

The Board of County Commissioners (Board) of Citrus County, Florida, met in a special joint meeting with the Crystal River City Council (Council) on the above date at the Lecanto Government Building, 3600 West Sovereign Path, Room 166, in Lecanto to discuss the City of Crystal River (City) annexation. Chairman Wooten called the meeting to order, and Commissioner Batchelor gave the innovation and led the Pledge of Allegiance to the Flag.

BOARD OF COUNTY COMMISSIONERS	CRYSTAL RIVER CITY COUNCIL
<p>COMMISSIONERS: Josh Wooten, Chairman; Vicki Phillips, First Vice Chairman; Roger Batchelor, Second Vice Chairman; Gary Bartell and Jim Fowler</p> <p>ADMINISTRATOR: Richard Wm. Wesch COUNTY ATTORNEY: Robert Battista DEPUTY CLERKS: Glenda Brown and Theresa Steelfox</p>	<p>MAYOR: Ronald E. Kitchen, Jr.</p> <p>COUNCIL MEMBERS: Roger B. Proffer, Sr., Susan Kirk, Kitty Ebert, Robert Holmes, and John Kendall</p> <p>CITY MANAGER: Susan R. Boyer CITY ATTORNEY: David La Croix</p>

Clerk's Note: The digital recording of this meeting was defective due to equipment malfunction.

Mayor Kitchen advised that all members of the Council, the City Manager, and the City Attorney were present to try to find a resolution to the County's concerns of the City's annexation.

The Clerk then called the Board's roll, and Chairman Wooten asked for comments from Board members.

Commissioner Fowler mentioned that County staff had reported to the Board that many of the annexation issues were not negotiable, and he asked Mr. Wesch if that was still the situation. Mr. Wesch replied that the City Manager, City Attorney, County Attorney, Assistant County Attorney, and he had discussed the issues, and it was expressed that unless all issues were resolved there would not be an inclination to resolve any of the problems, and that some issues would need to be resolved in court.

Mayor Kitchen announced each Council member's name, and stated that he was speaking for the majority. He stated that the Council believed the annexation was legal, that the Council had complied with the law, that public hearings were held and input was received from citizens, and that the concerns of County staff were considered. He also stated that he did not think the lawsuit filed by the County was a good approach for negotiation of the annexation issues. He proclaimed that demanding a solution to every one of the County's concerns was a heavy responsibility, and if the County were against annexation because they believed it was illegal, then it would be difficult to discuss other issues, such as the airport and the landfill. He pointed out that the Council did not think the existing developed property or

the undeveloped property included in the annexation had any bearing on the landfill or the airport. He added that it had not been demonstrated to him that the annexation would pose a danger to anyone in the County.

He remarked that apart from the outcome in court, a legal action between the City and the County would cost the taxpayers money. He specified that discussions concerning impacts to the airport, landfill, and roads seemed insignificant if the County's opinion was that the area was not ready for annexation. He stated that the Council and the City Attorney addressed every concern of County staff at the public hearing in Crystal River, and that he was discouraged when the Board decided to file a lawsuit against the City without hearing the responses to those concerns. He indicated that if this issue proceeded to court, the only information presented would be that which took place during the public hearings. He declared that the Council listened to hours of public input, that the Council believed the annexation was legal, and that now it seemed a judge would have to decide whether to uphold or invalidate the annexation. He added that regardless of the result of this meeting today, there would be no animosity between the City and the County.

Commissioner Fowler commented that the two choices were to find a solution to the problems or to proceed to court. He stated that it was unfair to the annexed property owners and the City and County residents that the area would be in development limbo until the issue was settled. He added that County staff had the Board's permission to present information regarding the annexation.

Council member Ebert stated that she thought a number of the issues raised by County staff could be resolved; however, some of the original issues were unreasonable; for instance, *"The area annexed is not ripe for annexation, it is unsubdivided lands not currently developed for urban purposes and it is not necessary for the provision of services. The urban purpose of the undeveloped land is prospective"*. She added that she thought the annexation was being delayed because of development that might happen in 20 years. She also questioned if the McPheeters' situation was still a problem.

Mr. Battista replied that the McPheeters' situation was not an issue for the County. He clarified that the seven issues in a memorandum from Gary Maidhof, Development Services Director, to Mr. Wesch listed potential solutions to some of the issues. He further clarified that the memorandum from Mr. La Croix to the Council reflected eight issues that could not be compromised; however, the other service concerns were subject to resolution.

