

**REGULAR MEETING  
DESTIN CITY COUNCIL  
FEBRUARY 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 Dewey Destin  
Councilmember Jim Bagby  
Councilmember Rodney Braden

**Destin City Staff**

City Manager Larry Jones  
Parks & Recreation Director Lisa Firth  
Public Works Director Michael Burgess  
Projects/Grants/Contract Manager Jeffrey Cozadd  
Parks & Rec Deputy Director Ryan Reed  
Public Information Director Tamara Young  
City Attorney Kimberly Kopp

City Clerk Rey Bailey  
Finance Director Krystal Strickland  
Code Compliance Manager Troy Williams  
Building Official Noell Bell  
Recreation Department Brian Myers  
IT Director Andy Peters  
Recreation Department Brian Kellar

**CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE**

Mayor Bobby Wagner called the meeting to order at 6:00 PM. Pastor Steve Farris of the First Baptist Church in Destin gave the invocation, which was then followed by the recitation of the Pledge of Allegiance.

**AGENDA APPROVAL**

- Consent Agenda items 3A, 3B, and 3E pulled for discussion.
- Move 6A3 – *Noise Ordinance* – to the next council meeting.
- Place the topic *Residential Design Standards* to the agenda section under Councilmember Trammell comments.
- Move the topic *Lobbyist Engagement Policy* to the agenda section under Mayor Wagner comments

**Motion by Councilmember Schmidt, seconded by Councilmember Bagby, to approve the agenda, as amended, passed 6-0 (Councilmember Hebert was absent from the meeting).**

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

### **A. Update from DEP on Construction of Norriego Point Park and Joe's Bayou Improvements**

The Public Information Director provided the following update on two major construction projects: Norriego Point and Joe's Bayou/Mattie Kelly Park Improvements. She stated that the full details of these projects, including timelines and progress reports, have been made available on the city's website under "News & Info."

- The permit applications have been submitted to the relevant agencies, and public notifications were completed without objections.
- The DEP permit has been received, while the COE permit is still pending. Once the COE permit is obtained, the 90% design plans will be finalized, reviewed by city staff, and presented to the Parks and Recreation Committee, as well as the city council, anticipated to occur this month or next.
- The plans will then be submitted to the City's Development Department for a development order (DO). Following the receipt of the DO, the DEP will advertise construction bids, with the bidding and award process expected to take place between May and July 2025. Substantial completion of construction is projected for February 2027.
- Field investigations, data collection, and public outreach have been completed. Updates are available on the dedicated Joe's Bayou website with project details and diagrams.
  - Bid advertisement & contract award: May–July 2025
  - Substantial completion: February 2027

Councilmember Schmidt inquired whether construction fencing will be installed along the entire length of Norriego Point. He suggested that if fencing is in place, it should effectively prevent boats from accessing the construction area.

The Public Information Director confirmed that signage has been placed but will follow up on fencing details before March to explore proactive measures the city could take.

Councilmember Destin requested an update on parking availability alongside the extension of Gulf Shore Drive, given that the park will require adequate parking.

Staff confirmed that roadwork is nearly complete, with only the final lift remaining. Once the park is finished, striping and painting will be completed, and the road will be fully operational.

Councilmember Trammell asked whether boats will still be able to park in the embayment on the opposite side of Norriego Point during construction, or if those areas will be blocked as well.

The Public Information Director recalled that fencing was initially planned for the embayment side, not the harbor side, but will verify whether this plan has changed and provide an update at the next meeting.

Councilmember Bagby proposed that the city prohibit all boat parking on the harbor side of Norriego Point until construction is complete. He expressed concerns about inconsistent enforcement if parking rules changed weekly based on project progress. A uniform restriction would simplify enforcement and support the construction timeline.

The Public Information Director stated that the DEP could fully support such a restriction but noted that no official policy has been implemented yet.

## **2. PUBLIC COMMENTS**

Mr. Dan Dulles, a Destin resident, addressed the council regarding the ongoing work by Live Oak Fiber Company in his neighborhood. He noted that the company is currently installing conduit for fiber optic cables along his street as well as Juanita Drive. While he was uncertain about the full extent of the project, he observed that a significant portion of the area was being worked on. He commended the company for the quality of their work. He had concerns that the installation might damage his sprinklers, but after checking them following the recent cold weather, he found that everything was still in working order. He concluded his remarks by extending his appreciation to the city for coordinating the project and commending the workers for their professionalism.

Mr. Steve Napier, a Destin resident, expressed his gratitude for the city's efforts in addressing a long-standing flooding issue in his neighborhood. He specifically thanked the city for installing a swale, which has helped mitigate some of the flooding problems on his street. Additionally, he appreciated the city's work in cleaning out drains in the area, noting that these efforts have made a significant difference.

Mr. Napier then brought attention to another concern in his neighborhood, highlighting a safety hazard at the corner of TeePee and Indian Bayou North. He described a large hole near the curve in that area, which he feared could pose a danger, particularly to children. He recalled that a few months ago, the city's road department or another entity placed a cone to mark the hole. However, he expressed concern that children might not heed the warning, especially during snowy conditions, increasing the risk of injury. He urged the council to be aware of the issue and consider addressing it before an accident occurs.

