REGULAR MEETING
DESTIN CITY COUNCIL
OCTOBER 7, 2024
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 Kevin Schmidt
Councilmember John Stephens	Councilmember Dewey Destin
Councilmember Johnny King	Councilmember Jim Bagby
Councilmember Torey Geile	Councilmember Terésa Hebert

Destin City Staff

Interim City Manager Larry Jones	City Clerk Rey Bailey
Projects/Grants/Contract Manager Jeffrey Cozadd	IT Director Andy Peters
Principal Planner Steve O'Connor	HR Director Jamie Haynes
Parks & Recreation Director Lisa Firth	Public Works Director Michael Burgess
Deputy Parks & Recreation Director Ryan Reed	Library Director Wen Livingston
Code Compliance Manager Troy Williams	City Attorney Kimberly Kopp

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Bobby Wagner called the meeting to order at 6:00 PM. Pastor Kevin Wendt of Grace Lutheran Church gave the invocation, which was then followed by the recitation of the Pledge of Allegiance.

AGENDA APPROVAL

Councilmember Hebert made a motion to allow agenda item 4D – *Destin High School Baseball Field*, to be heard following approval of the Consent Agenda; seconded by Councilmember Stephens. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Stephens voted "yes").

Motion by Councilmember Hebert, seconded by Councilmember Stephens, to approve the agenda, as amended, passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Stephens voted "yes").

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

A. Proclamation - American Cancer Society's Making Strides Against Breast Cancer of the Emerald Coast for 2024

The mayor read the proclamation designating the month of October 2024 as *MAKING STRIDES AGAINST BREAST CANCER MONTH* in the City of Destin, and then presented it to Ms. Nate Slaton, District Chair, and Ms. Heather Dietzold, Events and Logistics Lead, of the American Cancer Society Making Strides Against Breast Cancer of the Emerald Coast.

2. PUBLIC COMMENTS

Ms. Sandy Trammell, a Destin resident, expressed her general support for the high school baseball field contract but suggested a few modifications. She recommended a review of the agreement every five years by both the City Council and school staff to keep it up-to-date and ensure mutual benefit. Additionally, she raised concerns about timely scheduling conflicts with the Recreation Department, emphasizing the need for improvement in coordinating schedules to allow other events on the field when available.

Mr. Shane Moody, President and Executive Director of Destin Chamber of Commerce, thanked the city for the use of its meeting space for a recent candidate forum. He acknowledged city staff, particularly the city's Public Information Director, for her prompt support in facilitating the event.

Palmer Robbins, a student and baseball player at Destin High School, shared his gratitude for the council's consideration of the field contract, highlighting how a dedicated field would enable students to have a true "home" field. He emphasized the importance of the field for both the school's baseball program and the community's sense of identity.

Ms. Heidi Locicero, president of the Destin High School governing board, acknowledged the Council's historical support in helping establish the high school. She shared her belief that the field contract aligns with the school's mission to provide Destin students with a home-field advantage and foster a unified school spirit, referencing the school's motto, "We Are Destin." She expressed appreciation to city council members, as well as the city's Parks and Recreation Director for their work with the school on the agreement.

Mr. Willie Williams, Executive Director of Destin High School, expressed his enthusiasm for the potential partnership between the school and city through this field agreement. He emphasized the importance of investing in the community's youth, noting that 80% of the school's students reside in Destin. He also supported the proposal for a five-year review clause, affirming the school's readiness to finalize the agreement. He added that the arrangement could bring tourism benefits to the city by hosting sports events.

Ms. Diane Kelley, Destin High School Principal, echoed the sentiment that the field would provide students with meaningful opportunities for personal and athletic growth. She commended the council's support for Destin's youth and underscored the broader life skills taught through baseball, such as resilience, teamwork, and discipline. She emphasized that a dedicated field would be crucial in helping student-athletes achieve excellence and, in some cases, scholarship opportunities.

