

**MINUTES OF  
REGULAR COUNCIL MEETING  
ORANGE BEACH CITY COUNCIL  
SEPTEMBER 19, 2017 – 5:00 P.M.  
CITY HALL – COUNCIL CHAMBERS**

**I. CALL TO ORDER** Mayor Tony Kennon called the meeting to order at 5:00 P.M.

**II. INVOCATION** Father Jim Dane, St. Thomas by the Sea Catholic Church

**III. PLEDGE OF ALLEGIANCE**

**IV. ROLL CALL**

Present: Councilmember Jeff Silvers  
Councilmember Jerry Johnson  
Councilmember Annette Mitchell  
Councilmember Joni Blalock  
Councilmember Jeff Boyd  
Mayor Tony Kennon

Absent: None

There being a quorum present, the meeting was opened for the transaction of business.

**V. CONSIDERATION OF AGENDA: Motion made (Blalock/Boyd) to approve the agenda with the following additions:**

1. Approval of a Restaurant Retail Liquor License Application by SRC Restaurants, LLC, for Salt, 27267 Perdido Beach Boulevard, Suite 101.
2. Resolution establishing costs for health and dental insurance for employees and repealing Resolution No. 14-083.
3. Resolution granting a 5% investment in full-time city employees.
4. Resolution reappointing Barbara Walters to the Gulf Shores & Orange Beach Tourism Board of Directors.

Vote unanimous in favor.

**VI. CONSIDERATION OF PREVIOUS MINUTES**

Special-Called Council Meeting	08/15/17
Regular Council Meeting	08/15/17
Committee of the Whole	08/15/17
Special-Called Council Meeting	08/28/17

The reading was waived and Minutes were approved as written.

**VII. REPORTS OF OFFICERS/COMMITTEES**

A. City Administrator – Ken Grimes

Mr. Grimes reminded the audience about the Ribbon Cutting for the Coastal Arts Center on Thursday, September 28, 2017, at 5:00 P.M. and the Open House on Friday, September 29, 2017.

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| B. <u>Director, Public Works – Tim Tucker</u>       | No report.       |
| C. <u>Engineering – Kit Alexander</u>               | No report.       |
| D. <u>Chief, Police Department – Joe Fierro</u>     | No report.       |
| E. <u>Chief, Fire Department – Justin Pearce</u>    | No report.       |
| F. <u>City Clerk – Renee Eberly</u>                 | No report.       |
| G. <u>Director, Finance – Ford Handley</u>          | Report attached. |
| H. <u>Parks &amp; Recreation</u>                    | No report.       |
| I. <u>Director, Utilities – Jeff Hartley</u>        | No report.       |
| J. <u>Librarian, Public Library – Steven Gillis</u> | No report.       |
| K. <u>Director, Municipal Court – Renee Hobbs</u>   | No report.       |
| L. <u>Mayor/Council</u>                             |                  |

Councilmember Johnson reminded the audience about the upcoming CenturyLink Community Forums scheduled on Thursday, September 21, 2017, at 6:00 P.M. and Monday, September 25, 2017, at Noon and 6:00 P.M.

Mayor Kennon introduced Eddie Tyler, Baldwin County Public Schools Superintendent, who announced a proposal to build a new middle school in Orange Beach.

#### VIII. AUDITING OF ACCOUNTS

**Motion made (Mitchell/Blalock) to certify that cash requirements with no related interests are within budget and appropriate for payment.** Vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, aye; Kennon, aye. **Passed. (6-0).**

**Motion made (Mitchell/Johnson) to certify that cash requirements with related interests in Swift Supply are within budget and appropriate for payment.** Vote revealed: Silvers, abstain; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, aye; Kennon, aye. **Passed. (5-0-1).**

#### IX. PRESENTATIONS

1. Proclamation to declare September 25, 2017, as Family Day, and September 24 through September 30, 2017, as Family Week.
2. Proclamation to declare September 17 through September 23, 2017, as Constitution Week.

#### X. RECOGNITIONS

1. Cecil and Georgia McClain's 70<sup>th</sup> Wedding Anniversary.  
Mayor and Council presented Mr. and Mrs. McClain with flowers and a gift.

