

**MINUTES OF THE REGULAR MEETING OF THE APALACHICOLA CITY COMMISSION HELD TUESDAY, AUGUST 6, 2019,
6:00 PM AT THE APALACHICOLA COMMUNITY CENTER.**

PRESENT: Mayor Van W. Johnson, Sr.
Commissioner Brenda Ash
Commissioner Jimmy Elliott
Commissioner Anita Grove

Ron Nalley, City Manager
Deborah Guillotte, City Clerk
Pat Floyd, City Attorney

ABSENT: Commissioner Mitchell Bartley

CALL TO ORDER

Mayor Van Johnson called the meeting to order at 6:00 PM and Attorney Floyd gave the invocation. Council members led the pledge of allegiance.

AGENDA ADOPTION

Mayor Van Johnson called for a motion to approve the agenda.

Commissioner Jimmy Elliott made a motion to approve the agenda as presented. Commissioner Brenda Ash seconded and the motion carried 4-0.

MAYOR'S AND COMMISSIONERS REPORTS AND COMMUNICATIONS

- Proclamation in Honor of the Military Order of the Purple Heart and Proclaiming the City of Apalachicola as a "Purple Heart City".

Attorney Floyd read Proclamation in its entirety.

Commissioner Jimmy Elliott made a motion to approve the Proclamation in honor of the Military Order of the Purple Heart and proclaiming the City of Apalachicola as a "Purple Heart City." Commissioner Anita Grove seconded and the motion carried 4-0.

Mrs. Diane Brigde, Commander of Post 794 in Bay County accepted the Purple Heart City Proclamation and will notify the State that the City of Apalachicola is now a "Purple Heart City." Mayor Johnson thanked Jimmy Mosconis for his services and all that he has done for our City and County.

- In a response to a question from Commissioner Grove, Mr. Ron Nalley stated that based on previous direction from the Board that during the early fall staff will issue a Request for Proposal allowing anyone having an interest in managing the marinas to put a proposal together and to submit it to the City. During the next couple of months, staff will develop and advertise the RFP.
- Commissioner Grove suggested appointing a selection committee for review of the RFP for Attorney Services at the Special Meeting on August 27th.

Commissioner Grove made a motion to appoint a selection committee for the RFP for Attorney Services at the August 27th Special Meeting. Commissioner Elliott seconded and the motion carried 4-0.

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CITY MANAGER COMMUNICATIONS

- City Manager – Employment Agreement – Mr. Nalley stated his employment Agreement with the City states that the City Commission will review and evaluate his performance at least once annually. Mr. Nalley would like to request that the Commission set a date for his annual performance review. In the past, a version of a model Evaluation Form developed by the International City/County Manager’s Association was used for the evaluation. Mr. Nalley will send a copy of that form for the Board’s consideration.
- Christiana Moore Case – 51 8th Street – Mr. Nalley reported that due to an injury requiring surgery, Greg Harris has been out of the office and is expected to return the first week of August. Mrs. Moore performed the major work which seemed to be functioning well, and with the return of Mr. Harris, the remaining work by the City can begin. Mr. Nalley stated at this point, staff is comfortable that the stop work order can be lifted in order to allow limited landscaping work around Ms. Moore’s yard. Of course, the standard of resolving this issue is that there is no water standing on any adjacent properties from the result of the fill on the property. Mr. Nalley also stated once the work around the back of the home is completed, the City staff will be ready to discuss complete resolution of the matter with the Commission, possibly as soon as September. Attorney Floyd stated that the standard is that not standing water on the adjacent property, but that no water is pushed on the adjacent property by the permit holder.
- Hale Smith Case: 39 7th Street – Mr. Nalley reported that the work to resolve this matter continues. Mr. Nalley also stated that Judge Dodson has set a short hearing on this matter for August 12th. Attorney Floyd and Mr. Nalley will be attending the hearing to consider a continuance only, but will continue to keep the Board updated.
- USNS Apalachicola - Mr. Nalley congratulated Apalachicola Main Street for a fantastic Third of July event. Mr. Nalley also stated the highlight for himself was the announcement by Secretary of the Navy Richard V. Spencer to name the newest Expeditionary Fast Transport (EPF) ship the USNS Apalachicola (T-EPF-13. Since then, the City (up to 13 people) has been invited to tour the facility building our ship in Mobile, Alabama, during either the week of September 16th or the week of September 23rd. Mr. Nalley requested the Board contact him if they are interested in participating in this exciting event and which dates may work best for them.
- Mr. Nalley reported that the regular scheduled City Commission meeting is September 3, 2019, which is on election day and suggested rescheduling to another date.

