

**REGULAR MEETING
DESTIN CITY COUNCIL
JUNE 20, 2023
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 Bobby Wagner
Councilmember Torey Geile
Councilmember Terésa Hebert
Councilmember Jim Bagby

Councilmember Kevin Schmidt
Councilmember Dewey Destin
Councilmember Johnny King
Councilmember Matthew Sweetser

Destin City Staff

City Manager Lance Johnson
City Clerk Rey Bailey
Finance Director Krystal Strickland
Parks & Recreation Director Lisa Firth
Public Information Manager Tamara Young
Grants/Project Manager Jeffrey Cozadd
Code Compliance Director Troy Williams
Land Use Attorney Kimberly Kopp

IT Specialist James Lauria
City Engineer Ryan Scott
Principal Planner Steve O'Connor
HR Manager Jaime Dittmer
Building Official Noell Bell
Public Works Director Michael Burgess
City Attorney Kyle Bauman

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Bobby Wagner called the meeting to order at 6:00 PM. Pastor David J. Butler of Faith Assembly Christian Church 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 as amended, adding agenda item 1E – *Presentation from the US Coast Guard Auxiliary*, passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

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

- A. Presentation of a plaque to the Destin City Council for passing a smoke-free policy on public parks and beaches - Anamaria Penagos, Health Educator Consultant, Florida Department of Health

Florida Department of Health representatives presented a plaque to the Destin City Council as an expression of gratitude to the council for passing an ordinance prohibiting smoking in city-owned public parks.

B. ADA Transition Plan for Pedestrian Facilities, Draft Report and Presentation

Mr. Jason Frick and Mr. Michael Langston, from Baskerville-Donovan, provided the following ADA Transition Plan Phase II status update to the city council:

- November 2022- Task Order with Baskerville-Donovan Engineering for the ADA Transition Plan Phase II.
- The plan aims to finalize the ADA Transition Plan by incorporating various components. These include utilizing the data collected during Phase I, identifying deficiencies in pedestrian facilities based on ADA guidelines, considering input received from public workshops, and estimating costs to establish annual budgets for implementing the program.
- Section 504 of the Rehabilitation Act of 1973 and the Americans with Disability Act of 1990 requires all public agencies to create an ADA Transition Plan.

Project Status

- Phase I Data Collection
- Phase I Data Collection
- Phase II Evaluation and Ranking
- Phase II Summary of Findings Report
- Phase II Public Involvement
- Phase II Cost Estimation
- Phase II Draft Report **(Current Task)**
- Phase II Completion
- Phase II Dashboard Data

■ Phase I Data Collection within the City Rights-of-way:



Identified Deficiencies

➤ Cross Slope	Maximums at 2.0%
➤ Running Slope	Maximums 8.33%
➤ Sides of Curb Ramp	Maximum of 10%
➤ Openings/Gaps	Maximum of ½ Inch
➤ Changes in Level	Maximum of ¼ Inch
➤ Clear Width	Minimum of 36 Inches
➤ Detectable Warning Device	Missing
➤ Detectable Warning Device	Damaged

Priority Locations

- Priority 1 Collector Roadways, Government Buildings, and Public Transportation Locations
- Priority 2 Parks, Beach Access, Trails, and Boat Launches.
- Priority 3 All Surveyed Areas Not Included In Priority 1 or 2.

Summary of Findings Report

- Presented the Ranking and Priority Locations.
- Presented an Overview of Identified Deficiencies.
- Development of the City Grievance Procedure.
- Identified the City ADA Coordinator.

Public Outreach Meeting

- The Meeting was held on February 24th.
- Intended to Gain Public comment about Priority Rankings and Locations.
- Introduce the ADA Coordinator to the Public.
- Introduce the City's Grievance Procedure to the Public.

Councilmember Bagby inquired as to the number of public participants during the Public Outreach meeting held on February 24th.

Mr. Langston noted there was one advocacy group that showed up to the meeting but there we no public comments received during and after the meeting.

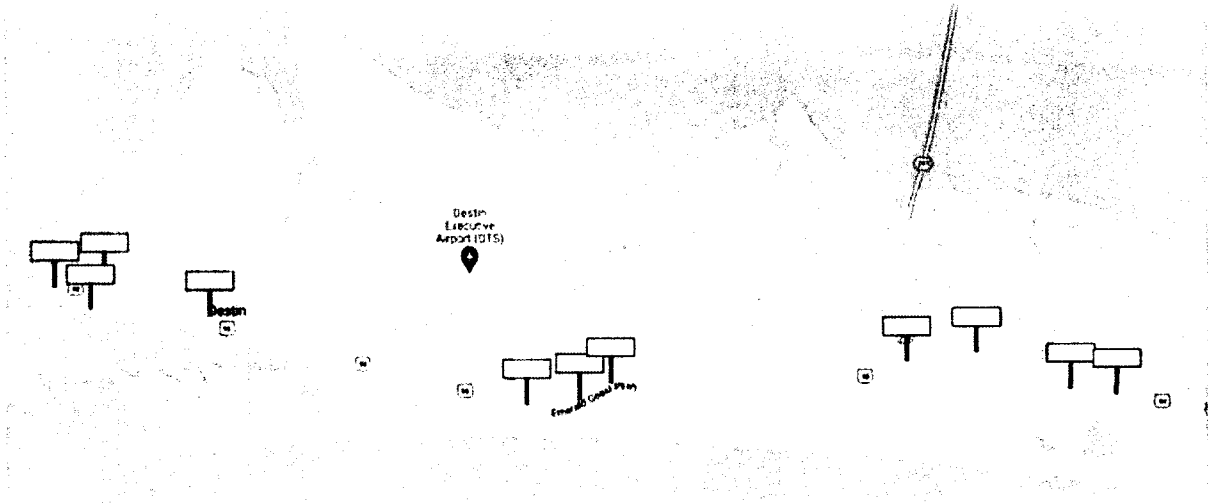
Councilmember Destin moved to send this matter before the Public Works/Safety Committee, seconded by Councilmember Bagby. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting "yes").

