MINUTES
REGULAR MEETING
of THE MARY ESTHER CITY COUNCIL
August 7, 2023 - 6:00 PM
195 Christobal Road – North, Mary Esther, FL 32569

CITY COUNCIL PRESENT

Chris Stein, Mayor
Susan Coxwell, Councilmember
Jan Lipscomb, Councilmember
Larry Carter, Mayor Pro Tem via zoom
April Sutton, Councilmember
Bernie Oder, Councilmember

CITY STAFF PRESENT

Jared Cobb, City Manager
Hayward Dykes, City Attorney
Valerie Broxson, City Clerk

OTHERS PRESENT

Mark Bundrick, OCWFD Chief

1. **INVOCATION**
Deputy Chief Jeff Wagner with the Ocean City-Wright Fire Control District performed the invocation.

2. **CALL TO ORDER**
The meeting was called to order by Mayor Stein at 6:00 pm.

3. **PLEDGE OF ALLEGIANCE**
Mayor Stein led the pledge of allegiance.

4. **ROLL CALL**
The City Clerk called the roll as reflected above.

Mayor Pro Tem Carter appeared for the meeting via Zoom, and was experiencing technical difficulties. While the technical issues were being resolved, Mayor Stein proceeded with asking the council if there was a motion to allow MPT Carter to vote during the August 7, 2023, meeting. Councilmember Coxwell made the motion, seconded by Councilmember Sutton. Motion passed 4 to 0.

RESULT:	**PASSED (4-0)**
MOVER:	Councilmember Susan Coxwell
SECOND:	Councilmember April Sutton
AYES:	Bernie Oder, Susan Coxwell, Janice Lipscomb, April Sutton
NAYS:	None

5. **APPROVAL OF THE AGENDA**
Mayor Pro Tem Carter was still experiencing technical difficulties and could not hear or speak, so he did not participate in the vote.

Mayor Stein asked if there was a motion to approve the agenda. Councilmember Sutton made the motion, seconded by Councilmember Lipscomb. The motion passed 4 to 0.

RESULT:	**(4-0)**
MOVER:	Councilmember April Sutton
SECOND:	Councilmember Janice Lipscomb

AYES:	Bernie Oder, Susan Coxwell, Janice Lipscomb, April Sutton
NAYS:	None

6. SPECIAL PRESENTATIONS

The Emerald Coast Board of Realtors had a special presentation that was not listed on the agenda.

Mayor Stein shared that on September 7, 2022, the City of Mary Esther adopted a proclamation designating October 2022 as "Hit and Run Awareness Month". The City of Mary Esthers hit-and-run proclamation was presented to the Emerald Coast Association of Realtors Public Policy Committee on June 15, 2023, by Okaloosa County Commissioner Mel Ponder. The Emerald Coast Association of Realtors Public Policy Committee decided to adopt Mary Esther's Proclamation at that meeting. Mr. Capelotti was present to represent the Emerald Coast Association of Realtors Public Policy Committee and shared that the hit-and-run proclamation has the full backing and endorsement of the Emerald Coast Association of Realtors. Mayor Stein read the proclamation backed by the Emerald Coast Association of Realtors.

Mayor Stein asked Ida Kreiser if she would like to speak. Mrs. Kreiser shared that her son was killed on Highway 98 on December 30, 2020. She thanked the city and the Emerald Coast Board of Realtors for their support and expressed hope that the rest of the county will follow suit. Mrs. Kreiser shared that the spot where her son was killed lacked streetlights. She paid for the cost of a streetlight for two and a half years. There are approximately one hundred streetlights on Highway 98 now, and there will soon be sidewalks.

Mrs. Kreiser stated that there is a book available on Amazon that shares her personal story. The proceeds from book sales and book signings will be donated to Okaloosa County Tiny Houses. Mrs. Kreiser expressed her gratitude to everyone for their support.

MPT Carter shared that he was no longer having technical difficulties and was capable of participating.

6.1. Yard of the Month for August

Mayor Stein shared that there are (4) nominations for Yard of the Month. The council discussed the different locations. Councilmember Coxwell made the motion to select 603 E Hollywood Boulevard, seconded by Councilmember Lipscomb. The motion passed 5 to 0.