## **3. CONSENT AGENDA**

- A. Community Center Windows and Door Replacement, Roof Sealing, Stucco Repair  
RFP 25-01-REC
- B. Park Master Plan - Agreement and Work Authorization
- C. Coastal Engineering Services - Taylor Engineering, Inc.
- D. Dredge Interlocal with the County
- E. Contract Approval - Paystar
- F. Approval of minutes of January 21, 2025 Special City Council Meeting
- G. Approval of minutes of January 6, 2025 Council Executive Session

#### H. Approval of minutes of December 16, 2024 Regular City Council Meeting

Consent Agenda items 3A, 3B, and 3E were pulled for discussion.

**Motion by Councilmember Bagby, seconded by Councilmember Destin, to approve Consent Agenda items 3C, 3D, and 3F through 3H, passed 6-0 (Councilmember Hebert was absent from the meeting).**

#### Consent Agenda item 3A:

Councilmember Bagby raised concerns about the approach the city was taking to address water leaks at the Community Center. He pointed out that the current process—bringing in general contractors to assess the issues and provide bids—was problematic. Instead, he suggested that the city issue a Request for Proposal (RFP) for an inspection by a qualified professional who specializes in identifying water intrusion issues. He explained that an inspector could provide a comprehensive list of necessary repairs, such as sealing specific windows, fixing sections of the roof, and repairing doors. This approach, he argued, would create a clear scope of work for contractors, ensuring consistency in the bids received. He expressed concern that relying on general contractors to identify the problems could lead to discrepancies, as different contractors might have expertise in different areas, resulting in bids that were difficult to compare.

Councilmember Geile responded by expressing concern about the potential for costly change orders if an inspector or engineer set the scope of work without deep expertise in waterproofing or roofing. He shared his experience as a contractor, stating that engineers and inspectors often lack the specialized knowledge needed to fully understand certain repair needs. This gap, he warned, could lead to significant cost overruns when unexpected issues arose, as contractors would then charge substantial amounts for change orders.

Councilmember Bagby acknowledged Councilmember Geile's concerns but countered by sharing his own experience, where relying on general contractors to identify issues had led to missed problems and subsequent change orders. He emphasized the importance of hiring a qualified inspector—not necessarily an engineer—who had expertise in detecting and diagnosing water leaks. He suggested that by having a professional pinpoint the specific causes of leaks, the city could avoid the cycle of repeated, unsuccessful repairs. He noted that this was the third time he had been on the council that the city had attempted to fix the leaks at the Community Center, yet the problem persisted. His goal, he said, was to ensure that the city got an accurate and thorough assessment of what needed to be done to permanently resolve the issue.

Councilmember Braden then raised concerns about accountability, questioning whether the city had ever held anyone responsible for failed repairs in the past. He pointed out that despite multiple attempts to fix the leaks, the problem had not been resolved. He expressed skepticism about whether the city would be able to hold future contractors accountable, given its track record.

The City Manager responded, acknowledging Councilmember Braden's concerns. He explained that while holding contractors accountable could be challenging, the city's goal was to structure the contract in a way that required the contractor to guarantee the effectiveness of the repairs. He stated that the city could incorporate language into the contract specifying that the

work needed to resolve the issue, and if it did not, there would be clear recourse available. He acknowledged that in government projects, it was not uncommon to spend money on repairs only to face the same issues again later, but the city was committed to avoiding that cycle as much as possible.

**Councilmember Bagby moved to direct staff to either secure a contractor or bring back an RFP for inspection of the community center. The goal of the inspection is to identify necessary repairs, including addressing the water leak, and providing a comprehensive report to the council. Councilmember Trammell provided a second to the motion, which passed 5-1 (Council member Schmidt, Geile, Bagby, Destin, and Trammell voted “yes”; Councilmember Braden voted “no”; Councilmember Hebert was absent from the meeting).**

#### Consent Agenda item 3B:

Mayor Wagner initiated the discussion by expressing concerns about certain budget items included in the parks planning proposal. He noted that after reviewing the line items, he identified several expenses that appeared redundant or unnecessary, particularly given the city’s prior investments in public input and survey efforts. He cited the \$7,200 allocated for a park site evaluation, questioning its necessity given that the Parks Committee is already tasked with conducting such evaluations. Additionally, he pointed out the \$116,000 designated for a statistically valid survey, arguing that between the SRS Plan, the citizen survey, and other mobility-related surveys, the city likely already has sufficient data. Lastly, he questioned the \$6,300 allocated for a park and recreation system visioning workshop, especially since a similar workshop was already scheduled. Mayor Wagner emphasized that while he supports the overall parks planning initiative, he found approximately \$50,000 in potential savings and urged further discussion before approving the expenditure.

