

**REGULAR MEETING
DESTIN CITY COUNCIL
MARCH 3, 2025
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 Sandy Trammell
Councilmember Kevin Schmidt
Councilmember Torey Geile

Councilmember Terésa Hebert
Councilmember Dewey Destin
Councilmember Jim Bagby
Councilmember Rodney Braden

Destin City Staff

City Manager Larry Jones
Parks & Recreation Director Lisa Firth
Deputy Comm Dev Director Steve O'Connor
Public Works Director Michael Burgess
Public Information Director Tamara Young
Projects/Grants/Contract Manager Jeffrey Cozadd
City Attorney Kimberly Kopp

City Clerk Rey Bailey
Finance Director Krystal Strickland
Principal Planner Daniel Butler
HR Director Jamie Haynes
Deputy Public Works Director Joe Bodi
IT Director Andy Peters

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

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

AGENDA APPROVAL

Consent Agenda item 3A and 3H were pulled for further discussion.

Councilmember Trammell requested that nominations of applicants to the Parks & Recreation and Town Center CRA advisory committees be listed under her name on the agenda

Motion by Councilmember Hebert, seconded by Councilmember Trammell to approve the agenda, as amended, passed 7-0.

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

A. National Flood Awareness Week - March 3-9, 2025

Mayor Wagner read the Proclamation designating Monday, March 3rd through Sunday, March 9th as *Flood Awareness Week* in the City of Destin and then presented it to the city's Public Works Director.

B. Spring Break Preparations: Brief Overview by Captain Jason Fulghum, Okaloosa County Sheriff's Office

Captain Jason Fulghum of the Okaloosa County Sheriff's Office provided an overview of the department's enforcement strategy for the 2025 Spring Break season.

Captain Fulghum explained that the Sheriff's Office is implementing a strategy similar to previous years, focusing on proactive law enforcement efforts during the spring break period. A dedicated team of five deputies has been assigned exclusively to spring break enforcement:

- Two deputies will patrol the beach in District 2 on ATVs.
- Two additional deputies will patrol the beach on the island, also using ATVs.
- One deputy will serve in a flexible role, moving between beach parks and residential neighborhoods known for spring break activity. This officer will have access to an ATV as needed to respond to emerging issues.

The deployment strategy is adaptable and will change depending on the nature of spring break visitors:

- If the crowd consists mostly of high school students, all deputies will remain on the beach into the night.
- If the majority are college students, who generally vacate the beach after sundown, enforcement will shift into surrounding neighborhoods where disturbances may arise.

Captain Fulghum noted that spring break officially began the previous day and runs through April 20, 2025. On the first day, the Sheriff's Office recorded 12 arrests, with 10 of those occurring in Destin.

In response to a question from the council regarding funding, Captain Fulghum clarified that any overtime pay for deputies involved in the spring break detail is funded by the Tourist Development Department (TDD). Deputies who are not on overtime are working their regular shifts, many of whom are part of the department's Beach Marine Unit.

C. FY 2024 Annual Audit and Financial Statements

Mr. Wade Sansbury of Mauldin & Jenkins, CPAs presented the following independent auditor's financial report for the fiscal year ending September 30, 2024.

- Clean Audit Opinion: The City received an *unmodified opinion*—the highest level of assurance—indicating the financial statements were fairly presented in all material respects.
 - There were no material weaknesses, significant deficiencies, or compliance issues identified. The city did not receive or spend more than \$750,000 in federal or state awards, so a single audit was not required this year.

➤ City Financial Health:

- General Fund Balance: Ended the year at approximately \$33.9 million, a 4.7% increase over the prior year.
- Debt Per Resident: Decreased by \$200 to about \$1,500 per resident.
- Payroll: The city employed 103 staff members with an average salary of \$63,000. Total wages for 2024 were around \$6.5 million.
- Expenditures: Fairly balanced across key sectors – Governmental Services (\$4.2M), Public Safety (\$4.1M), and Culture & Recreation (\$4.3M).
- Revenues: Predominantly from property taxes (nearly \$13 million), followed by licenses, permits, and intergovernmental sources.
- Audit Documentation: Required communications and additional insights are included in the firm's "Auditor's Discussion and Analysis" (ADNA) document.
- Upcoming GASB Impact: The City should prepare for upcoming accounting standard GASB 101, which affects the calculation of compensated absences starting next year.

Councilmember Bagby inquired about the \$6.5 million payroll figure and was informed this figure is derived from general ledger payroll accounts and is not included in the slides or the main financial statements. The auditor offered to provide a breakdown upon request.

Councilmember Bagby moved to accept the 2024 Annual Audit and Financial Statements for the City of Destin and for the City of Destin Community Redevelopment Agency, seconded by Councilmember Trammell. Motion passed 7-0.

2. PUBLIC COMMENTS

Mr. Dan Dulles, a Destin resident, addressed the City Council to express deep frustration over the ongoing flooding problems affecting his garage and home for more than three years. He remarked about the physical and emotional toll the situation has taken on him and his wife. Mr. Dulles emphasized that no significant progress has been made despite various city officials having visited or been aware of the issue. He explained that Phase One of a drainage project merely redirected water toward Snapper Drive, worsening his condition, while Phase Two, which would install proper drainage infrastructure such as sewers and grates, was never completed. He urged the council to take immediate action before the upcoming rainy season.

Ms. Brittany Greenwood introduced the newly launched Destin Touchdown Club, a nonprofit organization focused on building a championship-caliber football program in Destin. She described the initiative as community-centered, with goals to connect youth, middle school, and high school football programs, while also fostering long-term community development and pride. She highlighted current and upcoming programs, including summer football camps, nutrition and community service initiatives, and fundraising efforts. She emphasized the importance of athletics in keeping local children engaged and attracting high-quality residents to the area. Membership for the organization is open to anyone interested in supporting youth athletics in Destin, and more information can be found at DestinTouchdownClub.com.