Commissioner Grove made a motion to reschedule the September 3, 2019 meeting to Thursday, September 5, 2019 at 6:00 PM. Commissioner Ash seconded and the motion carried 4-0.

ATTORNEY PAT FLOYD COMMUNICATIONS

- Attorney Floyd reported he is still working on Water and Sewer Revenue Bonds, Ordinances including Planning and Zoning issues and Board of Adjustment, Duke Franchise, and the T-Mobile Agreement.

In a response to a question by Commissioner Ash, Attorney Floyd stated he thinks that most of the City’s cases would be wrapped up, with the exception of a few ongoing cases unless settled before his retirement date.

PRESENTATIONS

A. 2017-2018 Audit Presentation – Moran & Smith LLP –Mr. Chris Moran presented the City’s independent audit report an unqualified opinion, or a clean opinion, which is the highest level of assurance anyone can receive from a CPA firm. Mr. Moran gave a brief review of the management discussion, net position, balance sheet, debt service and schedule of general fixed assets, revenues and expenditures.

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PUBLIC HEARING AND UNFINISHED BUSINESS

A. ORDINANCE 2019-05 – TRANSITION CORRIDOR OVERLAY DISTRICT – SECOND READING AND PUBLIC HEARING

Attorney Floyd read Ordinance 2019-05 by title as follows:

AN ORDINANCE OF THE CITY OF APALACHICOLA, FLORIDA, CREATING AN TRANSITION CORRIDOR OVERLAY DISTRICT FOR COMMERCIALLY ZONED PROPERTY LOCATED IN BLOCKS 8, 9, 10 AND 11, AS DESCRIBED IN MAP OR PLAT OF APALACHICOLA, FLORIDA, RECORDED IN PLAT BOOK M, PAGE 437, FRANKLIN COUNTY, FLORIDA; PROVIDING FOR DEFINITIONS; PROVIDING FOR EXEMPTIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Nalley stated In March 2019, upon a request from a property owner, the Commission considered revisions to the C-1 zoning district regulations that would allow first-floor transient lodging in existing structures by establishing a Transition Corridor Overlay District. This overlay district would only cover an area along south 4th Street which contains split zoning between C-1 commercial and R-1 residential. In accordance with Policy No. 002, Comprehensive Plan and Land Development Code Amendment Procedure, the matter was sent to the Planning and Zoning Board for their consideration. The Board held two public meetings on the proposed Ordinance on April 8 and May 13, 2019 and met in a joint workshop with the City Commission on June 10, 2019. The proposed Transition Corridor Overlay District Ordinance contains revisions made in response to comments received during those meetings.

Cindy Clark – City Planner gave a brief review of the Transition Corridor Overlay District, stating Planning and Zoning determined this a very compatible use for this area.

There being no further comments, Mayor Johnson closed the public hearing.

PUBLIC HEARING AND UNFINISHED BUSINESS

B. ORDINANCE 2019-06 AUTHORIZING THE ISSUANCE OF WATER AND SEWER AND SEWER SYSTEM REVENUE BONDS TO FINANCE A PORTION OF THE COST FOR WATER SYSTEM IMPROVEMENTS – SECOND READING AND PUBLIC HEARING

Attorney Floyd read Ordinance 2019-06 by title as follows:

AN ORDINANCE PROVIDING FOR THE ACQUISITION, CONSTRUCTION AND IMPROVEMENTS TO THE WATER SYSTEM OF THE CITY OF APALACHICOLA, FLORIDA; AUTHORIZING THE ISSUANCE OF WATER AND SEWER SYSTEM REVENUE BONDS TO FINANCE A PORTION OF THTE COST THEREOF; PLEDGING A LIEN ON THE NET REVENUES OF THE CITY’S WATER AND SEWER SYSTEM TO SECURE THE PAYMENT THEREOF; PROVIDING FOR THE ISSUANCE OF TEMPORARY BOND ANTICIPATION NOTES; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH AND PROVIDING AN EFFECTIVE DATE.