RESULT:	**PASSED (5-0)**
MOVER:	Councilmember Susan Coxwell
SECOND:	Councilmember Janice Lipscomb
AYES:	Bernie Oder, Larry Carter, Susan Coxwell, Janice Lipscomb, April Sutton
NAYS:	None

7. CONSENT AGENDA

Mayor Stein asked if anyone wished to amend the consent agenda. Hearing none, Mayor Stein asked for a motion. Councilmember Coxwell made a motion to approve the consent agenda, seconded by Councilmember Oder. The motion passed 5 to 0.

RESULT:	**PASSED (5-0)**
MOVER:	Councilmember Susan Coxwell
SECOND:	Councilmember Bernie Oder
AYES:	Bernie Oder, Larry Carter, Susan Coxwell, Janice Lipscomb, April Sutton
NAYS:	None

7.1. **Approval of the Minutes**

7.2. **Library Report**

7.3. **Finance Report**

7.4. **Code Compliance Report**

7.5. **Fire Department Report**

7.6. **Jacobs Report**

7.7. **Maintenance Report**

8. CITIZENS WHO HAVE REQEUSTED TO BE PLACE ON THE AGENDA

None.

9. PUBLIC COMMENT (NON-AGENDA ITEMS)

Mayor Stein asked if anyone would like to speak on a non-agenda item. No citizens requested to speak.

10. UNFINISHED BUSINESS

None.

11. NEW BUSINESS

11.1. Property Acquisition and Intergovernmental Agreement with Okaloosa County

City Manager Cobb shared that the City of Mary Esther is nearing the end of the Community Vision Plan project. One of the items mentioned in the vision plan involved waterfront access. When this property came up, discussions took place with the County to see if a partnership could be formed to acquire the property. The attached interlocal agreement formalizes the relationship moving forward with the acquisition of the property. CM Cobb shared that him or the Deputy County Administrator Craig Coffee were willing to answer any questions.

Discussion included the acquisition of the property being a win-win for the City of Mary Esther and the County, the funding sources for the acquisition of the property, the relationship between the city and the county after the property was acquired, the history of the land, the dredging of the property located to the right of the property, and the maintenance of the property after it is acquired and turned over to the City of Mary Esther.

Deputy County Administrator Coffee shared that the county has made a similar partnership with the City of Destin and the City of Shalimar. The way it works is it is a 50/50 partnership. The city is getting the property and will maintain. The City and County will both approve a site plan, but one party will take the lead. There will potentially be some give and take, but when it is complete, the property will be transferred to the City.

CM Cobb shared that the estimated project cost is three million dollars. The City of Mary Esther will pay half of that cost. The annual tourism dollars will be used to go towards the purchase, which is usually around $190,000 per year. The closing is scheduled for August 30, 2023. If the council chooses not to use the tourist development funds, staff can look into a commercial loan. That option would need to be worked out and brought back at a different meeting.

Mayor Stein asked if there was a motion to approve the interlocal agreement between the City of Mary Esther and Okaloosa County for acquisition and development of a joint public waterfront park project on Christobal Road. Councilmember Sutton made the motion, seconded by Councilmember Coxwell. There was no additional discussion or public comment. Motion passed 5 to 0.

RESULT:	**PASSED (5-0)**
MOVER:	Councilmember April Sutton
SECOND:	Councilmember Susan Coxwell

AYES:	Bernie Oder, Larry Carter, Susan Coxwell, Janice Lipscomb, April Sutton
NAYS:	None

Mayor Stein asked if there was a motion for the second part of the agenda item. Councilmember Lipscomb made the motion to remove the Misty Water Pier from the City's TDT Expenditure Plan and approve use of any saved allocated tourism dollars for the City and, up to $350,000 from the City's restricted general fund balance, to pay for the City's portion of property acquisition costs for the joint public waterfront park project with Okaloosa County. Councilmember Coxwell seconded the motion.

Discussion included CM Cobb clarifying with council that this motion reassigns the tourism dollars for the property acquisition and removes Misty Water Pier from using those funds. Instead of using tourism dollars for the Pier, the funding will come from the general fund if approved through this vote. Councilmembers also asked CM Cobb to confirm that by changing the funding source it would not impact or delay the Pier. CM Cobb confirmed that the funding change would not impact the Pier.

Motion passed 5 to 0.