3. CONSENT AGENDA

A. 2025 OCPLC Interlocal Library Agreement
B. Civic Plus Master Services Agreement Memorialization
C. Property & Casualty Insurance Renewals FY25
D. Approval of minutes of September 23, 2024, Special City Council Meeting
E. Approval of minutes of September 16, 2024, Regular City Council Meeting
F. Approval of minutes of August 26, 2024 City Council Workshop - LDC Rewrite

Motion by Councilmember Hebert, seconded by Councilmember Geile, to approve Consent Agenda items 3A through 3F passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Stephens voted "yes").

Next item discussed was agenda item 4D - *Destin High School Baseball Field.*

4. CITY MANAGER REPORTS

A. 2024 Debt Issuance RFQ Underwriters and Bank Loan

The city's Finance Director provided an overview of options for financing current projects through either a bank loan or a public bond offering. The city had sought proposals through two separate solicitations, including an RFP for bank loans and an RFQ for a public bond offering. Responses to these solicitations formed the basis of her analysis and recommendation to the Council.

The Finance Director explained the responses and terms of the proposals received:

1. TrustMark Bank Loan:

   - Offered firm rates, more favorable than indicative rates offered by other institutions.
   - Proposed 3.48% interest rate, with no prepayment penalty, allowing flexibility in early repayments.
   - Three options were presented by TrustMark, with the five-year term amortized over 15 years found to be the most advantageous, particularly as it has a lower initial financial impact on the city's general fund compared to the other options.

2. 20-Year Public Bond Offering:

   - Initially offered a lower overall impact on the general fund compared to the bank loan options.
   - The general fund contribution was expected to be about $50,000 per year in the first five years if the city opted for the bond offering, a manageable sum for the general fund.

The Finance Director recommended pursuing either the TrustMark five-year loan amortized over 15 years or the bond option, noting that the TrustMark terms might require the city to allocate additional funds toward debt service but offered the potential for savings in interest costs.

Councilmember Destin asked about the interest savings difference between the TrustMark loan and the bond option. The Finance Director clarified that an estimated $3 million could be saved in interest costs by choosing the TrustMark loan, given current market rates. However, she reminded the Council that the city would need to refinance after five years, at which point interest rates could vary.

Councilmember Destin highlighted the need to weigh the general fund's capacity to absorb debt service against the potential savings.

Councilmember Bagby expressed strong support for the TrustMark loan, emphasizing that the projected $3 million savings over 15 years was significant. He acknowledged that refinancing in five years came with some interest rate risk but was confident the city could manage it. Councilmember Bagby reasoned that while the bond option offered lower initial payments, the city's long-term debt strategy and commitment to debt reduction would be better served by the TrustMark loan's terms.

Councilmember Geile queried the Finance Director's recommendation for the bond route, given her financial expertise. The Finance Director reiterated her preference for the bond route primarily because it had a lesser impact on the general fund, which would support ongoing operational stability and maximize restricted funds toward debt service. She noted that the cost of refinancing would nearly equal the bond issuance costs.

Councilmember Bagby moved to accept the TrustMark bank loan option with a five-year term and 15-year amortization at a fixed rate of 3.48%; and to schedule first reading of the debt ordinance for October 21, 2024. Councilmember Hebert provided a second to the motion, which passes 4-3 (Council members King, Hebert, Bagby, and Destin voted "yes"; Council members Schmidt, Geile, and Stephens voted "no").

B. Fire District Dock - Boat Slip Lease

The Interim City Manager introduced the item, emphasizing the staff's efforts to clarify the lease's details and answer the Council's prior questions. He acknowledged remaining concerns among council members and assured that staff was available to address any additional questions about the boat's usage, the necessity of the slip, and the location's potential benefits for Code Compliance operations.

Code Compliance Manager Troy Williams explained the benefits of situating the boat at the proposed slip location. Key points included:

- Security: The slip offers improved security over the current location, which lacks adequate protection and has previously been accessible to the public, resulting in incidents of vandalism.

- Synergy and Efficiency: The location aligns Code Compliance's activities with the sheriff's office, FWC, and the Destin Fire District, enhancing interagency coordination.
- Operational Access: He noted that the slip would allow for faster access to areas like Joe's Bayou, where Code Compliance occasionally responds to issues such as derelict vessels or safety hazards, though actual usage at this site has been limited.

