

**MINUTES OF THE REGULAR MEETING OF THE APALACHICOLA CITY COMMISSION HELD TUESDAY, NOVEMBER 5, 2019, 6:00 PM AT THE APALACHICOLA COMMUNITY CENTER.**

**PRESENT:** Mayor Kevin Begos  
Commissioner Brenda Ash  
Commissioner Anita Grove  
Commissioner Despina George  
Commissioner Adriane Elliott  
  
Ron Nalley, City Manager  
Deborah Guillotte, City Clerk  
Kristy Banks, City Attorney

**CALL TO ORDER**

Mayor Begos called the meeting to order at 6:05 PM and Dolores Croom gave the invocation. Council members led the pledge of allegiance.

**AGENDA ADOPTION**

Mayor Begos called for a motion to approve the agenda.

Attorney Kristy Banks requested under Section Five that a third Special Meeting – Shade Meeting for the lawsuit regarding Smith and Nall be held November 12, 2019 at 1:40 PM and that a Special Meeting – Shade Meeting for the Grieg Lawsuit for – November 26, 2019 at 2:00 PM be moved to December 3, 2019 at 4:00 PM at City Hall.

Mr. Nalley requested that Consent Agenda Item A – Meeting Minutes Adoption be removed.

Commissioner Ash made a motion to approve the agenda as revised. Commissioner Grove seconded and the motion carried 5-0.

**MAYOR'S AND COMMISSIONERS REPORTS AND COMMUNICATIONS**

A. Resolution 2019-23 – Thanking Mike Kinnett for his Dedication to the City and to Orman House State Park.

Mayor Begos read Resolution 2019-23 in its entirety.

A RESOLUTION BY THE CITY COMMISSION OF THE CITY OF APALACHICOLA, FLORIDA THANKING PARK RANGER MICHAEL KINNETT FOR HIS DEDICATION TO THE CITY AND TO ORMAN HOUSE STATE PARK.

Commissioner Grove made a motion to adopt Resolution 2019-23 thanking Park Ranger Michael Kinnett for his dedication to the City and to Orman House State Park. Commissioner George seconded and the motion carried 5-0.

B. Proclamation Declaring November 30, 2019 as Small Business Saturday

Mayor Begos read Proclamation declaring November 30, 2019 as Small Business Saturday in its entirety.

Commissioner Grove made a motion to adopt the Proclamation declaring November 30, 2019 a Small Business Saturday. Commissioner George seconded and the motion carried 5-0.

C. Florida Department of Environmental Protection (DEP) Meeting Update

Mayor Begos gave an update on his meeting with the Department of Environmental Protection and the revolving loan stating that they are pleased with the progress the City has made. DEP suggested that the City complete an Asset Management Plan through the Florida Rural Water Association. The Plan is an analysis of the water and sewer system and will address the highest priority needs based upon condition and criticality of the component.

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Mayor Begos then gave an update concerning the Environmental Stewardship Bill stating that it has a chance this year moving forward in the legislature.

Mayor Begos also gave a brief review of his meetings regarding Weems Hospital and stated he has been appointed to the hospital board as well as the Tourist Development Council.

Commissioner Ash commented on the current political atmosphere of disrespect, meanness, and rudeness and how overwhelming it has been to both citizens and staff. She reminded everyone that we are a team and only need to be concerned with what is best for the City and its citizens and not tear down colleagues and staff. Commissioner Ash gave her point of view of the City Manager and that the strong Mayor form of government would be totally political and open disruption for the City. Commissioner Ash stated that if we were to terminate the City Manager, that the City would be obligated to pay severance. Commissioner Ash also stated her concerns with having so many meetings a month and staff not being able complete their day to day work along with the concern that staff should not be micromanaged.

Commissioner Grove announced that she has been appointed to the Apalachicola Systems Initiative Advisory Board as liaison to the City. Commissioner Grove expressed her concern with an item removed from the proposed Agenda recognizing the fire department for improving the ISO rating from a probationary ten to a five and would like this to be reschedule for the December agenda.