RESULT:	**PASSED (5-0)**
MOVER:	Councilmember Janice Lipscomb
SECOND:	Councilmember Susan Coxwell
AYES:	Bernie Oder, Larry Carter, Susan Coxwell, Janice Lipscomb, April Sutton
NAYS:	None

11.2. Interlocal Cooperation Agreement for Regional Aquatic Facility

CM Cobb shared that a letter was received requesting support for a Regional Aquatic Facility from the City of Niceville. These requests went out to municipalities in Okaloosa County as well as Walton County to support the City of Niceville's efforts, which is not a funding commitment.

CM Cobb shared that City Clerk Broxson had talked with another municipality that had some questions about the use of an interlocal agreement versus a resolution. A typical Interlocal is the same document signed by each agency. City Attorney Dykes agreed with that thought. CA Dykes shared that at this time the agreement was for support. CA Dykes stated that there are a lot of entities that will need to come on board, so Mary Esther may want to wait and see how it develops. In the meantime, staff can collect more information and see how other municipalities proceed, since there is still time before the deadline. The Council agreed to wait before they proceeded.

11.3. Amendment to SRF Drinking Water Loan Agreement DW460211

CM Cobb shared the Springdale Neighborhood project that originally used the CDBG funds for water and sewer improvements. Due to an increase in cost, those funds have been moved to be used for the streets. This amendment increases the loan amount for the water repairs to the amount of $1,167,430, which includes an additional 336,000 in contingencies out of that amount. Approving this funding request, raises the loan amount from $1,242,500 to $2,413,130.

Discussion included questions about why the cost increased.

When the project was being planned, the CDBG money was to be used toward water and sewer improvements, according to CM Cobb. Due to the significantly higher bids, the money will now go toward street repairs rather than the water and sewer improvements that were originally planned.

Heather Day, the finance director, joined via Zoom. According to FD Day, Mary Esther may obtain a low interest rate of roughly.28% from the SRF to pay for the upgrades to the water and sewer improvements, allowing the CDBG monies to be used to pay for the necessary street repairs. There are around $400,000 in contingency reserves in the CDBG funding, so if those monies aren't used, they can be transferred to cover the SRF loan. In that case, the request will be submitted once more to council for approval.

Mayor Stein asked if there was a motion to approve Amendment #2 to SRF Drinking Water Loan Agreement DW460211. Councilmember Oder made the motion, seconded by Councilmember Sutton. Motion passed 5 to 0.

RESULT:	**PASSED (5-0)**
MOVER:	Councilmember Bernie Oder
SECOND:	Councilmember April Sutton
AYES:	Bernie Oder, Larry Carter, Susan Coxwell, Janice Lipscomb, April Sutton
NAYS:	None

11.4. Award of RFB 2023-02 City Hall, Fire Station, and Library Remodeling Project

CM Cobb stated that the Request for Bids (RFB) for this project was published on June 28, 2023. On July 13, 2023, a Prebid conference was held. On July 27, 2023, bids were opened, and Stockton Construction submitted one for $398,000. The bid, however, fell short of the minimum requirements specified in the bid advertisement. Staff had requested that the remodeling bid be broken up into sections so council could decide if they wanted to move forward in part with some of the repairs or all of the repairs. The bid did not have the options listed and tit was missing a couple of the forms.

The recommendation by staff is to put it back out to bid and bring it back at the next council meeting. The council asked if there were ways to put it out and get more bids. CM Cobb mentioned that the architectural firm had offered a few additional locations for posting it. We may need to enter into negotiations with a contractor if we put it out for bids twice and don't receive a response.

Mayor Stein asked if there was a motion. Councilmember Sutton made the motion to reject all bids and advertise the project, Councilmember Lipscomb seconded the motion.

Discussion included if the project could be itemized so that council could pick one remodeling job over another. CM Cobb confirmed that the issue with the current bid was that they did not itemize.

Motion passed 5 to 0.

RESULT:	**PASSED (5-0)**
MOVER:	Councilmember April Sutton
SECOND:	Councilmember Janice Lipscomb
AYES:	Bernie Oder, Larry Carter, Susan Coxwell, Janice Lipscomb, April Sutton
NAYS:	None

11.5. Consideration of Compensation for Councilmembers and Mayor as a result of the new FORM 6 requirement.

City Clerk Broxson stated that the conversation regarding increasing the salary of the council originally took place at the budget workshop in July. It was brought up due to the new requirements for elected officials to file an annual full disclosure of financial interests (Form 6), beginning January 1, 2024. With the additional responsibilities and penalties, some elected officials going forward may choose to use an accountant. These additional concerns and costs related to the Form 6 requirement may discourage individuals from running for open council seats unless they can use an accountant to complete the disclosure form. With that in mind, this agenda item was added so council could have the opportunity to discuss if additional salary compensation is needed to encourage residents to run for elected positions.