Councilmember King moved to authorize the City Manager to sign the lease, as presented; seconded by Councilmember Hebert.

Several council members expressed their support or opposition to the lease and raised questions about its necessity, flexibility, and associated costs.

Councilmember Schmidt questioned the need for the boat slip, noting the limited use of the Code Compliance boat and minimal enforcement activities in Joe's Bayou. Schmidt suggested that investing in a new slip location seemed unnecessary given limited evidence of need and raised concerns about the potential costs of a new boat lift.

Councilmember Stephens asked about security infrastructure at the current harbor location and suggested that purchasing the fire department's existing boat lift might be more economical than a new setup at the proposed slip. He ultimately voiced opposition to the lease due to the high concentration of Code Compliance activities within the harbor area, suggesting the city delay any decision until future harbor infrastructure developments occur.

Councilmember Bagby opposed the lease, arguing that the majority of Code Compliance activities are in the harbor and can often be addressed from land. He pointed out that if the council plans future harbor developments, such as a Harbor Master station, it would be more logical to keep the Code Compliance boat in the harbor area.

Councilmember Geile expressed support for the lease, underscoring the strategic value of securing a boat slip in Destin, where waterfront real estate is costly and competitive. He also highlighted the importance of having the option to use the slip in the future, even if a lift is not initially installed.

Councilmember Hebert supported the idea of the lease but proposed negotiating greater flexibility to allow any municipal use for the slip, rather than restricting it to Code Compliance. Hebert believed this approach would provide the city with more utility from the slip over the three-year term without committing the city to a specific usage.

Councilmember Destin supported the lease, stressing the long-term value of holding onto a slip, which could be used as a transient slip if Code Compliance operations did not require it. He saw the low monthly cost of utilities as justifiable, given the strategic value of waterfront property in Destin.

The City Attorney clarified that the current agreement stipulates the slip be used specifically for Code Compliance, which would limit its use to that purpose. However, she noted that if the council desired broader usage flexibility, the city could request an amendment to the agreement from the fire district, allowing for "any municipal purpose."

Councilmember Destin offered a substitute motion directing the City Attorney to renegotiate the terms of the agreement with the Fire District, stipulating that the use of the boat slip is not limited to Code Compliance but may also be used for other municipal purposes. The renegotiated agreement will then be brought back to the Council for review. Councilmember Geile provided a second to the substitute motion, which passes 5-2 (Council members King, Hebert, Bagby, Geile, and Destin voted "yes"; Council members Schmidt and Stephens voted "no").

Councilmember Bagby requested that staff identify other potential municipal uses for the boat slips and present these options when the renegotiated agreement is brought back to the council.

C. RFP 24-05-REC Clement Taylor Park Renovations Contractor Selection

The Interim City Manager announced that 6 bids were received for the Clement Taylor Park Renovation project, with two disqualified as non-responsive for missing required documentation. Out of the four remaining, Empire Contractors was rated the highest in responsiveness and responsibility, based on their competitive pricing and strong track record on recent local projects, notably with county-related work, completed on time and within budget. While not the lowest bid, Empire Contractors' proposal was deemed the best fit to ensure timely and budget-conscious completion, with the intent to avoid issues seen in past projects like the Captain Royal Melvin Park project. Staff recommends the council's approval of the city's bid committee's ranking, authorizing staff to advance the process by submitting the contractor selection to the U.S. Treasury for review, as they are funding approximately half of the project.

Councilmember Hebert moved to adopt the scoring of the Bid Committee and direct city staff to negotiate toward a contract with the proposal ranked highest by the Bid Committee after the selection process has been reviewed and approved by the county and U.S. Treasury; seconded by Councilmember Destin. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Stephens voted "yes").

D. Destin High School Baseball Field

The Interim City Manager presented the agreement, emphasizing its intent to serve both the city's and the school's needs by allowing the high school exclusive use during baseball season while keeping the field accessible to the city during the offseason. He stated that the agreement is beneficial for both the high school and city, with terms meeting mutual needs, and recommended its approval based on positive collaboration with school representatives.