In a response to a question from the audience, Attorney Floyd stated that Jo Linda Herring an attorney from Tallahassee, would be handling the issuance of this bond and that he doesn’t know what the rate is at this time.

In a response to a question from the audience, Ms. August West gave a brief review stating the Engineers out of Tallahassee - Inovia Consulting have submitted their technical specifications and contract documents to USDA for approval on July 31st and are currently under review. Ms. West stated as soon as these documents are approved and the Bond Ordinance is passed, she will be able to move to the next phase of the contract. Ms. West also stated we expect the bid advertisement to be placed within the next 30 days, construction to begin in the fall and complete construction within the next ten to twelve months.

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There being no further comments, Mayor Johnson closed the public hearing.

PUBLIC COMMENT

Mayor Johnson opened the floor for public comment.

- Adriane Elliott expressed her concerns of the City not having enough time in between a run-off election for citizens to be able to do early or absentee voting. Mrs. Deborah Guillotte stated she believes this requires a City Charter change and that this should be reviewed in the future.
- Diane Brewer expressed her concerns with the T-Mobile Lease as it relates to Resolution 2017-04. On behalf of the Historic Apalachicola Foundation, which is sponsoring the historic squares project, Ms. Brewer would like the Board to consider directing some of the monies from the T-Mobile Lease back to the restoration of the historic squares project.
- David Walker announced that Dr. Gerald Hinson will be in Apalachicola a couple times a month and will be assisting small businesses with the start-up and enhancement of businesses. Mayor Johnson asked Mr. Nalley to assist in any way helping get this information to the citizens.
- Robin Vroegop expressed her concerns with the City Manager employment agreement and evaluation and that his year anniversary is only a few days away.
- Leslie Coon expressed her concerns with the debt default. Mr. Nalley reviewed the debt balance the City owed at this time and the payments that were being made by the City each quarter.

CONSENT AGENDA

Mayor Johnson presented the Consent Agenda and asked if any items should be removed before consideration of a motion.

- Meeting Minutes Adoption - Adopt the June 10, 2019 Joint Special Meeting with Planning and Zoning and the July 2, 2019 Regular Meeting Minutes.

Commissioner Ash made a motion to approve the consent agenda. Commissioner Grove seconded and the motion carried 4-0.

UNFINISHED BUSINESS

- A. ORDINANCE 2019-05 – TRANSITION CORRIDOR OVERLAY DISTRICT – SECOND READING AND PUBLIC HEARING**

Attorney Floyd read Ordinance 2019-05 by title as follows:

AN ORDINANCE OF THE CITY OF APALACHICOLA, FLORIDA, CREATING AN TRANSITION CORRIDOR OVERLAY DISTRICT FOR COMMERCIAL ZONED PROPERTY LOCATED IN BLOCKS 8, 9, 10 AND 11, AS DESCRIBED IN MAP OR PLAT OF APALACHICOLA, FLORIDA, RECORDED IN PLAT BOOK M, PAGE 437, FRANKLIN COUNTY, FLORIDA; PROVIDING FOR DEFINITIONS; PROVIDING FOR EXEMPTIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

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Commissioner Elliott made a motion to adopt Ordinance 2019-05 City of Apalachicola Transition Corridor Overlay District Ordinance. Commissioner Grove seconded and the motion carried 4-0.

UNFINISHED BUSINESS

B. ORDINANCE 2019-06 – AUTHORIZING THE ISSUANCE OF WATER AND SEWER SYSTEM BONDS TO FINANCE A PORTION OF THE COST FOR WATER SYSTEM IMPROVEMENTS – SECOND READING AND PUBLIC HEARING

Attorney Floyd read Ordinance 2019-06 by title as follows:

AN ORDINANCE PROVIDING FOR THE ACQUISITION, CONSTRUCTION AND IMPROVEMENTS TO THE WATER SYSTEM OF THE CITY OF APALACHICOLA, FLORIDA; AUTHORIZING THE ISSUANCE OF WATER AND SEWER SYSTEM REVENUE BONDS TO FINANCE A PORTION OF THE COST THEREOF; PLEDGING A LIEN ON THE NET REVENUES OF THE CITY'S WATER AND SEWER SYSTEM TO SECURE THE PAYMENT THEREOF; PROVIDING FOR THE ISSUANCE OF TEMPORARY BOND ANTICIPATION NOTES; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH AND PROVIDING AN EFFECTIVE DATE.