Discussion included Form 6 being discussed in greater detail at the annual FLC Conference, conversations with elected officials that are currently required to fill out the Form 6 and the recommendation by them to use an accountant, the current salary for councilmembers ($250 per month before taxes), the salary of the other local cities, if the voters would have to approve the increase, and if the city could provide an accountant to the elected officials.

In response to the discussion questions, CA Dykes recommended that each elected official choose to obtain their own accountant instead of the City contracting with one attorney for all elected officials. CA Dykes stated that the charter allows an ordinance to be adopted to increase the salary; however, there is a lag time of six months. The ordinance would need to be adopted by September 30, 2023, for it to take effect on April 1. CA Dykes asked the council if they would like him to develop an Ordinance. The council chose to proceed after attending the FLC Conference.

Mayor Stein asked if there was a motion. Councilmember Lipscomb made the motion authorizing the City Attorney to develop an Ordinance necessary to increase the current compensation for the Mayor and Councilmembers for an amount to be determined. Councilmember Coxwell seconded the motion. Motion passed 5 to 0.

RESULT:	**PASSED (5-0)**
MOVER:	Councilmember Janice Lipscomb
SECOND:	Councilmember Susan Coxwell
AYES:	Bernie Oder, Larry Carter, Susan Coxwell, Janice Lipscomb, April Sutton
NAYS:	None

11.6. Reporting Lines for the City Clerk

CM Cobb shared that during his last annual evaluation, the council discussed the reporting lines for the City Clerk and requested that he bring back a recommended organizational chart. The requested information is presented with one change. The organization chart does not include the Youth Services Coordinator, which should be listed under the library.

Discussion include the topic being brought up when looking to hire the City Manager in 2020 as a way to streamline the process, the agenda item being brought before council after the City Clerk was hired, the pros and cons of having the City Clerk report to the City Manager, having the City Manager with the sole power of the organization under the council, expectations and job descriptions of the two positions, how to handle conflict between the positions, the difference in interaction between department heads and charter members, the association of pay to the importance of a individuals position, who can hire and fire the City Clerk if the reporting lines are changed, the duties that can be reassigned to the City Manager without requiring a referendum, when the charter changed to have the City Clerk report to the council, discussing the topic again at a later date, and waiting to discuss the City Managers evaluation,

CA Dykes addressed some of the topics discussed. If the council chooses to go down this path, then he would need to know what activities the council wants the City Manager to take. The change of reporting lines would be specific to the day-to-day functions that the council chooses to assign to the City Manager. It would not change the hiring and firing of the City Clerk. If the council wants the City Manager to be able to fire the City Clerk, then the council will need to take it to the referendum to delegate that authority, because currently the power to hire and fire is with the council. If the reporting lines are determined, and the council later decides that they want to have an oversight function returned to the council or more given to the City Manager, council can do it without getting approval from the City Manager. CA Dykes shared that most places have a similar set up to the one Mary Esther has with the three charter officers. The council is the legislative branch, the city attorney is kind of the judiciary branch, so to speak, the city clerk is there to supplement both the council (legislative) and attorney (judiciary).

CA Dykes read in part from the charter, the city clerk shall serve under the supervision of the city council and shall give notice of council meetings to its members and to the public, shall be responsible for the keeping of the minutes of its proceedings, and perform such other duties as are assigned to him/her by this charter or by the council. CA Dykes shared that as long as the council does not take away or try to shift those powers that were listed in the charter, then council would still retain the ultimate supervision of the City Clerk.

CM Cobb asked for more clarification about the duties and responsibilities under the city clerk that would need to be discussed or specified. CA Dykes felt that this clarification would require discussion by the council.

CC Broxson asked if she could share some thoughts that she had written down on the agenda item since it would directly impact her. CC Broxson shared that she is concerned about the way the item was brought before the council. She did not receive any notice that the agenda item was going to be included as an agenda item until the day after the agenda items were published, which was also the same day the City Manager and the City Clerk had a discussion that was not taken well by the City Manager. CC Broxson shared that the City Manager wants to have clear lines of delineation but does not maintain those lines of delineation when it comes to items under the City Clerk's purview. CC Broxson provided examples. CC Broxson shared that she has concerns with having the supervision of some of her duties being transferred to the City Manager.

