by more than 12.5% a year).**
 - 25% or less – two equal annual increments
 - 25%-50% - 4 equal annual increments
 - **An impact fee may not be increased more than once every 4 years.**

The statute provides an exception to these limitations if the local government obtains the following:

- **A study demonstrating need for increase:** The demonstrated-need study must be completed within the 12 months before the adoption of the impact fee increase and must expressly demonstrate the "extraordinary circumstances" necessitating the need to exceed the phase-in limitations.
- **Minimum of two publicly noticed workshops (dedicated to showing of extraordinary circumstances)**
- **Two-thirds vote of approval of impact fee ordinance from the governing body.**

Notably, impact fee rates cannot be increased retroactively.

A. Link to Strategic Goals / Objectives:

1. Financially sound city providing service excellence
2. A green and sustainable environment
6. Effective, efficient, and aesthetically pleasing infrastructure

B. Effect on Budget (EOB): This project is already approved in the budget.

C. Level of Service (LOS): Improved Level of Service

D. Legislative Sponsor:

III. CONCLUSION: Staff is seeking feedback from Council regarding possible fee amounts in the context of the Impact Fee Legislation. If increases are desirable, the City Council may direct the City Manager and Land Use Attorney to prepare the appropriate ordinance for City Council consideration pursuant to statutory requirements.

IV. RECOMMENDED MOTION: Informational and feedback from City Council.

Attachments:

1. ImpactFeesUpdate PP 08.15.22

The background image is a photograph of an indoor basketball court. Several children are visible on the court, some in motion. The gymnasium has a high ceiling with exposed steel beams and basketball hoops. Along the back wall, there are numerous championship banners. The scene is dimly lit, with a blue tint overlaid on the entire image.

City of Destin Impact Fees

City Council Briefing

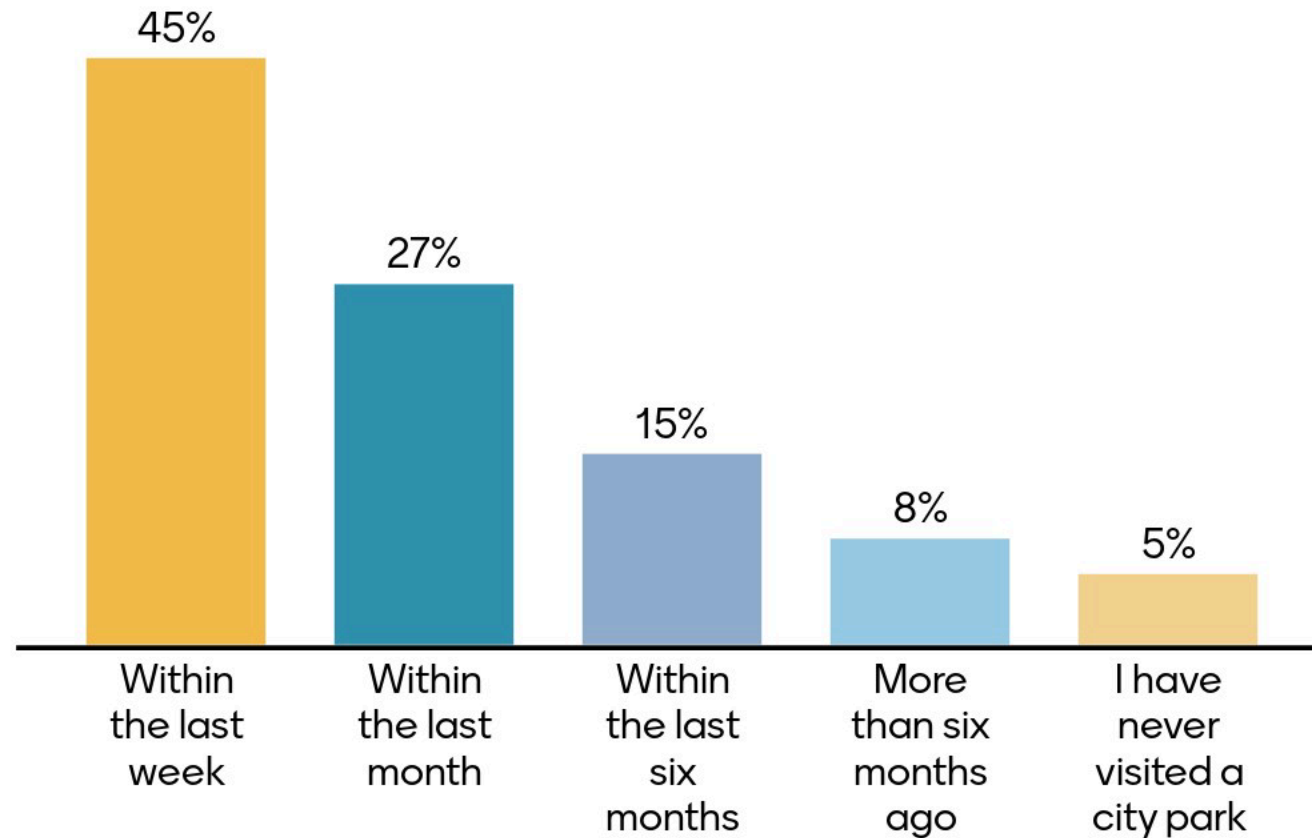
August 2022

Agenda

- Public Feedback on Impact Fee Topics – Parks and Library
- Florida Statutory Requirements and Increase Limitations
- Methods of Fee Calculation
- Fee Comparison for Area Governments
- Next Steps

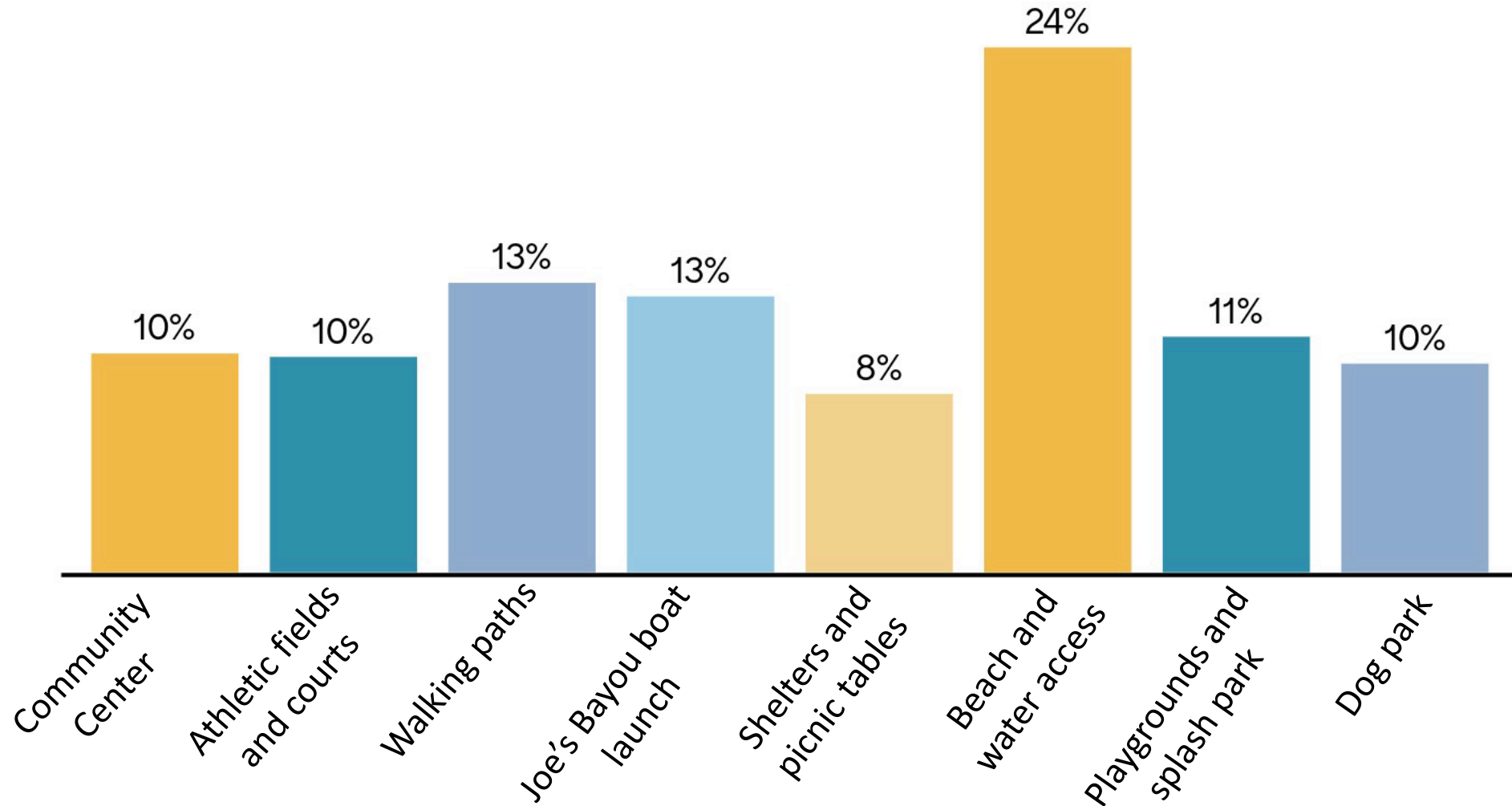


When was the last time you visited a City of Destin park?



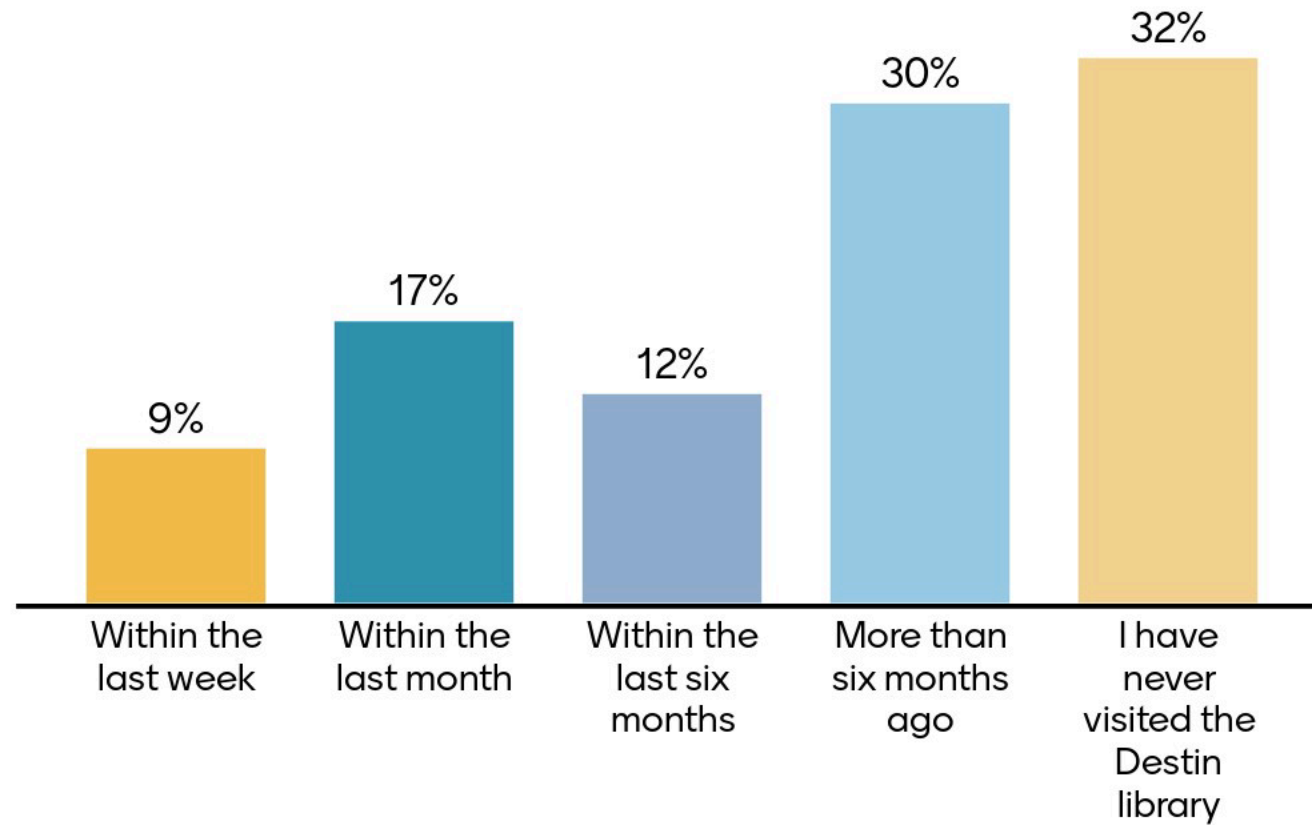


What parks or facilities do you or members of your household use when visiting a City of Destin park?



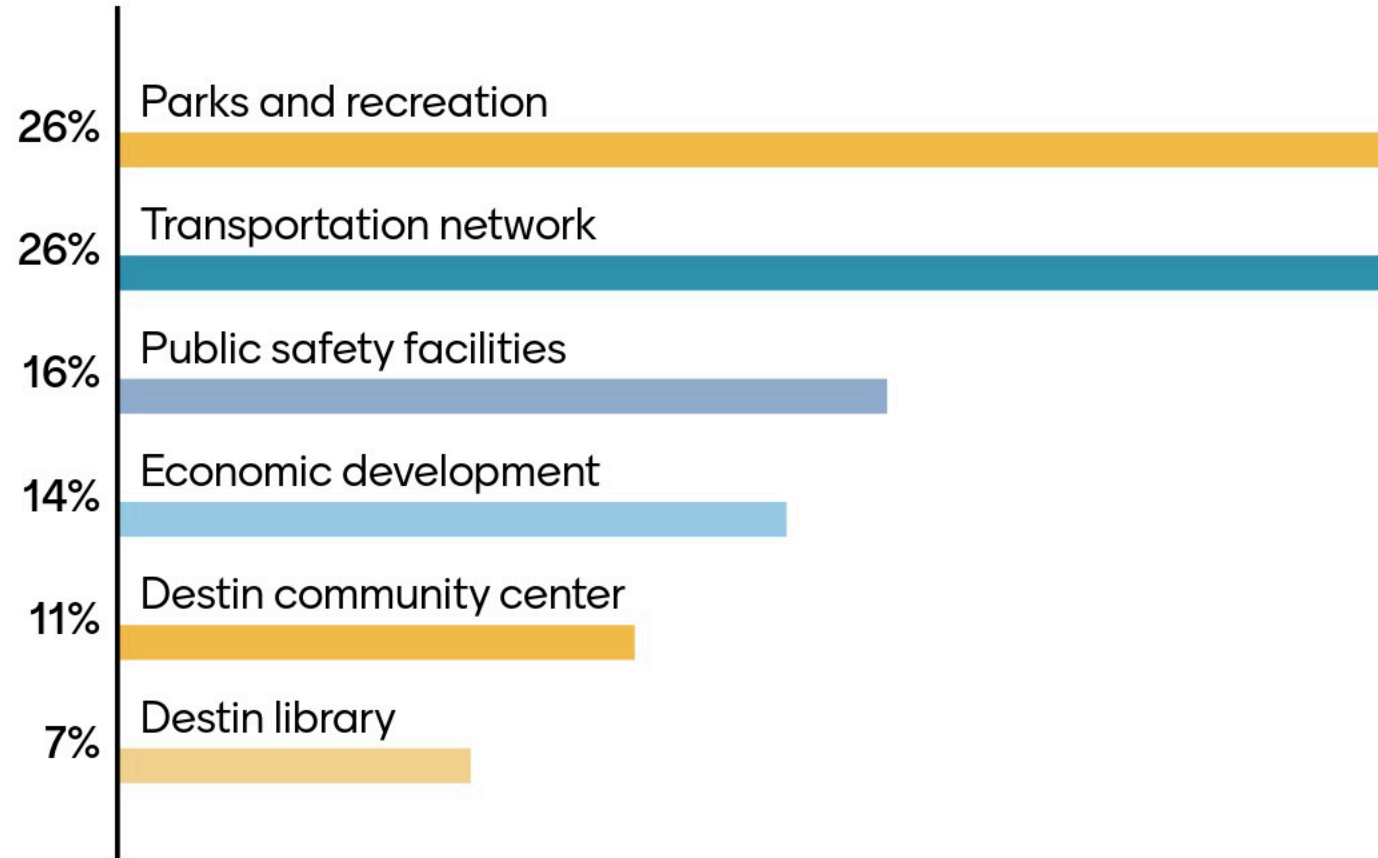


When was the last time you visited the Destin library?





If you had \$100, what percentage would you spend on the following?



Legal Parameters for Local Governments

- Impact fees collected must be spent on infrastructure and facilities.
 - Funds cannot be used for maintenance.
 - Projects must be capacity improvements.
- Impact fees cannot cure deficiencies relative to existing level of service.
 - Future users only have to pay for their anticipated share of the expansion.
- Local governments must have a plan for how and when the money will be spent, or it could be considered an exaction.

Florida Statutory Requirements for Increasing Fees

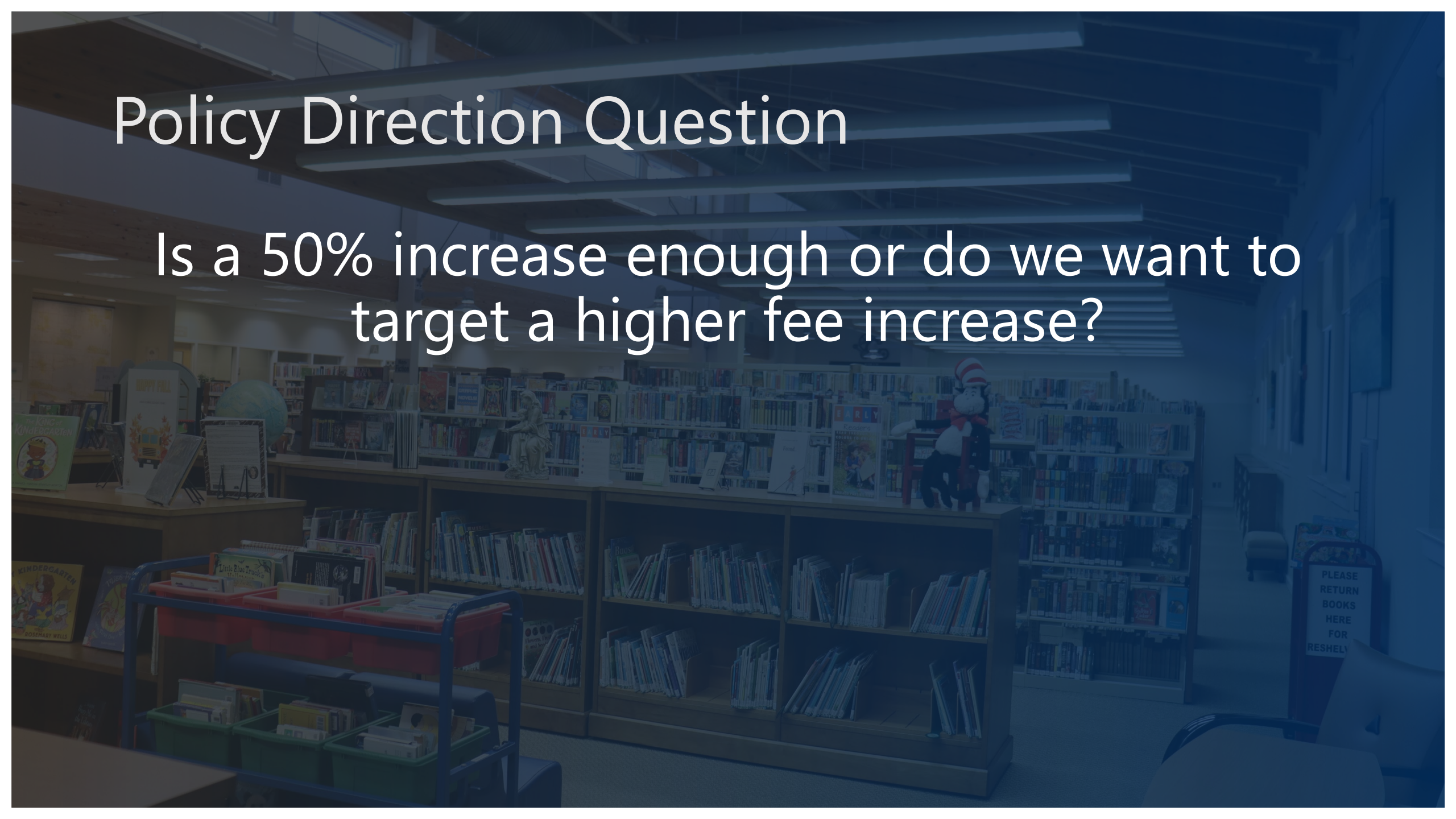
- Base fees on recent and localized data
- Provide notice of increase at least 90 days prior to effective date of ordinance
- Impact Fees may not be increased by more than 50% over 4 years
- Rates cannot be increased by more than 12.5% a year
 - 25% or less – two annual increments
 - 25%-50% - 4 annual increments

Florida Statutory Requirements for Increasing Fees

- A local government may exceed the 50% limitation if
 - The local government completes a demonstrated need study that justifies the increase
 - Demonstrates the extraordinary circumstances necessitating the need to exceed the phase-in limitations
 - Holds at least two publicly noticed workshops
 - Adopts the impact fee increase by at least a two-thirds vote

Policy Direction Question

Is a 50% increase enough or do we want to target a higher fee increase?



Types of Fees

- Consumption based
 - Fees determined by calculating the value of improvements as “consumed” by different land uses
 - Level of service = existing value of the system divided by and allocated to existing users of the system
 - Fee = cost per unit of maintaining existing level of service
- Improvement based
 - Fees determined by calculating the value of planned improvements
 - Level of service = policy based standard for each element of the system
 - Fee = proportionate share of planned improvements as limited by existing level of service

Fee Types for Destin

- Parks and Recreation - consumption based
- Library – consumption based
- Public safety – consumption based
- Mobility Fee - improvement based



History and Method of Calculation - Parks

- This fee is based on the existing level of service from 2006
 - Existing LOS calculated by determining total value of property and infrastructure dedicated to Park use
- Level of Service Model
 - Impact fee is based on providing the existing Level of Service for Parks to future residents
 - Formula
 - Impact Fee = Total existing Park Cost (land value and infrastructure costs)/existing EDUs (equivalent dwelling units)
 - Credits are provided for existing debt and other funding sources (State/Federal grants)

Maximum Fee Increases - Parks

Land Use	2007 Recommended Fee	Current Adopted Fee	Maximum Fee Increase Allowed (12.5%/50%)
Typical dwelling unit	\$1,944.00	\$399.00	\$448.88/\$598.50

History and Method of Calculation - Library

- This fee is based on the existing level of service from 2006
 - Existing LOS calculated by determining total value of property and infrastructure for the Destin Library
- Level of Service Model
 - Impact fee is based on providing the existing Level of Service for library services to future residents
 - Formula
 - Impact Fee = Total existing Library Cost (land value, building, materials and equipment costs)/existing peak population
 - Cost assessed per dwelling based on average household size
 - Credits are provided for existing debt and other funding sources (State/Federal grants)

Maximum Fee Increases - Library

Land Use	2007 Recommended Fee	Current Adopted Fee	Maximum Fee Increase Allowed (12.5%/50%)
Typical dwelling unit	\$344.00	\$133.00	\$149.63/\$199.50

History and Method of Calculation – Police

- This fee utilizes the “functional population” methodology, which assumes that demand for this service is generally proportional to the presence of people.
 - Functional population represents the number of “full-time equivalent” people at the site of a land use.
- Level of Service Model
 - Impact fee is based on providing the existing Level of Service for police services to future residents
 - Formula
 - Impact Fee = Total existing Police Cost (land value and infrastructure costs)/existing functional population
 - Fee assessed per dwelling or 1,000 sq. ft. of nonresidential use

Maximum Fee Increases – Police

Land Use	2007 Recommended Fee	Current Adopted Fee	Maximum Fee Increase Allowed (12.5%/50%)
Typical dwelling unit	\$33.00	\$19.00	\$21.38/\$28.50

History and Method of Calculation - Transportation

- In 2008, this fee was changed from “roads only” to a multimodal fee.
 - Includes capacity, physical improvement and funding needs of both motorized and nonmotorized transportation.
- Improvements Driven Model
 - Formula
 - Impact Fee = Cost of growth-related improvements through 2030 (Roadway capacity projects, bike projects and pedestrian projects)/# of projected EDUs (equivalent dwelling units)

Methods of Calculation – Future Fees

- Transportation
 - Improvement Based Method – Mobility Fee
 - Every need in the Mobility Plan
 - Formula: Roadway capacity projects, bike projects and pedestrian projects, transit, parking
 - Areawide level of service

Impact Fee: Persons per Dwelling Unit Long Term Units Current Policy

Dwelling Size Category	Approximate Midpoint	Average Household Size
Less than 500 SQFT	400	1.028
500-749 SQFT	625	1.294
750-999 SQFT	875	1.539
1,000-1,499 SQFT	1,250	1.850
1,500-1,999 SQFT	1,750	2.201
2,000-2,999 SQFT	2,500	2.646
3,000-3,990 SQFT	3,500	3.148
4,000 or more SQFT	4,500	3.584

Table is from the impact fee study that was the basis for the current fee structure.

Impact Fee: Persons per Dwelling Unit Long Term Units

Housing Type/Bedrooms	Rooms	Avg Sq Ft (parcel)	Avg Destin PP/HH
0-1 Bedroom	1.00	813	1.00
2 Bedrooms	2.00	1,255	1.49
3 Bedrooms	3.00	1,830	2.23
4 Bedrooms	4.00	2,649	2.97
5 Bedrooms	5.00	3,550	3.72
6 + Bedrooms	6.00	4,387	4.46

2.23 persons per household is derived from 2022 population estimates (14,436) divided by Occupied Dwelling Units (6,486). Three bedrooms houses comprise 54% of the non-condo Single Family and SF/Townhouse housing stock in Destin (Parcel data, assessors office, May 2022).

Impact Fee: Persons per Dwelling Unit Short Term Rentals

Short Term Rental/Bedrooms	Rooms	Max occupancy allowed by code	80% Max	Long Term Units Comparison
0-1 Bedroom	1	6	4.8	1.00
2 Bedrooms	2	8	6.4	1.49
3 Bedrooms	3	10	8	2.23
4 Bedrooms	4	12	9.6	2.97
5 Bedrooms	5	14	11.2	3.72
6 + Bedrooms	6	16	12.8	4.46

Code allows a maximum occupancy of 2 persons per bedroom, plus 4 more. The table shows the maximum, and recommends the impact fees be based on 80% of maximum

Residential Impact Fees for Jurisdictions Surrounding Destin – Okaloosa, Santa Rosa, and Walton										
Jurisdiction	Impact Fees Collected	Water	Sewer	Fire Protection	Law Enforcement	Transportation	Parks and Recreation	Stormwater	Library	TOTAL
Destin	YES				\$23	\$1,425	\$479		\$160	\$2,087
Okaloosa County	NO									
Fort Walton Beach	YES	\$1,880	\$600							\$2,480
Niceville	YES	\$4,550	\$2830	\$200				\$269.57		\$7,849.57
Shalimar	NO									
Crestview	YES	\$1,400	\$3,200							\$4,600
Mary Esther	YES	\$200 per bedroom		\$337	\$323	\$1,500	\$150	\$300		\$3,210
Valparaiso	YES			\$295						\$295
Laurel Hill	YES	\$900		.20 per sq. ft.						\$1,300
Cinco Bayou	NO									
Walton County	NO									
Defuniak Springs	YES - Updating	\$3,747.38	\$6,423.75	\$374.22	\$188.14					\$10,733.49
Paxton	YES - Updating	\$400	\$500							\$900
Freeport	NO									
Santa Rosa County	NO									
Gulf Breeze	YES	\$891	\$4,314							\$5,205
Milton	YES	\$1383.28	\$3867.86							\$5,251.14
Jay	NO									
Impact Fees for Regional Waterfront Jurisdictions (Escambia, Bay, and Gulf)										
Jurisdiction	Impact Fees Collected	Water	Sewer	Fire Protection	Law Enforcement	Transportation	Parks and Recreation	Stormwater	Library	TOTAL
Escambia County	NO RESPONSE									
Pensacola	NO									
Bay County	YES			\$187.44			\$329.87		\$82.75	\$600.06
Panama City Beach	YES	\$727	\$4,628	\$249	\$144		\$867		\$72	\$6,687
Mexico Beach	YES	\$1,225	\$2,125	\$202	\$103		\$900			\$4,555
Gulf County	NO									
Port St. Joe	YES	\$6,913								\$6,913

Residential Impact Fees Comparing Destin Fee Categories

Average Fees for Residential Dwelling Unit

JURISDICTION	Law Enforcement	Transportation	Parks and Recreation	Library	TOTAL (for all fee categories)
DESTIN	\$23	\$1,425	\$479	\$160	\$2,087
MARY ESTHER	\$323	\$1,500	\$150		\$3,210
DEFUNIAK SPRINGS	\$188				\$10,733
BAY COUNTY			\$329	\$82	\$600
PANAMA CITY BEACH	\$144		\$867	\$72	\$6,687
MEXICO BEACH	\$103		\$900		\$4,555

Project Status

- Complete
 - Policy framework, inventory of assets, population projections
- In progress
 - Baseline assumptions, impact by land use, cost estimating, mobility fee project identification
- Next Steps
 - Calculate fees, recommend new fee structure, prepare study report



CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: City Manager Report
AGENDA OUTLINE NUMBER: 4.E.

TO: City Council

THRU: Lance Johnson, City Manager

FROM: Rey Bailey, City Clerk

DATE: August 5, 2022

SUBJECT: Destin Youth Council Membership Appointments

I. BACKGROUND: The Destin City Council created a youth council to obtain a teen's perspective on how policies affect the youth in the community, and to provide Destin's youth with the opportunity to participate in the city's decision-making process through recommendations to the city council that address youth issues.

II. DISCUSSION: Members of the Destin Youth Council must be high school students with at least a 2.25 GPA. Terms shall be for one year, which begins in August and ends in July, the following year. Students may re-apply every year provided they remain within the grade limits of the membership qualifications. Members must reside within the city limits of Destin. The Destin Youth Council ByLaws (attached) were amended in 2017 to allow a maximum of 3 non-resident members who attend a local area high school (or home school) and meet all other membership criteria.

A. Link to Strategic Goals / Objectives: Enhanced Quality of Life

B. Effect on Budget (EOB): No significant budgetary impact. The Clerk's Office provides staff support to the Destin Youth Council.

C. Level of Service (LOS): A maximum of 14 members can serve on the Destin Youth Council. A fully seated council is necessary in order to effectively procure the business for which it was established.

D. Legislative Sponsor: City Council

III. CONCLUSION: A request for membership was advertised in the local newspaper and on the City of Destin website. Copies of the membership application were made available online and at City Hall. The city received the following 11 applications:

1. James Ball - Destin Resident
2. Anna Marie Carroll - Destin Resident

3. Grace Fountain - Non-Destin Resident
4. Charlie Frankfurt - Non-Destin Resident
5. Alaina Granier - Non-Destin Resident
6. Gianna Jackson - Destin Resident
7. Bianca Rodriguez - Destin Resident
8. Macy Sexton - Destin Resident
9. Parker Sexton - Destin Resident
10. Alexis Ventimiglia - Destin Resident
11. Annabelle Zielinski - Destin Resident

IV. RECOMMENDED MOTION: Procedures for nomination and appointment of applicants are within the council's discretion. The council can make individual or group appointments.

a. I move to appoint (name of applicant) to the Destin Youth Council

-or-

b. I move to appoint all 11 applicants to the Destin Youth Council

Attachments:

1. Destin Youth Council ByLaws

RESOLUTION 17-36

A RESOLUTION OF THE CITY OF DESTIN, FLORIDA; RELATING TO THE DESTIN YOUTH COUNCIL; AMENDING THE DESTIN YOUTH COUNCIL BYLAWS BY AMENDING ARTICLE I, SECTION 2 – MEMBERSHIP APPOINTMENTS AND QUALIFICATIONS; ARTICLE III, SECTION 4 – QUORUM REQUIREMENTS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Destin has formed the Destin Youth Council; and

WHEREAS, the Destin Youth Council requires certain operating rules and guidelines; and

WHEREAS, in accordance with the established bylaws, these by-laws may be amended at any duly constituted meeting of the Destin City Council by an affirmative vote of a majority of the City Council members present and voting;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA, AS FOLLOWS:

The Destin Youth Council Bylaws are hereby amended as follows:

NOTE: Underlined language is proposed new language. ~~—Struck through language~~ is language proposed to be deleted.

ARTICLE 1 – MEMBERSHIP APPOINTMENTS AND QUALIFICATIONS

Section 1 – Representation

A maximum number of fourteen (14) and a minimum number of seven (7) members will serve on the Destin Youth Council. The Destin Youth Council shall seek in its membership a diverse representation reflecting the community.

Section 2 – Membership Qualifications

Members must live within the city limits of Destin and must be between the grades of 9 to 12. The Destin City Council may appoint up to three non-resident members who attend a local area high school (or home school) to fill any vacancies occurring during the year. Members shall have at least a 2.25 GPA.

Section 3 – Term Limits

Members will serve a one-year term equivalent to the respective school year. Terms of office will begin in August and end in July the following year. Members may re-apply every year provided they remain within the grade limits of the membership qualifications.

Section 4 – Application Process

Members of the Destin Youth Council shall be chosen through an application process. Interested parties shall complete an application form. The Destin City Council shall

review the application and select members of the Destin Youth Council.

Section 5 – Appointment of Members

Each member of the Destin City Council shall appoint up to two members to the Destin Youth Council.

Section 6 – Conduct

Each member of the Destin Youth Council must conduct himself or herself in a positive, friendly, and law-abiding manner at all times. There will be no smoking, drinking alcoholic beverages, or using illegal drugs by any member of the Youth Council. Such behavior will not be tolerated and is ground for dismissal from the Youth Council.

ARTICLE II – OFFICERS

Section 1 – Officer Appointments

The officers of the Destin Youth Council shall be elected annually. The Destin Youth Council shall elect from its members a Chair and a Vice-Chair. The officers of the Youth Council shall be elected by a majority vote of the voting members present. The candidates receiving a majority vote of the Destin Youth Council members are elected.

Section 2 – Officer Duties

The duties of the officers shall be as follows:

- a. The Chair shall preside at the meetings of the Destin Youth Council and shall be charged with the administration of the affairs of the Youth Council with assistance from the City Clerk or designee. The Chair shall perform such other duties as provided by these by-laws and by rule of the Destin City Council.
- b. The duties of the Vice-Chair shall be to perform the duties and exercise the power of the Chair during their absence
- c. The City Clerk or designee shall determine a quorum for the meeting and shall conduct the roll call at the start of the meeting.

Section 3 – Term of Officers

The term of all officers provided for in Section one hereof shall be for one year or until their successors are elected.

Section 5 – Vacancies of Officers

Should a vacancy occur in an office of the Destin Youth Council by resignation, removal, or by some other reason, the office shall be filled by an election for the vacant office at the next regular meeting of the Destin Youth Council.

ARTICLE III – MEETINGS

Section 1 – Regular Meetings

Regular meetings of the Destin Youth Council shall be held at least once a month, on the

fourth Thursday of the month, beginning at 4:00 PM. Meeting schedule may be adjusted from time to time at a regular meeting by a majority vote of the members present. The principal meeting place of the Youth Council shall be at the Destin City Hall. Robert's Rules of Order shall govern the proceedings of the Youth Council in all cases to which they are applicable, and in which they are not inconsistent with these by-laws. Matters for consideration by the Youth Council shall be presented only at Youth Council meetings. The Office of the City Clerk shall give public notice of the meeting in accordance with the requirements of the Florida Open Meetings Law. This notice shall include posting on the City of Destin's official website.

Section 2 – Special Meetings

Special meetings may be called upon the request of the Chair. Request for special meetings shall be sent via electronic mail, or by telephone, to the office of the City Clerk at least 48 hours before the time of the meeting. This request shall include the reason or reasons for requesting the special meeting. The Office of the City Clerk shall notify every member of the Youth Council via electronic mail or by telephone. No subjects other than those stated in the notice shall be considered at the special meeting.

Section 3 – Open Meetings

All meetings of the Destin Youth Council shall be open to the public and be subject to all requirements of the Florida's Open Meeting Law.

Section 4 – Quorum Requirements

A quorum is necessary to transact official business at any meeting. The presence of the majority of the entire membership of the Destin Youth Council shall constitute a quorum for a meeting of the Youth Council. The majority of the quorum present and voting must be comprised of Destin residents.

Section 5 – Voting

The affirmative vote of a majority of the members present shall be necessary to adopt a recommendation to be forwarded to the Destin City Council for review and/or possible action.

Section 6 – Order of Business

The Chair of the Youth Council shall, when present, call the members of the Youth Council to order. Before proceedings to business, the roll of the members shall be called, and the names of those present (and absent) entered in the minutes. If a quorum is present, the order of the business shall be:

- a. Pledge of allegiance.
- b. Approval of the minutes of the previous meeting.
- c. Old business.
- d. New Business
- e. Public comments
- f. Announcements.
- g. Adjournment

Section 7 – Conduct of Members

No member of the Youth Council shall interfere with the orderly progress of the meeting by leaving his or her seat or engaging in unnecessary conversation. Any member guilty of any unprofessional conduct shall be reported to the Destin City Council.

Section 8 – Attendance

Attendance at regular Youth Council meetings is expected from all members. If a member cannot attend due to sickness or for a duly-authorized reason, the member shall notify the Office of the City Clerk who shall notify the Chair of the Destin Youth Council. Any member of the Destin Youth Council who missed three consecutive meetings shall be reported to the Destin City Council.

ARTICLE IV – REPORTS

Section 1 – Annual Report to the Destin City Council

The Chair or their designee shall make a report to the Destin City Council of the activities and businesses of the Youth Council at least once each calendar year.

ARTICLE V – AMENDMENTS TO THE BYLAWS

Section 1 – By-Laws and Amendments

The by-laws of the Youth Council shall be reviewed once each year. The Destin Youth Council may make a recommendation for amendments to the bylaws at a regular meeting by a majority vote of the voting members present. Amendments to the bylaws must be approved by the Destin City Council in order to take effect.

EFFECTIVE DATE: This resolution shall take effect upon its adoption by Council and signature of the Mayor.

ADOPTED THIS 6TH DAY OF SEPTEMBER 2017
By:



Scott Fischer, Mayor

ATTEST:



Rey Bailey, City Clerk

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: City Manager Report
AGENDA OUTLINE NUMBER: 4.F.

TO: City Council

THRU:

FROM:

DATE:

SUBJECT: Announcements:

1. Derelict boats update
2. Early voting for the 2022 Primary Election begins on August 23rd
3. The next Council Meeting is scheduled for September 8.

I. BACKGROUND:

II. DISCUSSION:

- A. Link to Strategic Goals / Objectives:
- B. Effect on Budget (EOB):
- C. Level of Service (LOS):
- D. Legislative Sponsor:

III. CONCLUSION:

IV. RECOMMENDED MOTION:

Attachments:

None

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022

TYPE OF AGENDA ITEM: Ordinance

AGENDA OUTLINE NUMBER: 5.A.

TO: City Council

THRU: Michael Burgess, Public Services Director
Jeffrey Cozadd, Grants Manager
Krystal Strickland, Finance Director
Kyle Bauman, City Attorney
Lance Johnson, City Manager

FROM: Webb Warren, Deputy City Manager

DATE: 7/1/22

SUBJECT: Second reading of Ordinance 22-09-CN - Exclusive Solid Waste Franchise Agreement with Waste Management, Inc, of Florida

I. BACKGROUND: The City of Destin is in the final year of a five-year solid waste services franchise agreement with Waste Management, Inc, of Florida (WM). This franchise agreement will expire on September 30, 2022.

The current standard residential rate (effective Oct 1, 2021) for Destin residents is:

Monthly \$22.78

Quarterly \$68.35

Annual \$273.40

The current Destin contract also provides for a discounted senior service at \$18.63 monthly/\$223.50 annually.

The current agreement provides residential services as follows:

- Twice a week solid waste service (96 gallon)
- Once a week recycling service (96 gallon)
- Once a week bulk pickup
- Once a week yard waste pickup

October 2021-September 2022 Full Rate Sheet

City of Destin, Florida

2021 CPI 3.45%

ATTACHMENT "A"							
BASE RATES October 2021							
Commercial Establishment Rates							
These Rates do not include additional service requirement such as casters, opening gates, compactors, etc. Commercial Establishments that only require one 96-gallon cart will receive service two times per week at curbside and will be billed at the same rate as a two-yard container serviced one time per week. Commercial establishments shall be billed for the rate of service required and will not receive recycling services.							
Multi-Family	Multi – Family units that are serviced by Front Load Dumpsters will be billed to one entity based on the Commercial Establishment Rates for the service required and will not receive recycling service. Multi – Family units that are serviced by carts will be billed at the Residential Rate and shall receive recycling and horticultural waste pickup.						
Residential	All Commercial Rates are per Month DER Price Group						
	1	2	3	4	5	6	7
2 yard container	\$92.09	\$176.24	\$260.63	\$344.91	\$429.19	\$513.44	\$600.73
4 yard container	\$114.21	\$218.46	\$322.70	\$426.94	\$531.18	\$635.42	\$743.44
6 yard container	\$138.65	\$262.87	\$387.08	\$511.30	\$635.51	\$759.73	\$888.88
8 yard container	\$160.09	\$304.27	\$448.45	\$592.65	\$736.83	\$881.04	\$1,030.80

Residential	DER Price Group
Residential Service With Recycling and Carts	\$ 273.40 Annual \$ 22.78 Monthly
Senior Citizen Residential Rates	\$ 223.50 Annual \$ 18.53 Monthly
Second Cart Residential Rates	\$ 158.40 Annual \$ 13.20 Monthly

Rates including 1% Franchise Fee and \$6.00 Annual Billing Fee:

Monthly			
Rate Monthly	\$ 22.56	\$ 18.44	\$ 13.07
Franch. Fee	\$ 0.23	\$ 0.18	\$ 0.13
Total Rate	\$ 22.78	\$ 18.63	\$ 13.20
Quarter	\$ 68.35	\$ 55.88	\$ 39.60
Annual	\$ 273.40	\$ 223.50	\$ 158.40

Regular
Senior
2nd Can

VIP Compactors: 2021 CPI

	1	2	3	4	5	6	7
2	\$ 144.17	\$ 271.73	\$ 399.32	\$ 526.93	\$ 631.48	\$ 849.14	\$ 1,039.58
4	\$ 186.56	\$ 351.56	\$ 516.48	\$ 681.46	\$ 846.46	\$ 1,098.12	\$ 1,344.44
6	\$ 231.95	\$ 434.33	\$ 636.75	\$ 839.08	\$ 1,087.50	\$ 1,350.45	\$ 1,310.65
8	\$ 271.88	\$ 511.66	\$ 751.42	\$ 991.17	\$ 1,284.63	\$ 1,596.76	\$ 1,954.84

8/24/2021 2:23 PM

Destin CPI 10-01-2021 Rate Sheet Oct 2021

Destin and surrounding area current contract comparisons:

LOCATION	CONTRACTOR	SERVICE/GARBAGE	SERVICE/RECYCLING	SERVICE/YARD WASTE	SERVICE/BULK	COST/MONTH/RESIDENT
Destin, FL	Waste Management	2x/wk garbage	1x/wk recycling	1x/wk yard waste	Provided	\$22.78
Okaloosa County	Waste Management	2x/wk garbage	1x/wk recycling	1x/wk yard waste	Provided	*\$29.99
Santa Rosa County	Waste Pro	1x/wk garbage	subscription only	1 item/month	Provided	\$25.75 (\$9.89 Recycling) \$35.64
Escambia County	ECUA	1x/wk garbage	1x/wk recycling	1x/wk yard waste	None	\$24.54
Fort Walton Beach	FWB	1x/wk garbage	1x/wk recycling	1 item/month (\$30 each add. item)	Provided	\$22.63
Panama City Beach	Waste Pro	1x/wk garbage	1x/wk recycling	1 item/month	Provided	\$37.00

* New rate effective April 1, 2022

Unincorporated areas of Okaloosa County have a similar service contract to Destin's with Waste Management.

The Okaloosa Board of County Commissioners voted on March 15 to renew their contract (effective April 1, 2022) with Waste Management. This was done under the direction of the County Commissioners for staff to negotiate a new contract with Waste Management. The unincorporated Okaloosa County residential rate increased under the new contract from \$25.90 to \$29.23 per month (15% increase), plus a county \$.76 remediation fee, for a total of \$29.99.

Staff have received a low number of complaints since 2017 regarding our solid waste services. Since 1/01/2021, the City has received 11 complaints and 37 compliments on Destin's solid waste services.

At the March 21, 2022 City Council Meeting, the City Council directed the City Manager to negotiate a renewal of the solid waste contract with Waste Management and to bring information back to the City Council in May of 2022.

Staff worked with representatives from Waste Management to structure proposed services very similar to current contract levels. The current contract and service levels have resulted in a low number of complaints.

