

STATE OF FLORIDA  
COMMISSION ON ETHICS  
P. O. DRAWER 15709, TALLAHASSEE, FLORIDA 32317-5709

ORIGINAL

FLORIDA  
COMMISSION ON ETHICS

JUN 18 2015

RECEIVED

COMPLAINT  
15-134

1. PERSON BRINGING COMPLAINT:

Name: John Ruffalo Telephone Number: 386-283-4342

Address: 8 Collinson Court

City: Palm Coast County: Flagler Zip Code: 32137-9032

2. PERSON AGAINST WHOM COMPLAINT IS BROUGHT:

Current or former public officer, public employee, candidate, or lobbyist - please use one complaint form for each person you wish to complain against:

Name: Albert (Al) Hadeed Telephone Number: 386-445-0382

Address: 4 Ocean Vista Lane

City: Palm Coast County: Flagler Zip Code: 32137-2742

Title of office or position held or sought: County Attorney

3. STATEMENT OF FACTS:

Please explain your complaint fully, either on the reverse side of this form or on additional sheets, providing a detailed description of the facts and the actions of the person named above. Include relevant dates and the names and addresses of persons whom you believe may be witnesses. If you believe that a particular provision of Article II, Section 8, Florida Constitution (the Sunshine Amendment) or of Part III, Chapter 112, Florida Statutes (the Code of Ethics for Public Officers and Employees) has been violated, please state the specific section(s). Please do not attach copies of lengthy documents; if they are relevant, your description of them will suffice. Also, please do not submit video tapes or audio tapes.

4. OATH

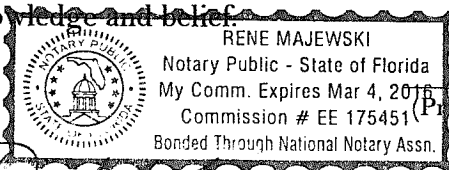
STATE OF FLORIDA  
COUNTY OF Flagler

I, the person bringing this complaint, do depose on oath or affirmation and say that the facts set forth in the foregoing complaint and attachments thereto are true and correct to the best of my knowledge and belief.

Sworn to (or affirmed) and subscribed before me this 16 day of June 20 15, by John Ruffalo

(name of person making statement)

(Signature of Notary Public - State of Florida)



Renewski  
Print, Type, or Stamp Commissioned Name of Notary Public

Personally Known  OR Produced Identification

Type of Identification Produced: FL License

John Ruffalo  
SIGNATURE OF COMPLAINANT

**Jurisdiction of the Commission:** The Commission on Ethics has the authority to review and investigate complaints concerning possible breaches of the public trust (violations of the State's ethics laws) by public officers, public employees, and similar persons involved with state and local government in Florida, including Executive Branch lobbyists. Complaints about the actions of Judges should be brought to the Judicial Qualifications Commission, and complaints against attorneys in private practice should be made to The Florida Bar.

**Procedures followed by the Commission:** The Commission follows a three-stage process when it considers complaints.

The first stage is a determination of whether the allegations of the complaint are legally sufficient, that is, whether the complaint indicates a possible violation of any law over which the Commission has jurisdiction. If the complaint is found not to be legally sufficient, the Commission will order that the complaint be dismissed without investigation and all records relating to the complaint will become public at that time.

If the complaint is found to be legally sufficient, the investigative staff of the Commission will begin an investigation. The second stage of the Commission's proceedings involves this investigation of the complaint and a decision by the Commission of whether there is probable cause to believe that there has been a violation of any of the ethics laws. If the Commission finds that there is no probable cause to believe that there has been a violation of the ethics laws, the complaint will be dismissed and will become public at that time.

If the Commission finds that there is probable cause to believe there has been a violation of the ethics laws, the complaint becomes public and enters the third stage of proceedings. The third stage requires that the Commission decide whether the law actually was violated and, if so, what penalty should be recommended. This stage requires a public hearing (trial) at which evidence would be presented.

**Attorney's Fees:** If the complaint is dismissed, the person against whom the complaint is filed can file a petition to have the complainant pay his or her attorney's fees, which will be awarded after a hearing if the Commission finds that the complaint was made with a malicious intent to injure the official's reputation, the complainant knew that the statements made about the official were false or made the statements about the official with reckless disregard for the truth, and the statements were material.

**Confidentiality:** The Commission cannot accept anonymous complaints and cannot keep the identity of the complainant or any witness confidential. A complaint, as well as all of the Commission's proceedings and records relating to the complaint, is confidential and exempt from the public records law either until the person against whom the complaint is made waives confidentiality, or until the complaint reaches a stage in the Commission's proceedings where it becomes public. The Commission's procedures on confidentiality do not govern the actions of the complainant or the person against whom the complaint is made.

**Legal Counsel:** Both the complainant and the person complained against can be represented by legal counsel during the Commission's proceedings.

**Other Information:** More information about the ethics laws and the Commission's responsibilities is available at the Commission's website, [www.ethics.state.fl.us](http://www.ethics.state.fl.us), which contains publications, rules, and other information.

Florida Ethics Commission Complaint filed against County Attorney Albert (Al) Hadeed  
By John Ruffalo  
June 13, 2015

At this time an official complaint is being filed against county attorney Al Hadeed for the reasons contained within.

**Part 1**

1. Per Florida Statute 112.320, the purpose of the Commission on Ethics is to serve as guardian of the standards of conduct for the offices and employees of the state, and of a county, city, or other political subdivision of the state, and are to serve as the independent commission provided for in s 8(f), Art, II of the State Constitution.
2. Albert (Al) Hadeed was previously employed by the county before his employment ended in 1998/1999 when his contract was not renewed after his billing statement of approximately \$24,000 to the county proved by an auditing firm, at the request of the Clerk of Court Syd Crosby, to be unacceptable as time records were not accurate and billings were made for time not worked, and the records were sloppy and considered unacceptable and there appeared to be no over-site over Al Hadeed; which resulted in non-payment unless resubmitted and policies regarding his evaluations, personal leave time, and over-site were improved for accountability. It is further believed attorney Hadeed did not resubmit his billing to the county in 1998 or 1999 before his employment ended with the county. He later returned to work in approximately 2007 as County Attorney and Canvassing Board attorney for Flagler County after different county commissioners and Clerk of Court were elected. It has been said that at that time he may have resubmitted a billing and was paid by the current Clerk of Court, Gail Wadsworth as an agreement for him helping her get elected by defeating Syd Crosby.
3. Al Hadeed has been faced with an Ethics and Florida BAR complaints being filed against him in late 2014 by the former Supervisor of Elections which are believed to still be under investigation. The Florida BAR complaint filed against Al Hadeed in late 2014 has been forwarded to the District Office in Orlando, Florida which appears to be step 2 of the Florida BAR complaint process.
4. Board of County Commission members have also been faced with Florida Ethics Commission and Florida Elections Commission complaints being filed against them personally and individually by the former Supervisor of Elections and members of the public in late 2014. Complaints against Commissioners Frank Meeker and Nathan (Nate) McLaughlin with the Florida Elections Commission have been settled in recent weeks resulting in both cases being resolved by financial penalty being paid by these two county commissioners.
5. As an Attorney and Officer of the Court, Al Hadeed is expected to be held to a higher standard than most and conduct himself in an ethical, legal, honest, fair fashion. The actions of Al Hadeed are believed to have proved that he has not conducted himself in an ethical, legal, honest fashion diminished the public's trust, and his actions are believed to have been done wanton, willfully, knowingly, intentionally and by his own premeditated calculations.
6. Attorney Al Hadeed has experience reading and understanding Florida laws, and has electronic devices provided to him by the county which allows him to do research on the spot.

7. After complaints were filed with the Florida Commission on Ethics, Florida Elections Commission and the Florida BAR against attorney Hadeed and county commissioners Al Hadeed stated to the Board of County Commissioners at a public meeting, **“approval is needed to defend the complaints”** which could be done by the board of county commissioners approving three findings outlined by county attorney Al Hadeed. **Attorney Hadeed advised the “findings” “on their part” were “required by law” and he recommended that the commission vote approval of the three finding.** These so called findings were never discussed or questioned by the board before they took action for approval. I believe Attorney Al Hadeed demonstrated himself in a misleading nature, presenting untrue facts of telling the board the findings were required by law, and promoted and allowed the board to clearly use their elected position for their own personal gain as it is believed he promoted these three findings to be approved in order for an insurance claim to be filed by the county for the individuals who were facing complaints to have their legal fees paid for them; all of which is believed to be a misuse of their positions, unethical and a promotion of misfeasance and malfeasance. It is therefore believed attorney Hadeed is responsible for the public’s trust to have been broken by keeping the motive for his hidden agenda hidden. It is believed his hidden agenda was kept from the public because he knew it would not be proper, legal or ethical for the county or an insurance provider to pay legal expenses for individuals and no complaints were filed against the “Board of County Commissioners” and addressed to the county office building. Instead complaints are believed to have been filed individually against elected individuals and the county attorney Al Hadeed, and the said filed complaints are believed to have been sent to the individuals their home addresses.

It is also believed Attorney Hadeed stated to the board on approximately December 15, 2014 at a public commission meeting **before** the two votes on the matter were taken **“the filing might as well have named the “Board of County Commissioners” as the respondent”**. (the audio is being provided was furnished by the Flagler County Clerk of Court, and the unedited complete statement text version is being provided from what was featured on Flaglerlive.com **“IN UNUSUAL VOTE, FLAGLER COMMISSION ACKNOWLEDGES ETHCIS AND ELECTION COMPLAINTS AGAINST ALL ITS MEMBERS”**). **The fact is the complaints did not name the Board of County Commissioners as the respondent and therefore it is believed each respondent had the responsibility to independently defend themselves and Attorney Hadeed knew this.** It is believed the “findings” presented by attorney Hadeed be approved in order for a claim to be filed with the insurance provider. It further believed this is why it is believed attorney Al Hadeed waited until the very end of the commission meeting to seek the board’s approval of the findings without noticing it on the agenda, and why he told the board the fact finding **“was necessary to represent your interest as Board of County Commissioners” “that we have to make in order to respond officially to those filings” “the findings that are required by law”**. It is believed attorney Hadeed brought this matter before the board because he too would have personally gained from the action, and perhaps he as an associate and any affected board member who would have personally gained should have filed a FORM 8B and followed the requirements under Florida Statute chapter 112, and it was the responsibility of attorney Al Hadeed to inform the board as such.

Attorney Hadeed specifically stated **"I need to report to YOU on the filings of the ethics and elections commission, and specifically fact-finding that we have to make in order to respond officially to those filings."** (Attorney Hadeed is believed to have misled the board of county commissioners as the Ethics and Elections Commissions, not attorney Hadeed, will report to the respondents on filings of the Ethics and Elections Commission after they review complaints and then perhaps investigate. The complaints filed were personal in nature, and only the complaints filed with the Florida Ethics Commission and Florida BAR naming Albert (Al) Hadeed as the Respondent should have been attorney Hadeed's concern.

**Attorney Hadeed further stated "the findings essentially are necessary in order to represent your interests as the Board of County Commissioners". (It is believed by attorney Hadeed making this statement he is informing the Board of County Commissioners when they vote on what he suggests, they are voting to receive representation.) All of the Board of County Commissioners were well aware that it was themselves personally who were the named as the respondent on filed complaints and it was their responsibility to respond officially to the filings, and all knew there were no complaints filed against the "Board of County Commissioners".**

It is also believed that agencies where complaints were filed did NOT address correspondences regarding the complaints to the "Board of County Commissioners" and it is believed that only the respondents were noticed at the addresses provided within the filed complaints which are believed to be the respondent's home addresses. It is therefore believed the respondents to the filed complaints did not keep their complaints confidential and may have been in collusion with the county attorney to have their legal representation to defend the complaints paid for by the county of Flagler or an insurance provider of the county.

**It is believed that the Commissions (Ethics and Elections) where complaints are filed noticed the respondents informing them they may obtain legal counsel if they so choose. It is not believed a respondent would be told legal council would be provided for them. Attorney Hadeed also put the burden on the commissioners individually before they took action on the three findings by stating "YOU would need to know these things in YOUR mind, it is YOUR judgment, YOUR discretion that YOU'RE exercising in making these findings and it is left SOLELY to YOU to make those determinations".** It is believed that attorney Hadeed made these statements emphasizing "YOU" "YOUR" "YOU'RE" and "SOLELY" with intent to protect himself and put full blame on the board of county commissioners if they took action on his recommendation by placing the blame and responsibility completely on them. Al Hadeed's actions are believed to have been deceitful, unethical, harmful, and perhaps illegal and certainly not in the best interest of the public and tax payer who pay his handsome salary; his actions have broken the public trust and should have broken the trust of the board of county commissioners in him as a representative and employee of theirs.