Councilmember Trammell responded by acknowledging the mayor’s concerns but highlighted key differences between previous studies and the current proposal. She noted that while past surveys, such as those conducted under the SRS Plan, provided broad recommendations, they did not delve into the specific needs of individual parks. She stressed that the proposed surveys and workshops would provide a more in-depth analysis, helping the city determine not just the need for additional green space but also what specific amenities and features residents would like to see in those spaces. She pointed to past public input efforts, such as the survey conducted for Joe’s Bayou, as an example of how direct citizen engagement can provide valuable insights. While she agreed that the costs were high, she argued that long-term master planning is essential for guiding future development and ensuring alignment between the city’s vision and its budgeting priorities.

Councilmember Bagby also shared concerns about redundancy, particularly regarding the collection and analysis of demographic information. He noted that this would be the eighth time in the last year and a half that such a demographic study had been conducted, questioning whether it was necessary to allocate resources for yet another analysis. Additionally, he raised concerns about the exclusion of the Parks Foundation from the consultation process. He recalled that the council had previously directed that the Parks Foundation be included in the RFP process but did not see that reflected in the current proposal. He emphasized that the foundation could play a crucial role in shaping the city’s parks strategy and that its exclusion was a notable oversight.

Councilmember Destin suggested that, as a compromise, the council tables the decision until after the upcoming visioning session. This would allow for further evaluation of the proposal and provide an opportunity to trim unnecessary expenditure before moving forward.

**Councilmember Destin moved to table this item until the council meeting following the visioning session, allowing time to refine it to the most appropriate elements. The motion was seconded by Councilmember Bagby. Motion passed 4-2 (Council members Geile, Bagby, Destin, and Braden voted “yes”; Council members Schmidt and Trammell voted “no”; Councilmember Hebert was absent from the meeting).**

Consent Agenda item 3E:

Councilmember Destin opened the discussion by requesting a synopsis of the city's current credit card processing arrangement. He noted his long-standing experience dealing with credit card processors and the added fees associated with transactions. Seeking clarification, he asked the Finance Director whether the city was currently covering the credit card processing fees rather than passing them on to customers.

The Finance Director confirmed that the city pays for all merchant service fees associated with credit card transactions. She explained that the city's primary processor has been Global Payments, which was selected because it was one of the few processors compatible with the EnerGov (Compass) software. However, as the city transitions to the MGO system, a new processor, Paystar, has been identified as a more cost-effective alternative.

Councilmember Destin asked if Paystar would impose a 3% processing fee and whether that fee would be charged to customers instead of the city. The Finance Director explained that the contract included an option:

- The city could choose to pass the fee on to customers, meaning the 3% surcharge would be added to customer transactions.
- Alternatively, the city could continue absorbing the cost, which would be funded directly from the general fund.

Councilmember Destin inquired about the effective percentage rate the city has been paying on transactions.

The Finance Director noted that due to the complexity of credit card processing fee structures—including gateway fees, interchange fees, and card-type variations—there is no single fixed rate. However, she estimates that the city has effectively been paying around 7% with Global Payments.

Councilmember Destin expressed strong concern, stating that 7% was an excessively high rate, particularly in comparison to his restaurant businesses, where processing fees range from 1.8% to 2.1%.

The Finance Director agreed that the city had been overpaying but reiterated that Global Payments was chosen primarily for its compatibility with EnerGov. Now, with the transition to MGO, Paystar would offer a more reasonable flat 3% rate.

The IT Director explained that in order to work directly with Visa, Mastercard, or American Express, the city would need to establish significant banking infrastructure, including:

- A bank account capable of nightly batching transactions.
- A system to receive funds from customer payments, temporarily hold them, and then transfer them to the city's account.
- Compliance with Payment Card Industry (PCI) regulations, including secure storage of customer data.

The IT Director pointed out that businesses, such as restaurants, also rely on third-party payment processors rather than working directly with credit card companies. The difference, however, is that businesses can shop around annually for the lowest available processing rates.

Councilmember Destin raised concerns regarding the Paystar contract, particularly a clause allowing Paystar to share customer payment data. He sought assurances that the city could restrict Paystar from selling customer information to third-party vendors for marketing purposes.

The City Attorney indicated that while public records laws may limit the city's ability to prevent data sharing, the city could prohibit the sale of customer data to advertisers.

Additionally, Councilmember Destin flagged a provision in the contract that allows Paystar to increase processing fees with 60 days' notice. While the contract contained exit clauses, he expressed concern about the potential for unexpected fee increases over time.

Councilmember Bagby emphasized the importance of identifying breakpoints in processing fees. He noted that credit card processors often lower their rates based on transaction volume. Large businesses processing millions of dollars in credit card payments typically negotiate lower rates than smaller entities. He requested that staff ask Paystar for details on its fee structure and breakpoints.

**Councilmember Bagby moved to approve the contract with Paystar and to proceed with integrating Paystar with the city's new software solution; seconded by Councilmember Trammell. Motion passed 5-1 (Council members Schmidt, Geile, Bagby, Trammell, and Braden voted "yes"; Councilmember Destin voted "no"; Councilmember Hebert was absent from the meeting).**

#### **4. CITY MANAGER REPORTS**

##### **A. Community Development Director Position Update**

The City Manager provided an update on the hiring process for the Community Development Director position. He stated that Mr. Louis Zunguze, who had been previously considered for the role, was unable to take the position at this time. However, if his circumstances changed, he was encouraged to reapply. The position remains open, and the city has expanded its recruitment efforts. The job is now featured on the front page of the American Planning Association's website, which is expected to attract more qualified applicants.