C. Lamar Advertising - Presentation

Mr. Steven Sanford, Vice-President/General Manager of Lamar Advertising, presented the following partnership proposal to the Destin City Council:

About Lamar:

- Lamar was founded in 1902
- 357,000-plus displays across the United States and Canada
- Large-format digital displays – 4,500-plus digital
- First digital display installed in Baton Rouge, LA IN 2002
- Over 200 offices across the United States and Canada
- \$2 billion outdoor advertising company – North America's largest



- There are currently 11 Lamar Advertising billboards along US Hwy 98 in the City of Destin
- Proposal:
 - ❖ Lamar Advertising will remove 5 of the billboards at their costs.
 - ❖ Will remove 4 billboards from the CRA area, and one located further east, near county line.
 - ❖ The remaining 6 billboards will be converted to digital.
 - One slot on 6 digital panels to be use by the City of Destin.
 - All artwork and schedule changes to be provided at no cost.
 - Market value of 6 digital slots for a year = \$180,000

Received many great letters of support, such as the following:

Partnering with Lamar – City of Niceville

“This partnership has greatly benefited our city since 2003, and I believe it would be valuable for Destin to consider a similar arrangement.”

“Since the establishment of the cooperative agreement, Niceville has experienced significant advantages:

- Community Engagement and Information Dissemination
- Aesthetically Pleasing and Well-Maintained Infrastructure
- Support for Non-profits”

Lannie Corbin
City Manager
Niceville

Partnering with Lamar – City of Fort Walton Beach

“For over fifteen years, Lamar’s billboards have helped increase visibility about various events throughout the City of Fort Walton Beach, which contributed significantly to our ongoing public awareness campaign.”

“(Lamar)... have been very responsive to the City’s marketing needs and the Public Relations Division uses your services for all city departments to promote events and public safety messages and alerts.”

“Lamar Advertising has loyally represented the City’s marketing initiatives that have provided prosperous results that Fort Walton Beach continues to savor. I offer my recommendation that the City of Destin use your services for their advertising and marketing needs that will surely have a positive impact on their great city.

Richard A. Rynearson
Mayor
City of Fort Walton Beach

Partnering with Lamar – Florida Department of Emergency Management

“The Florida Division of Emergency Management thanks you for your generosity and service during Southwest Florida’s time of need in the aftermath of Hurricane Ian. With so many families and businesses displaced, Lamar Advertising serves as a reassuring and familiar presence in the community to provide residents with the information they need to begin their recovery.

The Division is grateful for partners like Lamar Advertising that care for their communities, and we will not forget the dedication and kindness you have shown to Floridians during this difficult time.”

Kevin Guthrie
Director
Florida Division of Emergency Management

Councilmember Geile stated that in terms of public safety, they will have the ability to notify the public immediately of any emergency situations including inclement weather conditions. He has conducted a lot of research into this matter and have not found any negative reasons to not go forward with this partnership.

There are other members of the council who offered their support of the proposal due in most part to the public safety aspects and aesthetically pleasing platforms of the digital billboards that will remain in place.

Councilmember Hebert asked Lamar to expand on their plan to underground the electronics.

Mr. Sanford stated that since one of the city's goals is to underground the utilities, they will abide by it as they build these billboard structures.

Councilmember Hebert asked how long it might take for the removal of the 5 billboards and the conversion of the other 6 billboards into digital.

Mr. Sanford stated that the billboards removal will be done first and could take about a week. The upgrade of the other 6 into digital will immediately follow.

Councilmember Bagby stated that he is not in favor of having any billboards as they are about to embark into a \$40 million dollar project of undergrounding the utilities to get rid of all visual clutters which include the billboards.

Councilmember Destin moved to direct the Land Use Attorney to negotiate with Lamar Advertising on their proposal; seconded by Councilmember Geile.

Councilmember Geile noted that since the billboards are already in place, they should have already been grandfathered in and that they cannot force Lamar Advertising to remove them.

The Land Use Attorney stated that they have an amortization ordinance where the maintenance of the signs is limited. Once they are at a certain point of disrepair, they have to be removed. They are not allowed to repair or replace the existing signs.

Mr. Sanford clarified that they have a total of 11 structures within the city. They do not have any plans to remove any of them. The 11 structures will remain in place if they leave today without an agreement. They will only remove some and upgrade the others if they are able to enter into a partnership with the city.