8. It is believed attorney Al Hadeed willingly and knowingly violated Florida Statue 112.3143 and possibly other laws and may have personally gained or attempted to personally gain financially

- from his actions, as may have county commissioners by voting on a measure suggested by the county attorney Al Hadeed.
9. Per the July 1, 2014 Flaglerlive.com story titled "Lawsuit and Ethics Charge Cite Flagler Commissioner Revels Ties to Business Associate in County's Old Hospital Buy" it is stated the purchase of the Old Hospital was controversial because it was hurried and negotiations were conducted in secret, and the owners of the property have close ties to local government officials. The story also confirms Commissioner Barbara Revels' trip to the Bahamas. Attorney Hadeed again is spinning the matter to suit the situation by claiming it was not required that Revels should have filed the FORM 8B, and he further argues the fact that Commissioner Revels and Bruce Page were associates. He further misleads the press and public by stating Ms. Revels disclosed on her FORM 6 her relationship with Bruce Page, and that isn't so; he deliberately lied! But he does admit the voting-conflict form is a separate requirement; a requirement, yet it never took place. Mr. Hadeed stated "Commissioner Revel's relationship with Mr. Page was known", if it wasn't announced at the time of the purchase then it was not known and again attorney Hadeed deceived the public and broke their trust. Hadeed admits he had difficulties framing his motion, because of the vagueness of the complaint. The complaint appeared to be quite clear so perhaps attorney Hadeed had difficulty determining how he was going to spin the matter rather than follow the letter of the law. For him to state it was difficult for him to understand the cause of action that is being asked is believed to confirm he is incompetent or corrupt....the cause of action was quite clear as the Complaint with the Court reflects. It is very disturbing that attorney Hadeed went through great lengths to deceive the public and break their trust by distorting and spinning the facts and NOT follow the requirements of the Florida Statutes. His actions are considered to be unethical, dishonest, deceitful, and despicable.
  10. The board of county commissioners voted on a matter that was promoted by county attorney Hadeed which was NOT on the meeting agenda or advertised to the public (which is a common practice of Flagler County) and was done at the very end of a meeting after it would be believed an action (Vote) would not be expected to occur during "County Attorney Reports/Comments". Because County attorney, Al Hadeed openly was seeking a vote for the approval of the commission taking action (to benefit those who faced filed complaints) at the very end of the county commission meeting under Agenda Item #21 "County Attorney Reports/Comments" is believed to demonstrate a lack of transparency and appears to be sneaky, underhanded, unethical and perhaps illegal. There is no valid excuse why if time didn't permit to add this matter to the agenda to give proper due notice why the item could not have been tabled until the next scheduled meeting or for a special meeting to be called. Again, it is believed attorney Hadeed's actions were calculated and have broken the public's trust.
  11. By attorney Hadeed encouraging and suggesting the board of county commissioners approve the "three findings" it is believed he did so to carry out an agenda for his own personal gain and for the gain of perhaps each county commissioner. It is believed whole heartedly that the agenda was for someone, other than the respondents (including Al Hadeed), to be responsible for legal fees to defend the complaints filed against them in late 2014 as individuals. It is further believed that because the complaints were not filed against the "Board of County Commissioners" that attorney Al Hadeed knew the county was not to represent the respondents in anyway. It is further believed that attorney Hadeed falsely led the county commissioners to believe he was looking out for their

- best interest and hid the fact publically that he was seeking to include himself in his plan of enticement for his personal gain. Furthermore, attorney Hadeed repeatedly put the entire blame and responsibility of the outcome and repercussions on the board of county commissioners when attorney Hadeed stated the full responsibility was on "YOU" and it is "YOUR" judgment and "YOUR" discretion. He clearly told the board members that it was "solely" up to them to make the determinations. Attorney Al Hadeed in fact did not disclose or identify his actions, he simply stated "likewise you know of my actions". It is believed this demonstrates attorney Hadeed's deceitfulness and may imply that this was calculated and preplanned with prior closed door communications with the county administrator Craig Coffey and/or county commissioners.
12. Attorney Hadeed, as an attorney, is an individual who should know the law, has the obligation and responsibility to research the law, and certainly should be required to conduct himself ethically by following and upholding the law as an officer of the court and in doing so must be totally and completely transparent and honest in all dealings.
  13. Attorney Al Hadeed was well aware that the county or an insurance provider for the county did not pay legal fees and/or penalty costs pertaining to previously filed similar complaints filed with the Florida Ethics Commission and Florida Elections Commission. He therefore knew it was not proper or appropriate that the county or an insurance provider pay to defend complaints filed in 2014 (or thereafter) against individuals personally at their private home addresses by making a suggestion the board of county commissioners to approve three findings on their part, which he said were required by law for their interest to be represented. Therefore attorney Al Hadeed had personal knowledge this was not normal or acceptable for the county or an insurance provider to pay to defend any personal complaints in which he, or his employers; the board of county commissioners; were involved or named as respondents.
  14. On May 20, 2015 the Florida Elections Commission held hearing regarding the personal campaign violation matter identified in Florida Elections Commission Case Number 14-464 in which Nathan (Nate) McLaughlin; the respondent was accused of violating Florida Statue 106.143(1)(a) and the Consent Order F.O. No: FOFEC 15-141W and payment, in the amount of \$250, was accepted to satisfy the personal matter which related to his personal re-election campaign, and was in no way was related to county business or his official capacity as a County Commissioner. A second case (Case Number FEC 14-463 F.O No.: FOFEC 14-140W) pertaining to County Commissioner Frank Meeker was also addressed this very day, also resulting in a \$250 penalty being collected. It is unknown if the county or its insurance provided absorbed any costs associated with the personal complaints, and if they did, it was due to the manipulative promotion of county attorney Al Hadeed on approximately December 15, 2014 encouraging the board of county commissions to approve three findings to have their interest represented as has been described above.
  15. It is believed attorney Al Hadeed, demonstrated willful wanton behavior by knowingly and willingly assisting in aiding and abetting individuals by what he stated was necessary in order to "represent their interest" (and possibly his interest since he too was a respondent in two complaints filed against individuals personally) where all may received a personal gain of having their legal fees paid for by someone other than themselves, and using their public positions to accomplish this. By bringing the matter before the board for approval, it is believed attorney Al Hadeed's intentions were to file claim(s) with an insurance provider to defend respondents in the complaints filed against them personally to prevent them from paying their own personal legal fees out of pocket. It

appears insurance claims were filed with PGCS (Preferred Governmental Claim Solutions) claim services after a vote was taken by the Board of County Commissioners approving “three findings” which the board had no discussion about prior to taking a direct action though they were forewarned by attorney Hadeed **“YOU would need to know these things in YOUR mind, It is YOUR judgment, YOUR discretion, that YOU’RE exercising in making these findings, and it is left SOLELY to YOU to make those determinations”**. The enclosed documents from PGCS (Preferred Governmental Claim Solutions) reflect a date following the date of the public Board of County Commission meeting which took place on or about December 15, 2014. Additional public records were requested from the county and PGCS (Preferred Governmental Claim Solutions) but release of those records has been denied by the county and PGCS (Preferred Governmental Claim Solutions).

16. Because attorney Al Hadeed is believed to have manipulated and aided the board of county commissioners in perhaps meeting requirement of the insurance provider to accept and process claims by asking that 3 findings be approved, it is believed the insurance provider may have paid the \$250 Elections Commission fine referenced in the Consent Order which was signed by County Commissioner Nathan (Nate) McLaughlin as the fine was paid from a TRUST ACCOUNT check from Messer Caparello, PA which is believed to have been issued from the legal counsel or his firm’s business. It is further believed this may be a law firm which the Board of County Commissioners and their staff or insurance provider PGCS (Preferred Governmental Claim Solutions) hired or appointed to defend the personal complaint filed against commissioner Nathan (Nate) McLaughlin in late 2014; a complaint that was in no way associated with Nathan (Nate) McLaughlin’s official elected position as a Board of County Commissioner.
17. It is believed funds disbursed from the Trust Account in the case of Nathan (Nate) McLaughlin (FEC 14-464) were funds that were not provided personally by the “Respondent” Nathan (Nate) McLaughlin. It is unknown where the funds distributed from the Trust Account came from, and if any co-mingling of monies occurred.
18. The Florida Elections Commission Consent Order in case FEC 14-464 states that the “Respondent” (Nathan (Nate) McLaughlin) is responsible for his own legal fees.
19. County attorney Al Hadeed has access to the County Administrator Craig Coffey and Board of County Commission members prior to scheduled public board meetings, therefore it is believed attorney Hadeed had communications with board of county commissions and the county administrator prior to the approximately December 15, 2014 scheduled public commission meeting to organize and calculate the event of persuading the commissioners to act on attorney Hadeed’s encouraged suggestion of approving the 3 findings and all were in collusion together, and phone records and security footage may confirm this.
20. Attorney Al Hadeed also has the authority and responsibility to research matters and contact the Ethics Commission and/or others for confirmation before a recommendation, motion or vote is encouraged or takes place to ensure all matters are ethical, legal and appropriate.
21. Attorney Al Hadeed has the ability and authority to request a “Formal Opinion” from the Attorney General’s Office when additional guidance is needed.
22. Attorney Al Hadeed has the responsibility and authority to bring matters before the County Administrator Craig Coffey and Board of County Commissioners which are believed to be or found to be unethical, inappropriate or illegal. Because it may be illegal and unethical for the taxpayers/Board of County Commissioners or an insurance company to pay for personal legal



- expenses of county commissioners or the county attorney, it is believed attorney Hadeed willfully and knowingly demonstrated misfeasance, malfeasance and is incompetent or is just plain corrupt as he encouraged and promoted the commissioners to vote approval of three findings which he stated were required by law and necessary in order to represent their interests.
23. The action for the Board of County Commissioner to purchase the Old Hospital took place at a SPECIAL MEETING, which was held at the EOC (Emergency Operations Center) rather than at a regular meeting in the Commission Board Room where meetings are video recorded for television.
  24. Per Florida Statute 112.3143 FORM 8B (MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS) is to be filed by any person serving at the county, city, or local level of government on an appointed or elected board, council, commission, authority, or committee when faced with a voting on a measure in which one has a conflict of interest. With this being said, attorney Hadeed had the responsibility to encourage all commissioners who were affected by his mission pertaining to approval of the 3 findings, which he stated were essential and necessary in order to represent their interest he had an obligation and responsibility to notice all during his presentation about the need to abstain from voting and file the required form 8B if they were going to inure personal gain in the matter, and he did not. Attorney Hadeed stated the three findings were necessary in order to represent their interests, which is believed to be a clear indication his intentions were calculated and his presentation was part of the plan of action to allow himself as a respondent as well as board of county commissioners, as respondents to receive personal gain by having their personal legal fees absorbed by the county or an insurance provider. It is therefore believed he demonstrated he was corrupt or incompetent because he knew county commissioners and himself would personally gain by someone other than themselves paying for legal representation to defend complaints that filed against them.
  25. Within the instructions of the FORM 8B it clearly states that "A person holding and elective or appointive county, municipal, or other local public office MUST ABSTAIN from voting on a measure which would inure to his or her special private gain or loss". It is also stated "ELECTED OFFICERS: In addition to abstaining from voting in the situations described above, you must disclose the conflict: PRIOR TO THE VOTE BEING TAKEN by publically stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; and WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes" and this too was NOT done.
  26. None of the county commissioner's ABSTAINED from voting on the matter brought forth by their employee, county attorney Al Hadeed. It is believed the action attorney Hadeed encouraged and promoted with possible fear by using the words "REQUIRED BY LAW" was intentional, calculated and was done to approve the "three findings on their part" in order for Legal representation to be provided (by the county or an insurance provider) at no cost to the Respondents of claims that were filed against them. Attorney Al Hadeed had the obligation and responsibility to advise the county commissioners of the requirements outlined in Florida Statute 112.3143.
  27. None of the commissions disclosed the conflict PRIOR TO THE VOTE BEING TAKEN by publically stating to the assembly the nature of his/her interest in the measure and the fact that the measure would provide him/her with personal gain which should have been recommended by attorney Hadeed beforehand, or the presentation or recommendation by attorney Hadeed should have