#### XI. UNFINISHED BUSINESS

##### Resolutions

1. Resolution approving a Conditional Use Permit for Dollar General #5705 to be located at 4225 Orange Beach Boulevard (Case No. 0105-CU-17). **Motion made (Silvers/Johnson) to approve the conditional use permit.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, nay; Blalock, nay; Boyd, aye; Kennon, aye. **Passed. (4-2).**

#### XII. NEW BUSINESS

##### Miscellaneous

1. Approval of 2016 Audited Financials. **Motion made (Johnson/Blalock) to approve the audited financials.** Vote unanimous in favor.
2. ADDITION: Approval of a Restaurant Retail Liquor License Application by SRC Restaurants, LLC, for Salt, 27267 Perdido Beach Boulevard, Suite 101. **Motion made (Silvers/Boyd) to approve the liquor license.** Vote unanimous in favor

##### Resolutions

1. Resolution authorizing the Mayor to execute a professional services agreement with Amec Foster Wheeler Environment & Infrastructure, Inc., for engineering services. **Motion made (Blalock/Johnson) to adopt the resolution.** Vote unanimous in favor.
2. Resolution authorizing the Mayor to execute a professional services agreement with Hutchinson, Moore & Rauch, LLC, for engineering services. **Motion made (Boyd/Blalock) to adopt the resolution.** Vote unanimous in favor.
3. Resolution authorizing the execution of a Task Order with Hutchinson, Moore & Rauch, LLC, for a topographic survey related to the extension of Roscoe Road sewer utilities infrastructure in an amount not to exceed \$9,000. **Motion made (Boyd/Silvers) to adopt the resolution.** Vote unanimous in favor.
4. Resolution authorizing a franchise for Ride The Wave LLC. **Motion made (Mitchell/Boyd) to adopt the resolution.** Vote unanimous in favor.
5. ADDITION: Resolution establishing costs for health and dental insurance for employees and repealing Resolution No. 14-083. **Motion made (Silvers/Boyd) for unanimous consent to suspend the rules to allow for immediate consideration of this resolution.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, aye; Kennon, aye. **Passed. (6-0).** **Motion made (Blalock/Silvers) to adopt the resolution.** Brief discussion followed. Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, aye; Kennon, aye. **Passed. (6-0).**
6. ADDITION: Resolution granting a 5% investment in full-time city employees. **Motion made (Silvers/Johnson) for unanimous consent to suspend the rules to allow for immediate consideration of this resolution.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, aye; Kennon, aye. **Passed. (6-0).** **Motion made (Johnson/Boyd) to adopt the resolution.** Mayor Kennon clarified that this raise would be in lieu of the annual one-time payment to employees. Roll call vote

revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, aye; Kennon, aye. **Passed. (6-0).**

7. ADDITION: Resolution reappointing Barbara Walters to the Gulf Shores & Orange Beach Tourism Board of Directors. **Motion made (Johnson/Boyd) to adopt the resolution.** Vote unanimous in favor.

#### **Public Hearings**

1. Public hearing for an ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0802-PUD-17, Gulf Shores Power Sports Orange Beach Sales & Service PUD.

Griffin Powell, Planner II, presented the case overview and site plan. Mr. Powell stated that consideration is for preliminary PUD approval only.

Mayor Kennon explained that 16 residential homes, 4 piers, and 12 boat slips could be built on the property by right.

A question from Councilmember Boyd clarified that a private boat launch for Gulf Shores Power Sports will be included in the final PUD plans.

Councilmember Boyd asked about the plan for rentals. Jay Dickson with Volkert, representing the applicant, explained the business plan for a weekly rental and/or multi-year lease program.

Councilmember Mitchell gave of a summary of the discussion from Planning Commission and stated that there are a number of open questions remaining related to this PUD. Jay Dickson responded and explained the ongoing permitting process with the State for the boat launch.

Mayor Kennon opened the floor to public comments.

Dave Johnson, resident, asked what the difference in tax revenue would be between Gulf Shores Power Sports and any by-right residential construction. Mayor Kennon responded that Gulf Shores Power Sports would bring in higher revenue.

John Loyd, 3376 Jefferson Avenue, spoke in opposition.

Dan Grafton, 26626 Cotton Bayou Drive, spoke in opposition.

Margaret Childress Long, 26214 Garrett Lane, spoke in opposition.

Karen Nenstiel, 26550 Cotton Bayou Drive, spoke in opposition.

Tem Blalock, 26448 Cotton Bayou Drive, spoke in opposition.

Tim Arant, City employee, spoke in support.

Tabitha Bowers, 3401 Majestic Court and dolphin excursion business owner, spoke in support.

John White, resident, spoke in opposition.

Richard Stimpson, 26817 Perdido Beach Boulevard, spoke in opposition.

Gordon Stimpson, 26855 Perdido Beach Boulevard, spoke in opposition.

Matt Dickinson, Gulf Shores Power Sports salesman, spoke in support.

Rick Long, Gulf Shores Power Sports salesman, spoke in support.