Councilmember Geile proposes to send this item at least to the Town Center CRA and Public Works/Safety Committee for their feedback.

Councilmember Bagby recommends adding the Local Planning Agency to the list.

Councilmember Destin offered an amended motion to bring this item before the Town Center CRA Advisory Committee, Public Works / Safety Committee, and the Local Planning Agency, to obtain their feedback, and then for staff to bring that information back to the city

council. Motion was seconded by Councilmember Geile and passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

D. Beach Buy Back - Capri By The Gulf - 3100 Scenic 98 - Mr. Jim Blaine

Mr. Jim Blaine, on behalf of the Capri By the Gulf Association at Crystal Beach, informed the council that the majority of the association’s members are interest in selling their interest to the city as part of the beach buyback program. He is here to discuss further whether the city will be interested in pursuing this potential acquisition.

Mayor Wagner noted they have had several discussions in the past about buying back beaches; and that they are back into one of the previous parcels that were included in the original list. He continued that the purpose of this segment is for the council to discuss whether they want to continue the beach buyback initiative, and if they are open to potentially pursuing properties and bringing it to the county rather than the other way around.

Councilmember Hebert expressed some concern about the holdouts, as not all the owners are willing to sell their unit.

Councilmember Schmidt pointed out there is a cluster of short-term rentals just north of the property that would mostly benefit from it.

Councilmember Geile asked if they could obtain this property whether they could issue free-parking stickers to residents to park in the beach parking lot and have access to the beach.

The Land Use Attorney replied affirmatively.

According to Councilmember Bagby, the question is not whether they have the interest in obtaining this property, but whether they have the money to afford it since they are already in negotiation to obtain the 1 Harbor Blvd parcel. The city does not have unlimited fund. They would need to coordinate this matter with the county to see if they would be interested in obtaining this property.

Motion by Councilmember Bagby, seconded by Councilmember Hebert, to authorize the mayor to communicate this matter with the county to judge their interest in going forward with obtaining this property, and then report back to the city council passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

E. US Coast Guard Auxiliary – Presentation

Lieutenant Andres Nealis, the supervisor of Coast Guard Marine Safety Detachment Panama City, and Senior Chief Joshua Menges, officer in charge of Coast Guard Station Destin, shared valuable insights and proposed solutions to enhance safety on the water.

Lieutenant Nealis emphasized the Coast Guard’s commitment to maintaining strong partnerships with various entities, including the City of Destin, state and local government agencies, and private organizations like the Okaloosa Water Sports Coalition. He acknowledged

the recent concerns surrounding bareboat charters and expressed a desire to collaborate and combat the illegal charter problem.

According to Lieutenant Nealis, they have a lot of regulatory oversight with the small passenger vessels. They really want to help grow and strengthen some of the partnerships as it pertains to the 6-pack operators and the bareboat charter operators because, they do not get a lot of facetime with them prior to either a law enforcement boarding or a casualty. To address this issue, Lieutenant Nealis proposed the underutilized Vessel Safety Check Program, mainly run by the Coast Guard Auxiliary, as a valuable resource for both operators and the Coast Guard. He highlighted the importance of this voluntary program, which certifies that a vessel complies with all federal safety laws and regulations. By participating in the program, operators not only demonstrated their commitment to safety but also provide the Coast Guard with an indication of their compliance efforts, according to Nealis. He added that having a more collaborative relationship with the operators from the beginning is what drives actual cultural change when it comes to safety.

Senior Chief Menges echoed the importance of partnerships in ensuring the safety of Destin's waters. He emphasized that Coast Guard alone cannot handle the responsibility and relies on collaboration with local, county, federal and state partners. It is a job that can only be taken care of with the great partnerships they have with their local county, federal, and state partners who do this job with them and maintain safety on the waters here.

During the discussions, Lieutenant Nealis explained the three classes of vessels as defined by the Passenger Vessel Safety Act:

- Small Passenger Vessels – which are inspected by the Coast Guard on an annual basis and can carry more than six. They carry a Certificate of Inspection, and they carry a licensed crew.
- Uninspected Passenger Vessel (6-packs) – the operator limits themselves to six passengers or less with at least one for hire. In doing, so, the boat does not have to be inspected by the Coast Guard, but the crew does have to be properly licensed so there is a little bit of oversight from the Coast Guard.
- Bareboat charters – An agreement where the charterer has use of the vessel for a period and is considered the owner. A charterer takes on the legal obligations, is responsible for the crew, passenger carried, and others, and can have up to 12 onboard.

2. PUBLIC COMMENTS

Mr. John Dyer, a Crystal Beach resident, stated that when he bought his house in Crystal Beach over 30 years ago, they had a clear view of the Gulf. They no longer have it. The public does not really have access to the beaches. There is supposed to be a 20-foot rule that allows public access 20 feet to the water's edge, but the people that set up the umbrellas and chairs on the beach do not give them that 20 feet. There is constant argument each time they go to the beach.

Mr. Jay Mitchell, a Crystal Beach resident, stated that they need public beach access and a consistent enforcement of the 20-foot rule. There is so much competition for all the resources they have on the beach. He continued that there are willing sellers for the Capri, and so the city should take advantage of the opportunity to improve their infrastructure. He urged the council to move forward with trying to obtain the property.

