

The Regular Meeting of the City Council of the City of Panama City Beach, Florida, and when permitted or required by the subject matter, the Panama City Beach Community Redevelopment Agency, held on February 23, 2017.

ROLL

MAYOR MIKE THOMAS

COUNCILORS:
JOHN REICHARD
JOSIE STRANGE
PHIL CHESTER
HECTOR SOLIS

CITY MANAGER:
MARIO GISBERT
CITY CLERK:
DIANE FOWLER
ACTING CITY ATTORNEY:
KEVIN OBOS

Mayor Thomas called the Regular Meeting to order at 9:00 A.M. with all Council members, City Manager, City Clerk and Acting City Attorney present.

Councilman Solis gave the invocation and led the Pledge of Allegiance.

The Minutes of the Regular Meeting of February 9, 2017 were **read and approved as written per motion by Councilwoman Strange. Second was by Councilman Chester and the motion passed by unanimous roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Aye

Mayor Thomas asked if there were any additions or deletions to the Agenda. Hearing none, **Councilman Chester made the motion to approve the Agenda. Second was by Councilman Solis and the motion passed by unanimous roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Aye

PRESENTATIONS

1 BAY COUNTY SCHOOL BOARD TAX AND ITS USES-STEVE MOSS.

Councilman Chester welcomed Mr. Steve Moss, the City's representative on the Bay County School Board, to the podium to talk about the Half Cent Sales Tax and its uses. He distributed information about the Half Cent Sales tax which finances technology & educational facilities. He reported the tax was over Twenty Million Dollars last fiscal year and they were on track this year to surpass that figure. Regarding distribution, Arnold High School and Breakfast Point were not on the list for improvements because they had been relatively new at the time the list was created in 2010. Mr. Moss said although Arnold High did not receive any Half Cent Sales Tax funds, they did receive almost Two Million Dollars in Local Capital Improvement funds (LCI), for renovation of classrooms, cleaning, and redoing the auditorium. Surfside Middle School received a large bulk of LCI funds, about Twelve Million Dollars. Hutchison Elementary received about One Half Million Dollars and Patronis was on the list for a major upgrade next year.

Councilman Solis estimated about 60% of the sales tax came from this side of Hathaway Bridge. He said one concern was not receiving the same amount of taxes coming back to the beach. He said he thought the island was ready for a charter school. Mr. Moss said he thought the schools on the island were good enough to equal a charter school. Councilman Solis reported that many parents driving their kids to charter schools across the bridge. Looking at the sales tax revenue generated from the island, he was concerned this side was not receiving our fair share of the taxes. He urged Mr. Moss to fight for our schools here.

Councilman Chester said some of the smaller projects were removed from the original list. He mentioned large funds for Rutherford High School and the perception of some beach residents seeing millions go to schools across the bridge but not receiving funds for small projects on the island. He mentioned score booths and smaller projects at Arnold High School. Mr. Moss said Arnold athletic facilities were not up to par with some of the other high schools and discussion ensued concerning improvement money received from booster clubs instead of the School Board. Councilman Chester asked if projects could be added to the list at any time. Mr. Moss said the list was updated only every ten years and the School Board could only change the priorities of the existing projects.

Mayor Thomas said the beach would never receive our fair share because they bond our share out to take care of other areas that did not contribute as much. He said he felt the City was slighted and had not received what had been promised when Arnold High School was built. The Mayor urged Mr. Moss to be vocal in support of the City receiving more from the School Board.

PUBLIC COMMENTS (Consent and Regular Items only)

The Mayor opened the Public Hearing at 9:35 A.M.

1 BURNIE THOMPSON, 8317 Front Beach Road. Mr. Thompson agreed with Councilman Solis about the charter schools. He requested parallel parking at Mike's Diner to prevent cars from blocking traffic. He mentioned respecting the rule of law and property rights.

2 FRANK SEWELL, 435 Hidden Island Drive. Mr. Sewell mentioned the new parking requirements and questioned why an enclosed garage would not count toward parking. He said larger homes brought in more tax money and better clientele, and by requiring more parking spaces, the size of homes would be limited resulting in less revenue.

There were no further comments. The Mayor closed the Public Hearing at 9:40 A.M.

