A Regular Meeting of the Apalachicola City Commission was held on Tuesday August 4, 2026, at 6pm, 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 Attorney Dan Hartman, City Manager Chuck Anderson, Finance Director Lee Mathes, Chief Chase Richards, and Deputy Clerk Shelly Toluba

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

<u>Agenda Adoption</u>

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

<u>Public Comment</u>

Donna Ingle expressed general support for the City's strategic goal objectives, noting that while the goals are broad, specific priorities—including topics discussed in prior workshops—should be reflected in the plan.

Greg Golgoski, speaking on behalf of the Planning and Zoning Board, requested authorization for the Board to conduct two work sessions: one on stormwater review processes for new development, and one on downtown parking requirements in the commercial district. He described both topics as areas where existing code processes are unclear or cumbersome, and noted that the Board would bring any conclusions back to the Commission for action.

Carrie Kienzle, President of Bring Me a Book, Forgotten Coast, addressed the Commission requesting advocacy on behalf of Franklin County's Head Start program. She explained that the Capital Area Community Action Agency voted to close Franklin County's 19 Head Start slots and transfer them to Tallahassee, citing facility, staffing, and enrollment challenges. She noted a similar situation occurred in 2017 and was reversed through community advocacy. She asked the Commission to contact the Capital Area Community Action Agency and urge them to retain or restore Franklin County's Head Start enrollment.

New Business #1: Margaret Key Library - Annual Plan of Service

Library Director Lucy Carter presented the Library's Annual Plan of Service, which is required each year as a condition of the State operating grant. She summarized the Library's five goals for the year, covering lifelong learning, literacy, informed citizenship, genealogy and local history, and quality of service. She noted the Library has successfully received this grant for the past three years.

A Motion was made by Commissioner George to approve the Margaret Key Library's Annual Plan of Service, seconded by Commissioner Duncan. No discussion. No opposition. Motion carried, 5-0.

New Business #2: Approval of Engineering Firm for New Municipal Well Construction

City Manager Anderson reported that the City received $1,500,000 in federal supplemental appropriations following Hurricanes Helene and Milton for construction of a new municipal well (Well No. 8). An RFP was advertised and the firm Donovan Hill Group was selected. Manager Anderson confirmed with the Florida Department of Environmental Protection (DEP) that proceeding with this contract is consistent with the natural course of business, notwithstanding the pending transition to the new Apalachicola Water and Sewer District. The award will be disclosed to the incoming district upon its formation.

Commissioner Knutson noted the importance of recognizing city staff's work in securing these assets and emphasized that the new district will need to replicate that institutional capacity.

A Motion was made by Commissioner Elliott to approve the award of the engineering services contract to Donovan Hill Group for construction of the new municipal well, seconded by Commissioner Duncan. No discussion. No opposition. Motion carried, 5-0.

Unfinished Business #1: Approval of Goal Objectives

City Manager Anderson presented the two-year strategic goals and objectives document developed following the community input workshop and subsequent work with C4 Strategies and Charles Chapman. The Commission had previously approved nine broad goals; the objectives presented assigned action steps, lead departments, and a 30-day research period at the outset of each item. Manager Anderson noted that three goals are assigned to the planning department, which is currently operating without a planning and operations director, and that hiring for that position is underway. Goal 9, relating to the utility system transition, is led by Manager Anderson and subject to external timelines.

Commissioner Knutsen inquired about the role of commissioners in the work, and Manager Anderson confirmed that commissioner involvement is welcomed, citing Commissioner Elliott's existing engagement with housing efforts through Team Franklin.

Commissioner Elliott expressed appreciation for the plan as a demonstration of the Commission's commitment to moving forward.

A Motion was made by Commissioner Elliott to approve the two-year strategic visioning plan goal objectives, seconded by Commissioner Knutsen. No discussion. No opposition. Motion carried, 5-0.

Unfinished Business #2: Demo George Building Parking Waiver

The Commission considered a request from the Waddell family for a waiver of eight parking spaces and approval of a right-of-way encroachment for a roof extension over the sidewalk at 155 Commerce Street.

Public Commenter, Bonnie Davis, speaking on behalf of HAPI (Historic Apalachicola Preservation, Inc.), stated that HAPI supports the project but raised the question of whether the current condition of the structure qualifies it for the historic parking waiver under City code. She argued that the building, as it currently exists, is not a functional historic structure and that the planned reconstruction—including new walls, roof, kitchen, bathrooms, and patio—constitutes new construction rather than rehabilitation. She suggested the Commission consider whether the waiver should be conditioned on the State's continued recognition of the building as a historic structure under the grant.