3. CONSENT AGENDA

- A. Resolution 25-05 - Gulf of America
- B. Destin Little League Annual Opening Day Parade
- C. SUN Trail Grant Agreement for Crosstown Connector Multiuse Pathway Design
- D. Atkins Amendment 6 - Crosstown SUN Trail Design
- E. RFB 25-04-REC Batting Cage at MSC
- F. RFB 25-03-REC Buck Destin Park Restroom
- G. RFQ 24-12-CD-Professional Planning and Grant Consulting Services Continuing Services Contracts
- H. Henderson Beach Resort SUB-001479-2024 –Lot 7 Replat – Final Plat Approval
- I. Approval of minutes of February 18, 2025 Council Executive Session
- J. Approval of minutes of February 3, 2025 Regular City Council Meeting

Consent Agenda items 3A and 3H were pulled for further discussion.

Motion by Councilmember Hebert, seconded by Councilmember Geile to approve Consent Agenda items 3B through 3G, 3I and 3J passed 7-0.

Consent Agenda 3A:

The City Attorney read the title of Resolution 25-05 as follows:

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DESTIN, FLORIDA RECOGNIZING AND SUPPORTING PRESIDENT DONALD J. TRUMP’S RENAMING OF THE GULF OF AMERICA PURSUANT TO EXECUTIVE ORDER 14172 RESTORING NAMES THAT HONOR AMERICAN GREATNESS; RECOGNIZING THE GULF OF AMERICA AS HOME TO VIBRANT AMERICAN FISHERIES TEEMING WITH SNAPPER, SHRIMP, GROUPER AND STONE CRAB AND OTHER SPECIES; RECOGNIZING THE GULF OF AMERICA AS A FAVORITE DESTINATION FOR TOURISM AND RECREATION ACTIVITIES; DIRECTING THE CITY ATTORNEY AND CITY MANAGER TO TAKE ALL ACTIONS IN ACCORDANCE WITH THIS RESOLUTION, INCLUDING AMENDMENTS TO CITY RESOLUTIONS AND ORDINANCES AS APPLICABLE; AND PROVIDING FOR AN EFFECTIVE DATE.”

Councilmember Hebert moved to approve Resolution 25-05, seconded by Councilmember Trammell.

Councilmember Destin expressed concern regarding the necessity and implications of the resolution. He questioned the city council's jurisdiction over naming the Gulf and emphasized the area’s deep historical identity tied to the existing name which needs to be preserved. He also noted that federal agencies, such as NOAA, continue to refer to it as the Gulf of Mexico, and suggested tabling the resolution until federal direction is given.

Councilmember Destin proposed a substitute motion to postpone this item until guidance is received from the federal government on the next steps to take. Motion died for lack of a second.

Councilmember Hebert clarified that the purpose of the resolution was simply to amend city ordinances to align with the president's executive order and update language references from "Gulf of Mexico" to "Gulf of America."

Councilmember Bagby noted that the city charter specifically references the "Gulf of Mexico" in multiple places, including Section 2.01, and argued that amending the charter would require a vote of the electorate.

Councilmember Trammell suggested revising the language in the resolution ensuring that any reference to the Gulf of Mexico in existing city records would be construed as referencing the Gulf of America moving forward.

Councilmember Bagby offered a substitute motion to amend the language in the resolution so that it explicitly reflects that any references in their governing documents to the 'Gulf of Mexico' shall be interpreted as also referring to the 'Gulf of America' or similar wording to that effect, ensuring clarity and consistency in their official records. Councilmember Trammell provided a second to the motion, which passed 4-3 (Council members Hebert, Bagby, Destin, and Trammell voted "yes"; Council members Schmidt, Geile, and Braden voted "no").

Consent Agenda Item 3H:

Councilmember Bagby asked the applicant to clarify a reference in the replat regarding "six units with 14 rooms for workforce housing," seeking confirmation that this housing was included in the replat and inquiring whether it was intended for general workforce use or specific to a particular entity.

Mr. David Smith, the engineer of record representing the applicant, confirmed that the replat includes six workforce housing units with 14 rooms, located in the northeast corner of the site. He clarified that this housing is designated for employees of Henderson Beach and is not available to the general public. He also explained that the replat creates Lot 10 and Lot 11 from a replat of Lot 7, with Lot 10 containing four townhome units.

Councilmember Bagby moved to approve Consent Agenda Item 3H as presented, seconded by Councilmember Destin. Motion passed 7-0.

4. CITY MANAGER REPORTS

A. Undergrounding Update and Phase 2 – Discussion

Ms. Stephanie Lindsay, Project Manager for the Utility Consultants of Florida (UCF), presented an update on Phase One of the city's utility undergrounding projects along Highway 98, from Beach Drive to the Marler Bridge. Key updates included:

- FPL Conduit Installation: Completed 95% of equipment placement on the north side of Highway 98.
- Overall Construction Progress: 25% complete as of January 29.

- Temporary Pause: Work paused from January 29 to February 24 due to permitting/material delays from communication carriers, now resolved.
- Communication Carriers: All involved parties (including Unity and Live Oak Fiber) have materials and permits; work resumed.
- Street Lights: Conduits and handholes have been installed; FPL will return later to install poles.
- No Change Orders: None requested to date.
- Upcoming Work: Drilling operations continuing eastbound; anticipated completion late summer 2025.
- Tourist Season Impact: Contractor will coordinate with DOT and local businesses to mitigate disruptions during peak season.
- Future Phasing: Seven future project areas have been identified. Phases can be adjusted or combined at the City's discretion. Design and cost estimates for a new phase would take approximately one year.

Public concern was raised regarding metal survey flags on properties, particularly in residential areas. Ms. Lindsey noted most flags are for commercial properties and committed to confirming with fiber providers (Live Oak and AT&T) about their retrieval. There was a suggestion to use the city's Facebook page to notify residents when flags can be safely removed.

Councilmember Bagby emphasized that late January to February is a key construction window with reduced traffic and tourist activity. He urged that carriers be prepared well in advance of the next tourist season to avoid another work stoppage. He criticized the coordination delay, stating UCF did a "good job, but not a great job" due to missed opportunity during the recent low-traffic window. He requested that UCF ensure all coordination is complete before November to take advantage of next year's window. He then requested an update from the Finance Director regarding the financial status of this project.

