

A Special Meeting (Budget Workshop) of the Apalachicola City Commission was held on Tuesday, August 18, 2026, at 6:00 PM, at the Commission Meeting Room located at 74 6th Street, Apalachicola, FL.

Present: Mayor Brenda Ash, Commissioner Donna Knutson, Commissioner Donna Duncan, Commissioner Adrienne Elliott, Commissioner Despina George, City Manager Chuck Anderson, Finance Director Lee Mathes, Chief Chase Richards, and City Clerk Sheneidra Cummings.

Meeting was called to order by Mayor Ash followed by invocation and the Pledge of Allegiance.

Agenda Adoption

A Motion was made by Commissioner Elliott to adopt the agenda, seconded by Commissioner Duncan. No discussion. No commissioners opposed. Motion carried, 5-0.

Public Comment

Mayor Ash announced that no public comment cards were received and no members of the public came forward to speak. The Commission proceeded without public comment.

FY 26/27 Budget Discussion – Draft 2

City Manager Anderson presented the FY 26/27 Budget Draft 2, noting that Finance Director Lee Mathes was unable to attend due to illness but had completed substantial preparatory work. The presentation covered the proposed fee schedule, Capital Improvement Plan (CIP), and updates reflecting changes requested at the prior budget workshop. Extensive discussion held in regard to the following:

General Fee Schedule: City Manager Anderson noted that fee increases across all departments were developed using a cost-recovery model, benchmarked against comparable communities, and designed to reflect the true cost of providing services. He emphasized the preference for incremental rather than drastic increases.

Facility and Park Rentals: The prior security deposit structure was replaced with a non-refundable reservation and cleaning fee to address recurring issues with facilities being left in poor condition. Rental rates for all city facilities were increased, with research

conducted against comparable community rates. Mayor Ash raised a concern that city facility rates should remain competitive with the Franklin County Armory, which charges \$250/day Monday–Thursday and \$600 for Friday–Sunday, to avoid underutilizing city-owned venues.

Event Permits: The event permit fee was proposed to increase from \$100 to \$500 to cover the cost of public works crew deployment (typically a four-person crew for one to three days) required for events. Commissioner Elliott requested that staff develop a tiered event permit fee structure based on anticipated attendance rather than a single flat rate, suggesting a two-tier approach (smaller versus larger events). City Manager Anderson agreed to research past event data and return with a tiered proposal.

Golf Cart Permits: Staff proposed doubling the residential golf cart permit fee from \$50 to \$100, citing increased police workload associated with golf cart enforcement. Commissioner Elliott expressed hesitation about raising residential rates, noting the city's older golf cart ordinance may contain unenforceable provisions and that the cap of 30 commercial golf carts may need revisiting. Mayor Ash shared concern that higher residential fees could burden seniors and others who rely on golf carts as a primary mode of transportation. Commissioner Duncan indicated she was open to a compromise increase, acknowledging the need for additional revenue. City Manager Anderson proposed a residential rate of \$75 as a compromise, and the item was deferred to the third budget workshop pending further review of the ordinance. Chief Richards confirmed that officers currently encourage registration but lack formal enforcement authority, and noted that a non-registration fine would serve as a meaningful deterrent. City Manager Anderson committed to consulting the City Attorney regarding the legal framework for a non-registration fine. It was also clarified per Florida Statute 316.212 that operators under 18 years of age must hold at least a learner's permit to operate a golf cart.

Cemeteries: Cemetery plot rates were increased to align with comparable communities, as the city's rates were found to be significantly below market. A new perpetual care fee was proposed for all future plot purchases, to be deposited into a dedicated fund for cemetery maintenance. The fee was listed as TBD, with staff indicating a figure in the range of \$400 was under consideration. Manager Anderson confirmed this fee would apply on a going-forward basis, with staff exploring retroactive applicability.

Return Check Fee: Increased from \$35 to \$50 to offset bank charges and staff processing time.