In response to a question from Mr. Pete Whitesell, Mr. Nalley stated the proposed budget included the debt services payments for the project.

Commissioner Ash made a motion to adopt Ordinance 2019-06 authorizing the Issuance of Water and Sewer System Revenue Bonds. Commissioner Elliott seconded and the motion carried 4-0.

UNFINISHED BUSINESS

C. PROPOSED T-MOBILE SITE LEASE AGREEMENT

Mr. Nalley reminded the Board that at their last meeting they adopted the Lease Agreement with certain requirements, one of which was the request for \$1,800 per month during the option period. T-Mobile was not agreeable to this and responded with a new proposal of a \$5000 flat fee with a one year option period. In a response to a question by Commissioner Ash, Attorney Floyd stated that the option to back out doesn't have a provision in the agreement for the City, only T-Mobile, so the City either agrees now or not. In regards to Resolution 2017-04, Attorney Floyd stated that a resolution can not bind the commission in terms of actions that are taken and if the new commission decides to re-address in the future, they may. In a response to a question by Commissioner Elliott, Mr. Nalley stated that T-Mobile has not expressed an interest in the water tower on Fifth Street, only the Fourteenth Street site.

Commissioner Elliott made a motion to approve the T-Mobile Site Lease Agreement with the proposed revisions of a \$5,000 option period payment and an option period of one year with no renewals. Commissioner Ash seconded and the motion carried 4-0.

NEW BUSINESS

A. RESOLUTION 2019-11 DECLARING PROPERTY SURPLUS AND TO AUTHORIZE DISPOSAL

Attorney Floyd read Resolution 2019-11 in its entirety.

Commissioner Ash made a motion to adopt Resolution 2019-11 declaring Property Surplus and authorizing the City Manager to dispose of the surplus property. Commissioner Grove seconded and the motion carried 4-0.
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NEW BUSINESS

B. SALE OF CITY OWNED PROPERTY

Mayor Johnson stated the Board has a suggested motion to rescind the vote made by the City Commission on August 7, 2018 to sell the recommended City owned properties and the vote by the City Commission on October 2, 2018 to award the marketing and sale of the City owned properties to Higgenbotham Auctioneers. Mayor Johnson stated that Hurricane Michael was an extreme game changer and all plans the City had made changed tremendously.

1. Commissioner Grove made a motion to rescind the vote by the City Commission on August 7, 2018 to sell the recommended City owned properties and the vote by the City Commission on October 2, 2018 to award the marketing and sale of the City owned properties to Higgenbotham Auctioneers. Commissioner Elliott seconded and the motion carried 4-0.

Mayor Johnson stated the Board has a suggested motion pending further discussion by the Commission: to permanently relocate City Hall to the Van Johnson Complex and that the Board should seriously consider this request.

2. Commissioner Elliott made a motion pending further discussion by the Commission to permanently relocate City Hall to the Van Johnson Complex. Commissioner Ash seconded and the motion carried 4-0.

In a response to a question by Commissioner Ash, Mr. Nalley stated we will pursue grant opportunities and other financial options, since the Board stated they are interested in relocating permanently to the Van Johnson Complex. Mr. Nalley stated projects can be done in phases to renovate the complex. Mr. Nalley also stated that there is still a lot of discussion to be held in consideration of this move and the cost for both rehabbing the old City Hall and the Van Johnson Complex and which would be more feasible. Mayor Johnson gave a brief review of what he had learned in Mississippi of disaster relief money and that we could possibly qualify and that Mr. Nalley is researching this at this time.