Councilmember Hebert recommends including a five-year review clause in the agreement to allow for periodic reassessment and ensuring flexibility to amend terms if needed.

Councilmember Bagby questioned whether a termination clause was included, allowing the school to have flexibility to exit the agreement if circumstances change, such as the acquisition of new land. He proposed adding language allowing termination with notice if the school found a better arrangement. The City Attorney clarified that amendments could be made mutually with school approval, but unilateral termination might not be appropriate given the school's planned capital improvements.

Councilmember Destin expressed concern about the impact on the city's Little League tournaments, given that the modification to Field D would convert it into a baseball field with grass in the infield.

The city's Parks and Recreation Director explained the rationale for selecting Field D, noting that it was the safest and least disruptive option given its distance from recreational areas like the children's playground. She addressed concerns regarding the necessity of safety nets and protective fencing to ensure spectator safety given potential foul balls and the surrounding multi-use layout. She also confirmed that a slight modification could accommodate both high school and city league needs by shortening the grass in the infield to adjust base distances as needed.

Councilmember Bagby moved to authorize the mayor to sign the agreement, incorporating the changes outlined during tonight's meeting. The changes include:

1. **A 5-year review of the agreement.**
2. **A unilateral termination clause, allowing the school to terminate the agreement with 60 days' notice.**
3. **Modifications to the baseball field to accommodate the Little League Tournament and enable use by Destin High School during the summer months.**

The motion was seconded by Councilmember Hebert.

Councilmember Destin expressed his support for the motion and shared the perspective that a more permanent baseball field solution would be ideal, as opposed to repurposing a softball field temporarily. He recommends having city officials approach the school district about allowing part of their recently acquired land to be converted to a dedicated baseball facility adjacent to Destin High School, where the city could support development, maintaining that such a facility would serve both community needs and the high school's program.

The motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Stephens voted "yes").

Councilmember Destin made a subsequent motion to authorize the City Manager and the City Attorney to approach and negotiate with the School District regarding the use of the Beach Drive parcel for the construction of a permanent baseball field for Destin High School, and to include all necessary amenities; seconded by Councilmember Hebert. Motion passed 7-0 (Council members Schmidt, King, Hebert, Bagby, Destin, Geile, and Stephens voted "yes").

Next item discussed was agenda item 4A - *2024 Debt Issuance RFQ Underwriters and Bank Loan.*

E. Announcements:

1) The City's Public Information Director has received a request for temporary Public Information Officer (PIO) assistance in North Carolina from professionals with expertise and training in emergency communications. No

decisions have been made at this time. The city is monitoring the situation closely and will assess the need for assistance based on the impact of Hurricane Milton, which may necessitate support in the State of Florida instead.

2) Recent internal discussions with city staff have addressed the upcoming term expirations for members of the city's volunteer committees and boards. The City Clerk will be issuing notices to those members whose terms will expire in November, following the city elections. Five members of each committee with expiring terms will need to submit applications for re-appointment if they wish to continue serving. The newly seated council will review these applications and make the appointments on December 2nd.
3) The city is in the process of developing an Employee Satisfaction Survey to better understand the perspectives and experiences of its staff. To ensure accurate and meaningful data collection, the city is seeking a third-party vendor to administer the survey. This vendor will be responsible for capturing and quantifying the responses, while providing assurances that all participating city employees will remain anonymous.
4) At a previous council meeting, discussions took place regarding the recommendation from staff to consider piggybacking on an existing contract for ball field lights. Some council members raised concerns about this process, prompting ongoing efforts to amend the approach. The council is now considering whether to proceed with piggybacking on an existing contract or to utilize a state contract, both of which are permissible under the city's purchasing policy. Staff will bring in a proposed RFP for council's consideration at the next meeting. Ultimately, the decision will rest with the council. Should they choose to issue a Request for Proposals (RFP) and subsequently find that the state contract offers a competitive price, the council retains the option to pursue that route.
5) Monday, October 14th is Columbus Day Holiday. City facilities will be closed.
6) Early voting for the General Election will be from 7 AM to 7 PM, from October 21st through November 2nd at the Destin Community Center.
7) The city's is encouraging people to participate in the Fire Watch training. The Fire Watch initiative is about preventing suicide amongst the community veterans. The city is hosting an in-person training on Thursday, October 17th, at 6 PM at the Destin Library.
8) The city's annual Open House will be on Wednesday, October 23rd, from 11:30 AM to 1:00 PM, at the Destin Community Center. There will be Fish Fry and live entertainment.
9) The CRA Board will need to convene at 5:30 PM on October 21st, preceding the regular city council scheduled for 6 PM, to take care of some business related to the debt issuance.