- transpired knowing it would be a conflict to possibly all county commissioners and attorney Hadeed himself.
28. None of the commissioners WITHIN 15 DAYS AFTER THE VOTE OCCURRED filed the required 8B FORM with the person responsible for recording the minutes of the meeting, who should have incorporated the form in the minutes, which should have been encouraged and recommended by their employee, county attorney Al Hadeed.
  29. It is believed Al Hadeed provided misleading, unethical and perhaps illegal advice for his own benefit and personal gain which broke the public's trust, and may be considered as malfeasance and he must be held accountable.
  30. Had commissioner Barbara Revels been properly guided by her employee, county attorney Al Hadeed, and followed the requirements of Florida Statute Chapter on approximately May 6, 2013, and abstained from making the motion to purchase the "Old Hospital" property, the matter would not have been tabled for 90 days to be revisited and voted upon on August 1, 2013 to allow the purchase to have transpired. In fact, it is believed the issue relating to the "Old Hospital" would never have been discussed had Commissioner Barbara Revels not have made the motion she did on May 6, 2013, making it a non issue on August 1, 2013. More information regarding this topic will be available in Part 2 below.
  31. It is believed the actions of attorney Al Hadeed were willful, wanton and knowingly done with premeditation. It is further believed in doing so he abused his position as County Attorney by using his Florida BAR License for his own personal gain illegally and unethically. It is also believed his actions may have harmed not only himself but his employers as well (the county commissioner's) because the public's trusts has been broken, and done so at the tax payer's expense.
  32. Attorney Hadeed is believed to have misled the Courts in asking that a Petition of Injunctive Relief, which attorney Hadeed referred to in enclosed the Flaglerlive.com article titled "Palm Coast "Watchdogs" and Attorney Ordered to Pay County \$3,100 Over Frivolous Suite" be dismissed prematurely by his manipulation knowing there was an active pending Ethics Complaint filed by Ray Stevens being processed, which after the findings of the ethics investigation were revealed the court action may have been warranted the court to take appropriate action. Attorney Hadeed should be personally responsible for the \$3,100 that the Courts ordered Palm Coast Watchdogs and their attorney to pay, and the case reopened and decided after Ethics Complaints on the matter have been fully investigated and closed by the Ethics Commission.
  33. It is further believed attorney Hadeed relied upon false accounts because even though the petition with the court for injunctive relief it in no way asked the court to determine if an ethics violation occurred as attorney Hadeed suggested to the Court as is described in Part 3 below. Again it is believed additional damage has been done to break the public's trust.
  34. The Petition for Injunctive Relief was filed with the Courts due to attorney Hadeed failing to advise the Board of County Commissioners publically of the requirements of Florida Statutes, Chapter 112, and because the Board of County Commission member Barbara Revels did not announce her conflict with Associate Bruce Page, abstain from making a motion and voting on the purchase of the "Old Hospital" real property, and file the required form 8B with the person responsible to recording the board's meeting minutes. This also resulted in Ray Stevens filing the Ethics Complaint on May 19, 2014 against Commissioner Barbara Revels, and the Ethics Commission fining Commissioner Barbara Revels \$2,500. \*\*It is believed Barbara Revels did not rely upon the county or county

- insurance provider to pay legal expenses to defend the Ethics Complaint filed against her by Ray Stevens which may confirm attorney Hadeed's actions on approximately December 15, 2014 encouraging the board to approve 3 findings were unusual and conniving.
35. The result of the "MOTION TO DISMISS COMPLAINT WITH PREJUDICE" filed with the Courts by attorney Hadeed resulted in the case being prematurely dismissed, and being dismissed for what is believed to be attorney Hadeed misleading the courts that the case was opened for determination of ethics violations, when that was not the case as is described in Part 3 below.
  36. County attorney Al Hadeed rushed to file with the Court a Motion to Dismiss Complaint with Prejudice on July 3, 2014, and used what is believed to not be a relevant reason for doing so, as the petition filed was not for the courts to determine an ethics violation; an Ethics complaint had already been filed on the matter by Ray Stevens on March 19, 2014. After an ethics violation is determined, it appears the court then does have the authority to act, which is described in further detail below. It is believed attorney Hadeed was calculating and deceitful with what he did and misled the courts. Attorney Hadeed also took advantage that attorney Joshua D. Knight was suffering some medical problems with his then recent release from the hospital which may have affected his ability to fulfill the demands of the case.
  37. It is being asked that all the Flaglerlive.com news releases provided as exhibits, along with all other exhibits submitted with this complaint be carefully reviewed and the contents considered in the determination of the complaint as they describe in detail describe what has been explained within and therefore support this complaint. The enclosed materials confirm the county attorney Al Hadeed, County Administrator Craig Coffey and Board of County Commissioners have broken the public's trust, and did so with intent, knowledge, and willingly. It is believed it may not be possible to restore trust in our local government until those responsible for breaking our trust have been disciplined and even removed from their positions in local government where we have placed our trust. If the Ethics Commission has authority to file with the Florida BAR, State's Attorney, FDLE, Local Law Enforcement, or the Court's for any findings that may warrant additional action, it is being requested that they do so.

Complaint continued....

Part 2 .....May 6, 2013 and August 1, 2013 vote to purchase old hospital

- a. I believe attorney Al Hadeed demonstrated that he is incompetent or corrupt due to the fact his employer, County Commissioner Barbara Sue Revels, was recently fined \$2,500 by the Florida Ethics Commission for two violations which are believed to have been avoidable had county attorney Al Hadeed properly advised his employer of the law and its requirements. Because attorney Hadeed did not publically advise the board members of the requirements of Florida Statute, Chapter 112, and provide clear and concise ethical direction, and advise those with conflicts to file FORM 8B, it is believed he allowed commission Barbara Revels to commit the violation of Chapter 112 of the Florida Statutes for using her elected position for her own personal gain, which is believed to be a crime.
- b. Barbara Revels as a county commissioner has the ability to decide on how millions and millions of tax dollars are spent and who benefits from purchases or sales made. Barbara Revels is believed to have received special private gain by voting as a county commissioner to purchase real estate for approximately 1.23 million dollars from a group of individuals; one individual being Bruce Page, the President/CEO and Shareholder of Intracoastal Bank. Commissioner Barbara Revels also held \$100,000 shares of stock in Intracoastal Bank at the same real estate was purchased involving her associate, and has since approximately 2007. Due to the conflict that she and Bruce Page are Associates she should have abstained from voting on the matter related to the purchase of the "Old Hospital" as Bruce Page was a (1/3) part owner. Commissioner Revels should have announced her conflict to the assembly, abstained from voting on the matter that was a conflict and filed FORM 8B as is required per Chapter 112 of the Florida Statutes.
- c. Barbara Revels has been the business owner of Coquina Real Estate and Construction since 1972 which started as one woman operation, and now employs numerous individuals. Because both Commissioner Revels and county attorney Hadeed have been in the community for a very long time, it is fair to say they are both very well known and connected within the community and are aware of many associate connections. Therefore, it would stand within reason it would have been appropriate and reasonable for the county attorney Al Hadeed, as an employee of the Board of County Commissioners, to protect the public's trust by confirming there are no conflicts on such purchases before they are made and make the commissioners aware of the requirements of Chapter 112, Florida Statutes to not only protect the public's trust but to also protect the commissioner(s) from committing a violation of the law. It is unfortunate this was not the case on approximately August 1, 2013 when the county approved the purchase of the "Old Hospital" with one of the owners of the property, Bruce Page being Commissioner Revel's Associate. Because there are two county commissioners on the board who hold real estate licenses and are actively involved in buying and selling real estate, and this is public knowledge and knowledge attorney Hadeed was aware of, it would be all the more reason why county attorney Al Hadeed should have done all in his power to ensure the public's trust is not broken by publically addressing the board of the requirements of Chapter 112, Florida Statutes and this should have been done before the purchase or sale of real estate occurred.

- d. Attorney Al Hadeed has a responsibility and obligation as the county attorney to know the laws, research the laws and ethically, legally and morally lead the board and maintain the public's trust. At no time did he notice any board members if they had a conflict that they must abstain from voting and file FORM 8B though he had personal knowledge of the participants and their real estate and possible business relationships.
- e. Attorney Hadeed was in a group meeting which included me when the discussion came up about County Commission Nate McLaughlin polling County Commissioner Charles Erickson as to how he was going to vote on the purchase of the Old Hospital. Attorney Hadeed didn't hesitate to grab his head and state that such activity was illegal because it is considered polling. County Commission Charles Erickson made the same statement at Panera Bread over lunch with Dennis Mc Donald and me, John Ruffalo. Attorney Hadeed failed to get detailed information and see that the illegal activity was properly reported. It is believed he wanted to hide the matter because it pertained to one of the persons responsible for maintaining his employment, a county commissioner.
- f. Commissioner Revels had a very extensive line of credit with Intracoastal bank, and her line of credit was drastically increased by approximately \$100,000 just months prior to the county purchasing the Old Hospital real estate on approximately August 1, 2013 at a SPECIAL MEETING held at a location (EOC-Emergency Operations Center) outside the Board room where meetings are televised for the public. Ms. Revels initially made a motion for the county to purchase the old hospital on approximately May 6, 2013. According to the Ethics Commission's Investigative report that was released in recent months Ms. Revels received an extended line of credit in May 2013, and the value of the personal home real property was not disclosed until July 2013. This appears to be of interest because in the investigative report it is also stated the amount of the loan was to be determined based on the valuation of her personal real estate property.
- g. It is believed a normal walk in customer would not have received the same credit line extension with the income Barbara Revels reported on her filed 2013 FORM 6, it is also believed that Barbara Revels may have acquired additional personal gain by acquiring the extended line of credit with Intracoastal Bank but also because the credit itself allowed her the opportunity to purchase additional investment properties to gain personal income by renting them and most likely gain even more income at the time the properties are sold.
- h. Barbara Revels also purchased a boat in 2012 (per a statement she filed with the Florida Ethics Commission) that she failed to report to the Florida Ethics Commission until July 31, 2014, and then she did so by filing another FORM 6 and a typed statement titled "REVISED" which happen to be filed around the time when questions were being presented regarding her conflict of interest on the purchase of the Old Hospital property from her associate Bruce Page. It has yet to be determined how the boat was paid for or if there was a cost at all as there does not appear to be a decrease in assets nor an increases in liabilities to indicate any financing for the boat took place; only her net worth increased by \$120,000 when she filed "REVISED" paperwork. It is therefore unknown if the boat was a gift, if she bought it at a reduced rate from Bruce Page or another third-party or if she paid cash or financed it, but it is known from the Ethics Commission Report of Investigation on Case 14-082 that Ms. Revels was approached year(s) prior about the county purchasing the "Old

Hospital” real estate property before the sale actually occurred in 2014. Therefore based on what is described in this complaint and what has been reported in previously filed Ethics Commission complaint(s) against Barbara Revels it is believed in more ways than one she received personal gain using her elected position.

- i. Because commissioner Revels faced a prior complaint surrounding the purchase of the Old Hospital, and the completed Investigation Report determined there were violations, it is believed the investigation report may prove to be valuable during the process of handling additional complaints filed, such as this one therefore a copy is enclosed. It was noticed and reported by Flaglerlive.com that there are many inconsistencies within the Investigation Report therefore I am outlining my observations in the enclosed supporting documents.
- j. Just prior to the purchase of the Old Hospital on August 1, 2013, and after the personal credit line for Commissioner Revels was extended, Barbara Revels and her Associate, Bruce Page vacationed in the Bahamas and this was disclosed to Dennis McDonald by County Commissioner Charles Ericksen Jr. and was again confirmed by Board of County Commission employee Carl Laundrie during a meeting with Dan Bozza, Dennis Mc Donald, County Attorney Al Hadeed and myself John Ruffalo. In fact when it was stated that Barbara Revels was on Bruce Page’s boat, attorney Hadeed grabbed his head and stated “that’s illegal” and Carl Laundrie stated Bruce Page was on Barbara Revels’ boat. It is believed this too may have been another personal gain received.

Complaint Continued.....

**Part 3---Flagler-Palm Coast Watchdogs, LLC Petitioned the Court for Injunctive Relief following the purchase of the Old Hospital, and County Attorney Al Hadeed is believed to have intentionally misled the Court knowing an investigation was in progress when he filed a Motion to Dismissal Complaint with Prejudice.**

- A. On approximately June 25, 2014, Flagler County Watchdogs, LLC filed a complaint for injunctive relief against the Board of County Commissioners, Flagler County, Florida. Within that petition it was clearly described that on August 1, 2013 the board held a "Special Meeting" and voted in favor of the purchase of the real property formerly known as Memorial hospital, alternatively known as the "Old Hospital" which was initially purchased on approximately January 28, 2003, by Maluchi Development Company with the three corporate directors being Bruce E. Page, Michael D. Chiumento II, and James A Newslow III; the same individuals who sold the very property to the Flagler County Board of County Commissioners on August 1, 2013 for approximately \$1.23 million dollars and according to the Florida Commission on Ethics investigative report claimed a several hundred thousand dollar loss.
- B. On August 8, 2005 Maluchi Development Corporations filed papers with the Florida Department of State, Division of Corporations to change its name to Flagler Crossroads, Inc.
- C. According to the petition, the Flagler County Property appraiser's Office indicates the subject Property had a 2012 Just Market Value of \$353,952.00 and a 2013 Just Market Value of \$661,453.00; the Assessed Value of the subject property was \$353,952.00 in 2012, and Assessed Value was \$389,374.00 in 2013. The petition further explained that Bruce Page was the CFO/President of Intracoastal Bank where County Commissioner Barbara Revels held \$100,000 in shares and had \$215,049.94 in liabilities and her filed FORM 6 confirmed this information. It further states that on August 1, 2013 when the special meeting and vote took place to purchase the subject Property does not reveal for Commission as having submitted a Form 8B Memorandum of Voting conflict for County, Municipal, and other Local Public Officers, and the meeting minutes were attached. The complaint identified the requirements Pursuant to Florida Statutes 112.3143(3)(a) and provides the a "business associate" is defined in Florida Statue 112.312(4) and the fact that Bruce Page was one of three directors of Flagler Crossroads, Inc., the company that owned the subject Property prior to Defendant's purchase, and is also the President, CEO and Director of Intracoastal Bank who made a substantial profit on the real estate transaction because the selling prices was well over the listed Just-Market Value and the Assessed value of the subject Property according to the records with the Flagler County Property Appraiser's Office. The petition further states that because County Commissioner Barbara Revels was a co-shareholder in Intracoastal Bank, Commissioner Revels had an affirmative duty to disclose her business relationship with Mr. Page and/or Intracoastal Bank prior to the voting on the purchase for the subject property in compliance with Florida Statute 112.3143. Lastly it is stated in the petition that Pursuant to Florida Statues 112.3175(1)(b)(3) "Any contract that has been executed in violation of this part is

voidable;...in any Circuit Court, by any appropriate action, by:...Any citizen materially affected by the contract and residing in the jurisdiction represented by the officer of agency entering into such contract” and **it was requested that the 7<sup>th</sup> Judicial Circuit Court issue an Order granting preliminary injunctive relief to prevent Defendants from taking further action to expend additional resources on the subject Property given the potential statutory violations that could rescind the original purchase of the subject property.**