Finance Director's Comments on Funding:

- Current Available Funds:
 - \$800,000 from electric franchise fees currently uncommitted.
 - \$500,000 annually in franchise fees available for future debt service.
- Cost Estimates for Future Phases:
 - Each phase estimated at \$15–18 million.
 - City could potentially borrow \$8 million currently, about half the cost of a phase.
 - A balloon payment is due in five years for the current phase; refinancing options will be assessed at that time.
- Grant Opportunities: State and federal resiliency grants are being pursued, especially for Highway 98 as it is a state road.

Councilmember Destin mentioned that the City Charter allows the formation of a Special Municipal Taxing District, enabling neighborhoods to petition for undergrounding and fund it through additional property taxes. He encouraged residents and neighborhoods interested in undergrounding to explore this option, which does not require 100% participation—just a majority.

Councilmember Bagby moved to maintain the current numerical order of phases for planning purposes, particularly to increase the chances of securing state/federal funding for Highway 98; seconded by Councilmember Hebert.

Councilmember Schmidt requested clarification on whether approval of the motion would prompt staff to immediately begin work on the next phase.

Ms. Lindsey explained that no further action, such as obtaining cost estimates, would be undertaken without explicit direction from the council. She emphasized that the motion establishes only a framework for future steps and does not commit to specific actions. Ms. Lindsey also noted that UCF could provide preliminary cost estimates at no charge if requested.

Motion passed 6-1, with Councilmember Braden dissenting.

B. Gator Dredging Request for Release of Bid

The City Manager provided an update on the status of the harbor dredging project, initially awarded to Gator Dredging. He explained that Gator Dredging had requested to withdraw from the contract due to timing conflicts and delays beyond their control, which were originally outlined in the bid documents. Legal counsel and staff, in reviewing the project's complexities, determined that a coastal engineering firm was necessary for successful execution. The council had previously approved the use of Taylor Engineering under a county contract to support this process.

Upon review, Taylor Engineering deemed the existing bid documents inadequate, identifying multiple critical issues, including the proposed spoil placement site overlapping with the Norriego Point Park construction area and conflicts with the shorebird nesting season. These factors would likely result in significant and costly change orders.

As a result, the City Manager recommended that the council approve Gator Dredging's request to withdraw, reject all remaining bids, and allow staff to return with a task order to engage Taylor Engineering to prepare revised specifications for a new bid process, targeting a project start date after the shorebird nesting season in November. Additionally, he noted that discussions are underway with the Army Corps of Engineers to potentially assume long-term responsibility for the dredging, though that remains a future consideration.

Councilmember Trammell moved to release Gator Dredging from their bid proposal for RFB 24-13-PW Old Pass Lagoon Navigational Channel Dredging Project; seconded by Councilmember Hebert. Motion passed 7-0.

C. Appropriations Prioritization

The City Manager explained that Representative Maney's office, in coordination with the city's lobbyist, requested the council to rank the four projects to guide legislative efforts. Although all projects will remain in the funding mix, ranking them helps the lobbyist and Representative Maney target efforts more effectively. The City Manager noted that the ranking provided in the staff report reflects the lobbyist's recommended order based on legislative viability.

Councilmember Schmidt moved to prioritize the projects as follows:

- #1 – Recreation Project – Clement Taylor Park Renovation**
- #2 – Stormwater Infrastructure Project - Mattie Kelly Outfall**
- #3 – Capacity Project – Crosstown Connector**
- #4 – Pedestrian Underpass – Near Stahlman/98 Intersection**

Councilmember Hebert provided a second to the motion.

Councilmember Schmidt expressed dissatisfaction with long-standing unfunded projects and emphasized a desire to focus funding on new or more impactful efforts.

Councilmember Bagby asked Mayor Wagner about his recent conversations in Tallahassee and what he perceived about available funding and legislative priorities.

Mayor Wagner responded that the Crosstown Connector, due to its regional connectivity and longstanding history, gained attention from the Governor's Deputy Chief of Staff. He noted that most funding energy appears to be focused on securing one or two major projects this year, due to tightened budget constraints, and that membership program-based appropriations are not expected to perform well. He supported deferring to the lobbyist's ranking.

Acknowledging past experience with legislative processes and the likelihood of certain projects being more viable, Councilmember Bagby emphasized the importance of relying on professional lobbying guidance. He noted that some projects may receive partial funding from alternative sources and that the underpass could be framed as a more localized legislative request.

Councilmember Bagby proposed a substitute motion to prioritize the projects in their current listed order, as recommended by the City of Destin's hired lobbyist, as follows:

- #1 – Capacity Project – Crosstown Connector**
- #2 – Stormwater Infrastructure Project - Mattie Kelly Outfall**
- #3 – Pedestrian Underpass – Near Stahlman/98 Intersection**
- #4 – Recreation Project – Clement Taylor Park Renovation**

Councilmember Trammell provided a second to the substitute motion.

Councilmember Destin highlighted the close relationship between the Crosstown Connector and the Stahlman Avenue Underpass, stating that failing to address the intersection while rerouting traffic through it would undermine the effectiveness of the Crosstown Connector. He expressed support of the substitute motion, reinforcing the need for integrated planning and coordination.

Councilmember Bagby agreed with Councilmember Destin's point about the interconnectivity of the two projects. He added that while he chose not to elevate the underpass

in the ranking, he had confidence in Representative Maney's ability to secure funding for the Crosstown Connector again, and he hoped that other officials would recognize the need to fund both projects together. He noted his connections with the Governor's new Deputy Chief of Staff could also help support the city's requests.

The substitute motion passed 4-3 (Council members Hebert, Bagby, Destin, and Trammell voted "yes"; Council members Schmidt, Geile, and Braden voted "no").

D. Crystal Beach Plans

The City Manager provided an update on the Crystal Beach parking lot plans following a request from the council at the prior meeting. In March 2023, the City Council approved a 10% design plan, which has since been advanced to a 60% design. Plans were presented at the meeting for council review and discussion. The project is a joint venture between the city and the county, with participation from Deputy County Administrator Craig Coffey. The City Manager noted that the city's former engineer had concerns about traffic circulation in the 60% plan, particularly regarding back-in parking onto the roadway. The county had proposed removing fewer parking spaces, whereas the city engineer had proposed a circulation pattern that required eliminating more parking spaces.