NEW BUSINESS

C. PROPOSED LEGISLATIVE AGENDA FOR THE 2019-2020 SESSION

Mr. Nalley reported that the 2019-2020 Legislative Session is fast approaching, and staff is proposing that the attached issues comprise the City's 2019-2020 Legislative Program. The focus is on infrastructure including wastewater, storm water, and drinking water and housing. Upon approval, staff and the City lobbyist will work with our legislative delegation to pursue the City initiatives. Committee work begins in September. Regular session convenes on January 14th and ends on March 13th. Representative Jason Shoaf has agreed to sponsor an Apalachicola Environmental Stewardship

Bill with Representative Lorraine Ausley as a co-prime sponsor. Staff has met with both representatives as well as Representative Ausley's aide to strategize on a path forward. Senator Montford has once again agreed to sponsor the Bill in the Senate. The proposed Legislative Agenda is being presented in August with the hopes that final adoption will take place in September. If the Commission has other priorities, ideas, or issues that need to be added to the Legislative Agenda, please let staff know so that we can have it prepared for final adoption. There was no action taken at this time by the Board.

NEW BUSINESS

D. FARMERS MARKET BANDSTAND

The small stage near the Mill Pond Pavilion was lost due to Hurricane Michael. The Apalachicola Farmers Market would like to rebuild a simple bandstand structure next to the Mill Pond Pavilion at no cost to the City. In a response to a question by Commissioner Ash, Mr. Nalley reported that the Farmer's Market requests permission from the Board for the construction of the, bandstand, on City property, and that it will then go to Planning and Zoning for zoning approval. Mr. Creighton Brown stated that the Farmers Market Bandstand will be on the Market Street side and that it is an open pavilion with a roof. In a response to a question by Commissioner Ash, Mrs. Guillotte stated she would check with the Regular Meeting - 8/6/19 - Page 7

City's insurance company to see if there would be an additional cost to cover the bandstand. Mayor Johnson stated that if there is a fee for the Farmer's Market, there that would also be a charge for the pavilion at the cemetery.

Commissioner Elliott made a motion contingent of approval by Planning and Zoning to approve the construction of a bandstand structure by the Apalachicola Farmers Market next to the Mill Pod Pavilion. Commissioner Ash seconded and the motion carried 4-0.

NEW BUSINESS

E. 2019-2020 ANNUAL BUDGET PRESENTATION

Mr. Nalley gave a quick budget overview and stated that the total recommended budget is a little over \$7 million. The General Fund is about \$4.4 million and the Water and Sewer fund about \$2.2 million. Mr. Nalley proposed to the Board a millage rate of 9.30, which the rollback rate is 9.283 and that one quarter mill would generate approximately \$37,800. In keeping with the recommendations from Florida Rural Water Association rate study from 2017, a 10% increase in water and sewer rates is proposed, but no increase in the sewer user fee. Mr. Nalley then provided a summary of revenues and expenditures. Mr. Nalley is requesting a cost of living adjustment of 2% for all staff except the City Manager. Mr. Nalley stated that health insurance costs decreased, and that the retirement rate increased. One new full time staffing position is recommended in Planning and Zoning at a department head level and two part-time seasonal staffing positions in public works. In a response to a question by Mayor Johnson, Mr. Nalley stated that the City will have met the requirements recommended by the Florida Rural Water Association study. Mr. Nalley reminded the Board of the fiscal challenges facing the City stating that last year the general fund bank balance was around \$14,000 and that this year is it \$526,000. Last year the City had missed four DEP payments this year we have not missed any. The default amount in 2018 was \$754,764.24 and is now \$698,015 and the City expects another payment of about \$40,000 to be paid in September 2019. Since 2018, we have saved approximately \$530,000 through increases in revenues and cuts in expenditures and these are being re-invested in the proposed budget. The City's TTHM levels in 2018 were 108.4 and are now 87.2, and that is without the carbon filtration system that is to be installed this fall. All these show that progress, while slow, has been made.

Commissioner Ash made a motion to set budget workshops for August 13th and August 27th, 2019 at 5:00 p.m. to discuss the proposed 2019-2020 annual budget. Commissioner Grove seconded and the motion carried 4-0.

ADJOURNMENT

With no further business, Commissioner Ash made a motion to adjourn the meeting at 8:00 pm. Commissioner Elliott seconded and the motion carried 4-0.

Van W. Johnson, Sr., Mayor

Deborah Guillotte, City Clerk