- D. At no time did the plaintiff, Flagler-Palm Coast Watchdogs, LLC ask for anything more than “Injunctive Relief” nor at any time did they ask the Court to determine if an ethics violation had occurred. The Respondent, Board of County Commissioner/County Attorney Al Hadeed failed to recognize the that Chapter 112 of the Florida Statutes was put into place to strengthen the faith and confidence of the people of this state in their government, and Chapter 112 of the Florida Statutes is not exclusive to the Florida Ethics Commission. County attorney Hadeed also rushed to make a motion to dismiss the complaint on the 3<sup>rd</sup> day of July 2014, with prejudice knowing Ray Stevens had filed a formal complaint with the Florida Ethics Commission on May 19, 2014, and the alleged violations were under investigation. Mr. Hadeed’s actions are believed to have been intentional, unethical, dishonest, and harmful to the people of this county which has resulted in the public’s trust to have been broken. It is also believed attorney Hadeed also demonstrated that he does not uphold the law, and that others that he represents should be exempt from doing so. Mr. Hadeed and those he represents are not above the law nor are they or should they be immune to consequences. In fact they have all taken an Oath and are responsible to conduct themselves so that we the people will have faith and confidence in our government.
- E. Mr. Hadeed also fails to appear to accept responsibility as the county attorney for not advising commissioner Revels (and the rest of the board members) or the requirements of Chapter 112 of the Florida Statutes, which is his responsibility, to avoid a complaint being filed.
- F. The fact that a pending complaint existed and attorney Hadeed knew it, he should have allowed for the Florida Commission on Ethics to investigate and reveal its findings before filing his Motion to Dismiss Complaint with Prejudice. Because he did not, it is asked that he be responsible for reimbursement of the filing fees and all costs.
- G. Attorney Al Hadeed stated in his motion for dismissal that the Commission is created by the Florida Constitution to investigate and determine all complaints of ethic violations; however it is believed if a violation is not identified and a complaint is not raised it would not be required of the Commission to investigate and make a determination therefore it is believed attorney Hadeed exaggerated the requirements of the Commission. And again, the petition filed with the courts



was NOT for determination of ethics violation(s). Attorney Hadeed also stated in his motion "Under Florida Chapter 112, Part III, **final actions** of the Ethics Commission **are subject to review by the districts courts of appeal** and not the trial courts. Again, attorney Hadeed is believed have demonstrated that he is either corrupt or incompetent as the petition was not filed to appeal any final action of the Ethics Commission, it was filed explaining why Injunctive Relief was necessary. For attorney Hadeed to have made such a claim in his motion to dismiss it is believed he intentionally, willingly and knowing tried to deceived the courts and break the public's trust, and was successful because the case was dismissed prematurely and for reasons that were unrelated.

- H. On page 2, Section 2 of Mr. Hadeed's Motion to Dismiss he stated the statute that allows review of the contracts entered into when an ethics violation has been established, specifically Section 112.3175 only comes into play **AFTER an ethics violation has been determined**. The fact that he knew there was a formal complaint filed, and it was actively being investigated, he should **NOT** have rushed to file his Motion for Dismissal. In fact he should have advised the court of the active complaint in his motion and he did not; he knowingly and willingly deceived the Court and again broke the public's trust. **He demonstrated that he knew if he did not get the matter dismissed before there was a determination on the complaint filed that there would be grounds for the purchase of the Old Hospital to be reversed without further damage and consequence to the people**. Because the Ethics Commission determined there was probably cause with the complaint filed by Ray Stevens an investigation took place, and based on the findings of the investigation a fine was imposed for the violations. Had the Court received attorney Hadeed's Motion to Dismiss after this was determined it is believed there would have been grounds for the purchase of the Old Hospital to be reversed without further damage and consequence to the people. **Action must be taken against attorney Al Hadeed by the Ethics Commission, Law Enforcement, and the Courts to properly resolve the matter at Attorney Al Hadeed's expense, including the reversal of the sale of the property, the fees assessed to the Petitioner-Flagler-Palm Coast Watchdogs, LLC for court costs and attorney fees due the county of Flagler and any other cost they incurred**. It is believed Al Hadeed wanton, willingly and knowingly, and intentionally misled and deceived the courts and broke the peoples trust at the people's expense. The Flagler-Palm Coast Watchdogs, LLC is composed of live individuals who live in Flagler County and is no different than an LLC like Florida Cross Roads.
- I. I am in the opinion that attorney Al Hadeed has conducted himself in the same dishonest, calculating, unethical matter when the county purchased the Old Hospital as he did during the 2014 election season when as Canvassing Board Attorney-he kept silent on the fact that a alternate,

County Commission Charles Ericksen Jr should have stepped down because he attended a fund raising event and contributed \$50 to co-County Commissioner Frank Meeker's re-election campaign, and Chairman of the County Commission, George Hanns' endorsement and photograph appeared on a campaign mailing to perhaps sent to several thousand voter's to promote the re-election of Co-County Commissioner Frank Meeker's re-election campaign to then weeks later, and just days before election day, Commissioner Frank Meeker released a second mailing (after thousands of voters voted early and by mail) re-calling his mailing saying it was an error. Commissioner Hanns claimed he did not give the endorsement, however the endorsement was sent and it was an endorsement. When it was asked by the Supervisor of Elections why it wasn't disclosed and brought forward right away, the response is said to be "because I knew you would". Attorney Hadeed was aware of the incidents as it played out over several meetings, ending with Commissioner George Hanns being removed by the remaining canvassing board members in front of State Officials. He also claimed to be the Canvassing Board Attorney for many years. It is the responsibility of the Attorney to provide guidance and NOT to remain silent on issues of law violations to protect his employers, the Board of County Commissioners. Attorney Hadeed had a special interest maintaining his position as Canvassing Board Attorney and to keep his employers on the election canvassing board and as alternates and this was to protect his interest by keeping his employers on the ballot re-elected to maintain his employment with Flagler County, even if he observes and hears of unethical or illegal doings. Attorney Hadeed has again broken the public's trust and we can no longer have confidence our elections are fair and honest with his presence and the presence County Commissioners Charles Ericksen Jr and George Hanns. Attorney Hadeed is believed to have again proved he is corrupt or incompetent to have publically remained silent during this time and not ensure that the laws were being followed. The actions of these commissioners and attorney Hadeed were a embarrassment to Flagler County in 2014-never before in history of Flagler County has a Board of County Commissioner been removed from the election canvassing board in the presence of State Officials.

**Back-Up Materials:**

- You will find supporting documents pertaining to this complaint enclosed which will also include numerous articles published for the public by Flaglerlive.com; two in particular I want to make special mention of that are titled "Contempt and deception: How Flagler County Sealed a dirty deal for the Old Hospital" and "Flagler County Argues Charge Against Commissioner Revels Belong at Ethics Commission, Not in Court". These articles and others

relating can be viewed electronically at Flaglerlive.com as they all have various dates of publication written on them.

- You will also find the Complaint filed by Ray Stevens along with the "Report of Investigation 14-082" which also appeared on Flaglerlive.com; it appears to contain numerous inconsistencies, therefore, I am also providing for your consideration a print-out of my thoughts and comments on the "Report of Investigation" all of which I believe are material as it identifies inconsistencies some of which may relate to Al Hadeed and how he failed the people.
- You will find many other enclosures that have been relied upon to support this complaint.
- It is being requested if you determine violations have occurred and/or laws have been broken and it is within your authority that criminal charges be brought upon those involved and that you report your findings to any and all agencies that can take appropriate action to deal with such matters; agencies such as the Florida BAR, FDLE, States Attorney etc.---for the people. The integrity demonstrated by attorney Al Hadeed is unacceptable and has been damaging to our county and to us as tax payers.

\*\*Witness information can be provided upon request.

#### **ATTACHMENTS:**

**Contempt & Deception**

**Lawsuit & Ethics Charge**

**Flagler County Argues Charge**

**In Unusual Vote**

**State Ethics Panel Ratifies \$2,500 Fine**

**Palm Coast Watchdogs**

**Form 8B**

**State of Florida Consent Order - McLaughlin**

**State of Florida Consent Order - Meeker**

**Palm Coast Watchdogs Injunctive Relief**

**Maluchi Development Corp**

**Form 6**

**Frank Meeker**

**Motion to Dismiss Watchdogs**

**Ray Stevens Complaint**

**Syd Crosby**

**Report of Investigation**

**My Comments**

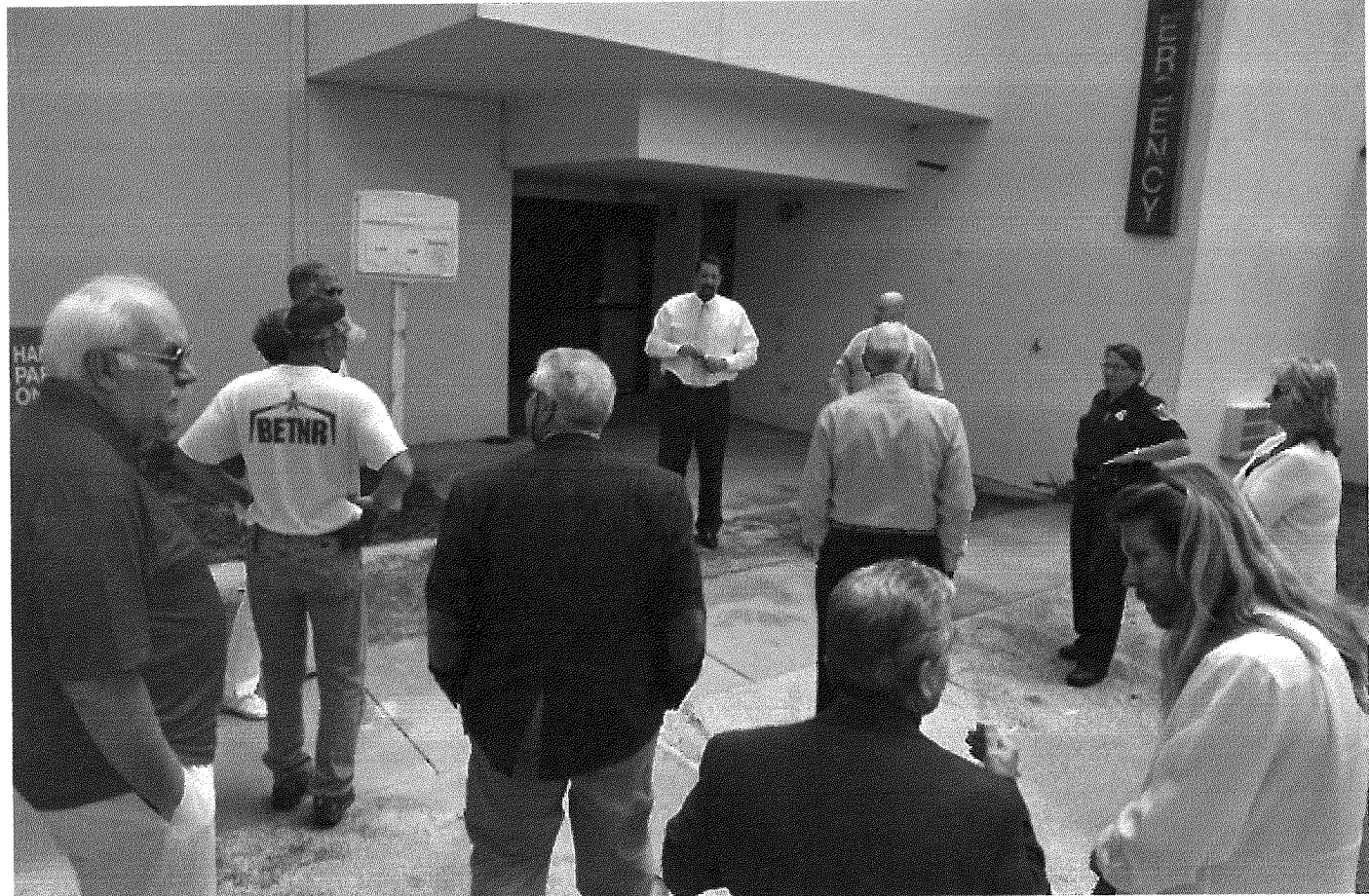
**2014 Florida Statutes**

**Conduct of Election Report**

*Published 8/16/13*

# Contempt and Deception: How Flagler County Sealed a Dirty Deal for the Old Hospital

FlaglerLive



County Administrator Craig Coffey, facing the camera, as he was briefing county commissioners and others before tours of the old Memorial hospital in May. (© FlaglerLive)

It's not unusual for politicians and their administrators on our local government boards to blow smoke in taxpayers' eyes as they go about misusing taxpayer money. But last week's dog and pony show by County Administrator Craig Coffey and Commission Chairman Nate McLaughlin stands out.

