

**SPECIAL MEETING
DESTIN CITY COUNCIL
JULY 15, 2026
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 (via Teams)
Mayor Pro-Tem Terésa Hebert
Councilmember Rodney Braden
Councilmember Dewey Destin

Councilmember Chatham Morgan
Councilmember Sandy Trammell
Councilmember Kevin Schmidt
Councilmember John Stephens

Destin City Staff

City Manager Larry Jones
City Attorney Kimberly Kopp
Parks and Recreation Director Lisa Firth
Finance Director Krystal Strickland
IT Director Andy Peters
Projects and Grants Manager Jeff Cozadd

City Clerk Lisa Wallace

CALL TO ORDER, INVOCATION, AND PLEDGE OF ALLEGIANCE

Mayor Pro Tem Terésa Hebert called the meeting to order at 6:00 PM. A moment of silence was held followed by the Pledge of Allegiance.

NEW BUSINESS

City Attorney Kopp asked Council to consider having two public comment periods, one prior to Council's discussion of the State-acquired land in Holiday Isle adjacent to the City's Norriego Point Park and one after Council's discussion. Councilmembers had no objection to this request.

Attorney Kopp also reported that Mayor Wagner is participating in the Council discussions remotely via Teams but would not be able to vote in the event of a tie vote because he is not physically present.

FIRST PUBLIC COMMENTS

Okaloosa County Commissioner Drew Palmer, representing District 5, stated that his position remained unchanged but expressed hope that the County and City could continue working together and find a constructive path forward. He acknowledged that productive work had been occurring but said the matter had become somewhat contentious. Commissioner Palmer stated that, if the City Council believed an ethics violation had occurred, its members had a responsibility to file a formal ethics complaint. He cautioned against using the threat of an administrative or ethics

proceeding to coerce another elected official, interfere with the performance of official duties, or gain leverage in a dispute. He concluded that, if the Council believed sufficient cause existed, the Council should file the complaint, adding that he was not influenced by the threat of such action.

Rob Valatin, a Holiday Isle resident and officer of the Holiday Isle Improvement Association, stated that he was speaking on his own behalf with the support of the board's executive committee, but not on behalf of the full board. He discussed the County's proposal to provide free parking in all City of Destin parking lots to Okaloosa County residents in exchange for County support for the City's control of the state-owned property at Norriego Point. Although he had previously supported the City's decision to counter the proposal by limiting free parking to beach-area lots, he said that, after further consideration, he now supported accepting the County's terms. He estimated that the additional loss in parking revenue beyond the beach parking already offered would be approximately \$21,000 to \$30,000 annually and suggested that the City could offset any loss by modestly increasing parking fees paid by visitors. Mr. Valatin stated that accepting the County's proposal would provide the most direct and controllable path toward gaining access to and control of the four-acre property, while litigation would involve uncertain costs, resources, time, and results. Based on his professional experience negotiating agreements, he concluded that an arrangement leaving neither party fully satisfied often represents a fair compromise.

A. Update on State-Acquired Land in Holiday Isle Adjacent to City's Norriego Point Park

City Attorney Kopp stated that the City had attempted for several months to engage Okaloosa County in a meaningful and public discussion regarding the future of the state-acquired park property located within the City. She noted that the City had repeatedly requested that the issue be placed on a County Commission agenda to allow open discussion and public participation. Although the County had recently characterized the matter as premature or indicated that it had no present interest in the property, she stated that the County had engaged in lease negotiations with the State and had previously held a town hall meeting outlining concepts for developing and managing the park. She expressed concern that subsequent discussion had generally occurred through comments made at the end of County Commission meetings, after public comment had concluded and without the matter being placed on the agenda, which limited the City's ability to respond and did not provide adequate opportunity for public participation.

Attorney Kopp explained that the dispute involved both process and substance. The City's position was that the property should remain focused on conservation and be developed consistently with the City's Comprehensive Plan and Land Development Code, while the County appeared to support more intensive recreational and commercial uses, including marina-related facilities. She also noted that a County Commissioner had requested an advisory opinion from the Florida Attorney General regarding whether the City's land development regulations applied to state-owned property located entirely within the City, further demonstrating the existence of an intergovernmental dispute.

Since informal discussions had not resolved the matter, she recommended that the City consider initiating the governmental conflict resolution process established under Chapter 164 of the Florida Statutes. She emphasized that the process was not litigation, but rather a structured procedure intended to provide an equitable, timely, effective, and less costly means of resolving disputes between governmental entities. She stated that the statute applies to disputes involving comprehensive planning, natural resource protection, allocation of land and other natural resources, permitting processes, and other intergovernmental matters.

Attorney Kopp advised that, if directed by the Council, she would prepare an initiating resolution for consideration at the July 20 meeting. If approved, notice would be provided to the County and State within five days, followed by a publicly noticed meeting between the City and County within 30 days. If the matter remained unresolved, a second public meeting would be

required within 50 days, followed by mediation if necessary. She stated that the process could address the park property, parking, and other related disputes, while creating the public, agenda-based discussion the City had been requesting and providing an opportunity to resolve the issues without litigation.

Councilmember Morgan stated that he would like to propose a different motion listing his reasons.

Councilmember Morgan made a motion, seconded by Councilman Stephens, to approve free parking for all Okaloosa County residents in all of the city's paid parking facilities, but only in the event that the city obtains the lease to the state property at 50 Gulfshore Drive and further request that Commissioner Palmer bring this to his board for a vote at their next scheduled commission meeting with the understanding that the county is to approach the state in conjunction with the city to formally request that the state leases the property in question to the City of Destin. The motion failed 3-4 with Councilmembers Destin, Morgan, and Stephens voting "yes" and Councilmembers Hebert, Schmidt, Braden, and Trammell voting "no".

Councilmember Braden made a motion, seconded by Councilmember Schmidt, to notify the appropriate state authorities of the city's concerns about the County's August 19 correspondence as well as the city's objection to any inclusion of city owned property in the appraisals or applications submitted to the state [Note: "*and initiate the dispute Resolution*" was added but later Council agreed to vote as two separate items]. The motion passed 4-3 with Councilmembers Hebert, Schmidt, Braden, and Morgan voting "yes" and Councilmembers Destin, Trammel, and Stephens voting "no".

Councilmember Destin made a motion, seconded by Councilmember Schmidt, to direct the City Attorney to prepare the conflict-dispute Resolution for Council's consideration for Monday's meeting noting that it is a substitute motion by itself. The motion passed unanimously.

SECOND PUBLIC COMMENTS

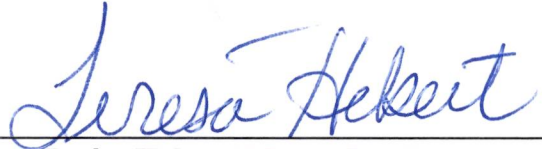
There being no further comments offered, the meeting was adjourned.

ADJOURNMENT

The meeting adjourned at 6:57 p.m.

ATTEST:


Lisa Wallace, City Clerk


Teresa Hebert, Mayor Pro Tem