Councilmember Schmidt inquired about who was currently in charge of the Community Development Department in the absence of a director. The City Manager responded that Deputy

Director Steve O'Connor had assumed leadership responsibilities as outlined in his job description. He added there was a provision for compensation for Mr. O'Connor for the additional work and that he was working with the HR Director to ensure it was implemented.

#### B. Confirmation of Appropriation Requests

The City Manager outlined the city's appropriation requests, which were presented at a legislative meeting in Crestview. The requests included:

- Mattie Kelly Outfall Project (\$1 million)
- Crosstown Connector (\$3 million)
- Clement Taylor Park Improvements (\$1 million)

He stated that a previous discussion had left the Stahlman Intersection Improvement request unresolved. However, based on further research, the city now believes that undergrounding the facility may be more cost-effective than an overhead approach. Consequently, the City Manager recommended that the council formally include this request as the fourth component of the city's lobbying efforts.

The City Manager also noted that, outside of legislative appropriations, the city was exploring alternative funding sources such as grants and agency funding. The city's lobbyist was actively engaged in identifying additional opportunities.

**Councilmember Destin moved to confirm the submission of appropriation requests for the following projects: Stahlman Intersection Improvements, Mattie Kelly Outfall, Crosstown Connector, and Clement Taylor Park, and to direct the lobbyist to support these requests at the state legislature and agencies. The motion was seconded by Councilmember Trammell and passed 5-1 (Council members Schmidt, Geile, Bagby, Destin, and Trammell voted "yes"; Councilmember Braden voted "no"; Councilmember Hebert was absent from the meeting).**

#### A. Fee Schedule for Parks and Recreation

The City Manager stated that the council had previously directed staff to review and update the Parks & Recreation fee schedule (Resolution 23-21). However, upon review, staff discovered that Resolution 23-21 had never been formally approved by the council. Though it was presented in October 2023 and tabled for reconsideration later that month, it was never officially adopted. As a result, the city has continued operating under the prior fee schedule (Resolution 23-06).

Also, in response to council's request, staff conducted a comparative analysis of Morgan Sports Center's fees with those of nearby municipalities, including Preston Hood (Fort Walton Beach), Niceville, Frank Brown (Panama City Beach), and South Walton. Based on these comparisons, staff recommended limited adjustments to the fee schedule, including:

- A maximum \$150 reduction in the non-profit/residential rate.
- A \$100 reduction in the commercial rate.

For the Destin Community Center, staff proposed a shift from a variable fee structure to a fixed-rate model. The current model includes a base rate plus additional charges based on factors such as duration and attendance. Staff recommended a static rate to simplify the process and ensure consistency.

Key proposed changes included:

- Nonprofit residential rate for the community center room rental: \$80 + variable fees \$160 flat fee
- Nonprofit residential rate for the gym: \$120 + variable fees → \$320 flat fee
- Commercial gym rental rate: \$240 + variable fees → \$480 flat fee

Additionally, staff recommended replacing the current non-refundable reservation fee with a true refundable deposit. Under the new proposal, users would pay 50% of the total rental fee as a deposit, refundable if the reservation was canceled at least 60 days in advance.

The City Manager explained that the current "nonrefundable deposit" was, in practice, a calculated usage fee rather than a refundable deposit. Under the proposed changes, the deposit would be fully refundable if the rental was canceled with sufficient notice.

Councilmember Schmidt inquired about the current additional fees on top of the nonprofit rate. The City Manager clarified that various add-on charges (e.g., field lining, maintenance) would remain. These services would be listed as optional fees rather than being bundled into a single rate.

Councilmember Bagby expressed concern about the existing 15% gate fee for tournaments and questioned the necessity of various administrative fees. He indicated that these charges added complexity to the fee structure and made facility rentals less competitive compared to other municipalities.

Councilmember Schmidt criticized the fee structure for being overly complicated and difficult for residents to navigate. He pointed out that similar facilities in neighboring cities had much simpler fee schedules. He advocated for a straightforward approach that would make the process more transparent for both residents and commercial users.

Councilmember Trammell raised concerns that allowing out-of-area nonprofits to take advantage of lower rates could result in a situation where local organizations were unable to book facilities. She cited a similar issue experienced by the Emerald Coast Conference Center, which had to revise its nonprofit policy. Additionally, she voiced frustration over the complexity of the fee schedule and expressed a desire for an independent review of the city's pricing model.

There was a question whether the proposed changes would result in a revenue-neutral outcome or a deficit. It was emphasized that any adjustments should aim to maintain financial stability while ensuring affordability for residents.

According to the Parks & Recreation Director, the proposed fee structure was designed to be cost-neutral. While some fees would decrease, other revenue streams (such as optional add-

ons) would help maintain overall revenue levels. However, the department acknowledged that the city's Parks & Recreation facilities were subsidized by general fund revenue.