They insulted the public's intelligence by claiming to have been transparent about the hurried deal to buy the old and decrepit Memorial hospital for the indefensible price of \$1.23 million (for a property that sold for \$750,000 in 2003 and that hasn't exactly gotten handsomer since). They hid behind the cherry-picked documents Coffey stage-managed as if the substance of the deal was in those documents rather than in secret meetings Coffey carried out, with his commissioners' knowledge, but not the public's. Let's not forget that on this allegedly transparent and sunshine-challenged commission, every commissioner knew a deal



**The Live Column**  
Pierre Tristam



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was going down with the hospital owners in April before it was ever mentioned in public, until FlaglerLive reported it.

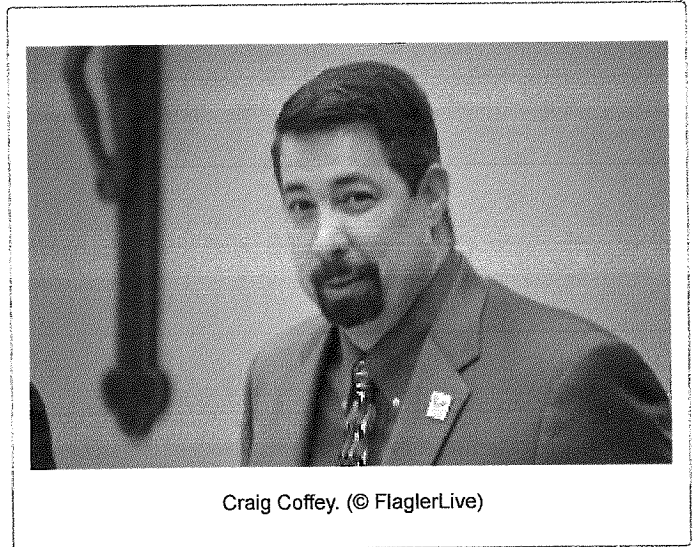
And of course during that seal-the-deal commission meeting last week Coffey mocked what he calls the local "papers," accusing them of reporting only "snippets," and urging people to get the real truth by looking up records posted on the county's website and in discussions spoken during workshops and meetings. "I wouldn't encourage people to read the paper," were Coffey's exact words.

Because as we all know, there's nothing like government honesty.

McLaughlin's snide thank you to Coffey aside, fellow-commissioners sat there with their complicit silence, letting their administrator disparage local businesses as they never would let him if he was referring to, say, one of their pals' banks, or one of their lawyer pals' firms. But they have reasons to keep mum. Remember, these commissioners are paying for all this with proceeds from a sales tax they passed unilaterally last year and for the next 20 years, knowing fully well it wouldn't pass at the ballot box. They don't like these reminders because it gives voters ideas when they *do* get a chance to vote.

That's why bashing media is every craven politician's cheapest scapegoat. The problem in this case is that Coffey and McLaughlin did the bashing behind a small army of straw men, then turned around and flatly peddled one deception after another.

Coffey passed off a PowerPoint presentation that any clever middle schooler could have cut and pasted together as the end-all analysis of the deal. To put "PowerPoint" and "analysis" in the same sentence is an oxymoron. But even the missing bullet points left gaping holes in the presentation. There were no answers to basic questions such as the recurring costs of running that colossal new acquisition, the lost tax revenue to local governments (especially Bunnell's crippled redevelopment taxing district for that area), the source of money for the interest payments on the loan the county will soon take out to pay for its potato-salad of a building, all this presumably with the similarly mounting maintenance costs of the larger jail Coffey and the sheriff want to build, not to mention the mountain of cans commissioners and Coffey say they've been kicking down the road, and that they'll have to be paying for very soon, and so on. None of that was even hinted at in Coffey's "analysis."



Craig Coffey. (© FlaglerLive)

A few weeks ago Commissioner Barbara Revels pointed out the lack of cleanliness in the Government Services Building, brought on by cuts in custodial services. If the county is having trouble keeping its main building's toilets, it'll be interesting to see how it intends to manage a 60,000 square foot addition—with money that will have to come out of the general fund, not from sales tax revenue. Money it does not have. Money it is as we speak raising taxes dramatically to close its deficits.

Not that you saw any of this in that pretty PowerPoint, either.

**Click On:**

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- Lawsuit and Ethics Charge Cite Flagler Commissioner Revels Ties to Business Associate in County's Old Hospital Buy
- Contempt and Deception: How Flagler County Sealed a Dirty Deal for the Old Hospital
- Testily and Disparaging Local "Papers," County Administrator and Commission Defend Hospital Buy
- Commissioner Frank Meeker: Why I Voted to Buy the Old Hospital Despite Reservations
- Sold: County Commission Votes 4-1 To Buy \$1.23 Million Hospital in Bunnell for Sheriff
- Appraisals for Old Hospital Place Value at \$1.5 Million as County Moves Toward Acquisition
- Divided Flagler Commission Moves Ahead With \$1.23 Million Option on Old Hospital
- Other People's Money: How Flagler County Is Closing on a Raw Deal at Taxpayers' Expense
- County Is Negotiating Acquisition of Old Hospital in Bunnell for New Sheriff's HQ
- In Prenup Haggling, County and Bunnell Agree to Split Old Courthouse, With Sheriff in Annex
- In a Historic Breakthrough, County Will Cede Old Courthouse to Bunnell for Its New City Hall

## The Documents:

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- Hamilton & Jacobs Appraisal
- Cooksey & Associates Appraisal
- Phase I Environmental Site Assessment
- Hazards Survey
- County Administrator's Memo and Option Agreement

One of Coffey's most blatant deceptions, never once questioned by commissioners too busy playing their assigned roles in this closed-circuit circle jerk, was the calculation of the 60,000 square foot hospital's reconstruction costs. First, he tried to deflate the purchase cost by \$750,000 by applying a nutty pro-rated formula in accordance with the square footage only the sheriff would use, as if the county were buying just half the thing. It took Commissioner Charlie Ericksen, a Colombo-type personality who hides his claws behind a genial demeanor, to set Coffey's numbers straight.

But only half the numbers. The rest of the discussion stuck to costs of reconstruction applying only to the half of the building the county will refurbish immediately, without taking into account the reconstruction and maintenance cost of the whole structure even though one of the selling points of the building is its size, and what it will enable the county to do in the future. One of Coffey's "options" included that of demolishing the hospital and building new, at a cost of \$4.55 million. That option was included as if to highlight its expense: \$7.8 million overall, as opposed to \$6.55 million for merely refurbishing *half* the existing building. But the \$7.8 million was as close to an honest number as there was that day. It was quickly dismissed. There was a script to follow.

McLaughlin, who had been more cautious and questioning until then, went so far as to say that the hospital buy is only the culmination of years of meetings—as if the county had been negotiating buying the hospital for the past seven years rather than the past few weeks. But what the hell. Since there's a document about rebuilding the sheriff's office and jail dating back to 2005, let's just say, as Coffey did, that this deal has been in the works

eight years. You could dance sophistry to the rhythms of Coffey's logic.

(And not just sophistry. There's something sinister about the way Coffey tries to undermine his challengers. When I called him last Friday afternoon to get his reaction to County Spokesman—and my former colleague—Carl Laundrie's accident, Coffey intimated that I was to blame for the wreck, because Laundrie had been "agitated" from hearing a version of this piece air on WNZF Friday morning. It was a vile suggestion, and Coffey knew it. He backed off when I protested. But he'd made it. That was enough. So he rolls.)

It got worse in that meeting last week. Coffey at one point not only again blamed the media about inaccurately reporting the original acquisition price of the hospital years ago. He went on to misstate the facts himself, and very gravely so, because he was again and falsely making it seem as if the sellers were giving away the property at a loss. This is what Coffey said: "The purchase price that the current owners paid of \$750,000, that is not correct. Mr. Gardner will tell you that that was a number generated from his office through some error in software or what have you, but the actual purchase price, he does not have, it's not recorded in that sense. Essentially it was a \$1.6 million purchase."

He just threw that figure out there. A figure more than twice the formal selling price. A figure backed by not a single official document, though Coffey can refer to an obscure one-page memo—not from the hospital owners, not one of whom showed his face throughout this charade, but from their real estate broker. And again, not one commissioner questioned Coffey about the substance of his \$1.6 million figure. Ah, the transparency.

Coffey was conveniently mixing fact and fiction. There was a fictional transaction once recorded in Gardner's records. Gardner has since removed any trace of that alleged 2006 real estate deal from his website, because there indeed was none. But nor was there a fictional \$1.6 million transaction.

The original acquisition of the hospital, by Michael Chiumento (one of the current owners), under what was then called the Maluchi Development Corporation, closed for \$750,000 on June 5, 2003. That's the only official deal in the books. That's the only sale figure Coffey should have cited. That figure is not based on property appraiser records, on "some software error" or anyone's memo, but on the Clerk of Court's records, and the dock stamp tax Chiumento's company paid on the acquisition. Records show Chiumento changed his corporation's name to Flagler Crossroads around 2005, dropped a couple of partners and took on a couple of new ones. He is the constant. But what business partners conducted among themselves is their business. It never amounted to an official real estate sale of the building itself. No records to show it, no tax trail.

By law, real estate transactions carry a 70-cent per \$100 dock stamp tax on *all* documents that transfer interest in real property, if we're to believe the Florida Department of Revenue. If you conduct a real estate transaction and don't pay that tax, you're evading taxes. All such transactions *must* be recorded with the clerk of court. (There are several mortgages under Maluchi-Crossroad's name between 2003 and 2007, which are taxed differently, but taking out mortgages was last decade's pastime.) There is only one transaction taxed at that rate since Maluchi took over, and that's the 2003 transaction.

So either the owners of Flagler Hospital somewhere along the way conducted a \$1.6 million real estate transaction, but didn't pay the tax, or there never was a \$1.6 million sale, and that \$750,000 price is the true price paid for the building, netting its owners the astronomical profit they're now set to reap.

Yet Coffey wants us to trust him and his numbers. Not the media. Not clerk of court and tax records. Just Coffey and *his* snippets. He wants us to trust him that the old hospital was a prize the county shouldn't let slip away, that the price couldn't have been negotiated down to a less ungodly level, though Chiumento and his partners

couldn't find a buyer for it year after year—until the county came along.

I think I'll pass. I'll take the papers over Coffey any day. Lucky for Coffey he has his commissioners exactly where he wants them: in his amen corner. And together they're again making suckers of taxpayers, who'll be paying for this for many years, with more bullet points than could ever fit on a PowerPoint.

Cue the greasy sequel to the potato palace.

*Pierre Tristram is FlaglerLive's editor. Reach him by email here.*





*Published 7/1/14*

# Lawsuit and Ethics Charge Cite Flagler Commissioner Revels Ties to Business Associate in County's Old Hospital Buy

FlaglerLive



Commissioners Barbara Revels, center, and Frank Meeker, right, are named in a lawsuit by a watchdog group that seeks to stop county construction on the old Memorial Hospital property, which the commissioners inspected last May an hour before voting to buy the building at three times its assessed value. (© FlaglerLive)

A newly formed group that calls itself the Flagler Palm Coast Watchdogs last week filed a lawsuit against the Flagler County Commission, seeking to halt work on the old Memorial Hospital property in Bunnell slated to be the sheriff's new headquarters. The suit raises questions about the propriety of the county's \$1.23 million purchase of the property last August.

## Click On:

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- Contempt and Deception: How Flagler County Sealed a Dirty Deal for the Old Hospital

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- Testily and Disparaging Local "Papers," County Administrator and Commission Defend Hospital Buy
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- Phase I Environmental Site Assessment
- Hazards Survey
- County Administrator's Memo and Option Agreement

In particular, the lawsuit alleges that Commissioner Barbara Revels never disclosed her business relationship with Bruce Page, the CEO of Intracoastal Bank, before pushing for the purchase of the old building, which Page and two other men owned, and voting on the purchase rather than recusing herself. Revels, according to her own annual financial disclosures, owned stock in Intracoastal Bank worth \$100,000, and is a close friend of Page's. Revels also has a six-figure loan with Intracoastal.

Florida law requires elected officials to abstain from voting on any measure that would yield them a "special private gain or loss" or yield a business associate a similar gain or loss. The law defines a business associate as "any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, co-owner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange)."

The purchase of the old Memorial Hospital was controversial because it was hurried, the negotiations that led to it were conducted in secret, with each county commissioner knowing about it well before the matter was disclosed at an open commission meeting, the price taxpayers paid for it was three times the assessed value of the property, and double its market value. The owners of the property, particularly Page and Michael Chiumento III, the lawyer, have close ties to local government officials. They had tried and failed for a decade to sell the building, until the deal with the county.