Staff brought forth an agenda item in May with the results of the negotiations with Waste Management. Below are the proposed rates for a new 5 year franchise agreement for Destin, with a 3% franchise fee, and a contract effective October 1, 2022.

Residential rates are proposed to be \$307.20 annually / \$76.80 quarterly / \$25.60 monthly.

Commercial Establishment Rates							
These Rates do not include additional service requirement such as casters, opening gates, compactors, etc. Commercial Establishments that only require one 96-gallon cart will receive service two times per week at curbside and will be billed at the same rate as a two-yard container serviced one time per week. Commercial establishments shall be billed for the rate of service required and will not receive recycling services.							
Multi-Family	Multi – Family units that are serviced by Front Load Dumpsters will be billed to one entity based on the Commercial Establishment Rates for the service required and will not receive recycling service. Multi – Family units that are serviced by carts will be billed at the Residential Rate and shall receive recycling and horticultural waste pickup.						
Residential	All Commercial Rates are per Month DER Price Group						
	1	2	3	4	5	6	7
2 yard container	110.02	210.56	311.37	412.07	512.76	613.41	717.69
4 yard container	136.45	261.00	385.53	510.56	634.60	759.13	888.18
6 yard container	165.65	314.05	462.44	610.85	759.24	907.65	1061.94
8 yard container	191.26	363.51	535.76	708.03	880.29	1052.58	1231.49

Residential	DER Price Group
Residential Service With Recycling and Carts	\$ 307.20 Annual \$ 25.60 Monthly
Senior Citizen Residential Rates	\$ 251.40 Annual \$ 20.95 Monthly
Second Cart Residential Rates	\$ 178.56 Annual \$ 14.88 Monthly

Rates including 3% Franchise Fee and \$6.00 Annual Billing Fee:

Monthly			
Rate Monthly	\$ 24.83	\$ 20.32	\$ 14.43
Franch. Fee	\$ 0.77	\$ 0.63	\$ 0.45
Total Rate	\$ 25.60	\$ 20.95	\$ 14.88
Quarter	\$ 76.80	\$ 62.85	\$ 44.64
Annual	\$ 307.20	\$ 251.40	\$ 178.56

Regular
Senior
2nd Can

VIP Compactors: Proposed 2022

	1	2	3	4	5	6	7
2	\$ 185.25	\$ 358.92	\$ 532.59	\$ 706.27	\$ 879.96	\$ 1,053.63	\$ 1,253.63
4	\$ 229.74	\$ 445.74	\$ 661.74	\$ 877.73	\$ 1,093.73	\$ 1,309.70	\$ 1,509.70
6	\$ 278.92	\$ 539.84	\$ 800.75	\$ 1,061.67	\$ 1,322.53	\$ 1,583.50	\$ 1,783.50
8	\$ 322.04	\$ 624.90	\$ 927.77	\$ 1,230.65	\$ 1,533.51	\$ 1,836.38	\$ 2,036.38

At the August 1st meeting, Council continued this item to August 15th.

II. DISCUSSION: Staff brought updates to council in March and May of 2022 concerning the status of the negotiations and requested feedback on a potential contract.

Staff brought forward a draft ordinance to the June 20th, 2022 City Council meeting for Council review. In that meeting, staff took feedback from Council and then worked with Waste Management to revise portions of the ordinance.

- 1.) Glass was added to the recycling list.
- 2.) The measurement of "overage" in relation to an open lid was changed from 6" to 12".
- 3.) Contamination rate was increased from 10% to 20%.
- 4.) Percentage fees in relation to overage and contamination charges were changed to flat rates

(\$5 for overage, \$10 for contamination).

- 5.) The effective date of the franchise agreement was changed to October 1st, 2022
- 6.) The language dedicating franchise fees to parks and stormwater funds was removed.
- 7.) The franchise fee was drafted at 3%.

July 11th Council Meeting - during the first reading of the ordinance, feedback was received concerning overages and contamination charges within the ordinance. Since that time, those definitions and charges have been removed from the ordinance. These removals do not necessitate that the ordinance goes back to first reading.

August 1st City Council Meeting - Waste Management took feedback and has looked into questions that were posed at that meeting concerning the identification of trash cans. Waste Management has agreed to create and distribute identifying stickers for trash cans within the City of Destin - section 29 K.

In addition, the City Manager and Code staff collaborated with Waste Management on some language in section 29 B as it relates to late and canceled accounts, as well as work processes and information to be shared on a monthly basis to assist in enforcement of city ordinances.

A. Link to Strategic Goals / Objectives: Financially sound city providing service excellence/ a green and sustainable environment

B. Effect on Budget (EOB): This item does not affect the FY 2022 Budget.

This will increase general fund revenues beginning with Fiscal Year 2023 from \$43,500/year (at prior agreement of 1%) up to \$130,500/year (at newly adopted 3%).

C. Level of Service (LOS): Same

D. Legislative Sponsor:

III. CONCLUSION: Staff included ordinance language as Council discussed at the June 20th Council Meeting.

Staff took feedback from the July 11th meeting and Waste Management proposed to remove verbiage from the ordinance as it relates to residential overage and contamination charges.

Staff and Waste Management took feedback from the August 1st meeting and incorporated a sticker program (section 29 K) as well as process tweaks and data sharing (section 29 B) into the ordinance.

IV. RECOMMENDED MOTION: I move to adopt Ordinance 22-09-CN on second reading.

Attachments:

1. ATT1 - Ordinance 22-09-CN- Exclusive solid waste franchise agreement with Waste Management Inc of Florida FINAL 1
2. ATT2-

ITEM # 2022-5602

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3. ATT3 - Marked Up Version
of Ordinance 22-09-CN-
Exclusive solid waste
franchise agreement with
Waste Management Inc of
Florida (FOR REFERENCE
ONLY) Fi

ORDINANCE --22-09-CN

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA PROVIDING FOR THE EXCLUSIVE FRANCHISE TO WASTE MANAGEMENT, INC. OF FLORIDA, A PRIVATE CORPORATION, FOR THE COLLECTION AND DISPOSAL OF ALL RESIDENTIAL AND COMMERCIAL TRASH, GARBAGE, AND OTHER REFUSE WITHIN THE CITY LIMITS; PROVIDING FOR THE COLLECTION OF RESIDENTIAL RECYCLABLE MATERIALS WITHIN THE CITY LIMITS; PROVIDING FOR DEFINITIONS; GRANT OF FRANCHISE; LIMITS OF FRANCHISE; TERM; FRANCHISE CONSIDERATION; ASSIGNMENT; BANKRUPTCY OR INSOLVENCY; DEFAULT; RATE CHANGES; RIGHTS OF FIRST REFUSAL; RESTORATION; COMPLIANCE WITH LAWS; LIABILITY INSURANCE, HOLD HARMLESS, WORKERS COMPENSATION; PERFORMANCE BOND; RIGHT TO REQUIRE PERFORMANCE; DISPUTE RESOLUTION; OPERATIONS DURING DISPUTE; STANDARD OF PERFORMANCE; CURBSIDE RECYCLABLE MATERIALS COLLECTION AND DISPOSAL; RECYCLING PROGRAM; COLLECTION SERVICES AND OPERATIONS; OFFICE AND COLLECTION HOURS; COLLECTION EQUIPMENT; DISPOSAL ROUTES AND SCHEDULES; GRANTEE PERSONNEL; SPILLAGE AND LITTER; STORMS AND OTHER EMERGENCIES; NONDISCRIMINATION PROVISION; RATES AND CHARGES; RATE CHANGES; DELINQUENT ACCOUNTS; ACCOUNTING, RIGHT TO AUDIT; COMPLAINTS; CHARGES FOR FAILURE OF PERFORMANCE; VENUE; SOVEREIGN IMMUNITY; CONFLICTING ORDINANCES AND RESOLUTIONS; SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Destin finds it in the public interest to ensure that all areas within its limits are adequately provided with high quality collection and disposal services; and

WHEREAS, the City of Destin finds it in the public interest to retain regulatory authority over refuse collection and disposal, to the extent allowed by law, because of the overriding public health, safety and welfare considerations associated with the provisions of this service; and

WHEREAS, the City of Destin finds it in the public interest to retain control over the use of public rights-of-way by refuse collectors to ensure against interference with the public convenience, to promote aesthetic considerations, and to protect the public investments in right-of- way property; and

WHEREAS, the City of Destin finds it in the public interest to attract high quality refuse collectors and that this can be accomplished by protecting capital investments of refuse collectors; and

WHEREAS, the City of Destin finds it in the public interest to ensure that high quality refuse collection and disposal service is maintained through a responsive complaint handling procedure; and

WHEREAS, the City of Destin finds that the granting of an exclusive franchise is the best means of assuring that the above described interests of the City of Destin are promoted; and

WHEREAS, Waste Management Inc. of Florida ("Waste Management") was first granted an exclusive franchise to service the City of Destin and its citizens' solid waste disposal needs on October 1, 2011, after a competitive bidding process; and

WHEREAS, Waste Management was again awarded an exclusive franchise to service the City of Destin and its citizens' solid waste disposal needs on October 1, 2017, after a competitive bidding process; and

WHEREAS, on October 13, 2021, Waste Management provided written notice to the City of Destin that it desired to negotiate a new franchise agreement due to the current franchise agreement's impending end of term on October 1, 2022; and

WHEREAS, Waste Management has provided a positive impact on the City of Destin and the health, safety, and welfare of its citizens by enhancing the beauty and quality of the environment, preventing the spread of disease, and the creation of nuisances through reliable and dependent services from a single unified source; and

WHEREAS, the City Council considered issuing a Request for Proposals and otherwise competitively bidding the provision of solid waste services to the general market; and

WHEREAS, likely due to unique circumstances stemming from COVID-19 and its cascading negative impacts on the world and specifically the economy, and based upon review of competitive bidding of solid waste disposal services by similarly situated local governments, it is most cost effective to the City of Destin to negotiate an extension of the solid waste disposal franchise with Waste Management as opposed to issuing a Request for Proposals or otherwise competitively bidding the solid waste disposal franchise; and

WHEREAS, overall, the rates described in this Ordinance are more advantageous for the City of Destin and its citizens when compared with similarly situated local governments; and

WHEREAS, this Ordinance is adopted pursuant to the authority of Section 166.021 and Chapter 403, Part IV, Florida Statutes; and

WHEREAS, this Ordinance has superseded Ordinance 11-25-CN, Ordinance 16-16-CN, ~~and~~ Ordinance 11-04-CN, and Ordinance 17-18-CN pursuant to the authority of Section 166.021 and Chapter 403, Part IV, Florida Statutes.

SECTION 1. DEFINITIONS.

"Bulky Waste" shall mean large items of solid waste such as, mattresses, and other oversize wastes whose large size precludes or complicates their handling by normal solid waste collection, processing, or disposal methods.

"Cart" shall mean a roll out cart receptacle with two wheels and a properly designed axle and fittings, and a top lid that is to remain closed except when loading refuse, with a body consisting of approximately ninety (90) to ninety-six (96) gallons in capacity, constructed of heavy duty plastic and having the strength to store normal household garbage and refuse and equipped with proper attachments for hydraulic loading into the Contractor's collection vehicle by the hydraulic lifts affixed to such vehicle body.

"Commercial container" shall mean any portable, nonabsorbent, enclosed container with a close fitting cover, or doors, approved by the Grantor, which is used to store large volumes of refuse. A commercial container must be capable of being serviced by mechanical equipment.

"Commercial establishment" shall mean any public or private place, building or enterprise devoted in whole or in part to business purposes, whether for profit or not-for-profit; except where such place,

building or enterprise constitutes a single-family residence or multiple dwelling of four (4) units or less. A multiple dwelling of five (5) units or more shall be considered a commercial establishment unless there is no homeowners' association for such structure or if there is insufficient room for a commercial container. Duplexes, triplexes and condominiums/ townhouses with four units or less where the individual units are privately owned and used for commercial purpose are not commercial establishments within this definition unless commercial containers are used.

"Commercial rubbish and trash" shall mean combustibles such as paper, wood and yard trimmings, and noncombustibles such as metal, plastic, glass, stone and dirt.

"Commercial solid waste" shall mean garbage, rubbish and trash, resulting from the normal activities of establishments utilizing containers of one (1) cubic yard capacity or more. *"CPI"* as used herein shall be the revised Consumer Price Index for all Urban Consumers South Urban for all items, not seasonally adjusted, published by the Bureau of Labor Statistics, U.S. Department of Labor, 1984-82 = 100. In the event the U.S. Department of Labor Statistics ceases to publish the CPI, the parties hereby agree to substitute another equally authoritative measure of change in the purchasing power of the U.S. dollar as may be then available.

"Curb Service" shall mean a single collection point within five (5) feet of the edge of the road.

"Customer" shall mean individual or business (residential or commercial) receiving collection services.

"Construction Debris" shall mean waste building materials resulting from construction, remodeling, repair or demolition operations.

"Disaster debris" shall mean any rubbish or remnants, both combustible and noncombustible, resulting from storms or any emergency condition, requiring special handling and/ or equipment for bulk removal of both natural and man-made material.

"Duplex Residence" shall mean and include an attached two family structure designed or intended for occupancy by two (2) families.

"Garbage" shall mean every accumulation of waste (animal, vegetable and/ or other matter) that results from the preparation, processing, consumption, dealing in, handling, packing, canning storage, transportation, decay or decomposition of meats, fish, fowl, birds, fruits, grains or other animal or vegetable matter (including, but not by way of limitation, used tin cans and other food containers); and all putrescible or easily decomposable animal or vegetable waste matter which is likely to attract flies or rodents.

"Garbage Cart" shall mean the plastic receptacle furnished by the Grantee with capacities of 96 gallons. Smaller carts of 64 gallons will be made available to special needs customers (elderly or handicapped) upon request with the Grantor's approval.

"Grantee" shall mean Waste Management Inc. of Florida, who is granted this exclusive franchise and hereby undertakes to perform each and every obligation assigned herein and hereby agreed to.

"Grantor" shall mean the City of Destin, Florida.

"Gross Quarterly Dollar Customer Billings" shall mean the total quarterly invoice amount billed to Destin residents for collection and disposal of all residential trash, garbage, and other refuse within the city limits, including landfill tipping and/ or transfer station fees.

"*Gross Revenue* " shall mean and include any and all fees received by Grantee which were generated within the service area pursuant to this franchise with the exception of those fees associated with storms and other emergencies as defined in Section 27.

"*Handicapped Service*" shall be household garbage and recycling service at the rear or side of a residence for handicapped persons approved by Grantor for special service.

"*Hazardous Waste*" shall mean waste, in any amount, which is defined, characterized or designated as hazardous by the United States Environmental Protection Agency or appropriate state agency by or pursuant to federal or state law, or waste, in any amount, which is regulated under federal or state law. For purposes of this franchise, the term Hazardous Waste shall also include motor oil, gasoline, paint and paint cans, and any items containing chlorofluorocarbons.

"*Horticultural Trash*" shall mean shrubbery cuttings, or clippings, palm fronds, small tree branches (not to exceed six (6') feet in length and four (4) in diameter), bushes or shrubs, or other organic matter generated as refuse in the care of lawns, gardens, hedges, bushes and trees. Large branches, trees or bulky or non-combustible materials not susceptible to normal loading and collection in "load packer" type sanitation equipment used for regular collections from domestic households, and stumps and tree trunks in excess of four (4) inches in diameter are not included in this definition.

"*Multifamily Residences* " shall mean multiple dwelling units of five (5) units or more.

"*Occupant* " or "*Resident*" includes individuals, children, firms, associations, joint ventures, partnerships, estates, trusts, syndicates, fiduciaries, corporations, and all other groups or combinations permitted under Florida law.

"*Plastic liner* " shall mean a plastic bag no larger than a thirty-five (35) gallon garbage can of sufficient strength to hold contents securely tied at top and not to exceed fifty (50) pounds when full.

"*Recyclable Materials* " shall mean newspaper, glass containers, aluminum and steel cans, plastics and such other materials identified by the Grantor during the term of this franchise.

"*Recycling Containers* " shall mean the receptacles purchased and distributed on behalf of the Grantor by the Grantee for the intended use as a receptacle of Recyclable Materials.

"*Recycling Service Area* " refers to the corporate limits of the City of Destin, Florida as hereafter amended through annexation.

"*Roll-off Container*" shall mean any container (open top or enclosed for compacting) used for the collection and storage of construction, demolition debris, or garbage rubbish that can be picked up and transported on a specially equipped truck to the disposal site.

"*Rubbish* " non-recyclable solid wastes or refuse, excluding garbage consisting of both combustible and noncombustible trash.

"*Senior Program*" – City residents, where there are no more than two persons residing in the dwelling and at least one of those two is age 65 or over by October 1st of the current year who, upon application to the Grantee, are determined Grantee, using guidelines established by the City to be eligible for this Senior Program, will receive discounted rates and reduced level of service.

"*Single Family Residence*" shall mean and include a detached single family structure designed for

occupancy by one person or by one family. Each mobile home, trailer, townhouse or condominium (if located in a building with four (4) or less connected units) shall be deemed a "residence" and each such townhouse/ condominium unit shall be deemed a single family structure unless the townhouse/ condominium building uses commercial containers. Each unit of a residential duplex or triplex shall be deemed a "residence" unless the duplex or triplex uses commercial containers.

"Solid Waste" shall mean sludge unregulated under the federal Clean Water Act or Clean Air Act, sludge from a waste treatment works, water supply treatment plant, or air pollution control facility, or garbage, rubbish, refuse, special waste, or other discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from domestic, industrial, commercial, mining, agricultural, or governmental operations. Recovered materials as defined in s. 403.703(7), Florida Statutes, are not solid waste.

"Special material" shall mean bulky materials or other special wastes that are not stored in standard storage containers and cannot be picked up by a normally used collection vehicle. Wastes such as major appliances, furniture, building materials, tree limbs, noncontainerized trash piles and any unusually large amount of refuse not suitable for containerization will be picked up as a special service of the Grantee and billed separately to the customer on the basis of labor, truck costs and dumping charges. All fees received by the Grantee for the collection of special material on a special service basis are subject to the City's franchise fee.

SECTION 2. GRANT OF FRANCHISE.

Grantee is hereby granted an exclusive mandatory residential and commercial franchise, including every right and privilege appertaining thereto, to operate and maintain a residential recycling and residential and commercial trash, garbage and refuse collection and removal service in, upon, over and across the present and future streets, alleys, bridges, easements and other public places within the limits of this franchise for the purpose of collecting and disposing of all residential recyclables, residential and commercial trash, garbage and other refuse generated by the citizens, residents and inhabitants of the City of Destin, Florida. Grantee is also hereby granted title to all such residential recyclables, residential and commercial trash, garbage and refuse generated within said boundaries, to the extent that the Grantor can establish its legal right to make such grant of title.

SECTION 3. LIMITS OF FRANCHISE.

This franchise covers the corporate limits of the City of Destin, Florida, as those corporate limits may change from time to time. Grantee agrees that the limits of the franchise are subject to expansion or reduction by annexation and contraction of municipal boundaries and that Grantee has no vested right in a specific area.

SECTION 4. TERM.

A. The franchise shall be granted from the date of this franchise for a period of five (5) years beginning on October 1, 2022 unless sooner terminated by reason of breach of the terms hereof by the Grantee which result in the failure of the Grantee to provide effective and efficient service.

B. This franchise may be automatically renewed under the same terms, conditions and limitations as contained herein, unless Grantor or Grantee shall give notice to the other of an intent to cancel or renegotiate, which notice shall be in writing, delivered by United States Mail, return- receipt requested and posted no sooner than twelve (12) months, and no later than nine (9) months before the initial termination date of this franchise. Said notice may also be delivered by hand within the above time frame,

and if so delivered, a receipt thereof signed by an authorized agent of the Grantor or of the Grantee as applicable, shall be evidence of delivery.

SECTION 5. FRANCHISE CONSIDERATION.

Grantee shall pay to the Grantor a franchise fee equal to the sum of three (3%) percent of the gross quarterly dollar commercial establishment customer billings. Payment to the Grantor shall be made four (4) times per year, in March, June, September and December, within ten (10) days of each quarter and without demand by Grantor. A late fee of 20% of the total quarterly payment shall be assessed by the Grantor on all late payments. It is further understood and agreed that the franchise fee paid pursuant to this franchise shall not be added on as a separate item on the occupant's or resident's garbage collection bills, but rather shall be considered as an operational expense. Residential customers billed by the Grantor will pay a three percent (3%) franchise fee as part of their billing.

The franchise fee may be changed by the City with approval of the City Council once a contract year (Oct. 1 – Sept. 30), upon adoption of an ordinance and after two readings at duly noticed public hearings. Any changes to the franchise fee will become effective on October 1 following adoption and passage of the ordinance. The Grantor shall provide notice of the change to the Grantee at least ninety (90) days prior to the next billing period.

SECTION 6. ASSIGNMENT.

A. The franchise rights herein granted to the Grantee shall not be assigned by Grantee except with the express approval of the Grantor, which shall be reflected by a resolution of Grantor adopted by its governing body. In the event of such an assignment, Grantee shall cause its assigns to execute an Agreement of Acceptance, subject to the approval of the Grantor, evidencing that such assignee accepts the assignment subject to any and all terms, conditions and limitations imposed hereby and which acceptance shall include an affirmative statement evidencing such Assignee's intent to fulfill the obligations imposed by Grantor in contemplation hereof. Notwithstanding the Grantor's approval of such an assignment and assignee's acceptance, Grantee shall guarantee the performance of its assignee and such assignment shall always be with full recourse to Grantee.

B. A transfer of more than fifty-one percent (51%) of the issued outstanding stock of Grantee shall constitute an assignment for the purpose of this section. Likewise, any transfer of the voting rights attendant to fifty-one percent (51%) or more of the issued or outstanding stock of Grantee shall constitute an assignment for the purposes hereof.

SECTION 7. BANKRUPTCY OR INSOLVENCY.

If the Grantee files a petition for the appointment of a receiver or a petition of voluntary or involuntary bankruptcy, this franchise is automatically terminated as of the date of the filing of such petitions.

SECTION 8. DEFAULT.

A. Failure on the part of the Grantee to comply in any material respect with any of the provisions of this ordinance shall be grounds for a forfeiture of this franchise, but no such forfeiture shall take effect until Grantor has served upon the Grantee written notice of default setting forth the nature and extent thereof. Following receipt of the notice of default, Grantee shall have 24 hours to collect any garbage or trash that was not collected at the regularly scheduled pick up time and shall have fourteen (14) days to correct, or to notify the City of the means, subject to City approval, by which the Grantee intends to correct, other identified defaults. If Grantee disagrees with the reasonableness or propriety of Grantor's notice of default, Grantee may protest such default by filing with the City Clerk a written protest within 2 hours of receipt of Grantor's notice regarding a missed trash/ garbage pickup and within five (5) days of receipt of Grantor's notice for other identified defaults.

B. If the Grantor and Grantee cannot agree as to the reasonableness or propriety of the Grantor's notice of default, then the issue shall be resolved by a court of appropriate jurisdiction located in Okaloosa County, Florida, which shall be the exclusive venue for such a dispute.

SECTION 9. RIGHTS OF FIRST REFUSAL.

In the event Grantee shall at any time during the term of this Ordinance desire to sell the disposal service then existing and shall have received a bona fide offer from any other person, firm, corporation or from any other municipal corporation or county, authority or political subdivision of the State of Florida satisfactory to Grantee to purchase the same, the Grantee shall within ten (10) days after receipt of such bona fide offer advise the Grantor in writing of the purchase price and other terms and conditions of such offer, and the Grantor for a term of thirty (30) days after giving of such notice shall have the option to purchase the disposal service from Grantee upon the terms and conditions as set forth in said offer. In the event the Grantor shall fail or refuse to exercise the right and option granted to it by this section within the time limit set forth above, Grantee shall have the right to sell the disposal service to the prospective purchaser thereof, subject to the terms of Section 6 of this franchise.

SECTION 10. RESTORATION.

The Grantee agrees to repair all property, public or private, altered or damaged by it, its agents or employees in the performance of its duties herein in as good or better condition as it was before being damaged or altered. The Grantor and Grantee shall meet at least quarterly to review damage to public streets and rights-of-way to assess costs and scheduling of repairs.

SECTION 11. COMPLIANCE WITH LAWS.

Grantee shall conduct operations under this franchise in compliance with all applicable laws. Grantee specifically agrees to be solely responsible for the enforcement, administration and compliance with all applicable provisions of Chapter 403, Part IV, Florida Statutes, and future amendments thereto. Furthermore, Grantee shall be responsible for the necessary promotion and educational activities required to familiarize the general public with the recycling mandates.

SECTION 12. LIABILITY INSURANCE; HOLD HARMLESS; WORKERS COMPENSATION.

Grantee shall carry public liability insurance to the extent of Five Million (\$5,000,000) Dollars for the death of or injury to more than one person or property damage insurance to the extent of One Million (\$1,000,000) Dollars, upon each of the trucks or other vehicles used in carrying out the work called for in this franchise, such insurance expressly to cover both the Grantor and the Grantee. A certificate showing

that the Grantee has in force and effect the aforesaid insurance shall be filed with the Grantor within ten (10) days from the execution of the franchise, and yearly thereafter at least thirty (30) days prior to the date of the expiration of said policies or insurance for each year of said franchise. The aforesaid insurance shall be of such form and written by such companies as are approved by the Grantor and also shall contain an advance of the cancellation of the insurance. Said policies of insurance shall name Grantor as additional insured.

The Grantee will defend, indemnify, save harmless, and exempt the City, its officers, agents, servants, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, and attorney's fees resulting from or based on (i) violation of applicable laws, ordinances, rules or regulations by the Grantee, its agents or employees; (ii) injury to persons or damage to property arising out of the Grantee's or its agents' and/ or employees' intentional, willful or negligent acts or omissions in the performance of this Franchise Agreement or for injury or damage caused outside the scope of this Franchise Agreement but for which Grantee, its officers, agents, servants, or employees are responsible.

Grantee shall carry Workers Compensation insurance on all its employees and show proof of insurance and payment of premiums thereon to the Grantor, as requested. All such Workers Compensation policies shall provide for notice by the insurer to the Grantor at least sixty (60) days prior to any termination, revocation or modification thereof.

SECTION 13. PERFORMANCE BOND.

Grantee shall furnish to the Grantor a performance bond, in a form approved by the Grantor, for the faithful performance of this franchise and all of the obligations arising hereunder in the amount of One Million(\$1,000,000.00) Dollars. Said bond shall be executed by a surety company approved by Grantor and licensed to do business in Florida.

SECTION 14. RIGHT TO REQUIRE PERFORMANCE.

The failure of the Grantor at any time to require performance by the Grantee of any provision of this franchise shall not affect the right of the Grantor to enforce same; nor shall waiver by the Grantor of any breach of any provision in this franchise be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of any provision itself. The Grantor, in accord with the provisions of Section 8, shall have the right to terminate this franchise if Grantee fails to timely correct violations of this agreement as provided in Section 8.

SECTION 15. DISPUTE RESOLUTION.

If any controversy shall arise between the parties either party may pursue all available legal remedies in the appropriate Okaloosa County, Florida court, which shall be the exclusive venue for any dispute.

SECTION 16. OPERATIONS DURING DISPUTE.

A. In the event that a dispute arises between the Grantor and the Grantee, or any other interested party in any way relating to the terms and conditions, performance or compensation required under this franchise, the Grantee shall continue to render service in full compliance with all terms and conditions of this franchise regardless of the nature of the dispute.

B. Grantee expressly recognizes the paramount right and duty of Grantor to provide adequate waste collection and disposal service as necessary governmental functions, and further agrees, in consideration for the execution of this franchise, that in the event of a dispute, said Grantee will neither stop service nor seek injunctive relief in any court, but will either negotiate for an adjustment in the matter in dispute or present the matter to a court of competent jurisdiction located in Okaloosa County, Florida in an appropriate suit instituted by Grantee.

C. If the term of this franchise is not renewed, Grantee shall continue to provide service for at least ninety (90) days following expiration or until a substitute Grantee is in place, whichever comes first, but shall not continue service past 120 days.

SECTION 17. STANDARD OF PERFORMANCE.

A. If the Grantee fails to collect the materials herein specified for a period in excess of three (3) consecutive scheduled working days or fails to operate the system in a satisfactory manner for a similar period, the Grantor may proceed as follows (provided such failure is not due to war, insurrection, riot, act of God, or other causes beyond the reasonable control of Grantee):

1. At its option, after written notice to the Grantee, take over and operate any or all of the Grantee's equipment used in the performance of this franchise until such time as the Grantee is again able to carry out its operation satisfactorily, as determined solely by the Grantor. Any and all operating expenses incurred by the Grantor in so doing may be charged to the Grantee.

2. Enter into contract(s) or agreement(s) with another qualified firm(s) to provide solid waste collection and disposal until such time as the Grantee is again able to satisfactorily fulfill its responsibilities under this franchise as determined solely by the Grantor.

B. During such period, the liability of the Grantor to the Grantee for loss or damage to the equipment used shall be that of a bailee for hire, ordinary wear and tear being specifically exempt from such liability. The liability of the Grantee to third parties shall continue and all claims or demands arising out of the operation of the collection service shall be directed solely to the Grantee and Grantor shall be treated as an agent of the Grantee for purposes of determining liability.

SECTION 18. CURBSIDE RECYCLABLE MATERIALS COLLECTION AND DISPOSAL.

A. Grantee shall be required to provide recycling to all residential customers. Grantee shall not be required to provide multifamily residences or commercial customers with recycling.

B. Grantee shall collect all residential recycling materials in the corporate limits of the City, transport and provide for recovery of said residential recyclable materials at a designated recovery facility. The Grantee shall perform such services as are required to provide a complete residential recyclable materials program.

C. Collection of recyclable materials shall be at curbside or other such locations as will

provide ready accessibility to the Grantee's collection crew and vehicle. In the event an appropriate location cannot be agreed upon, the Grantor shall designate the location. Handicapped residents shall be accommodated at no additional fee.

D. The Grantee shall pick up all recyclable materials which have been properly prepared for collection and placed in recycling carts and placed at the curbside from all single family residences. The Grantee shall distribute one (1) 96-gallon cart to hold recyclable materials to be collected to each single family residence within the service area. The cart shall be replaced by the Grantee as required. The Grantee shall maintain an adequate supply of carts at all times. Grantee shall retain ownership of the carts. Residents may retain 18 gallon bins previously distributed, place them by or in the recycling cart for removal. Information and instructions about the recycling program will be provided with the recycling cart.

E. All refuse and recyclable materials hauled by the Grantee shall be so contained, tied or enclosed that leaking, spilling or blowing are prevented.

F. The Grantee shall make collections with as little noise and disturbance to the residents as possible and in conformance with the City's Noise Ordinance. Grantee shall handle recycling carts with reasonable care and return them to the approximate curbside location from which they were collected. Any recyclable materials spilled by the Grantee shall be picked up immediately. Recycling carts shall be thoroughly emptied and left at the point of collection. Grantee shall develop a procedure for handling placement of incorrect material in the recycling carts by residents, preferably a notice reminding the resident of acceptable materials.

G. Grantee shall collect recyclable materials within the service area one (1) time per week. The day of collection shall be the same day as one of the regular collection days for solid waste preferably the first collection of the week. However, pickups normally scheduled on a holiday shall be rescheduled for the next regularly scheduled pickup day.

H. Grantee will provide at no additional cost to Grantor an eight (8) yard recycling container at the Public Services Facility for use by residents and visitors.

I. Grantee will provide at no additional cost an eight (8) yard recycling container at the Norriego Point parking lot for use by residents and visitors.

J. Grantee will provide at no additional cost to Grantor up to three (3) additional eight (8) yard recycling containers for use by residents and visitors at Grantor's requested location.

SECTION 19. RECYCLING PROGRAM.

A. The Grantee shall be responsible for maintaining the information and records adequate to determine participation rates and weekly setout rates by volume of solid waste diverted from landfill by percent, weight of items recycled, neighborhoods above or below average participation. . The Grantee shall furnish quarterly diversion report to the City. Reports shall be on forms and in a format required by the Grantor.

B. Grantee agrees to meet on a semiannual basis with the Grantor's Environmental/ Tree Committee or, if such a committee is not standing, then the City's Parks and Recreation Committee to discuss ways to increase recycling throughout the City, at a time mutually agreed to by both parties to this agreement.

SECTION 20. COLLECTION SERVICES AND OPERATIONS.

A. Residential

1. Frequency of collection: Grantee shall, on a regularly scheduled day, pick up from the curbside adjacent to each residence all garbage, rubbish, and residential wastes (household garbage) two (2) times a week from Carts provided by Grantee; collection of horticultural trash and bulky waste shall be one (1) time per week on days agreed upon by the Grantee and Grantor. Instructions regarding regular solid waste collection, Bulky Waste collection and Horticultural Waste collection shall be provided by Grantee on the 96 gallon Cart provided to residents. However, pickups normally scheduled to be made on a holiday shall be rescheduled for the next regularly scheduled pickup day. Grantee agrees to collect additional Rubbish outside of the Cart only on the next service day after Christmas generated by Holiday festivities. Such additional Rubbish shall be bagged, bundled or contained, to avoid scattering and each bag, bundle or container shall weigh less than fifty pounds. Grantee, at his sole expense, shall notify residences served of the holiday observed and regular pickup schedules at least five (5) days in advance by publication or other means approved by Grantor.

(a) Holidays: The following holidays may be observed by Grantee for purposes of this franchise: New Year's Day, Thanksgiving Day and Christmas Day.

(b) Schedule: Regularly scheduled pick up days for household garbage shall be Tuesday and Friday; Tuesday will be the day for recycling and Wednesday and/or Friday will be the day for horticultural trash collection. However, all schedules and routes are subject to being rescheduled as mutually agreed to by the Grantor and Grantee. The Grantor, at the request of the Grantee or on its own, may extend, suspend or modify these schedules in the event of a natural disaster, health hazard or any other state of emergency requiring such action.

2. Quantity: Grantee shall be required to pick up all garbage and rubbish generated at residential premises, provided same is placed in the garbage cart. Grantee shall also be required to furnish an additional cart when requested and paid for by residents at an additional fee of \$____ See Exhibit A____per month billed annually at \$____ See Exhibit A____ and adjusted annually to reflect the change in the WST CPI from the prior twelve month period ending in June.

3. Collections. All collections shall normally be made in residential areas no earlier than 6:00 a.m. and no later than 6:00 p.m., with no service on Sunday and select holidays, except in declared emergencies. Grantee shall make collections with a minimum of noise and disturbance and in conformance with the City's Noise Ordinance. Garbage carts shall be handled carefully by the Grantee and shall be thoroughly emptied and left where they were found at the curbside. All work shall be done in a safe and sanitary manner. All waste spilled by Grantee shall be picked up and removed by Grantee. Missed pickups and minor issues shall be resolved within 24 hours. All other problems must be resolved or a cure initiated within seven (7) days.

4. Bulky Waste Collection: Grantee shall collect bulky waste placed at the curbside for collection once a week on a day agreed upon by Grantee and Grantor. Bulky Waste shall include up to six (6) cubic yards of material. Grantee shall provide additional Bulky Waste collection to residential customers at a rate agreed to between Grantee and resident. The resident shall be responsible for payment for these additional services.

5. Special services: Services such as back door collection, below ground collection, removal of any refuse other than garbage or rubbish as defined herein or additional pickups shall be provided on a separate fee basis upon terms agreed to by the Grantee and the customer. Grantee shall provide the requested special services within two (2) business days after reaching agreement with customer as to the rate for such services. Requests for pickups of special materials as defined herein shall be considered as requests for special pickup services. Charges for special services shall not be unreasonable or excessive. Household garbage services shall be provided at the rear or side residence for handicapped persons approved by the Grantor at no extra charge. Smaller sixty-four (64) gallon carts will be made available to special needs customers (handicapped or elderly) upon request by Grantor.

6. Exempt customers: Residents or occupants who, upon application to the Grantor pursuant to Section 12-86, Destin City Code, are determined by the City Manager to be unable to pay the collection and disposal fee due to hardship or inability shall be exempt from the payment of collection fees. Any customer desiring to be considered for exempt status needs to apply by April 15th of each year.

7. Public Right of Way Collection: Grantee shall collect at no additional charge to Grantor, illegally dumped materials such as Horticultural trash, furniture and Bulky Waste disposed of in the City right of ways; provided such collections do not require the use of a special truck not normally used in Grantee's collection of waste pursuant to this Agreement.

8. Senior Program: City residents, where there are no more than two persons residing in the dwelling and at least one of those two is age 65 or over by October 1st of the current year who, upon application to the Grantee, and using guidelines established by the City to be eligible for a senior program, will receive discounted rates as determined in Section 29 (A). 1. The City of Destin may enforce other restrictions/ criteria to be eligible for this discount. The level of service for the senior program for collection of garbage will be once a week and picked up on the first day of weekly collection service for the route which services their address. All other services (recycling and horticultural waste) will be the same as other residential customers.

9. Waste Receptacles:

- (a) Garbage: Garbage shall be placed for collection separately from rubbish and shall be placed in the garbage carts furnished by the Grantee with capacities of 96 gallons. Smaller carts of 64 gallons will be made available to special needs customers (elderly or handicapped) upon request with the Grantor's approval.
- (b) Horticultural trash: Horticultural trash must be canned, bagged and/ or stacked and shall not weigh more than fifty (50) pounds per container or stack, and shall not be in excess of six (6) feet in length or four (4) inches in diameter. Total volume per each horticultural debris service day pickup shall not exceed two (2) cubic yards (approximately the amount which can be placed in the bed of a standard pickup truck). Grantee will not remove stumps or tree trunks in excess of four (4) inches, in diameter.

10. Hazardous materials: Grantee shall not be required to collect hazardous materials.

11. Location of residential waste for collection: Persons in occupancy of each residential establishment shall place their garbage carts at the curb no sooner than 12:00 p.m. the day before

a scheduled pick-up and shall remove the garbage carts by midnight of the day of the pick-up, unless: the occupant or resident has been approved for back door or side door pickup or the occupant or resident has negotiated a special service collection at another location.

10. Customer restrictions: Grantee shall not be required to collect residential waste when such waste is not generated on the residence served. Grantee shall have the right to terminate service to any customer violating this section only after prior notification to the customer and approval by the Grantor.

B. Commercial

1. Frequency of collection: Grantee shall, on a regularly scheduled day, pick up all garbage, rubbish, and wastes. However, pickups normally scheduled to be made on a holiday shall be rescheduled for the day before or the day after the holiday or with the approval by the commercial establishment any other day within a five-day window of the holiday.

(a) Holidays: The following holidays may be observed by Grantee for purposes of this franchise: New Year's Day, Thanksgiving Day and Christmas Day.

(b) Schedule: Commercial collection shall be on days agreed to by the Grantee and commercial establishment. The Grantor, or its designee, is authorized to extend, suspend or modify these schedules in the event of a natural disaster, health hazard or any other state of emergency requiring such action.

2. Quantity: Grantee shall be required to pick up all garbage and rubbish generated by a commercial establishment, provided same is placed in a waste receptacle. The City Manager or his/her designee may require the commercial establishment to increase their level of service to accommodate the waste generated at the commercial establishment. Collections: All collections shall normally be made at commercial establishments no earlier than 6:00 a.m. and no later than 6:00 p.m. Grantee shall make collections with a minimum of noise and disturbance and in conformance with the City's Noise Ordinance. Waste receptacles shall be handled carefully by the Grantee and shall be thoroughly emptied and left where they were found. All work shall be done in a safe and sanitary manner. All waste spilled by Grantee shall be picked up and removed by Grantee.

3. Special services: For items requiring roll-off service or any special handling, removal of any refuse other than garbage or rubbish as defined herein or additional pickups, all charges are to be negotiated between the Grantee and the customer. Requests for pickups of special materials as defined herein shall be considered as requests for special pickup services. Charges for special services shall not be unreasonable or excessive and shall be subject to the City's franchise fee.

4. Waste receptacles:

(a) Garbage and rubbish: Garbage and rubbish shall be placed for collection within a commercial container.

(b) Hazardous and biohazardous materials: Grantee shall not be required to collect hazardous or biohazardous materials.

(c) Location of commercial waste for collection: All commercial establishments receiving service pursuant to this franchise shall keep waste receptacles, disposal containers and other such items at location(s) approved by the City.

5. Customer restrictions: Grantee shall not be required to collect commercial waste receptacles containing garbage or refuse when such waste is not generated in the commercial establishment served. Grantee shall have the right to terminate service to any customer violating this section only after prior notification to the customer and approval by the Grantor.

6. Removal of improper receptacles: Any container used for the collection and storage of commercial waste which fails to meet the standards prescribed by the Grantor shall be clearly marked, specifying the manner in which the container fails to meet the requirements. Such marked, nonconforming containers shall be removed from service by the Grantee.

SECTION 21. OFFICE AND COLLECTION HOURS.

A. The Grantee's office shall remain open Monday through Friday from 8:00 a.m. to 5:00 p.m. to handle complaints from residential customers; and for that purpose, there shall be maintained an adequate number of telephones and a responsible person in charge during the hours specified above. Commercial customers shall be provided a local or toll free number which shall be available from 7:00 a.m. to 5:00 p.m. Monday through Friday and on Saturdays from 8:00 a.m. to 4:00 p.m. These requirements do not apply on the legal holidays identified in Section 20.

B. Collections shall normally be made at commercial establishments no earlier than 6:00 a.m. and no later than 6:00 p.m. If the Grantee has an equipment breakdown, it shall be relieved from completing collection by 6:00 p.m. but not later than 10:00 p.m. for the route being served by such equipment experiencing operating difficulties, provided that such route shall be fully collected that day by the Grantee with substitute equipment.

C. An exception to the normal pickup times is granted to commercial establishments located south of Harbor Blvd, to include McGuire's Irish Pub, due to high traffic volume and limited parking. The pickup times at these locations are 4:30 a.m. to 7:00 p.m. At the request of the Grantee or the City Manager or his designee, Section 21. C. may be modified due to the proximity of residential units, new commercial establishments and other concerns. The approval of such requests will not be unreasonably delayed or withheld.

SECTION 22. COLLECTION EQUIPMENT.

The Grantee shall have on hand at all times sufficient equipment in good working order and of the minimum weight necessary to permit Grantee to perform its duties hereunder fully, adequately and efficiently. Equipment shall be purchased from nationally known and recognized manufacturers of garbage collection and disposal equipment. Garbage collection equipment shall be kept clean, sanitary, neat in appearance, and in good repair at all times and shall be equipped with back-up warning lights and alarm. The Grantee shall at all times have available reserve equipment which can be put into service and operation within two (2) hours of any breakdown. Such reserve equipment shall substantially correspond in size and capability to the equipment normally used by the Grantee to perform its duties hereunder.

SECTION 23. DISPOSAL.

All garbage and solid waste shall be hauled to sites or facilities selected by Grantee and legally empowered to accept it for treatment or disposal.

SECTION 24. ROUTES AND SCHEDULES.

The Grantee shall periodically provide the Grantor with schedules of residential collection routes and keep such information current at all times. In the event of changes in routes or schedules that will alter the day of pickup, Grantee shall notify each customer affected by either direct mail or door hangers which the Grantor shall approve for such purpose. Grantee shall also notify customers by placing an advertisement prominently displayed in a local newspaper on at least two (2) occasions, the latter being at least one (1) week prior to the change. All such changes in routes or schedules will also be immediately communicated to Grantor at the time determined by the Grantee. Grantee shall assist Grantor in conveying these changes through all other reasonable means, including through Grantor's website and social media accounts.

SECTION 25. GRANTEE PERSONNEL.

Grantee shall assign a qualified person to be in charge of operations under this franchise and shall give the name and qualifications of said person to the Grantor. Grantor requires that Grantee's collection employees wear clean uniforms bearing Grantee's company name. Each person employed to operate a vehicle shall at all times carry a valid CDL driver's license for the type of vehicle being driven. Grantor may request the dismissal of any employee of Grantee who violates any provisions of this subsection or who is found to have been wanton, negligent or discourteous in the performance of his or her duties. Grantee shall provide operating and safety training for all personnel. Wages of all employees of Grantee shall be equal to or exceed the minimum hourly wages for such employees established by local, state or federal law. Grantee utilizes and will continue utilizing Florida's E-Verify program as required by section 448.095, Florida Statutes, as it may be amended from time to time.

SECTION 26. SPILLAGE AND LITTER.

The Grantee shall not litter premises in the process of making collections, but shall not be required to collect any waste material that has not been placed in supplied or approved containers or in a manner herein provided. During hauling, all solid waste or liquids shall be contained, tied or enclosed so that leaking, spilling or blowing are prevented. In the event of spillage by the Grantee, the Grantee shall promptly clean up the litter.

SECTION 27. STORMS AND OTHER EMERGENCIES.

In the case of a storm or disruption caused by other severe emergencies (e.g., war, insurrection, riot, or act of God) not caused by the Grantee, Grantor may allow Grantee a reasonable variance from regular schedules. As soon as practicable after such storm or other emergency, Grantee shall inform the Grantor of the estimated time required before regular schedules and routes can be resumed and, upon request of Grantor, Grantee shall provide notice to residential premises and commercial establishments in the service area.