Credit Card Usage Fee: Reduced from 3% to 2.5%, consistent with updated bank agreement terms.

Battery Park / Scipio Creek Marina Fees: The base rate for Battery Park vessel rentals was proposed to increase from \$100 to \$300 for Franklin County-registered vessels not exceeding 30 feet, and from \$175 to \$375 for out-of-county vessels. The annual launch fee

8.18.26 cc Special Meeting (Budget Workshop)

for non-Franklin County charter captains was proposed to increase from \$150 to \$500, reflecting benchmarking against regional marinas. New water and electrical connection fees (\$10.50 for 30-amp and \$20.00 for 50-amp, per day) were proposed for the Riverfront Marina area, where utility infrastructure is being installed.

Library Fees: Minor fee adjustments were noted, including increases to per-copy rates and the establishment of a new conference room rental fee. City Manager Anderson indicated the Library Director may have updated input and the fees would be reviewed further.

Building Fees: Notable increases included the fence permit (from \$75 to \$150), roof/re-roof permit (from \$100 to \$200), and various residential exception permit fees. A new demolition permit fee of \$500 (previously no charge) was introduced. Building Official Ron explained that demolition permits now require significant staff time, including coordination with the Apalachicola Regional Planning Council (ARPC) and review by the Planning and Zoning Board for properties in the historic district. Flood zone fill fees and floodplain management fees were also increased to reflect the level of technical review required.

Planning and Zoning Fees: Fees were largely unchanged. A typographical error was identified in the Development of Regional Impact (DRI) fee line; staff confirmed the fee remains at \$500 and will be corrected.

Code Enforcement Fees: The tree ordinance permit processing fee was increased from \$50 to \$100. Commissioner Elliott requested that the additional processing fee for trees removed prior to permit approval be structured as double the standard permit fee (rather than a flat \$50), consistent with common practice for unpermitted work. City Manager Anderson confirmed this change would be incorporated. City Manager Anderson also noted that the city has secured a contract with a Special Magistrate to strengthen code enforcement, with hearings to be coordinated alongside the county's existing magistrate schedule.

Fee Schedule – Utility Billing: A 3% across-the-board annual increase was applied to water and sewer utility rates. Mayor Ash acknowledged that, given the impending transfer of the utility to an independent district with only two months remaining in city ownership, a deeper rate analysis was not warranted at this time.

Capital Improvement Plan (CIP): City Manager Anderson presented the FY 26/27 CIP with an approximate fund balance of \$880,000. Key allocations discussed included:

Scipio Creek Improvements (\$250,000): Increased from the prior year's \$230,000, driven by rising electrical costs. Staff is pursuing a grant application of approximately \$1.5 million for a comprehensive Scipio Creek overhaul. The Franklin County Board of County Commissioners committed approximately \$128,500 in remaining Community Redevelopment Authority (CRA) funds toward the electrical upgrades. City Manager Anderson described the marina as significantly underperforming, noting the absence of

8.18.26 cc Special Meeting (Budget Workshop)

reliable water and electrical service at multiple slips, and a recent safety incident involving extension cords arcing in the rain. Commissioner George requested that additional detail on funding sources for both the Scipio Creek and Riverfront Park projects be provided at the third workshop.

City Hall Renovations (\$500,000 placeholder): Staff included a \$500,000 placeholder for potential renovation of the historic city hall building on Water Street to serve as a permanent city hall, including completion of the second floor, office buildout, and installation of a records vault. Commissioner George noted that two grant applications are pending for this purpose—one recently submitted for construction and outfitting, and another anticipated for the upcoming legislative session. She requested more detailed information on the status of those grants prior to the third workshop, and encouraged the Commission to thoughtfully consider reserve levels before committing funds. City Manager Anderson acknowledged the placeholder is part of a broader property analysis discussion scheduled for late September.

Old High School Demolition (\$300,000): This previously budgeted placeholder was removed from the CIP.