5. PUBLIC HEARINGS

A. First reading of Ordinance 24-09-LC - Relating to sign requirements for prohibited off- premises signs; providing for amendments to the Land Development Code relating to billboards and digital billboards; providing for the amendment of the Land Development Code, Article 16 - Signs; amending Section 16.03.00 - Prohibited

Signs; providing for criteria for council, approval of an agreement allowing for such off-premises signs pursuant to specified criteria.

The City Attorney read proposed Ordinance 24-09-LC by title and then presented it to the council on first reading:

> AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA RELATING TO SIGN REQUIREMENTS FOR PROHIBITED OFF-PREMISES SIGNS; PROVIDING FOR AMENDMENTS TO THE LAND DEVELOPMENT CODE RELATING TO BILLBOARDS AND DIGITAL BILLBOARDS; PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR THE AMENDMENT OF THE LAND DEVELOPMENT CODE, ARTICLE 16 – SIGNS; AMENDING SECTION 16.03.00 - PROHIBITED SIGNS; PROVIDING FOR CRITERIA FOR COUNCIL, APPROVAL OF AN AGREEMENT ALLOWING FOR SUCH OFF-PREMISES SIGNS PURSUANT TO SPECIFIED CRITERIA; PROVIDING FOR INCORPORATION INTO THE LAND DEVELOPMENT CODE; PROVIDING FOR CONFLICTING PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

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

Ms. Sandy Trammell, a Destin resident and member of the Harbor CRA Advisory Committee, referenced her prior council role and advocated for maintaining the prohibition on billboards, requesting that the council vote to deny the ordinance.

Attorney Trey Goodwin, representing Tier One Media, outlined his client's interests, stressing the economic impact and potential over-saturation of digital advertising. He argued that allowing digital billboards could increase ad concentration by approximately 94%, posing safety concerns and detracting from the city's aesthetic. He urged the council to avoid moving forward with the ordinance, as the existing 2003 plan already naturally phases out billboards, ensuring they will diminish over time without new approvals.

Attorney Scott Remington, representing Lamar Advertising, discussed the potential benefits of an ordinance change, including a removal and replacement agreement where Lamar would reduce billboard count in exchange for permissions to convert select remaining boards to digital. He contended the ordinance change was not essential for an agreement, as Florida law under Chapter 70-20 allows municipal agreements for sign relocation to achieve city objectives without amending the code. Remington highlighted Lamar's partnership role in community and emergency communications, suggesting an agreement could offer mutual benefits, such as modernized signage and public message space.

Mr. Jessie Landen, President and CEO of Tier One Media, emphasized that billboards will phase out due to increasing property values, the obsolescence of current signage technology, and rising maintenance costs. He advocated for a natural decline in billboards rather than formal ordinances or agreements that might undermine Destin's scenic appeal.

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 Bagby expressed his opposition to the proposed ordinance articulating a long-term vision for Destin that aligns with minimizing billboard presence to preserve the city's scenic appeal. He viewed digital conversions as incompatible with Destin's image as a coastal community and reiterated the need to avoid creating conditions resembling commercialized areas.

Councilmember Schmidt favored moving the ordinance to a second reading to allow further public input, emphasizing that tonight's focus was solely on the ordinance, not any agreement. He noted that additional public feedback could better reflect residents' perspectives on billboard conversions.