#### **CITY MANAGER COMMUNICATIONS**

- Census 2020 Complete Count Committee – Mr. Nalley reported that the Complete Count Committee met on October 24<sup>th</sup> and participated in the training provided by the US Census Bureau. The initial committee will be looking for additional volunteers to assist them as they begin their work. If anyone is interested in serving on this committee please notify Mr. Nalley or the City Clerk. It is important to remember that help is needed to encourage everyone to complete and respond to the 2020 Census. Mr. Nalley stated that the next meeting is scheduled for November 18<sup>th</sup> at 3:00 p.m. at City Hall.
- Financial Update – The 2018-2019 fiscal year end financial statements were included in the agenda packet, however upon further review staff discovered some errors and the statements will need to be revised. Mr. Nalley pointed out that the City ended the year with a positive cash balance in both the general and enterprise funds.
- Project Impact Grant Award – Mr. Nalley congratulated Nadine Kahn and the Project impact staff for funding of their program through the 21<sup>st</sup> Century Community Learning Centers Grant. This \$2,556,600 award will extend Project impact for an additional five years.
- Exploratory Oil Drilling Proposal in Calhoun and Gulf Counties – Mr. Nalley reported that recently the Commission received information from Georgia Ackerman with Apalachicola Riverkeeper’s regarding exploratory oil drilling proposals in Calhoun and Gulf Counties. In speaking with Mrs. Ackerman, there is still time for the City to take action in the form of written comments to DEP if the Commission directs staff to move forward in that direction. Mrs. Ackerman gave a brief review of the exploratory oil drilling and her concerns with not opposing this action, stating all the information is on their website for citizen review. Mrs. Ackerman stated that the Commission and interested citizens could find the information opposing the exploratory oil drilling on the DEP website. Commissioner Grove stated she is not in favor and suggests writing a letter opposing the oil drilling. Commissioner Elliott suggested developing a resolution opposing the oil drilling for consideration at the next meeting.

- In a response to a question from Commissioner Elliott, Mr. Nalley stated that the City is contracting out zoning and building inspections services with EPCI and are in the process of preparing advertisements for the Planning and Zoning Director and Code Enforcement positions. In a response to a question from Uta Hardy, Mr. Nalley stated that if anyone has concerns with ongoing code enforcement violations to please notify the Police Department or City Hall.

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<b>ATTORNEY KRISTY BANKS COMMUNICATIONS</b>
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Attorney Banks read the following Notice of Request for Special Meeting - Shade Meeting for Moore & Jackson Lawsuit – November 12, 2019 at 2:00 p.m:

“An Open meeting of the City of Apalachicola City Commission will convene on Tuesday, November 12, 2019 at 2:00 PM at the City Hall, 192 Coach Wagoner Blvd., Apalachicola, FL 32320. Upon calling the meeting to order, Mayor Begos will announce the commencement of a private meeting in re pending litigation City of Apalachicola vs Moore & Jackson. The estimated amount of time for the meeting will be between 1 and 2 hours and the following persons are attending: Mayor Kevin Begos, Commissioners Anita Grove, Adriane Elliott, Despina George, and Brenda Ash, City Manager Ron Nalley and City Attorney Kristy Banks and Attorney of record William Warner.” Upon conclusion of the attorney-client session, the meeting shall be reopened and the Mayor shall announce the termination of the session.”

Commissioner Grove made a motion to approve the Notice of Special Meeting – Shade Meeting for Moore & Jackson Lawsuit – November 12, 2019 at 2:00 p.m. at City Hall. Commissioner Elliott seconded and the motion carried 5-0.

Attorney Banks read the following Notice of Request for Special Meeting - Shade Meeting for Smith, Smith & Nall Lawsuit - November 12, 2019 at 1:40 p.m:

“An Open meeting of the City of Apalachicola City Commission will convene on Tuesday, November 12, 2019 at 1:40 PM at the City Hall, 192 Coach Wagoner Blvd., Apalachicola, FL 32320. Upon calling the meeting to order, Mayor Begos will announce the commencement of a private meeting in re pending litigation City of Apalachicola vs Smith, Smith & Nall. The estimated amount of time for the meeting will be 20 minutes and the following persons are attending: Mayor Kevin Begos, Commissioners Anita Grove, Adriane Elliott, Despina George, and Brenda Ash, City Manager Ron Nalley and City Attorney Kristy Banks.” Upon conclusion of the attorney-client session, the meeting shall be reopened and the Mayor shall announce the termination of the session.”