Seawall Repairs – Battery Park Marina: Public Works Director Brad confirmed a quote of approximately \$45,000 was received for seawall repair using vinyl/polymer material, consistent with current industry practice. An RFP will be issued and the work is expected to be completed within the current fiscal year, within the previously budgeted amount.

Riverfront Park / Floating Dock: Commissioner Elliott raised the status of the accessible floating dock at the Riverfront haul-out facility, which had been improperly gifted to a third party. City Manager Anderson confirmed that the city is in the process of reacquiring the dock, noting it was the only wheelchair-accessible vessel boarding point in Apalachicola. He expressed commitment to restoring this asset.

Budget Summary Updates (Draft 2 Changes)

City Manager Anderson reviewed adjustments made in response to Commission direction from the first workshop:

- **Fire Department:** Per-call compensation for volunteer firefighters increased from \$100 to \$150, adjusting the annual budget line from \$30,000 to approximately \$45,000. The fire truck final payment date (June 1, 2028) and USDA bond payoff date (September 2029) were noted for the record.
- **Lobbyist Contract:** A note was inserted indicating the renewal will be evaluated; a \$54,000 placeholder remains.
- **Planning Contract Services (ARPC):** A note was added indicating this line item could be eliminated if a City Planner/Planning and Operations Director is hired.

- **Public Works – Seafood Festival Flags:** TDC declined to fund replacement flags, as the city's broader use beyond the festival caused accelerated deterioration. Staff will fund replacement flags within the existing budget. The Christmas décor line item is anticipated to increase from \$5,000 to \$10,000, pending confirmed pricing.
- **Parks and Recreation:** A \$5,000 line item was added for park beautification (trash cans, tables, plants, and signage), and \$3,000 was added for recreational programs, reflecting Commission direction.
- **TDC Playground Equipment:** Staff confirmed that TDC cannot directly fund playground equipment alone; however, a Section 6 project that encompasses a broader park overhaul—including playground equipment, boundaries, and additional amenities—may be eligible. Staff and the Parks and Recreation Committee are working with TDC on a qualifying scope.
- **African American Museum:** Utility (\$4,000), property liability insurance (\$8,000), and building expenses (\$4,500) were added to the facilities budget.
- **Rainey House Museum:** A \$5,500 placeholder was included. City Manager Anderson noted that the Rainey House's grant application was not funded, and the organization may seek repair assistance from the city. Commissioner Elliott expressed concern about the building's deteriorating condition and urged the Commission to consider a more proactive role in preservation of this antebellum structure. City Manager Anderson committed to meeting with representatives and reporting back to the Commission.
- **Water and Wastewater Utility (October–November Only):** The budget was restructured to reflect only the two months of city ownership remaining in the fiscal year. Notes were included regarding insurance coverage transitioning to the independent district in December, and staff recommended maintaining the city's existing benefit plan through the transition for the benefit of transferring employees.

General Fund Reserve: The FY 26/27 budget projects the general fund reserve to drop from approximately \$242,000 to approximately \$77,000–\$80,000. However, City Manager Anderson noted that approximately \$200,000 in end-of-year carryover from FY 25/26 is not yet reflected, which would bring the effective reserve to approximately \$280,000.

Enterprise Fund Reserve: The enterprise fund reserve is projected to increase from approximately \$321,000 (FY 25/26) to approximately \$405,000 after proposed changes, reflecting a positive fund balance that will be transferred to the new Water and Sewer Independent District.

City Manager Anderson confirmed that a third budget workshop is tentatively scheduled for August 25, 2026, and committed to circulating a draft agenda capturing all outstanding items, including golf cart fee analysis, event permit tier structure, CIP project details, and grant status updates for the Water Street city hall building.

Adjournment

A Motion was made by Commissioner George to adjourn, seconded by Commissioner Elliott. No discussion. No commissioners opposed. Motion carried, 5-0.

The meeting adjourned. The next Budget Workshop is anticipated to be held on August 25, 2026.

Brenda Ash, MAYOR

ATTEST:

Sheneidra Cummings, CITY CLERK