Councilmember Schmidt made a motion to approve Ordinance 24-09-LC on first reading; seconded by Councilmember Geile.

Councilmember Geile expressed support for the motion noting safety and aesthetic concerns as primary motivations.

Councilmember Stephens requested clarification from the City Attorney on legal interpretations presented. He echoed concerns about potentially circumventing the current code's billboard restrictions without comprehensive community backing.

The City Attorney noted that legally, the existing code does not support billboard replacement; thus, any removal and replacement agreement would require amending the code through the proposed ordinance. She countered Mr. Remington's interpretation, asserting that an amendment is necessary to avoid arbitrary application of code exemptions.

Councilmember King expressed reservations, preferring that the ordinance remain restrictive. He voiced a desire for all billboards and digital signs to eventually be removed, aligning with broader beautification and modernization initiatives.

Councilmember Hebert questioned the intended outcome of moving the ordinance forward, emphasizing the potential public resistance and impact on the city's aesthetic.

Councilmember Destin highlighted the procedural role of the ordinance, noting that voting against adopting the ordinance on first reading would essentially conclude the discussion without need for further action on removal and replacement agreements.

The major called for a vote on the motion on the floor.

The motion <u>failed</u> 2-5 (Council members Schmidt and Geile voted "yes"; Council members King, Hebert, Bagby, Destin, and Stephens voted "no").

The City Attorney confirmed that with the failure of the ordinance on first reading, no further action on billboard replacement agreements would be pursued unless directed by the council.

B. First reading of Ordinance 24-15-CC - Relating to livery vessels; amending Sections 13-141 "Definitions" and 13-144 "Application for Permit" of the City of Destin Code Or Ordinances.

The City Attorney read proposed Ordinance 24-15-CC by title and then presented it to the council on first reading:

> AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA RELATING TO LIVERY VESSELS; AMENDING SECTIONS 13-141 "DEFINITIONS" AND 13-144 "APPLICATION FOR PERMIT" OF THE CITY CODE OF ORDINANCES. PROVIDING FOR FINDINGS OF FACT; CLARIFYING THE DEFINITION OF LIVERY VESSEL; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

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

Capt. Matt Condon, a licensed captain and business owner, expressed concern over the proposed amendment in the proposed ordinance that would expand livery vessel regulations to include all bareboat charters, which he argued would effectively ban private yacht charters in Destin. He highlighted potential economic impacts, noting that Destin would be the only Florida city with such a ban, which could negatively affect local businesses reliant on tourism. He argued that small operators would be disproportionately affected as they lack resources to move operations elsewhere, unlike larger companies. He proposed two solutions: exempting vessels over 32 feet with licensed captains from the regulations or allowing current private yacht operators to apply for permits, thereby maintaining Destin's economic diversity while respecting personal freedoms.

Ms. Patty Brown, co-owner of the yacht *Misbehaven*, stated that her business adheres to all city regulations and fulfills requirements like commercial docking and parking. She emphasized that *Misbehaven* serves a distinct clientele, adding diversity to Destin's entertainment offerings. She agreed with the previous speaker's suggestion to exempt larger, non-fishing vessels from the moratorium and advocated for existing businesses to be "grandfathered in" under the new regulations, which she argued would prevent unfair restrictions on established yacht businesses that comply with city ordinances.

Ms. Carrie Harbarger highlighted the historical value of private yacht charters as amenities that attract affluent visitors and bolster the city's reputation and economy. She noted that tourists now seek a broader range of activities in Destin beyond fishing, which drives economic diversity and draws high-profile guests. She urged the council to recognize private yacht charters' economic contributions, suggesting that eliminating them would harm Destin's appeal.

Mr. Mike Abadie, representing the Livery Vessel Association, raised concerns over unlicensed operators ("rogue operators") who are not held accountable to current regulations, creating unfair competition. He estimated that unlicensed activities cost the city millions annually in lost revenue and numerous code violations. He advocated for a clearer, enforceable definition of "livery vessel" and "bareboat charter" to aid enforcement and prevent legal loopholes, suggesting that a unified classification of all bareboat charters as livery vessels would simplify oversight.