Councilmember Geile pointed out that a significant portion of city funds subsidized recreational facilities, yet many taxpayers do not use them. He suggested that user fees should be structured to reduce the burden on taxpayers who are not direct beneficiaries.

Councilmember Bagby stated that he reviewed the financial projections and noted that the city was currently covering only 11% of its expenses through user fees, compared to the 25% industry standard. He projected that the deficit would continue to grow unless adjustments were made. He recommends staff extrapolate financial projections through 2029 based on various rate scenarios.

**Councilmember Bagby moved to table this item to a future meeting to allow the council additional time for further analysis; seconded by Councilmember Destin. Motion failed 3-4 (Council members Destin, Bagby, and Trammell voted "yes"; Council members Schmidt, Geile, and Braden voted "no"; Mayor Wagner cast a tiebreaking vote of "no").**

**Councilmember Schmidt moved to direct staff to develop a fee schedule based on the model used in Fort Walton Beach. The schedule should include a financial analysis detailing project revenue and expenses, covering both operating and capital costs, as well as renewal, replacement, and other aspects related to the Recreation Department. The motion was seconded by Councilmember Destin. Motion passed 5-1 (Council members Schmidt, Bagby, Destin, Trammell, and Braden voted "yes"; Councilmember Geile voted "no"; Councilmember Hebert was absent from the meeting).**

### **C. Building Permit Fees Update**

The City Manager introduced the item, reminding the council that staff had previously presented a proposal to amend the building component of permit fees, initially suggesting an increase of approximately 48%. At the council's request, staff, in collaboration with the consulting firm 3TP, refined the proposal. The revised recommendation before the council proposed an average 34% increase in the building fee component. The City Manager noted that for a \$400,000 home, this adjustment would result in an approximate 18% overall fee increase.

**Councilmember Braden moved for approval of the proposed overall 34% increase in Building Division permit fees as presented and direct staff to bring back the updated Schedule of Fees Resolution for adoption at a future meeting; seconded by Councilmember Geile.**

Councilmember Destin sought clarification on whether the 34% increase was based on the previous year's fees. The City Manager confirmed that it was an average increase specific to the building fee component.

Councilmember Destin then inquired whether the increase would ensure financial stability for the next five years. The City Manager responded that while the increase would significantly slow financial losses, it would not completely resolve the issue long-term. Current projections suggested that another adjustment might be necessary by 2029, but this would

depend on actual building activity. The City Manager acknowledged that projections could change based on economic conditions.

The Building Official confirmed that even with the proposed 34% increase, the building fund would continue to decline, albeit at a slower rate. If the trend persisted, additional adjustments might be required in the future.

**Councilmember Destin proposed a substitute motion to approve a 20% increase instead of 34% and revisiting the fees in two years. Motion dies for a lack of a second.**

Councilmember Bagby emphasized that nothing precluded the council from revisiting the fees in two years. He expressed concerns about addressing fee increases in a piecemeal fashion, as this increase applied solely to the Building Department and did not account for Planning and Engineering costs. He urged staff to return with a comprehensive overview of all department fees to ensure transparency and prevent incremental fee increases from disproportionately affecting developers and builders.

Mayor Wagner asked whether the fee adjustments took into account all real expenses, including facility leasing costs, similar to recent accounting adjustments made in the Parks and Recreation Department.

The Finance Director responded that the city has been gradually improving cost allocation methods. Historically, costs such as utilities, office space, and administrative support have been broadly charged to the Community Development Department rather than specifically attributed to building services. Since 2019, in compliance with Florida law, the city had been tracking building fees separately. While the city had not yet fully incorporated every indirect cost, it was making continuous improvements to ensure accurate cost representation.

**The original motion made by Councilmember Braden passed 5-1 (Council members Schmidt, Geile, Bagby, Trammell, and Braden voted “yes”; Councilmember Destin voted “no”; Councilmember Hebert was absent from the meeting).**

#### D. Visioning Session

After a brief discussion. The city council reached a consensus to schedule the Visioning Session for Friday, February 21st, from 8:30 to 11:30 AM.

#### E. Passthrough Payment Processing Fees - Determination

The City Manager noted this is another discussion on whether to implement a 3% convenience fee for credit and debit card transactions, rather than continuing to cover the cost from general revenue funds.

**Councilmember Bagby moved to direct staff to proceed with pursuing passthrough payment processing fees for the City of Destin; seconded by Councilmember Trammell. Motion passed 6-0 (Councilmember Hebert was absent from the meeting).**

- G. TDC Monthly Report - Informational Only
- H. Operations Financial Report - Informational Only
- I. Capital Project Status - Informational Only
- J. Quarterly Investment Report - Informational Only
- K. Draft Minutes of Standing Boards & Committees - Informational Only
  
- L. Announcements

- 1) The Crosstown Connector project is close to obtaining a development order, with completed plans ready for approval. Procurement documents are being prepared, but progress is hindered by a \$2 million FDOT TRIP grant, which cannot be utilized until an agreement is reached after the state's fiscal year begins on July 1st. To avoid delays, officials are exploring two solutions:
  - A) Working with a lobbyist to expedite funding availability to April 2025, allowing for full project procurement.
  - B) Seeking FDOT approval to separate the stormwater component, bid on it independently, and proceed with roadway construction procurement afterward.