Mr. Wesch explained that the 13 issues previously presented were matters of concern to the County, and Mr. Maidhof's memorandum addressed potential solutions to resolve some of the controversial annexation issues. Mayor Kitchen corrected Mr. Wesch by stating that the controversial issues were those of the County, not the City, and that the Council's opinion was that the annexation was legitimate. He also disagreed with Commissioner Fowler's statement that the development situation was in limbo due to the City issuing valid permits for the annexed area. He mentioned that another alternative for the two entities would be for the County to drop their lawsuit and allow the dispute to be resolved in court by the lawsuit that had been filed by a citizen's group. He added that the

City would still have disagreements with some of the potential solutions described in Mr. Maidhof's memorandum; for example, the first issue addressed enclaves, and the City did not believe enclaves had been created in the annexation. (1:20 P.M.)

Commissioner Fowler questioned if the City had a building official on staff, and emphasized that issues such as fire protection and subdivision regulations were very important. Mayor Kitchen replied that the City was utilizing the Inverness building official; however, the only issues relevant to the lawsuit were those that were discussed in the public hearings. He added that the concerns Commissioner Fowler questioned should have been discussed before the County decided to take legal action against the City. He specified that County staff did not discuss apprehension about the annexation until the last Council public hearing, and when he asked if the Commissioners were aware of staff's concerns, he was told that the Board had no idea what they were presenting.

Discussion ensued regarding the Council not answering the questions and concerns of the people, who would be responsible for the cost of reviewing the Wal-Mart application, clarification of the County's concerns, and so on.

Attorney La Croix addressed Commissioner Fowler's previous questions as follows: the City was currently using the Inverness building official, but that the City was advertising for the position; the City did not have subdivision regulations at this time; however, a consultant was preparing a new land development code for the City that would include subdivision regulations; all property in the annexed area would be under the County's Comprehensive Plan and Land Development Code until that time; and adequate fire response would be provided to the annexation area.

Commissioner Fowler commented that he did not believe this meeting would be taking place today if it were not for the Wal-Mart application. Mayor Kitchen replied that County staff stated at the public hearing that they had no problem with Wal-Mart, and Council member Proffer alleged that the subject was annexation not Wal-Mart. Chairman Wooten pointed out that Wal-Mart submitted an application to the County; however, they chose not to abide by County standards; therefore, it was apparent to the County and the public that Wal-Mart went "venue shopping" when they approached the City.

Mayor Kitchen stated that the majority of the property owners involved wanted annexation. He added that regardless of development, in the absence of the City's rules and regulations, the County's rules and regulations would be followed.

Discussion continued regarding disadvantages and benefits of Wal-Mart in the annexed area; and water, fire, and other municipal service issues.

City Manager Boyer answered Chairman Wooten's question regarding possible elimination of the City's fire services by stating that the City had no problem with their fire department and that it was probably one of the best volunteer fire departments in the state. She advised that she had talked with Mr. Wesch and Public Safety Director Charles Poliseno regarding fire services and the County's decision to employ paid firefighters; however, the

City had not taken any action on the subject. She questioned why the County would consider locating a fire station outside the City limits when there was a fire station in Crystal River.

Due to some confusion about the County's concerns, Mr. Wesch clarified that County staff had previously distributed a list of 13 issues regarding the annexation to the Board and had shared that document at the joint administrative meeting; however, it was not sent directly to the Council. Chairman Wooten requested that the document be distributed to all members of the Council.

Commissioner Bartell stated that he believed the annexation was illegal, that he was fully aware of staff's presentation at the Council hearings, and that he had read the City's response to the County's concerns and was not satisfied with the answers. He also stated that the memorandum from Mr. La Croix was very emphatic about seven annexation issues identified by the County, which the City would not concede to; therefore, he believed the City and the County were at an impasse and should move on to the judicial process.

Commissioner Phillips said that she too was aware that County staff represented the Board at the Council's public hearings concerning the annexation, that she also thought staff's questions had not been answered satisfactory, and that many issues were still not addressed by the City. She further stated that environmental issues were not the entire crux of the annexation disagreement. She reiterated Mayor Kitchen's comments that there would be no animosity, and that this was not a personal matter, it was a difference of opinion.

Mayor Kitchen added that even if the Council and the Board reached an impasse, today's meeting was still constructive and that discussions should resume concerning the sharing of services.

Commissioner Batchelor suggested that the Council and the Board continue to try to reach an agreement on the five issues that were subject to negotiation, and asked that the Council reexamine the eight issues, which they said, could not be compromised.

Chairman Wooten alleged that the crux of the matter was that the County believed the annexation was illegal and the City believed it was legal; therefore, he felt the matter should be settled in court, and that discussing the smaller problems would not be useful at this point.