CONSENT AGENDA

1 RESOLUTION 17-58, "EMERALD COAST BOAT AND LIFESTYLE SHOW" ROAD CLOSURES. "A Resolution of the City of Panama City Beach, Florida, related to the "Emerald Coast Boat And Lifestyle Show"; authorizing road closures on portions of West Pier Park Drive, L. C. Hilton Drive and Pier Park Drive on Friday, March 3, Saturday, March 4, and Sunday, March 5, 2017, for the event."

2 RESOLUTION 17-59, "UNWINE D" ROAD CLOSURES. "A Resolution of the City of Panama City Beach, Florida, related to the "UNwineD" event; authorizing road closures on portions of West Pier Park Drive, L. C. Hilton Drive and Pier Park Drive on Friday, March 24, and Saturday, March 25, 2017, for the event."

3 RESOLUTION 17-60, "SPRING JAM" ROAD CLOSURES. "A Resolution of the City of Panama City Beach, Florida, related to the "Spring Jam"; authorizing road closures on portions of West Pier Park Drive, L.C. Hilton Drive and Pier Park Drive on Friday, April 28, and Saturday, April 29, 2017, for the event."

4 RESOLUTION 17-62, "EMERALD COAST CRUIZIN" CAR SHOW PARADE ROAD CLOSURES. "A Resolution of the City of Panama City Beach, Florida, related to the "Emerald Coast Cruizin" Parade; authorizing road closures on portions of L. C. Hilton Drive, Sea Monkey Way, Longboard Way, and Pier Park Drive on Thursday, March 9, 2017 for the event."

5 RESOLUTION 17-63, GULF POWER COMPANY STORM STAGING SITE AGREEMENT FOR FRANK BROWN PARK. "A Resolution of the City of Panama City Beach, Florida, approving an Agreement with Gulf Power Company for use of Frank Brown Park as a staging area in the event of a storm; and providing an immediately effective date."

Ms. Fowler read the Consent Agenda by title. **Councilwoman Strange made the motion to approve the Consent Agenda. Second was by Councilman Reichard and the motion passed by unanimous roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Aye

REGULAR AGENDA

ITEM 1 ORDINANCE 1398, LOW SPEED VEHICLE REGULATIONS, 2ND READING, PUBLIC HEARING AND ADOPTION. Mr. Obos read Ordinance 1398 by title. He introduced Mr. Cole Davis from his office who said Based on prior comments from Council, he prepared three versions of the Ordinance relating to the distance from a residential zone. He explained the distance was included in the Ordinance to prevent riders from leaving the business and going into a nearby neighborhood creating a disturbance. Councilman Solis suggested changing the distance to less than 1500' or allow one month for the business to be sold and maintain their current distance. Councilman Chester asked about having a certain time to comply. Mr. Davis responded that any non-conforming business had 180 days from a lack of occupancy. As part of the sale of the medallions, if it included the sale of real property, the real property must come into compliance at the time of sale.

Councilman Reichard asked about the provision of a fourteen year old driving a golf cart and if homeowners insurance would cover a non-licensed driver. Mr. Davis said these changes were made to comply with State Statutes that allowed a fourteen year old driver. He could not answer insurance coverage questions on golf carts. He added that golf carts and LSVs were regulated differently.

Mr. Davis said his three versions were available for any other changes. He said one version removed the distance from residential entirely, one version reduced the distance to only 500' instead of 1500' and the third remained at 1500'. Mayor Thomas opened the Public Hearing at 9:49 A.M.

Mr. Rick Roof, California Cycles, asked about new homes being built next to his existing businesses which would make his businesses non-compliant. He asked the Council to keep that in mind.

Ms. Colleen Swab, California Cycle, asked about signage and how long they would have to comply with the new signage regulation and Mr. Davis replied one year. With no further comments, the Mayor closed the Public Hearing at 9:52 A.M.

Councilman Reichard said that was a good question from Mr. Roof about new residential against an established business. Mr. Gisbert explained that the Ordinance referenced residential land use and most of the condominiums and apartments were in commercial land use. Mr. Davis confirmed that the businesses would have one year to comply for signage which would allow time for the investment of new signs to be recouped. He said if the individual business felt they needed more time to recoup the investment, they could appeal to the Planning Board. **Councilman Reichard made the motion to change Page 15, Section 504.07 #2, the distance from 1500' to 500' and adopt the Ordinance. Second was by Councilman Solis.** The Mayor asked if there were any comments. He stated that he opposed the Ordinance because he felt this many rental LSVs would cause a problem. **The motion passed by majority roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Nay