The Grantee shall not be responsible for nor have an obligation to collect, transport or dispose of debris or other waste material from a hurricane, severe storm or other natural or man-made disaster (including increased horticultural trash and bulky waste) unless the Grantor enters into a written agreement with Grantee specifying the terms and compensation for such services.

Further, the parties shall track on a quarterly basis the volume of waste Grantee collects under normal, non-disaster event influenced conditions. Should waste volume collected by the Grantee in a quarter be greater by fifteen percent (15%) than such volume collected by Grantee in the same quarter of the previous year, and the increase in volume is attributable to a recent disaster event, Grantee shall be entitled to additional compensation for the collection of waste in excess of normal volumes for the same period. Such compensation shall be calculated at the average rate charged to the City of Destin by its storm debris collection contractors.

SECTION 28. NONDISCRIMINATION PROVISION.

The Grantee agrees that it has adopted and will maintain and enforce a policy of nondiscrimination on the basis of race, color, religion, sex, age, handicap, disability or national origin. Said nondiscrimination policy shall apply to employment practices of the Grantee and the provision of services. The Grantee agrees that on written request it will permit reasonable access by Grantor to its records of employment, employment advertisements, application forms, and other pertinent data and records for purposes of investigation to ascertain compliance with the nondiscrimination provisions of this franchise, provided, however, that Grantee shall not be required to produce for inspection any records covering any period of time more than two (2) years prior to the date of the franchise.

SECTION 29. RATES AND CHARGES.

A Rates:

1. The initial rates for recycling and the automated collection of garbage, Horticultural Trash, and Bulky Waste under this franchise, the initial residential rate shall be according to Exhibit "A" which is attached hereto and incorporated herein annually (\$____See Exhibit A____ per month). Additional carts if requested will be \$ ____See Exhibit A____ annually (\$____See Exhibit A____ per month). For City residents who elect and are approved to take advantage of the Senior Program as defined in Section 20, the initial rate will be \$____See Exhibit A____ annually (\$ See Exhibit A per month).] All such rates shall be adjusted in accordance to Section 30.

For garbage, yard waste for the initial term of this franchise, the monthly rate for commercial establishments shall be as stated on Exhibit A.

B. Grantee shall be solely responsible for the billing and collection of receivables from residential cart customers on an annual or quarterly basis. The following steps will be followed with respect to accounts in arrears:

- 30 plus days – customers will receive notice of overdue account and a call from Grantee's collection department. The property owner will receive the same notifications from Grantee.
- 45 days – customer's service will be suspended pending payment in full. Customer and property owner will receive a call from Grantee's collection department. A reactivation fee of \$25 per residential unit will be assessed. All calls will be documented in Grantee's database.
- 92 days – the Cart will be retrieved by Grantee and the account will be cancelled for non-payment. Grantor will be provided with a list of these customers monthly. A reactivation fee of \$25 will be assessed. A cart delivery fee of \$75 will be assessed
- A 2.5% late charge will be assessed every 30 days on past due balances with a minimum of \$5 applied on balances greater or equal to \$15.

C. Grantee shall be solely responsible for the billing and collection of receivables from commercial customers on a monthly basis, respectively. Customers may include either the property owner or tenant/ occupant of each commercial establishment generating solid waste.

D. For items requiring roll-off service or any other special handling not otherwise delineated

in this franchise, the charges are to be negotiated between the Grantee and the customer. If agreement cannot be reached, the matter shall be submitted to the Grantor for final determination.

E. Grantee shall keep records of the volume of solid waste collected and charges therefore and the Grantor shall have the right to review any records which in any way pertain to solid waste payments.

F. The Grantee is to provide solid waste removal and recycling services to all of the City's facilities, including all City parks and the City's sports complexes at no charge. The Grantee will provide six (6) commercial containers each of a size to be specified by the City at no cost to the City for City sponsored events, including one community cleanup per year.

Grantee shall provide at no additional cost to the Grantor, one twenty (20) yard roll-off container at the Public Works Facility serviced twelve (12) times annually for disposal of street sweeping debris considered special waste. An additional thirty (30) yard roll-off container will be placed at the Public Works Facility and serviced twenty-four (24) times annually at no cost to the Grantor.

I. Should Grantor annex any property currently serviced by Grantee under Okaloosa County Solid Waste contract, the owners of the annexed property shall have the option to opt into this Agreement at the rate structures specified herein, or the owners of the annexed property may elect to continue with the rate structure provided in Grantee's agreement with Okaloosa County through the end of the term of Grantee's agreement with Okaloosa County.

J. Either party may request a joint house count annually.

K. Grantee shall, within 90 days of the contract effective date, furnish house/unit number stickers for all garbage and recycling carts at each residential service address in the Grantee's billing system. The Grantee shall also ensure replacement carts and new service carts are equipped with the corresponding house/unit number.

SECTION 30. RATE CHANGES.

A. CPI and Fuel Adjustments

The initial rates contained herein shall be in place for the first twelve (12) months of this agreement. On October 1st of each subsequent anniversary date, the rates will be adjusted according to the changes in the Consumer Price Index (CPI) for the previous twelve (12) months ending on the preceding June. For purposes of this agreement, CPI shall mean the Consumer Price Index for Water, Sewer and Trash CPI, Not Seasonally Adjusted, All Areas (WST CPI) as published by the U.S. Department of Labor.

1. Should any new law, fee, surcharge, duty, tax, or other charges of any nature be imposed by the federal government, any agency thereof, the State of Florida, any agency thereof, or by any local government body or agency which is payable solely by reason of the nature of the operations conducted by Grantee and any other sales or services taxes of general application to the Grantee's operations, then the parties shall convene and negotiate in good faith an increase in Grantee's hauling rates.

2. In addition to the foregoing, Grantee may petition the Grantor for rate increases to cover unforeseen and unusual increases in the costs of operating under this Agreement. Grantee will be responsible for documenting the impact of such costs and any resulting increase in the rates and the Grantor shall reasonably and timely consider the request in good faith. The Grantor shall not unreasonably deny relief.

B. Change in Law:

The Grantee may petition the Grantor to adjust Grantee's rates based upon unusual and unanticipated increases in the cost of doing business, including but not limited to a change in law or regulation ("Change in Law"). Any such request shall be supported by full documentation establishing the increase in operating costs and the reasons therefor. The Grantor shall be entitled to audit the Grantee's financial and operational records directly related to the Grantee's request in order to verify the increase in costs and the reasons therefor.

"Change in Law" means (i) the adoption, promulgation, or modification after the date of this Agreement of any law, regulation, order, statute, ordinance, or rule that was not adopted, promulgated, or modified on or before the date of this Agreement, or (ii) the imposition of any material conditions in connection with the issuance, renewal, or modification of any permit, license, or approval after the date of this Agreement, which in the case of either (i) or (ii) establishes requirements affecting the Grantee's operation under this Agreement more burdensome than the requirements that are applicable to Grantee and in effect as of the date of this Agreement. A change in any federal, state, county, or other tax law or workers' compensation law shall not be a Change of Law. However, in the event that a federal, state or local entity imposes a fee, tipping fee adjustment, charge or tax after the date of this Agreement that applies to Grantee's operations per se, such fee, charge or tax shall be treated as a Change in Law.

The Grantee's request must be made within one hundred twenty (120) days of the occurrence of such unusual change or cost, and shall contain reasonable proof and justification to support the need for the rate adjustment. The Grantor may request from the Grantee, and the Grantee shall provide, such further information within its possession as may be reasonably necessary in making its determination. The Grantor shall approve or deny the request, in whole or in part, within sixty (60) days of receipt of the request and all other additional information required by the Grantor. The Grantor shall make a reasonable determination based upon the documentation provided in reaching its decision and shall not unreasonably deny relief hereunder.

SECTION 31. DELINQUENT ACCOUNTS.

A. Commercial: When an account is delinquent by thirty (30) days Grantee shall provide the commercial establishment with the following written notices by United States Mail: 30 days, friendly reminder of delinquency; 40 days, notice of potential service interruption; 50 days, notice of service interruption; 60 days, final demand for payment; 65 days audit/final notification before cancellation; and 90 days cancellation and delivery to third party collection agency. At the time that the Grantee actually stops service, notification of that fact will be given to the Grantor.

B. Grantee shall make all reasonable efforts to work with commercial establishment customers regarding payment of their accounts prior to interrupting or canceling service, i.e., negotiate payment plans, resolve billing disputes, etc.

SECTION 32. ACCOUNTING; RIGHT TO AUDIT.

A. Grantee shall keep an accurate set of books and records reflecting gross revenues derived within the service area pursuant to this franchise. Said books and records shall reflect, in addition to information normally reflected pursuant to standard accounting procedures, and the requirements of Chapter 403, Florida Statutes, the name and service address of each residential and commercial establishment customer, dates of commencement and termination of service, the service charge and any change thereto, the billings, billing dates and receipt of revenues. Certified copies of the above shall be furnished to the Grantor upon request. These certified copies shall be provided in a reasonable amount of time not to exceed

two weeks from the date of request.

B. Two (2) times per year the Grantor may audit the books and records of the Grantee in order to determine whether the franchise fees paid pursuant to Section 5 are those required thereby. Grantor's failure to exercise its right to audit at any time shall not constitute a waiver of such right, and notwithstanding such omission, the Grantor shall have such continuing right to audit until one year after the termination of this franchise. In the event that Grantor elects to exercise its right to audit, Grantor shall provide to Grantee written notice of such election at least forty-eight (48) hours in advance of the time of the audit. Grantor shall have the right to select the auditors to make the audit and one (1) audit per year shall be at the Grantee's expense. In the event a second audit is performed at Grantor's request in any given year, the expense of that second audit shall be borne by the Grantor, except in cases of fraud, deceit or intentional misrepresentation of monies due to the Grantor, in which case the expenses of the audit shall be borne by the Grantee. Grantee shall make available to the auditor, at no charge, such personnel, financial and other records as the Grantor may in its reasonable discretion request in order to complete such audit.

SECTION 33. COMPLAINTS.

All complaints shall be resolved by Grantee within twenty-four (24) hours. Grantee shall, within forty-eight (48) hours of receipt, supply Grantor with copies of all complaints on a form approved by the Grantor and indicate the disposition of each. Each month such record shall be available for inspection by Grantor at all times during the business hours specified herein. The complaint record/ form shall indicate the day and hour on which the complaint was received and the day and hour on which the complaint was resolved. When a complaint is received on the day preceding a holiday or on a Sunday, it shall be serviced on the next working day. The Grantee shall establish procedures acceptable to the Grantor to ensure that all customers are notified of the complaint procedure.

SECTION 34. CHARGES FOR FAILURE OF PERFORMANCE.

A. Upon the recommendation of any Council member or City staff member, and reasonable notice to Grantee, administrative charges may be assessed against the Grantee by vote of the City Council if the Council determines that

1. Total residential complaints during any calendar month involve more than one (1%) percent of the total residential customers within the service area;
2. Total residential complaints during the Grantor's fiscal year exceed more than two (2%) percent to the total residential customers with the service area;
3. Total commercial complaints during any calendar month involve more than three (3%) percent of the total commercial customers within the service area;
4. Total commercial complaints during the Grantor's fiscal year exceed more than six (6%) percent to the total commercial customers within the service area; or
5. Where the lack of performance by Grantee is continuous and determined by the Council to constitute a threat to the health, safety or welfare of residents and commercial establishments. "Welfare" as used in this subsection shall include the direct and indirect economic effects of Grantee's failure to perform.

B. Administrative charges shall be assessed only for verified complaints which indicate that the Grantee has failed to meet the minimum standards stated herein and will be in accord with the following schedule:

SCHEDULE OF ADMINISTRATIVE CHARGES

- | | | |
|----|---|------------------------------------|
| 1. | Failure to clean up spilled refuse | \$100.00 per incident |
| 2. | Failure to collect solid waste per location or special collection solid waste from any premises at or within service area | \$100.00 per incident |
| 3. | Failure to complete each route on the regular scheduled pickup | \$1,500.00 per route not completed |
| 4. | Failure to keep equipment in clean, safe and sanitary manner | \$150.00 per vehicle per day |
| 5. | Failure to have vehicle operator properly Licensed | \$150.00 per day per incident |
| 6. | Failure to maintain office hours as set forth in Section 21 | \$150.00 per incident |
| 7. | Failure to replace or repair any damage caused by Grantee or its personnel | \$100.00 per incident |

C. Within five (5) business days of the date of Council's action imposing such administrative charge, Grantee shall be notified in writing by certified United States Mail, return receipt, of the assessment of administrative charges and the basis for such assessment. Grantee may contest such assessments by filing a written protest with the City Clerk stating the reasons for disagreement within five (5) business days of the receipt of the notice of assessment. This protest will be acted upon by the City Council at the Council's next regularly scheduled council meeting.

SECTION 35. VENUE

The parties intend that this Agreement and the relationship of the parties shall be governed by the laws of the State of Florida. The venue for any action arising out of this Agreement shall be exclusively in Okaloosa County, Florida and nowhere else.

SECTION 36. SOVEREIGN IMMUNITY

Nothing contained herein is intended to nor shall be construed to waive the City of Destin's rights and immunities under the Florida Constitution, common law or Florida Statutes 768.28, as amended from time to time.

SECTION 37. CONFLICTING ORDINANCES AND RESOLUTIONS.

All ordinances or parts of ordinances and all resolutions in conflict herewith be and the same are hereby repealed.

SECTION 38. FORCE MAJEURE.

A. Except for the failure to make payment when due, neither Party shall be in default for its failure to perform or delay in performance caused by an Uncontrollable Circumstance, and the affected Party shall be excused from performance during the occurrence of such events. For purposes of this Agreement, “Uncontrollable Circumstances” means any act of terrorism, act of God, landslides, lightning, forest fires, storms, floods, typhoons, hurricanes, severe weather, freezing, earthquakes, volcanic eruptions, other natural disasters or the imminent threat of such natural disasters, epidemics and pandemics, quarantines, labor shortages, civil disturbances, acts of the public enemy, wars, blockades, public riots, labor unrest (e.g., strikes, lockouts, or other labor disturbances), declarations or acts of domestic or foreign governments, or governmental restraint or other causes, whether of the kind enumerated or otherwise, and whether foreseeable or unforeseeable, that are not reasonably within the control of a Party.

SECTION 39. JURY TRIAL WAIVER.

GRANTEE AND CITY AGREE TO WAIVE THEIR RIGHTS TO A TRIAL BY JURY REGARDING ANY LAWSUIT INVOLVING THE INTERPRATION, CONSTRUCTION, ENFORCEMENT, OR GOVERNANCE OF THIS CONTRACT, AND FOR ANY LAWSUIT RELATED IN ANY WAY TO THIS CONTRACT OR FOR THE WORK PERFORMED PURSUANT TO THIS CONTRACT.

SECTION 40. PUBLIC RECORDS.

IF GRANTEE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO CONSULTANT’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE OFFICE OF THE CITY CLERK, (850)837-4242, 4200 INDIAN BAYOU DRIVE, DESTIN, FLORIDA 32541, rbaily@cityofdestin.com.

Specifically, GRANTEE must:

- i. Upon request from the City’s custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this FS Chapter 119 or as otherwise provided by law.
- ii Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if GRANTEE does not transfer the records to the public agency.
- iii Upon completion of the contract, transfer, at no cost, to the City all public records in possession of GRANTEE or keep and maintain public records required by the City to perform the service. All records stored electronically must be provided to the City, upon request from the City’s custodian of public records, in a format that is compatible with the information technology systems of the City.

SECTION 41. SAVINGS CLAUSE.

If any section, part of a section, paragraph, clause phrase or word of this agreement is declared invalid, the remaining provisions of this franchise shall not be affected.

SECTION 42. EFFECTIVE DATE.

This ordinance shall take effect October 1, 2022 by the City Council of the City of Destin, Florida, and the signature of the Mayor, and upon filing of Grantee's written acceptance with the City Clerk

ADOPTED THIS ____ DAY OF _____, 2022

ATTEST:

By: _____
Gary Jarvis, Mayor

Rey Bailey, City Clerk

The form and legal sufficiency of the foregoing
has been reviewed and approved by the City Attorney.

Kyle S. Bauman , City Attorney

APPROVAL AND ACCEPTANCE

WASTE MANAGEMENT INC. OF FLORIDA does hereby approve and accept the foregoing solid waste collection and disposal franchise and, as franchisee, agrees to perform, assume and comply with all of the terms, conditions, covenants and obligations of said franchise and authorizes the undersigned officer to execute this Approval and Acceptance.

Dated this ____ day of _____, 2022

WASTE MANAGEMENT INC. OF FLORIDA

By: _____

Name: _____

Title: _____

EXHIBIT A – 3% Franchise Fee (2022 Proposed Ordinance)

Commercial Establishment Rates							
These Rates do not include additional service requirement such as casters, opening gates, compactors, etc. Commercial Establishments that only require one 96-gallon cart will receive service two times per week at curbside and will be billed at the same rate as a two-yard container serviced one time per week. Commercial establishments shall be billed for the rate of service required and will not receive recycling services.							
Multi-Family Residential	Multi – Family units that are serviced by Front Load Dumpsters will be billed to one entity based on the Commercial Establishment Rates for the service required and will not receive recycling service. Multi – Family units that are serviced by carts will be billed at the Residential Rate and shall receive recycling and horticultural waste pickup.						
	All Commercial Rates are per Month DES Price Group						
	1	2	3	4	5	6	7
2 yard container	110.02	210.56	311.37	412.07	512.76	613.41	717.69
4 yard container	136.45	261.00	385.53	510.56	634.60	759.13	888.18
6 yard container	165.65	314.05	462.44	610.85	759.24	907.65	1061.94
8 yard container	191.26	363.51	535.76	708.03	880.29	1052.58	1231.49

Residential	DER Price Group
Residential Service With Recycling and Carts	\$ 307.20 Annual \$ 25.60 Monthly
Senior Citizen Residential Rates	\$ 251.40 Annual \$ 20.95 Monthly
Second Cart Residential Rates	\$ 178.56 Annual \$ 14.88 Monthly

Rates including 3% Franchise Fee and \$6.00 Annual Billing Fee:

Monthly			
Rate Monthly	\$ 24.83	\$ 20.32	\$ 14.43
Franch. Fee	\$ 0.77	\$ 0.63	\$ 0.45
Total Rate	\$ 25.60	\$ 20.95	\$ 14.88
Quarter	\$ 76.80	\$ 62.85	\$ 44.64
Annual	\$ 307.20	\$ 251.40	\$ 178.56

Regular
Senior
2nd Can

VIP Compactors: Proposed 2022

	1	2	3	4	5	6	7
2	\$ 185.25	\$ 358.92	\$ 532.59	\$ 706.27	\$ 879.96	\$ 1,053.63	\$ 1,253.63
4	\$ 229.74	\$ 445.74	\$ 661.74	\$ 877.73	\$ 1,093.73	\$ 1,309.70	\$ 1,509.70
6	\$ 278.92	\$ 539.84	\$ 800.75	\$ 1,061.67	\$ 1,322.53	\$ 1,583.50	\$ 1,783.50
8	\$ 322.04	\$ 624.90	\$ 927.77	\$ 1,230.65	\$ 1,533.51	\$ 1,836.38	\$ 2,036.38

Webb Warren

From: Rainer, Doug <drainer@wm.com>
Sent: Monday, July 18, 2022 12:46 PM
To: Webb Warren
Cc: Rey Bailey; Catherine Card
Subject: RE: DRAFT WM Ordinance
Attachments: DR UPDATED 7.18.22 - Marked Up Version of Ordinance 22-09-CN- Exclusive solid waste franchise agreement with Waste Management Inc of Florida (1) (1).docx

[CAUTION: This email originated from outside of the City of Destin email system. DO NOT CLICK on links or open attachments unless you are sure the content is safe.]

Webb,

After the city council meeting last Monday night, Jake and I talked with our team about options for reducing contamination and overages in Destin without using the proposed new language in the ordinance as it seems to be causing concerns among some of your council members and residents. Because of our smart truck technology, along with your code compliance abilities and your short-term rental ordinance in place, we believe we can remove the proposed language and still work toward our goal of reducing contamination and overages.

Smart truck provides us a real-time (and reviewable) view of contents being dumped into our trucks. In the event we see that contamination should be addressed at a particular residence, we can communicate directly with the resident whose can is contaminated and educate them on what should/shouldn't be included in their recycling cans. We feel this approach can be effective. We also would like to work with staff on an education campaign regarding contamination in the near future.

Overages are most prevalent in short-term rental areas, specifically where homes are heavily occupied and the number of garbage cans are inadequate. The following language from the city's short-term rental ordinance provides the tools necessary to gain the appropriate level of service where overages are a problem – "The owner shall be required to obtain additional garbage containers and to acquire special valet garbage service from the city's solid waste removal provider in order to ensure all garbage is properly contained and removed." Our smart truck technology can be used to identify these issues and WM staff can work directly with city code compliance staff to resolve these situations as they arise.

Attached is an updated ordinance with the contamination and overage language removed. Please check to make sure I got it all and let me know if you have any questions.

Thank you,
Doug

Doug Rainer
Public Sector Solutions
Gulf Coast Area
drainer@wm.com

(850) 499-0277
108 Hill Avenue
Fort Walton Beach, FL 32548



From: Webb Warren <wwarren@cityofdestin.com>
Sent: Monday, July 18, 2022 10:23 AM
To: Rainer, Doug <drainer@wm.com>
Cc: Rey Bailey <rbailey@cityofdestin.com>; Catherine Card <ccard@cityofdestin.com>
Subject: [EXTERNAL] FW: DRAFT WM Ordinance

Doug, please see the most recent doc file. Just remove the markup for a clean version

From: Catherine Card <ccard@cityofdestin.com>
Sent: Monday, July 18, 2022 10:20 AM
To: Rey Bailey <rbailey@cityofdestin.com>; Webb Warren <wwarren@cityofdestin.com>
Subject: DRAFT WM Ordinance

Hi all,

Spoke to Doug this morning and he asked if we can pass on the draft ordinance to him so he can make the revisions.

Thank you,
CC

Catherine Card
Public Information Manager
City of Destin
850.460.8538



"Please Note: Florida has a very broad public records law. Most written communications to or from the City of Destin officials are public records available to the public and media upon request. Your e-mail address and communications may therefore be subject to public disclosure."

ORDINANCE ~~17-18~~-22-09-CN

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA PROVIDING FOR THE EXCLUSIVE FRANCHISE TO WASTE MANAGEMENT, INC. OF FLORIDA, A PRIVATE CORPORATION, FOR THE COLLECTION AND DISPOSAL OF ALL RESIDENTIAL AND COMMERCIAL TRASH, GARBAGE, AND OTHER REFUSE WITHIN THE CITY LIMITS; PROVIDING FOR THE COLLECTION OF RESIDENTIAL RECYCLABLE MATERIALS WITHIN THE CITY LIMITS; PROVIDING FOR DEFINITIONS; GRANT OF FRANCHISE; LIMITS OF FRANCHISE; TERM; FRANCHISE CONSIDERATION; ASSIGNMENT; BANKRUPTCY OR INSOLVENCY; DEFAULT; RATE CHANGES; RIGHTS OF FIRST REFUSAL; RESTORATION; COMPLIANCE WITH LAWS; LIABILITY INSURANCE, HOLD HARMLESS, WORKERS COMPENSATION; PERFORMANCE BOND; RIGHT TO REQUIRE PERFORMANCE; DISPUTE RESOLUTION; OPERATIONS DURING DISPUTE; STANDARD OF PERFORMANCE; CURBSIDE RECYCLABLE MATERIALS COLLECTION AND DISPOSAL; RECYCLING PROGRAM; COLLECTION SERVICES AND OPERATIONS; OFFICE AND COLLECTION HOURS; COLLECTION EQUIPMENT; DISPOSAL ROUTES AND SCHEDULES; GRANTEE PERSONNEL; SPILLAGE AND LITTER; STORMS AND OTHER EMERGENCIES; NONDISCRIMINATION PROVISION; RATES AND CHARGES; RATE CHANGES; DELINQUENT ACCOUNTS; ACCOUNTING, RIGHT TO AUDIT; COMPLAINTS; CHARGES FOR FAILURE OF PERFORMANCE; VENUE; SOVEREIGN IMMUNITY; CONFLICTING ORDINANCES AND RESOLUTIONS; SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Destin finds it in the public interest to ensure that all areas within its limits are adequately provided with high quality collection and disposal services; and

WHEREAS, the City of Destin finds it in the public interest to retain regulatory authority over refuse collection and disposal, to the extent allowed by law, because of the overriding public health, safety and welfare considerations associated with the provisions of this service; and

WHEREAS, the City of Destin finds it in the public interest to retain control over the use of public rights-of-way by refuse collectors to ensure against interference with the public convenience, to promote aesthetic considerations, and to protect the public investments in right-of- way property; and

WHEREAS, the City of Destin finds it in the public interest to attract high quality refuse collectors and that this can be accomplished by protecting capital investments of refuse collectors; and

WHEREAS, the City of Destin finds it in the public interest to ensure that high quality refuse collection and disposal service is maintained through a responsive complaint handling procedure; and

WHEREAS, the City of Destin finds that the granting of an exclusive franchise is the best means of assuring that the above described interests of the City of Destin are promoted; and

WHEREAS, Waste Management, Inc. of Florida (“Waste Management”) was first granted an exclusive franchise to service the City of Destin and its citizens’ solid waste disposal needs on [INSERT DATE] October 1, 2011, after a competitive bidding process; and

WHEREAS, Waste Management was again awarded an exclusive franchise to service the City of Destin and its citizens' solid waste disposal needs on [INSERT DATE]October 1, 2017, after a competitive bidding process; and

WHEREAS, on [INSERT DATE]October 13, 2021, Waste Management provided written notice to the City of Destin that it desired to negotiate a new franchise agreement due to the current franchise agreement's impending end of term on October 1, 2022; and

WHEREAS, Waste Management has ~~generally~~ provided a positive impact on the City of Destin and the health, safety, and welfare of its citizens by enhancing the beauty and quality of the environment, preventing the spread of disease, and the creation of nuisances through reliable and dependent services from a single unified source; and

WHEREAS, the City Council considered issuing a Request for Proposals and otherwise competitively bidding the provision of solid waste services to the general market; and

WHEREAS, likely due to unique circumstances stemming from COVID-19 and its cascading negative impacts on the world and specifically the economy, and based upon review of competitive bidding of solid waste disposal services by similarly situated local governments, it is most cost effective to the City of Destin to negotiate an extension of the solid waste disposal franchise with Waste Management as opposed to issuing a Request for Proposals or otherwise competitively bidding the solid waste disposal franchise; and

WHEREAS, overall, the rates described in this Ordinance are more advantageous for the City of Destin and its citizens when compared with similarly situated local governments; and

WHEREAS, this Ordinance is adopted pursuant to the authority of Section 166.021 and Chapter 403, Part IV, Florida Statutes; and

WHEREAS, this Ordinance has superseded Ordinance 11-25-CN, Ordinance 16-16-CN, ~~and Ordinance 11-04-CN,~~ and Ordinance 17-18-CN pursuant to the authority of Section 166.021 and Chapter 403, Part IV, Florida Statutes.

SECTION 1. DEFINITIONS.

"Bulky Waste" shall mean large items of solid waste such as, mattresses, and other oversize wastes whose large size precludes or complicates their handling by normal solid waste collection, processing, or disposal methods.

"Cart" shall mean a roll out cart receptacle with two wheels and a properly designed axle and fittings, and a top lid that is to remain closed except when loading refuse, with a body consisting of approximately ninety (90) to ninety-six (96) gallons in capacity, constructed of heavy duty plastic and having the strength to store normal household garbage and refuse and equipped with proper attachments for hydraulic loading into the Contractor's collection vehicle by the hydraulic lifts affixed to such vehicle body.

"Commercial container" shall mean any portable, nonabsorbent, enclosed container with a close fitting cover, or doors, approved by the Grantor, which is used to store large volumes of refuse. A commercial container must be capable of being serviced by mechanical equipment.

"Commercial establishment" shall mean any public or private place, building or enterprise devoted in whole or in part to business purposes, whether for profit or not-for-profit; except where such place,

building or enterprise constitutes a single-family residence or multiple dwelling of four (4) units or less. A multiple dwelling of five (5) units or more shall be considered a commercial establishment unless there is no homeowners' association for such structure or if there is insufficient room for a commercial container. Duplexes, triplexes and condominiums/ townhouses with four units or less where the individual units are privately owned and used for commercial purpose are not commercial establishments within this definition unless commercial containers are used.

"Commercial rubbish and trash" shall mean combustibles such as paper, wood and yard trimmings, and noncombustibles such as metal, plastic, glass, stone and dirt.

"Commercial solid waste" shall mean garbage, rubbish and trash, resulting from the normal activities of establishments utilizing containers of one (1) cubic yard capacity or more.

"CPI" as used herein shall be the revised Consumer Price Index for all Urban Consumers South Urban for all items, not seasonally adjusted, published by the Bureau of Labor Statistics, U.S. Department of Labor, 1984-82 = 100. In the event the U.S. Department of Labor Statistics ceases to publish the CPI, the parties hereby agree to substitute another equally authoritative measure of change in the purchasing power of the U.S. dollar as may be then available.

"Curb Service" shall mean a single collection point within five (5) feet of the edge of the road.

"Customer" shall mean individual or business (residential or commercial) receiving collection services.

"Construction Debris" shall mean waste building materials resulting from construction, remodeling, repair or demolition operations.

"Disaster debris" shall mean any rubbish or remnants, both combustible and noncombustible, resulting from storms or any emergency condition, requiring special handling and/ or equipment for bulk removal of both natural and man-made material.

"Duplex Residence" shall mean and include an attached two family structure designed or intended for occupancy by two (2) families.

"Garbage" shall mean every accumulation of waste (animal, vegetable and/ or other matter) that results from the preparation, processing, consumption, dealing in, handling, packing, canning storage, transportation, decay or decomposition of meats, fish, fowl, birds, fruits, grains or other animal or vegetable matter (including, but not by way of limitation, used tin cans and other food containers); and all putrescible or easily decomposable animal or vegetable waste matter which is likely to attract flies or rodents.

"Garbage Cart" shall mean the plastic receptacle furnished by the Grantee with capacities of 96 gallons. Smaller carts of 64 gallons will be made available to special needs customers (elderly or handicapped) upon request with the Grantor's approval.

"Grantee" shall mean Waste Management Inc. of Florida, who is granted this exclusive franchise and hereby undertakes to perform each and every obligation assigned herein and hereby agreed to.

"Grantor" shall mean the City of Destin, Florida.

"Gross Quarterly Dollar Customer Billings" shall mean the total quarterly invoice amount billed to Destin residents for collection and disposal of all residential trash, garbage, and other refuse within the city

limits, including landfill tipping and/ or transfer station fees.

"Gross Revenue " shall mean and include any and all fees received by Grantee which were generated within the service area pursuant to this franchise with the exception of those fees associated with storms and other emergencies as defined in Section 27.

"Handicapped Service" shall be household garbage and recycling service at the rear or side of a residence for handicapped persons approved by Grantor for special service.

"Hazardous Waste" shall mean waste, in any amount, which is defined, characterized or designated as hazardous by the United States Environmental Protection Agency or appropriate state agency by or pursuant to federal or state law, or waste, in any amount, which is regulated under federal or state law. For purposes of this franchise, the term Hazardous Waste shall also include motor oil, gasoline, paint and paint cans, and any items containing chlorofluorocarbons.

"Horticultural Trash" shall mean shrubbery cuttings, or clippings, palm fronds, small tree branches (not to exceed six (6') feet in length and four (4) in diameter), bushes or shrubs, or other organic matter generated as refuse in the care of lawns, gardens, hedges, bushes and trees. Large branches, trees or bulky or non-combustible materials not susceptible to normal loading and collection in "load packer" type sanitation equipment used for regular collections from domestic households, and stumps and tree trunks in excess of four (4) inches in diameter are not included in this definition.

"Multifamily Residences " shall mean multiple dwelling units of five (5) units or more.

"Occupant " or *"Resident"* includes individuals, children, firms, associations, joint ventures, partnerships, estates, trusts, syndicates, fiduciaries, corporations, and all other groups or combinations permitted under Florida law.

"Plastic liner" shall mean a plastic bag no larger than a thirty-five (35) gallon garbage can of sufficient strength to hold contents securely tied at top and not to exceed fifty (50) pounds when full.

"Recyclable Materials" shall mean newspaper, glass containers, aluminum and steel cans, plastics and such other materials identified by the Grantor during the term of this franchise.

"Recycling Containers" shall mean the receptacles purchased and distributed on behalf of the Grantor by the Grantee for the intended use as a receptacle of Recyclable Materials.

"Recycling Service Area" refers to the corporate limits of the City of Destin, Florida as hereafter amended through annexation.

"Roll-off Container" shall mean any container (open top or enclosed for compacting) used for the collection and storage of construction, demolition debris, or garbage rubbish that can be picked up and transported on a specially equipped truck to the disposal site.

"Rubbish" non-recyclable solid wastes or refuse, excluding garbage consisting of both combustible and noncombustible trash.

"Senior Program" – City residents, where there are no more than two persons residing in the dwelling and at least one of those two is age 65 or over by October 1st of the current year who, upon application to the Grantee, are determined Grantee, using guidelines established by the City to be eligible for this Senior Program, will receive discounted rates and reduced level of service.

"Single Family Residence" shall mean and include a detached single family structure designed for occupancy by one person or by one family. Each mobile home, trailer, townhouse or condominium (if located in a building with four (4) or less connected units) shall be deemed a "residence" and each such townhouse/ condominium unit shall be deemed a single family structure unless the townhouse/ condominium building uses commercial containers. Each unit of a residential duplex or triplex shall be deemed a "residence" unless the duplex or triplex uses commercial containers.

"Solid Waste" shall mean sludge unregulated under the federal Clean Water Act or Clean Air Act, sludge from a waste treatment works, water supply treatment plant, or air pollution control facility, or garbage, rubbish, refuse, special waste, or other discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from domestic, industrial, commercial, mining, agricultural, or governmental operations. Recovered materials as defined in s. 403.703(7), Florida Statutes, are not solid waste.

"Special material" shall mean bulky materials or other special wastes that are not stored in standard storage containers and cannot be picked up by a normally used collection vehicle. Wastes such as major appliances, furniture, building materials, tree limbs, noncontainerized trash piles and any unusually large amount of refuse not suitable for containerization will be picked up as a special service of the Grantee and billed separately to the customer on the basis of labor, truck costs and dumping charges. All fees received by the Grantee for the collection of special material on a special service basis are subject to the City's franchise fee.

SECTION 2. GRANT OF FRANCHISE.

Grantee is hereby granted an exclusive mandatory residential and commercial franchise, including every right and privilege appertaining thereto, to operate and maintain a residential recycling and residential and commercial trash, garbage and refuse collection and removal service in, upon, over and across the present and future streets, alleys, bridges, easements and other public places within the limits of this franchise for the purpose of collecting and disposing of all residential recyclables, residential and commercial trash, garbage and other refuse generated by the citizens, residents and inhabitants of the City of Destin, Florida. Grantee is also hereby granted title to all such residential recyclables, residential and commercial trash, garbage and refuse generated within said boundaries, to the extent that the Grantor can establish its legal right to make such grant of title.

SECTION 3. LIMITS OF FRANCHISE.

This franchise covers the corporate limits of the City of Destin, Florida, as those corporate limits may change from time to time. Grantee agrees that the limits of the franchise are subject to expansion or reduction by annexation and contraction of municipal boundaries and that Grantee has no vested right in a specific area.

SECTION 4. TERM.

A. The franchise shall be granted from the date of this franchise for a period of five (5) years beginning on October 1, ~~2017-2022~~ unless sooner terminated by reason of breach of the terms hereof by the Grantee which result in the failure of the Grantee to provide effective and efficient service.

B. This franchise may be automatically renewed under the same terms, conditions and limitations as contained herein, unless Grantor or Grantee shall give notice to the other of an intent to cancel or renegotiate, which notice shall be in writing, delivered by United States Mail, return- receipt

requested and posted no sooner than twelve (12) months, and no later than nine (9) months before the initial termination date of this franchise. Said notice may also be delivered by hand within the above time frame, and if so delivered, a receipt thereof signed by an authorized agent of the Grantor or of the Grantee as applicable, shall be evidence of delivery.

SECTION 5. FRANCHISE CONSIDERATION.

Grantee shall pay to the Grantor a franchise fee equal to the sum of ~~one-three~~ (~~31~~%) percent of the gross quarterly dollar commercial establishment customer billings. Payment to the Grantor shall be made four (4) times per year, in March, June, September and December, within ten (10) days of each quarter and without demand by Grantor. A late fee of 20% of the total quarterly payment shall be assessed by the Grantor on all late payments. It is further understood and agreed that the franchise fee paid pursuant to this franchise shall not be added on as a separate item on the occupant's or resident's garbage collection bills, but rather shall be considered as an operational expense. Residential customers billed by the Grantor will pay a ~~one-three~~ percent (~~1%-3%~~) franchise fee as part of their billing.

The franchise fee may be changed by the City with approval of the City Council once a contract year (Oct. 1 – Sept. 30), upon adoption of an ordinance and after two readings at duly noticed public hearings. Any changes to the franchise fee will become effective on October 1 following adoption and passage of the ordinance. The Grantor shall provide notice of the change to the Grantee at least ninety (90) days prior to the next billing period.

SECTION 6. ASSIGNMENT.

A. ~~A.~~—The franchise rights herein granted to the Grantee shall not be assigned by Grantee except with the express approval of the Grantor, which shall be reflected by a resolution of Grantor adopted by its governing body. In the event of such an assignment, Grantee shall cause its assigns to execute an Agreement of Acceptance, subject to the approval of the Grantor, evidencing that such assignee accepts the assignment subject to any and all terms, conditions and limitations imposed hereby and which acceptance shall include an affirmative statement evidencing such Assignee's intent to fulfill the obligations imposed by Grantor in contemplation hereof. Notwithstanding the Grantor's approval of such an assignment and assignee's acceptance, Grantee shall guarantee the performance of its assignee and such assignment shall always be with full recourse to Grantee.

B. A transfer of more than fifty-one percent (51%) of the issued outstanding stock of Grantee shall constitute an assignment for the purpose of this section. Likewise, any transfer of the voting rights attendant to fifty-one percent (51%) or more of the issued or outstanding stock of Grantee shall constitute an assignment for the purposes hereof.

SECTION 7. BANKRUPTCY OR INSOLVENCY.

If the Grantee files a petition for the appointment of a receiver or a petition of voluntary or involuntary bankruptcy, this franchise is automatically terminated as of the date of the filing of such petitions.

SECTION 8. DEFAULT.

~~A.~~ A. Failure on the part of the Grantee to comply in any material respect with any of the provisions of this ordinance shall be grounds for a forfeiture of this franchise, but no such forfeiture shall take effect until Grantor has served upon the Grantee written notice of default setting forth the nature and extent thereof. Following receipt of the notice of default, Grantee shall have 24 hours to collect any garbage or trash that was not collected at the regularly scheduled pick up time and shall have fourteen (14) days to correct, or to notify the City of the means, subject to City approval, by which the Grantee intends to correct, other identified defaults. If Grantee disagrees with the reasonableness or propriety of Grantor's notice of default, Grantee may protest such default by filing ~~with~~ with the City Clerk a written protest within 2 hours of receipt of Grantor's notice regarding a missed trash/ garbage pickup and within five (5) days of receipt of Grantor's notice for other identified defaults.

B. If the Grantor and Grantee cannot agree as to the reasonableness or propriety of the Grantor's notice of default, then the issue shall be resolved by a court of appropriate jurisdiction located in Okaloosa County, ~~Florida, which~~ Florida, which shall be the exclusive venue for such a dispute.

SECTION 9. RIGHTS OF FIRST REFUSAL.

In the event Grantee shall at any time during the term of this Ordinance desire to sell the disposal service then existing and shall have received a bona fide offer from any other person, firm, corporation or from any other municipal corporation or county, authority or political subdivision of the State of Florida satisfactory to Grantee to purchase the same, the Grantee shall within ten (10) days after receipt of such bona fide offer advise the Grantor in writing of the purchase price and other terms and conditions of such offer, and the Grantor for a term of thirty (30) days after giving of such notice shall have the option to purchase the disposal service from Grantee upon the terms and conditions as set forth in said offer. In the event the Grantor shall fail or refuse to exercise the right and option granted to it by this section within the time limit set forth above, Grantee shall have the right to sell the disposal service to the prospective purchaser thereof, subject to the terms of Section 6 of this franchise.

SECTION 10. RESTORATION.

The Grantee agrees to repair all property, public or private, altered or damaged by it, its agents or employees in the performance of its duties herein in as good or better condition as it was before being damaged or altered. The Grantor and Grantee shall meet at least quarterly to review damage to public streets and rights-of-way to assess costs and scheduling of repairs.

SECTION 11. COMPLIANCE WITH LAWS.

Grantee shall conduct operations under this franchise in compliance with all applicable laws. Grantee specifically agrees to be solely responsible for the enforcement, administration and compliance with all applicable provisions of Chapter 403, Part IV, Florida Statutes, and future amendments thereto. Furthermore, Grantee shall be responsible for the necessary promotion and educational activities required to familiarize the general public with the recycling mandates.

SECTION 12. LIABILITY INSURANCE; HOLD HARMLESS; WORKERS COMPENSATION.

Grantee shall carry public liability insurance to the extent of Five Million (\$5,000,000) Dollars for the death of or injury to more than one person or property damage insurance to the extent of ~~Five Hundred Thousand One Million~~ (\$~~5001,000~~,000) Dollars, upon each of the trucks or other vehicles used in carrying out the work called for in this franchise, such insurance expressly to cover both the Grantor and the Grantee. A certificate showing that the Grantee has in force and effect the aforesaid insurance shall be filed with the Grantor within ten (10) days from the execution of the franchise, and yearly thereafter at least thirty (30) days prior to the date of the expiration of said policies or insurance for each year of said franchise. The aforesaid insurance shall be of such form and written by such companies as are approved by the Grantor and also shall contain an advance of the cancellation of the insurance. Said policies of insurance shall name Grantor as additional insured.

The Grantee will defend, indemnify, save harmless, and exempt the City, its officers, agents, servants, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, and attorney's fees resulting from or based on (i) violation of applicable laws, ordinances, rules or regulations by the Grantee, its agents or employees; (ii) injury to persons or damage to property arising out of the Grantee's or its agents' and/ or employees' intentional, willful or negligent acts or omissions in the performance of this Franchise Agreement or for injury or damage caused outside the scope of this Franchise Agreement but for which Grantee, its officers, agents, servants, or employees are allegedly responsible.

Grantee shall carry Workers Compensation insurance on all its employees and show proof of insurance and payment of premiums thereon to the Grantor, as requested. All such Workers Compensation policies shall provide for notice by the insurer to the Grantor at least sixty (60) days prior to any termination, revocation or modification thereof.

SECTION 13. PERFORMANCE BOND.

Grantee shall furnish to the Grantor a performance bond, in a form approved by the Grantor, for the faithful performance of this franchise and all of the obligations arising hereunder in the amount of ~~Five Hundred Thousand One Million~~(\$~~1,0500,000.00~~) Dollars. Said bond shall be executed by a surety company approved by Grantor and licensed to do business in Florida.

SECTION 14. RIGHT TO REQUIRE PERFORMANCE.

The failure of the Grantor at any time to require performance by the Grantee of any provision of this franchise shall not affect the right of the Grantor to enforce same; nor shall waiver by the Grantor of any breach of any provision in this franchise be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of any provision itself. The Grantor, in accord with the provisions of Section 8, shall have the right to terminate this franchise if Grantee fails to timely correct violations of this agreement as provided in Section 8.

SECTION 15. DISPUTE RESOLUTION.

If any controversy shall arise between the parties either party may pursue all available legal remedies in the appropriate Okaloosa County, Florida court, which shall be the exclusive venue for any dispute.

SECTION 16. OPERATIONS DURING DISPUTE.

A. In the event that a dispute arises between the Grantor and the Grantee, or any other interested party in any way relating to the terms and conditions, performance or compensation required under this franchise, the Grantee shall continue to render service in full compliance with all terms and conditions of this franchise regardless of the nature of the dispute.

B. Grantee expressly recognizes the paramount right and duty of Grantor to provide adequate waste collection and disposal service as necessary governmental functions, and further agrees, in consideration for the execution of this franchise, that in the event of a dispute, said Grantee will neither stop service nor seek injunctive relief in any court, but will either negotiate for an adjustment in the matter in dispute or present the matter to a court of competent jurisdiction located in Okaloosa County, Florida in an appropriate suit instituted by Grantee.

C. If the term of this franchise is not renewed, Grantee shall continue to provide service for at least ninety (90) days following expiration or until a substitute Grantee is in place, whichever comes first, but shall not continue service past 120 days.

SECTION 17. STANDARD OF PERFORMANCE.

A. If the Grantee fails to collect the materials herein specified for a period in excess of three (3) consecutive scheduled working days or fails to operate the system in a satisfactory manner for a similar period, the Grantor may proceed as follows (provided such failure is not due to war, insurrection, riot, act of God, or other causes beyond the reasonable control of Grantee):

1. At its option, after written notice to the Grantee, take over and operate any or all of the Grantee's equipment used in the performance of this franchise until such time as the Grantee is again able to carry out its operation satisfactorily, as determined solely by the Grantor. Any and all operating expenses incurred by the Grantor in so doing may be charged to the Grantee.