**Councilmember Bagby moved to authorize staff to pursue course action #3 which is to go ahead and continue with the planning for the undergrounding of the storm water but continue to work course of action 2 on the crosstown connector. Councilmember Destin provided a second to the motion, which passed 6-0 (Councilmember Hebert was absent from the meeting).**

- 2) The employee satisfaction survey has been completed, with participation from over 80 employees. Preliminary results indicate that the majority of employees are either satisfied or very satisfied with their jobs. The survey also highlighted areas for improvement, which will be addressed with input from both staff and council members.
- 3) Bid packets for the Tarpon Beach Park project are being finalized this week. The project is set to go out next week, with bids expected by mid-March.
- 4) City offices will be closed on Monday, February 17th in observance of President's Day. Due to this closure, the next City Council meeting will be held on Tuesday, February 18th.
- 5) Mayor Wagner will deliver the annual State of the City Address on February 18th at 5:30 p.m., prior to the city council meeting. Residents are encouraged to attend.
- 6) The city is working with 3TP to move forward with the adoption of new mobility fees. The first of two required public hearings will be held on February 18th during the City Council meeting. Tentative dates for the first

and second readings of the mobility fee ordinance are March 3rd and March 17th.

- 7) The city has partnered with the Rotary Club to install instructional signs for Potentially Life-Saving Equipment (PRT) at eight beach trail locations. These signs, discussed at last year's council meeting, are now being printed and will be installed soon.

## **5. PUBLIC HEARINGS**

A. First reading of Ordinance 24-23-CC - Requiring short-term rental registrations at all multifamily units (including but not limited to condominium units and apartment units) within the City of Destin; distinguishing between short-term rental registrations for single-family homes and short-term rental registrations for multifamily 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 single-family homes; creating Article VI(A) of Chapter 13 "Registration of Short-Term Rentals (Multifamily); Requiring an application for such registration and authorizing registration fees for short-term rentals at multifamily units; Requiring a local responsible party for short-term rentals at multifamily units.

The City Attorney read Ordinance 24-23-CC and then presented the proposed ordinance on first 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.

Mr. Ken Wampler, a Destin resident, addressed the council to provide feedback and suggestions regarding the ordinance. His main points included:

- Expiration Date Alignment: He questioned why the ordinance sets a different expiration date for short-term rental registrations instead of aligning it with the existing annual renewal deadline of March 1st. He suggested making the dates consistent for efficiency.

- **Redundant Acknowledgments:** He pointed out that requiring owners to acknowledge existing regulations on parking, noise, and trash may be unnecessary, particularly for condominiums where such matters are already governed by association rules.
- **Fee Structure:** Mr. Wampler sought clarification on whether the fees would be assessed per unit or per property for multifamily rentals, including both condominiums and hotels. He emphasized the need for fairness in how the fees are applied across different types of rental properties.

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

Councilmember Bagby expressed agreement with Mr. Wampler's suggestion that the expiration date for multifamily short-term rental registrations should match that of single-family rentals. He also questioned the necessity of including parking requirements in the ordinance. He then proposed an amendment to change the expiration date to align with the existing short-term rental regulations.

The City Attorney responded that the ordinance was intended to have the same expiration date as single-family rentals and that any discrepancies might have been an oversight. She confirmed that the fee structure would be detailed in a separate resolution presented at the second reading.

Councilmember Destin raised concerns about the fairness of applying the same fee to different types of businesses, particularly hotels and motels, which already have Business Tax Receipts (BTRs) and manage their own parking and regulations. He questioned whether the enforcement effort required for standalone short-term rentals was comparable to that for hotels and suggested reevaluating the proposed fee structure.

The City Attorney clarified that this specific ordinance applies only to multifamily units like condominiums and apartments, whereas a separate ordinance would address commercial properties such as hotels. She affirmed that the fee amount would ultimately be determined by the council and should reflect the costs of enforcing the regulations.

**Councilmember Braden moved for approval of Ordinance 24-23-CC on first reading, and to make the expiration date the same as all short-term rentals; seconded by Councilmember Geile.**

Councilmember Bagby then shifted the discussion to whether apartments should be included in the ordinance. He argued that condominiums and apartments are legally distinct under Florida state law and should not be regulated the same way. He noted that apartment complexes typically have their own long-term rental agreements and are unlikely to contribute significantly to short-term rental issues. Given these differences, he stated that he would support the ordinance at this reading but might oppose it in its current form at the second reading unless apartments were removed.

The City Attorney explained that removing apartments would require re-advertising the ordinance and returning it to first reading. She stated that the original intent of including

apartments was to ensure comprehensive regulation of all multifamily units but acknowledged that apartments function differently from condominiums.

**Councilmember Bagby proposed a substitute motion to remove apartment units from the ordinance, allowing only short-term rental condominiums; seconded by Councilmember Destin. Motion passed 6-0 (Councilmember Hebert was absent from the meeting).**

B. 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.

The City Attorney read Ordinance 25-01-CC and then presented Ordinance 25-01-CC to the city council on first reading.