Commissioner Grove made a motion to approve the Notice of the Special Meeting – Shade Meeting for Smith, Smith and Nall Lawsuit – November 12, 2019 at 1:40 p.m. at City Hall. Commissioner George seconded and the motion carried 5-0.

Attorney Banks read the following Notice of Request for Special Meeting - Shade Meeting for Grieg and Bacon Me Crazy, LLC Lawsuit – December 3, 2019 at 4:00 p.m.

“An Open meeting of the City of Apalachicola City Commission will convene on Tuesday, December 3, 2019 at 4:00 PM at the City Hall, 192 Coach Wagoner Blvd., Apalachicola, FL 32320. Upon calling the meeting to order, Mayor Begos will announce the commencement of a private meeting in re pending litigation Grieg and Bacon Me Crazy, LLC vs. City of Apalachicola. The estimated amount of time for the meeting will be between 1 and 2 hours and the following persons are attending: Mayor Kevin Begos, Commissioners Anita Grove, Adriane Elliott, Despina George, and Brenda Ash, City Manager Ron Nalley and City Attorney Kristy Banks and Attorney of record William Graham and Jeffrey Foster.” Upon

conclusion of the attorney-client session, the meeting shall be reopened and the Mayor shall announce the termination of the session.”

Commissioner Grove made a motion to approve the Notice of the Special Meeting – Shade Meeting for Grieg and Bacon Me Crazy, LLC Lawsuit – December 3, 2019 at 4:00 p.m. at City Hall. Commissioner George seconded and the motion carried 5-0.

**PUBLIC COMMENT**

Mayor Begos opened the floor for public comment.

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- George Coon expressed his concern with right-of-way encroachments.
- Bonnie Davis expressed her desire for the properties on 24<sup>th</sup> and 25<sup>th</sup> Avenues owned by the City to be used for workforce housing.
- Rich Hall expressed his concern with the shade meeting that was added to the agenda. Mayor Begos stated that the City is in litigation and that the Commission will not discuss this issue at this time.

**CONSENT AGENDA**

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

- National Fish and Wildlife Foundation Emergency Coastal Resilience Fund – To approve submittal of the grant proposal to National Fish and Wildlife Foundation Emergency Coastal Resilience Fund on behalf of the City of Apalachicola. Mr. Nalley reported this is a \$3.256 million grant proposal to the NFWF to repair and/or replace failing stormwater infrastructure outfalls along the Apalachicola Riverfront, to initiate water quality monitoring and resource restoration along the riverfront and to incorporate site specific public education materials about the project and to promote the City’s long-term resiliency efforts. The deadline is November 12, 2019. Mr. Nalley stated that the City has applied for this grant previously but did not get approved. There is no local match requirement for this grant.

Commissioner Grove made a motion to approve the Consent Agenda. Commissioner Elliott seconded and the motion carried 5-0.

**UNFINISHED BUSINESS**

**A. DUKE ENERGY ELECTRIC FRANCHISE AGREEMENT – FIRST READING**

Mr. Nalley gave a brief review of the Duke Energy Franchise Agreement with recent revisions and the changes to a proposed ten year term.

Mayor Begos read Ordinance 2019-02 by title as follows:

AN ORDINANCE GRANTING TO DUKE ENERGY FLORIDA, LLC. d/b/a DUKE ENERGY, A NON-EXCLUSIVE ELECTRIC UTILITY RIGHTS OF WAY UTILIZATION FRANCHISE; PRESCRIBING THE TERMS AND CONDITIONS RELATED TO THE OCCUPANCY OF MUNICIPAL STREETS AND RIGHTS OF WAY IN THE

CITY OF APALACHICOLA, FLORIDA, FOR THE PURPOSE OF PROVIDING ELECTRIC SERVICE;  
PROVIDING FOR SEVERABILITY OF PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

Commissioner Elliott made a motion to approve the first reading of Ordinance 2019-02 granting Duke Energy of Florida an Electric Franchise with the City of Apalachicola and to proceed with the adoption process. Commissioner Ash seconded and the motion carried 5-0.