2. Enter into contract(s) or agreement(s) with another qualified firm(s) to provide solid waste collection and disposal until such time as the Grantee is again able to satisfactorily fulfill its responsibilities under this franchise as determined solely by the Grantor.

B. During such period, the liability of the Grantor to the Grantee for loss or damage to the equipment used shall be that of a bailee for hire, ordinary wear and tear being specifically exempt from such liability. The liability of the Grantee to third parties shall continue and all claims or demands arising out of the operation of the collection service shall be directed solely to the Grantee and Grantor shall be treated as an agent of the Grantee for purposes of determining liability.

SECTION 18. CURBSIDE RECYCLABLE MATERIALS COLLECTION AND DISPOSAL.

A. Grantee shall be required to provide recycling to all residential customers. Grantee shall not be required to provide multifamily residences or commercial customers with recycling.

B. Grantee shall collect all residential recycling materials in the corporate limits of the City, transport and provide for recovery of said residential recyclable materials at a designated recovery facility. The Grantee shall perform such services as are required to provide a complete residential recyclable materials program.

C. Collection of recyclable materials shall be at curbside or other such locations as will

provide ready accessibility to the Grantee's collection crew and vehicle. In the event an appropriate location cannot be agreed upon, the Grantor shall designate the location. Handicapped residents shall be accommodated at no additional fee.

D. The Grantee shall pick up all recyclable materials which have been properly prepared for collection and placed in recycling carts and placed at the curbside from all single family residences. The Grantee shall distribute one (1) 96-gallon cart to hold recyclable materials to be collected to each single family residence within the service area. The cart shall be replaced by the Grantee as required. The Grantee shall maintain an adequate supply of carts at all times. Grantee shall retain ownership of the carts. Residents may retain 18 gallon bins previously distributed, place them by or in the recycling cart for removal. Information and instructions about the recycling program will be provided with the recycling cart.

E. All refuse and recyclable materials hauled by the Grantee shall be so contained, tied or enclosed that leaking, spilling or blowing are prevented.

F. The Grantee shall make collections with as little noise and disturbance to the residents as possible and in conformance with the City's Noise Ordinance. Grantee shall handle recycling carts with reasonable care and return them to the approximate curbside location from which they were collected. Any recyclable materials spilled by the Grantee shall be picked up immediately. Recycling carts shall be thoroughly emptied and left at the point of collection. Grantee shall develop a procedure for handling placement of incorrect material in the recycling carts by residents, preferably a notice reminding the resident of acceptable materials.

G. Grantee shall collect recyclable materials within the service area one (1) time per week. The day of collection shall be the same day as one of the regular collection days for solid waste preferably the first collection of the week. However, pickups normally scheduled on a holiday shall be rescheduled for the next regularly scheduled pickup day.

H. Grantee will provide at no additional cost to Grantor an eight (8) yard recycling container at the Public Services Facility for use by residents and visitors.

I. Grantee will provide at no additional cost an eight (8) yard recycling container at the Norriego Point parking lot for use by residents and visitors.

J. Grantee will provide at no additional cost to Grantor up to three (3) additional eight (8) yard recycling containers for use by residents and visitors at Grantor's requested location.

~~Glass food and beverage containers—brown, clear, or green—~~

SECTION 19. RECYCLING PROGRAM.

A. The Grantee shall be responsible for maintaining the information and records adequate to determine participation rates and weekly setout rates by volume of solid waste diverted from landfill by percent, weight of items recycled, neighborhoods above or below average participation. . The Grantee shall furnish quarterly diversion report to the City. Reports shall be on forms and in a format required by the Grantor.

B. Grantee agrees to meet on a semiannual basis with the Grantor's Environmental/ Tree Committee ~~or, if such a committee is not standing, then the City's Parks and Recreation Committee~~ to discuss ways to increase recycling throughout the City, at a time mutually agreed to by both parties to this

agreement.

SECTION 20. COLLECTION SERVICES AND OPERATIONS.

A. Residential

1. Frequency of collection: Grantee shall, on a regularly scheduled day, pick up from the curbside adjacent to each residence all garbage, rubbish, and residential wastes (household garbage) two (2) times a week from Carts provided by Grantee; collection of horticultural trash and bulky waste shall be one (1) time per week on days agreed upon by the Grantee and Grantor. Instructions regarding regular solid waste collection, Bulky Waste collection and Horticultural Waste collection shall be provided by Grantee on the 96 gallon Cart provided to residents. However, pickups normally scheduled to be made on a holiday shall be rescheduled for the next regularly scheduled pickup day. Grantee agrees to collect additional Rubbish outside of the Cart only on the next service day after Christmas generated by Holiday festivities. Such additional Rubbish shall be bagged, bundled or contained, to avoid scattering and each bag, bundle or container shall weigh less than fifty pounds. Grantee, at his sole expense, shall notify residences served of the holiday observed and regular pickup schedules at least five (5) days in advance by publication or other means approved by Grantor.

(a) Holidays: The following holidays may be observed by Grantee for purposes of this franchise: New Year's Day, Thanksgiving Day and Christmas Day.

(b) Schedule: Regularly scheduled pick up days for household garbage shall be Tuesday and Friday; Tuesday will be the day for recycling and Wednesday and/or Friday will be the day for horticultural trash collection. However, all schedules and routes are subject to being rescheduled as mutually agreed to by the Grantor and Grantee. The Grantor, -at the request

of the Grantee or on its own, may extend, suspend or modify these schedules in the event of a natural disaster, health hazard or any other state of emergency requiring such action.

2. Quantity: Grantee shall be required to pick up all garbage and rubbish generated at residential premises, provided same is placed in the garbage cart. Grantee shall also be required to furnish an additional cart when requested and paid for by residents at an additional fee of ~~\$11.58~~14.52 See Exhibit A per month billed annually at ~~\$138.96~~74.24 See Exhibit A and adjusted annually to reflect the change in the WST CPI from the prior twelve month period ending in June.

3. Collections. All collections shall normally be made in residential areas no earlier than 6:00 a.m. and no later than 6:00 p.m., with no service on Sunday and select holidays, except in declared emergencies. Grantee shall make collections with a minimum of noise and disturbance and in conformance with the City's Noise Ordinance. Garbage carts shall be handled carefully by the Grantee and shall be thoroughly emptied and left where they were found at the curbside. All work shall be done in a safe and sanitary manner. All waste spilled by Grantee shall be picked up and removed by Grantee. Missed pickups and minor issues shall be resolved within 24 hours. All other problems must be resolved or a cure initiated within seven (7) days.

4. Bulky Waste Collection: Grantee shall collect bulky waste placed at the curbside for collection once a week on a day agreed upon by Grantee and Grantor. Bulky Waste shall include up to six (6) cubic yards of material. Grantee shall provide additional Bulky Waste collection to residential customers at a rate agreed to between Grantee and resident. The resident shall be responsible for payment for these additional services.

5. Special services: Services such as back door collection, below ground collection, removal of any refuse other than garbage or rubbish as defined herein or additional pickups shall be provided on a separate fee basis upon terms agreed to by the Grantee and the customer. Grantee shall provide the requested special services within two (2) business days after reaching agreement with customer as to the rate for such services. Requests for pickups of special materials as defined herein shall be considered as requests for special pickup services. Charges for special services shall not be unreasonable or excessive. Household garbage services shall be provided at the rear or side residence for handicapped persons approved by the Grantor at no extra charge. Smaller sixty-four (64) gallon carts will be made available to special needs customers (handicapped or elderly) upon request by Grantor.

6. Exempt customers: Residents or occupants who, upon application to the Grantor pursuant to Section 12-86, Destin City Code, are determined by the City Manager to be unable to pay the collection and disposal fee due to hardship or inability shall be exempt from the payment of collection fees. Any customer desiring to be considered for exempt status needs to apply by April 15th of each year.

7. Public Right of Way Collection: Grantee shall collect at no additional charge to Grantor, illegally dumped materials such as Horticultural trash, furniture and Bulky Waste disposed of in the City right of ways; provided such collections do not require the use of a special truck not normally used in Grantee's collection of waste pursuant to this Agreement.

8. Senior Program: City residents, where there are no more than two persons residing in the dwelling and at least one of those two is age 65 or over by October 1st of the current year who, upon application to the Grantee, and using guidelines -established by the City to be eligible for a senior program, will receive discounted rates as determined in Section 29 (A). 1. The City of Destin may enforce other restrictions/ criteria to be eligible for this discount. The level of service for the senior program for collection of garbage will be once a week and picked up on the first day of weekly collection service for the route which services their address. All other services (recycling and horticultural waste) will be the same as other residential customers.

9. Waste Receptacles:

- (a) Garbage: Garbage shall be placed for collection separately from rubbish and shall be placed in the garbage carts furnished by the Grantee with capacities of 96 gallons. Smaller carts of 64 gallons will be made available to special needs customers (elderly or handicapped) upon request with the Grantor's approval.
- (b) Horticultural trash: Horticultural trash must be canned, bagged and/ or stacked and shall not weigh more than fifty (50) pounds per container or stack, and shall not be in excess of six (6) feet in length or four (4) inches in diameter. Total volume per each horticultural debris service day pickup shall not exceed two (2) cubic yards (approximately the amount which can be placed in the bed of a standard pickup truck). Grantee will not remove stumps or tree trunks in excess

of four (4) inches, in diameter.

10. Hazardous materials: Grantee shall not be required to collect hazardous materials.

11. Location of residential waste for collection: Persons in occupancy of each residential establishment shall place their garbage carts at the curb no sooner than 12:00 p.m. the day before a scheduled pick-up and shall remove the garbage carts by midnight of the day of the pick-up, unless: the occupant or resident has been approved for back door or side door pickup or the occupant or resident has negotiated a special service collection at another location.

10. Customer restrictions: Grantee shall not be required to collect residential waste when such waste is not generated on the residence served. Grantee shall have the right to terminate service to any customer violating this section only after prior notification to the customer and approval by the Grantor.

B. Commercial

1. Frequency of collection: Grantee shall, on a regularly scheduled day, pick up all garbage, rubbish, and wastes. However, pickups normally scheduled to be made on a holiday shall be rescheduled for the day before or the day after the holiday or with the approval by the commercial establishment any other day within a five-day window of the holiday.

(a) Holidays: The following holidays may be observed by Grantee for purposes of this franchise: New Year's Day, Thanksgiving Day and Christmas Day.

(b) Schedule: Commercial collection shall be on days agreed to by the Grantee and commercial establishment. The Grantor, or its designee, is authorized to extend, suspend or modify these schedules in the event of a natural disaster, health hazard or any other state of emergency requiring such action.

2. Quantity: Grantee shall be required to pick up all garbage and rubbish generated by a commercial establishment, provided same is placed in a waste receptacle. The City Manager or his/her designee may require the commercial establishment to increase their level of service to accommodate the waste generated at the commercial establishment. Collections: All collections shall normally be made at commercial establishments no earlier than 6:00 a.m. and no later than 6:00 p.m. Grantee shall make collections with a minimum of noise and disturbance and in conformance with the City's Noise Ordinance. Waste receptacles shall be handled carefully by the Grantee and shall be thoroughly emptied and left where they were found. All work shall be done in a safe and sanitary manner. All waste spilled by Grantee shall be picked up and removed by Grantee.

3. Special services: For items requiring roll-off service or any special handling, removal of any refuse other than garbage or rubbish as defined herein or additional pickups, all charges are to be negotiated between the Grantee and the customer. Requests for pickups of special materials as defined herein shall be considered as requests for special pickup services. Charges for special services shall not be unreasonable or excessive and shall be subject to the City's franchise fee.

4. Waste receptacles:

(a) Garbage and rubbish: Garbage and rubbish shall be placed for collection within

a commercial container.

- (b) Hazardous and biohazardous materials: Grantee shall not be required to collect hazardous or biohazardous materials.
- (c) Location of commercial waste for collection: All commercial establishments receiving service pursuant to this franchise shall keep waste receptacles, disposal containers and other such items at location(s) approved by the City.

5. Customer restrictions: Grantee shall not be required to collect commercial waste receptacles containing garbage or refuse when such waste is not generated in the commercial establishment served. Grantee shall have the right to terminate service to any customer violating this section only after prior notification to the customer and approval by the Grantor.

6. Removal of improper receptacles: Any container used for the collection and storage of commercial waste which fails to meet the standards prescribed by the Grantor shall be clearly marked, specifying the manner in which the container fails to meet the requirements. Such marked, nonconforming containers shall be removed from service by the Grantee.

SECTION 21. OFFICE AND COLLECTION HOURS.

A. The Grantee's office shall remain open Monday through Friday from 8:00 a.m. to 5:00 p.m. to handle complaints from residential customers; and for that purpose, there shall be maintained an adequate number of telephones and a responsible person in charge during the hours specified above. Commercial customers shall be provided a local or toll free number which shall be available from 7:00 a.m. to 5:00 p.m. Monday through Friday and on Saturdays from 8:00 a.m. to 4:00 p.m. These requirements do not apply on the legal holidays identified in Section 20.

B. Collections shall normally be made at commercial establishments no earlier than 6:00 a.m. and no later than 6:00 p.m. If the Grantee has an equipment breakdown, it shall be relieved from completing collection by 6:00 p.m. but not later than 10:00 p.m. for the route being served by such equipment experiencing operating difficulties, provided that such route shall be fully collected that day by the Grantee with substitute equipment.

C. An exception to the normal pickup times is granted to commercial establishments located south of Harbor Blvd, to include McGuire's Irish Pub, due to high traffic volume and limited parking. The pickup times at these locations are 4:30 a.m. to 7:00 p.m. At the request of the Grantee or the City Manager or his designee, Section 21. C. may be modified due to the proximity of residential units, new commercial establishments and other concerns. The approval of such requests will not be unreasonably delayed or withheld.

SECTION 22. COLLECTION EQUIPMENT.

The Grantee shall have on hand at all times sufficient equipment in good working order and of the minimum weight necessary to permit Grantee to perform its duties hereunder fully, adequately and efficiently. Equipment shall be purchased from nationally known and recognized manufacturers of garbage collection and disposal equipment. Garbage collection equipment shall be kept clean, sanitary, neat in appearance, and in good repair at all times and shall be equipped with back-up warning lights and alarm. The Grantee shall at all times have available reserve equipment which can be put into service and operation within two (2) hours of any breakdown. Such reserve equipment shall substantially correspond in size and

capability to the equipment normally used by the Grantee to perform its duties hereunder.

SECTION 23. DISPOSAL.

All garbage and solid waste shall be hauled to sites or facilities selected by Grantee and legally empowered to accept it for treatment or disposal.

SECTION 24. ROUTES AND SCHEDULES.

The Grantee shall periodically provide the Grantor with schedules of residential collection routes and keep such information current at all times. In the event of changes in routes or schedules that will alter the day of pickup, Grantee shall notify each customer affected by either direct mail or door hangers which the Grantor shall approve for such purpose. Grantee shall also notify customers by placing an advertisement prominently displayed in a local newspaper on at least two (2) occasions, the latter being at least one (1) week prior to the change. All such changes in routes or schedules will also be immediately communicated to Grantor at the time determined by the Grantee. Grantee shall assist Grantor in conveying these changes through all other reasonable means, including through Grantor's website and social media accounts.

SECTION 25. GRANTEE PERSONNEL.

Grantee shall assign a qualified person to be in charge of operations under this franchise and shall give the name and qualifications of said person to the Grantor. Grantor requires that Grantee's collection employees wear clean uniforms bearing Grantee's company name. Each person employed to operate a vehicle shall at all times carry a valid CDL driver's license for the type of vehicle being driven. Grantor may request the dismissal of any employee of Grantee who violates any provisions of this subsection or who is found to have been wanton, negligent or discourteous in the performance of his or her duties. Grantee shall provide operating and safety training for all personnel. Wages of all employees of Grantee shall be equal to or exceed the minimum hourly wages for such employees established by local, state or federal law. Grantee utilizes and will continue utilizing Florida's E-Verify program as required by section 448.095, Florida Statutes, as it may be amended from time to time.

SECTION 26. SPILLAGE AND LITTER.

The Grantee shall not litter premises in the process of making collections, but shall not be required to collect any waste material that has not been placed in supplied or approved containers or in a manner herein provided. During hauling, all solid waste or liquids shall be contained, tied or enclosed so that leaking, spilling or blowing are prevented. In the event of spillage by the Grantee, the Grantee shall promptly clean up the litter.

SECTION 27. STORMS AND OTHER EMERGENCIES.

In the case of a storm or disruption caused by other severe emergencies (e.g., war, insurrection, riot, or act of God) not caused by the Grantee, Grantor may allow Grantee a reasonable variance from regular schedules. As soon as practicable after such storm or other emergency, Grantee shall inform the Grantor of the estimated time required before regular schedules and routes can be resumed and, upon request of Grantor, Grantee shall provide notice to residential premises and commercial establishments in the service area.

The Grantee shall not be responsible for nor have an obligation to collect, transport or dispose of debris or other waste material from a hurricane, severe storm or other natural or man-made disaster (including increased horticultural trash and bulky waste) unless the Grantor enters into a written agreement with Grantee specifying the terms and compensation for such services.

Further, the parties shall track on a quarterly basis the volume of waste Grantee collects under normal, non-disaster event influenced conditions. Should waste volume collected by the Grantee in a quarter be greater by fifteen percent (15%) than such volume collected by Grantee in the same quarter of the previous year, and the increase in volume is attributable to a recent disaster event, Grantee shall be entitled to additional compensation for the collection of waste in excess of normal volumes for the same period. Such compensation shall be calculated at the average rate charged to the City of Destin by its storm debris collection contractors.

SECTION 28. NONDISCRIMINATION PROVISION.

The Grantee agrees that it has adopted and will maintain and enforce a policy of nondiscrimination on the basis of race, color, religion, sex, age, handicap, disability or national origin. Said nondiscrimination policy shall apply to employment practices of the Grantee and the provision of services. The Grantee agrees that on written request it will permit reasonable access by Grantor to its records of employment, employment advertisements, application forms, and other pertinent data and records for purposes of investigation to ascertain compliance with the nondiscrimination provisions of this franchise, provided, however, that Grantee shall not be required to produce for inspection any records covering any period of time more than two (2) years prior to the date of the franchise.

SECTION 29. RATES AND CHARGES.

A Rates:

1. The initial rates for recycling and the automated collection of garbage, Horticultural Trash, and Bulky Waste under this franchise, the initial residential rate shall be according to Exhibit "A" which is attached hereto and incorporated herein ~~[\$239.76~~ annually ~~(\$19.9825.06~~ See Exhibit A per month). Additional carts if requested will be \$ See Exhibit A ~~138.96~~ annually (\$ See Exhibit A ~~11.14.5258~~ per month). For City residents who elect and are approved to take advantage of the Senior Program as defined in Section 20, the initial rate will be ~~\$195.96246.72~~ See Exhibit A annually (~~\$16.3320.56~~ See Exhibit A per month).] All such rates shall be adjusted in accordance to Section 30.

~~2.~~ For garbage, yard waste for the initial term of this franchise, the monthly rate for commercial establishments shall be as stated on Exhibit A.

B. Grantee shall be solely responsible for the billing and collection of receivables from residential cart customers on an annual or quarterly basis. The following steps will be followed with respect to accounts in arrears:

- 30 plus days – customers will receive notice of overdue account and a call from Grantee's collection department. The property owner will receive the same notifications from Grantee.
- 45 days – customer's service will be suspended pending payment in full. Customer and property owner will receive a call from Grantee's collection department. A reactivation fee of \$25 per residential unit will be assessed. All calls will be documented in Grantee's database.

- 92 days – the Cart will be retrieved by Grantee and the account will be cancelled for non-payment. Grantor will be provided with a list of these customers weekly/monthly. A reactivation fee of \$25 will be assessed. A cart delivery fee of \$75 will be assessed
- A 2.5% late charge will be assessed every 30 days on past due balances with a minimum of \$5 applied on balances greater or equal to \$15.

C. Grantee shall be solely responsible for the billing and collection of receivables from commercial customers on a monthly basis, respectively. Customers may include either the property owner or tenant/ occupant of each commercial establishment generating solid waste.

D. For items requiring roll-off service or any other special handling not otherwise delineated in this franchise, the charges are to be negotiated between the Grantee and the customer. If agreement cannot be reached, the matter shall be submitted to the Grantor for final determination.

E. Grantee shall keep records of the volume of solid waste collected and charges therefore and the Grantor shall have the right to review any records which in any way pertain to solid waste payments.

F. The Grantee is to provide solid waste removal and recycling services to all of the City's facilities, including all City parks and the City's sports complexes at no charge. The Grantee will provide six (6) commercial containers each of a size to be specified by the City at no cost to the City for City sponsored events such as City wide cleanups, including one community cleanup per year.

G. Grantee shall provide at no additional cost to the Grantor, one twenty (20) yard roll-off container at the Public Works Facility serviced twelve (12) times annually for disposal of street sweeping debris considered special waste. An additional thirty (30) yard roll-off container will be placed at the Public Works Facility and serviced twenty-four (24) times annually at no cost to the Grantor. Grantee shall provide at no additional cost to Grantor, one twenty (20) yard roll-off container at the Public Works Facility for disposal of street sweeping debris considered special waste.

I. Should Grantor annex any property currently serviced by Grantee under Okaloosa County Solid Waste contract, the owners of the annexed property shall have the option to opt into this Agreement at the rate structures specified herein, or the owners of the annexed property may elect to continue with the rate structure provided in Grantee's agreement with Okaloosa County through the end of the term of Grantee's agreement with Okaloosa County. ~~Grantee agrees to honor the rate structure provided in the Okaloosa County agreement for those properties through the end of the current term of that agreement.~~

J. Either party may request a joint house count annually.

J.K. Grantee shall, within 90 days of the contract effective date, furnish house/unit number stickers for all garbage and recycling carts at each residential service address in the Grantee's billing system. The Grantee shall also ensure replacement carts and new service carts are equipped with the corresponding house/unit number.

SECTION 30. RATE CHANGES.

A. CPI and Fuel Adjustments

The initial rates contained herein shall be in place for the first twelve (12) months of this agreement. On October 1st of each subsequent anniversary date, the rates will be adjusted according to the changes in the Consumer Price Index (CPI) for the previous twelve (12) months ending on the

preceding June. For purposes of this agreement, CPI shall mean the Consumer Price Index for Water, Sewer and Trash CPI, Not Seasonally Adjusted, All Areas (WST CPI) as published by the U.S. Department of Labor.

1. ~~The hauling rates shall be increased in an amount sufficient to offset any new law (effective after the date hereof) fee, surcharge, duty, tax, or other charges of any nature imposed by the federal government, any agency thereof, the State of Florida, any agency thereof, or by any local governmental body or agency which is payable solely by reason of the nature of the operations conducted by Grantee and any other sales or services taxes of general application to the Grantee operations. If Grantee invokes this provision, then it shall notify Grantor at least ninety (90) days prior to any increase in hauling rates. If Grantor disputes Grantee's invocation of this provision, then the parties shall attempt in good faith to resolve the dispute. If the dispute is not resolved, then the parties shall engage in an alternative dispute resolution proceeding or as described in Section 15. Should any new law, fee, surcharge, duty, tax, or other charges of any nature be imposed by the federal government, any agency thereof, the State of Florida, any agency thereof, or by any local governmental body or agency which is payable solely by reason of the nature of the operations conducted by Grantee and any other sales or services taxes of general application to the Grantee's operations, then the parties shall convene and negotiate in good faith an increase in Grantee's hauling rates.~~

2. In addition to the foregoing, Grantee may petition the Grantor for rate increases to cover unforeseen and unusual increases in the costs of operating under this Agreement. Grantee will be responsible for documenting the impact of such costs and any resulting increase in the rates and the Grantor shall reasonably and timely consider the request in good faith. The Grantor shall not unreasonably deny relief.

2.

B. Change in Law:

The Grantee may petition the Grantor to adjust Grantee's rates based upon unusual and unanticipated increases in the cost of doing business, including but not limited to a change in law or regulation ("Change in Law"). Any such request shall be supported by full documentation establishing the increase in operating costs and the reasons therefor. The Grantor shall be entitled to audit the Grantee's financial and operational records directly related to the Grantee's request in order to verify the increase in costs and the reasons therefor.

"Change in Law" means (i) the adoption, promulgation, or modification after the date of this Agreement of any law, regulation, order, statute, ordinance, or rule that was not adopted, promulgated, or modified on or before the date of this Agreement, or (ii) the imposition of any material conditions in connection with the issuance, renewal, or modification of any permit, license, or approval after the date of this Agreement, which in the case of either (i) or (ii) establishes requirements affecting the Grantee's operation under this Agreement more burdensome than the requirements that are applicable to Grantee and in effect as of the date of this Agreement. A change in any federal, state, county, or other tax law or workers' compensation law shall not be a Change of Law. However, in the event that a federal, state or local entity imposes a fee, tipping fee adjustment, charge or tax after the date of this Agreement that applies to Grantee's operations per se, such fee, charge or tax shall be treated as a Change in Law.

The Grantee's request must be made within one hundred twenty (120) days of the occurrence of such unusual change or cost, and shall contain reasonable proof and justification to support the need for the rate adjustment. The Grantor may request from the Grantee, and the Grantee shall provide, such further information within its possession as may be reasonably necessary in making its determination. The Grantor shall approve or deny the request, in whole or in part, within sixty (60) days of receipt of the request and all

other additional information required by the Grantor. The Grantor shall make a reasonable determination based upon the documentation provided in reaching its decision and shall not unreasonably deny relief hereunder.

SECTION 31. DELINQUENT ACCOUNTS.

A. Commercial: When an account is delinquent by thirty (30) days Grantee shall provide the commercial establishment with the following written notices by United States Mail: 30 days, friendly reminder of delinquency; 40 days, notice of potential service interruption; 50 days, notice of service interruption; 60 days, final demand for payment; 65 days audit/final notification before cancellation; and 90 days cancellation and delivery to third party collection agency. At the time that the Grantee actually stops service, notification of that fact will be given to the Grantor.

B. Grantee shall make all reasonable efforts to work with commercial establishment customers regarding payment of their accounts prior to interrupting or canceling service, i.e., negotiate payment plans, resolve billing disputes, etc.

SECTION 32. ACCOUNTING; RIGHT TO AUDIT.

A. Grantee shall keep an accurate set of books and records reflecting gross revenues derived within the service area pursuant to this franchise. Said books and records shall reflect, in addition to information normally reflected pursuant to standard accounting procedures, and the requirements of Chapter 403, Florida Statutes, the name and service address of each residential and commercial establishment customer, dates of commencement and termination of service, the service charge and any change thereto, the billings, billing dates and receipt of revenues. Certified copies of the above shall be furnished to the Grantor upon request. These certified copies shall be provided in a reasonable amount of time not to exceed two weeks from the date of request.

B. Two (2) times per year the Grantor may audit the books and records of the Grantee in order to determine whether the franchise fees paid pursuant to Section 5 are those required thereby. Grantor's failure to exercise its right to audit at any time shall not constitute a waiver of such right, and notwithstanding such omission, the Grantor shall have such continuing right to audit until one year after the termination of this franchise. In the event that Grantor elects to exercise its right to audit, Grantor shall provide to Grantee written notice of such election at least forty-eight (48) hours in advance of the time of the audit. Grantor shall have the right to select the auditors to make the audit and one (1) audit per year shall be at the Grantee's expense. In the event a second audit is performed at Grantor's request in any given year, the expense of that second audit shall be borne by the Grantor, except in cases of fraud, deceit or intentional misrepresentation of monies due to the Grantor, in which case the expenses of the audit shall be borne by the Grantee. Grantee shall make available to the auditor, at no charge, such personnel, financial and other records as the Grantor may in its reasonable discretion request in order to complete such audit.

SECTION 33. COMPLAINTS.

All complaints shall be resolved by Grantee within twenty-four (24) hours. Grantee shall, within forty-eight (48) hours of receipt, supply Grantor with copies of all complaints on a form approved by the Grantor and indicate the disposition of each. Each month such record shall be available for inspection by Grantor at all times during the business hours specified herein. The complaint record/ form shall indicate the day and hour on which the complaint was received and the day and hour on which the complaint was resolved. When a complaint is received on the day preceding a holiday or on a Sunday, it shall be serviced on the next working day. The Grantee shall establish procedures acceptable to the Grantor to ensure that all customers are notified of the complaint procedure.

SECTION 34. CHARGES FOR FAILURE OF PERFORMANCE.

A. Upon the recommendation of any Council member or City staff member, and reasonable notice to Grantee, administrative charges may be assessed against the Grantee by vote of the City Council if the Council determines that

1. Total residential complaints during any calendar month involve more than one (1%) percent of the total residential customers within the service area;
2. Total residential complaints during the Grantor's fiscal year exceed more than two (2%) percent to the total residential customers with the service area;
3. Total commercial complaints during any calendar month involve more than three (3%) percent of the total commercial customers within the service area;
4. Total commercial complaints during the Grantor's fiscal year exceed more than six (6%) percent to the total commercial customers within the service area; or
5. Where the lack of performance by Grantee is continuous and determined by the Council to constitute a threat to the health, safety or welfare of residents and commercial establishments. "Welfare" as used in this subsection shall include the direct and indirect economic effects of Grantee's failure to perform.

B. Administrative charges shall be assessed only for verified complaints which indicate that the Grantee has failed to meet the minimum standards stated herein and will be in accord with the following schedule:

SCHEDULE OF ADMINISTRATIVE CHARGES

- | | | |
|----|---|---|
| 1. | Failure to clean up spilled refuse | \$ 105 0.00 per incident |
| 2. | Failure to collect solid waste per location or special collection solid waste from any premises at or within service area | \$ 1005 0.00 per incident |
| 3. | Failure to complete each route on the regular scheduled pickup | \$ 11,5 000.00 per route not completed |
| 4. | Failure to keep equipment in clean, safe and sanitary manner | \$ 150100 .00 per vehicle per day |
| 5. | Failure to have vehicle operator properly Licensed | \$ 15000 .00 per day per incident |
| 6. | Failure to maintain office hours as set forth in Section 21 | \$ 15000 .00 per incident |
| 7. | Failure to replace or repair any damage caused by Grantee or its personnel | \$ 10025 .00 per incident |

C. Within five (5) business days of the date of Council's action imposing such administrative charge, Grantee shall be notified in writing by certified United States Mail, return receipt, of the assessment of administrative charges and the basis for such assessment. Grantee may contest such assessments by filing a written protest with the City Clerk stating the reasons for disagreement within five (5) business days of the receipt of the notice of assessment. This protest will be acted upon by the City Council at the Council's next regularly scheduled council meeting.

SECTION 35. VENUE

The parties intend that this Agreement and the relationship of the parties shall be governed by the laws of the State of Florida. The venue for any action arising out of this Agreement shall be exclusively in Okaloosa County, Florida and nowhere else.

SECTION 36. SOVEREIGN IMMUNITY

Nothing contained herein is intended to nor shall be construed to waive the City of Destin's rights and immunities under the Florida Constitution, common law or Florida Statutes 768.28, as amended from time to time.

SECTION 37. CONFLICTING ORDINANCES AND RESOLUTIONS.

All ordinances or parts of ordinances and all resolutions in conflict herewith be and the same are hereby repealed.

SECTION 38. FORCE MAJEURE.

A. Except for the failure to make payment when due, neither Party shall be in default for its failure to perform or delay in performance caused by an Uncontrollable Circumstance, and the affected Party shall be excused from performance during the occurrence of such events. For purposes of this Agreement, "Uncontrollable Circumstances" means any act of terrorism, act of God, landslides, lightning, forest fires, storms, floods, typhoons, hurricanes, severe weather, freezing, earthquakes, volcanic eruptions, other natural disasters or the imminent threat of such natural disasters, epidemics and pandemics, quarantines, labor shortages, civil disturbances, acts of the public enemy, wars, blockades, public riots, labor unrest (e.g., strikes, lockouts, or other labor disturbances), declarations or acts of domestic or foreign governments, or governmental restraint or other causes, whether of the kind enumerated or otherwise, and whether foreseeable or unforeseeable, that are not reasonably within the control of a Party. If the Grantor or Grantee is unable to perform, or is delayed in its performance of any of its obligations under this Agreement by reason of any event of force of majeure, such inability or delay shall be excused at any time during which compliance therewith is prevented by such event and during such period thereafter as may be reasonably necessary for the Grantor or Grantee to correct the adverse effect of such event of force majeure.

B. ~~An event of "force majeure" shall mean the following events or circumstances to the extent that they delay the Grantor or Grantee from performing any of its obligations (other than payment obligation) under this Agreement:~~

1. ~~Strikes and work stoppages unless caused by a negligent act or omission of Grantee or its agents or assignments.~~

2. ~~Acts of God, tornado, hurricanes, floods, sinkholes, fires, and explosions (except~~

~~those caused by negligence of Grantee, its agents, and assignments), landslides, earthquakes, epidemics, quarantine, pestilence, and extremely abnormal and excessively inclement weather.~~

~~3. Acts of public enemy, acts of war, terrorism, effects of nuclear radiation, blockades, insurrection, riots, civil disturbances, or national or international calamities; and~~

~~4. Suspension, termination or interruption of utilities necessary to the operation of the duties under this Agreement;~~

~~5. Economic hardship of the Grantee shall not be considered an event of force majeure.~~

SECTION 39. JURY TRIAL WAIVER.

GRANTEE AND CITY AGREE TO WAIVE THEIR RIGHTS TO A TRIAL BY JURY REGARDING ANY LAWSUIT INVOLVING THE INTERPRATION, CONSTRUCTION, ENFORCEMENT, OR GOVERNANCE OF THIS CONTRACT, AND FOR ANY LAWSUIT RELATED IN ANY WAY TO THIS CONTRACT OR FOR THE WORK PERFORMED PURSUANT TO THIS CONTRACT.

SECTION 40. PUBLIC RECORDS.

IF GRANTEE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE OFFICE OF THE CITY CLERK, (850)837-4242, 4200 INDIAN BAYOU DRIVE, DESTIN, FLORIDA 32541, rbailey@cityofdestin.com.

Specifically, GRANTEE must:

i. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this FS Chapter 119 or as otherwise provided by law.

ii. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if GRANTEE does not transfer the records to the public agency.

iii. Upon completion of the contract, transfer, at no cost, to the City all public records in possession of GRANTEE or keep and maintain public records required by the City to perform the service. All records stored electronically must be provided to the City, upon request from the City's custodian of public records, in a format that is compatible with the information technology systems of the City.

SECTION 41. SAVINGS CLAUSE.

If any section, part of a section, paragraph, clause phrase or word of this agreement is declared invalid, the remaining provisions of this franchise shall not be affected.

SECTION 42. EFFECTIVE DATE.

This ordinance shall take effect ~~immediately upon its adoption~~ October 1, 2022 by the City Council of the City of Destin, Florida, and the signature of the Mayor, and upon filing of Grantee's written acceptance with the City Clerk

ADOPTED THIS ____ DAY OF _____, ~~2017~~2022

ATTEST: By: _____
Gary Jarvis, Mayor

Rey Bailey, City Clerk

The form and legal sufficiency of the foregoing
has been reviewed and approved by the City Attorney.

Kyle S. Bauman _____ ,
City Attorney

APPROVAL AND ACCEPTANCE

WASTE MANAGEMENT INC. OF FLORIDA does hereby approve and accept the foregoing solid waste collection and disposal franchise and, as franchisee, agrees to perform, assume and comply with all of the terms, conditions, covenants and obligations of said franchise and authorizes the undersigned officer to execute this Approval and Acceptance.

Dated this _____ day of _____, ~~2017~~2022

WASTE MANAGEMENT INC. OF FLORIDA

By: _____

Name: _____

Title: _____

EXHIBIT A – EXHIBIT A

3% Franchise Fee (2022 Proposed Ordinance)

Commercial Establishment Rates							
These Rates do not include additional service requirement such as casters, opening gates, compactors, etc. Commercial Establishments that only require one 96-gallon cart will receive service two times per week at curbside and will be billed at the same rate as a two-yard container serviced one time per week. Commercial establishments shall be billed for the rate of service required and will not receive recycling services.							
Multi-Family	Multi – Family units that are serviced by Front Load Dumpsters will be billed to one entity based on the Commercial Establishment Rates for the service required and will not receive recycling service. Multi – Family units that are serviced by carts will be billed at the Residential Rate and shall receive recycling and horticultural waste pickup.						
Residential	All Commercial Rates are per Month DES Price Group						
	1	2	3	4	5	6	7
2 yard container	110.02	210.56	311.37	412.07	512.76	613.41	717.69
4 yard container	136.45	261.00	385.53	510.56	634.60	759.13	888.18
6 yard container	165.65	314.05	462.44	610.85	759.24	907.65	1061.94
8 yard container	191.26	363.51	535.76	708.03	880.29	1052.58	1231.49

Residential	DER Price Group
Residential Service With Recycling and Carts	\$ 307.20 Annual \$ 25.60 Monthly
Senior Citizen Residential Rates	\$ 251.40 Annual \$ 20.95 Monthly
Second Cart Residential Rates	\$ 178.56 Annual \$ 14.88 Monthly

Rates including 3% Franchise Fee and \$6.00 Annual Billing Fee:

	Monthly		
Rate Monthly	\$ 24.83	\$ 20.32	\$ 14.43
Franch. Fee	\$ 0.77	\$ 0.63	\$ 0.45
Total Rate	\$ 25.60	\$ 20.95	\$ 14.88
Quarter	\$ 76.80	\$ 62.85	\$ 44.64
Annual	\$ 307.20	\$ 251.40	\$ 178.56

Regular
Senior
2nd Can

VIP Compactors: Proposed 2022

	1	2	3	4	5	6	7
2	\$ 185.25	\$ 358.92	\$ 532.59	\$ 706.27	\$ 879.96	\$ 1,053.63	\$ 1,253.63
4	\$ 229.74	\$ 445.74	\$ 661.74	\$ 877.73	\$ 1,093.73	\$ 1,309.70	\$ 1,509.70
6	\$ 278.92	\$ 539.84	\$ 800.75	\$ 1,061.67	\$ 1,322.53	\$ 1,583.50	\$ 1,783.50
8	\$ 322.04	\$ 624.90	\$ 927.77	\$ 1,230.65	\$ 1,533.51	\$ 1,836.38	\$ 2,036.38

RATE SHEET

COMMERCIAL							
Commercial rates should not include additional service requirements such as casters, opening gates, compactors, etc. Commercial Establishments that only require one (1) 96-gallon cart shall receive service (2) two times per week at curbside, and shall be billed at the same rate as a two (2) yard container serviced one (1) time per week. Commercial establishments shall be billed for the rate of service required and will not receive recycling services.							
Multi-Family Residential	Multi-Family units serviced by Front Load Dumpsters shall be billed to one entity based on the Commercial Rates for the service required and will not receive recycling service. Multi-Family units that are serviced by carts will be billed at the annual Residential Rate and shall receive recycling and horticultural waste pickup.						
2 yard container	Rate per Month <i>Frequency/Times per week</i>						
	1	2	3	4	5	6	7
	\$80.75	\$154.64	\$228.54	\$302.44	\$376.34	\$450.22	\$526.76
	\$100.15	\$191.56	\$282.96	\$374.37	\$465.77	\$557.18	\$651.90
	\$121.58	\$230.50	\$339.42	\$448.34	\$557.26	\$666.18	\$779.43
	\$140.38	\$266.80	\$393.23	\$519.67	\$646.10	\$772.54	\$903.87

RESIDENTIAL		
Residential Service with Recycling and Carts	\$239.76 Annual \$19.98 Monthly	
Senior Citizen Residential Service	\$195.96 Annual \$16.33 Monthly	
Second Cart Residential Service	\$138.96 Annual \$11.58 Monthly	

RESIDENTIAL Including Franchise Fee			
	Regular	Senior	2 nd Cart
Rate Monthly	\$19.78	\$16.17	\$11.46
Franchise Fee	\$0.20	\$0.16	\$0.12
Total Rate	\$19.98	\$16.33	\$11.58
Quarter	\$59.94	\$48.99	\$34.74
Annual	\$239.76	\$195.96	\$138.96

VIP COMPACTOR \$							
Rate Per Month							
	1	2	3	4	5	6	7
2 yard container	\$126.42	\$238.27	\$350.15	\$462.05	\$553.72	\$744.58	\$911.57
4 yard container	\$163.59	\$308.27	\$452.88	\$597.55	\$742.23	\$962.90	\$1,178.89
6 yard container	\$203.39	\$380.85	\$558.34	\$735.76	\$953.59	\$1,184.16	\$1,449.26
8 yard container	\$238.40	\$448.66	\$658.89	\$869.12	\$1,126.45	\$1,400.14	\$1,714.13

PROVIDE METHODOLOGY FOR CALCULATING CPI / RATE INCREASE
Beginning 10/1/18, the contractor shall be entitled to receive an annual adjustment to the collection rates based upon the Consumer Price Index for water, sewer, and trash, CPI (CPI-WST) Not Seasonally Adjusted, All Areas, as measured by the preceding twelve month period ended each preceding June. The CPI-WST adjustment shall continue to be applied on October 1 of each contract year.

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Public Hearing
AGENDA OUTLINE NUMBER: 5.B.

TO: City Council

THRU: Webb Warren, Deputy City Manager
Lance Johnson, City Manager
Karen Jankowski, HR Manager

FROM: Kyle Bauman, City Attorney

DATE: July 25, 2022

SUBJECT: Second reading of Ordinance 109.11 - Amending the City's Personnel Rules and Regulations

I. BACKGROUND: The City's current holiday schedule is as follows. (P.R.R. - Section 40)

- New Year's Day
- Martin Luther King Jr. Day
- Memorial Day
- Veteran's Day
- President's Day
- Independence Day
- Labor Day
- Christmas Eve Day
- Christmas Day
- Thanksgiving Day
- Day after Thanksgiving

Holidays are adopted by ordinance and are then incorporated into the City's personnel manual.

II. DISCUSSION: Staff is proposing to incorporate the federal holiday schedule into the City's holiday schedule to be in line with area municipality holiday schedules as well as other government entities.

In accordance with direction received at the last City Council meeting, the federal holidays adopted will be static as of the ordinance's effective date and will not change if the federal holiday schedule changes.

A. **Link to Strategic Goals / Objectives:** Offer liveable wages & benefits to attract and maintain high caliber, qualified staff.

B. **Effect on Budget (EOB):**

C. **Level of Service (LOS):**

D. **Legislative Sponsor:**

III. CONCLUSION: Adopting this Ordinance will bring the City's holiday schedule in line with the federal holiday schedule and include the additional days of the day after Thanksgiving and Christmas Eve, as has long been tradition in the City.

IV. RECOMMENDED MOTION: I move to approve Ordinance 109.11 on second reading.

Attachments:

1. 109.11 - Amending Personnel Rules and Regulation - Section 40 - Holidays - final

ORDINANCE NO. 109.11

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA, PROVIDING FOR AMENDMENT OF ORDINANCE 109, AS AMENDED, PERSONNEL RULES AND REGULATIONS, PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR AMENDMENT TO SECTION 40, HOLIDAYS; PROVIDING FOR CONFLICTING PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

SECTION 1. AUTHORITY.

The authority for the enactment of this ordinance is Article I, Section 1.01 of the City Charter and Section 166.021, Florida Statutes.

SECTION 2. FINDINGS OF FACT.

WHEREAS, the City Council has previously adopted Ordinance Number 109, providing for the City of Destin's Personnel Rules and Regulations; and

WHEREAS, the City Council has subsequently amended Ordinance Number 109 and the City's Personnel Rules and Regulations through the passage of Ordinances 129, 109.1, 109.2, 109.3, 109.4, 109.5, 109.6, 358, 109.7, 120, 109.8, 109.9, 109.10; and

WHEREAS, the City Council has determined that to optimally provide for the health, safety, and welfare of its citizens, it must ensure that the City of Destin's Personnel Rules and Regulation is competitive with surrounding and similar governmental agencies; and

WHEREAS, the City Council has determined that, to remain competitive with surrounding and similar governmental agencies, it should amend its paid holiday schedule to reflect that employees will receive paid time for all federal holidays; and

WHEREAS, a public hearing has been conducted by the City Council after due public notice.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA, AS FOLLOWS:

Note: Language in all sections of this ordinance that is ~~strike-thru~~ is language proposed to be deleted, underline language is language to be added, language that is not in ~~strike-thru~~ or underlined is not to be changed. The symbol * represents sections of the City of Destin's Ordinance 109, As Amended, Personnel Rules and Regulations, that have been skipped and remain unchanged.**

SECTION 3. AMENDMENT TO ORDINANCE 109, AS AMENDED, PERSONNEL RULES AND REGULATIONS, SECTION 40 ENTITLED “HOLIDAYS.”

Section 40 of Ordinance 109, as amended, is hereby amended as follows:

SECTION 40 Holidays

Eligible full-time employees are entitled to Christmas Eve Day, the day after Thanksgiving, and all federal holidays as those federal holidays exist on the effective date of Ordinance 109.11 as the following paid holidays each per year.:

- New Year's Day
- Martin Luther King Jr. Day
- Memorial Day
- Veteran's Day
- President's Day
- Independence Day
- Labor Day
- Christmas Eve Day
- Christmas Day
- Thanksgiving Day
- Day after Thanksgiving

In order for any full-time employee to qualify for overtime holiday pay, that individual must work his or her regularly scheduled shifts that immediately precede and follow the holiday. Approved absences do not count towards regularly scheduled shifts. Employees who are required to work on a holiday will receive their regular pay in addition to holiday pay.