Mr. Battista explained the statutory requirements involved and stated that if a resolution could not be achieved between the Board and Council, mediation could be circumvented and the parties could proceed directly to court. He advised that he had discussed the matter and procedure with Mr. La Croix, and if both the Board and the Council agreed that mediation would not be fruitful, the attorneys could draft a document to bypass mediation and proceed into litigation. (1:47 P.M.)

Chairman Wooten voiced his opinion that it was in the public's best interest to resolve the issue in court. Mayor Kitchen reiterated that going to court was a tremendous waste of taxpayers' money.

Discussion ensued as follows: the issue was whether or not the annexation was legal; the benefits of the annexation; the County's decision to challenge the annexation; disagreement concerning adequate police, fire, water, and other services to the annexed area; reducing City taxes and expanding services to the community; protecting the taxpayers' interests; enclaves created in the annexed area ,and so on.

Mr. Wesch responded to Council member Kirk's question regarding Mr. Maidhof's recommended solution No. 5 (*The City and County develop an annexation protocol; the City then proceeds through reannexation pursuant to that protocol*). He stated that this solution would entail nullification of the previously adopted annexation, and then the City and the County would develop an interlocal agreement to deal with the annexation process and resolve the issues of concern. He answered Council member Holmes' question concerning inclusion of the five-mile service area within the annexation protocol by stating that it had been the Board's position to provide water and other services to a community regardless of who owned the system. Council member Holmes replied that he thought the City should be the leader and provider of municipal services around the City.

Mayor Kitchen stated that annexation had been a goal of the Council for years. He reiterated that County staff had been invited to attend every public hearing, that staff did not discuss their concerns until the final hearing, and that those concerns were not discussed with the Board. He indicated that the only information permitted in court regarding the annexation would be data in the public records. He repeated that the Council believed the annexation process was prepared correctly, that the annexation was legal, and that it was up to the County to challenge the legality in court.

Discussion resumed concerning the following: resolving the issues before development took place; Ozello Water received bulk water from the County and expansion of the area would impact the County's water resources; the Council had followed all state statutes in the annexation procedure and voted four to one for the annexation; the only avenue for settlement was to proceed to court, and so on.

Council member Ebert questioned if the decision to proceed to court would cease if the City agreed to solution No. 6 (*Reduce the annexed area to exclude undeveloped property*). Mr. Wesch responded by stating that it would be a starting point for negotiation; however, the items listed on the document were *potential* solutions. He added that his earlier comments about developing an interlocal agreement were between the two entities and predated the Realticorp discussion. Mr. La Croix advised that if undeveloped properties were excluded, there would not be enough consents for the annexation.

Mayor Kitchen advised that the City Clerk was not present, and requested that the Clerk to the Board provide a copy of the minutes and the recording to the City.

Mr. Battista explained that it would be appropriate for the Board to make a motion to proceed directly to court and revoke the mediation process as described in the statutes.

Motion by Commissioner Phillips, seconded by Commissioner Bartell, to proceed directly to court regarding the legality of the City of Crystal River annexation, and forego the mediation process as described in the statutes, as recommended by the County Attorney.

Mr. La Croix replied to Commissioner Bartell's question regarding Mr. Battista's recommendation by stating that he also thought this was the best course of action and that Mr. Battista's explanation of the process was accurate.

Chairman Wooten then asked if anyone wished to address the Board.

Gail Jannarone questioned if the judge's decision would be accepted by the Board or would the Board appeal the decision to a higher court. Commissioner Phillips stated that it would be difficult to answer that question until the judge's ruling was made. Chairman Wooten also stated that he could not answer the question; however, he had no desire for an appeal, and if the judge ruled in favor of the City, he hoped that staff would work with the Council.

Chairman Wooten called a question on the motion, and the motion carried unanimously.

(2:14 P.M.)

Mayor Kitchen then asked for a motion from the Council.

Motion by Council member Kendall, seconded by Council member Holmes, that the Crystal River City Council declare an impasse to a resolution with the County regarding the City of Crystal River annexation, to bypass mediation, and to proceed directly to court.

Council member Holmes requested that the County and City provide a definitive list of issues, which the Council could discuss at a future Council meeting.

Mayor Kitchen called for a roll call vote on the motion, and the Council voted unanimously.

Mayor Kitchen expressed appreciation to the Board for meeting with the Council and for providing accommodations. Chairman Wooten stated that the Board looked forward to working with the City on future matters.

There being no other business to come before the Board and the Council, Chairman Wooten adjourned the meeting.

(2:16 P.M.)

ATTEST: _____, Clerk _____, Chairman