Applicant Jim Waddell responded that the project has been reviewed and approved by the Florida Division of Historic Resources as consistent with the U.S. Secretary of the Interior's Standards for Historic Preservation. He noted that at the Planning and Zoning Board stage he had already reduced the proposed seating—and therefore the required parking—from 20 to 12 spaces. He requested the 8-space waiver, acknowledging that one remaining space would require mitigation, and stated that without the waiver the project would likely not proceed.

During Commission discussion Commissioner Elliott expressed support for the waiver, citing the State's written confirmation that the project remains within the scope of the historic grant and will remain on the National Register of Historic Places. She also raised broader concerns about the City's piecemeal approach to downtown parking, noting the lack of a comprehensive parking plan and the inequitable burden placed on newer businesses.

Commissioner George acknowledged the complexity of the case and proposed that the waiver be made contingent upon the applicant maintaining compliance with and successful completion of the State historic preservation grant, reasoning that the grant's requirements serve as the qualifying basis for the historic waiver and would guard against similar claims by future applicants without genuine historic rehabilitation.

Commissioner Knutson raised a question about whether the City's parking ordinance is consistent with state standards; City Attorney Dan Hartman confirmed the City's calculations are consistent with common practice in other jurisdictions, though unique to Apalachicola.

Commissioner Elliott amended her motion to include that contingency proposed by Commissioner George, and Commissioner Duncan agreed to the amendment.

A Motion was made by Commissioner Elliott to approve the 8-space historic parking waiver for the project at 155 Commerce Street, conditioned upon the applicant's continued compliance with and successful completion of the State historic preservation grant, seconded by Commissioner Duncan. Discussion was held regarding the contingency condition and its rationale. Commissioner Knutson opposed. Motion carried, 4-1.

The Commission also considered the associated right-of-way encroachment request for a roof extension over the sidewalk, consistent with the historic character of adjacent structures. City Attorney Dan Hartman noted this process mirrors prior encroachment approvals such as the Osteen Building, subject to an encroachment agreement.

A Motion was made by Commissioner George to approve in concept the right-of-way encroachment for the roof extension over the sidewalk at 155 Commerce Street, subject to an encroachment agreement and survey being brought back to the Commission at the September meeting, seconded by Commissioner Elliott. No discussion. No opposition. Motion carried, 5-0.

Unfinished Business #3: Authorization to Release RFP for Engineering Services (Plan, Design, Permit, CEI)

City Manager Anderson presented a recommendation to release an RFP for engineering services for a new water treatment plant. He explained that the City received supplemental appropriation funding for three projects following Hurricanes Helene and Milton — well rehabilitation, the new Well No. 8, and a water treatment plant. The recommended plant type is a total organic carbon (TOC) system, which staff determined to be more effective than the alternative ion exchange system in addressing odors and organic matter in the water supply. The estimated plant construction cost is \$5–\$7 million, with the total appropriation approximately \$15 million, which includes funding for future increased operational costs associated with the TOC system. Manager Anderson acknowledged the pending district transition and confirmed that DEP has been made aware of the intent to transfer these assets.

A Motion was made by Commissioner Duncan to approve staff to pursue the SAM funding, write and release an RFP, and take procurement actions needed before turning the project over to the newly formed Apalachicola Water and Sewer District, seconded by Commissioner George. No discussion. No opposition. Motion carried, 5-0.

Mayor and Commissioner Comments

Mayor Ash requested that City Manager Anderson provide contact information for the Capital Area Community Action Agency to commissioners regarding the Head Start issue and confirmed that the Planning and Zoning Board may proceed with its proposed stormwater and parking work sessions, to be followed by a joint workshop with the Commission.

Commissioner Elliott raised concerns regarding the timeline for the transition of City utilities to the newly created Apalachicola Water and Sewer District. She noted that while the City and County have made their Board appointments, the Governor has not yet appointed the remaining members. With a statutory transfer deadline of December 1st, she expressed concern that insufficient time remains to negotiate and execute the interlocal agreement. City Manager Anderson confirmed he had contacted Representative Shoaf's office and that the representative is following up with the Governor's appointment office. City Attorney Hartman reported that a draft interlocal agreement of approximately 60 pages has been prepared and is under staff review and will be distributed to commissioners imminently so the City is prepared to move quickly once a district board is seated.

Commissioner George reported that a monitoring review by Florida Commerce of the City's three CDBG-DR grants—totaling $8.8 million—resulted in no adverse findings. He noted these grants were among those referenced in a prior public statement that the City had received $35 million in grants without fixing the water system and characterized this result as an important factual step toward accountability.

Attorney and City Manager Communications

City Attorney Hartman noted that the P&Z board ordinance—amending the board to seven regular members plus one alternate, eliminating the school board position, and establishing two consecutive four-year term limits with a two-year break before reappointment—is ready for first reading, and requested Commission direction to advertise and proceed.