SECTION 4. CONFLICTING PROVISIONS.

Special Acts of the Florida Legislature applicable to the incorporated area of the City of Destin, City Ordinances and City Resolutions, or parts, thereof, in conflict with the provisions of this ordinance are hereby superseded by this Ordinance to the extent of such conflict.

SECTION 5. SEVERABILITY.

If any section, phrase, sentence, provision or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provisions, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 6. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its adoption by the City Council and the signature of the Mayor.

ADOPTED THIS ____ DAY OF _____ 2022.

BY: _____
Gary Jarvis, Mayor

ATTEST:

The form and legal sufficiency of the foregoing has been reviewed and approved by the City Attorney for the City of Destin, only.

Rey Bailey, City Clerk

Kyle S. Bauman, City Attorney

First Reading: _____

Second Reading: _____

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022
TYPE OF AGENDA ITEM: Public Hearing
AGENDA OUTLINE NUMBER: 5.C.

TO: City Council

THRU: Lance Johnson, City Manager
Lisa Firth, Parks & Rec Director

FROM: Kyle Bauman, City Attorney

DATE: July 25, 2022

SUBJECT: Second reading of Ordinance 22-11-CN - Relating to the lease of certain real property owned by the City of Destin. Providing for city council approval of the second amendment to the reclaimed water lease for the lease of property located at 4200 Indian Bayou Trail, Destin, Florida to Destin Water Users, Inc.

I. BACKGROUND: At its July 11, 2022, City Council meeting, the City Council approved two related lease amendments. The first related to the City's lease of the site the Morgan Sports Center sits on from Destin Water Users, Inc. ("DWU"). This Third Lease Amendment lowered the annual rent paid by the City to DWU from \$7,500 to \$7,000. In exchange, at the same July 11, 2022, meeting, the City Council and DWU agreed to the First Amendment to Reclaimed Water Lease in which the City leases the reclaimed water pond adjacent to City Hall to DWU. This lease was amended to permit DWU to operate a subsurface drip system on the premises.

II. DISCUSSION: This Second Lease Amendment to the Reclaimed Water Lease will ensure that the lease terms for both the Morgan Sports Center lease and Reclaimed Water Lease run concurrently until September 30, 2042. While the Morgan Sports Center lease's term can and has been amended through simple amendment to that lease, the Reclaimed Water Lease term should be extended through ordinance to ensure compliance with City Charter provision 3.12(b)(6).

- A. Link to Strategic Goals / Objectives:**
- B. Effect on Budget (EOB):** None
- C. Level of Service (LOS):**
- D. Legislative Sponsor:**

III. CONCLUSION: Adopting this Ordinance will ensure that the twin Morgan Sports

Center and Reclaimed Water Leases mutually benefitting the City and DWU run concurrently through September 30, 2042.

IV. RECOMMENDED MOTION: I move to approve Ordinance 22-11-CN on second reading.

Attachments:

1. Ordinance 21-11-CN - Second Amendment to Reclaimed Water Lease extending term
2. Exhibit A to Ordinance 21-11-CN - DWU Reclaimed Water Original Agreement 1999
3. Exhibit B - First Amendment to Reclaimed Water Lease and Third Amendment to Morgan Sports Center Lease
4. Exhibit C to Ordinance 22-11-CN - Second Amendment to Reclaimed Water Lease

ORDINANCE # 22-11-CN

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA RELATING TO THE LEASE OF CERTAIN REAL PROPERTY OWNED BY THE CITY; PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR CITY COUNCIL APPROVAL OF THE SECOND AMENDMENT TO RECLAIMED WATER LEASE FOR LEASE OF PROPERTY LOCATED AT 4200 INDIAN BAYOU TRAIL, DESTIN, FLORIDA TO DESTIN WATER USERS, INC.; PROVIDING FOR AN EFFECTIVE DATE.

SECTION 1. AUTHORITY. The authority for this Ordinance is Section 166.021, Florida Statutes, and Section 3.12(b)(6), City Charter.

SECTION 2. FINDINGS OF FACT.

WHEREAS, through Ordinance 334, the City Council previously found that it would be beneficial to the City and its citizens that the reclaimed water retention pond located at 4200 Indian Bayou Trail, Destin, Florida 32541, be leased to Destin Water Users, Inc., a not-for-profit corporation (“DWU”), in order to facilitate the construction and permitting of a sports complex for the use and enjoyment of the City’s citizens (the “Reclaimed Water Lease”); and

WHEREAS, the Reclaimed Water Lease is attached hereto as Exhibit “A” to this Ordinance and incorporated herein by reference; and

WHEREAS, the term of the lease authorized in Ordinance 334 was for twenty years and ran concurrently with the Lease Agreement for the Sports Complex entered into between the City and DWU (the “Sports Complex Lease”); and

WHEREAS, the Reclaimed Water Lease was amended on July 11, 2022 to permit DWU to operate a subsurface drip system on the premises (the “First Amendment to the Reclaimed Water Lease”); and

WHEREAS, the First Amendment to the Reclaimed Water Lease is attached hereto as Exhibit “B” and incorporated herein by reference; and

WHEREAS, the Sports Complex Lease was amended on September 30, 2004, to extend the term of the Sports Complex Lease through September 30, 2042 and again on July 11, 2022 to lower the annual rent paid by the City to DWU; and

WHEREAS, to continue facilitating the public’s use of the Morgan Sports Center, the Reclaimed Water Lease should also be amended as described in the Second Amendment to Reclaimed Water Lease to extend its term through September 30, 2042; and

WHEREAS, the Second Amendment to Reclaimed Water Lease is attached hereto as Exhibit “C”) and incorporated herein by reference; and

WHEREAS, Section 3.12(b)(6) of the City Charter requires the City of Destin to authorize by administrative action the lease of City property; and

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Destin, Florida, that:

SECTION III. SECOND AMENDMENT TO RECLAIMED WATER LEASE. The Second Amendment to Lease Agreement, a copy of which is attached hereto as Exhibit “C”, and incorporated herein and made a part hereof by reference, for the extension of the term of the Reclaimed Water Lease with the real property more particularly described in the attached Exhibit “A,” is approved and the lease of the land by administrative action is authorized. The term of the Reclaimed Water Lease is extended through September 30, 2042. Any term contained in Exhibit “A” and “B” that is not modified by the Second Amendment to Lease Agreement shall remain in full force and effect. The Mayor, City Manager, and City Clerk are authorized to execute and deliver such documents as are necessary to lease the property.

SECTION IV. EFFECTIVE DATE. This ordinance shall take effect immediately upon approval by Council and signature by the Mayor.

ADOPTED THIS __ DAY OF AUGUST, 2022

By: _____
Gary Jarvis, Mayor

ATTEST:

Rey Bailey, City Clerk

The form and legal sufficiency of the foregoing
Has been reviewed and approved by the City
Attorney for the City of Destin, only:

Kyle S. Bauman, Esq., City Attorney

LEASE AGREEMENT

THIS LEASE AGREEMENT made and entered into this 3rd day of MAY 1999, by and between the City of Destin, a Florida municipal corporation, whose address for the purposes of this Lease is 4200 Two Trees Road, Destin, Florida 32541 ("Lessor", "Destin") and the Destin Water Users, Inc., a not for profit corporation, whose address for the purposes of this Lease is P.O. Box 308, Destin, Florida 32541 ("Lessee", "DWU").

WHEREAS, Lessor owns the Leased Premises, as hereinafter defined, on which Lessor has a permit for, and operates, a retention pond for reclaimed water; and

WHEREAS, Lessee and Lessor desire to cooperate in the development and construction of a sports and recreation facility on land adjacent to the City's retention pond which will benefit the citizens of Destin; and

WHEREAS, Lessor and Lessee believe it to be in their mutual best interest to enter into this Lease Agreement in order to facilitate the permitting of the adjacent property as a Sports Complex for the use and enjoyment of the City's citizens.

NOW THEREFORE, in consideration of the above and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties do hereby agree as follows:

1. Definitions. As used in this Lease Agreement, the words defined immediately below shall have the meaning stated. Words imparting the singular number include the plural number and vice versa, the male gender shall include the female gender and vice versa, unless the context clearly requires otherwise.

(a) "DWU" means Destin Water Users, a not-for-profit corporation established under and existing in good standing in the State of Florida as a corporation exempt from taxation under Section 501 (12) (c) of the Internal Revenue Code, as amended from time to time.

(b) "Destin" means the City of Destin, Florida, a municipal corporation established by and existing under the Laws of Florida, as amended and supplemented, including and representative or agent of Destin with respect to the Premises.

(c) "Premises" means the following described real property situated in the County of Okaloosa, State of Florida, to wit:

See attached Exhibit "A".

(d) "Sports Complex" means the improvements to the land adjacent to City Hall as outlined in the Lease Agreement entered into between the City and DWU on July 14, 1997.

2. Lease. Destin does hereby demise and lease to DWU the Premises described more particularly in the attached Exhibit "A" in accordance with all of the provisions, conditions and terms herein.

3. Term. This lease shall be for a term of twenty (20) years, and run concurrently with the Lease Agreement for the Sports Complex entered into between the City and DWU on July 14, 1997.

4. Considerations. The consideration paid by Lessee to Lessor hereunder shall be one dollar (\$1.00) per year, which amount shall be renegotiated every five years in tandem with the renegotiations of the Sports Complex lease amount.

5. Maintenance. During the term of this lease, Lessee shall be responsible for the ongoing and continuous maintenance of the reclaimed water retention pond and all associated systems located on the Premises at its sole cost and expense. The Lessor shall continue to provide grounds maintenance upon the Premises.

6. Uses.

(a) Lessee shall have the right to discharge reclaimed water into the retention pond in accord with its permitted uses. No further expansion of the reclaimed water retention pond, other than that necessary to permit the Sports Complex, shall be undertaken by DWU without the express written consent of the City.

(b) Lessee shall be responsible for the maintenance and operation of the reclaimed water retention pond and all associated systems located on the Premises.

(c) Lessee shall have the right of ingress and egress to the Leased Premises to repair, maintain and monitor all facilities relating to the discharge of reclaimed water into the retention pond.

(d) Lessee shall make every effort to ensure that the operation of the facilities relating to the discharge of reclaimed water does not materially interfere with Lessor's use of adjacent City property. In the event the operation of the facilities relating to the discharge of reclaimed water does materially interfere with Lessor's use of adjacent City property, and Lessee is unable to satisfactorily remedy the problem within ninety (90) days from the notice thereof by Lessor, Lessor at its option shall have the right to terminate this lease. Lessee shall make every effort to ensure that the use of the retention pond by Lessee does not materially interfere with the Lessor's use of adjacent City property.

7. Stormwater. Both parties to this agreement acknowledge and agree that the City has the exclusive right to use the stormwater retention pond located on the Sports Complex and identified in attached Exhibit "B" as the means of meeting the City's stormwater permitting requirements for the adjacent City Hall property whose legal description is found in the attached Exhibit "C" for the duration of the Sports Complex Lease Agreement.

found in the attached Exhibit "C" for the duration of the Sports Complex Lease Agreement.

8. Title to the Premises. Title to the premises shall remain vested with the City, subject to the terms and conditions of this lease, and DWU shall have no interest in the title to the premises but shall only have a leasehold interest thereto.

9. Insurance and Indemnity. Lessee shall include the premises under its comprehensive and general liability insurance coverages for the full amount of coverage as Lessee carries for all of its other facilities. Lessee agrees to hold harmless and indemnify Lessor for any and all losses or liabilities that may be incurred as a result of the operation of the leased premises as a reclaimed water retention pond which are the result of Lessee's negligence or the intentional acts or omission of Lessee or any of Lessee's agents, employees, licenses, invitees, or agents.

10. Compliance with Governmental Requirements. During the Lease Term, Lessor and Lessee shall comply with all Governmental Requirements as defined herein which govern or affect the premises and the use thereof for any reason. Each party shall notify the other of its violation of any governmental requirement promptly after either receives knowledge thereof, and each party, shall diligently and prudently take requisite action to correct any violations of governmental requirements, for which that party is responsible pursuant to the terms and conditions of this lease, as soon as reasonably possible after the discovery of same.

11. Default. Each of the following events shall be a default hereunder by Destin and DWU and a breach of this lease:

(a) If, for whatever reason, the Sports Complex Lease Agreement shall be terminated, this lease agreement shall also automatically terminate without further action of either party;

(b) DWU shall fail to pay to the City the lease amount when the same shall become payable and due and the same remains unpaid for forty-five (45) days after the City's written demand for payment;

(c) DWU shall fail to perform any of the covenants, conditions and terms of this lease on DWU's part to be performed and such non-performance shall continue for a period of thirty (30) days after written notice thereof by Destin to DWU; or if DWU shall fail to act in good faith to commence and undertake performance within such thirty (30) day period to cure a non-performance which cannot be cured within the initial thirty (30) day period and DWU shall designate in writing a reasonable time period to cure such non-performance and its intent to do so, or, DWU having commenced to undertake such performance within the initial thirty (30) day period, shall fail to diligently proceed therewith to completion within the designated reasonable time period to cure such non-performance.

(d) Destin shall fail to perform any of the covenants, conditions and terms of this lease on Destin's part to be performed and such non-performance shall continue for a period of thirty (30) days after written notice thereof by DWU to Destin; or if Destin shall fail to act in good faith to commence and undertake performance within such thirty (30) day period to cure a non-performance which cannot be cured within the initial thirty (30) day period and Destin shall designate in writing a reasonable time period to cure such non-performance and its intent to do so, or, Destin having commenced to undertake such performance within the initial thirty (30) day period, shall fail to diligently proceed therewith to completion within the designated reasonable time period to cure such non-performance.

(e) If an event of default shall occur and be continuing for ninety (90) days, then Destin shall have the right to terminate and cancel this Lease by giving to DWU not less than ninety (90) days notice of such termination and cancellation, and upon the expiration of the time fixed in such notice, this Lease and the Lease Term shall expire and thereafter be null and void with no further force and effect. In addition to this remedy, in the event of default Destin may exercise any and all other remedies available to it at law or in equity.

(f) If an event of default shall occur and be continuing for ninety (90) days, then DWU shall have the right to terminate and cancel this Lease by giving to Destin not less than ninety (90) days notice of such termination and cancellation, and upon the expiration of the time fixed in such notice, this Lease and the Lease Term shall expire and thereafter be null and void with no further force and effect. In addition to this remedy, in the event of default DWU may exercise any and all other remedies available to it at law or in equity.

(g) Both parties agree that in the event of non-performance of either party caused by an act of God such non-performance shall not be considered an event of default.

12. Expiration of Term. It is the intent of the parties that the renegotiation of this lease shall be in accord with the renegotiation provisions of Section 16 of the Sports Complex Lease Agreement and that all negotiations shall occur simultaneously with those of the Sports Complex lease.

13. Dispute Resolution. Any controversy, claim, misunderstanding, cause of action, matter in question, breach or disagreement arising out of, or relating to, this Lease (hereinafter called "Dispute") shall be decided by the Circuit Court of Okaloosa County, Florida. The party seeking a resolution of a Dispute must provide the other party with written notice describing the Dispute, allow the responding party to file a written response within ten (10) days and meet at least once with the responding party within the thirty (30) day period immediately prior to filing a complaint with the Circuit Court.

14. Miscellaneous.

(a) Operation. Lessee shall keep the Leased Premises clean and free of rubbish and shall not allow the accumulation of any unsightly matter(s) or object(s). Lessee shall

develop, operate and maintain any improvements to the subject property so as not to unreasonably interfere with the property rights of the adjacent property owners.

(b) Notices. Any and all notices required to either party shall be in writing and shall be duly delivered and given when personally served or mailed to the person at the address designated below. If notice is mailed, the same shall be mailed, postage prepaid, in the United States Mail by certified or registered mail - return receipt requested. Notice shall be deemed to have occurred on the date of receipt; in the case of receipt of certified or registered mail, the date of receipt shall be evidenced by return receipt documentation. Failure to accept certified or registered mail shall be deemed a receipt thereof within ten (10) days after the first notice of delivery of the certified or registered mail. Any entity may change its address as designated herein by giving notice thereof as provided herein.

If to Destin: Office of the City Manager
Destin City Hall
4200 Two Trees Road
Destin, Florida 32541

If to DWU: Destin Water Users, Inc.
Post Office Box 308
Destin, Florida 32540

or such other address as either party may from time to time specify in writing to the other.

(c) Legal Representation. Each respective party to this Lease has been represented by counsel in the negotiation of this Lease and accordingly, no provision of this Lease shall be construed against a respective party due to the fact that it or its counsel drafted, dictated or modified this Lease or any covenant, condition or term thereof.

(d) Further Instruments. Each respective party hereto shall, from time to time, execute and deliver such further instruments as any other party or parties or its counsel may reasonably request to effectuate the intent of this Lease.

(e) Effective Date. The date of this Lease will be the date after the last one of the Lessee and the Lessor have signed this Lease Agreement and the City Council of the City of Destin has adopted an ordinance approving this Lease Agreement (the "Effective Date"). The ordinance adoption process is a dynamic process subject to public participation and the ordinance adoption process is discretionary with the Council.

(f) Entire Agreement. This Lease Agreement contains the entire agreement between the parties hereto and no verbal or oral agreements, promises or understandings shall be binding upon either Lessor or Lessee in any dispute, controversy or proceeding at law, and any addition, variation, or modification to this Lease Agreement shall be void and ineffective unless made in writing and signed by Lessor and Lessee. Lessee agrees that it will not use its ability to enact ordinances to modify the duties, obligations, rights and liabilities of DWU under this Lease Agreement in derogation of the language of this

(g) Headings. Paragraph headings of this Lease Agreement are inserted only for reference and in no way define, limit or describe the scope or intent of this Agreement nor affect its terms or provisions.

(h) Multiple Counterparts. This Lease Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(i) Attorney's Fees and Costs. In any Dispute arising out of or pertaining to this Lease, the prevailing party shall be entitled to an award of its attorney's fees and costs, whether incurred before, after or during litigation or at the appellate level.

(j) Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

(k) Recording. This Lease shall be recorded in the public records of Okaloosa County, Florida.

(l) Survival of Representations and Warranties. The respective indemnifications, representations and warranties of the respective parties to this lease shall survive and remain in effect.

(m) Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Florida and the Ordinances of the City of Destin. Wherever possible, each provision, condition and term of this lease shall be interpreted in such a manner as to be valid under applicable law. A finding that any term, provision or condition of this Lease is invalid or prohibited under applicable law shall not affect the remaining terms, provisions or conditions of this lease or of any documentation executed and delivered pursuant hereto.

IN WITNESS WHEREOF, the parties hereby have caused the signatures of their officers to be set hereunder and the seals to be placed thereon to be effective as of the latest date of execution.

IN WITNESS WHEREOF, the parties hereby have caused the signatures of their officers to be set hereunder and the seals to be placed thereon to be effective as of the latest date of execution.

DATED this 8th day of April, 1999.

ATTEST:

DESTIN WATER USERS, INC.
Destin, Florida

By: Beggy Tellma

By: Herbert Brough
Herb Brough
President

ATTEST:

CITY OF DESTIN,
A Florida Municipal Corporation

By: Carolyn Lee Smith

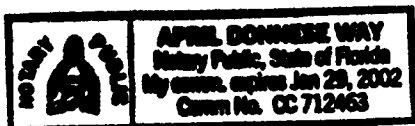
By: Larry J. Rubenstein
Larry J. Rubenstein
City Manager

Approved as to Legal Form:

Suzanne Brownless
Suzanne Brownless, Esquire
City Franchise Attorney

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing was acknowledged before me this 4th day of May, 1999, by Herb Brough and Larry J. Rubenstein, the President and City Manager respectively, of Destin Water Users, Inc. and the City of Destin, who are personally known to me or have produced the identification referenced below and who did take an oath.



April Donnese Way
Notary Public State and County
Aforesaid
Commission No. CC 712463
My Commission expires: Jan. 29, 2002
Identification: _____

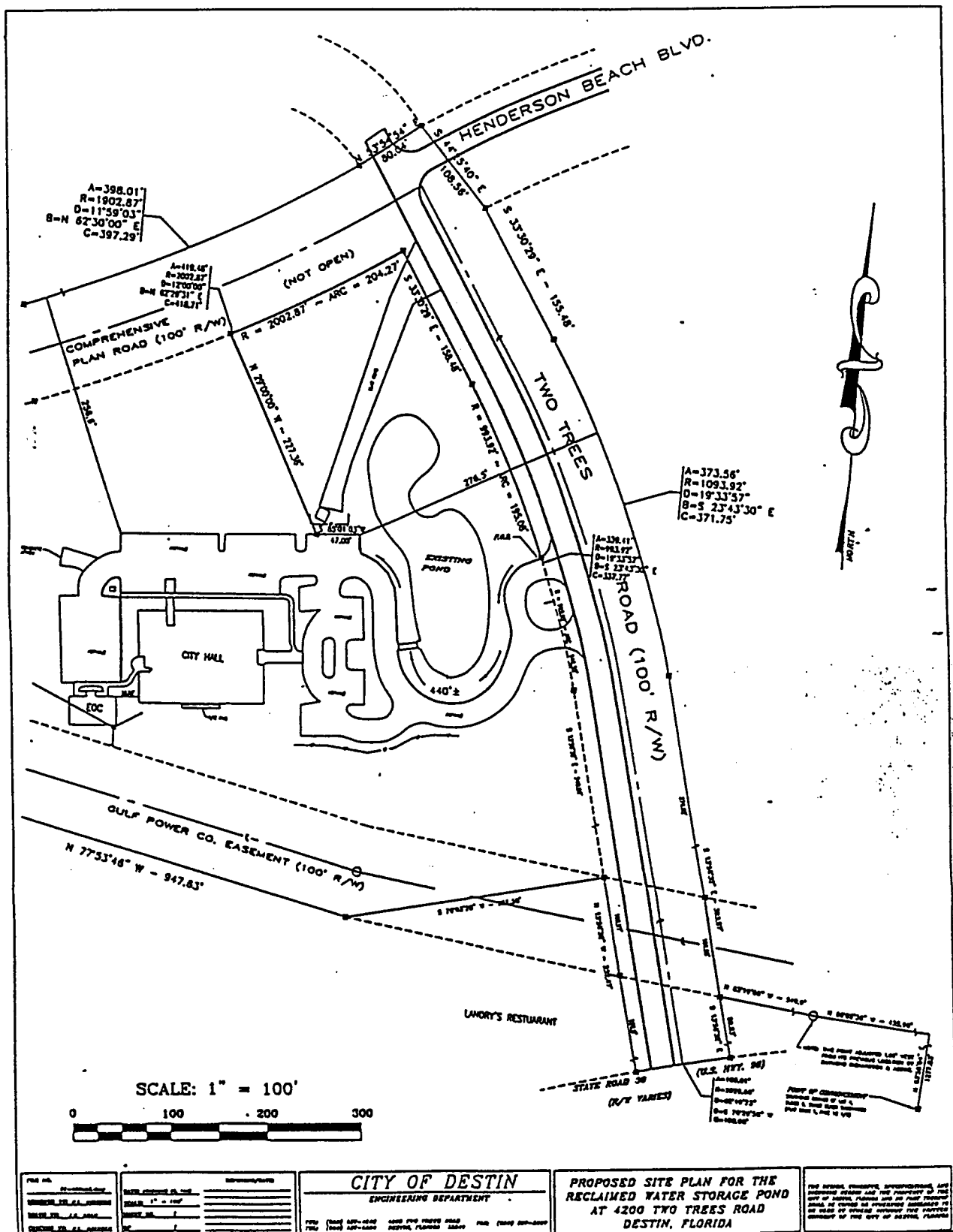
LEGAL DESCRIPTION FOR A PORTION OF CITY HALL PROPERTY TO BE UTILIZED BY DESTIN WATER USERS, INC. AS AN ENLARGED RECLAIMED WATER RETENTION POND.

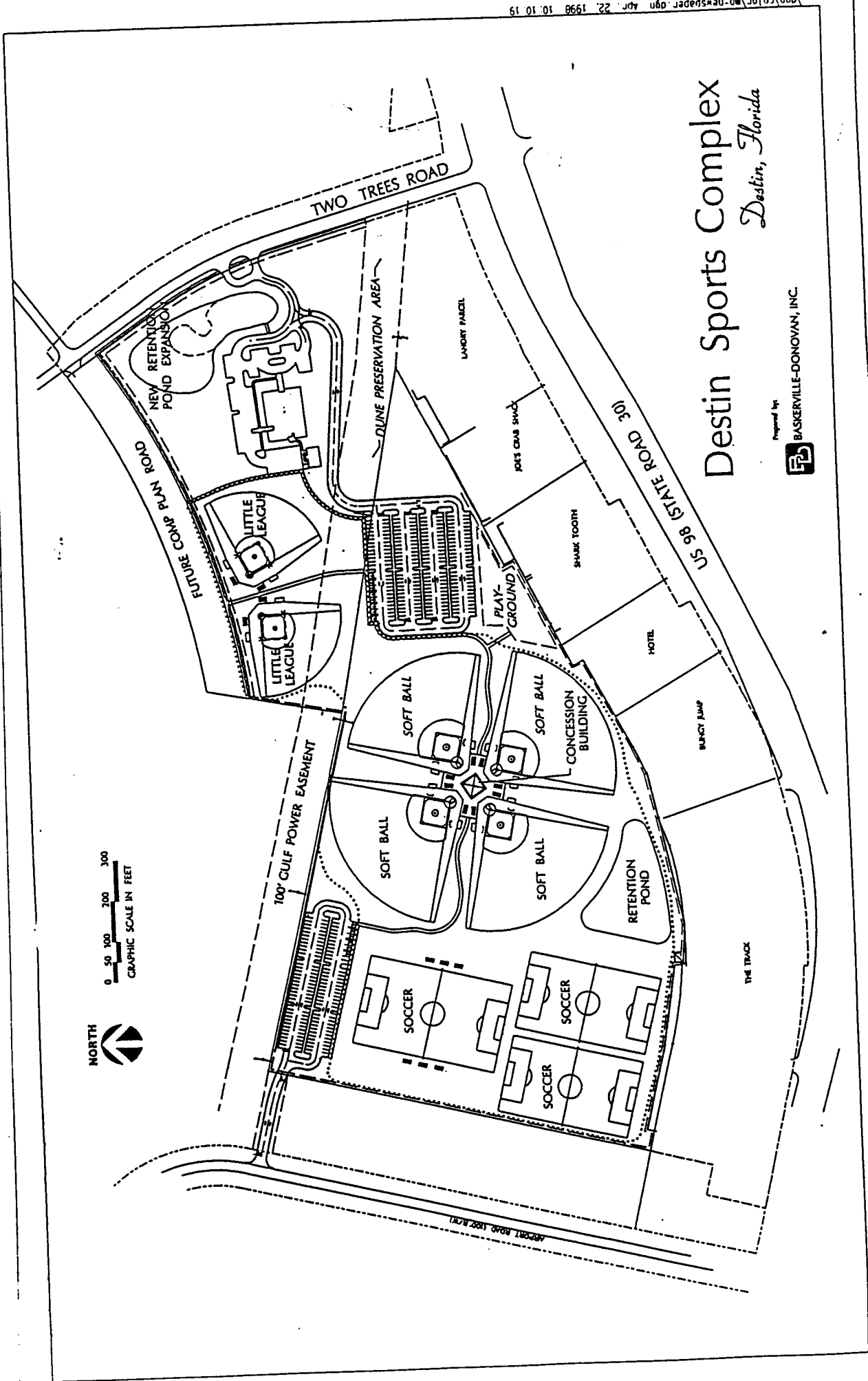
A PARCEL OF LAND LYING IN TOWNSHIP 2S, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE, COMMENCE AT THE SOUTHEAST CORNER OF LOT 4, BLOCK 6, SILVER BEACH SUBDIVISION, AS RECORDED IN PLAT BOOK 1, AT PAGE 16 1/2 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA; THENCE GO NORTH 03 DEGREES 58 MINUTES, 04 SECOND EAST ALONG A PROJECTION OF THE EAST LINE OF SAID LOT 4, A DISTANCE OF 1,277.03 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 30 (US HWY 98, RIGHT-OF-WAY VARIES) AND THE SOUTHERLY RIGHT-OF-WAY LINE OF A 100' GULF POWER EASEMENT; THENCE GO NORTH 86 DEGREES, 02 MINUTES, 36 SECONDS WEST ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 30 AND THE SOUTHERLY LINE OF THE GULF POWER EASEMENT, A DISTANCE OF 435.96 FEET; THENCE GO NORTH 83 DEGREES 19 MINUTES 06 SECONDS WEST ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 30 AND THE SOUTHERLY LINE OF THE GULF POWER EASEMENT, A DISTANCE OF 176.83 FEET; THENCE DEPARTING THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 30 AND CONTINUING ALONG THE SOUTHERLY LINE OF THE GULF POWER EASEMENT, CONTINUE NORTH 83 DEGREES, 19 MINUTES, 06 SECONDS WEST, A DISTANCE OF 373.07 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF TWO TREES ROAD (100' RIGHT-OF-WAY); THENCE GO SOUTH 13 DEGREES, 56 MINUTES, 32 SECONDS EAST, A DISTANCE OF 89.63 FEET TO A POINT ON THE CURVED NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 30; THENCE GO SOUTHWESTERLY ALONG THE CURVED RIGHT-OF-WAY LINE, BEING CONCAVE SOUTHEASTERLY, AN ARC DISTANCE OF 100.01 FEET (RADIUS = 2,029.86 FEET, CORD = 100.00 FEET, CORD BEARING = SOUTH 76 DEGREES, 29 MINUTES, 58 SECONDS WEST); THENCE DEPARTING THE AFORESAID NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 30, GO NORTH 13 DEGREES, 56 MINUTES, 32 SECONDS WEST ALONG THE WESTERLY RIGHT-OF-WAY LINE OF THE AFORESAID TWO TREES ROAD, A DISTANCE OF 472.53 FEET TO A POINT OF CURVATURE SAID CURVE BEING CONCAVE SOUTHWESTERLY, AND HAVING A RADIUS OF 993.92 FEET; THENCE CONTINUE NORTHWESTERLY ALONG SAID CURVE AND THE WESTERN RIGHT-OF-WAY LINE OF TWO TREES ROAD (100' RIGHT-OF-WAY) AN ARC DISTANCE OF 144.33 FEET TO INTERSECT THE BACK OR NORTH SIDE OF THE CURB ON THE EXISTING DESTIN CITY HALL DRIVEWAY AND THE POINT OF BEGINNING; THENCE MEANDER SOUTHWESTERLY, SOUTH, NORTHWESTERLY AND NORTH ALONG SAID CURB AN APPROXIMATE DISTANCE OF 440± FEET TO A POINT ON THE NORTHEASTERLY CORNER OF THE CURB ON SAID DESTIN CITY HALL PARKING LOT; THENCE CONTINUE SOUTH 85 DEGREES, 01 MINUTES, 03 SECONDS WEST ALONG SAID NORTHERLY CURB A DISTANCE OF 47.00 FEET; THENCE GO NORTH 29 DEGREES, 00 MINUTES, 00 SECONDS WEST, A DISTANCE OF 227.36 FEET, TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF COMPREHENSIVE PLAN ROAD (100' RIGHT-OF-WAY) SAID POINT BEING ON A CURVE CONCAVE NORTHWESTERLY WITH A RADIUS OF 2,002.87 FEET; THENCE CONTINUE NORTHEASTERLY ALONG SAID SOUTHERN RIGHT-OF-WAY LINE AN

ARC DISTANCE OF 204.27 FEET TO THE INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF TWO TREES ROAD (100' RIGHT-OF-WAY); THENCE GO SOUTH 33 DEGREES, 30 MINUTES, 29 SECONDS EAST, A DISTANCE OF 158.48 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 993.92 FEET; THENCE CONTINUE SOUTHEASTERLY ALONG SAID CURVE BEING THE WESTERLY RIGHT-OF-WAY LINE OF TWO TREES ROAD (100' RIGHT-OF-WAY) AN ARC DISTANCE OF 195.08 FEET TO INTERSECT THE NORTHERLY CURB OF THE DESTIN CITY HALL DRIVEWAY, SAID POINT BEING THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL BEING IN TOWNSHIP 2S, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA BEING A PART OF THE DESTIN CITY HALL PROPERTY AND CONTAINING 1.87 ACRES MORE OR LESS.





109n\color\map-news\paper.dgn Apr 22, 1998 10:10:19

TRUSTEES' DEED OF GIFT

THIS DEED OF GIFT, Executed this 19th day of May, A.D. 1993, by KENT AMOS, ROBERT C. ERHART and JARRETT G. MELVIN, as SUCCESSOR TRUSTEES of the COLEMAN KELLY TRUST, whose federal tax identification number is 59-6968606, of 2 East Highway 98, Destin, Florida 32541, hereinafter called the Grantors, to CITY OF DESTIN, a Florida municipal corporation, whose federal tax identification number is 59-2480854, of P.O. Box 399, Destin, Florida 32540, hereinafter called Grantee:

WITNESSETH: That the Grantors, as a gift in consideration of a contribution to Grantee, do hereby grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee the following described land situate, lying and being in the County of Okaloosa, State of Florida, to wit:

An undivided 43.8661 percentage interest of:

A parcel of land lying in Township 2 South, Range 22 West, Okaloosa County, Florida, being more particularly described as follows:
For a point of reference, commence at the Southeast corner of Lot 4, Block 6, Silver Beach Subdivision, as recorded in Plat Book 1, at Page 16 1/2, of the Public Records of Okaloosa County, Florida; thence go North 03 degrees 58'04" East along a projection of the East line of said Lot 4, a distance of 1277.03 feet to a point on the Northerly right-of-way line of State Road 30 (U.S. 98 Bypass, R/W varies) and the Southerly right-of-way line of a 100 foot Gulf Power Easement; thence go North 86 degrees 02'36" West along the Northerly right-of-way line of State Road No. 30 and the Southerly line of the Gulf Power Easement, a distance of 435.96 feet; thence go North 83 degrees 19'06" West along the Northerly right-of-way line of State Road No. 30 and the Southerly line of the Gulf Power Easement, a distance of 176.83 feet; thence departing the Northerly right-of-way line of State Road No. 30 and continuing along the Southerly line of the Gulf Power Easement, continue North 83 degrees 19'06" West, a distance of 373.07 feet to a point on the Easterly right-of-way line of Two Trees Road (100' R/W) and the point of beginning; thence go South 13 degrees 56'32" East, a distance of 89.63 feet to a point on the curved Northerly right-of-way line of State Road No. 30; thence go Southwesterly along the curved right-of-way line, being concave Southeasterly, an arc distance of 100.01 feet (R = 2029.86', CH. = 100.00', CH. BRG. = S 76 degrees 29'58" W); thence departing the aforesaid Northerly right-of-way line of State Road No. 30, go North 13 degrees 56'32" West along the Westerly right-of-way line of the aforesaid Two Trees Road, a distance of 472.53 feet to a point of curvature; thence continue along the Westerly right-of-way line of Two Trees Road and along a curve to the left, having a radius of 993.92 feet, an arc distance of 339.41 feet (CH. = 337.77', CH. BRG. = N 23 degrees 43'40" W) to the point of tangency; thence continue along the Westerly right-of-way line of Two Trees Road North 33 degrees 30'29" West, a distance of 158.48 feet to a point on the curved Southerly right-of-way line of a proposed 100 foot road right-of-way; thence go Southwesterly along the curved Southerly right-of-way line being concave Northwesterly, and having a radius of 2002.87 feet, an arc distance of 419.48 feet (CH. = 418.71', CH. BRG. = S 62 degrees 29'31" W) to a point of compound curvature; thence continue along the Southerly right-of-way line and along a curve to the right, having a radius of 1904.18 feet, an arc distance of 514.65 feet (CH. = 513.08', CH. BRG. = S 76 degrees 14'05" W); thence go North 12 degrees 06'14" East, a distance of 105.54 feet to a point on the curved Northerly right-of-way line of a proposed 100 foot road right-of-way; thence go Northeastly along the curved right-of-way line, being concave Northwesterly, an arc distance of 454.79 feet (R = 1804.18', CH. = 453.58', CH. BRG. = N 75 degrees 42'48" E) to a point of compound curvature; thence go along a curve to the left, having a radius of

FLORIDA DOCUMENTARY STAMP TAX REQUIRED
BY LAW IN THE AMOUNT OF \$.70 HAS
BEEN PAID. NEWMAN C. BRACKIN, CLERK

PARED BY J JEROME MILLER ATTORNEY AT L.
P. O. BOX 1208 FORT WALTON BEACH, FL 32549

1902.87 feet, an arc distance of 398.01 feet (CH. = 397.29', CH. BRG. = N 62 degrees 30'00" E) to a point on the Westerly right-of-way line of Two Trees Road (80' R/W); thence go North 53 degrees 54'54" East, a distance of 80.04 feet to the intersection of the Easterly right-of-way line of Two Trees Road (80' R/W) and the Northerly right-of-way line of Comprehensive Plan Road (106' R/W); thence go South 44 degrees 25'40" East, a distance of 108.56 feet to the intersection of the Easterly right-of-way line of Two Trees Road (100' R/W) and the Southerly right-of-way line of Comprehensive Plan Road (106' R/W); thence go South 33 degrees 30'29" East along the Easterly right-of-way line of Two Trees Road, a distance of 155.48 feet to a point of curvature; thence go along a curve to the right, having a radius of 1093.92 feet, an arc distance of 373.56 feet (CH. = 371.75', CH. BRG. = S 23 degrees 43'30" E) to the point of tangency; thence go South 13 degrees 56'32" East, a distance of 383.67 feet to the Southerly line of the 100 foot Gulf Power Easement and the Point of Beginning.

The above described parcel being in Township 2 South, Range 22 West, Okaloosa County, Florida and contains 4.5281 acres.

PARCEL I.D. NO. 0026220000000010610 00-2S-22-0000-0001-A130

SUBJECT PROPERTY IS FREE AND CLEAR OF ANY MORTGAGE LIEN.

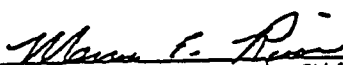
TO HAVE AND TO HOLD, the same together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the Grantors, either in law or equity, to the only proper use, benefit and behoof of the Grantee, its successors and assigns, forever, subject only to ad valorem taxes for the current year.

AND the Grantors hereby covenant with said grantee that the Grantors are lawfully seized of said land in fee simple; that the Grantors have good right and lawful authority to sell and convey said land; that the Grantors hereby fully warrant the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances, except taxes accruing subsequent to December 31, 1992, and the Easement to Gulf Power Company recorded in Official Records Book 148, Page 99, and Official Records Book 239, Page 603, of the Public Records of Okaloosa County, Florida, and the Easement to Gulf Power Company recorded in Official Records Book 1622, Page 458, of the Public Records of Okaloosa County, Florida.

AND the Grantors do covenant to and with the Grantee, its successors and assigns, that in all things preliminary to and in and about the gift and this conveyance the laws of Florida have been followed and complied with in all respects.

IN WITNESS WHEREOF, the undersigneds, as Trustees of the Coleman Kelly Trust have executed this instrument under seal on the date aforesaid.

Signed, sealed and delivered
in presence of:


Printed Name: MARCUS E. RIVERS

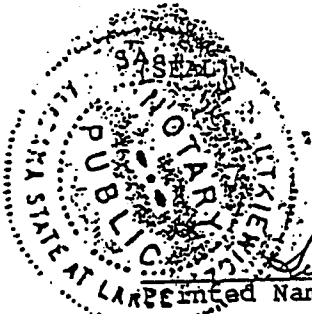

L.S.
KENT AMOS, Trustee


Printed Name: David R. Lane

STATE OF ALABAMA
COUNTY OF MOBILE

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared KENT AMOS, as Trustee, who is X personally known to me; or produced

as identification and he CIRCLE ONE (did) (did not) take an oath.
WITNESS my hand and official seal this 19 day of May, 1993.



Sarah S. Brutkiewicz
Printed Name: SARAH S. BRUTKIEWICZ
Notary Public - State of Alabama
My Commission Expires: 10/15/94
Commission No.: _____

Sue C. Wallace
Printed Name: SUE C. WALLACE

Robert C. Erhart L.S.
ROBERT C. ERHART, Trustee

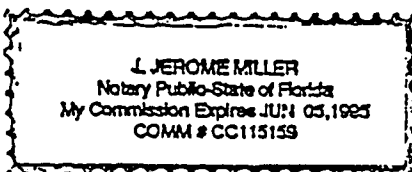
Jerome Miller
Printed Name: J. JEROME MILLER

STATE OF FLORIDA
COUNTY OF OKALOOSA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared ROBERT C. ERHART, as Trustee, who is

X personally known to me; or
produced
as identification and he CIRCLE ONE (did) (did not) take an oath.
WITNESS my hand and official seal this 20th day of May, 1993.

(SEAL)



Jerome Miller
Printed Name: _____
Notary Public - State of Florida
My Commission Expires: _____
Commission No.: _____

Derailey H Drenning
Printed Name: DERAINEY H. DRENNING

Jarrett G. Melvin L.S.
JARRETT G. MELVIN, Trustee

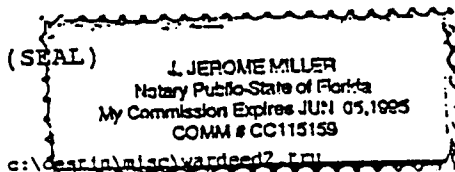
Jerome Miller
Printed Name: J. JEROME MILLER

STATE OF FLORIDA
COUNTY OF OKALOOSA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared JARRETT G. MELVIN, as Trustee, who is

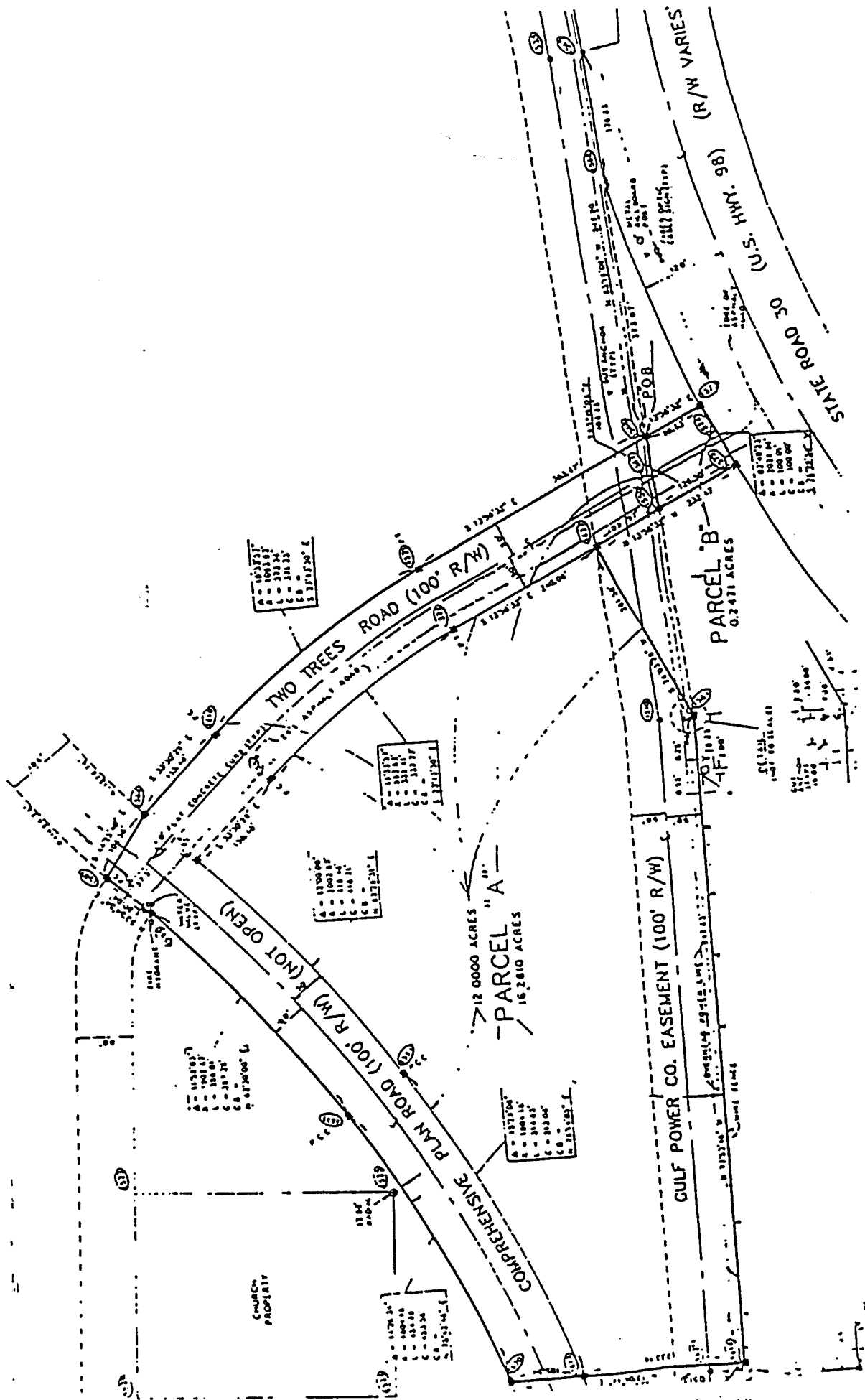
X personally known to me; or
produced
as identification and he CIRCLE ONE (did) (did not) take an oath.
WITNESS my hand and official seal this 20th day of May, 1993.