Councilmember Bagby inquired as to the Sheriff's Department's enforcement of the erosion control line in Crystal Beach.

East District Captain Jason Fulghum stated that they do not use the erosion control line because they are unable to recognize the erosion control line when they are down on the beach; adding that they need something that they could visibly see to be able to enforce the rule. The current policy is that they do not enforce trespassing 20 feet in from the high-water mark that is visible at the time of their presence. The public is allowed to set up, not just traverse, within those 20 feet.

Councilmember Bagby requests the city's Public Information Officer posts the erosion control line (ECL) surveys for the Crystal Beach area on the city's website.

Ms. Wendy Anderson, a Crystal Beach resident, noted that the traffic has increased 10-fold over the years on Hutchinson Street where she lives. They have a hard time just trying to get out of their driveway. There are people coming from different places trying to go to the beach. There are people, 10 or 20 at a time, crossing through their yard to get to the public beach access. She added that there are residents at Crystal Beach that would like to have a nice family community and they need to be given some consideration.

Ms. Cheryl Clifford, a Crystal Beach resident, stated that her entire neighborhood is very frustrated because they cannot go to their own beach unless they are willing to pay \$60 a day or \$5,000 a season for an umbrella and two chairs; adding they have had it with the treatment they have been getting from the beach vendors.

Ms. Marcie Bell, a Holiday Isle resident, stated that the city ought to have a master plan for beach buy back so that when an owner of a particular parcel decides to come forward to sell their property, the city will already be in a position to discuss it. She also noted that the county TDC's Little Adventures still occupies a Crystal Beach parcel and still have a reserved parking spot that the citizens cannot use.

Ms. Michelle Sandstead, a Destin resident and business owner, and a member of the Town Center CRA Advisory Committee expressed concern over the \$190,000 the council previously voted to have the Town Center CRA cover for the design plan for the CRA. She stated that the Town Center CRA has very limited funds. She also noted that the proposed Linear Park is for the entire city and not just for the district, and so it would not be fair to have the district be solely responsible for paying this huge amount of money for something that would benefit the entire city. She also stated that they have budgeted \$50,000 for Christmas decorations on Main Street. She asked if there is another source of funding available to add to that amount as \$50,000 is not nearly enough to decorate the entire street.

Mr. John Kruger, a resident of Holiday Isle, stated that the increase in visitors, along with reported traffic-related incidents during the summer, has some residents questioning why the city does not have a larger police presence or a dedicated police department to account for this. The reported disregard for traffic laws specifically on Holiday Isle is an issue has residents asking for more enforcement. He also stated that the situation is spiraling out of control and something needs to be done about it.

Councilmember Hebert noted that the city has received the Okaloosa County Sheriff's Office's proposed new budget and that there is an increase compared to last year

East District Captain Jason Fulghum, with the Okaloosa County Sheriff's Office, explained that there are 5 deputies per shift the city pays for and are assigned to the City of Destin. Each district is broken down based on the numbers of calls for service. Two deputies are in Zone 25, which is basically everything on the west side of the airport. Two deputies are out on the east side and one deputy that rolls around in the city. As for traffic enforcement, there is a Community Resource Deputy that focuses on problem areas, not just traffic enforcement, and for any other type of issues that come up like retail theft. He stated that 66% of the traffic enforcement in Okaloosa County does occur within the Destin city limits. Approximately 65.5% of the traffic enforcement in the City of Destin takes place on roadways other than US Hwy 98. He also stated they are searching for ways to have a bigger presence and tackle the traffic concerns. They are applying for a state grant for additional enforcement for speed and aggressive driving. It will be a \$50,000 grant that will pay overtime for deputies to come and do absolutely nothing but work the traffic for the city.

Ms. Carrie Harbarger, a Destin resident and business owner, stated that the county TDC's practice of giving away free ice cream to people on the beaches is killing her business which she has held for 29 years. She cannot compete with the county, and she is asking this council to help convince the county to stop this practice; adding there are other ways to promote their beaches rather than giving away free ice cream and infringing on the sales of other businesses.

3. CONSENT AGENDA

- A. Update on Undergrounding Easements. (Informational)
(June 5, 2023 Motion: To direct the City Manager to provide a monthly Progress Report on the acquisition of easements required to go forward with the undergrounding project along US Hwy 98 passed 6-0).
- B. Sibert/Zerbe Parking Lot, consolidation, site work, and paving - authorization
- C. 3TP Ventures Inc., (Planning Consultants) Contract Renewal
- D. Buck Destin Park Restrooms
- E. Capital Project Status
- F. Operations Financial Report

G. Approval of minutes of May 23, 2023 City Council Budget Workshop

H. Approval of minutes of May 4, 2023 City Council Workshop

I. Minutes from Boards and Committees

Councilmember Destin requests Consent Agenda item #3B be pulled for further discussion.

Councilmember Hebert moved for approval of Consent Agenda items 3A and 3C thru 3I, as printed above, seconded by Councilmember King. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

In reference to Consent Agenda item 3B, Councilmember Destin feels it is a little premature to spend nearly \$500,000 to consolidate the Sibert/Zerbe parking lots into one paved parking facility. Those parking lots are being utilized quite efficiently at the moment. They have previously voted to look at parking garages and that site is one of those that are being considered. It may not be cost effective to spend that much money now for something that they may be changing in a few years.