An ethics complaint was also filed against Revels at the Florida Commission on Ethics last month, making claims similar to those raised by the lawsuit.

"There's no damages other than injunctive relief," Josh Knight, the Palm Coast attorney representing the

Watchdogs group, said Friday. "The sole purpose of forming the Flagler-Palm Coast Watchdogs, and you'll see this in our complaint, is they're dedicated to ensuring fiscal responsibility and the total transparency of the activities of our local governments, as well as their strict conformance with Florida statutes consistent with Florida government in the sunshine doctrine. We're not trying to create problems here. There's a genuine issues at the heart of this matter, the least of which being Ms. Revels's failure to provide us with a Form 8 conflict of interest. She is a shareholder with the bank that Mr. Page and Mr. Chiumento are shareholders in. They're the ones who profited from this deal."

Revels was on vacation in the Bahamas this week and could not be reached. But Al Hadeed, the county attorney—who got the lawsuit on June 25, when it was electronically filed, as he is named on the documents—said the lawsuit had no validity.

"They are related by virtue of being shareholders of the same bank," Hadeed said of Page and Revels, "but she's not a bank officer, she doesn't sit on the board of directors, she doesn't have any decision making authority within the bank. She's a shareholder and an account holder, and the bank was not involved in this transaction. Bruce Page was in his individual capacity."

Revels, Hadeed added, had disclosed her relationship to Page since her financial disclosure form was on record. But the voting-conflict disclosure form is a separate requirement.

"Commissioner Revels's relationship with Mr. Page was known to these individuals that have complained about this vote," Hadeed said. "They knew it at the time and they were voicing their reservations concerning that relationship, and ultimately it's not for me or the County Commission or the judge to determine whether the failure of Commissioner Revels to file a disclosure form amounts to a violation" of state ethics laws. "That's going to be decided by a different agency," meaning the Florida Commission on Ethics.

The ethics commission neither confirms nor denies the receipt of ethics complaints, and does not disclose whether one is being investigated until it reaches a decision on whether probable cause exists for further action. So far, there is no indication that the ethics complaint is being investigated, as neither the county nor the individual who filed it have been contacted by investigators.

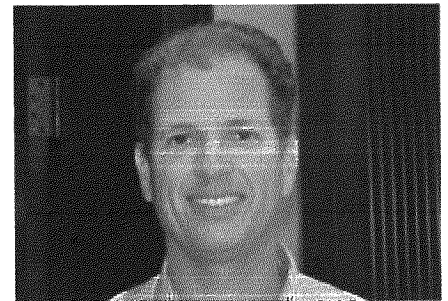
"I don't know that you can read anything from the silence," Hadeed said. "I'm not trying to infer anything from the silence, other than the fact that we have no official or preliminary determination of any kind."

Both the lawsuit and the ethics complaint were filed by men closely associated with the Ronald Reagan Assemblies of Flagler County, a right-wing group to the right of the traditional Republican Party that aggressively but not always accurately aims to subvert local government in the name of fiscal responsibility. Ray Stevens, twice a former Republican candidate for sheriff, filed the ethics complaint. (July 2 update: Stevens said he was contacted by the ethics commission to provide additional information.)

Dan Bozza, a retired, bookish individual who says he spent a career "in finance" at the Chicago Stock Exchange, is the only named officer of the Flagler Palm Coast Watchdogs. Bozza was the write-in candidate in the Republican primary race that ensured the election of County Commissioner Charlie Ericksen two years ago,



Barbara Revels



Bruce Page. (© FlaglerLive)

unseating the more moderate Alan Peterson. There were no other candidates in that race, and by law Independents and Democrats would have had a right to vote in it, even though two Republicans were running, since its result were to decide the final outcome. By fielding himself as a write-in, Bozza, providing an alleged third choice on the ballot, and to pointed criticism from some local GOP leaders, “closed” the primary so that only Republicans could vote—thus ensuring that Peterson could not benefit from more moderate votes. Peterson lost.

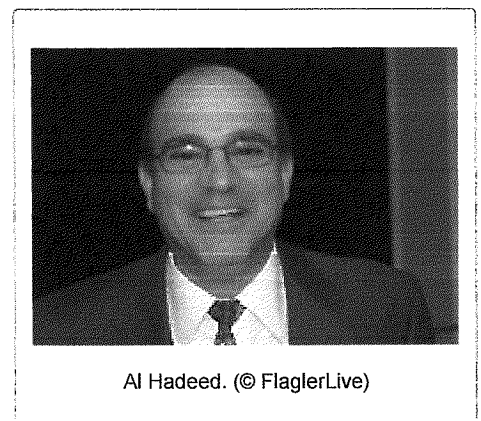
In an interview Friday, Bozza would not say who else is involved in the Watchdogs group, only that the group—if it is, in fact, more than one person—is seeking a non-profit designation from the IRS. Bozza said he set up the Watchdogs “to “give a lot of angry people a way to channel their anger” by donating to the Watchdogs, which in turn will file more lawsuits against local government. The twin missions of the group, in other words, is to raise money and fund lawsuits, Bozza said, because “it’s only because of lack of funding that prevents citizens from their right to justice. Justice is expensive.”

The lawsuit, however, appears less than precise in what it’s seeking, beyond an injunction to stop work on the old hospital. The suit states that Revels, as a co-shareholder in Intracoastal Bank, “had an affirmative duty to disclose her business relationship with Mr. Page and/or Intracoastal Bank prior to voting on the purchase” of the old hospital. And it refers to Commissioner Frank Meeker’s reluctant decision to vote for the hospital buy. But the suit does not seek to reverse the purchase. It claims that the Watchdogs—Bozza is not personally named—would suffer irreparable damages if any additional money is spent on the old hospital property. But the plaintiffs may have trouble convincing the court of *how* they would be suffering, if the Watchdogs is presented as a nameless front without a stable of actual taxpayers behind it: courts generally don’t take kindly to fronts, preferring to deal with flesh-and-blood individuals.

“We just want more clarification and assurances that this was done in the best interest or residents and taxpayers of Flagler County,” Knight, the attorney for the Watchdogs, said. “I don’t believe that it was. I’ve spoken to several sheriff’s deputies, they feel that it’s a joke of a deal. This is going to be the future site of the sheriff’s department, they’re aware of the property, they think it’s a joke. They think it’s compromised from a security standpoint, from a strategic standpoint, not to mention the pervasive environmental issues plaguing that property.” (Sheriff’s deputies’ claims are not part of the lawsuit.)

Knight on Friday said he was surprised that Hadeed had already read the lawsuit, even though it had not been docketed yet by the Clerk of Court. “How’s that possible? I didn’t send him a copy,” Knight said.

But he had. Hadeed received an electronic “Notice of Service of Court Document” of the filing on June 25 at 12:27 p.m., according to an email he received, because his email is among those included in the filing list. A minute earlier, he received another email from the Florida Courts E-Filing Portal, advising him that “you have received this email because you have been added to the Florida Courts E-Filing Portal eService List by... Joshua David Knight.” In other words, Knight’s e-filing ensured that Hadeed would immediately receive the documents. All such court documents must now be filed electronically.



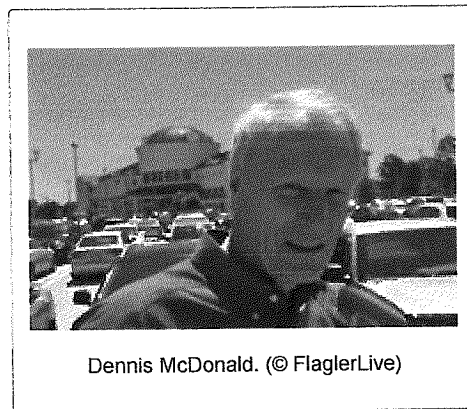
Al Hadeed. (© FlaglerLive)

That enabled Hadeed immediately to get to work on getting the case dismissed. That’s routine whenever a lawsuit is filed. But Hadeed said that even though he was having difficulties framing his motion, because of the vagueness of the complaint, he would be filing it Tuesday.

"It's very difficult for me to understand the cause of action that is being asked," Hadeed said. "There's an allegation about a failure to disclose a relationship on the part of one commissioner, and there's an allegation of a commissioner who provided an explanation of his vote, which, by the way, only has partial quotes in the complaint. And from those two allegations, they believe under the ethics law that they're entitled to get an injunction. Now, I strongly disagree and I will make that argument to the court. I don't think there's any merit to the suit, absolutely no merit."

Hadeed said the timing of the suit may have to do with election season, though Revels is not running for office this year. Meeker is, and though he is a Republican, the Ronald Reagan group has been his bane, going as far as trying to oust him from the Republican Executive Committee, and he's not hidden his antipathy for it in return. Meeker faces in the Republican primary the same challenger he faced two years ago: Dennis McDonald, another Ronald Reagan Assembly favorite and a multi-warheaded thorn in the side of city and county governments.

Knight was the attorney representing McDonald in McDonald's attempt to stop Palm Coast from rebuilding the Palm Harbor shopping center (though Palm Coast is not involved in that project, except as a regulatory agency) and possibly widening Palm Coast Parkway, because the construction entailed removing some trees. Palm Coast counter-argued that the suit was riddled with factual errors and false assumptions, had no merit, and managed to get it dismissed. The city sought to get it dismissed with prejudice, meaning that Knight would then be barred from bringing such action again against the city. Knight declined. The city then sought to get Knight and McDonald to pay \$18,000 in attorney and legal fees.



Dennis McDonald. (© FlaglerLive)

That action is pending a hearing on Aug. 21 before Circuit Judge Dennis Craig, who is the likely judge who will hear the lawsuit Knight filed on behalf of the Watchdogs.

As with the lawsuit against Palm Coast, however, the lawsuit by the Watchdogs may run into monetary issues: if the judge were to grant an injunction, normally the party seeking the injunction would be required in such cases to put up a bond—either a surety bond or a personal bond—to cover the sums of the contracts being stopped. Those sums, in the old hospital case, will be very large. The Watchdog group appears to have no funds at the moment, and would have trouble finding an insurance company that would back a surety bond, leaving the bond to be covered by individuals' dollars, though members of the Ronald Reagan group are not known for having frequented too many poorhouses.

"My goal," Knight said, "is to immediately start depositions, and I'm confident I'll obtain enough testimony to justify the claims that we've set forth in our complaint. And look were not trying to cause undue trouble here, we want to make sure that the best decision was made for everybody, and it seems like a recurring theme here that the needs of the few outweigh the needs of the many. It just doesn't add up on paper."

Flagler Palm Coast Wachdogs v. Flagler County Commission

*Published 7/9/14*

# Flagler County Argues Charge Against Commissioner Revels Belongs at Ethics Commission, Not in Court

FlaglerLive



Flagler County's \$1.23 million acquisition of the old Memorial Hospital building last year is at the center of a lawsuit by a new group against the county. (© FlaglerLive)

If a local "watchdog" group wants to contest the ethical propriety of Commissioner Barbara Revels's vote last summer to buy the old Memorial Hospital in Bunnell for conversion into a Sheriff's Operations Center, the group may well do so—but not in Flagler County Circuit Court, Flagler County Commission Attorney Al Hadeed argues. The group has no standing in circuit court, but may take its case to the Florida Commission on Ethics.

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- Contempt and Deception: How Flagler County Sealed a Dirty Deal for the Old Hospital
- Testily and Disparaging Local "Papers," County Administrator and Commission Defend Hospital Buy

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- Commissioner Frank Meeker: Why I Voted to Buy the Old Hospital Despite Reservations
- Sold: County Commission Votes 4-1 To Buy \$1.23 Million Hospital in Bunnell for Sheriff
- Appraisals for Old Hospital Place Value at \$1.5 Million as County Moves Toward Acquisition
- Divided Flagler Commission Moves Ahead With \$1.23 Million Option on Old Hospital
- Other People's Money: How Flagler County Is Closing on a Raw Deal at Taxpayers' Expense
- County Is Negotiating Acquisition of Old Hospital in Bunnell for New Sheriff's HQ
- In Prenup Haggling, County and Bunnell Agree to Split Old Courthouse, With Sheriff in Annex
- In a Historic Breakthrough, County Will Cede Old Courthouse to Bunnell for Its New City Hall

## The Documents:

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- Hamilton & Jacobs Appraisal
- Cooksey & Associates Appraisal
- Phase I Environmental Site Assessment
- Hazards Survey
- County Administrator's Memo and Option Agreement

Hadeed makes those arguments in the motion he filed last week to dismiss a lawsuit filed late last month by a new group that calls itself the Flagler Palm Coast Watchdogs.

When Revels was part of the 4-1 majority that voted to acquire the hospital for \$1.23 million from a trio of local investors, she did not file a form required by ethics laws indicating that she had a business relationship with Bruce Page, one of the investors. Page is the CEO of Intracoastal Bank, in which Revels has \$100,000 worth of stocks, according to the financial disclosure form she's required to file as an office holder. Hadeed says the form filing prior to the vote was not required, as the hospital transaction did not involve Intracoastal Bank, and Revels's finances were already transparent. The Watchdogs disagree, claiming that Revels had a conflict of interest that should have compelled her to recuse herself from the vote, and explain her recusal.