(SEAL)



Jerome Miller
Printed Name: _____
Notary Public - State of Florida
My Commission Expires: _____
Commission No.: _____





THIRD AMENDMENT TO LEASE AGREEMENT

The parties, the City of Destin, a Florida municipal corporation, whose address is 4200 Indian Trail, Destin, FL, 32541 (hereafter referred to as "Lessee" or "Destin"), and Destin Water Users, Inc., a not for profit corporation, whose address is P.O. Box 308, Destin, FL 32540 (hereafter referred to as "Lessor" or "DWU"), hereby amend the Lease Agreement dated July 14, 1997 (the "Lease Agreement"). The amendments are set forth herein below.

A. Paragraph 1.(g) entitled "Premises" shall be amended as follows:

1(g). "Premises" means the following described property situated in the County of Okaloosa, State of Florida, to wit:

Parcel number: 00-2S-22-2300-000F-0020

B. Paragraph 4. entitled "Consideration" shall be amended as follows:

4. Consideration. The consideration paid by Lessee to Lessor hereunder shall be Seven Thousand Dollars (\$7000.00) per year, which amount shall be renegotiated every five years.

All other provisions of the Lease Agreement not specifically amended herein shall remain in full force and effect.

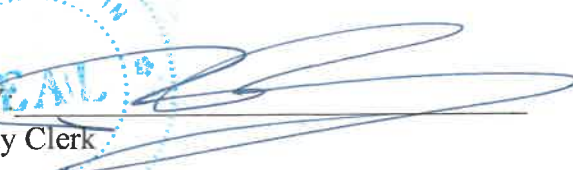
Dated this 19th day of July, 2022.

ATTEST:

BY: 

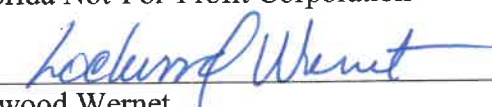
Secretary

ATTEST:

BY: 

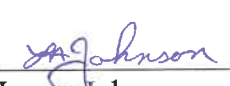
City Clerk

DESTIN WATER USERS, INC.
A Florida Not-For-Profit Corporation

BY: 

Lockwood Wernet
General Manager

CITY OF DESTIN
A Florida Municipal Corporation


Lance Johnson
City Manager

FIRST AMENDMENT TO LEASE AGREEMENT

The parties, the City of Destin, a Florida municipal corporation, whose address is 4200 Indian Trail, Destin, FL, 32541 (hereafter referred to as "Lessor" or "Destin"), and Destin Water Users, Inc., a not for profit corporation, whose address is P.O. Box 308, Destin, FL 32540 (hereafter referred to as "Lessee" or "DWU"), hereby amend the Lease Agreement dated May 3, 1999. The amendments are set forth herein below.

A. Paragraph 1.(c) entitled "Premises" shall be amended as follows:

1(c). "Premises" means the following described property situated in the County of Okaloosa, State of Florida, to wit:

Parcel number 00-2S-0000-0001-A13B.

B. Paragraph 6.a. entitles "Uses" shall be amended as follows:

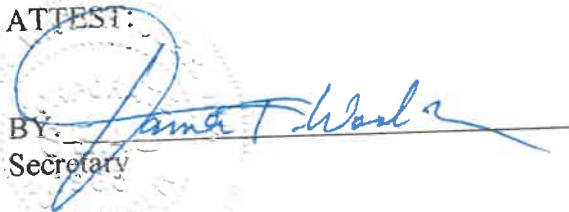
6. Uses.

a. Lessee shall have the right to discharge reclaimed water into the retention pond, above-ground irrigation and operate a subsurface drip system on the Premises, in accord with the permitted uses.

All other provision of the Lease Agreement not specifically amended herein shall remain in full force and effect.

Dated this 19th day of July, 2022.

ATTEST:

BY: 
Secretary

DESTIN WATER USERS, INC.
A Florida Not-For-Profit Corporation

BY: 
Lockwood Wernet
General Manager

ATTEST:

BY: 
City Clerk

CITY OF DESTIN
A Florida Municipal Corporation


Lance Johnson
City Manager

EXHIBIT "C"

SECOND AMENDMENT TO RECLAIMED WATER LEASE AGREEMENT

The parties, the City of Destin, a Florida municipal corporation, whose address is 4200 Indian Bayou Trail, Destin, FL, 32541 (hereafter referred to as "Lessor" or "Destin"), and Destin Water Users, Inc., a not for profit corporation, whose address is P.O. Box 308, Destin, FL 32540 (hereafter referred to as "Lessee" or "DWU"), hereby amend the Lease Agreement dated May 3, 1999. The amendments are set forth herein below.

A. Paragraph 3 entitled "Term" shall be amended as follows:

This lease shall be for a term of 43 years, beginning on the Effective Date, as defined herein, and run until September 30, 2042.

All other provision of the Lease Agreement not specifically amended herein shall remain in full force and effect.

Dated this _____ day of _____, 2022.

ATTEST:

DESTIN WATER USERS, INC.
A Florida Not-For-Profit Corporation

BY: _____
Secretary

BY: _____
Lockwood Wernet
General Manager

ATTEST:

CITY OF DESTIN
A Florida Municipal Corporation

BY: _____
City Clerk

Lance Johnson
City Manager

CITY OF DESTIN



AGENDA ITEM

COUNCIL MEETING DATE: August 15, 2022

TYPE OF AGENDA ITEM: Public Hearing

AGENDA OUTLINE NUMBER: 5.D.

TO: City Council

THRU: Jeffrey Cozadd, Grants Manager
Lisa Firth, Parks & Rec Director
Louis Zunguze, Community Development Director
Krystal Strickland, Finance Director
Kyle Bauman, City Attorney
Kimberly Kopp, Land Use Attorney
Lance Johnson, City Manager

FROM: Webb Warren, Deputy City Manager

DATE: July 1, 2022

SUBJECT: First reading of Ordinance 22-12-CN - Approving the form and authorizing execution and delivery of an interlocal agreement between the City of Destin and Okaloosa County to facilitate the city's acquisition of certain beach property and the development or redevelopment of such property for public recreation and tourism purposes, and to establish the respective financial obligations of the city and county associated therewith.

I. BACKGROUND: Shore of Crystal Beach Park

In October 2020, Okaloosa County executed an interlocal agreement with the City of Destin to improve beach access in Destin by acquiring and developing three gulf-front parcels adjacent to the Shore of Crystal Beach Park. In this original agreement, the parties agreed the County would bear 59% of the cost, and the City would provide 41%.

In that agreement, the City would be responsible for demolition of purchased parcels while Okaloosa County would procure and begin the design process for a park. In practice, all these costs are being split 59/41, with Destin being reimbursed for a proportionate share of demolition costs and Destin reimbursing the County for proportional design costs.

The Trust for Public Land originally entered into a negotiated purchase agreement with all three parcel owners in the Shore of Crystal Beach park area. Two of those parcels were purchased on the original closing date, while the owner of the short-term rental property at 2968 Scenic Highway 98 unexpectedly terminated the purchase agreement shortly before the closing date.

This center parcel at 2968 is critical to the future plans for the Shore at Crystal Beach. The two other parcels purchased by the city have since been cleared of structures for public use.

In July 2021, Council unanimously approved resolution 21-07, which determined the necessity to acquire the property at 2968 Scenic Highway 98 for public use. At this meeting, the City Attorney announced staff would bring an update to Council if further voluntary negotiations came to an impasse.

The Okaloosa County Board of County Commissioners then adopted resolution 21-103, which outlined the county's support for the City of Destin's acquisition of this property for public use.

All subsequent efforts to negotiate with the short-term rental owner at 2968 Scenic Hwy 98 reached an impasse. Staff provided an update to Council on the project and legal and city staff have moved forward with the eminent domain process so that the Shore at Crystal Beach project can be finished.

The final cost of the Shore of Crystal Beach Project from acquisition to operation of a full park is estimated to be \$15,750,000. A revised interlocal agreement is needed to finish The Shore of Crystal Beach Park project.

TDD Municipal Sharing Revenue

In September 2021, Okaloosa County executed a new interlocal agreement with all nine municipalities. In this new agreement, the County will set aside 12.5% of its total revenue generated by the first five pennies of the TDT for use by the municipalities for the 20-year period beginning March 2022 and ending February 2042. In a separate interlocal agreement, the municipalities agreed that the City of Destin would receive 48.5% of the 12.5% set-aside.

Based upon the trend reports from 2019-current, the City and the TDD conservatively estimate the City of Destin's share to amount to approximately \$1.6 million per year. These funds are provided on a cost-reimbursement basis. The City must request its portion each year and, in accordance with Florida Statute section 125.0104, the projects must be reviewed and approved by the TDD and the County. Also, in accordance with section F.S. 125.0104, authorized uses of TDT expenditures are generally restricted to projects that increase tourism and/or improve tourist experiences in our locality. Beach acquisition and improvement is specifically recognized by the statute as an authorized use.

After Council approval, on March 7, 2022, the City applied for 2022 and 2023 funding from the TDD to include the Phase I/Shore at Crystal Beach project.

Traditional waterfront park maintenance money provided to Destin (~\$450K annually) is no longer prioritized by the TDD out of the County's allocated budget. Per Okaloosa County, that is due to the municipal set-aside funding mechanism.

For the draft FY23 budget, the TDD has budgeted \$258K for Destin park maintenance funds, above the City's 12.5% municipal share of revenue. There is no guarantee the park maintenance funding will be included in the final FY23 budget. City representatives have been told that it will not continue into the future.

Tarpon Beach

A new opportunity (Tarpon Beach) to acquire 340 linear feet of gulf-front property has arisen through the City's partnership with the Trust for Public Land. The purchase price of the Tarpon Beach parcels would be \$14,050,000 and the total cost to begin operation of a park would be \$16,750,000. This parcel is centrally located in the Crystal Beach area between James Lee Park and the Shore of Crystal Beach. A park in this location would provide a geographically balanced set of public beach parks throughout the Crystal Beach area. It would provide walkability as well as increased accessibility of waterfront amenities throughout Crystal Beach.

Interlocal Agreement

To assist with the potential acquisition of Tarpon Beach as well as to finish the Shore at Crystal Beach Park project, Okaloosa County and City Staff are proposing to Council a new interlocal agreement for a not-to-exceed amount of \$32,500,000. Beach Purchase #1 Shore at Crystal Beach has been revised to include park construction, design, demolition and the final middle parcel acquisition to an estimated \$15,750,000 (increased from the original estimate of \$10.6 million) to be completed with the original agreed-upon 41% City and 59% County (TDD) funding allocation. Beach Purchase #2 acquisition and development is estimated to be \$16,750,000 and is to be completed with a 50/50 split of expenditures between the City and the TDD. In addition, the County is offering in this agreement to front nearly \$10 million to the City from the TDD's reserves, to be repaid to the TDD in the amount of \$1 million per year until fully repaid (Advanced Funding Agreement). This proposed agreement requires the City Council's and Board of County Commissioners' approval to proceed. Because of City Charter requirements relating to the borrowing of money, this item is being brought in an ordinance form with the Interlocal Agreement attached thereto.

II. DISCUSSION: The City of Destin and Okaloosa County plan to finish the Shore of Crystal Beach Park project in 2023 (Beach Project #1)

The Tarpon Beach parcels, owned by one entity, are a rare opportunity for a 340' beachfront park in Destin (Beach Project #2). Purchasing the parcels and developing a park could accomplish the Council's objective of Public Beachfront Acquisition.

One potential source of funding for waterfront park maintenance could be a portion of the \$1.6 million from the annual municipal share of the TDD funding. If that funding source is used for maintenance and Destin and the County proceed forth with the Tarpon Beach acquisition, then the municipal share of the TDD revenue stream will be almost fully encumbered for the next 10 years by these expenditures.

TDC Funding LT Projection	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
TDC Allocation (48.5% of the 12.5%)	1,024,920	1,630,000	1,630,000	1,630,000	1,630,000	1,630,000	1,630,000	1,630,000	1,630,000	1,630,000	1,630,000
Projects:											
Waterfront Park Operations & RR		200,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Repayment of Advanced Funding Agreement		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Captain Royal Melvin (landscaping)	120,000										
Boardwalk RR	500,000										
Crystal Beach Acquisition	404,920										
Crystal Beach Park Development		509,736									
Projects TBD											
Total Projects	1,024,920	1,709,736	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Cumulative Carryforward Balance	-	(79,736)	50,264	180,264	310,264	440,264	570,264	700,264	830,264	960,264	1,090,264

The above table depicts the projected revenues from the City's allocation of TDD funding for the 10 year period ending September 2032. As mentioned above, TDD has informed the City of their intention to end the traditional means for annual financial support of maintaining the waterfront parks. Traditionally, the County has granted up to \$400,000 per year for operations (personnel, utilities, repairs) and \$59,000 per year for the capital replacement program (replacing boardwalks and fixtures). TDD has proposed to reduce the traditional means of funding this program down to \$258,000 for FY 2023 and then to \$0 for future years. The TDD recommends the city use the City's allocation of TDD funding for maintenance. This would require the use of \$200k of our portion of the TDC Municipal Interlocal Agreement funds in FY2023 for waterfront maintenance. The table above shows the City's intent to use the FY2023 allocation towards completing the development at Crystal Beach in accordance with the current (and proposed restated) Interlocal Agreement.

In order to execute the advanced funding portion of this interlocal agreement, the City will need to adopt an authorizing ordinance pursuant to 3.12(b)(5) of the municipal charter.

A. Link to Strategic Goals / Objectives: Strategic Goals:

- I. Financially sound city providing service excellence
- II. Enhanced quality of life and safety for families
- III. Economic development and revitalization
- V. Improve mobility and connectivity
- VI. A green and sustainable environment

Council Objectives - Important Priority:

1.3 Public Beachfront Acquisition Initiative

B. Effect on Budget (EOB): Adoption of this revised Interlocal Agreement will affect the FY 2022 and FY 2023 Budgets.

To complete the Crystal Beach project, the City will need to provide \$3.5 million (41% x \$8.6 million). Staff propose \$990k Oka 1/2 Penny, \$1.625m from TDC Advanced Funding Agreement, and \$914k from granted allocations of FY22 and FY23 TDC municipal share.

To accomplish Beach project #2, the City's **50% share** (\$8.3 million) will come entirely from the TDC Advanced Funding Agreement.

The below table depicts the new interlocal by total funding for Beach Projects (includes expenditures to date for Beach 1):

ORG	Description	Beach 1 interlocal #1 41/59 Crystal Beach	Beach 2 interlocal #1 50/50	GRAND TOTAL
12957231	Oka 1/2 Penny	3,917,844		3,917,844
30557212	TDC 48.5% of the 12.5)	914,656		914,656
30557212	TDC Advanced Fundin	1,625,000	8,375,000	10,000,000
	Subtotal City 41%	6,457,500	8,375,000	14,832,500
30557237	BOCC	9,292,500	8,375,000	17,667,500
	Subtotal County 59%	9,292,500	8,375,000	17,667,500
	Grand Total	15,750,000	16,750,000	32,500,000

Updated Funding Summary for Beach #1 Project by Fiscal Year.

ORG	Description	Beach 1 interlocal #1 41/59 Crystal Beach (FY 2021 Actual)	Beach 1 interlocal #1 41/59 Crystal Beach Land Acquisition (FY22 YTD Actuals)	Beach 1 interlocal #1 41/59 Crystal Beach Land Acquisition (FY22 YTD Encumbrances)	Beach 1 interlocal #1 41/59 Crystal Beach Land Acquisition (FY22 Projected)	Beach 1 interlocal #1 41/59 Crystal Beach Development (FY23)	GRAND TOTAL
12957231	Oka 1/2 Penny	2,818,990	36,881	71,941	990,032		3,917,844
30557212	TDC 48.5% of the 12.5)				404,920	509,736	914,656
30557212	TDC Advanced Funding Agreement				1,268,902	356,098	1,625,000
	Subtotal City 41%	2,818,990	36,881	71,941	2,663,854	865,834	6,457,500
30557237	BOCC	4,054,948	53,072	103,524	3,835,000	1,245,956	9,292,500
	Subtotal County 59%	4,054,948	53,072	103,524	3,835,000	1,245,956	9,292,500
	Grand Total	6,873,938	89,953	175,465	6,498,854	2,111,790	15,750,000

The effect on the FY 2022 Budget will require a budget amendment, increasing the FY 2022 Budget by \$3,409,263. The \$2.1 million to complete Crystal Beach Development and the \$16.75 million to accomplish Beach Project #2 have been entered into the proposed FY 2023 Budget.

FY 2022 Budget Impact

	12957231 Oka 1/2 Penny	30557212 TDC 12.5%	30557237 BOCC	TOTAL
561000-CM001 Land-Beach Program	\$ 2,699,850	\$ -	\$ 2,256,156	\$ 4,956,006
FY22 Adopted Budget	2,699,850	-	2,256,156	4,956,006
PY Rollforwards for Open Encumbrances	16,277	-	-	16,277
Budget Amendment		1,673,822	1,735,441	3,409,263
Revised Budget	2,716,127	1,673,822	3,991,597	8,381,546
Previous Expenses/Encumbrances	(108,821)	-	(133,173)	(241,994)
Available Program Budget	2,607,306	1,673,822	3,858,423	8,139,552
This Agreement +(-)	-	-	-	-
FY22 Remaining Program Budget	\$ 2,607,306	\$ 1,673,822	\$ 3,858,423	\$ 8,139,552

A draft Budget Amendment is attached, which will need to be updated and adopted through a Budget Amendment Ordinance if this interlocal agreement is approved.

C. Level of Service (LOS): Increased Level of Service

D. Legislative Sponsor: Teresa Hebert

III. CONCLUSION: By entering into the new interlocal agreement, the City and County can proceed forward to finish Phase I of the beach acquisition project at The Shore of Crystal Beach (41% City Contribution and 59% County Contribution) as well as purchase 340' of additional beach footage at Tarpon Beach and developing park amenities (50% City / 50% County contributions). All parks will be operated by the City of Destin upon completion.

This effort would accomplish the City Council's important strategic objective for FY21/22, 1.3 Public Beachfront Acquisition Initiative.

If maintenance of Destin's waterfront parks is paid for by the municipal share of TDD revenue, then these 2 projects would mostly encumber Destin's portion of TDD's municipal revenue for

the next 10 years.

In order to act upon the advanced funding clauses of this interlocal agreement, the City will need to adopt an authorizing ordinance pursuant to 3.12(b)(5) of the municipal charter.

IV. RECOMMENDED MOTION: I move to approve Ordinance 22-12-CN on first reading and direct staff to advertise for second reading.

Attachments:

1. Ordinance 22-12-CN -
Approving Interlocal
Agreement for Beach
Purchase - final
2. ATT 1 / Appendix A -
Amended and Restated
Interlocal Agreement for
Beach Acquisition - final
3. ATT2 - Okaloosa County
Interlocal Agreement 2020
Public Beach Acquisition
Project
4. ATT3 - Resolution 21-07
Acquire Property for Public
Use
5. ATT4 - BOCC Resolution
21-103
6. 2022 0801 Budget
Amendment BEACH
INTERLOCAL
7. Presentation - Public Beach
Initiative 72622

ORDINANCE NO. 22-12-CN

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA APPROVING THE FORM AND AUTHORIZING EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY AND OKALOOSA COUNTY TO FACILITATE THE CITY'S ACQUISITION OF CERTAIN BEACH PROPERTY AND THE DEVELOPMENT OR REDEVELOPMENT OF SUCH PROPERTY FOR PUBLIC RECREATION AND TOURISM PURPOSES, AND TO ESTABLISH THE RESPECTIVE FINANCIAL OBLIGATIONS OF THE CITY AND COUNTY ASSOCIATED THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA:

SECTION 1. Authority for this Ordinance. This Ordinance is enacted pursuant to the provisions of Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Parts I and II, Florida Statutes, the municipal charter of the City of Destin, Florida (the "City Charter"), and other applicable provisions of law.

SECTION 2. Findings. It is hereby ascertained, determined and declared as follows:

(A) The acquisition and improvement of public beach is a preeminent goal, the furtherance of which ensures the continued economic viability of the City of Destin, Florida (the "City") and Okaloosa County, Florida (the "County") as a whole as well as specific benefits to tourism and the general public.

(B) In furtherance of this preeminent goal, the City and the County are working together to acquire and develop and/or redevelop public beach property within the City's municipal limits (the "Acquisitions").

(C) The City and County anticipate that implementation of the Acquisitions will occur in several phases.

(D) The City has partnered with the Trust for Public Land, Inc. (the "Trust"), to further the Acquisitions.

(E) In furtherance of Phase I of the Acquisitions, the City and County agreed to purchase three parcels of real property adjacent to an existing City beach park (the "Phase I Properties") from the Trust.

(F) Two of the three Phase I Properties have already been acquired by the City, and the City is in the process of acquiring the third.

(G) The Trust is under contract to purchase four platted lots of real property (the "Phase II Properties") and has offered to sell such properties to the City. The Phase II Properties are contiguous properties in an ideal spatial location to provide additional beach access, and collectively represent a second phase of the Acquisitions

(H) The City and the County have each agreed to fund portions of the purchases of the Phase I Properties and Phase II Properties (collectively the "Properties") to include their redevelopment into usable public properties.

(I) The County and all nine municipalities located within the County have entered into an interlocal agreement dated September 8, 2021 to allocate 12.5% of the first 5 pennies of Tourism Development Tax ("TDT") funding received for tourism uses by the cities, of which 48.5% is allocated through a separate interlocal agreement amongst just the municipalities for use by the City of Destin (the "City's TDT Allocation").

(J) To save money, as well as to facilitate the Acquisitions and assist the City, the County has agreed to advance fund the City with up to \$10,000,000 from TDT reserves, and the City shall repay such amount to the County, without interest, over a 10 year term with payments of at least \$1,000,000 annually, from the City's TDT Allocation.

(K) The City and the County have determined to enter into an interlocal agreement (the "Interlocal Agreement") to facilitate the City's acquisition of the Properties and the development or redevelopment of the Properties for public recreation and tourism purposes, and to establish the respective financial obligations of the City and County associated therewith including the City's covenant to budget and appropriate non-ad valorem revenues in the manner and to the extent described therein if necessary to repay funds advanced by the County for such purposes, in the event that the City TDT Allocation is insufficient.

(L) The Interlocal Agreement provides for the borrowing of money by the City from the County and therefore must be authorized by ordinance pursuant to Section 3.12(b)(5) of the City Charter.

SECTION 3. Interlocal Agreement. The City Council hereby approves, authorizes and directs execution and delivery of the Interlocal Agreement in substantially the form attached hereto as Appendix A, with such omissions, insertions, and variations as may be necessary and/or desirable and approved in consultation with the City Attorney prior to the delivery thereof, with such necessity and/or desirability and approval to be evidenced by the execution and delivery thereof, and to execute and deliver any and all papers and instruments to do and cause to be done all acts and things necessary or proper for carrying out the actions contemplated by this Ordinance and the Interlocal Agreement. The Mayor, as attested by the City Clerk, or in each case their duly authorized designee, are hereby authorized and directed to execute and deliver the Interlocal Agreement.

SECTION 4. Effective Date. This Ordinance shall take effect immediately upon its passage and enactment.

(SEAL)

Gary Jarvis, Mayor

ATTEST:

Lance Johnson, City Manager

Rey Bailey, City Clerk

First Reading _____, 2022

Second Reading _____, 2022

Approved as to form for the City of
Destin, only:

Kyle S. Bauman, City Attorney

APPENDIX A

FORM OF INTERLOCAL AGREEMENT

**AMENDED AND RESTATED INTERLOCAL AGREEMENT
BETWEEN OKALOOSA COUNTY AND THE CITY OF
DESTIN FOR ACQUISITION, DEMOLITION, DESIGN,
AND CONSTRUCTION AND OTHER MATTERS RELATED
TO THE PUBLIC BEACH/GULF FRONT PUBLIC PARK
PROPERTY**

THIS AMENDED AND RESTATED INTERLOCAL AGREEMENT ("Agreement") is entered into by and between **OKALOOSA COUNTY, FLORIDA**, a political subdivision of the State of Florida (the "County") and the **CITY OF DESTIN**, a municipality organized under the laws of the State of Florida (the "City") (collectively, the County and City will hereinafter be referred to as the "Parties").

WHEREAS, the Board of County Commissioners and the City Council agree that the acquisition and improvement of public beach is a preeminent goal, the furtherance of which ensures the continued economic viability of the City and County as a whole as well as specific benefits to tourism and the general public; and

WHEREAS, in furtherance of this preeminent goal, the County and the City are working together to acquire and develop and/or redevelop public beach property within the City's municipal limits (the "Acquisitions"); and

WHEREAS, the Parties anticipate that implementation of the Acquisitions will occur in several phases; and

WHEREAS, the City has partnered with the Trust for Public Land, Inc. (the "Trust") in furtherance of the Acquisitions; and

WHEREAS, in furtherance of Phase I of the Acquisitions, the Parties entered into an Interlocal Agreement (C21-3007-BCC) dated October 20, 2020, in which the Parties mutually agreed to purchase three parcels of real property more particularly described in the attached Exhibit "A" (the "Phase I Properties") from the Trust; and

WHEREAS, the Phase I Properties are adjacent to an existing City beach park; and

WHEREAS, two of the three Phase I Properties have already been acquired by the City, with the last property in the middle, pledged to be acquired by the City through eminent domain proceedings for public use; and

WHEREAS, the City, in furtherance of the eminent domain proceedings against the last property of the Phase I Properties to be acquired, has passed a Resolution of Necessity and the County has passed a Resolution of support for those efforts; and

WHEREAS, in Phase II of the Acquisitions, the Trust has targeted and is under contract to purchase four platted lots of real property more particularly described in the attached Exhibit “B” (the “Phase II Properties”); and

WHEREAS, the Phase II Properties are contiguous properties in an ideal spatial location to provide additional beach access and as of the date of this Interlocal are owned by a single, uniform Seller; and

WHEREAS, the Phase II Properties collectively represent a second phase of the Acquisitions; and

WHEREAS, the Trust has sold two of the three Phase I Properties and has offered to sell the Phase II Properties to the City; and

WHEREAS, the Parties have each agreed to fund portions of the purchases of the Phase I Properties and Phase II Properties (collectively the "Properties"), as described herein to include their redevelopment, into usable public properties; and

WHEREAS, the County and all nine municipalities located within the County have entered into an Interlocal Agreement, dated September 8, 2021 to allocate 12.5% of the first 5 pennies of Tourism Development Tax (“TDT”) Funding received for statutorily allowable tourism uses by the cities, of which 48.5% is allocated through a separate interlocal agreement amongst just the municipalities for use by the City of Destin (the “City’s TDT Allocation”); and

WHEREAS, the full costs of the Acquisitions from purchase to usable park properties includes, but is not limited to, the costs for purchase (including condemnation of the final of the Phase I Properties), demolition, design, permitting, and construction and are estimated to cost \$32,500,000.00, as budgeted in Exhibit “C”; and

WHEREAS, the County's portion of the funding and most if not all of the City's portion of the funding will be funded with “Tourism Development District Funding” with the specific purpose and intent of promoting tourism by increasing beach access and therefore from a tourism perspective specifically wants the property available equally to all County residents and guests/visitors alike without hinderances; and

WHEREAS, this Agreement is intended to formalize the Parties’ relationship and describe how the Acquisitions will proceed forward.

NOW, THEREFORE, in consideration of the above recitals, mutual covenants, promises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the County and the City agree as follows:

SECTION 1. AUTHORITY. This Agreement is entered into pursuant to the provisions of Chapter 163.01, Florida Statutes, and other applicable provisions of law.

SECTION 2. RECITALS. The above recitals are true and accurate and are incorporated herein as essential terms of the Agreement.

SECTION 3. PARTIES. The parties to this Agreement are the County and the City.

SECTION 4. DETAILS OF THE ACQUISITIONS. The Acquisitions shall consist of the acquisition, demolition and improvement of the Properties. The Phase I Properties and Phase II Properties are more particularly described in the attached Exhibit "A" and Exhibit "B", with the combined cost estimated of both projects in acquisition to improvement in Exhibit "C".

SECTION 5. FUNDING/COMMITMENTS FOR THE ACQUISITIONS.

- A. Estimated Contributions. The Parties agree to fund the complete costs of the Acquisitions as shown in Exhibit "C" at 59% County and 41% City for the Phase I Project/Properties and 50% each for the Phase II Project/Properties. Additional costs above the amounts budgeted in Exhibit "C" shall continue to be split at the same percentages between the Parties.
- B. City Advance Funding. To save money, as well as to facilitate the Acquisitions, and assist the City, the County agrees to advance fund the City with up to \$10 Million dollars from TDT Reserves for this purpose. Repayment to the County shall come from the City's TDT Allocation as described in the "Whereas" clauses above. Except as set forth in subsection 5.C below, the County shall not charge the City any interest for the initial ten (10) year period. The amount owed shall be repaid as follows:
 - 1) The entirety of the advanced funding shall be repaid by the City within ten (10) years of the date that the advanced funding is distributed to the City. Payment shall come in the form of a deduction from the City's TDT Allocation. First repayment in the form of a deduction from amounts allocated shall occur on or before September 30, 2023.
 - 2) The City shall commit at least \$1 Million annually of the City's TDT Allocation to servicing the debt described in this Section.
 - 3) If the City's TDT Allocation does not amount to a total of at least \$1 Million in a single fiscal year, then the County shall have the right to set off any deficiency against any unallocated money the City may have accrued in the City's TDT Allocation from an earlier fiscal year.
 - 4) If a deficiency remains after the set off described in subsection 5(B)(3), then the total amount owed by the City towards the service of this debt shall be rolled over to the next fiscal year for the initial ten (10) years. Any future

City's TDT allocations, regardless of the dollar amount, would then be applied to bring any debt payment status current to eliminate the deficiency.

- 5) If after year ten (10) the offsets from the City's TDT Allocation have not been sufficient to pay off the debt owed, offsets will continue until the debt is fully paid. After the tenth year, the County in its sole discretion may withhold the entirety of the City's TDT Allocation, whether it exceeds \$1 million dollars until the debt is paid in full.
- 6) In no event shall the debt continue for a duration beyond twenty (20) years from March 1, 2022, without further written approval by the Board of County Commissioners.
- 7) The City, at its option, may voluntarily agree to pay more on any given year or prepay the debt to the County at any time through any lawful means.
- 8) The City's obligation hereunder shall not be or constitute a general obligation or indebtedness of the City as a "bond" within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable solely from the City's TDT Allocation in accordance with the terms hereof. The County shall never have the right to compel the exercise of any ad valorem taxing power or taxation of any real or personal property thereon or the use or application of ad valorem tax revenues to pay the City's obligations hereunder, or be entitled to payment of such obligations from any funds of the Issuer except from the City's TDT Allocation as described herein.

- C. It is acknowledged by the Parties that the advanced funding established in subsection 5.B above is being funded from TDT reserves set aside for purposes of beach restoration in the event of a natural disaster. If the County, in its discretion or as a result of a mandate or order by another governmental entity, provides beach restoration as a result of natural events and circumstances beyond the control of the County, which include but are not limited to, tornados, tropical depressions, tropical storms, flooding, hurricane, earthquake, or other natural disaster, and the County borrows funds to pay for such beach restoration, the City will be charged the borrowing rate of interest incurred by the County on the balance of amounts owed by the City for the duration of the loan. Any amounts owed pursuant to this subsection shall be added to the City's outstanding repayment obligations as those repayment obligations are described in subsection 5.B and is subject to the same terms.
- D. The Parties agree that neither is responsible to pay for the attorneys' fees or the fees of any other professional that one of the Parties unilaterally may elect to employ in the furtherance of the Acquisitions.
- E. City Eminent Domain/Condemnation of Crystal Beach Parcel. The Parties warrant and agree to act in good faith and commit to make every reasonable effort to ensure

that the final Phase I Property is acquired. Specifically, to that end, the City agrees to institute legal condemnation proceedings for the remaining lot of the Phase I Properties and to implement said proceedings as soon as reasonably practicable. The final Phase I Property shall be condemned through a “quick take” as provided in Florida Statutes. The County agrees to make its legal counsel reasonably available to assist the City and shall permit the City to hire the County's legal firm to pursue the referenced condemnation without a conflict, but with costs covered as part of the Acquisitions. Costs for this expense are budgeted in Exhibit “C”.

SECTION 6. PROPERTY CLOSINGS.

- A. Timing. Closings of each Property shall occur as soon as reasonably practicable. The Parties shall schedule the closings to occur on mutually agreed upon date(s).
- B. Funding Warranty. The Parties warrant and agree that each shall have the ability to fund the closings on the dates the closings are scheduled to occur.
- C. Title Policy. The City shall obtain an owner’s title policy with the City being the named insured as to each of the individual Properties in an amount equal to the purchase price allocated to each respective parcel. The title policies shall ensure marketable title as to each Property being acquired. The County shall be provided the title policies for review and upon review will provide concurrence/non-concurrence of the title policies.

SECTION 7. OWNERSHIP OF THE PROPERTIES.

- A. Fee Simple Title. Upon closing, the City shall own fee simple titles to the Properties.
- B. Covenants. The City shall execute and record all documentation necessary to ensure that the Properties are subject to a perpetual covenant running with the land requiring that the Properties be used only for public recreation and tourism purposes. Such documentation shall be reviewed and approved by the County prior to execution and recording by the City. In addition to traditional recreational and tourism purposes, such covenant uses may include, but shall not be limited to: parking, restrooms, changing rooms/showers, recreational/food vendors, tourism outreach booth, lifeguard stand, beach maintenance access/storage. Modification or removal of the covenants shall require mutual consent of the Parties in writing.
- C. Future Sale, Lease, or Encumbrance of the Properties/Acquisitions. The City shall not sell, lease, or encumber the Properties/Acquisitions in any manner absent the written consent of the County. The intent of the Parties is to utilize the Properties for public recreational purposes. Should the City permit the Properties/Acquisitions to be used in a manner inconsistent with the Parties’ intent, the City shall transfer to the County fee interest in the

real estate acquired hereunder sufficient to ensure that the Properties are used in a manner consistent with public recreational purposes. If the Parties should in the future agree to sell any of the Properties/Acquisitions, the proportionate amount of funding expended to acquire, demolish, design/permit and construct the public beach park Project shall first be returned to the Tourism Development District fund at the County. Any remaining proceeds thereafter shall be split equally between the Parties.

SECTION 8. DEVELOPMENT AND IMPROVEMENT OF THE PROPERTIES.

- A. Intent. The Parties intend that the development of the Properties shall be limited to uses by the general public for general recreational purposes as typically seen at beach parks (the “Public Beach Parks”). The overall goal of both Phases of the Acquisitions shall be to increase the amount of beach available for use by the general public and the Public Beach Parks shall be designed, developed, and maintained in accordance with this overall goal. This Agreement shall be construed in a manner that reflects this overall intent.
- B. Development of the Public Beach Parks.
 1. Collaborative Process. The Parties intend to work collaboratively through all phases of development of the Public Beach Parks to develop Public Beach Parks that is consistent with this intent.
 2. Comprehensive Plan and Land Development Code. Development of the Public Beach Parks shall be subject to applicable provisions of the City’s Comprehensive Plan and Land Development Code. Prior to, but contingent upon acquisition to become effective, or upon acquisition, if not already compliant with the City’s Comprehensive Plan and Land Development Code (specifically zoning and any special use approvals) the City agrees to diligently submit and utilize best efforts to pursue such proposed changes to bring such intended use into compliance with the City’s Comprehensive Plan and Land Development Code. This shall be completed with all haste to prevent any delay in the redevelopment of the Properties. If not completed within 12 months of each closing the City shall reimburse the County for any funds expended to date.
 3. General Design Concepts of the Public Beach Parks. The Parties shall immediately begin work together in designing and implementing a cohesive and functional plan and development of the Public Beach Parks that is consistent with and furthers the overall intent of the Acquisitions. The Public Beach Parks’ design shall include basic amenities typically seen at beach parks generally, including but not limited to: adequate parking, restrooms/changing rooms, showers, stormwater detention, sidewalks, landscaping, boardwalks, pavilions, official access, and similar uses. Final design of the Public Beach Parks shall be subject to the approval of both the

Board of County Commissioners and the City Council at duly noticed public meeting(s).

4. Demolition. Except for the existing pavilion and bathrooms on the Phase I Properties/Project, the existing structures on the Properties do not further the overall intent of the Acquisitions. Therefore, the City shall procure a qualified and duly licensed demolition contractor to demolish the existing structures. Such procurement process shall begin immediately after the effective date of this Agreement and shall be issued no later than sixty (60) days from the closing of any of the Properties.
5. Pre-demolition Sale. If feasible, the City may elect to conduct a pre-demolition sale of any salvageable items and fixtures located on the Properties prior to demolition. If such a sale is conducted, the Parties shall be entitled to distributions of any net proceeds from said pre-demolition sale at the same ratio as their contributions.
6. Design, Engineering, and Permitting of the Public Beach Parks. The County shall procure duly qualified and licensed engineers, design professionals from its existing professionally procured library in consultation with the City that it deems to be reasonably necessary to design, engineer, construct, and develop the Public Beach Parks. Any surveying services may be issued after execution of this Agreement. Additionally, the process to secure professional permitting for design, engineering and permitting services may begin immediately after the execution of this amended Agreement. However, in any case such issuance shall occur within ninety (90) days of the closings.
7. Construction of the Public Beach Parks. The City or County shall oversee the procurement and construction of the Public Beach Parks. The decision shall rest with the City Manager, however, the goal of the Parties is for construction to commence as soon as reasonably possible after the last closing, with preference on of less than 90 days following the completion of design and acquiring all the Properties, with an aggressive construction schedule thereafter, reflected in the bid documents.
8. Time is of the Essence/Primary Point of Contact. The Parties agree to utilize best effort to timely bring the Public Beach Park into public service/use as quickly as possible, but still in a fiscally responsible manner. As such the Parties shall each appoint a lead staff person from each agency to spearhead their agency's responsibilities. Such person shall facilitate all aspects of the project to include, but not limited to: all required approvals, payments, legal sign off, signatures, permits – to include fast-tracking all City signage, building, land development code permits and all outside agency permits. The County Appointee shall be the County Public

Works Director. The City Appointee shall be the Deputy City Manager. The lead staff person of either agency may be changed upon written notice to the other agency.

9. Rights and Obligations of the Parties in the Procurement Processes. Following acquisition of the Properties, as part of the procurement processes, the Party handling a specific service or purchase procurement shall make all such procurement documents available to the other Party for review. The reviewing Party shall be permitted to inspect the documents at least 7 days prior to issuance and provide input as to their contents. The City and County shall work in good faith in the drafting of the documents and all such documents shall be designed to further the Acquisitions' overall intent. The County in consultation with the City, shall be responsible for selecting professional firms described in Section 8(B) of this Agreement that are capable of furthering the development of the Public Beach Parks. Such firm may likely be the same firm as Phase 1 since the park developments of the Acquisitions are likely to be similar. For the Construction procurement(s) both Parties shall have at least one individual on the procurement committee.

SECTION 9. MAINTENANCE AND OPERATION.

- a. General Maintenance. After the completion of the development, the City shall be responsible for the general maintenance of the Public Beach Parks and ensure that they are kept in a condition permitting the general public to access and enjoy the Public Beach Parks.
- b. Tourist Development Taxes. The Parties recognize that Tourist Development Taxes may or may not be potentially available to fund maintenance of the Public Beach Parks. The City shall be permitted to utilize its allocated funding as part of the countywide Interlocal Agreement. The Tourist Development Council and the County may, but shall not be required to, expend additional Tourist Development Taxes to maintain the Public Beach Parks with the following exception: The County or its designee will continue to maintain the sand (rake) and pick up normal trash along the beach.
- c. Parking/Entry Fees or Permits. Because funding is primarily coming from Tourism Development Taxes, parking fees and park entry fees or parking permits shall not be permitted at the park, unless otherwise agreed to in writing by the Parties. If approved, the same parking/entry fees shall equally apply to all users. Unless otherwise agreed to by the County in writing, these parking/entry fees, if collected, must be segregated into a dedicated fund(s) for these specific parks, to be used exclusively to maintain or otherwise improve the Public Beach Parks.

- d. Beach Vending. It is the general desire of the Parties for the Public Beach Parks to be open to general beach goers -- residents and visitors alike. No beach vendors for tents, umbrellas, and chairs, or other similar amenities, shall be permitted at the Public Beach Parks, unless otherwise agreed to in writing by the Parties.
- e. Park Vending. If agreed by the Parties in writing, minor recreation and food/drink vending, such as a food truck/cart and recreational vending such as paddleboards, kayaks, etc., may be permitted.
- f. Operation. The City shall operate the Public Beach Parks and enforce all applicable laws, including City ordinances, rules, and regulations. The City shall enforce these laws, ordinances, rules, and regulations through its Code Enforcement Department and other available legal means. The City may use its short duration, special event permits for events such as weddings, temporary gatherings, trash pickups and other typically permitted activities as normally seen at public beach parks and such permits shall not be considered encumbrances on the Properties. A temporary or permanent tourism information booth shall be permitted upon the Public Beach Parks.
- g. Revenue Generation. If any revenues are developed from the parks, unless otherwise approved in writing by the Parties, they must be segregated in dedicated fund(s) for the park, to be used exclusively to maintain or otherwise improve the Public Beach Park(s).
- h. Signage/Information. The Public Beach Parks' design shall incorporate a permanently posted sign designating the Public Beach Parks, which shall state that it was funded through a partnership between the County, the City and the Trust. The County shall review and approve the sign before it is posted and the Parties shall also consult with the Trust prior to final design approval and posting. Apart and separate from the signage above the City hereby agrees to work with the TDD to allow tourism related signage for wayfinding, a rack for material or an electronic kiosk, and website or social media promotion.
- i. Access. The City shall provide the County and themselves, to maximum extent practical, both through the park design and operationally, beach access to allow beach equipment and trash access, plus access for turtle patrol/management, beach re-nourishment, sand fencing, and sea oat plantings, debris removal, public safety, tourism and similar governmental functions. Any buildings (whether fixed or movable) shall be placed only with the City's written consent, which shall be without fees to the County and shall be in three (3) year increments. Additionally, such consent shall not be unreasonably withheld or withdrawn.

SECTION 10. TERM. This Agreement shall take effect on the last date of adoption by the respective governing bodies and the warranties and covenants described herein shall continue in perpetuity.

SECTION 11. RECORDS AND REPORTING.

- A. The City agrees to maintain books, records, documents and other evidence according to generally accepted governmental accounting principles, procedures and practices which sufficiently and properly reflect all costs and expenditures of any nature, incurred by the City in connection with the Acquisitions.
- B. The County agrees to maintain books, records, documents and other evidence according to generally accepted governmental accounting principles, procedures and practices which sufficiently and properly reflect the receipt, processing and payment of amounts in connection with the Acquisitions.
- C. Neither the City nor the County shall assume any responsibility for the other entity's failure to respond, timely, or at all, to a public records request. A request upon one entity, shall not be deemed to be a request on the other entity.
- D. The City agrees to include, in all contracts for services related to the Acquisitions, the public records statement as required under section 119.0701, Florida Statutes.

SECTION 12. REPRESENTATIONS AND WARRANTIES. Each party hereby represents and warrants to the other that it has all requisite power, authority and authorization to enter into this Agreement, has taken all necessary actions required to enter into this Agreement, and to fulfill any and all of its obligations, duties, and responsibilities provided for or required of it by this Agreement, whether exercised individually or collectively.

SECTION 13. AMENDMENTS. Neither this Agreement nor any portion of it may be modified or waived orally. The provisions hereof may be amended or waived only pursuant to an instrument in writing, approved by the City Council and the Board of County Commissioners, and jointly executed by the parties hereto. This Agreement shall be enforced and be binding upon, and inure to the benefits of, the Parties hereto and their respective survivors and assigns, if any. This Agreement shall not be assigned without the permission of all Parties to the Agreement.

SECTION 14. DISPUTE RESOLUTION. The Parties shall attempt to resolve any dispute that arise under this Agreement in good faith by participating in mediation. This mediation shall be in lieu of the requirements of the "Florida Governmental Conflict Resolution Act." The mediator shall be mutually agreed upon by the Parties and the cost of mediation shall be borne equally between the Parties. In the event the matter is not resolved through the mediation process, each party shall be free to pursue any of its available remedies.

SECTION 15. JURY TRIAL WAIVER. IN THE EVENT THAT LITIGATION IS FILED BY ANY PARTY TO ENFORCE ANY TERMS OF THIS AGREEMENT, THEN ALL PARTIES AGREE THAT THEY HEREBY WAIVE ANY RIGHT TO A JURY TRIAL ON ANY ISSUES ARISING OUT OF THIS AGREEMENT.