Councilmember Geile expressed frustration with the county's lack of concern about Destin's traffic issues. He noted the county's overdevelopment, referencing the influx of hotels and car wash places, and stated that the city bears the brunt of resulting traffic congestion. He opposed adding more parking spots and suggested selling isolated residential property between the city-county jointly purchased lots, distributing the proceeds proportionally and reallocating the city's share to other projects.

Councilmember Braden questioned why eliminating a few parking spaces was problematic, highlighting safety concerns with vehicles backing into the highway. He pressed for a clearer turnaround solution and expressed dissatisfaction with receiving updated plans at the last minute.

Deputy County Administrator Craig Coffey explained that a compromise was reached to provide a circular traffic pattern while maximizing parking. Four spaces were eliminated to allow turnaround functionality. He reminded the council that the city and county had invested significantly (over \$3.5 million) in the property and emphasized the importance of moving forward after years of planning. He reaffirmed the county's support and noted the project would increase safe, accessible beach access without increasing tourist volume. He stated that the revised plans reflect the compromise between the city engineer's recommendations and county goals.

The removal of a bike rack was proposed to allow for a turnaround area. Mr. Coffey stated that whether two or four spaces were eliminated, the critical goal was to avoid unsafe back-out situations. A plan was proposed to include a one-way circular flow to improve safety.

Staff explained that the 60% plan on display was from the county and reviewed based on earlier staff comments on the 10% plan. The two plans discussed—one eliminating two spaces and one eliminating four—were both dated April 2023 and created by Baskerville-Donovan in

collaboration with the city's former engineer. Neither fully comply with the city's land development code, and six variances would likely be required for approval. Staff explained that without a current engineer on staff, a full development review was not yet conducted.

The City Attorney clarified that if a plan does not meet the city code, it must go before the Board of Adjustment (BOA) for variances. If variances are denied, the plan would be returned to the council. An alternative would be to amend the code for Crystal Beach Gulf-front parks to accommodate the unique limitations of the site. The council was cautioned that six or more variances would be required, including reduced setback buffers and circulation exceptions.

Councilmember Bagby acknowledged the years of planning and partnership with the county. He stated that although he preferred the plan to eliminate four spaces (for improved safety), he was open to bringing both the two- and four- space-elimination plans back to the council after staff consults with the county.

Councilmember Bagby moved to direct staff to bring back two proposed parking plans – one with a reduction of four parking spaces and another with a reduction of two – after consulting with the county. These revised plans would be presented to the council no later than the first meeting in April for their consideration. The motion was seconded by Councilmember Trammell.

Councilmember Schmidt opposed proceeding with designs that do not meet local ordinances and described the current proposals as flawed.

Council members Geile and Schmidt advocated designing within code and suggested the initial land purchase may have been a mistake due to constraints of the site.

Councilmember Schmidt offered a substitute motion to require that any plans brought back for consideration must fully comply with the City of Destin's current code, with no variances required; seconded by Councilmember Geile. Motion passed 5-2 (Council members Schmidt, Geile, Hebert, Trammell, and Braden voted "yes"; Council members Bagby and Destin voted "no").

Councilmember Bagby walked through the variances with staff and explained how the design aimed to strike a balance between safety, code, and maximizing public use. He emphasized that the current plan, while imperfect, is a compromise based on significant investment and lengthy planning.

Staff explained that several variances would be needed for the current designs:

1. Throat clearance – Not meeting the 40-ft width minimum at entrance/exit.
2. Terminus parking islands – Lacking required 100 sq. ft. landscaped islands with trees.
3. Setbacks – Side setbacks on multiple parcels do not meet code.

Mr. Coffey stated that the plans were developed based on guidance from both parties and aimed at balancing parking availability with site limitations.

Council members discussed the purpose of the park: whether it was to maximize parking or to provide safe beach access. Multiple members expressed concern about the optics of approving projects with multiple variances while holding private developers to strict standards.

Councilmember Destin suggests they reconsider the prior action of the council due to confusion over the implications of Councilmember Schmidt's substitute motion (i.e., that requiring full code compliance could render the park project infeasible),

Councilmember Hebert moved to reconsider the vote on the previous motion made by Councilmember Schmidt. The motion was seconded by Councilmember Trammell. Motion to reconsider passed 4-3 (Council members Hebert, Bagby, Destin, and Trammell voted "yes"; Council members Schmidt, Geile, and Braden voted "no").

Revote on Councilmember Schmidt's substitute motion:

"Motion to require that any plans brought back for consideration must fully comply with the City of Destin's current code, with no variances required."

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

Vote on Councilmember Bagby's original motion:

Councilmember Bagby moved to direct staff to work with the county and bring back two revised plans – one with a four-space reduction and another with a two-space reduction – for the council's consideration: seconded by Councilmember Hebert. Motion passed 4-3 (Council members Hebert, Bagby, Destin, and Trammell voted "yes"; Council members Schmidt, Geile, and Braden voted "no").

E. TDC FY26 Expenditure Plans for the Promotion of Tourism

The City Manager introduced this item regarding TDC funds allocated annually by the county. For fiscal year 2026, the city anticipates receiving approximately \$1.9 million, and a detailed spending plan was presented, including categories such as salaries, contract services, utilities, insurance, and maintenance. He clarified that unspent budgeted amounts remain available for discretionary spending on approved TDC expenses. Additionally, due to accounting corrections, the city identified an extra \$1.5 million previously unaccounted for, leaving approximately \$1.7 million currently available for discretionary spending. He suggested reserving this amount to potentially match funds from Triumph Gulf Coast, which requires projects to have local funding commitments first.

Councilmember Schmidt moved to authorize the City Manager to sign and submit the expenditure plans for Beach and Boardwalk operations, the Advanced Funding Agreement annual payment, and to allocate an additional \$300,000 to the Pickleball Finance fund and \$300,000 to the Morgan Sports Complex Fieldhouse restroom project, seconded by Councilmember Hebert.