The City Attorney addressed enforcement challenges related to contract language in the ordinance's current definition, noting that the need to verify contracts could complicate enforcement. She was concerned that contracts vary per rental, potentially creating enforcement loopholes. The City Attorney proposed removing specific contract language from the ordinance to simplify enforcement but remained open to the Council's preference.

Mr. Kyle Lowe, a fisherman, expressed skepticism about the enforcement capabilities of both federal and local authorities, arguing that illegal charters are widespread and unenforced despite regulatory claims. He voiced support for protective regulations for fishermen and acknowledged that, while he supports fair competition, the current regulatory environment allows illegal operators to flourish unchecked.

Mr. Gary Troup, co-owner of *Misbehaven*, emphasized that his yacht business operates legally under bareboat charter rules, contributing to the local economy by complying with commercial space and insurance requirements. He supported a fair and competitive market environment and cautioned that inactive medallions could be misused to manipulate market prices. He urged the council to ensure that any changes support businesses following regulations and warned that over-regulation could discourage responsible operators from staying in Destin.

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 Stephens outlined the new definition, explaining that clarity is essential to manage existing and incoming vessels under the moratorium without allowing exceptions that could complicate enforcement.

Councilmember Stephens moved to adopt Ordinance 24-15-CC, amending the definition of livery vessel, using the definition as proposed by the Harbor Capacity Study Steering Committee, with the following modifications:

- **Remove the contract language**
- **Add the phrase "or electric engine" after the phrase "internal combustion"**

("Livery vessel is as defined in F.S. § 327.02, and any motorized vessel that is Rented, Leased and or Chartered by the owner to another party for a designated period of time, and that party is under control of that vessel at all times. But does not mean, paddleboards, kayaks, canoes, and sailboats or any other vessel not powered by an internal combustion or an electrical engine or a sail (sailboards excluded).

A. "Bareboat Charter" is a Livery Vessel.

B. Each vessel that is included within the fleet of a boat club is a livery vessel.

Add the following to City Code in an appropriate location:

<u>**Any person or entity that rents, leases or charters one or more vessels to another but claims their vessel or vessels are excluded from the definition of a livery vessel because the vessel or vessels are under the control of a United States Coast Guard licensed Captain at all times must provide satisfactory evidence to the City of such claim by providing to the City one valid, current copy of the Captain's license assigned at all times to each excluded vessel.")**</u>

Motion was seconded by Councilmember King.

Capt. John Green, Chairman of the Harbor and Waterways Board, Harbor CRA Advisory Committee, and Harbor Capacity Study Steering Committee endorsed the clarity of the new definition, stating that it would eliminate ambiguity around bareboat charters and simplify enforcement. He emphasized that all three advisory boards had unanimously recommended the inclusion of bareboat charters within the Livery classification for safety and management purposes.

Councilmember Destin raised concerns about restricting vessel operations and potential impacts on established businesses. He questioned if the proposed amendment was necessary and whether it risked over-regulation, particularly for existing charter operations that had historically operated without issues.

Councilmember Bagby noted that while he supports the definition's clarity, he strongly favored protections for longstanding businesses. He proposed amending the motion to "grandfather" vessels that had been in operation for over three years, thereby allowing them to continue without needing to reapply for a registration or meet new regulatory requirements immediately.

Councilmember Schmidt voiced concerns about enforcement consistency, particularly around vessels attempting to bypass regulations by fluctuating between bareboat and charter classifications based on Coast Guard standards. He inquired about enforcement capabilities, questioning if the city's staff could effectively manage compliance.

Councilmember Geile emphasized the need to prioritize safety and maintain a cap on vessel numbers to alleviate overcrowding and congestion in the harbor. He argued that maintaining a safe and sustainable harbor environment should outweigh accommodating new or borderline legal operations.

The City Attorney clarified that while previous ordinances included livery vessels broadly, they lacked specific language on bareboat charters, leading to regulatory inconsistencies. The proposed definition would facilitate enforceability, ensuring all vessels comply with the intended moratorium restrictions.