ITEM 2 RESOLUTION 17-50, EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT (JAG) ACCEPTANCE AND BID AWARD FOR POLICE MOTORCYCLE COMMUNICATION HEADSETS AND BUDGET AMENDMENT #17. Mr. Obos read Resolution 17-50 by title. Mayor Thomas asked if there were any questions or comments. There were none. **Councilwoman Strange made the motion to approve the Resolution 17-50. Second was by Councilman Chester and the motion passed by unanimous roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Aye

Councilman Reichard suggested that the printed Agenda Packets had too much paper and a full copy be made available in Ms. Smith's office and online if someone wanted to read the full version. The printed versions could be without the technical information. By general consensus, the Councilors agreed. Mr. Gisbert advised he would direct Ms. Smith for the next meeting.

ITEM 3 RESOLUTION 17-61, BID AWARD- SEAHORSE LAKE MULTI-USE TRAIL AND BUDGET AMENDMENT #20. Mr. Obos read Resolution 17-61 by title. The Mayor asked if there were any questions or comments; there were none. **Councilwoman Strange made the motion to approve Resolution 17-61. Second was by Councilman Chester and the motion passed by unanimous roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Aye

Mayor Thomas said he had been approached by some members of Veterans' Associations and he agreed with them that the Veterans Memorial should be moved since most people did not know where it was located and the grown trees obscured the view. He asked the City Manager to get some figures and see about moving the Memorial and the flag more upfront.

ITEM 4 ORDINANCE 1405, AMENDING THE LDC REGARDING PARKING REQUIREMENTS IN FBO-1 DISTRICTS, 1ST READING. Mr. Obos read Ordinance 1405 by title. He said the Planning Board considered the Ordinance last week and recommended 1.5 parking spaces per 1000' floor area. Mayor Thomas said he had been at the meeting and heard the members say they felt it was not enough parking for some buildings. He explained the comments from the meeting, that in the past smaller homes with a wedding or party would park at their neighbors. However, now there were large homes rented out as businesses which required more parking. He felt that if the building was rented, more parking should be required.

The Mayor stated that an enclosed garage could not be counted toward parking. Mr. Obos concurred. Mr. Gisbert mentioned a garage made into an efficiency apartment or game room, and no longer used for parking. Councilman Reichard asked how occupancy on Oleander was allowed under the 17' above sea level. Mr. Gisbert replied that there was supposed to be no occupancy at ground level on Oleander although there could be storage with blowout panel walls. Mayor Thomas said absolutely there were buildings with occupancy in those areas, and had been told that the City would not check unless there was a complaint.

Councilman Chester asked what would prevent the structure from having parking underneath the building. Mr. Gisbert said cost because covered parking could be up to Twenty Thousand Dollars per space while surface parking was only Four Thousand Dollars. Councilman Reichard asked if the structure could still have parking underneath with a 35' height limit. Mr. Gisbert replied that the structure did not have to be four stories. He said the sites should not be overbuilt and then claim there was insufficient parking.

Councilwoman Strange asked about incentives. Mayor Thomas mentioned the possible incentives which could be used for additional height but then removed once the building was completed. Councilman Solis suggested requiring that the incentives stay in place for the life of the building. He continued that if the additional parking was not required, it would be a disservice to the neighbors who had to live with the parking situation. **Councilman Solis made the motion to approve Ordinance 1405. Second was by Councilman Reichard and the motion passed by majority roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Nay

ITEM 5 ORDINANCE 1406, AMENDING LDC REGARDING PERMANENT BUILDINGS, 1ST READING. Mr. Obos read Ordinance 1406 by title. Mr. Gisbert clarified that the 500' was for churches and schools, not residential. The Mayor asked if there were any questions or comments. There were none. **Councilwoman Strange made the motion to approve Ordinance 1406. Second was by Councilman Chester and the motion passed by unanimous roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Aye

ITEM 6 ORDINANCE 1410, AMENDING LDC REGARDING CHANGE TO NON-CONFORMING DEVELOPMENT REVIEW, 1ST READING. Mr. Obos read Ordinance 1410 by title and said Staff had requested that the Planning Board review the requests. Mayor Thomas said he thought anything over 50% must meet the current regulations. Mr. Obos replied that Mr. Leonard felt the issues were not necessarily cut and dried and that the City wanted the structures brought into compliance as much as possible. Staff said they felt the issue needed revisiting and input from the Council. Mayor Thomas mentioned grandfathering of old properties and that there should be something which triggered a structure to come into compliance. Discussion ensued. **Councilman Chester made the motion to approve Ordinance 1410. Second was by Councilwoman Strange and the motion passed by unanimous roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Aye

PUBLIC COMMENTS

The Mayor opened the Public Comment portion at 10:20 A.M.