The county's motion to dismiss does not attempt to invalidate the claim that Revels violated the state's ethics laws. Only to remove the court from the equation. In fact, a complaint was filed with the Florida Commission on Ethics making the same charge against Revels, but by a different, if politically related, individual—Ray Stevens, the former candidate for sheriff.

The Watchdogs group is actually one man, Daniel Bozza, who works closely with the Ronald Reagan Republican Assembly of Flagler County, the temperamentally secretive right-wing group aiming to subvert the local Republican establishment. (When Bozza spoke to the group earlier this week at the Palm Coast Community Center, Bob Hamby, who heads the group, barred Kimble Medley, a former Republican candidate for Supervisor of Elections—whose first name should not prompt confusion with current Supervisor Kimberle Weeks—from attending.)

Bozza would not disclose the names of other members of the group, if any, when asked after he filed the lawsuit

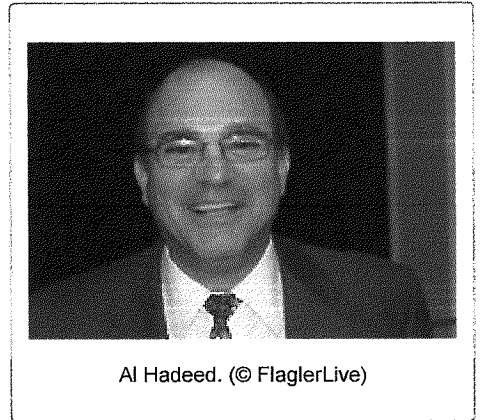
last month, but said the group is seeking a non-profit designation and intends to be the conduit for fund-raising that would then underwrite the filing of more lawsuits against local government.

Hadeed's motion, in a sleight of rhetorical jujutsu, uses those intentions to make one of a half dozen arguments concluding that the group has no standing to sue the county in circuit court—at least not over the issues it raised against Revels and cited concerning Commissioner Frank Meeker. (Hadeed does not mention either commissioner by name in his motion.) Since the group leaves its identity imprecise, it does not show that it has been "affected in a substantially different manner or degree" by the county's purchase of the hospital any more than have other county residents at large.

"The reality is that [the Watchdogs group] does not stand in a superior position to the rest of Florida citizenry, with respect to the right to ensure public accountability and transparency, and if there has been a failure to be accountable or transparent, the plaintiff does not suffer a greater harm than the rest of the community. Absent the demonstration of a special injury, the plaintiff has no standing."

In plainer English: Cheekiness, evasion or secrecy undermine the legitimacy of the Watchdogs' claims.

But the legal heart of Hadeed's motion goes to a simpler matter.



Al Hadeed. (© FlaglerLive)

Florida law—the state constitution and state statutes—make clear who arbitrates what. In matters of ethics, the nine-member Florida Commission on Ethics was created to investigate the alleged ethics breaches of public officials, interpret ethics laws and recommend penalties or further action when laws are found to have been broken. Florida law specifically removes circuit courts from that responsibility, granting that authority to the ethics commission. Less than two years ago, Rodolfo Pedraza, a resident of Miami, filed suit challenging the validity of Frank Hernandez to run for county judge, because Hernandez had allegedly not included his home mortgage as a liability in financial disclosures. The court dismissed the suit, saying it was up to the ethics commission exclusively to make that determination. Hadeed cites that case in his argument to the circuit court.

"The trial court lacks not only the authority but the unique resources and processes of the Ethics Commission to investigate and report violations of the Code of Ethics," Hadeed's motion reads. "The trial courts do not have the experience or the body of jurisprudence developed by the Commission since its creation in the 1970s for addressing violations of the Code of Ethics."

Beyond that, Hadeed had difficulties citing a claim by the Watchdogs that amounted to more than an opinion that the purchase of the old hospital was a bad deal. The Watchdogs had cited Commissioner Frank Meeker's column explaining his vote—a reluctant vote, but a vote for the hospital purchase nonetheless. Extrapolating from Meeker's column, the Watchdogs used the piece as evidence that the buy was ill-advised. But Meeker had merely described how he came to his decision, and at no point suggested that, aside from the usual lobbying and second guessing extant in such proceedings, anything improper or illegal was taking place.

"The remaining factual allegations of the complaint," Hadeed's motion goes on, again turning the Watchdogs' own arguments against the group, "do no more than express the opinion of the plaintiff that the purchase of the former hospital property was not wise."

Hadeed's full motion to dismiss is below.

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Download Hadeed Motion to Dismiss



*Published 8/27/14*

# Skeptical Judge Grants Delay in "Watchdog" Suit Against County Over Old Hospital Buy

FlaglerLive



Circuit Judge Dennis Craig heard County Attorney Al Hadeed's argument that the Watchdogs case did not belong in circuit court, and asked Josh Knight, in the foreground, to show him evidence that it does. (© FlaglerLive)

Flagler County Circuit Judge Dennis Craig gave an attorney his marching orders this afternoon before agreeing to a delay in a pressure group's lawsuit against the Flagler County Commission over the purchase of the old Memorial Hospital for a sheriff's headquarters last year.

"I want to see either a statute or a case that gives the circuit court jurisdiction," Craig told Josh Knight, the attorney representing a new group that calls itself the Flagler Palm Coast Watchdogs. "And I'll give you time to look for it."

Craig gave Knight one week.

Except for its founder, Dan Bozza, the Flagler Palm Coast Watchdogs is an obscure organization that may or may not have more members than its founder, who is a follower of the Ronald Reagan Republican Assemblies. Bozza was not there. Nor were any members of the group, or of the Reagan assemblies. Two county

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commissioners—Charlie Ericksen and Frank Meeker, who had been having coffee together in a side room before the hearing—attended.

Bozza said he founded the group to file lawsuits against local government. A fellow-Reagan Assemblies member, Dennis McDonald, has not had much luck with the strategy. A judge declared his lawsuit against Palm Coast, seeking an injunction over development around Palm Harbor shopping center, frivolous, and on Monday ruled in favor of Palm Coast's motion to have its attorneys' fees paid by McDonald. That cost could add up to \$20,000. Knight represented McDonald in that case as well.

County Attorney Al Hadeed Wednesday afternoon argued before Craig that even if the suit over the hospital purchase has merit—an assumption Hadeed made for the sake of argument, not to concede that it had—the matter should not be heard in circuit court.

"That matter is exclusively within the jurisdiction of the Florida Commission on Ethics," not the circuit court, Hadeed said.

The Watchdogs suit claims that Barbara Revels, a county commissioner, did not disclose an alleged conflict of interest before voting in favor of buying the old hospital for \$1.23 million. Revels owns a construction and real estate business and banks at of Intracoastal Bank, whose president, Bruce Page, was one of three partners who owned the old hospital property. Revels had a line of credit with the bank, which she revealed in her annual financial disclosure form as a commissioner, and holds bank stock worth \$100,000, though neither the bank nor Revels materially gained from the hospital transaction.

Revels also faces an ethics complaint that another member of the Reagan group, Ray Stevens, filed, mirroring the charges made in the circuit court suit.

Craig appeared willing to give the county's case more leeway than the Watchdogs. Knight said he wanted to amend the lawsuit. But before he had a chance to speak to that effect, the judge asked him whether he was prepared to show that the suit had jurisdiction in circuit court. Knight was not, because he'd just gotten out of hospital after an extended stay there. Craig, conceding that Knight had not had time to prepare, said he would give him a week to do so—but principally to answer the question of jurisdiction. Craig appeared uninterested in moving further unless the jurisdiction matter was resolved.

The next hearing will take place on Sept. 4 at 1:30 p.m.

*Published 9/4/14*

## Reagan Assemblies' "Watchdogs" Can't Take Defeat: As One Suit Is Tossed, a Pledge to File Another

FlaglerLive



A supermajority of the Flagler County Commission attended a brief hearing before Circuit Judge Dennis Craig this afternoon, where the attorney for an obscure pressure group said he'd file a case alleging that commissioners were illegally 'polled' before a key vote last year. The attorney provided no evidence. The commissioners from left are George Hanns, Nate McLaughlin, Charlie Ericksen and Frank Meeker. The reporter at her laptop is the News-Journal's Julie Murphy. (© FlaglerLive)

There was a quorum of the Flagler County Commission for this one: four of the five commissioners showed up for the hearing Thursday on a Palm Coast pressure group's lawsuit against the commission and its purchase last year of the old Memorial Hospital in Bunnell. The group was claiming that Commissioner Barbara Revels—who was not in attendance—had a conflict of interest and should have either disclosed it or not participated in the hospital vote.

Barely 10 minutes into the hearing, Circuit Judge Dennis Craig threw out the suit by the co-called Flagler Palm Coast Watchdogs, concluding it had no standing in circuit court. The "Watchdogs," founded by Palm Coast resident Dan Bozza, is a group closely aligned with the Ronald Reagan Assemblies of Flagler County, an insurgent far-right Republican group.

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The lawsuit was no sooner dismissed than the pressure group's attorney said he'd file a new lawsuit, with facts unrelated to the previous one, this time charging that one of the county commissioners polled the rest of the commission on the hospital purchase—meaning that he asked commissioners how they would vote outside of an open meeting. If true, that would be a violation of Florida's open-meetings law.

It was an unusual way to extend a legal battle against the county even after that battle's ammunition had been exhausted. Josh Knight, the attorney, at first attempted to stretch the original case by merely amending the original lawsuit. The judge did not allow it.

"There doesn't even appear to be overlapping facts on the allegations on the original complaint versus what would be the amended complaint," Craig said, requiring Knight to file an entirely new lawsuit if that's what Knight wanted to do. Knight said that's what he'd do.

Al Hadeed, the county attorney, said he was considering going after attorneys' fees now that the lawsuit has been dismissed. "Is that something that I'm weighing? Yes," Hadeed said, noting that the county attorney's office is a public resource focused on issues meant to "save money or get money or avoid liability or whatever the function is that is in the public interest," none of which was the case with this lawsuit. "The time I spent doing this was time I couldn't spend doing something else, so yes, I have to weigh that on behalf of the government."

It's not clear who would defend commissioners in light of the new lawsuit, if it's filed. Commissioners facing sunshine law violations generally have to have their own attorneys. Knight would not disclose who the commissioner who allegedly polled other commissioners was, but that information has been dribbling out.

Bob Hamby, a member of the Ronald Reagan Republican Assemblies of Flagler County, whose members have been bitterly critical of local government, alleged on Aug. 14 that Commissioner Nate McLaughlin asked Commissioner Charlie Ericksen how he would vote, and that the matter was brought to County Attorney Al Hadeed's attention by Reagan assembly members.

Ericksen, the only commissioner who voted against the hospital purchase, categorically denied today having a conversation about the vote with McLaughlin outside of meetings. "We had workshops before the vote but I never talked with any of the commissioners with regards to how I was going to vote," Ericksen said.

The meeting between Reagan members and Hadeed took place on Jan. 15. It was at the request of Reagan assembly director Dennis McDonald (who had a lawsuit against Palm Coast declared frivolous earlier this year, and is now required to pay Palm Coast's costs, with Knight the attorney on that case as well), Dan Bozza, who was behind the lawsuit that was dismissed today, and John Ruffalo, the strategist behind the Reagan group (whose name last appeared before Judge Craig two years ago when the wife of the Republican Executive Committee tried to have an injunction against him for forcing her out of assembly headquarters).

The meeting between Reagan members and Hadeed took place on Jan. 15. It was at the request of Reagan assembly director Dennis McDonald, Dan Bozza and John Ruffalo.

McDonald, a frequent critic of county and city government who just lost a bid for the county commission against incumbent Frank Meeker, had a lawsuit against Palm Coast declared frivolous earlier this year, and is now required to pay Palm Coast's costs. Knight is the attorney on that case as well. Bozza is behind the lawsuit that Craig threw out today. Bozza has not attended his own case's hearings. Ruffalo is a strategist behind the Reagan group. His name last appeared before Judge Craig two years ago when the wife of the Republican Executive Committee chairman, Patricia Sullivan, tried to have an injunction against him for forcing her out of Reagan assembly headquarters, which turned out to be GOP headquarters.

"They wanted to meet with me because they had expressed frustration that they weren't getting information from county administration," Hadeed said of the January meeting.

The trio had a number of issues they wanted to discuss—about the old hospital, the chamber of commerce and the Tourist Development Council, among others. The trio also raised the issue of Revels's alleged conflict of interest. Along the way, they made the claim that polling took place.

"I don't remember exactly the words they told me," Hadeed said. "They said that they knew there'd been polling, they mentioned commissioners' names, I think they did mention Nate, they mentioned Charlie, they may have mentioned others." Hadeed later said Meeker's name was mentioned.

But when Hadeed asked the trio for evidence, he said they pointed to Meeker's claim in a FlaglerLive article that he'd felt he was "being led, at times by the nose, to a conclusion to support the hospital purchase." Nowhere in that article was there an allusion to polling or to Meeker even connecting that pressure to other commissioners, so much as to the administration, which may legally engage with commissioners at will outside of meetings. Beyond that, Hadeed said the trio's polling allegations were "hearsay."