Councilmember Bagby inquired about the estimated cost of undergrounding the pedestrian walkway at Stahlman Avenue and Highway 98, with staff estimating a cost between \$12-\$15 million. Councilmember Bagby suggested combining funds from various sources, including TDC, FDOT, TPO, and Triumph Gulf Coast, to fund this significant infrastructure project.

The Finance Director clarified previous county funding arrangements, expected bed tax revenue declines, and affirming the city's solid financial standing despite these anticipated reductions. She also addressed concerns regarding the city's financial buffer, confirming an existing \$600,000 buffer from the TDC-awarded funds for ongoing park developments at Crystal Beach and Tarpon Beach.

The Finance Director supported the proposed allocations by Councilmember Schmidt, noting the appropriateness and feasibility of the proposed expenditures within existing and anticipated financial resources.

Councilmember Destin initially offered a substitute motion delaying the decision to better understand the financial implications but ultimately withdrew his substitute motion after receiving further clarification.

Motion passed 7-0.

F. Community Center Exterior Building Envelope Inspection

The City Manager provided an update on the community center, specifically regarding the exterior building envelope inspection. At the previous meeting, the Council approved up to \$14,100 for this work. A contract has since been signed with BECI for \$9,500 to conduct the inspection and produce the related documentation. Once the inspection report is received, staff may return to request authorization for BECI to assist with drafting bid documents to ensure all identified issues are properly addressed in future construction bids. No Council action is required at this time.

G. Park Master Plan - Agreement and Work Authorization

The City Manager introduced the item and referenced the City's February 3rd visioning session. He noted that pocket parks, landscaping, and tree planting had emerged as important themes for the council. In response, staff had begun identifying available parcels of land throughout the city that could potentially be developed into pocket parks or green spaces. The idea was to create prototype layouts and cost estimates for different parcel sizes, creating a flexible planning menu to support the council's vision.

Councilmember Schmidt moved to approve the agreement and work authorization #1 with Perez Planning and Design LLC for RFP 24-03-REC Parks and Recreation Master Plan and direct the City Manager to execute both documents, seconded by Councilmember Trammell.

Councilmember Schmidt expressed support for executing the contract but opposed giving consultants pocket park concepts at this stage, as he felt the council had not collectively agreed on them.

Councilmember Hebert also expressed concern about the inclusion of pocket parks, stating that she preferred focusing on the city's existing, established parks, emphasizing the value of investing in and maintaining those instead of allocating resources toward new small-scale parks.

Councilmember Trammell clarified that pocket parks refer to small, underutilized city-owned parcels, including unmaintained rights-of-way or vacant lots, that could be repurposed as community gathering spaces. She emphasized that staff currently lacks a comprehensive list of such parcels and that identifying them should be part of the master plan process. She stated that these spaces could serve as low-cost community assets for local neighborhoods.

Councilmember Destin supported Councilmember Trammell's explanation and reiterated that identifying available parcels was discussed at the visioning session. While he expressed skepticism about commissioning another expensive study, he acknowledged that the focus on parks aligned with the council's priorities.

Councilmember Bagby supported the concept of pocket parks as simple, low-maintenance spaces like benches or picnic tables on small leftover parcels from developments. He emphasized that these were not major developments like large sports complexes, but modest enhancements to neighborhood livability.

Councilmember Geile recalled that the city previously had an Excel spreadsheet listing city-owned parcels and easements, possibly compiled during earlier work with SRS. He suggested that the data be revisited. He also expressed concern about maintenance costs and staff capacity and advocated focusing efforts on improving and maintaining existing parks before expanding to new spaces.

The discussion concluded with a consensus that while pocket parks may have a place in the overall vision, the primary focus of the master plan is broader. The council supported moving forward with the planning contract, with multiple members clarifying that future decisions regarding pocket parks would require further council input and budgeting considerations.

The motion passed 7-0.

H. Draft Minutes of Standing Boards & Committees - Informational Only

I. Announcements

- 1) It has been noted that three council members will be unable to attend the March 17th meetings, which include an Executive Session, a CRA Board Meeting, and a Regular Council Meeting. If one additional member is unable to attend, a quorum will not be met for any of these sessions. Any council members uncertain about their availability are asked to inform staff as soon as possible so that appropriate announcements can be made.
- 2) During the recent visioning session, the Town Center Master Plan was discussed. Staff has followed up with SRS, and they have confirmed that the master plan

package, including all narratives, will be sent during the week of March 10th. The council will receive this information as soon as it is available.

- 3) The Destin Fishing Hall of Fame induction ceremony will take place on Friday at 10:00 a.m. at the Community Center. This year's inductees are:
 - A. William Frank Davis Sr.
 - B. H.F. "Chubby" Destin
 - C. Buddy Gentry
 - D. Cecil Leonard Woodward
- 4) A Public Works & Public Safety Meeting will be held on March 11th at 5:30 p.m. at the Annex. Among the topics for discussion will be e-bikes, a subject of recent public interest. Residents are encouraged to attend.
- 5) At the upcoming March 17th City Council Meeting, representatives from Kimley-Horn will present on Intelligent Intersections and Intelligent Transportation Systems.
- 6) Prior to the city council meeting on March 17th, a CRA Board Meeting will be held at 5:30 p.m.
- 7) A Spring Break Camp for children ages 5 to 12 will be offered at the Destin Community Center from March 17th to March 21st. The camp will feature various activities, including water park visits, recreation, and arts and crafts.
 - Cost: \$150 for Destin residents | \$180 for non-residents
 - Hours: 9:00 a.m. – 5:00 p.m.
 - Pre-registration is required.
- 8) As requested by the council, staff have gathered information on the previous utility box wraps project. The cost for these wraps ranged from \$1,000 to \$1,632, depending on the size of the box. The designs were customizable, but per City signage regulations, they must remain decorative only, with no text or symbols. The quoted prices include printing, fabrication, and installation.

5. PUBLIC HEARINGS

- A. First Reading Ordinance 24-05-CN - Abandonment of a segment of environmental preservation area in Pine Ridge Trace Subdivision.