1 BURNIE THOMPSON, 8317 Front Beach Road. Mr. Thompson commented about conflicts of interest concerning bids and awarding bids. He spoke of the Capital Plans study, its cost, and the hourly wage of the project manager. He questioned if the Council thought the study cost was exorbitant. He mentioned a sweetheart deal. He also questioned the Mayor about changing his diner to parallel parking.

2 JUSTIN DORNINGS and BARRY JONES, Robinson & Morton, builders of the new Hampton Inn. Relating to the new pedestrian bridge, Mr. Dornings said the structure was installed but he wanted to ask for a variance to the plan for the exterior finishes over the road. He distributed the proposed new schedule and explained the original plan had been to install temporary lanes on each side of Front Beach Road. He said they now proposed a lane closure underneath the sections and to do the work at night from 12 A.M. to 6 A.M. He explained that the original plan for the temporary lanes would entail six to ten days of work to build the lanes, remove them and remediate the areas surrounding them. Mr. Dornings said he felt they could do the same work with the night closures for the same amount of time.

Councilman Solis questioned the dates and times. Mr. Dornings said Phase 1 would be Sunday night, February 26th, from 12 A.M. to 6 A.M. through Wednesday night, March 1st. Phase 2 he proposed for April 23th, starting Sunday night for all week.

Mayor Thomas said he had met with the developers in August to discuss their plan to close Front Beach Road in order to install the pedestrian bridge. Original plans had been to close the road in the winter, causing the businesses to lose money during the slowest part of the year. At that time, the developer agreed to make the temporary lanes. The Mayor said he opposed the lane closures penalizing the other businesses just because they did not build the road during the slow time. He also spoke of traffic backup on a Saturday involving the boom. Mr. Jones said he corrected that situation as soon as he was made aware of the problem. Mayor Thomas said it was important for Front Beach Road to remain open. Mr. Jones said they would keep a lane open at all times.

Mr. Dornings said they had talked with the surrounding businesses so they were aware of the plans. Councilwoman Strange asked about the bike lanes and Mr. Dornings said only one side would be accessible. She said she received complaints from the cyclists and asked if this would be safer for the riders on Front Beach Road. Councilman Solis said during the day, there was equipment being moved and traffic stopped even with flagmen. Mr. Jones agreed during the daytime hours, traffic would be delayed.

Councilwoman Strange asked about the surrounding businesses and Mr. Dornings stated that none of the businesses had issues with the work being performed at night. Councilman Solis said he had no problems with the work being performed at night with a lane remaining open for traffic.

Councilman Reichard asked if this was agreeable with the Police Chief and Fire Chief. Mr. Jones said if they were needed, he would pay the employees overtime. Councilman Reichard asked if they would have an officer with lights going to warn motorists and Mr. Jones said they would. Chief Whitman and Chief Daly had no objections. **Councilman Solis made the motion to approve the plan closing one lane on Front Beach Road on four nights starting next Sunday and four nights starting April 23rd, from 12 A.M. to 6 A.M. and providing that they cover the cost of an officer to be there during that period to warn motorists of the lane closure. Second was by Councilman Reichard and the motion passed by unanimous roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Aye
Councilman Solis	Aye
Mayor Thomas	Aye

3 FRANK SEWELL, 435 Hidden Island Drive. Mr. Sewell addressed the developers reminding them that their construction crew would not be able to park in the right-of-way during March.

There were no further comments. The Public Comment portion was closed at 10:36 A.M.

Mr. Obos said he had no attorney report.

Mr. Gisbert announced the bids posted on the website and a few Special Events were coming. He also advised that Ms. Smith was out with her husband who recently underwent surgery at Emory and to keep him in their thoughts.

Regarding the Legislature, House Bill 487 and Senate Bill 330 involved business taxes. He reminded that 43% of the City's revenue was from the 1% Business Tax, and if the Bills were passed by the Legislature, the City's revenue would drop from Ten Million Dollars to approximately Seventy-Five Thousand Dollars. He said he wanted the public to know the City was opposing those Bills. To lose that Business Tax, an Ad Valorem tax would be brought to the top to bring in that level of funding. He said there was also House Bill 17 that related to Home Rule which would also be catastrophic to the community.