Doug Rogers, 26993 Perdido Beach Boulevard, spoke in opposition.

Wick Goldsmith, 26618 Cotton Bayou Drive, spoke in opposition.

Ann Whitespunner, 26951 Perdido Beach Boulevard, spoke in opposition.

Linda Gates, 3408 Adams Avenue, spoke in opposition.

Dr. William Beazley, 26881 Perdido Beach Boulevard, spoke in opposition.

Craig Martin, 15715 Bowlegs Reef, Perdido Key, Florida, described the oversight of natural resources through the State of Alabama permitting process and spoke in support.

There being no further comments, Mayor Kennon closed the floor.

The Mayor and all Councilmembers voiced their positive opinion of Gulf Shores Power Sports, but explained that the strong residential opposition to the proposed location weighs heavily on their decision.

Cecil Young, resident, spoke in opposition and encouraged Gulf Shores Power Sports to find another location in the City.

Morgan Kitchens, President of Gulf Shores Power Sports, gave his final thoughts in support of the proposed PUD.

## Ordinances

1. First Reading – Ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0802-PUD-17, GSPS Orange Beach Sales & Service PUD. **Motion made (Sillers/Mitchell) for unanimous consent to suspend the rules to allow for immediate consideration of this ordinance.** Vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, aye; Kennon, aye. **Passed. (6-0).** **Motion made (Sillers/Blalock) to adopt the ordinance.** Roll call vote revealed: Silvers, nay; Johnson, nay; Mitchell, nay; Blalock, nay; Boyd, nay; Kennon, nay. **Failed. (0-6).**

Mayor Kennon called for a brief recess at 7:10 P.M.

The meeting resumed at 7:19 P.M.

2. First Reading – Ordinance amending Chapter 50, Article IV, Division 5, Section 50-252 of the Code of Ordinances for the City of Orange Beach, Alabama, entitled "Lodging Tax - Levy of Tax" to increase the lodging tax by 2%. **Motion made (Mitchell/Blalock) for unanimous consent to suspend the rules to allow for immediate consideration of this ordinance.** Vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, aye; Kennon, aye. **Passed. (6-0).** **Motion made (Mitchell/Blalock) to adopt the ordinance.** Discussion followed. Councilmember Silvers stated his understanding of the intended use for the revenue for roadway infrastructure and beach cleaning, but asked for an overview of the discussion held at the last work session when he was out. Mayor Kennon gave a summary, reiterated the need for matching funds for State and Federal grants when it comes to infrastructure projects, and explained the logic behind choosing to raise lodging tax versus other tax options.

Mayor Kennon opened the floor to public comments.

Bill Brett, CEO of Brett/Robinson Vacation Rentals, spoke in opposition, but requested, that if the tax increase is to happen, for Council to delay the effective date to the start of May or June since pre-booking for snowbird season and spring break has already begun and his business would be eating the tax increase as a loss for the sake of customer service.

Herb Malone, President/CEO of Gulf Shores & Orange Beach Tourism, stated the breakdown of lodging tax with 4% of collections going to the State, 2% to Gulf Shores & Orange Beach Tourism, and 5% to the City. The tax increase would raise the City's portion from 5% to 7%. Total lodging tax would increase from 11% to 13%. Total lodging tax in Orange Beach is currently equal to or lower than its neighbors and competitors.

Allen McElroy, resident, spoke in support.

Glen Kaiser, Executive General Manager for Kaiser Realty, spoke in opposition.

Robert Freeland, resident, echoed the request to delay any increase in the lodging tax until after snowbird season out of consideration and recognition of that visitor population and the contributions they make to the Orange Beach community.

Robert Stuart, Owner of Sugar Sands Realty, spoke in opposition, and reiterated the request for a delayed start date if the tax increase is passed.

Pete Peterson, resident, spoke in support.

Henry, resident, spoke in support.

Robert Stuart and Bill Brett gave their final comments on behalf of the lodging industry.

**Motion made (Mitchell/Sillers) to amend the motion to adopt the ordinance effective as of May 1, 2018.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, nay; Kennon, aye. **Passed. (5-1).** **Motion made (Mitchell/Sillers) to adopt the amended ordinance.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Blalock, aye; Boyd, nay; Kennon, aye. **Passed. (5-1).**

## XIII. PUBLIC COMMENTS

## XIV. ADJOURN

**There being no further business to come before the council, motion made (Mitchell/Blalock) to adjourn.** Vote unanimous in favor.

Time: 8:25 P.M.

**APPROVED** this the 17<sup>th</sup> day of October, 2017.

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Renee Eberly  
City Clerk