The city's Principal Planner explained that confusion around the livery vessel classification stemmed from inconsistent interpretations within the city staff regarding bareboat charters. He noted that some operators had obtained Business Tax Receipts (BTRs) under the assumption that they were exempt from the livery designation, compounding regulatory issues.

The mayor reopened the floor for public comments.

Mr. Matt Condon expressed concern that the proposed changes might unfairly impact yacht owners who had recently purchased boats with the understanding they could charter them under bareboat arrangements. He suggested clarifying exemptions for yachts over 32 feet that meet specific requirements (e.g., having a galley, state room, or designated head).

Mr. Gary Troup emphasized that bareboat charters are widely accepted nationwide, and that Destin's proposed regulations could deter yacht owners from bringing business to the harbor. He cited that fewer than 15 yachts operate under bareboat agreements in Destin, arguing that an exemption for vessels over a certain size would be fair.

Mr. Kyle Lowe supported the new definition, stressing that increased vessel traffic in the harbor was a serious concern. He argued that exemptions could lead to a slippery slope, with other vessel operators seeking similar allowances.

Councilmember Destin offered a substitute motion to adopt the proposed definition changes with modifications, as follows:

Livery vessel is as defined in F.S. § 327.02, and any motorized vessel that is Rented, Leased and or Chartered by the owner to another party for a designated period of time, and that party is under control of that vessel at all times. But does not mean, paddleboards, kayaks, canoes, and sailboats or any other vessel not powered by an internal combustion or an electrical engine or a sail (sailboards excluded).

C. "Bareboat Charter" is a Livery Vessel.

D. Each vessel that is included within the fleet of a boat club is a livery vessel.

Add the following to City Code in an appropriate location:

Any person or entity that rents. leases or charters one or more vessels to another but claims their vessel or vessels are excluded from the definition of a livery vessel because the vessel or vessels are under the control of a United States Coast Guard licensed Captain at all times must provide satisfactory evidence to the City of such claim by providing to the City one valid, current copy of the Captain's license assigned at all times to each excluded vessel.

and to exempt bare boat charter businesses based on a time certain they have been in operations.

Councilmember Hebert provided a second to the substitute motion, which passes 6-1 (Council members Schmidt, Hebert, Bagby, Destin, Geile, and Stephens voted "yes"; Councilmember King voted "no").

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

A. Councilmember Stephens
B. Councilmember Geile
    1) Projects Status/Updates
C. Councilmember Destin

D. Councilmember Bagby

1) Proactive Code Compliance – Discussion (Item moved to the next city council meeting)

E. Councilmember Hebert

F. Councilmember King

G. Councilmember Schmidt

Councilmember Schmidt raised concerns over the accessibility of the Request for Bid (RFB) process, noting that instructions on the city's website did not clearly direct potential bidders to contact the Clerk's Office. Staff clarified that interested parties must request bid documents from the Clerk's Office to ensure a list of bid holders is maintained, allowing any addenda to reach all participants. Councilmember Schmidt suggested adding clearer instructions to the website to improve ease of access for potential bidders, and staff agreed to incorporate these adjustments.

H. Mayor Wagner

I. City Attorney

The City Attorney updated the council on efforts to bring a property at 220 Sibert Avenue into compliance. She stated that the City Manager and staff had spoken with the property owner, who expressed a willingness to comply. Code Enforcement Manager Williams reported visiting the property twice on that day, observing significant progress in cleaning and clearing the front of the property. He estimated that 85% of visible items had been removed from the front of the house suggesting a good faith effort towards compliance. Based on this progress, the council decided to delay any formal action until the next meeting, where they would receive an additional update.

The Interim City Manager announced the upcoming Community Redevelopment Agency (CRA) Board of Directors meeting scheduled for October 21st at 5:30 PM, preceding the regular council meeting at 6:00 PM. This session would address business related to a previously approved debt issuance, requiring formal action from the CRA Board.

7. PUBLIC COMMENTS

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 9:50 PM.

Bobby Wagner, Mayor

ATTEST:

Rey Bailey, City Clerk