A Motion was made by Commissioner Elliott to direct the City Clerk to advertise and proceed with the first reading of the Planning and Zoning Board organization and operation ordinance, seconded by Commissioner Duncan. No discussion. No opposition. Motion carried, 5-0.

City Attorney Hartman also presented a recommendation to establish a 457(b) retirement account for City Manager Anderson and fund it with a one-time payment of $24,952 to fulfill the retirement contribution obligation in the Manager's employment contract. He explained that a procedural error in how the retirement benefit was initially implemented necessitated this corrective action and confirmed the contribution amount is well below the annual IRS cap. Commissioner George requested that staff verify whether simultaneous contributions to both FRS and a 457(b) in the same fiscal year are permissible, and whether FICA and Medicare obligations apply. Attorney Hartman committed to confirming these details prior to executing the transaction. Commissioner Elliott asked whether the employment contract would need to be amended to reflect this arrangement; Attorney Hartman indicated it would be addressed at the annual renewal.

A Motion was made by Commissioner Elliott to approve the establishment of a 457(b) retirement account for the City Manager and fund it with a one-time contribution of $24,952, seconded by Commissioner Duncan. Discussion was held regarding FRS compatibility, FICA implications, and contract amendment. No opposition. Motion carried, 5-0.

City Manager Anderson provided the following updates:

Workshop and Meeting Schedule: Manager Anderson distributed a draft meeting and workshop schedule for the remainder of 2026, including a bullpen of topics for future workshops. Topics receiving the most commissioner interest included city property analysis, property tax reform, parking and parking mitigation, city marina opportunities, encroachment, and community redevelopment agency. The September 15th budget public hearing is confirmed. Commissioner Duncan requested that city property analysis and property tax reform be scheduled at the earliest available workshop date. City Attorney Hartman noted that a court ruling the prior evening had found the ballot language for Amendment 3 (property tax reform) to be inaccurate and directed the Attorney General to rewrite it within ten days, suggesting the Commission be mindful of that evolving context.

Coastal Engineering RFQ: The City received 13 responses to its RFQ for coastal and municipal engineering services and has identified eight firms for continuing service agreements, to be brought back to the Commission.

Planning and Zoning Board Vacancies: The City is advertising for two primary and one alternate P&Z positions. Applications will be forwarded to the Commission for selection at the next meeting. A Park and Recreation Committee vacancy will also be addressed at the next meeting

Florida's Great Northwest Workshop: A stakeholder engagement workshop will be held at Coombs Armory on August 27th from 9:00 AM to 12:00 PM.

Marina Boat Fire After-Action Review: Manager Anderson conducted an after-action review with the Police Chief, Harbor Master, Franklin County Emergency Management, and the Volunteer Fire Department. Preventive measures under consideration include a new fire suppression system at the marinas and the acquisition of portable pumps utilizing Bay water for firefighting. A follow-up meeting is scheduled in approximately three weeks.

FSU MPA Graduate Capstone Partnership: Manager Anderson is in discussions with Florida State University's School of Public Administration regarding a potential partnership for a graduate capstone project tied to one or more of the City's strategic goals.

Stewardship Funding / DEP Payment Issue: DEP has indicated that its interpretation of the General Appropriations Act language directs that all unexpended stewardship funds—including approximately $500,000 in pending pay requests and an estimated additional $750,000 in remaining project costs—be transferred to the new Water and Sewer District effective December 1st rather than paid to the City for ongoing approved projects. Manager Anderson is working with the City's lobbyist and has contacted DEP Administrator Alexis Lambert directly to seek resolution, as the affected contractors have been under contract since the prior year and payments are not first-time requests.

JLAC Audit Update: Manager Anderson spoke with the lead auditor, who indicated a draft report has been submitted to supervisory review. Preliminary findings are expected to focus on internal control policies—including capital planning, grant compliance, and hiring practices—rather than financial misconduct. Approximately six to eight findings are anticipated. The auditor's biggest stated concern relates to prior DEP consent orders. A supervisory review meeting is scheduled for the following week.

Consent Agenda

A Motion was made by Commissioner Elliott to approve the Consent Agenda, seconded by Commissioner Knutson. No discussion. No opposition. Motion carried, 5-0.

Department Reports

Department reports were made available in the meeting packet.

Adjournment

Motion to adjourn made by Commissioner Elliott and seconded by Commissioner Knutson. No discussion. None opposed. Motion carried 5-0.

Meeting adjourned.

BRENDA ASH, MAYOR

ATTEST:

SHENEIDRA CUMMINGS, CITY CLERK