AN ORDINANCE OF THE CITY OF DESTIN, FLORIDA 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; 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. Having none, the mayor closed the public hearing portion of the meeting and then turned the matter over to the city council for their discussion and consideration.

**Councilmember Braden made a motion to approve Ordinance 25-01-CC on first reading. Councilmember Geile provided a second to the motion.**

Councilmember Bagby expressed opposition to the ordinance, citing concerns that commercial properties, including hotels and motels, are treated differently than residential properties under state regulations. He noted that short-term rentals in residential areas have different impacts compared to hotels and motels, which are designed for short stays and are located in commercial zones. He warned that including hotels and motels in the same regulatory framework as short term rentals could lead to push back from industry groups such as the Florida Restaurant and Lodging Association.

Councilmember Braden asked whether staff had discussed these issues before bringing the ordinance forward and whether the regulations were considered necessary. He also pointed out that short-term rental companies have shifted toward requiring three- or four-night minimum stays, making them similar to hotels in practice.

The City Attorney clarified that the inclusion of commercial properties in the ordinance was a directive from the city council. She further explained that commercial and residential properties have different levels of regulatory impact, with residential areas requiring more stringent oversight. The regulations for commercial properties were intentionally less restrictive, but their inclusion in the ordinance was ultimately at the discretion of the council.

Councilmember Geile suggested an alternative approach to regulation, proposing that fees and regulations be based on parcel ID rather than individual units. He explained that condominiums and townhomes each have unique parcel IDs, whereas hotels and motels are generally registered under a single parcel ID for the entire building. Under this system, hotels and motels would pay a single registration fee per parcel rather than per unit.

The City Attorney acknowledged the proposal but cautioned that it might not be effective. If the fee were set at \$300 per parcel ID, for example, the city would collect only a small amount of revenue from the roughly 12 to 13 hotels in the city. She questioned whether such a limited financial return justified the administrative burden of implementing and enforcing the regulation. She also noted that if the city were to annex additional areas in the future, the

Councilmember Bagby noted that the city's existing STR registration fees are based on total square footage, which would mean that hotels with large buildings but multiple rooms could end up paying disproportionately low fees under a parcel ID system. He suggested that a more graduated fee structure based on square footage could be considered if the parcel ID approach were pursued.

He also pointed out that if parcel IDs were used as the basis for fees, common areas in condominiums—such as pools, hallways, and elevators—would also have parcel IDs, potentially resulting in additional charges to condominium owners. He expressed doubts about the feasibility of this approach, ultimately questioning what exactly the city would be enforcing in hotels compared to short term rentals. He emphasized that short term rentals have clearer enforcement concerns, such as beach access and parking impacts, whereas hotels typically have their own facilities to accommodate guests.

The City Attorney reiterated that the ordinance's primary purpose was to regulate short-term rentals rather than hotels. She noted that while a broader enforcement framework could be considered in the future, the current version of the ordinance might not be the most effective way to address concerns about hotel regulation.

**The mayor called for a vote on the motion, which passed 4-3 (Council members Geile, Schmidt, and Braden voted “yes”; Council members Destin, Bagby, and Trammell voted “no”; Mayor Wagner cast a tiebreaking vote of “yes”; Councilmember Hebert was absent from the meeting).**

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

### **A. Councilmember Braden**

- 1) Appointment of Tammy Weidenhamer to the Public Works/Safety Committee.

**Motion by Councilmember Braden, seconded by Councilmember Geile, to appoint Tammy Weidenhamer to the Public Works/Safety Committee, passed 6-0 (Councilmember Hebert was absent from the meeting).**

- 2) Appointment of John Stephens to the Harbor CRA Advisory Committee

**Motion by Councilmember Braden, seconded by Councilmember Geile, to appoint John Stephens to the Harbor CRA Advisory Committee passed 6-0 (Councilmember Hebert was absent from the meeting).**

- 3) Noise Ordinance – **Moved to the next meeting**

### **B. Councilmember Trammell**

- 1) Membership appointments to the Town Center CRA Advisory Committee

**Motion by Councilmember Braden, seconded by Councilmember Destin, to appoint Margie Avery to the Town Center CRA Advisory Committee passed 6-0 (Councilmember Hebert was absent from the meeting).**

**Motion by Councilmember Destin, seconded by Councilmember Braden, to appoint Kyle Davis to the Town Center CRA Advisory Committee passed 6-0 (Councilmember Hebert was absent from the meeting).**

- 2) Residential Design Standards

Councilmember Trammell raised concerns about recent developments in her neighborhood, where four buildings have been constructed on residential properties for RV storage. While two of these structures are aesthetically similar to the primary residence, the other two—one still under construction—are large, corrugated metal sheds that she believes negatively impact neighborhood property values. She specifically pointed out that one of the structures was built by an owner who does not reside on the property but instead purchased a smaller lot to accommodate his RV storage needs.