SECTION 16. ATTORNEY’S FEES AND COSTS. If litigation is instituted seeking to enforce the terms of this Agreement, or in any way related to this Agreement, then the prevailing party shall be entitled to recover its reasonable attorney’s fees and costs incurred in the litigation, including fees and cost incurred in any resulting appeal, and any fees and costs incurred litigating entitlement to and the reasonableness of any attorney’s fees and costs.

SECTION 17. SEVERABILITY. If any one or more of the provisions of this Agreement shall be held contrary to any express provision of law or contrary to any policy of express law, then the remainder of this Agreement shall remain in full force and effect.

SECTION 18. GOVERNING LAW AND VENUE. The validity, construction and performance of this Agreement shall be governed by the laws of the State of Florida. Venue for any action arising out of this Agreement shall be in Okaloosa County, Florida.

SECTION 19. NOTICE. If written notice to a party is required under this Agreement, such notice shall be given by hand delivery, recognized overnight delivery service, or by first class mail, registered and return receipt requested.

As to the County as follows:

County Administrator
Okaloosa County
1250 Eglin Pkwy N
Suite 102
Shalimar, FL 32579

As to the City as follows:

City Manager
City of Destin
4200 Indian Bayou Trail
Destin, FL 32541

SECTION 20. NO MEMBER LIABILITY. Neither the members of the governing body of the County, the City, nor anyone executing this Agreement, shall be liable personally or shall be subject to any accountability for reason of the execution by the County, the City or any executing authority of the County or the City for any act pertaining thereto.

SECTION 21. SOVEREIGN IMMUNITY. The parties further agree that nothing contained herein is intended to nor shall be construed a waiver of the County or City’s rights and immunities under the common law or section 768.28, Florida Statutes, as amended from time to time.

SECTION 22. INSURANCE, LIABILITY AND INDEMNIFICATION.

- A. Each party agrees to be fully responsible for all claims, liabilities, damages, costs, actions, suits or proceedings at law or in equity which may occur as a result of the

wrongful or negligent acts of their respective officers, employees, representatives, and agents.

- B. Any contractor or consultant engaged by the City or County for work on the Acquisitions shall be required to protect, defend, indemnify and hold both the City and County harmless from all claims, demands, causes of action or liability resulting from injury to or death of persons or damage to or loss of property sustained as a consequence of the Acquisitions and arising from said contractor's operations or as a proximate result of the acts or omissions of the contractor or their employees. Such agreement by the contractor or consultant shall include their indemnification as to any assessment of an administrative fine or penalty by a governmental entity for a violation of conditions of the permit and authorization related to their actions or failure to act in carrying out their contractual duties. The City and County shall require the provisions of this section to be included in all contracts between the City and County and its contractors and consultants for work or services to occur on the Acquisitions.

SECTION 23. CONSTRUCTION. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

SECTION 24. FILING. The County and the City are hereby authorized and directed after approval, to file this Agreement with the Clerk of the Circuit Court of Okaloosa County, Florida, for recording in the public records of Okaloosa County, Florida as provided in Section 163.01 (11), Florida Statutes.

SECTION 25. WAIVER. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

IN WITNESS WHEREOF, the parties hereto, by and through the undersigned, have entered into this Interlocal Agreement on the date and year last written below.

////////// **Signature Pages Follow** //////////

OKALOOSA COUNTY, FLORIDA

By: _____
Mel Ponder, Chairman

Date: _____

ATTEST:

J.D. Peacock II, Clerk

APPROVED AS TO FORM:

Lynn M. Hoshihara, County Attorney

CITY OF DESTIN, FLORIDA

By: _____
Gary Jarvis, Mayor

Date: _____

ATTEST:

Rey Bailey, Clerk

APPROVED AS TO FORM:

Kyle S. Bauman, City Attorney

Kimberly Romano Kopp, City Land Use Attorney

EXHIBIT “A” - Legal Descriptions

CRYSTAL PORT

Parcel A: Lot A, Crystal Port, according to the plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

Parcel B: Lot B, Crystal Port, according to the plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

Parcel C: Townhome Unit No. C, of Crystal Port Townhomes, according to the Plat thereof, as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

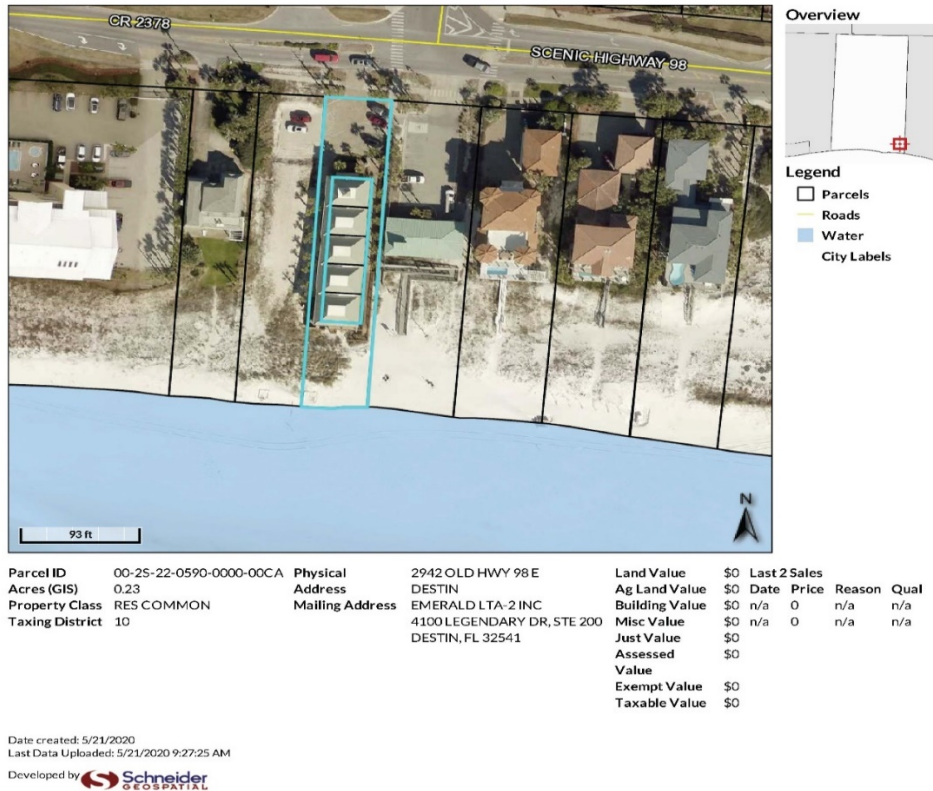
Parcel D: Lot D, Crystal Port, according to the plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

Parcel E: Lot E, Crystal Port Townhomes, according to the Plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

Parcel F: All Crystal Port Townhomes Common Area, according to the Plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.



Okaloosa County Property Appraiser



SHORE AT CRYSTAL BEACH EAST EXPANSION #1

LOT 2, THE SHORES OF CRYSTAL BEACH, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 13, PAGE 82 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA

Property Street Address: 2968 Scenic Highway 98, Destin, FL 32541

Parcel Tax ID No.: 00-2S-22-0584-0000-0020



Parcel ID	00-2S-22-0584-0000-0020	Physical Address	2968 SCENIC HWY 98 E	Land Value	\$1,681,850	Last 2 Sales Date	8/4/2017	Price	\$100	Reason	UNQUAL/FEDERAL/STATE/LOCAL	Qual	U
Acres	0.44	Mailing Address	DESTIN	Ag Land Value	\$0								
(GIS)			GEMINI CAPITAL ACQUISITIONS	Building Value	\$1,033,230	6/26/2006		\$100		GOV	QUAL/CREDIBLE/VERIF/DOC/EVIDEN	U	
Property Class	SINGLE FAM		11767 SOUTH DIXIE HWY	Misc Value	\$26,103								
Taxing District	10		SUITE 263 PINECREST, FL 33156	Just Value	\$2,741,176								
				Assessed Value	\$2,741,180								
				Exempt Value	\$0								
				Taxable Value	\$2,741,180								

Date created: 6/11/2020
Last Data Uploaded: 6/11/2020 4:02:13 AM
Developed by Schneider GEOSPATIAL

SHORE AT CRYSTAL BEACH EAST EXPANSION #2

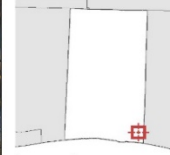
Lot 3, THE SHORES OF CRYSTAL BEACH, a Planned Unit Development, a Resubdivision of a Portion of Block B, Crystal Beach Subdivision according to the Plat thereof as recorded in Plat Book 13, Page 82, of the Public Records of Okaloosa County, Florida

Property Street Address: 2970 Scenic Highway 98 E, Destin, FL 32541

Parcel Tax ID No.: 00-2S-22-0584-0000-0030



Overview



Legend

- Parcels
- Roads
- Water
- City Labels

Parcel ID	00-25-22-0584-0000-0030	Physical Address	2970 SCENIC HWY 98 E	Land Value	\$1,681,850	Last 2 Sales				
Acres (GIS)	0.44	Mailing Address	DESTIN KMB ROCKY HILL LLC	Ag Land Value	\$0	Date	Price	Reason		Qual
Property Class	SINGLEFAM	Address	PO BOX 6177 MIRAMAR BEACH, FL 32550	Building Value	\$890,466	5/9/2018	\$100	UNQUAL/CORRECTIVE/QCD,TD		U
Taxing District	10			Misc Value	\$34,386	8/29/2014	\$2100000	QUAL/DEED EXAMINATION		Q
				Just Value	\$2,606,699					
				Assessed Value	\$2,606,700					
				Exempt Value	\$0					
				Taxable Value	\$2,606,700					

Date created: 4/9/2020
 Last Data Uploaded: 4/9/2020 4:03:23 AM
 Developed by  Schneider
 GEOSPATIAL

EXHIBIT “B”
PHASE 2 LOTS/Property

<i>Properties</i>	<i>City Contribution 50%</i>	<i>County Contribution 50%</i>	<i>Total</i>
<i>00-2S-22-0390-0000-0010</i>	\$1,750,000	\$1,750,000	\$3,500,000
<i>00-2S-22-0580-000A-0090 3310 Scenic 98</i>	\$1,750,000	\$1,750,000	\$3,500,000
<i>00-2S-22-0580-000A-0100 3320 Scenic 98</i>	\$1,750,000	\$1,750,000	\$3,500,000
<i>00-2S-22-0580-000A-0110 3324 Scenic 98</i>	\$1,750,000	\$1,750,000	\$3,500,000
<i>Total</i>	\$7,000,000	\$7,000,000	\$14,000,000

PARCEL ID: 00-2S-22-0390-0000-0010

"THE EAST 40 FEET OF THE FOLLOWING DESCRIBED PROPERTY:

THAT PORTION OR BLOCK A, LYING BETWEEN THE SOUTHERLY EXTENSION OF THE EAST LINE OF BLOCK 6 AND THE WEST LINE OF BLOCK 4 OF CRYSTAL BEACH, A SUBDIVISION OF THE WEST MILE OF THE EAST TWO MILES OF THE DESTIN PENINSULA, TOWNSHIP 2 SOUTH, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK I AT PAGE 17, OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA. SUBJECT TO ANY EASEMENTS GRANTED FOR INGRESS AND EGRESS TO THE GULF OVER A SOUTHERLY EXTENSION OF 4TH STREET ACCORDING TO THE PLAT OF SAID CRYSTAL BEACH.

AND

THAT PORTION OF BLOCK A, LYING BETWEEN THE SOUTHERLY EXTENSION OF THE WEST LINE OF BLOCK 4, AND WESTERLY OF A SOUTHERLY EXTENSION OF THE WEST LINE OF BLOCK 3, IN CRYSTAL BEACH, A SUBDIVISION OF THE WEST MILE OF THE EAST TWO MILES OF THE DESTIN PENINSULA, TOWNSHIP 2 SOUTH, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK I AT PAGE 17, OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA."

PARCEL ID: 00-2S-22-0580-000A-0090, 00-2S-22-0580-000A-0100, 00-2S-22-0580-000A-0110

THAT PART OF BLOCK A INCLUDED BETWEEN THE SOUTHERLY EXTENSIONS TO THE GULF TO MEXICO OF THE EAST LINE OF BLOCK 3 AND THE WEST LINE OF LOT 5 OF BLOCK 3, TOGETHER WITH RIPARIAN RIGHTS THERETO BELONGING, ACCORDING TO THE PLAT OF THE SUBDIVISION KNOWN AS CRYSTAL BEACH, A SUBDIVISION OF A PORTION OF TOWNSHIP 2 SOUTH, RANGE 22 WEST, ACCORDING TO PLAT THEREOF BY C.H. OVERMAN, C.E., FILED FOR RECORD IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF OKALOOSA COUNTY, FLORIDA.

THAT PART OF BLOCK A INCLUDED BETWEEN THE SOUTHERLY EXTENSIONS TO THE GULF TO MEXICO OF THE EAST LINE OF BLOCK 3 AND THE WEST LINE OF LOT 5 OF BLOCK 3, TOGETHER WITH RIPARIAN RIGHTS THERETO BELONGING, ACCORDING TO THE PLAT OF THE SUBDIVISION KNOWN AS CRYSTAL BEACH, A SUBDIVISION OF A PORTION OF TOWNSHIP 2 SOUTH, RANGE 22 WEST, ACCORDING TO PLAT THEREOF BY C.H. OVERMAN, C.E., FILED FOR RECORD IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF OKALOOSA COUNTY, FLORIDA.

THAT PORTION OF BLOCK A, CRYSTAL BEACH SUBDIVISION, AS RECORDED IN PLAT BOOK 1, AT PAGE 17, OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA. LYING BETWEEN THE SOUTHERLY EXTENSION OF THE GULF OF MEXICO OF THE WEST LINE OF LOT 1 AND THE EAST LINE OF LOT 4, BLOCK 3, CRYSTAL BEACH SUBDIVISION.

SUBJECT TO COVANANTS AND RESTRICTIONS AND WATER LINE EASEMENT AS CONTAINED IN DEEDS RECORDED IN OFFICIAL RECORD BOOK 104, PAGE 339 AND BOOK 107, PAGE 459 OF THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA

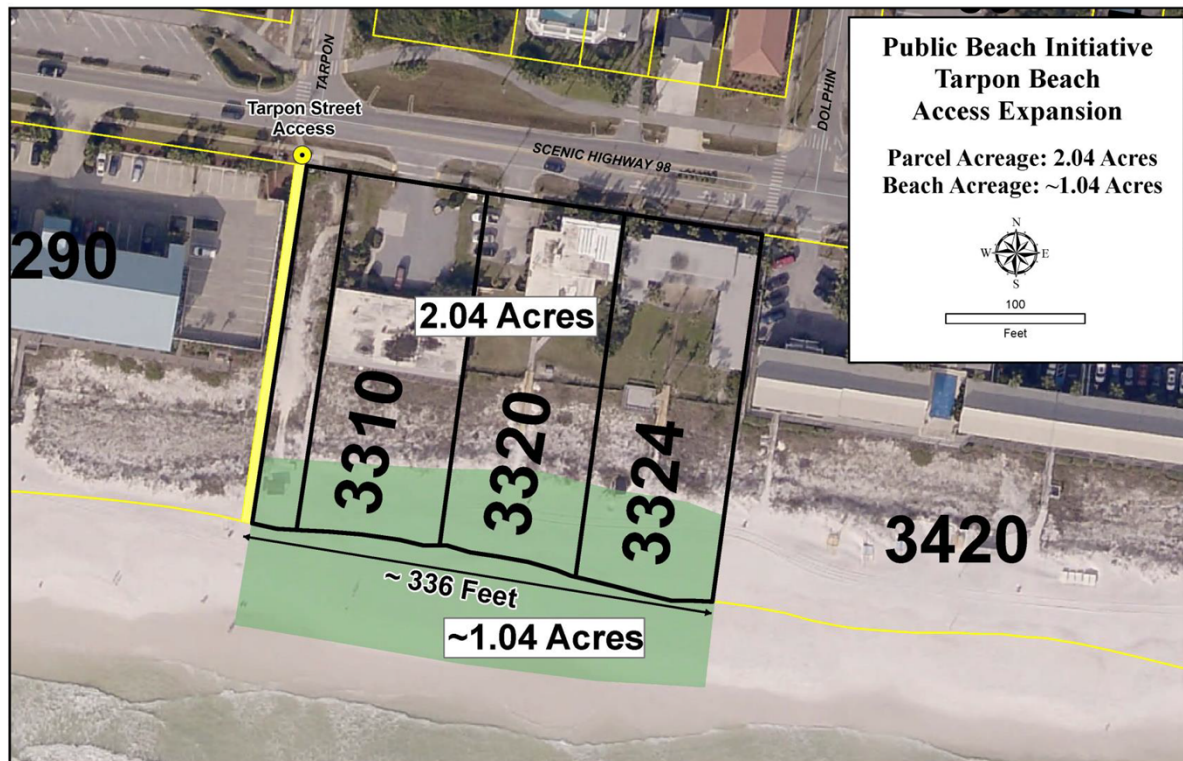


EXHIBIT "C"
Estimated Budgetary Costs for Acquisitions-- Properties
"Phase I Project" and "Phase II Project"

Beach Access Phase I Project Crystal Beach	
Project Activity	Total (100%)
Acquisition to date	\$6,727,790
Demolition	\$100,218
Design and Permitting	\$272,500
Estimated Acquisition (Center House) Condemnation	\$6,300,000
Condemnation Legal and Acquisition Costs	\$200,000
Demolition	\$75,000
Park Development	\$1,750,000
Contingency	<u>\$324,492</u>
Total Project Cost from Acquisition to Operation	15,750,000
SPLIT: COUNTY - 59% CITY - 41%	

Beach Access Phase II Project Tarpon	
Project Activity	Total (100%)
Acquisition	\$14,050,000
Demolition	\$200,000
Design and Permitting	\$300,000
Park Development	\$1,850,000
Contingency	<u>\$350,000</u>
Total Project Cost from Acquisition to Operation	\$16,750,000
SPLIT 50% EACH CITY AND COUNTY	

Total Costs for both Projects \$32,500,000

**INTERLOCAL AGREEMENT BETWEEN OKALOOSA
COUNTY AND THE CITY OF DESTIN FOR ACQUISITION,
DEVELOPMENT, MAINTENANCE, AND OTHER
MATTERS RELATED TO PHASE 1 OF THE PUBLIC
BEACH ACQUISITION PROJECT**

THIS INTERLOCAL AGREEMENT ("Agreement") is entered into by and between **OKALOOSA COUNTY, FLORIDA**, a political subdivision of the State of Florida (the "County") and the **CITY OF DESTIN**, a municipality organized under the laws of the State of Florida (the "City") (collectively, the County and City will hereinafter be referred to as the "Parties").

WHEREAS, the Board of County Commissioners and the City Council agree that the acquisition, improvement, and maintenance of public beach is a preeminent goal, the furtherance of which ensures the continued economic viability of the County as a whole and benefits the general public; and

WHEREAS, in furtherance of this preeminent goal, the County and the City are working together to acquire additional public beach within the City's municipal limits (the "Public Beach Acquisition Project"); and

WHEREAS, the Parties anticipate that implementation of the Public Beach Acquisition Project will occur in several phases; and

WHEREAS, the City has partnered with the Trust for Public Land, Inc. (the "Trust"), to further the Public Beach Acquisition Project; and

WHEREAS, in phase 1 of the Public Beach Acquisition Project, the Trust has targeted and is under contract to purchase three parcels of real property more particularly described in the attached Exhibit "A" (the "Properties"); and

WHEREAS, the Properties are adjacent to an existing City beach park; and

WHEREAS, the Properties collectively represent the first phase of the Public Beach Acquisition Project; and

WHEREAS, the Trust has offered to sell the Properties to the City; and

WHEREAS, the County and City have each agreed to fund portions of the purchases of the Properties; and

WHEREAS, the County's portion (59%) of the purchase, demolition, and likely portions of the construction, will be funded with "Tourism Development District Funding" with the specific purpose and intent of promoting tourism by increasing beach access and therefore from a tourism perspective specifically wants the property available equally to all County residents and guests/visitors alike without hinderances; and

WHEREAS, this Agreement is intended to formalize the Parties' relationship and describe how Phase 1 of the Public Beach Acquisition Project will proceed forward; and

WHEREAS, the Parties anticipate they will enter into future Interlocal Agreements relating to the particulars of each future phase of the Public Beach Acquisition Project.

NOW, THEREFORE, in consideration of the above recitals, mutual covenants, promises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the County and the City agree as follows:

SECTION 1. AUTHORITY. This Agreement is entered into pursuant to the provisions of Chapter 163.01, Florida Statutes, and other applicable provisions of law.

SECTION 2. RECITALS. The above recitals are true and accurate and are incorporated herein as essential terms of the Agreement.

SECTION 3. PARTIES. The parties to this Agreement are the County and the City.

SECTION 4. DETAILS OF PHASE 1 OF THE PUBLIC BEACH ACQUISITION PROJECT. Phase 1 of the Public Beach Acquisition Project shall consist of the acquisition, improvement, and maintenance of the Properties. The Properties consist of three separate parcels and are more particularly described in the attached Exhibit "A."

SECTION 5. FUNDING FOR THE PROJECT.

- A. Aggregate Purchase Price. The Aggregate Purchase Price for the Properties is expected to be approximately TEN MILLION, SIX-HUNDRED THOUSAND DOLLARS (\$10,600,000.00).
- B. Ancillary Closing Costs. The Parties recognize that Ancillary Closing Costs are also expected. It is estimated, but not guaranteed, that the Ancillary Closing Costs will not exceed FIFTY THOUSAND DOLLARS (\$50,000.00). The Ancillary Closing Costs shall include costs such as documentary stamps, title insurance, survey costs, recording fee, and other such costs that are incurred incident to the purchase of real property. Ancillary closing costs do not include attorneys' fees or the fees of any other professional that either of the Parties may elect to employ in the furtherance of the Public Beach Acquisition Project.

- C. Phase 1 Acquisition Cost. The Aggregate Purchase Price and Ancillary Closing Costs shall hereinafter be referred to collectively as the "Phase 1 Acquisition Costs." An itemized schedule of the expected Phase 1 Acquisition Costs is attached hereto as Exhibit "B."
- D. County's Estimated Contribution. The County shall fund 59% of the Phase 1 Acquisition Costs. Therefore, the County's estimated contribution is approximately SIX MILLION, TWO HUNDRED AND EIGHTY- THREE THOUSAND AND FIVE HUNDRED DOLLARS (\$6,283,500.00).
- E. City's Estimated Contribution. The City shall fund 41% of the Phase 1 Acquisition Costs. Therefore, the City's estimated contribution is approximately FOUR MILLION, THREE HUNDRED AND SIXTY-SIX THOUSAND AND FIVE HUNDRED DOLLARS (\$4,366,500.00).
- F. The Parties recognize that the respective contributions recited above may vary depending on the Ancillary Closing Costs.
- G. The Parties further agree that neither is responsible to pay for the attorneys' fees or the fees of any other professional that one of the Parties alone may elect to employ in the furtherance of the Public Beach Acquisition Project.
- H. The Parties recognize that the Properties are comprised of three different and unique parcels of real property and that until the closing for each, there is no guarantee that all three parcels will be acquired. The Parties warrant and agree to act in good faith and commit to make every reasonable effort to ensure that all three parcels are acquired. Should one or more of the parcels of real property comprising the Properties not be acquired, each Parties' respective contribution shall be reduced in accordance with the ratio described in this Section and Exhibit "B."

SECTION 6. CLOSINGS.

- A. Timing. Closings of each Property shall occur as soon as reasonably practicable. Because three different and individual parcels of land comprise the Properties, the Parties recognize that the closings on each parcel may not occur simultaneously. The Parties shall schedule the closings to occur on mutually agreed upon dates.
- B. Funding Warranty. The Parties warrant and agree that each shall have the ability to fund the closings on the dates the closings are scheduled to occur.
- C. Title Policy. The City shall obtain an owner's title policy with the City being the named insured as to each of the individual Properties in an amount equal to the purchase price

allocated to each respective parcel. The title policies shall ensure marketable title as to each parcel being acquired. The County shall be provided the title policies and upon review will provide concurrence/non-concurrence of the title policies.

SECTION 7. OWNERSHIP OF THE PROPERTIES.

- A. Fee Simple Title. Upon closing, the City shall own fee simple titles to the Properties.
- B. Covenants. The City shall execute and record all documentation necessary to ensure that the Properties are subject to a perpetual covenant running with the land requiring that the Properties be used only for public recreation and tourism purposes. Such documentation shall be reviewed and approved by the County prior to execution and recording by the City. In addition to traditional recreational and tourism purposes, such covenant uses may include, but shall not be limited to: parking, restrooms, changing rooms/showers, recreational/food vendors, tourism outreach booth, lifeguard stand, beach maintenance access/storage. Modification or removal of the covenants shall be via mutual consent of the parties.
- C. Future Sale, Lease, or Encumbrance of the Properties. The City shall not sell, lease, or encumber the Properties in any manner absent the written consent of the County. The intent of the Parties is to utilize the Properties for public recreational purposes. Should the City permit the Properties to be used or use the Properties in a manner inconsistent with the Parties' intent, the City shall transfer to the County fee interest in the real estate acquired hereunder sufficient to ensure that the Properties are used in a manner consistent with public recreational purposes. If the Parties should in future agree to sell the property, the proportionate amount of funding expended to acquire, design/permit and construct the park shall be returned to the County/TDD.

SECTION 8. DEVELOPMENT AND IMPROVEMENT OF THE PROPERTIES.

- A. Intent. The Parties intend that the Properties' development shall be limited to uses by the general public for general recreational purposes as typically seen at beach parks (the "Public Beach Park"). The overall goal of Phase 1 of the Public Beach Acquisition Project is to increase the amount of beach available for use by the general public and the Public Beach Park shall be designed, developed, and maintained in accordance with this overall goal. This Agreement shall be construed in a manner that reflects this overall intent.
- B. Development of the Public Beach Park.
 - a. Collaborative Process. The Parties intend to work collaboratively through all phases of development of the Public Beach Park to develop a Public Beach Park that is consistent with this intent.

- b. Comprehensive Plan and Land Development Code. Development of the Public Beach Park shall be subject to applicable provisions of the City's Comprehensive Plan and Land Development Code. Prior to, but contingent upon acquisition to become effective, or upon acquisition, if not already compliant with the City's Comprehensive Plan and Land Development Code (specifically zoning and any special use approvals) the City agrees to diligently submit and utilize best efforts to pursue such proposed changes to bring such intended use into compliance with the City's Comprehensive Plan and Land Development Code. This shall be completed with all haste to prevent any delay in the redevelopment of the property. If not completed within 12 months of each closing the City shall reimburse the County for any funds expended to date.
- c. General Design Concepts of the Public Beach Park. The Parties shall immediately begin work together in designing and implementing a cohesive and functional plan and development of the Public Beach Park that is consistent with and furthers the overall intent of Phase 1 of the Public Beach Acquisition Project. The Public Beach Park's design shall include basic amenities typically seen at beach parks generally, including but not limited to: adequate parking, restrooms/changing rooms, showers, stormwater detention, sidewalks, landscaping, boardwalks, pavilions, and similar uses. Final design of the Public Beach Park shall be subject to the approval of both the Board of County Commissioners and the City Council at duly noticed public meeting(s).
- d. Demolition. The Properties' existing structures do not further the overall intent of Phase 1 of the Public Beach Acquisition Project. Therefore, the City shall procure a qualified and duly licensed demolition contractor to demolish the existing structures. Such procurement process shall begin immediately after the effective date of this agreement and shall be issued no later than sixty (60) days from the closing of the first two properties under Phase 1. And, no later than 30 days after the closing of the third property contemplated herein.
- e. Pre-demolition Sale. If feasible, the City may elect to conduct a pre-demolition sale of any salvageable items and fixtures located on the Properties prior to demolition. If such a sale is conducted, the Parties shall be entitled to distributions of any net proceeds from said pre-demolition sale at the same ratio as their contributions described in Section 5—59% to the County and 41% to the City. Such distributions shall be retained by the City for application towards applicable future costs for the demolition and/or design costs of the park.
- f. Design, Engineering, and Permitting of the Public Beach Park. The County shall procure duly qualified and licensed engineers, design professionals from its existing professionally procured library in consultation with the City that it deems

to be reasonably necessary to design, engineer, construct, and develop the Public Beach Park. Any surveying services may be issued after signature of this agreement. Additionally, the process to secure professional permitting for design, engineering and permitting services may begin immediately after the signature of this Agreement, but may not be issued until after the closing of the first two properties. However, in any case such issuance shall occur within ninety (90) days of the first two closings under Phase I and may proceed in anticipation of the closing of the third property.

- g. Construction of the Public Beach Park. The City or County shall oversee the procurement and construction of the Public Beach Park. The decision shall rest with the City Manager, however, the goal of the Parties is for construction to commence as soon as reasonably possible after the last closing, with preference of less than 90 days and with an aggressive construction schedule.
- h. Time is of the Essence/Primary Point of Contact. The Parties agree to utilize best effort to timely bring the Public Beach Park into public service/use as quickly as possible. As such the Parties shall each appoint a lead staff person from each agency to spearhead their agency's responsibilities. Such person shall facilitate all aspects of the project to include, but not limited to: all required approvals, payments, legal sign off, signatures, permits – to include fast-tracking all City signage, building, land development code permits and all outside agency permits. The County Appointee shall be the County Public Works Director. The City Appointee shall be the Deputy City Manager. The lead staff person of either agency may be changed upon written notice to the other agency.

C. Rights and Obligations of the Parties in the Procurement Processes.

- a. Design and Permitting Procurement. Prior to initiating procurement intended to further development of the Public Beach Park, the County shall make all such procurement documents available to the City for inspection. The County shall be permitted to inspect the documents and provide input as to their contents. The City and County shall work in good faith in the drafting of the documents and all such documents shall be designed to further the Public Beach Acquisition Project's overall intent. The County in consultation with the City, shall be responsible for selecting professional firms described in Section 8(B)(f) of this Agreement that are capable of furthering the development of the Public Beach Park.
- b. Pre-Construction Procurement Funding. The County shall be responsible for 59% of the cost of any procurement of any professional firms necessary to further the development of the Public Beach Park up to construction. The City shall be responsible for 41% of the cost of any procurement of any professional firms necessary to further the development of the Public Beach Park up to construction.

Construction costs and the final distribution of those costs shall be determined after preliminary engineering estimates for construction are received from the design and permitting phase. The Parties shall bring forth an amendment to this agreement for construction funding upon bringing forth the construction plans for approval.

SECTION 9. MAINTENANCE AND OPERATION.

- a. General Maintenance. After the completion of the development, the City shall be responsible for the general maintenance of the Public Beach Park and ensuring that it is kept in a condition permitting the general public to access and enjoy the Public Beach Park.
- b. Tourist Development Taxes. Although the Parties recognize that Tourist Development Taxes may or may not be potentially available to fund maintenance of the Public Beach Park. The City shall be permitted to request such funding, the Tourist Development Council and the County shall not be required to expend Tourist Development Taxes to maintain the Public Beach Park.
- c. Parking/Entry Fees or Permits. Because funding is being partially provided by Tourism Development Taxes, parking fees and park entry fees or permits shall not be permitted at the park, unless otherwise agreed to formally by the parties. If approved, the same parking/entry fee shall equally apply to all users. Unless otherwise agreed to by the County in writing, these parking fees, if collected, must be segregated in dedicated fund for the park, to be used exclusively to maintain or otherwise improve the Public Beach Park.
- d. Beach Vending. It is the general desire of the Parties for this Public Beach Park to be open to general beach goers -- residents and visitors alike. No beach vendors for tents, umbrellas, and chairs, or other similar amenities, shall be permitted at the Public Beach Park, unless otherwise agreed in writing by the Parties.
- e. Park Vending. If agreed by the Parties in writing, minor recreation and food/drink vending, such as a food truck/cart and recreational vending such as paddleboards, kayaks, etc., may be permitted.
- f. Operation. The City shall operate the Public Beach Park and enforce all applicable laws, including City ordinances, rules, and regulations. The City shall enforce these laws, ordinances, rules, and regulations through its Code Enforcement Department and other available legal means. The City may use its short duration, special event permits for events such as weddings, temporary gatherings, trash pickups and other typically permitted activities as normally seen at public beach parks and such permits shall not be considered encumbrances on the Properties. A temporary or permanent tourism information booth shall be permitted upon the Public Beach Park.

- g. Revenue Generation. If any revenues are developed from the park, unless otherwise approved in writing by the Parties, must be segregated in dedicated fund for the park, to be used exclusively to maintain or otherwise improve this Public Beach Park.
- h. Signage/Information. The Public Beach Park design shall incorporate a permanently posted sign designating the Public Beach Park, which shall state that it was funded through a partnership between the County, the City and the Trust. The County shall review and approve the sign before it is posted and the Parties shall also consult with the Trust prior to final design approval and posting. Apart and separate from the signage above the City hereby agrees to work with the TDD to allow tourism related signage for wayfinding, a rack for material or an electronic kiosk, and website or social media promotion.

SECTION 10. TERM. This Agreement shall take effect on the last date of adoption by both the respective governing bodies and the warranties and covenants described herein shall continue in perpetuity.

SECTION 11. RECORDS AND REPORTING.

- A. The City agrees to maintain books, records, documents and other evidence according to generally accepted governmental accounting principles, procedures and practices which sufficiently and properly reflect all costs and expenditures of any nature, incurred by the City in connection with Phase 1 of the Public Beach Acquisition Project.
- B. The County agrees to maintain books, records, documents and other evidence according to generally accepted governmental accounting principles, procedures and practices which sufficiently and properly reflect the receipt, processing and payment of amounts in connection with Phase 1 of the Public Beach Acquisition Project.
- C. Neither the City nor the County shall assume any responsibility for the other entity's failure to respond, timely, or at all, to a public records request. A request upon one entity, shall not be deemed to be a request on the other entity.
- D. The City agrees to include, in all contracts for services related to Phase 1 of the Public Beach Acquisition Project, the public records statement as required under section 119.0701, Florida Statutes.

SECTION 12. REPRESENTATIONS AND WARRANTIES. Each party hereby represents and warrants to the other that it has all requisite power, authority and authorization to enter into this Agreement, has taken all necessary actions required to enter into this Agreement,

and to fulfill any and all of its obligations, duties, and responsibilities provided for or required of it by this Agreement, whether exercised individually or collectively.

SECTION 13. AMENDMENTS. Neither this Agreement nor any portion of it may be modified or waived orally. The provisions hereof may be amended or waived only pursuant to an instrument in writing, approved by the City Council and the Board of County Commissioners, and jointly executed by the parties hereto. This Agreement shall be enforced and be binding upon, and inure to the benefits of, the parties hereto and their respective survivors and assigns, if any. This Agreement shall not be assigned without the permission of all parties to the agreement.

SECTION 14. DISPUTE RESOLUTION. The Parties shall attempt to resolve any dispute that arise under this Agreement in good faith by participating in mediation. This mediation shall be in lieu of the requirements of the "Florida Governmental Conflict Resolution Act." The mediator shall be mutually agreed upon by the Parties and the cost of mediation shall be borne equally between the parties. In the event the matter is not resolved through the mediation process, each party shall be free to pursue any of its available remedies.

SECTION 15. JURY TRIAL WAIVER. IN THE EVENT THAT LITIGATION IS FILED BY ANY PARTY TO ENFORCE ANY TERMS OF THIS AGREEMENT, THEN ALL PARTIES AGREE THAT THEY HEREBY WAIVE ANY RIGHT TO A JURY TRIAL ON ANY ISSUES ARISING OUT OF THIS AGREEMENT.

SECTION 16. ATTORNEY'S FEES AND COSTS. If litigation is instituted seeking to enforce the terms of this Agreement, or in any way related to this Agreement, then the prevailing party shall be entitled to recover its reasonable attorney's fees and costs incurred in the litigation, including fees and cost incurred in any resulting appeal, and any fees and costs incurred litigating entitlement to and the reasonableness of any attorney's fees and costs.

SECTION 17. SEVERABILITY. If any one or more of the provisions of this Agreement shall be held contrary to any express provision of law or contrary to any policy of express law, then the remainder of this Agreement shall remain in full force and effect.

SECTION 18. GOVERNING LAW AND VENUE. The validity, construction and performance of this Agreement shall be governed by the laws of the State of Florida. Venue for any action arising out of this Agreement shall be in Okaloosa County, Florida.

SECTION 19. NOTICE. If written notice to a party is required under this Agreement, such notice shall be given by hand delivery, recognized overnight delivery service, or by first class mail, registered and return receipt requested.

As to the County as follows:

County Administrator
Okaloosa County
1250 Eglin Pkwy N

Suite 102
Shalimar, FL 32579

As to the City as follows:

City Manager
City of Destin
4200 Indian Bayou Trail
Destin, FL 32541

SECTION 20. NO MEMBER LIABILITY. Neither the members of the governing body of the County, the City, nor anyone executing this Agreement, shall be liable personally or shall be subject to any accountability for reason of the execution by the County, the City or any executing authority of the County or the City for any act pertaining thereto.

SECTION 21. SOVEREIGN IMMUNITY. The parties further agree that nothing contained herein is intended to nor shall be construed a waiver of the County or City's rights and immunities under the common law or section 768.28, Florida Statutes, as amended from time to time.

SECTION 22. INSURANCE, LIABILITY AND INDEMNIFICATION.

- A. Each party agrees to be fully responsible for all claims, liabilities, damages, costs, actions, suits or proceedings at law or in equity which may occur as a result of the wrongful or negligent acts of their respective officers, employees, representatives, and agents.
- B. Any contractor or consultant engaged by the City or County for work on the Phase 1 of the Public Beach Acquisition Project shall be required to protect, defend, indemnify and hold both the City and County harmless from all claims, demands, causes of action or liability resulting from injury to or death of persons or damage to or loss of property sustained as a consequence of Phase 1 of the Public Beach Acquisition Project and arising from said contractor's operations or as a proximate result of the acts or omissions of the contractor or their employees. Such agreement by the contractor or consultant shall include their indemnification as to any assessment of an administrative fine or penalty by a governmental entity for a violation of conditions of the permit and authorization related to their actions or failure to act in carrying out their contractual duties. The City and County shall require the provisions of this section to be included in all contracts between the City and County and its contractors and consultants for work or services to occur on Phase 1 of the Public Beach Acquisition Project.

SECTION 23. CONSTRUCTION. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no

presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

SECTION 24. FILING. The County and the City are hereby authorized and directed after approval, to file this Agreement with the Clerk of the Circuit Court of Okaloosa County, Florida, for recording in the public records of Okaloosa County, Florida as provided in Section 163.01 (11), Florida Statutes.

SECTION 25. WAIVER. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

IN WITNESS WHEREOF, the parties hereto, by and through the undersigned, have entered into this Interlocal Agreement on the date and year last written below.

OKALOOSA COUNTY, FLORIDA

CITY OF DESTIN, FLORIDA

By: _____

Robert A. "Trey" Goodwin, III
Chairman



By: _____

Gary Jarvis, Mayor

Gary Jarvis

Date: _____

OCT 20 2020

Date: _____

10/19/20

ATTEST: _____

J.D. Peacock II, Clerk



ATTEST: _____

Rey Bailey, Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Lynn M.
Hoshihara, County Attorney

Kyle S. Bauman, City Attorney

Kimberly Romano Kopp
City Land Use Attorney
City of Destin

Kimberly Romano Kopp, City Land Use
Attorney

EXHIBIT "A" - Legal Descriptions

CRYSTAL PORT

Parcel A: Lot A, Crystal Port, according to the plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

Parcel B: Lot B, Crystal Port, according to the plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

Parcel C: Townhome Unit No. C, of Crystal Port Townhomes, according to the Plat thereof, as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

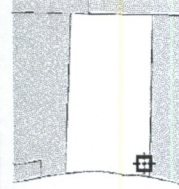
Parcel D: Lot D, Crystal Port, according to the plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

Parcel E: Lot E, Crystal Port Townhomes, according to the Plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.

Parcel F: All Crystal Port Townhomes Common Area, according to the Plat thereof as recorded in Plat Book 7, Page 76 of the Public Records of Okaloosa County, Florida.



Overview



Legend

- ☐ Parcels
- ☐ Roads
- ☐ Water
- ☐ City Labels

Parcel ID	00-25-22-0590-0000-00CA	Physical Address	2942 OLD HWY 98 E	Land Value	\$0	Last 2 Sales		
Acres (GIS)	0.23	Address	DESTIN	Ag Land Value	\$0	Date	Price	Reason
Property Class	RES COMMON	Mailing Address	EMERALD LTA-2 INC	Building Value	\$0	n/a	0	n/a
Taxing District	10		4100 LEGENDARY DR, STE 200	Misc Value	\$0	n/a	0	n/a
			DESTIN, FL 32541	Just Value	\$0			
				Assessed Value	\$0			
				Exempt Value	\$0			
				Taxable Value	\$0			

Date created: 5/21/2020
Last Data Uploaded: 5/21/2020 9:27:25 AM

Developed by  Schneider
GEO SPATIAL

SHORE AT CRYSTAL BEACH EAST EXPANSION #1

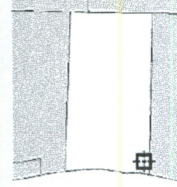
**LOT 2, THE SHORES OF CRYSTAL BEACH, ACCORDING TO THE PLAT THEREOF AS
RECORDED IN PLAT BOOK 13, PAGE 82 OF THE PUBLIC RECORDS OF OKALOOSA
COUNTY, FLORIDA**

Property Street Address: 2968 Scenic Highway 98, Destin, FL 32541

Parcel Tax ID No.: 00-2S-22-0584-0000-0020



Overview



Legend

- ☐ Parcels
- ☐ Roads
- ☐ Water
- ☐ City Labels

Parcel ID 00-25-22-0584-0000-0020	Physical Address 2968 SCENIC HWY 98 E DESTIN	Land Value \$1,681,850	Last 2 Sales					
Acres 0.44	Mailing Address GEMINI CAPITAL ACQUISITIONS	Ag Land Value \$0	Date 8/4/2017	Price \$100	Reason UNQUAL/FEDERAL/STATE/LOCAL GOV			Qual U
Property (GIS) SINGLE FAM	Address 11767 SOUTH DIXIE HWY	Building Value \$1,033,230	6/26/2006	\$100	QUAL/CREDIBLE, VERIF/DOC/EVIDEN	U		
Class	SUITE 263	Misc Value \$26,103						
Taxing 10	PINECREST, FL	Just Value \$2,741,176						
District	33156	Assessed Value \$2,741,180						
		Exempt Value \$0						
		Taxable Value \$2,741,180						

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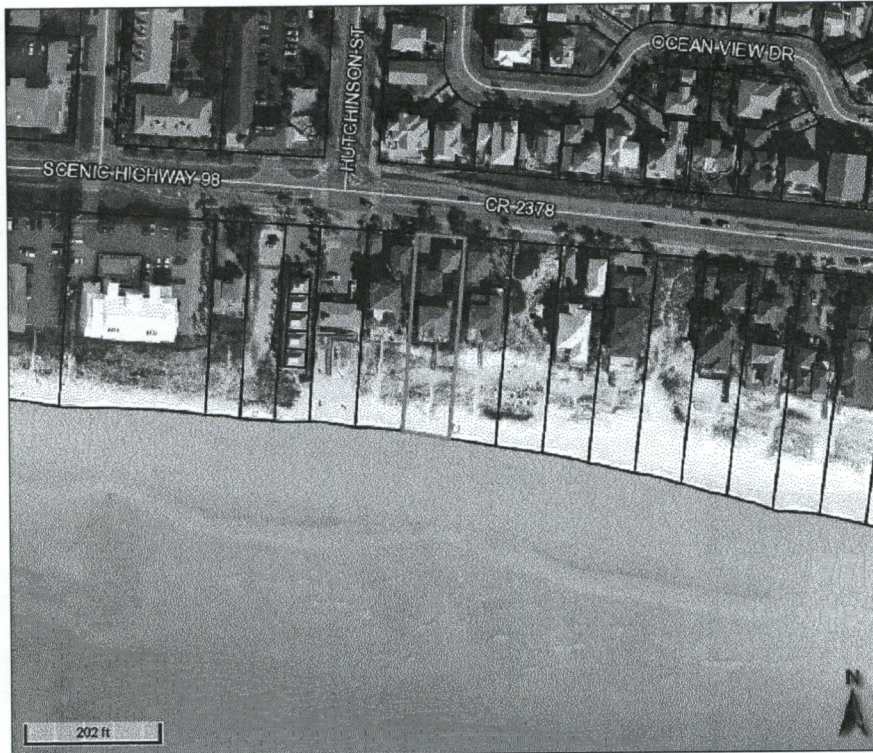
Developed by  Schneider
GEOSPATIAL

SHORE AT CRYSTAL BEACH EAST EXPANSION #2

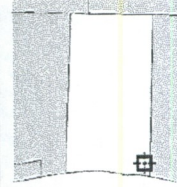
Lot 3, THE SHORES OF CRYSTAL BEACH, a Planned Unit Development, a Resubdivision of a Portion of Block B, Crystal Beach Subdivision according to the Plat thereof as recorded in Plat Book 13, Page 82, of the Public Records of Okaloosa County, Florida

Property Street Address: 2970 Scenic Highway 98 E, Destin, FL 32541

Parcel Tax ID No.: 00-2S-22-0584-0000-0030



Overview



Legend

- ☐ Parcels
- ☐ Roads
- ☐ Water
- ☐ City Labels

Parcel ID	00-25-22-0584-0000-0030	Physical Address	2970 SCENIC HWY 98 E DESTIN	Land Value	\$1,681,850	Last 2 Sales				
Acres (GIS)	0.44	Mailing Address	KMB ROCKY HILL LLC PO BOX 6177 MIRAMAR BEACH, FL 32550	Ag Land Value	\$0	Date	Price	Reason	Qual	
Property Class	SINGLE FAM			Building Value	\$890,466	5/9/2018	\$100	UNQUAL/CORRECTIVE/QCD,TD	U	
Taxing District	10			Misc Value	\$34,386	8/29/2014	\$2100000	QUAL/DEED EXAMINATION	Q	
				Just Value	\$2,606,699					
				Assessed Value	\$2,606,700					
				Exempt Value	\$0					
				Taxable Value	\$2,606,700					

Date created: 4/9/2020

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Developed by  Schneider
GEOSPATIAL

EXHIBIT "B"
ITEMIZED SCHEDULE OF EXPECTED CONTRIBUTIONS

	<i>City's Expected Contribution – 41%</i>	<i>County's Expected Contribution – 59%</i>	<i>Total</i>
<i>Crystal Port</i>	\$1,394,000.00	\$2,006,000.00	\$3,400,000.00
<i>Shores at Crystal Beach East Expansion #1</i>	\$1,599,000.00	\$2,301,000.00	\$3,900,000.00
<i>Shores at Crystal Beach East Expansion #2</i>	\$1,353,000.00	\$1,947,000.00	\$3,300,000.00
<i>Estimated Ancillary Closing Costs</i>	\$20,500.00	\$29,500.00	\$50,000.00
<i>Total</i>	\$4,366,500.00	\$6,283,500.00	\$10,600,000.00

RESOLUTION 21-07

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA DETERMINING AND FINDING THE NECESSITY TO ACQUIRE CERTAIN PROPERTY FOR THE PUBLIC USE AND PUBLIC RECREATIONAL FACILITIES AND RECREATIONAL USES IN THE CITY OF DESTIN, FLORIDA; AUTHORIZING THE USE OF EMINENT DOMAIN PROCEEDINGS AS PERMITTED UNDER FLORIDA LAW TO ACQUIRE SUCH PROPERTY; AUTHORIZING AND DIRECTING THE CITY ATTORNEY TO INSTITUTE EMINENT DOMAIN PROCEEDINGS; AND PROVIDING AN EFFECTIVE DATE.