The City Attorney read proposed Ordinance 24-05-CN by title and then presented it to the city council on first reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA, PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR ABANDONMENT OF A SEGMENT OF ENVIRONMENTAL PRESERVATION AREA IN PINE RIDGE TRACE SUBDIVISION; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Attorney Jeff Burns appeared on behalf of the applicant, Ms. Amanda Belcher, requesting the city vacate a small portion of an Environmental Preservation Area located adjacent to her property in the Pine Ridge Trace Subdivision. Mr. Burns explained that Ms. Belcher's request predates the city's broader vacation request for the entire right-of-way and stemmed from a code enforcement issue initiated in May 2023. He provided historical context, noting the area was originally dedicated in 1983 to the county but was never incorporated into either the county or city's park plans.

Mr. Burns emphasized that residents, including Ms. Belcher had treated the area as part of their backyards for decades, with fencing, porches, and sheds constructed over the land. Ms. Belcher inherited her property as a family gift in 1994 and was unaware of the true property boundaries until contacted by code enforcement. He noted that the city had even issued permits in 2011 to run utilities to the shed on the property, further suggesting the area was mistakenly assumed to be private land. Mr. Burns stressed Ms. Belcher is not a developer but a long-time local resident and housekeeper seeking to remain in her home without having to demolish existing improvements. He concluded by requesting council's approval of the vacation.

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 Braden moved to approve Ordinance 24-05-CN on first reading and advertise it for second reading; seconded by Councilmember Bagby.

At this time, both Council members Herbert and Destin announced they will abstain from voting due to a conflict of interest.

Motion passed 5-0. Council members Destin and Herbert abstained from voting.

B. First Reading Ordinance 24-16-CN - Abandonment of the Environmental Preservation area in Pine Ridge Trace Subdivision

The City Attorney read proposed Ordinance 24-16-CN by title and then presented it to the city council on first reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA, PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR ABANDONMENT OF THE ENVIRONMENTAL PRESERVATION AREA IN PINE RIDGE TRACE SUBDIVISION; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Public Works Deputy Director Joe Bodi presented in support of the city's ordinance for the broader vacation of the entire Environmental Preservation Area in the Pine Ridge Trace subdivision. Mr. Bodi explained that during review of Ms. Belcher's application, staff identified widespread encroachments into the area, including sheds, fences, cleared vegetation, and parking areas. Based on aerial imagery from 2023, 31 of 66 adjacent properties had encroachments, with others having modified the land. City staff evaluated whether to initiate widespread code enforcement actions or to pursue vacation of the right-of-way. Leadership determined it would be in the city's best interest to vacate the area. Mr. Bodi confirmed that the request meets all five

criteria outlined in the City's Land Development Code. He noted Destin Water Users requested a utility easement between Indian Trail Court and the adjacent airport property, which was accommodated. The Destin Executive Airport had no objections, provided residents comply with the city's aircraft zoning regulations. Mr. Bodi concluded by stating the Local Planning Agency had reviewed and recommended approval of the city's vacation request.

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 Trammell moved to approve Ordinance 24-16-CN on first reading and advertise it for second reading; seconded by Councilmember Bagby. Motion passed 5-0. Council members Destin and Herbert abstained from voting.

- C. This is the second public workshop concerning the adoption of the City of Destin's new Mobility Fees based on the Mobility Fee Study consistent with sections 163.3180 and 163.31801, Florida Statutes. City Council will discuss and consider all public input at this workshop, which is the second workshop dedicated to the extraordinary circumstances necessitating the need to exceed the phase-in limitation set forth in Florida Statutes.

The City Attorney opened the item, reiterating that this is the second required public workshop. She emphasized the need to demonstrate extraordinary circumstances in order to justify increasing mobility fees beyond the limits prescribed by state law. She noted that Destin has not updated its transportation impact fees in 16 years, a key factor in qualifying for the statutory exception.

Ms. Lauren Witt and Mr. Allan Steinbeck from 3TP Ventures presented the findings and recommendations of the Mobility Fee Study, highlighting the following:

- **Project Timeline:** The study began in June of the previous year and concluded in November. The first workshop was held previously, and this meeting served as the second. The final ordinance must be adopted by June 27, 2025, to remain compliant with the study's 12-month validity window.
- **Effective Date:** If adopted, the new fees must become effective at least 90 days after adoption.
- **Statutory Framework:** The Florida Statutes limit fee increases to 50% over four years unless a demonstrated need study is conducted, two public workshops are held, and the ordinance is adopted by a two-third vote.
- **Justification for Fee Increases:** The consultant cited significant cost increases in construction materials (up 32% since COVID-19) and disruptions to global supply chains. These factors have severely limited the current transportation impact fees' ability to fund needed infrastructure.

- Policy Options for Council:
 1. Adopt the full recommended maximum fees from the study.
 2. Adopt a discounted fee structure, offering a 50% discount for long-term single-family residential dwellings and removing discounts for retail shopping centers and supermarkets.
- Fee Examples:
 - A long-term single-family home (4,700 sq ft) would see a fee of \$1,789 with the 50% discount, compared to the current \$1,896.
 - Conversion from retail to restaurant would require a net fee of \$36,000 after crediting the existing use.
 - A short-term rental conversion from long-term residential would trigger an additional \$42,500 in fees.

The mayor opened a public hearing to receive comments from the public regarding the second public workshop concerning the adoption of the city's new mobility fees. Having none, the mayor closed the public hearing and turned the matter over to the city council for discussion.

Councilmember Bagby expressed appreciation for the revised fee structure and emphasized the need to establish a clear starting point—suggesting that the council should adopt the maximum allowable fees and make adjustments later by applying discounts. He raised the question of next steps, specifically when the council would have the opportunity to formally vote and debate specific line items.

The City Attorney responded that a draft ordinance is currently being prepared and could be presented for first reading soon. The council could also hold a special meeting to walk through fee line items and decide what to discount. She reiterated that:

- Adoption must occur by June 27, 2025, to remain in compliance with the study.
- The Council should base all decisions on the documented study to avoid arbitrary changes.
- Discounts or alternative approaches must be tied back to the study and justified with supporting data.