**UNFINISHED BUSINESS**

**B. SALE OF CITY OWNED PROPERTY AND TRIUMPH HOUSING GRANT INITIATIVE DISCUSSION**

Mr. Nalley gave a brief update on the list of surplus property to be marketed and sold by the former City Commission as a method of reducing the default debt for the water and sewer fund. In October Hurricane Michael hit and the matter was delayed and it was suggested that we postpone the auction of City owned property. Mr. Nalley stated that since the hurricane, there is a desperate need for affordable housing, both rental and owner occupied, for all segments of our population. Since March, a group of stakeholders involved in different aspects of the local housing industry have been Regular Meeting - 11/5/19 - Page 5

meeting to discuss the housing and infrastructure initiative submitted to Triumph for funding. The grant proposed 1) leveraging city owned property and tax incentives for workforce housing; 2) expanding infrastructure to support an area targeted for workforce housing; and 3) providing trades-related education and career options through apprenticeships.

The project also engages the services of industry leaders in workforce and disaster recovery to address the affordable workforce housing crisis in the region. Through the successful community land trust model, this project would connect public, private and nonprofit partners to supply energy efficient and modular cottage homes at an attractive price-point to meet workforce housing needs.

Based on the need, interest and excitement in the project, the housing stakeholders group generally endorsed the above concept and in August 2019 the former City Commission determined that it would be beneficial for the City Commission to rescind their decision of marketing and selling the list of surplus lots in order to allow time for more specific development and financial planning to take place. If it is determined that the housing initiative is not financially viable at some point in the future, the current Commission can reevaluate the need to sell the surplus parcels.

Initially discussed at their Board Retreat, the former Commission discussed the possibility of selling or leasing the City Hall building at 1 Avenue E. Combining City Hall, the lot next to it and the Old Fire Station offers a valid alternative to paying off the debt default amount in the water and sewer fund rather than using the individual lots. At their August 2019 meeting, the former Commission voted to permanently relocate City Hall to the Van Johnson Complex freeing up the possibility of moving forward with the sale of the City Hall. Mayor Begos stated that at the time the County did not endorse the Triumph Workforce Housing Grant which leaves it in limbo, even though it was pre-approved through the Triumph Committee. All Triumph grants must now have the endorsement of the County to be able to move forward. Commissioner Elliott commented that the City has property that can be used for affordable housing and the City should consider drafting an inter-local agreement with the County. Mayor Begos feels that the old City Hall and the old Fire Station would be the best property to sell and a private investor would have the means to bring it up to code. Commissioner Grove stated the property behind the fire station is mitigation for High Cotton parking. Commissioner George suggested selling the properties that would not be used for the affordable housing initiative and recommended using local real estate brokers. Commissioner Grove requested Attorney Banks research this matter and make sure that the City goes through the correct process to sell the property. Commissioner Ash and Commissioner Elliott agreed with selling the old City Hall and old Fire Station for the maximum amount of value. Numerous real estate brokers expressed their concerns with real estate brokers listing the properties and how they thought the City should proceed with the sale of the properties. Commissioner Ash recommended that staff and the city attorney work on a proposal and bring it back to the Commission for review and consideration. Attorney Banks stated she will research this matter further and report back with the Commission. Following further discussion, the Board expressed interest in holding a special meeting concerning the sale of City owned property.