RECITALS:

WHEREAS, The City of Destin, Florida (the "City") is a Florida municipal corporation and political subdivision of the State of Florida and is authorized to construct and maintain public recreational uses and facilities, and is vested by law pursuant to Chapters 73, 74, 166, Florida Statutes, to acquire fee simple interest in privately owned lands which are necessary for public use; and

WHEREAS, the City's home rule powers and other applicable law including, but not necessarily limited to Chapter 166, Florida Statutes, grant authority to the City to provide for recreational uses within the City's municipal limits; and

WHEREAS, the City's City Council (the "Council") desires to provide ample public recreational uses and facilities for the benefit of its citizens; and

WHEREAS, the City in conjunction with Okaloosa County (the "County") has established a project known as the Crystal Beach Recreational Facilities (the "Project") for purposes of creating more public recreational facilities within the Crystal Beach Area; and

WHEREAS, as part of the Project, the City, with assistance of the Trust for Public Land, Inc., has acquired two parcels of property which has been partially funded by the County and partially funded by the City (Folio Ids: 00-25-22-0584-0000-0010 and 00-2S-22-0584-0000-0030) within the Crystal Beach Area for construction and establishment of recreational facilities and uses; and

WHEREAS, the parcels acquired by the City are not adjacent to each other, as there is a parcel in between the two parcels, and there is an immediate need to acquire the parcel in between the two previously purchased parcels to be able to construct and establish recreational facilities and uses; and

WHEREAS, it is necessary, beneficial, and desirable to have adequate recreational uses in the County and City available for the use and enjoyment by the residents and visitors of the City and County; and

WHEREAS, additional land is necessary for the completion of the Project and is within the City's municipal limits; and

WHEREAS, the property the City intends to acquire, by virtue of this Resolution, will be used for recreational uses as part of the Project; and

WHEREAS, the County and City have caused the area of construction of the Project to be identified, and has caused signed and sealed legal description and sketch for the property hereinabove described to be prepared, based upon and incorporating existing location data; and

WHEREAS, the legal description and survey of the property necessary to be acquired for the construction of the Project are attached hereto as Exhibit "A" and incorporated herein and such sufficiently describe and identify the property and interests reasonably necessary to be acquired from property owners for the public purpose of constructing the Project (this property shall heretofore be referred to as the "Property"); and

WHEREAS, the Council desires to utilize the provisions of Florida law, to the fullest extent possible, to accomplish the public purpose of acquiring the necessary parcel of real property at a price that is fair and reasonable; and

WHEREAS, the City and its Council has determined that it is necessary to acquire or utilize the Property within the Project area for to further the Project's purposes; and

WHEREAS, the County's Board of County Commissioners has adopted Resolution 21-103, supporting City's pursuit of this Property through voluntary acquisition or the powers of eminent domain; and

WHEREAS, the City and its Council has sought to acquire the Property by purchase from the owner without the necessity of instituting eminent domain proceedings; and

WHEREAS, the owner of said property has been or may be unwilling or unable to sell the Property required by the City for the Project; and

WHEREAS, The Council has determined that the actions taken herein are consistent with the goals, policies, and objectives of the City; and

WHEREAS, all of the conditions precedent to instituting eminent domain have been satisfied or will be prior to the filing of the requisite petitions.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA, AS FOLLOWS:

Section 1. That each of the above Recitals set forth above are adopted as the findings of the Council and are hereby incorporated into this Resolution as if set forth in their entirety.

Section 2. The City, through the City Attorney and City Land Use Attorney's office, shall be authorized to institute eminent domain proceedings to acquire the necessary interest in the Property as it is more particularly described in Exhibit "A."

Section 3. The Council having considered the safety of the public, the cost of acquiring the parcel, the location, long term planning and environmental factors in acquiring and utilizing the Property specifically finds that the acquisition of the Property is reasonably necessary for parks, playgrounds, recreational centers, or other types of recreational purposes. Further the Council finds that it is in the best interest of the citizens of the City and the public generally, for the City to acquire the Property for the creation of recreational uses within that area of the City.

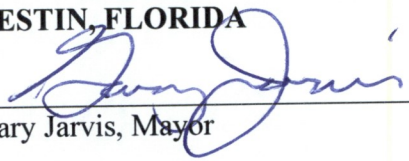
Section 4. The City Attorney and City Land Use Attorney's office are hereby authorized to institute a suit or suits in the name of the City and fully exercise the City's power of eminent domain for the purpose of acquiring the Property to the extent of the estate or interest set forth as a part of the parcel's description and is further authorized to do all things necessary to prosecute such suit or suits to final judgment by settlement or adjudication. However, no court actions to acquire the Property will be instituted until the expiration of any notice period to landowners required pursuant to applicable Florida Statutes. The City Attorney is authorized and directed to utilize and assert any and all constitutional and statutory authority of the City and the Council relative to the acquisition of the subject parcels including, but not necessarily limited to, the provisions of Chapters 73, 74, and 166, Florida Statutes.

Section 5. This Resolution shall become effective immediately upon adoption.

DULY ADOPTED this 6th day of July, 2021.

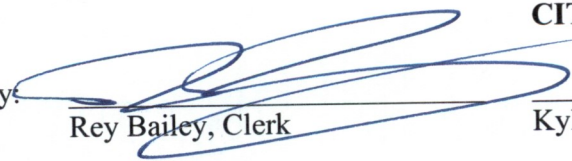
**CITY COUNCIL OF THE CITY OF
DESTIN, FLORIDA**

By:


Gary Jarvis, Mayor

ATTEST:

By:


Rey Bailey, Clerk

**APPROVED AS TO FORM FOR THE
CITY OF DESTIN, ONLY:**


Kyle S. Bauman, City Attorney

(100' RIGHT-OF-WAY)



This is to certify that I have consulted National Flood Insurance Rate Map, effective December 9, 2002, for Okaloosa County, Florida, Map No. 12091(C)493 H, and found the property described hereon to be located in Zone "V," area determined to be outside the Special Flood Hazard Areas shown on said map. The property is located in the 500-year flood plain and Zone "VE" (Elev 11 ft.), a special flood hazard area AND Zone "VE" (Elev 13 ft.), a special flood hazard area AND Zone "VE" (Elev 6 ft.), a special flood hazard area (CORBA Zone - Federal Flood Insurance not available).

ZONES AS INDICATED IN SURVEY.

LEGAL DESCRIPTION

LOT 2, THE SHORES OF CRYSTAL BEACH, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 13 PAGE(S) 82, ON THE PUBLIC RECORDS OF OKALOOSA COUNTY, FLORIDA.

TITLE COMMITMENT BY FIRST AMERICAN TITLE INSURANCE COMPANY
FILE NO. 1094-4876123 DATED 07-31-2020
SCIENTIFIC COMMENTS:

ITEM 12
= A. BOOK 194, PG 194 - ACCESS EASEMENT - DOES NOT EFFECT SURVEY
EASEMENT IS PART OF LOT 1
= A. BOOK 172, PG 138 - WANNER OF ROBERT'S DEVELOPER - DOES NOT
EFFECT SURVEY
ITEM 14
= A. BOOK 244, PG 649 - TEMPORARY CONSTRUCTION AND MAINTENANCE
EASEMENT TO CITY OF DENTON - EXPIRED IN 2008 - DOES NOT EFFECT SURVEY
ITEM 15
= NOT SURVEY RELATED
SITE CONTAINS 0.035 ACRES +/-

CERTIFIED TO:
NABORS, GIBLIN & NICKERSON, P.A.
OLD REPUBLIC NATIONAL TITLE INSURANCE
THE ATTORNEY TITLE FUND
OKALOOSA COUNTY, FLORIDA

CURVE TABLE		
CURVE RADII	SEN. TA.	CHORD
C1 3716.02	67.21°	66.74
C2 3716.02	67.21°	900.50 (5.7°)
C3 3716.02	67.21°	66.93
C4 3716.02	67.21°	66.99
C5 3716.02	67.21°	900.18 (5.7°)



GRAPHIC SCALE

(IN FEET)

1 inch = 30 ft.

LEGEND

[illegible]

DESCRIPTION	PER ABOVE
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(LOT 2, THE SHORES OF CRYSTAL BEACH)
OKLAHOMA COUNTY, FLORIDA

SECTION	TOURNAMENT	ROUND	RECORDED	PLAT	BOOK	PAGE	NOTES
1	2-5	1	22-4		13	82	

UNION ORGANIZATION	NOTE	SWAGE-NORTH CERTIFICATE
UNION/ORGANIZATION (NOT LOCATED)		

SCALE	1"=30'
SURVEY DATE	09/30/2020
I HEREBY CERTIFY THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND MEETS THE STANDARDS	

ORDERED BY _____
OF PRACTICE OF THE FLORIDA BOARD OF SURVEYORS AND MAPPERS
(55-17,000 -002 F.A.C.)

THE TRUST FOR PUBLIC LAND

209	53.61	2020-1273
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Edward & Alice

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PANHANDLE ASSOCIATES IN

701-A EDGE STREET, FORT WALTON BEACH, FLORIDA 32047 (850) 864-1908 LAND SURVEYING

EXHIBIT "A" CONTINUED

LEGAL DESCRIPTION

Lot 2, the Shores of Crystal Beach, According to the Plat thereof as Recorded in Plat Book 13,
Page 82 of the Public Records of Okaloosa County, Florida

PROPERTY STREET ADDRESS

2968 Scenic Highway 98, Destin, FL 32541

PARCEL STREET ADDRESS

00-2S-22-0584-0000-0020

RESOLUTION 21- 103

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY, FLORIDA SUPPORTING THE CITY OF DESTIN'S ACQUISITION OF CERTAIN PROPERTY FOR PUBLIC USE, MORE SPECIFICALLY TO BE USED FOR PUBLIC BEACH ACCESS AND PUBLIC RECREATION WITHIN THE CITY OF DESTIN, IN OKALOOSA COUNTY.

WHEREAS, Okaloosa County has committed and provided Tourist Development Tax funds and assistance to the City to acquire gulf-front properties for the purpose of creating more public recreational facilities within the Crystal Beach Area (the "Project"); and

WHEREAS, the Project consisted of acquiring two properties to the east and one property to the west of an existing City Park called "Shore at Crystal Beach Park" as well as making continuous and comprehensive public recreational improvements for public beach access, tourism promotion, and recreational use on those acquired parcels; and

WHEREAS, the City, with the financial assistance/partnership of the County, has already acquired two properties within the Crystal Beach Area and demolition has been completed in furtherance of this Project; and

WHEREAS, the City has attempted to acquire the third property and previously entered into a voluntary Purchase and Sale Agreement, which the property owner since terminated; and

WHEREAS, the third property is a non-homesteaded, residential parcel of property used for vacation rental purposes and located at 2968 Scenic Highway 98, Destin, FL 32541 (the "Property"); and

WHEREAS, the Property, is one of two properties to the east, that lies between the existing City Park and the easternmost property recently acquired, otherwise interfering with a cohesive Project, to include but not limited to: affecting access, restricting improvement space, diminishing the value of the other public acquisition investments; and

WHEREAS, the City has determined it to be necessary to acquire the Property and will attempt to voluntarily acquire the Property. However, if necessary the City may utilize eminent domain to acquire the Property; and

WHEREAS, the City has requested the support of the County in this endeavor in addition to financial assistance, including providing title assistance as well as assistance of County staff and the County Attorney's Office in acquiring the Property voluntarily or through the use of eminent domain. However, the County would not be a party to any eminent domain lawsuit; and

WHEREAS, the Board has determined that it is in the best interest of the residents of Okaloosa County to support the City of Destin in its pursuit of the Property for purposes of creating a continuous Crystal Beach Recreational Area as was originally planned when the other two properties were acquired.

NOW, THEREFORE, BE IT RESOLVED that the Board of County Commissioners of Okaloosa County, Florida that:

1. The Board strongly supports the City of Destin's efforts to acquire 2968 Scenic Highway 98, Destin FL 32541, parcel id 00-2S-22-0584-0000-0020.
2. The County will contribute financially for the costs of said acquisition at the percentage participation levels defined in the City/County interlocal agreement for this project, including any additional costs of this extraordinary acquisition effort.
3. The Board authorizes County staff and the County Attorney's office to provide support to the City of Destin in the voluntary acquisition of the Property or to pursue eminent domain.

DULY PASSED AND ADOPTED THIS 15th DAY OF JUNE, 2021.

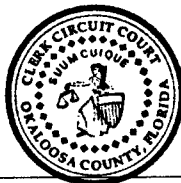
BOARD OF COUNTY COMMISSIONERS
OKALOOSA COUNTY, FLORIDA

By: Carolyn N. Ketchel
Carolyn N. Ketchel, Chairman



ATTEST:

By: J.D. Peacock II
J.D. Peacock II, Clerk of Circuit Court



CITY OF DESTIN Budget Amendment Form

Fiscal Year 2022
 Period TBD
 Ref 1 BUA
 Ref 2 ADJ

Short Description Beach Interlocal TDC
 Effective Date Upon Execution of Revised Beach Interlocal
 Budget Year Code 1

Entity Code 1
 Amendment Type* 2
 Budget Projection Inclusion One Time

*AMENDMENT TYPE: 1 = Exp/Exp or Rev/Rev, 2 = Exp/Rev, 3 = Exp/Rev one sided, 7 = Exp/Rev Inter fund, 8 = Exp/Exp Inter Fund

ORG	OBJECT	PROJECT	LINE DESCRIPTION	(I)increase (D)decrease	AMOUNT	CURRENT AVAILABLE BUDGET	REVISED AVAILABLE BUDGET
305300 Restricted	337712 BOCC	CM001 Beach	Restated Beach Interlocal BOCC	I	\$ 1,735,441.00	\$ 2,256,156.00	\$ 3,991,597.00
30557237 BOCC	561000 Land Acquisition	CM001 Beach	Restated Beach Interlocal BOCC	I	\$ 1,735,441.00	\$ 2,256,156.00	\$ 3,991,597.00
305300 Restricted	337714 TDC 48.5%	CM001 Beach	Restated Beach Interlocal BOCC		\$ 404,920.00	\$ -	\$ 404,920.00
305300 Restricted	381305 Debt Proceeds from 223 Fund	CM001 Beach	Restated Beach Interlocal BOCC	I	\$ 1,268,902.00	\$ -	\$ 1,268,902.00
30557212 TDC 48.5%	561000 Land Acquisition	CM001 Beach	Restated Beach Interlocal BOCC	I	\$ 1,673,822.00	\$ -	\$ 1,673,822.00
223300 2022 Debt	384000 Debt Proceeds	CM001 Beach	Restated Beach Interlocal BOCC	I	\$ 1,268,902.00	\$ -	\$ 1,268,902.00
22358188 2022 Debt	581305 Txfr Proceeds to 305 Fund	CM001 Beach	Restated Beach Interlocal BOCC	I	\$ 1,268,902.00	\$ -	\$ 1,268,902.00
							\$ -

Increase to FY22 Budget \$ 3,409,263.00 \$ 2,256,156.00 \$ 5,665,419.00

Created by: _____
 Entered by: _____
 Approved by: _____

Initials _____
 Date _____

Note
 Increase Grant Revenues (48.5% of TDC 12.5% for FY 2022)
 Advanced Funding Agreement

increase/(decrease)
 revs \$ 3,409,263.00
 exps \$ 3,409,263.00



Public Beach Initiative

August 1, 2022
Update

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The Need for Public Beach

“So how do I, as an 18-year citizen of Destin, gain access to the water? Walk over people in the public area? The public area boundaries are not marked, so what if I “trespass” onto the “private” beach. The tourists have no idea what is going on or where to set up on the beach.” – **Email to council from a concerned Destin resident.**

“I own a house and live year-round in Crystal Shores, Crystal Beach, Destin. We went to the beach on the 4th of July at 8:00 AM with out-of-town guests and **were shocked that we could barely find a place by the water to put our 4 chairs.** There weren't many people there at that early time, but the beach up by the water was packed with empty chairs and umbrellas from the vendors.” – **Email to council from a concerned Destin resident.**

“I am not usually one to write about being disappointed in something I have done or somewhere I have been, but this really has gotten me upset. **After 12 great years of enjoying our yearly vacations to the Destin area, sadly we will not be returning to the area. While the Gulf Coast is hard to beat with the beauty and ease of vacationing, you have now blocked the beach for us second class visitors.**” – **Email to council from a concerned visitor.**



LOCAL

Lines in the sand

A look at the gradual privatization of Destin's world-class beaches

"... He was forced to come to the small sliver of beach access before sunrise every morning to reserve a spot for his family before people were 'packed like sardines' in the one small section of public beach." – The Destin Log, Aug. 8, 2018

"Nine of the city's public beach accesses, dispersed throughout the Crystal Beach and Scenic Highway 98 areas, have a combined total of less than a half mile of public beach. Some of the smallest beach accesses in the city are Tarpon Street, the Shores at Crystal Beach and Pompano Street, which have roughly 11.5, 40 and 50 feet of public sand, respectively." – The Destin Log, Aug. 8, 2018

"We love Destin... but, next year we will not come back if there's a fight for the beach." – The Destin Log, Aug. 8, 2018



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Shore at Crystal Beach Park



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↑
← Spring 2022

Summer 2022 →



Council Objectives and Strategic Goals for Fiscal Year 22

COUNCIL OBJECTIVES FY21/22

SECTION 1

CRITICAL PRIORITIES

1.1 Offer livable wages & benefits to attract and maintain high caliber, qualified staff

IMPORTANT PRIORITIES

1.2 Complete two-lane Crosstown Connector

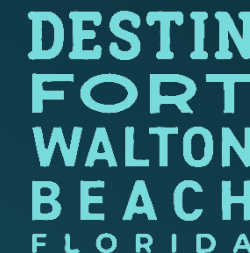
1.3 Public Beachfront acquisition initiative

1.4. Underground Utilities

1.5 Zerbe St/Calhoun Ave Phase II -Design pedestrian pathway under Marler Bridge

STRATEGIC GOALS 2026

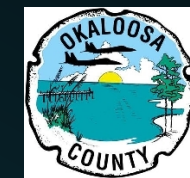
1. Financially sound city providing service excellence
2. A green and sustainable environment
3. Improve mobility and connectivity
4. Enhanced quality of life and safety for families
5. Economic development and revitalization
6. Effective, efficient, and aesthetically pleasing infrastructure



Project Review

2018/2019

- Council unanimously voted to direct staff to look into several Crystal Beach Properties for potential purchase.
- Original funding for the project would come from City's portion of the ½ cent sales tax funding.
- Trust for Public Land secured purchase agreements with multiple property owners surrounding the Shore at Crystal Beach Park.
- Staff approached Okaloosa County and the TDC for potential funding opportunities.



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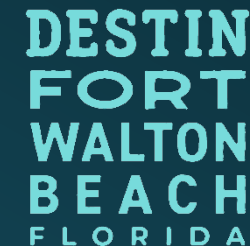
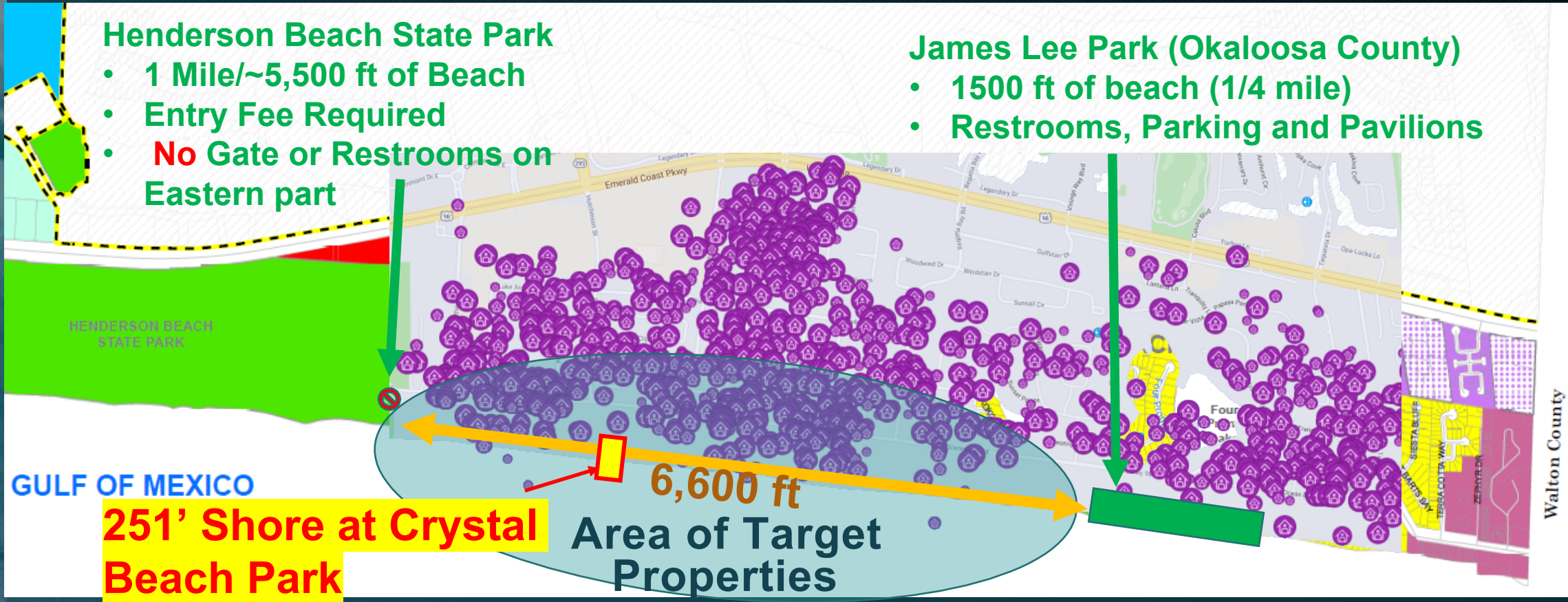
Current Status of Beach Acquisition Project

Henderson Beach State Park

- 1 Mile/~5,500 ft of Beach
- Entry Fee Required
- **No Gate or Restrooms on Eastern part**

James Lee Park (Okaloosa County)

- 1500 ft of beach (1/4 mile)
- Restrooms, Parking and Pavilions



Shore at Crystal Beach Project Review

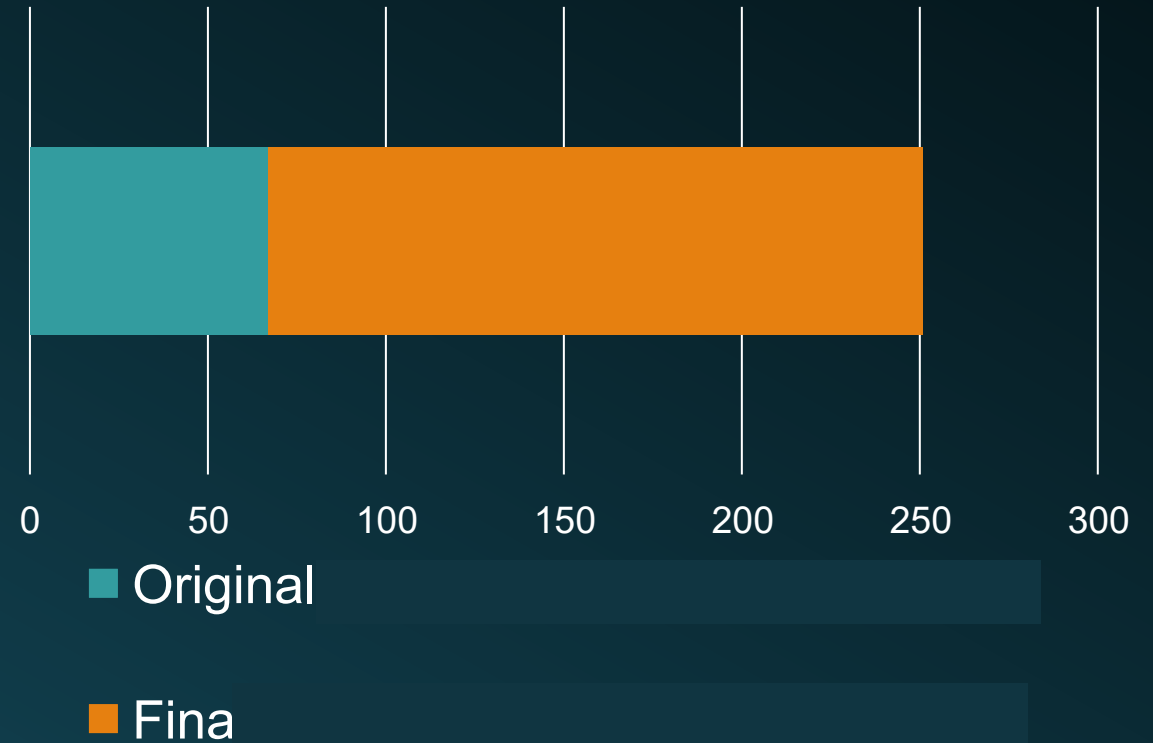
Beachfront Footage

October 2020

The City of Destin and Okaloosa County executed an interlocal agreement to expand Shore at Crystal Beach Park from 67' to 251' of waterfront access.

County share 59%

City share 41%



Shore at Crystal Beach Project Review

Park Construction Planned for 2023

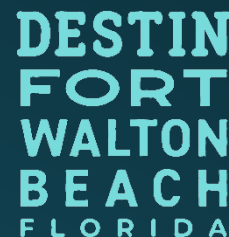
- Park will provide open view corridors to the water, additional restrooms as well as additional car and low speed vehicle parking for residents and visitors.
- Will serve as a “Gateway to Crystal Beach” at the end of Hutchinson Street.



TDC Funding

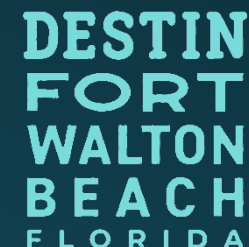
September 2021

- The Okaloosa Tourist Development District executed a new interlocal agreement with all nine municipalities.
- The County will set aside 12.5% of its total revenue generated by the first five pennies of Bed Tax for use by the municipalities, for a 20-year period.
- The municipalities agreed that the City of Destin will receive 48.5% of the 12.5% set-aside.

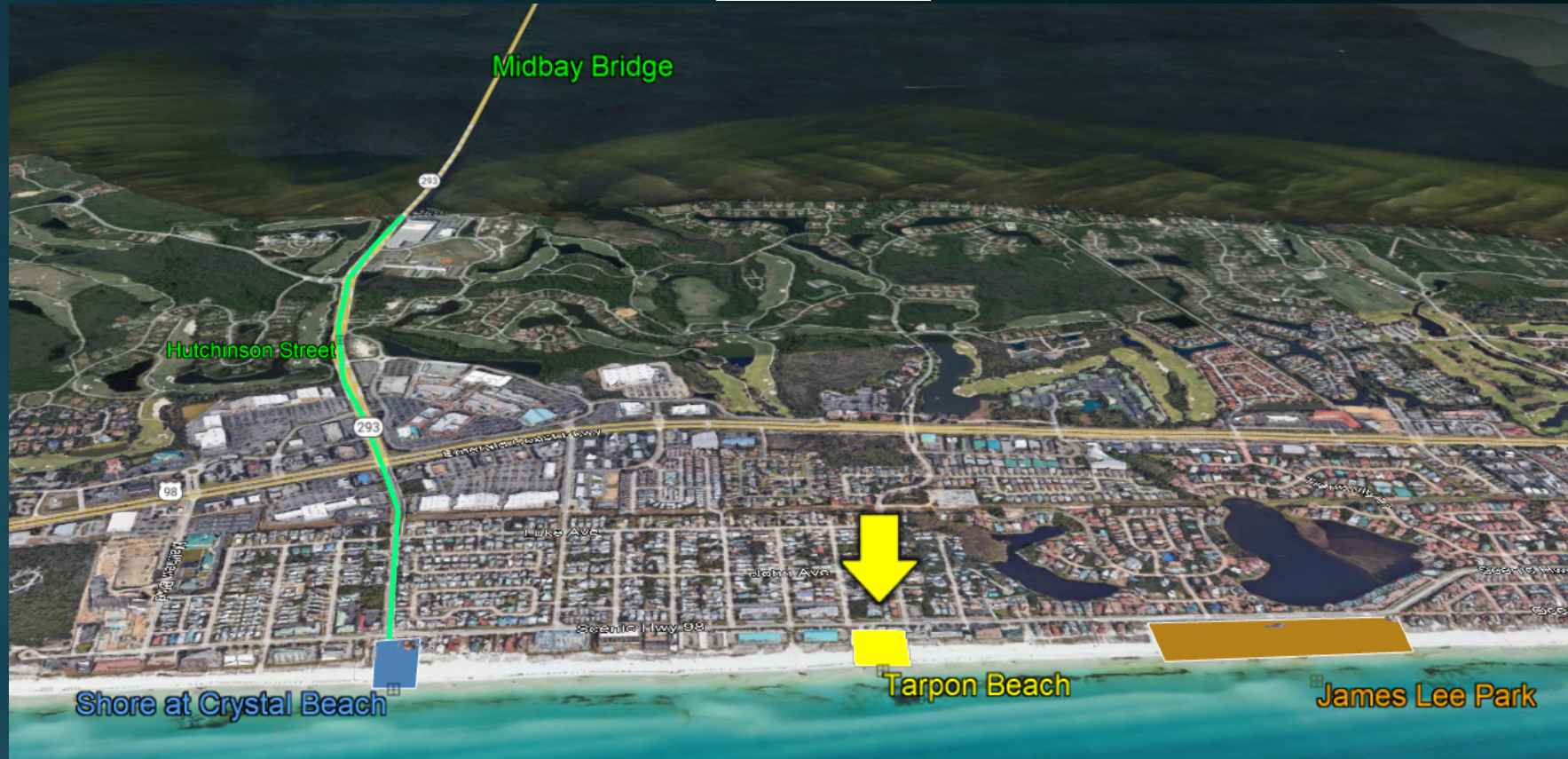


TDC Funding

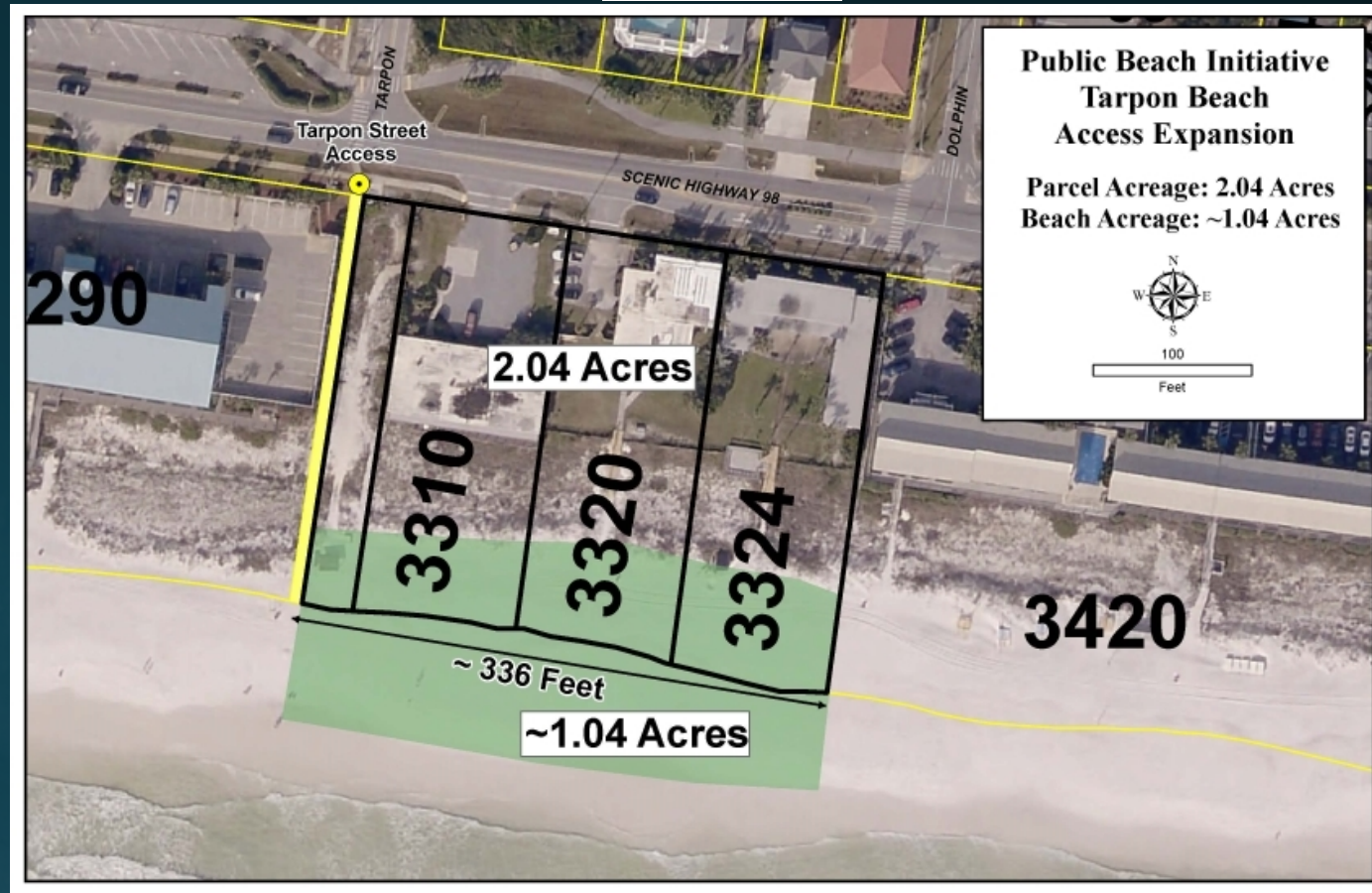
- Conservative estimates have the City's annual share to amount to approximately \$1.6 million.
 - By statute, expenditures must increase tourism or improve tourist experience in our locality.
 - Beach acquisition is specifically recognized by statute as an authorized use.
- Traditional waterfront park maintenance money (~\$450K annually) funding is expected to come from the municipal share revenue.
 - TDC has budgeted \$258K for Destin park maintenance funds, above the municipal share, for the draft FY23 TDC budget. Destin officials are told that traditional funding source will not be provided in subsequent years (FY24 and beyond).



~336' Gulf Front – Tarpon Beach



~336' Gulf Front – Tarpon Beach

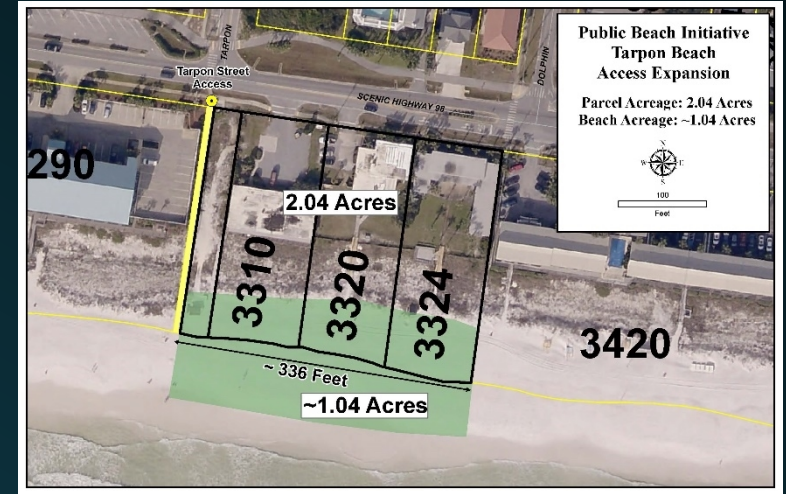


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Tarpon Beach

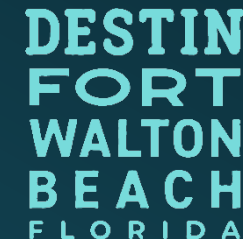
- The Trust for Public Land has a \$14 million purchase agreement with an option to purchase in October (Closing in November).
- Purchase agreement is contingent upon City Council and Board of County Commissioners approval of funding within an Interlocal Agreement.
- Tarpon Beach parcels have one owner.



Tarpon Beach

Additional Information

- Construction, demolition, design and ancillary costs would be \$2.7 million.
- 340' beachfront.
- Adjacent to existing Tarpon Beach Trail.
- Centralized Location in Crystal Beach.





High Level Look at Beach Parks

Henderson Beach State Park

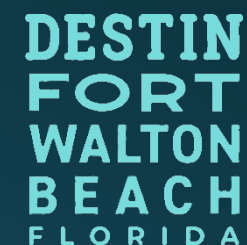
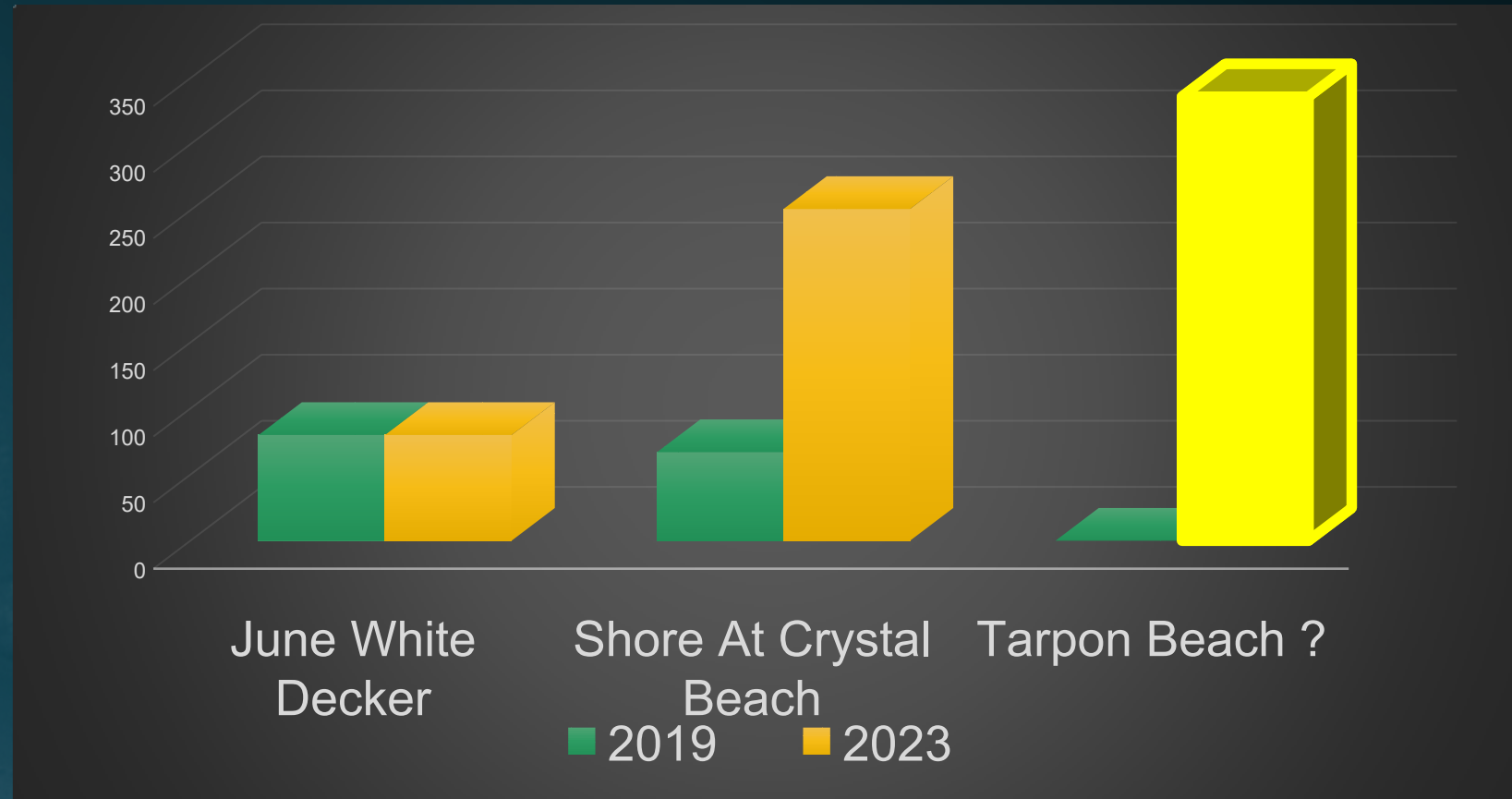
- 1 Mile/~5,500 ft of Beach
- Entry Fee Required
- **No Gate or Restrooms on Eastern part**

James Lee Park (Okaloosa County)

- 1500 ft of beach (1/4 mile)
- Restrooms, Parking and Pavilions

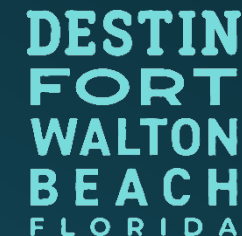


Waterfront Footage of City of Destin Operated Beach Parks



Phase I Project Funding

Beach Access - Project Crystal Beach	
Project Activity	Total (100%)
Acquisition to date	\$6,727,790
Demolition	\$100,218
Design and Permitting	\$272,500
Estimated Acquisition (Center House) Condemnation	\$6,300,000
Condemnation Legal and Acquisition Costs	\$200,000
Demolition	\$75,000
Park Development	\$1,750,000
Contingency	<u>\$324,492</u>
Total Project Cost from Acquisition to Operation	15,750,000
SPLIT: COUNTY - 59% CITY - 41%	



Phase II Project Funding

Beach Access Project Tarpon	
Project Activity	Total (100%)
Acquisition	\$14,050,000
Demolition	\$200,000
Design and Permitting	\$300,000
Park Development	\$1,850,000
Contingency	<u>\$350,000</u>
Total Project Cost from Acquisition to Operation	\$16,750,000
SPLIT 50% EACH CITY AND COUNTY	



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Review of Proposed Interlocal Agreement

Shore at Crystal Beach

- 59% County / 41% City
- Revised interlocal covers *remaining cost* of the project (final parcel and construction)
- Total final cost - \$15,750,000

Tarpon Beach

- 50% County / 50% City
- TDC could finance Destin's portion from their reserves
- Total project - \$16,750,000

Final costs of both projects would be \$32,500,000

*If future maintenance is paid from the municipal share revenue and Tarpon Beach is purchased, the municipal share revenue would be mostly encumbered for the next 10 years.



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Discussion and Guidance

Welcome to the pristine white sand beaches and emerald waters of Destin. Please help us preserve our little piece of paradise by kindly removing all the items that you brought with you, future generations are depending on you. Thank you for your help to protect our beautiful Emerald Coast.



www.cityofdestin.com