Councilmember Destin reflected on the original adoption of road impact fees decades ago, noting the significant involvement of the building industry at the time. He expressed concern that the industry may be unaware of the proposed changes, despite the large fee increases involved. He emphasized that under this plan, single-family homes, restaurants, and commercial developments could see tens or hundreds of thousands of dollars in new fees. He also stated that the council retains the option to:

- Reject the new methodology.
- Increase existing transportation impact fees using a separate study.
- Proceed with this proposed structure but make thoughtful reductions where appropriate.

The mayor inquired whether the long-term residential impact fees were being increased.

The consultant confirmed they would be increased slightly under the new structure—fees that were previously aligned with current transportation fees were adjusted upward to a 50% discount, based on council feedback from the previous workshop.

The mayor supported adopting maximum fees initially, followed by thoughtful application of deductions to reward projects that align with community values, such as those promoting walkability and quality of life. He noted this approach provides the city with more flexibility in evaluating future developments.

The Council generally acknowledged that:

- Some proposed fees are significantly higher, especially for larger homes and commercial projects.
- Adoption of maximum fees provides a strong negotiating position, while discounts can be selectively applied for desirable development.
- The study provides a legal and data-driven foundation to exceed statutory limits, but decisions must be defensible and justifiable under the study's findings.

- D. Second reading of Ordinance 24-23-CC - Requiring short-term rental registrations at multi-family units, including condominium units, within the City of Destin; providing for authority; providing for findings of fact; distinguishing between short-term rental registrations for single-family homes and short-term rental registrations for multi-family units; renaming Article VI of Chapter 13 "Registration of short-term rentals (single family) but making no other amendments to the regulations for short-term rentals for single-family homes; creating Article VI(a) of Chapter 13, "Registration of short-term rentals (multi-family); requiring an application for such registration and authorizing registration fees for short-term rentals at multi-family units; requiring a local responsible party for short-term rentals at multi-family units.

The City Attorney read proposed Ordinance 24-23-CC by title and then presented it to the city council on second reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA REQUIRING SHORT-TERM RENTAL REGISTRATIONS AT MULTI-FAMILY UNITS, INCLUDING CONDOMINIUM UNITS, WITHIN THE CITY OF DESTIN; PROVIDING FOR AUTHORITY; PROVIDING FOR FINDINGS OF FACT; DISTINGUISHING BETWEEN SHORT-TERM RENTAL REGISTRATIONS FOR SINGLE-FAMILY HOMES AND SHORT-TERM RENTAL REGISTRATIONS FOR MULTI-FAMILY UNITS; RENAMING ARTICLE VI OF CHAPTER 13 "REGISTRATION OF SHORT-TERM RENTALS (SINGLE FAMILY) BUT MAKING NO OTHER AMENDMENTS TO THE REGULATIONS FOR SHORT-TERM RENTALS FOR SINGLE-FAMILY HOMES; CREATING ARTICLE VI(A) OF CHAPTER 13, "REGISTRATION OF SHORT-TERM RENTALS (MULTI-FAMILY); REQUIRING AN APPLICATION FOR SUCH REGISTRATION AND AUTHORIZING REGISTRATION FEES FOR SHORT-TERM RENTALS AT MULTI-FAMILY UNITS; REQUIRING A LOCAL RESPONSIBLE PARTY FOR SHORT-TERM RENTALS AT MULTI-FAMILY UNITS; 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. Joan Blatten addressed the cost burden on condo owners, citing rising insurance, new state inspection requirements, and added city fees. She emphasized that condos self-manage with staff, security, and vendors and should not be treated the same as short-term rental houses. She urged the city to reconsider the fee, warning that continued taxation could deter tourism in Destin.

Mr. Ken Wampler argued that hotels also contribute to public facility strain and should not be excluded from fees. He noted a 44% increase in hotel inventory in 2024 and emphasized this affects city resources. He called the fee on condos "taxation without representation," given that condos already fund services through their associations. He stated that bed tax revenues (e.g., \$21 million in 2023) already support beach safety and sheriff services. He urged the council to reconsider the ordinance and expressed concern over implementation without clear benefit to condo owners.

Ms. Louisa Blalock spoke as both a condo owner and property manager. She expressed concern over the administrative burden and compliance cost that new registration processes and fees would place on property managers. She asked the city to keep processes simple and fees reasonable, especially for smaller units and one-bedroom condos. She highlighted how new structural assessments already create financial strain on condo owners.

Ms. Tiffany Edwards advocated for fairness between hotels and vacation rentals in implementing fees. She refuted the idea that vacation rentals contribute less economically, citing studies showing tourists spend significantly in the area. She mentioned a company that provides tourism experiences funded by vacation rentals; further demonstrating the sector's local economic contribution. She asked for equitable treatment in policy affecting all tourism entities.

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 Geile moved to adopt Ordinance 24-23-CC on second reading; seconded by Councilmember Schmidt.

Councilmember Bagby clarified some misconceptions. He noted that hotel inventory growth is mostly outside city limits and suggested hotels may be reconsidered for inclusion later. He proposed working with the Clerk of Court for registration and tax collection rather than burdening city staff. He acknowledged concerns over condo assessments and pledged fairness in setting future fees, with smaller units possibly paying as low as \$300.

Councilmember Hebert emphasized that the intention is not to burden condo owners. She supported a small, square-footage-based fee to maintain fairness. She reiterated that the city cares about residents' concerns and values public input.

Councilmember Destin agreed that condo associations already manage their properties effectively. He expressed discomfort approving the ordinance without knowing what the final fee will be but supported moving forward for now.

Councilmember Braden highlighted the \$3.3 million annual cost the city pays for sheriff services, funded by the general fund (not TDC). He argued that condos still rely on public safety

services in emergencies, thus contributing to city costs. He expressed support of the ordinance, citing broader responsibilities the city must address.

Councilmember Schmidt acknowledged both public concerns and the city's needs. He stressed the importance of equity between condos and houses. He expressed disappointment that hotels were being excluded after suggesting fairness across all sectors. He committed to ensuring the collected fees are used appropriately and not just to expand bureaucracy.

Motion passed 7-0.