**NEW BUSINESS**

**A. APALACHICOLA MAIN STREET DISCUSSION**

Commissioner Elliott gave a brief review of the partnership between the Community Redevelopment Agency and Main Street and the background of what each entity does for the City. Commissioner Elliott expressed her concerns with the

Chairman of the CRA and Main Street being the same person which raises the possibility of a conflict of interest. Commissioner Elliott suggested terminating the Main Street partnership and stated that the CRA Board should have representation from the Hill, Mill Pond, Battery Park Marina and a Downtown Business Affiliate to make sure everyone is represented. Mayor Begos also expressed concerns on whether Main Street should be listed on the City's website. Commissioner George gave additional background information on the City and Main Street partnership and referenced a City Resolution from August 2010. Commissioner Grove stated that the City needs to discuss each group separately since they are two separate entities. Commissioner Ash commented that the CRA and Main Street are separate entities and that Main Street has contributed and provided economic development to the City, with their main event being the 3<sup>rd</sup> of July. The event brings in tourism and additional revenues which helps the community tremendously.

Following further discussion, Commissioner Elliott made a motion to rescind Resolution 2010-10 with Main Street and the City of Apalachicola. Attorney Banks stated there is a process for properly rescinding resolutions and that she requests this item be tabled for further review.

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<b>NEW BUSINESS</b> <b>B. AUDIT DISCUSSION</b>
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Mayor Begos stated he has talked with Senator Montford and Representative Shoaf and that they will explore the possibility of a joint legislative audit by the State of Florida at no cost to the City. Mayor Begos also talked with Roberson & Associates and Carr, Riggs & Ingram and stated they were interested and would send in a RFP when advertised by the City. Mayor Begos requested this be tabled for further review.

<b>NEW BUSINESS</b> <b>C. CITY MANAGER DISCUSSION</b>
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Mayor Begos stated his concerns that the citizens were not aware that the form of government had been changed when a City Manager was hired last year. Commissioner Grove reviewed the process the City Commission followed for hiring the City Manager, stating that everything that was done was transparent and legal. Mayor Begos stated the Commission has a choice to leave as is, or to revise the City Charter to make the power more equal between the City Manager and Commission. Discussion followed by the City Commission and numerous citizen comments were received on the matter.

Commissioner George made a motion to direct the City Attorney to review the City Manager contract and the City Charter to determine the feasibility of changing the job description from City Manager to City Administrator and that the Commission have individual meetings with the City Manager on what he would be interested in. Commissioner Elliott seconded and the motion carried 3-2, with Commissioners Ash and Grove voting against the motion.

<b>NEW BUSINESS</b> <b>D. ORDINANCE 2019-09 AMENDING THE FISCAL YEAR 2018-2019 AND PROCEED WITH THE ADOPTION PROCESS – FIRST READING</b>
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Mayor Begos read Ordinance 2019-09 in its entirety.

AN ORDINANCE BY THE CITY COMMISSION OF THE CITY OF APALACHICOLA AMENDING THE FISCAL YEAR 2018-2019 BUDGET

Commissioner Grove made a motion to approve the first reading of Ordinance 2019-09 and proceed with the adoption process. Commissioner Ash seconded and the motion carried 5-0.

<b>NEW BUSINESS</b>
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**E. ORDINANCE 2019-10 DESIGNATING THE OFFICIAL SEAL OF THE CITY – FIRST READING**

Commissioner Ash asked that Ordinance 2019-10 Designating the Official Seal of the City be tabled until next month. Commissioner Elliott seconded and the motion carried 5-0.

**NEW BUSINESS**  
**F. APPROVAL OF LOAN COMMITMENT FROM CENTENNIAL BANK FOR INTERIN FINANCING FOR THE DRINKING WATER IMPROVEMENTS PROJECT**

Mayor Begos reviewed the interim financing loan with Centennial Bank for the USDA Rural Development Project.

Commissioner Ash made a motion to approve the loan Commitment Letter from Centennial Bank for interim financing for the USDA Rural Development Project and authorize Mayor to execute any necessary documents. Commissioner Grove seconded and the motion carried 5-0.

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**NEW BUSINESS**  
**G. BOARD PRIORITIES DISCUSSION**

Mr. Nalley stated that the board priorities for the 2019-2020 Budget and Capital Improvement Plan were in the agenda packet and that if the Commission had any questions or concerns to please contact him.

**ADJOURNMENT**

With no further business, Commissioner George made a motion to adjourn the meeting at 10:45 pm. Commissioner Elliott seconded and the motion carried 5-0.

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Kevin Begos, Mayor

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Deborah Guillotte, City Clerk