Councilmember Destin moved to delay the parking improvements at the Sibert/Zerbe Street intersection to the next fiscal year, seconded by Councilmember King. Motion passed 6-1 (Council members Schmidt, King, Hebert, Bagby, Destin, and Sweetser voted “yes”; Councilmember Geile voted “no”).

**4. CITY MANAGER REPORTS **

A. Resolution 23-11: FY23 Budget Amendment to City Manager Department
(May 15, 2023 Motion: To direct the City Manager to bring back a budget amendment to defund the Deputy City Manager position passed 5-2)

Councilmember Bagby noted that a budget amendment involves transferring funds from one account into another account by a vote of the council; adding that when they voted on May 15th to direct the City Manager to bring back a budget amendment to defund the Deputy City Manager position, they failed to identify to which account to transfer the money that was budgeted for that position such as the Council Contingency Fund.

Councilmember Bagby also stated that they need to have a conversation tonight about the hiring of an Assistant City Manager based on the job description staff presented at the June 5th council meeting.

According to Councilmember Schmidt, the Assistant City Manager job description that was presented on June 5th was for information only, and the council did not vote to approve it. Also, there was no direction given to bring back a budget amendment for that position. The only motion that they made a couple of times now was to remove the funding from the Deputy City Manager position.

Councilmember Destin added that once the Deputy City Manager position is eliminated, the council could then fund the Assistant City Manager position if they so desire.

Councilmember Hebert stated that she does not agree that they need a Deputy or Assistant City Manager since they do not have the other entities other municipalities have such as their own police, fire, or water and sewer department.

According to Councilmember Destin, he has no problem hiring an Assistant City Manager, but they should have a cap on the salary. It should not be equal to the amount they are paying the Deputy City Manager.

Councilmember Bagby noted that according to the budget amendment, the amount left on the Deputy City Manager salary for the last quarter of this fiscal year was \$23,487.20, which equates to about \$94,000 for an entire year if multiplied four times. He recommends not paying the Assistant City Manager less that amount.

Councilmember Bagby moved to eliminate the Deputy City Manager position and leave the remaining funds in the City Manager's personnel account; seconded by Councilmember King. Motion passed 6-1 (Council members Schmidt, King, Hebert, Bagby, Destin, and Sweetser voting "yes"; Councilmember Geile voted "no").

Next, Councilmember Bagby moved to authorize the City Manager to hire an Assistant City Manager for a base salary not to exceed \$93,948.80 (\$23,487.20 x 4) annually, based on the job description presented at the June 5th city council meeting, and to use the money in the City Manager's personnel account to make that hire. Councilmember King provided a second to the amended motion.

Councilmember Destin reiterated that they never approved the Assistant City Manager job description, and that he was not completely happy with the way it was written. He recommends staff bringing back another version of the job description and that the motion on the floor be amended to include a stipulation that the hiring of an Assistant City Manager be contingent upon council's approval of the job description.

Councilmember Bagby moved to direct the City Manager to bring back the job description for an Assistant City Manager at the July 17th city council meeting; and that the hiring of an Assistant City Manager for a base salary not to exceed \$93,948.80 (\$23,487.20 x 4) annually and using the money in the City Manager's personnel account to make that hire is contingent upon the council's approval of the job description. Councilmember King provided a second to the amended motion. Motion passed 4-3 (Council members King, Bagby, Destin, and Sweetser voted "yes"; Council members Schmidt, Hebert, and Geile voted "no").

The City Manager stated that he would welcome Councilmember Destin or other member of the council acting as an advisor to staff in the preparation of the final version of the Assistant City Manager job description.

Councilmember Destin stated that he would be glad to do it.

Councilmember Geile moved to appoint Councilmember Destin as the legislative sponsor and act as an advisor to staff in the preparation of the final version of the job description for Assistant City Manager position; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

B. Agent-Broker of Record for Health & Ancillary Benefits, RFP 23-04-HR

According to the City Manager, staff solicited proposals for an Agent-Broker of Record for Health & Ancillary Benefits. Four proposals were received and evaluated by the city’s Bid Committee. The Bid Committee scored Acentria as the highest-scoring proposal and recommends Acentria be contracted to be the Broker of Record for Health & Ancillary Benefits.

Councilmember Hebert moved to authorize the City Manager to develop and execute an agreement for Agent Broker of Record with Acentria, as recommended by the city’s Bid Committee; seconded by Councilmember Geile.

Councilmember Geile requested that if the motion passes to have Acentria bring back two proposals, one of which would include the council members in the group health insurance policy. He stated that according to the city charter, the city’s elected officials cannot accept a salary or compensation. He asked whether it would be a violation of the charter provision to have members of the council be part of the group and potentially get the discount if they pay for their own insurance premium.

According to Councilmember Destin, members of the council were included in the city’s health insurance policy 10 or 15 years ago; and then past council voted to not do it anymore. He feels this council can decide to allow it again, and that he would support a proposal to do so.

Councilmember King stated it would be a great incentive for others to run for council.

Councilmember Destin stated that under the law, the city council members are considered city employees and should be afforded the opportunity to participate in their municipality’s health insurance policy; adding that it should be offered to all employees.

Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

Councilmember Geile moved to request that Acentria brings back two proposals, one of which would include the councilmembers in the group health insurance policy; seconded by Councilmember Destin. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

Mr. Mike Carraway, Director of Acentria, stated that he would bring back two proposals during this renewal period; one of which would include the council in the group health insurance policy. He stated that the insurance provider will be treating the council as regular employees with regards to paying the insurance premium. He recommends that the city contributes the same

amount of money for council members who wish to join the plan as they do for other city employees, if possible.

Councilmember Schmidt noted that the City of Fort Walton Beach pays 100% of the insurance premium for their elected officials and asked that they check into it and do the same for this council.

C. Announcements

1. Annual Family Independence Day Celebration and Bike Parade will begin at 5:30 PM on June 29th, at the Destin Elementary School Football Field. This is open to children 12 years old and under. Pre-registration is required.
2. Fourth of July fireworks display begins at 9:00 PM at the East Pass. It will be simulcast on Z-96.
3. Capt. Royal Melvin Heritage Park Ribbon Cutting Ceremony on Tuesday, July 18th, at 9:00 AM.
4. Harborwalk will start having their firework displays on Monday and Thursday nights beginning at 9:00 PM as part of the celebration throughout the summer through Labor Day.
5. The next regular city council meeting is on Monday, July 17th. There will only be one regular city council meeting in July.
6. The City Manager will be out for the remainder of the week following tonight's council meeting. Public Works Director Michael Burgess will be the Acting City Manager.

5. PUBLIC HEARINGS

- A. Second reading of Ordinance 23-07-CN - relating to livery vessels. Recognizing the Destin Harbor Carrying Capacity Study final report prepared by the U.S. Army Corps of Engineers and authorizing additional studies and evaluation of Destin Harbor. Providing a five-year temporary moratorium on livery vessel permits. **(May 15, 2023 Motion: To extend the livery vessel moratorium for 5 years Passed 7-0).**

The City Attorney read Ordinance 23-07-CN by title, and then presented it to the council on second reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA RELATING TO LIVERY VESSELS; PROVIDING FOR FINDINGS OF FACT; RECOGNIZING THE DESTIN HARBOR CARRYING CAPACITY STUDY FINAL REPORT PREPARED BY THE U.S. ARMY CORPS OF ENGINEERS AND AUTHORIZING ADDITIONAL STUDIES AND EVALUATION OF THE DESTIN HARBOR; PROVIDING FOR A FIVE YEAR TEMPORARY MORATORIUM ON LIVERY VESSEL PERMITS; DIRECTING STAFF TO DEVELOP RECOMMENDATIONS FOR REGULATION OF LIVERY VESSELS; MODIFYING THE DEFINITION OF LIVERY VESSELS FOR COMPLIANCE WITH STATE LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR EXPIRATION OF MORATORIUM ON JUNE 30, 2028; AND PROVIDING FOR AN EFFECTIVE DATE.

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

Mr. Chuck Heiser, a Destin resident, noted that the State of Florida now considers bareboat charters as livery vessels; adding that bareboat charters file at the state level as a livery vessel, and then get their charter licenses from the city. He asked whether this moratorium would include bareboat charters based on the city's definition of livery vessel.

According to the Land Use Attorney, the city's definition of livery vessel differs from the state's definition. For the city, a livery vessel is any vessel that has a motor that is rented out for compensation. However, they have an exception for when they have a US Coast Guard licensed captain in control. Any kind of boats with a US Coast Guard licensed captain in control will be exempt from the moratorium, but they must present proof when they submit their charter application to the city.

The city's Building Official Noell Bell confirmed that anyone applying for a charter business tax receipt with the city must provide the city a copy of the US Coast Guard licensed captain for each vessel.

Ms. Marcia Shulder, a Fort Walton Beach resident and livery operator, stated that bareboats are only one issue. Boatsetters are another massive problem. Boatsetter is a peer-to-peer boat rental company that connects boat owners and potential renters. Boats are launched from a dock. They are not operating safely but they are not being monitored at all. They need code enforcement and law enforcement to monitor and stop this illegal operation.

Councilmember Sweetser stated that the city's Code Compliance Department is quite short-handed at this time. There are only so many officers available, and they cannot be everywhere. Many of these illegal activities have to be reported in order for them to take action.

Code Compliance Director Troy Williams stated that they have a lot of priorities – short term-rentals, bareboat charters, beach vendors – and they are currently way undermanned. They are asking for increased staffing in next year's budget. He continued there has to be a reporting mechanism in place; either somebody calling in or contacting code enforcement through the website or sending pictures via email so they could take the necessary action. He added they recently learned about the boat setters and plan to delve into that issue as much as possible.

Ms. Shulder stated that there seemed to be different jurisdictions involved in different issues making it quite difficult for anyone to report a problem. There need to be a consistent mechanism to report these illegal operations.

Mr. Charles Duplantis, a Destin resident and livery operator, stated that based on his experience, a boat captain cannot be assigned to one boat only.

Having no further comments from the public, the mayor closed the public hearing and turned the matter over to the city council for their discussion and consideration.