- E. Second Reading/Motion to Rescind Approval on First Reading of Ordinance 25-01-CC requiring short term rental registrations for rentals of commercial lodging units (including but not limited to hotels, motels, bed and breakfasts, condotels, and similar facilities) within the City of Destin; providing for authority; providing for findings of fact; providing for definitions; distinguishing between short-term rental registrations for residential units and registrations for commercial lodging units; creating article vi(b) of Chapter 13, "registration of short-term rentals (commercial); requiring an application for such registration and authorizing registration fees for short-term rentals at commercial lodging units; requiring a local responsible party for short-term rentals at commercial lodging units.

Motion to rescind approval on first reading of Ordinance 25-01-CC passed 4-3 (Council members Hebert, Bagby, Destin, and Trammell voted "yes"; Council members Schmidt, Geile, and Braden voted "no).

- F. Matt Taylor of AtkinsRealis, on behalf of the City of Destin, is requesting approval of a Major Development Order application (DEV-001449-2024) & a Major Subdivision (SUB-001448-2024) application. This project includes the subdivision of the parcels herein to establish City Right-of-Way (ROW) and associated recreationallly zoned parcels, as well as construction of a road connecting Legion Drive to Azalea & Benning Drive, and the associated site infrastructure. The subject project is located at 700 Legion Drive, 215-217 Beach Drive, 209 Beach Drive, 601-611 Sandalwood Drive, and unaddressed parcel fronting Benning Drive (Parcel IDs: 00-2S-22-2335-0000-0130, 00-2S-22-3083-000B-0180, 00-2S-22-3083-000B-0170, 00-2S-22-0000-0009-0000, 00-2S-22-2167-0000-0300, 00-2S-22-2167-0000-0310, 00-2S-22-2167-0000-0280, 00-2S-22-2167-0000-0320, 00-2S-22-2167-0000-029A, 00-2S-22-2167-0000-0330, 00-2S-22-2167-0000-0270, 00-2S-22-2167-0000-0340, 00-2S-22-2167-0000-0260, 00-2S-22-2167-0000-0250, & 00-2S-22-5555-0000-0020).

The Principal Planner provided an overview of a development initiative known as the Cross-Town Connector, focusing specifically on the development order and subdivision aspects of the project. The project involves the transformation of existing residential properties to facilitate the creation of a new right-of-way. This process is part of a phased approach that begins with obtaining preliminary plat approval for the subdivision. The planner clarified that the request before the board was strictly for preliminary plat approval at this stage. Once preliminary plat approval is secured, the next procedural steps would involve returning before the council for Future Land Use Map (FLUM) amendments and rezoning actions. These changes are necessary

to officially convert the subject parcels from residential use to recreational right-of-way use, aligning with the larger goals of the Cross-Town Connector project.

Councilmember Bagby moved to approve Destin Crosstown Connector, a Major Development Order and Major Subdivision, as presented; seconded by Councilmember Hebert. Motion passed 7-0.

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

A. Councilmember Braden

B. Councilmember Trammell

Motion by Councilmember Hebert, seconded by Councilmember Trammell, to appoint Preston Green to the Town Center CRA Advisory Committee passed 7-0.

Motion by Councilmember Geile, seconded by Councilmember Trammell, to appoint Jan McGraw to the Parks & Recreation Committee passed 7-0.

Motion by Councilmember Trammell, seconded by Councilmember Hebert, to appoint Jessica Jullian to the Parks & Recreation Committee passed 7-0.

C. Councilmember Destin

Snapper Drive Drainage Project: Councilmember Destin:

- Acknowledged the need to address Mr. Dulles' flooding issue.
- Recommended revisiting the original 2017 drainage plan instead of using neighboring properties for water retention.
- Urged Public Works and the City Manager to find a solution that satisfies all affected property owners.

D. Councilmember Bagby

Reported multiple complaints from residents about Live Oak Fiber damaging irrigation systems and other utilities during installation. Requested a review of the city's lease agreement with Live Oak Fiber to determine potential remedies for affected homeowners. He asked to place this item on the next council meeting agenda.

E. Councilmember Hebert

Noted an impending heavy rainstorm and requested immediate action to protect Mr. Dulles' property. She asked Public Works to deliver and remove sandbags to prevent flooding of his driveway.

F. Councilmember Geile

1) Projects Status/Updates

Councilmember Geile supported Councilmember Bagby's request to review Live Oak Fiber's lease agreement. He requested that the review include other contractors engaged in similar work as multiple companies may be responsible for infrastructure damage.

G. Councilmember Schmidt

Councilmember Schmidt requested that Ordinance 05-04-LC regarding Mobile Vending be added to the April meeting agenda.

H. Mayor Wagner

The mayor requested an agenda item for the next meeting on implementing a Mobility on Demand program.

I. City Attorney

The City Attorney announced that: Pursuant to Section 286.011(8), Florida Statutes, the City Attorney desires the advice of the City Council in the case of Jeffrey Zurick v. Destin Apartments, LLC and City of Destin, FL, 2023 CA 000779 (Okaloosa County, Florida 2023) and as such, is calling for an Executive Session to be held in the City Council Chambers at the Destin City Hall Annex, 4100 Indian Bayou Trail, Destin, Florida 32541, on March 17, 2025 at 5:00 pm Central. Present at the Executive Session will be a court reporter, Mayor Bobby Wagner; all City Council Members; Larry Jones, City Manager; Litigation Attorney for the City of Destin, Erik Krebs; and the City Attorney Kimberly Romano Kopp.

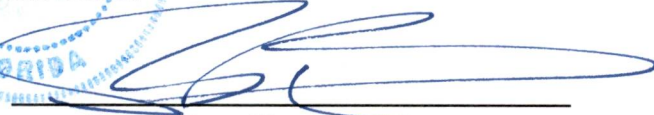
7. PUBLIC COMMENTS

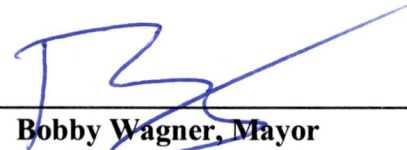
ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 10:35 PM.



ATTEST:


Rey Bailey, City Clerk


Bobby Wagner, Mayor