COUNCIL COMMENTS

Councilman Solis said it would be detrimental to the City and the residents if those Bills were passed. The City was one of only a few cities without an Ad Valorem tax. He said if the 1% was eliminated, the money would have to be made up by the residents. Panama City would also be impacted since they collect a 1%. The Home Rule was also important as this would allow the Legislature to decide every rule for every city.

Regarding Mr. Thompson's comments about a conflict of interest, Mr. Gisbert had brought it to his attention that with the companies bidding for the Capital Plans there would be a potential conflict of interest, and for that reason gave the bidding process to a Department Head to handle. Regarding the engineering fees, he was concerned as he felt they were always high although in comparison to other engineering fees, they were comparable.

Councilwoman Strange had none.

Councilman Reichard echoed Councilman Solis's comments about the conflict of interest. He said the City previously had no Capital Plan which would help with budgeting. He said the Council was aware of the project manager's fees and he felt the firm was doing a fine job and he saw no conflict whatsoever.

Councilman Reichard said that the City Manager had not received a raise since 2012 and he apologized for not bringing this to light in past years. The Department Heads had received 9.9% in raises since 2012 so he suggested a 10% increase retroactive to February 1st, the date when the City employee merit raises became effective. He did confirm that the City Manager had received the Cost-of-living raises along with the other employees over the years. Councilman Solis questioned the amount and Councilman Reichard said he suggested 10% because he was the CEO and he should earn more than the Department Heads. Councilman Solis said he had a problem with a 10% in one period and was curious why the prior Councils had not awarded a raise. Councilman Reichard said the most important fact was that the City Manager had not received a raise since 2012. Mayor Thomas said he thought every employee received the same percentage when the budget was approved. Councilman Chester agreed. Councilman Reichard suggested tie his salary into the same salary increases going forward.

Councilwoman Strange asked Mr. Gisbert if his salary was in line with other city managers for cities of the same size. Mr. Gisbert said his was comparable and that his salary was not included in the salary study. However, he was paid less than two of his Department Heads now. Councilwoman Strange asked his salary and he responded approximately One Hundred Twenty-Four Thousand Dollars. Councilman Solis said those two Department Heads had probably been with the City longer with a higher salary due to tenure. **Councilman Reichard made the motion to award the City Manager a 10% raise. The Mayor passed the gavel to the Vice-Mayor and seconded the motion.** Councilman Chester said he had no idea that Mr. Gisbert had not received a raise when the others employees did. Mayor Thomas suggested that prior Councils thought that he had received a raise at the same time as other employees. Councilman Solis said he would support 3.4% this year and 3.4% next year to bring him to parity. Mayor Thomas said Mr. Gisbert had missed receiving the extra monies from the missed raises over the years even though he received the COLAs. **The motion passed by majority roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Chester	Aye
Councilwoman Strange	Nay
Councilman Solis	Nay
Mayor Thomas	Aye

Councilman Reichard asked about the abandoned buildings on Cobb Road and that he had been told that there was a new owner. He said he would like the City to actively pursue asking the owner if he planned to do something or that the City would take them down. Mayor Thomas said he had met with the gentleman who was supposedly the new owner; however, he was the winner in a lawsuit but had not yet won the property. Councilman Reichard said the City should contact the current owners again.

Councilman Chester said he had no issues.

Mayor Thomas said he was not changing his parking as it was legal. He said he was grandfathered as were a lot of the older businesses in the City. He said he was working to bring many of the grandfathered issues into compliance as soon as possible. Regarding the conflicts of interest, he said he had spoken with Counsel and Mr. Gisbert about the upcoming bid opening and his relationship. He recollected that Mr. Gisbert did not have to recuse himself from the bid process as long as he disclosed the conflict. He said it was not illegal to have a conflict. It was illegal not to disclose the conflict during deliberations.

With nothing further, the meeting was adjourned at 10:58 A.M.
READ AND APPROVED this 23rd of March, 2017.

IN THE EVENT OF A CONFLICT BETWEEN THE FOREGOING MINUTES AND A VERBATIM TRANSCRIPT OF THESE MINUTES, THE FOREGOING MINUTES SHALL CONTROL.

Mayor

ATTEST:

City Clerk