Councilmember Trammell suggested a minor amendment to the Land Development Code, introducing residential design standards for accessory buildings. She proposed that such structures should be aesthetically consistent with the primary residence—such as using brick or siding when the main home is built with those materials—rather than allowing corrugated metal buildings in residential areas. She requested that the council direct the city's Community

Development Deputy Director to draft the proposed amendment for consideration at the next council meeting.

Further discussion revealed that while the structures in question were permitted, there are currently no design standards restricting such metal buildings in residential areas. Past issues with similar developments in other neighborhoods were referenced, including a previous legal dispute over the construction of a similar building on Joe's Bayou, which the city lost.

Councilmember Trammell requested that the Deputy Community Development Director present a proposal to the council regarding residential design standards for accessory buildings in the Land Development Code.

According to Councilmember Destin, a motion is not required to request staff action, and that the staff could proceed with drafting the proposal without formal council directions.

Councilmember Trammell will serve as the legislative sponsor for this proposed code amendment.

#### C. Councilmember Destin

##### 1) Intelligent Region Intersection Workshop

Councilmember Destin reported ongoing efforts to address traffic concerns at the Stahlman Avenue intersection before the upcoming Crosstown Connector project significantly increases traffic volume. The city is considering implementing intelligent intersection technology, currently in use in Gulf Breeze and Pensacola, which improves intersection efficiency through advanced traffic monitoring and management. He proposed that the city engage Baskerville-Donovan, a consulting firm, to contact municipalities using this technology and report back on its effectiveness. He emphasized the need for proactive solutions, as significant roadway improvements would not be feasible before the Crosstown Connector opens.

**Councilmember Destin moved to direct Baskerville-Donovan to reach out to users of the Intelligent Intersection Software technology and provide a report to the council at the earliest opportunity; seconded by Councilmember Trammell.**

The mayor noted that the Emerald Coast Regional Council and Transportation Planning Organization had already shown interest in testing the technology in Destin. He highlighted its potential benefits for both traffic efficiency and pedestrian safety, clarifying that the system works by recognizing objects rather than engaging in invasive surveillance.

Councilmember Braden questioned whether city staff could directly gather information on the technology instead of hiring a contractor.

Councilmember Destin responded that staff might lack the necessary technical expertise to properly assess the system's effectiveness.

**Motion passed 6-0 (Councilmember Hebert was absent from the meeting).**

Councilmember Destin, in collaboration with the City Attorney, will present a resolution at the next meeting stipulating that any item lacking a legislative sponsor—except for housekeeping matters or state-mandated legislative actions—shall not be placed on the agenda.

Councilmember Destin volunteered to serve as the legislative sponsor for this resolution.

D. Councilmember Bagby

Councilmember Bagby requested that an update on Crystal Shores be added under his name on the next meeting agenda.

E. Councilmember Hebert

F. Councilmember Geile

1) Projects Status / Updates

G. Councilmember Schmidt

**Councilmember Schmidt moved to direct the City Manager and staff to coordinate with the Sheriff's Department and present an overview of traffic regulations, including the distinctions between roadways, sidewalks, neighborhood exits, and bike lanes. This presentation will help inform potential updates to the city codes and ordinances regarding scooters and e-bikes, ensuring a comprehensive and effective approach to their regulation. Councilmember Trammell provided a second to the motion which passed 6-0 (Councilmember Hebert was absent from the meeting).**

Councilmember Schmidt will serve as the legislative sponsor for this item.

H. Mayor Wagner

1) Lobbyist Engagement Policy

**Motion by Councilmember Bagby, seconded by Councilmember Destin, to approve the Lobbyist Engagement Resolution passed 6-0 (Councilmember Hebert was absent from the meeting).**

The mayor requested that the topic "FPL Utility Wraps" be listed under his name on the agenda for the next council meeting.

I. City Attorney

**Pursuant to Section 286.011(8), Florida Statutes, the City Attorney desires the advice of the City Council in the case of *Destin Fishing Fleet vs. City of Destin*, Case No. 2019 CA 00425 F 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 February 18, 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; Insurance Defense Counsel for the City of Destin, Bill Warner; and the City Attorney Kimberly Romano Kopp.

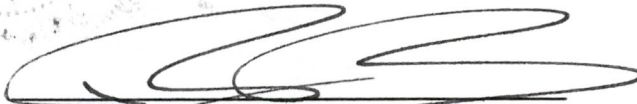
Motion by Councilmember Bagby, seconded by Councilmember Braden, to approve the Executive Session as announced by the City Attorney passed 6-0 Councilmember Hebert was absent from the meeting).

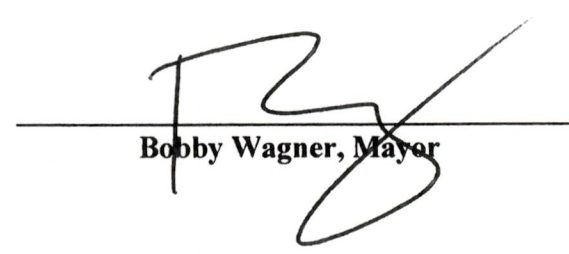
## 7. PUBLIC COMMENTS

## ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 9:35 PM.

  
ATTEST:

  
Rey Bailey, City Clerk

  
Bobby Wagner, Mayor