Discussion included team building or conflict resolution for the City Manager and the City Clerk, staff adhering to the job descriptions, and the need to have someone in the Assistant to the City Manager role to perform HR duties.

CA Dykes stated that part of the issue is that discussions like this can only take place in these types of meetings, which normally only occur once a month and conflict does not normally wait around for a once-a-month meeting.

CM Cobb stated that he felt that the conflict stemmed from the organizational structure. The Council agreed to table the discussion and move forward.

11.7. Proposed FY 2024 Budget and 5-Year Community Investment Plan

According to CM Cobb, the purpose of this agenda item is to determine whether the council would like to put anything in the budget before the public hearing in September. CM Cobb shared that the conversation regarding the pier that took place earlier tonight will need to be incorporated. The distinction is that the Pier will not be receiving any money.

Mayor Stein said he missed the budget meeting but had read the minutes and wanted to know if there was anything else the council needed to talk about.

Cmbr. Sutton applauded the library for hosting exceptional events and executing excellent community projects, particularly given its size and the population of the city. Cmbr. Sutton also shared that she has concerns about the number of staff members that the library has in relation to the number of hours it is available to the public, 42 hours a week. Cmbr. Sutton also expressed her concern over the number of employees staffed within City Hall and Maintenance versus the number of employees staffed in the library.

CM Cobb shared that the current staff at the library are five (5) full time and two (2) part-time and shared that staffing levels can be adjusted if the council chooses. Cmbr. Sutton shared that she thought the part-time staff numbers were four, and CM Cobb confirmed that there were two part-time employees.

Discussion included the funding for the library, the use of the library by more than residents and individuals living within Okaloosa County, the request for the library to be open more hours, and the benefits of the library to the community.

CM Cobb shared that the county provides about $60,000 per year. The county also provides IT Support, and they move the checked-out books to the different libraries. CM Cobb shared that the current library budget is $421.134, and the county provides around $60,000.

Cmbr. Oder shared information that he had acquired from sitting on the Library Cooperative Committee about library funding. The county receives money from the state and gives that money based upon a percentage. The state also gets money from the federal government to fund libraries. All these funds get distributed based upon the size of your library, attendance, and other factors. Unfortunately, last year the state did not put in a big enough request, so they are cutting federal funding for libraries. As a result, the States budget for next year will be the second lowest budget within the last 25 years.

Cmbr. Oder also spoke about the benefits of the Mary Esther library to individuals outside of the city residents by referencing the benefits of the Fire Department to others outside of Mary Esther.

Mark Bundrick, Ocean City-Wright Fire Chief, spoke referencing that the relationship the Fire Department has is a give and take relationship.

CM Cobb shared that the library hours are comparable to other libraries in the area, and he can provide the hours if requested.

Cmbr. Coxwell and Mayor Stein asked about making changes to the proposed budget and when is the last time that changes can be made? CM Cobb stated that changes can be made at the public hearing; however, changes at that time make the process more complicated.

Cmbr. Coxwell asked if the Assistant to the City Manager could also perform the HR duties part-time. CM Cobb shared that it is part of the job description for that position.

Cmbr. Coxwell asked if the Deputy Clerk could be removed from the budget, since the city has not had a Deputy Clerk for some time and wants the city to focus on getting an HR person.

Discussion included who would fill in during emergencies, staffing differences at city hall and maintenance versus the library, staff sharing the Assistant to the City Manager position, complicating the lines between the duties of the City Manager and the City Clerk, part-time versus full-time hours for the position, council taking the role of manager versus the role of governing body, support by council for the budget in July, the Public Works Director position, and questions about which positions are being discussed.

MPT Carter shared that he would prefer to have the Deputy Clerk hired next year and made the motion to move the Deputy City Clerk request for staffing to FY 2025. Councilmember Coxwell seconded the motion. The motion failed 2 to 3.

RESULT:	**FAILED (2-3)**
MOVER:	Mayor Pro Tem Larry Carter

on city property outside of a legislative meeting, but CA Dyles will collaborate with Jared to see what can be done to provide some of that security and peace of mind.

13. OTHER COMMENTS

None.

14. ADJOURN

The council meeting adjourned at 8:25 pm.

Valerie M Broxson

Valerie M. Broxson
City Clerk

(Approved at the 9/6/2023 meeting.)

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CLERK
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