Councilmember Hebert moved to approve Ordinance 23-07-CN on second reading; seconded by Councilmember King.

Councilmember Schmidt inquired into selling or transferring of livery licenses or medallions and whether it can be part of the moratorium.

The Land Use Attorney stated that it would require council's approval. It is not spelled out in detail in the moratorium; however, it has been discussed in past council meetings. Livery operators and stakeholders have been told that if they were going out of business and wanted to transfer or sell their decal, registration, or medallion they can as a business asset as long as they are legally operating. There is an exception in the moratorium that states that council can approve any agreements when they find it is appropriate under the circumstances.

Councilmember Schmidt noted that the medallion is quite valuable as it presents an opportunity for the owner to make money. They pay a small amount of money for the license but will be able to sell the medallion for several thousand dollars. He feels the city should get some benefit from it for allowing them to sell that medallion.

Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting "yes").

Motion by Councilmember Schmidt, seconded by Councilmember King, to direct staff to bring back an amendment to the ordinance outlining the process for selling or transferring livery licenses or medallions passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting "yes").

- B. Second reading of Ordinance 23-08-CC - Amends Section 15-66 of the city's Code of Ordinances, Exception to Alcoholic Beverages in Public Places at Capt Royal Melvin Heritage Park.

The City Attorney read Ordinance 23-08-CC by title, and then presented it to the council on second reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA, PROVIDING FOR AMENDMENT OF SECTION 15-66 OF THE CITY'S CODE OF ORDINANCES, EXCEPTION TO ALCOHOLIC BEVERAGES IN PUBLIC PLACES AT CAPTAIN ROYAL MELVIN HERITAGE PARK; PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR CONFLICTING PROVISIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

The mayor opened a public hearing to receive comments for or against the proposed ordinance. Having none the mayor closed the public hearing and turned the matter over to the city council for their discussion and consideration.

Councilmember King moved to approve Ordinance 23-08-CC on second reading; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting "yes").

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

- A. Councilmember Sweetser
- B. Councilmember Geile
- C. Councilmember Destin
- D. Councilmember Bagby
 - 1. Independence Day

Motion by Councilmember Bagby, seconded by Councilmember King, to grant city staff July 3rd as a paid holiday passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

Councilmember Bagby moved to authorize the City Manager and the City Land Use Attorney to negotiate with the owner of the parcel adjacent to the city-owned Shores at Crystal Beach property for a potential swap of the lots, to include the proposed donation with regards to the lot differentials and bring back a draft contract for council’s approval; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

E. Councilmember Hebert

- 1. Aquatic Facility

Councilmember Hebert moved that the City of Destin provides support for the development of a state-of-the-art regional aquatic facility to serve the Okaloosa and Walton County region; seconded by Councilmember Destin. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”).

- F. Councilmember King
- G. Councilmember Schmidt

- 1. City Manager Evaluation Schedule

Councilmember Schmidt noted that they have the opportunity for the City Manager evaluation within the next two months. They each have an option on how to conduct that evaluation, either verbal or written. The results of this evaluation will then be on the agenda for discussion in August.

- 2. Terminated/Inactive Employee Policy

Councilmember Schmidt moved to direct the City Manager to work with the Human Resources Manager to bring back other policies in the surrounding cities regarding terminated employees at the next council meeting; seconded by Councilmember Geile. Motion passed 5-2 (Council members Schmidt, Hebert, Destin, Geile, and Sweetser voting “yes”; Council members King and Bagby voted “no”).

3. Direction to Staff and Land Use Attorney to Prepare Anchoring Ordinance

Councilmember Schmidt moved to direct the City Manager and Land Use Attorney to prepare an anchoring ordinance that will regulate commercial activity within the city's bayous; seconded by Councilmember Hebert.

Councilmember Schmidt stated that the city has jurisdiction over Joe's Bayou and Marler Bayou, but they currently lack the necessary ordinance to enforce any restrictions on commercial activities in these waterways. He stated that commercial activity is not allowed at Joe's Bayou Recreation Area. According to complaints and social media posts, an inflatable bounce house and water slide was reportedly being set up near the Joe's Bayou Recreation Area. Witnesses claim that people are being shuttled over from Crab Island or parking at Joe's Bayou Recreation Area to use the inflatables. Additionally, inflatables have been reported behind the Destin Army Recreation Area off of Calhoun Avenue. He emphasized that the intent was not to hinder fishermen or any charter boat captains seeking safety, as they would be protected under a safe harbor provision.

Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting "yes").

Councilmember Schmidt moved to direct the City Manager and City Land Use Attorney to work with other jurisdictions to find a solution to overnight commercial anchoring in areas just outside of the Destin's waterways; seconded by Councilmember Hebert.

Councilmember Schmidt stated that overnight commercial anchoring needs to be regulated. It is happening at Joe's Bayou, at Choctawhatchee Bay, and in the harbor. Right now, off of Indian Trail, there is a massive barge parked 100 yards off somebody's back yard. It is anchored with the lights on, and so the Sheriff's Office cannot do anything about it. He continued that they need to decide how to regulate overnight anchoring within the city's bayous.

Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Sweetser voting "yes").

Councilmember Schmidt inquired as to the possibility of placing porta potties on Norriego Point.

The City Manager noted that the current ordinance only allows porta potties on construction sites and for special events.

According to the Land Use Attorney, they would need to amend the ordinance to allow porta potties on Norriego Point.

Councilmember Schmidt moved to direct staff to bring back an amendment to the ordinance to allow for placement of porta potties on Norriego Point; seconded by Councilmember Hebert.

According to Councilmember Sweetser, if they are going to amend the ordinance, it would have to apply to the entire community and not just specific to Norriego Point; adding he can already imagine porta potties appearing in residential neighborhoods' front yards. He also added that they have never had bathrooms on Norriego Point but it has never been an issue before.

Councilmember Hebert stated that they should be able to make an exception at least on a temporary basis because there is no place for people to go to relieve themselves.

The Building Official stated that they could face some challenges in trying to get porta potties on Norriego Point and service it since there is no roadway.

Motion failed 3-4 (Council members Schmidt, Hebert, and Geile voted "yes"; Council members King, Bagby, Destin, and Sweetser voted "no").

H. Mayor Wagner

I. Land Use Attorney

1. 1 Harbor Blvd.

The Land Use Attorney reported that the property owner's counteroffer to the city's offer of \$8 million was \$10 million. She asked the council if they wish to go ahead and provide a final offer for the property.

Councilmember Schmidt moved to make a final offer on the property at 1 Harbor Blvd in the amount not to exceed \$9.5 million; seconded by Councilmember King.

Councilmember Destin offered a substitute motion to make an offer on the property at 1 Harbor Blvd in the amount not to exceed \$8.5 million; seconded by Councilmember Hebert.

Councilmember Destin noted that \$8.5 million is already more than half a million over the appraisal value of \$7.95 million on the property; adding that any dollar amount over the appraisal value will take an extraordinary vote of the council to pass.

According to Councilmember Bagby, he was not even in favor of the \$8 million, but since this is the city's future, he will agree to authorize staff to make a counteroffer of \$8.5 million. Then they will need to have a conversation. He will listen to everyone's opinion, and he will listen to the citizens whether they feel it is worth that much money.

Councilmember Hebert noted that the \$10 million counteroffer is too much. It was twice the amount the owner initially paid for that property; adding that the city does not even have the money to purchase that property at this point. They will need borrow money to purchase it.

Councilmember Schmidt stated that they need to think about the future generation of the city who will really love to have this property. The counteroffer was a lot more than the purchase

price for that parcel, but the owner has the right to profit from it. He added they would not want to miss out on this property by a mere one million dollars.

Motion passed 5-2 (Council members Hebert, Bagby, Destin, Geile, and Sweetser voting “yes”; Council members Schmidt and King dissenting).

2. 355 Gulf Shore Drive - Litigation

The Land Use Attorney provided an update on the Bert Harris case that was filed as a pre-suit notice of claim. There is no litigation yet and so they cannot schedule an executive session at this time. She stated that she has discussed this issue privately with each member of the council and the council can make a good faith settlement offer if they so desire.

Motion by Councilmember Geile, seconded by Councilmember Hebert to provide a settlement offer of \$30,000 passed 5-2 (Council members King, Hebert, Destin, Geile, and Sweetser voted “yes”; Council members Schmidt and Bagby voted “no”).

3. Sea Chase request to maintain 10 existing livery vessels

Ms. Sherri Andrews informed the council she has own Sea Chase Watersports since 2010. When she decided to retire, she received generous offers for her business. She stated that she was working with the city during the time there was a pending sale to another entity. She was operating when she first entered that sale. The sale fell through, and she was no longer in operation. She started with 18 livery vessels. When she closed in 2021, she went to the city and asked if they could place this issue in some type of an escrow. It stayed that way until May 2022 when she was allowed to sell 8 of her medallions to another pontoon boat company. She is now coming to the council requesting that she be allowed to continue to sell the remaining 10 livery vessels.

According to the Land Use Attorney, there is an allowance in the ordinance for council to approve special circumstances.

Councilmember Schmidt asked why they were not able to sell any of the other vessels the past year and a half.

Ms. Andrews stated that she has not been able to sell her remaining assets as there have been a lot of uncertainty with the moratorium, with everyone waiting to see what would happen before they commit to spending any more money.

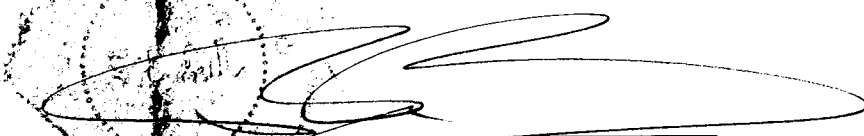
Councilmember Schmidt recommends allowing Ms. Andrews to continue to sell her business provided she is current on the registration, medallion, and BTR fees.

Councilmember Bagby moved to allow Sea Chase two years to sell the business, provided they come current on the registration fees, pay their medallions for 2022 and 2023, and pay their BTR for 2022 and 2023; seconded by Councilmember Hebert. Motion passed 6-1 (Council members Schmidt, King, Hebert, Bagby, Destin, and Sweetser voting “yes”; Councilmember Geile voted “no”).

J. City Attorney

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 11:20 PM.

ATTEST:

Rey Bailey, City Clerk


Bobby Wagner, Mayor