"I'm sure I told them polling is illegal, you heard that in court today," Hadeed said. "I acknowledged that. I told them that they should go to the State Attorney if they have those facts." Hadeed then verbally and individually informed commissioners of the meeting. "I asked each commissioner, were they polled?" Hadeed said of those meetings. "They all said no. Very firmly."

Reagan assembly tactics have established a pattern, including in the McDonald and Bozza-Watchdogs court cases, of making baseless claims that wither under examination. Along the way, the target of those claims are tarnished regardless. McLaughlin and Meeker, having defeated two Reagan assembly candidates, are still incumbents facing re-election in November. The noise against them is part of that context.

And the dismissal of a lawsuit often does not make as much of an impact on public opinion as its original filing. Bozza in an interview earlier this summer said the Watchdogs group was created to raise money to file lawsuits against local governments.

Hadeed argued to Craig more than a week ago that the Watchdogs case shouldn't be in circuit court, because if there was such a conflict, it's up to the Florida Commission on Ethics to deal with the issue. Revels is, in fact, facing a complaint alleging the same conflict of interest through the ethics commission. But the commission has not yet determined whether the complaint has merit.

The case was last before Craig on Aug. 27, but Knight, who'd been ill, was not prepared to argue why the original lawsuit belonged in circuit court. Craig gave him a week. Today, Knight rested his argument on two sections of Florida law that Hadeed said were not applicable, since one merely addressed the open meeting law and the other did not in and of itself "confer jurisdiction" for such a case in circuit court.

Craig had been skeptical of the case belonging in his court all along, but as he did last week, gave Knight ample room to press his case. Knight tried. Craig was not convinced. When the two laws Knight cited failed to meet the judge's test, Knight took the tangential approach. He said that an amended lawsuit would prove to have jurisdiction in circuit court.

Craig was aware of the attempt to change the original lawsuit, but did not take to the tactic, because the amendment would make new allegations entirely—that one or more county commissioners involved with the hospital vote, Knight said, "illegally polled other commissioners as to their intended vote." He wanted more time "to conduct discovery in light of this new information."

Hadeed quickly pointed out that that would have been in sum an odd way of resuscitating a dead case. The

judge agreed, leading Knight to have to file the new case from scratch.

*Published 12/16/14*

# In Unusual Vote, Flagler Commission Acknowledges Ethics and Elections Complaints Against All Its Members

FlaglerLive



The tangle of elections and ethics complaints against every county commission member arose mostly from their service, one after the other, on the county canvassing board, or from their candidacy for office in elections supervised by the board. (© FlaglerLive)

Complaints filed at the Florida Ethics Commission and the Florida Elections Commission are usually confidential. Not in the case of a stash of complaints filed against every member of the Flagler County Commission and the county attorney—complaints filed by Flagler County Supervisor of Elections and ex-commission candidate Mark Richter.

Commissioners started getting the complaints by mail a week ago, and spoke of them then. By Monday evening, even Barbara Revels, who thought she'd been spared, had received hers, and County Attorney Al Hadeed had confirmed on Saturday receiving his. A court spokesperson said there were no records as of Monday of any complaints filed by Weeks against Melissa Moore-Stens, the county judge who chairs the Canvassing Board.

With the exception of an elections complaint against Commissioner Nate McLaughlin, which deals with an



allegedly improper disclaimer format on some campaign literature, all the complaints deal in one way or another with issues Weeks has raised before at Flagler County Canvassing Board meetings, which were typically made unusually contentious by those issues.

At a county commission meeting Monday evening, Hadeed, who also serves as the Canvassing Board's attorney, took the unusual step of speaking of the complaints openly and seeking a vote by the commission to officially affirm three points regarding the complaints and the commissioners' actions.

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- Even as Election Culminates, Supervisor Weeks Finds a New Target: Commission Chairman George Hanns
- Miscounts Stretch Marathon Canvassing Board Meeting to 16 Hours, Ending After Midnight
- Elections Supervisor Weeks Suspends Canvassing Business for Radio Gig, Stunning Fellow Board Members
- Canvassing Board Rejects Weeks Attempt to Remove Hadeed as Attorney in Latest Clashes
- FDLE Serves Search Warrant as Supervisor of Elections Weeks Is Now Formally Under Investigation
- Commission Chairman Questions Election's Integrity in Broad Criticism of Supervisor Kim Weeks' Methods
- Weeks Scuttles Latest Attempt to Resolve Elections Conflicts in Heated Meeting
- Unbowed, Elections Supervisor Kimberle Weeks Signals More Brawling Ahead
- Palm Coast Manager Jim Landon Handed Wrong Ballot in Early Voting, Raising Questions About Election's Integrity
- "Derelict" Sheriff! Call In a Judge! Accuse Palm Coast of Larceny! Elections Supervisor Weeks Goes Unhinged.
- The Phony War Over Campaign Signs
- When a County Commissioner Calls The Supervisor of Elections A "Bitch"
- Kimberle Weeks Calls County's Campaign Sign Rules "Interference"; Administrator Craig Coffey Responds
- County Forcefully Rejects Elections Supervisor's Claims That Campaign Sign Restrictions Hurt Turnout
- State Election Supervisors' Attorney Told Kim Weeks a Month Ago That Palm Coast Was on Firm Ground
- What's Eating Kimberle Weeks?
- Kimberle Weeks Archives

"I am not speaking here of actions taken as candidates, but rather, actions you have taken as members of the county commission," Hadeed told commissioners. "Cumulatively, these filings are an across-the-board challenge on how the board of county commissioners discharged its responsibilities under the election laws. They challenge you as county commissioners acting in your official capacities in performing your public duties,

and the same with me in my official capacities as your county attorney and the Canvassing Board attorney. Indeed, these filings might as well have named the Board of County Commissioners as the respondent.”

Hadeed wanted the commission to vote approval of three findings on their part, which he said was required by law. First, that the allegations arise from carrying out their official duties. Second, that a public purpose was being served at the time of these actions. Third, that pending present and future complaints that may still be en route, “that our participation in them serves a public purpose to resolve elections-related questions that are being raised,” Hadeed said.

“On that score,” he continued, “we do look forward to having all the evidence presented, and maybe we can put the repetition of these allegations to final closure. Ultimately these are important issues to the effective operation and maintenance of the administration of our elections.”

The item had not been on the commission’s agenda. Hadeed brought it up during his portion of the meeting, and asked that the commission add the matter to the agenda so it could take action on it. While entirely legal and proper, it is that sort of actions that have prompted the commission’s—and Hadeed’s—detractors, among them Weeks, to claim that the commission has acted improperly on matters related to elections that may have been addressed in similar fashion.

While the county administration makes every effort to have as complete an agenda as possible before a meeting, issues do arise between the time an agenda is finalized and the time an issue is raised at the meeting. The complaints’ notices were just such an issue: when the agenda was finalized and posted on Friday, Revels, and possibly Hadeed, had yet to have taken possession of the complaints filed against them. By Monday, they had.

Revels made a motion to accept the three findings, and the commission unanimously approved the motion. Hadeed’s full statement appears below.

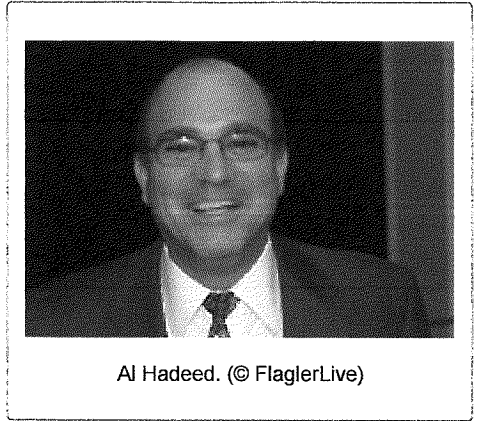
**Following is the unedited, complete statement County Attorney Al Hadeed made to the county commission immediately before the two votes on the matter:**

“I need to report to you on the filings of the ethics and elections commission, and specifically fact-finding that we have to make in order to respond officially to those filings. The findings essentially are necessary in order to represent your interests as the Board of County Commissioners. Overall the filings challenge your actions as commissioners and myself, as your county attorney and Canvassing Board attorney. These allegations have been presented before, and we have seen them play out at meetings and documents produced by the supervisor of elections. Now they’re before these agencies for review. We don’t know if there are other filings that are still en route. But the findings that you have to make by law extend to all of these filings that are related to your election process.

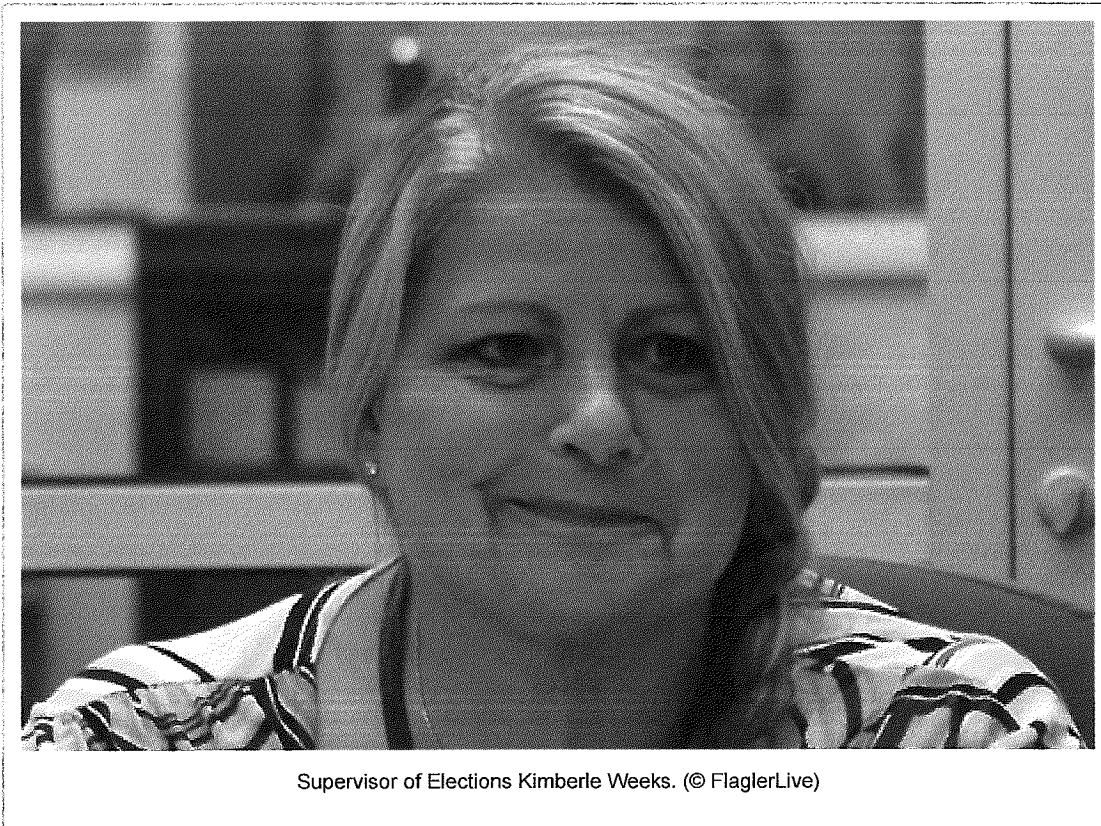
“Now, I am not speaking here of actions taken as candidates, but rather, actions you have taken as members of the county commission. Cumulatively, these filings are an across-the-board challenge on how the board of county commissioners discharged its responsibilities under the election laws. They challenge you as county commissioners acting in your official capacities in performing your public duties, and the same with me in my official capacities as your county attorney and the Canvassing Board attorney. Indeed, these filings might as well have named the Board of County Commissioners as the respondent. Now, with that introduction, let me turn to the findings that are required by law. First, that the allegations arise from your carrying out of your official duties. Second, that a public purpose was being served at the time of these actions. You would know these things in your own minds. It is your judgment, your discretion, that you’re exercising in making these findings, and it is left solely to you to make those determinations. Likewise, you know of my actions. And again, these are

findings based on your knowledge.

“Additionally we have one more finding for you to consider, required by law. Specifically, that these present and future proceedings, accounting for those that are en route, that our participation in them serves a public purpose to resolve elections-related questions that are being raised. On that score, as you know, the county has stated to the area news outlets, we do look forward to having all the evidence presented, and maybe we can put the repetition of these allegations to final closure. Ultimately these are important issues to the effective operation and maintenance of the administration of our elections. Again, you would know through your knowledge about how important resolution of these issues would be to the effective operation of the county. Even though the filings and the proceedings of these agencies are confidential by law, I have to present proposed findings for your consideration at this point. Remember, they are proposed. You are the judge of them, based on your knowledge. Again, just to be clear, I am referring to the filings that address allegations about the administration of our elections, not as candidates, but as commissioners and myself as county attorney and Canvassing Board attorney. In order to officially proceed at this point with what I’ve just described, we’re going to need a motion to add to the agenda, findings in connection with all filings related to actions taken in official capacities for the 2014 elections and prior elections as they may be raised in those filings.”



Al Hadeed. (© FlaglerLive)

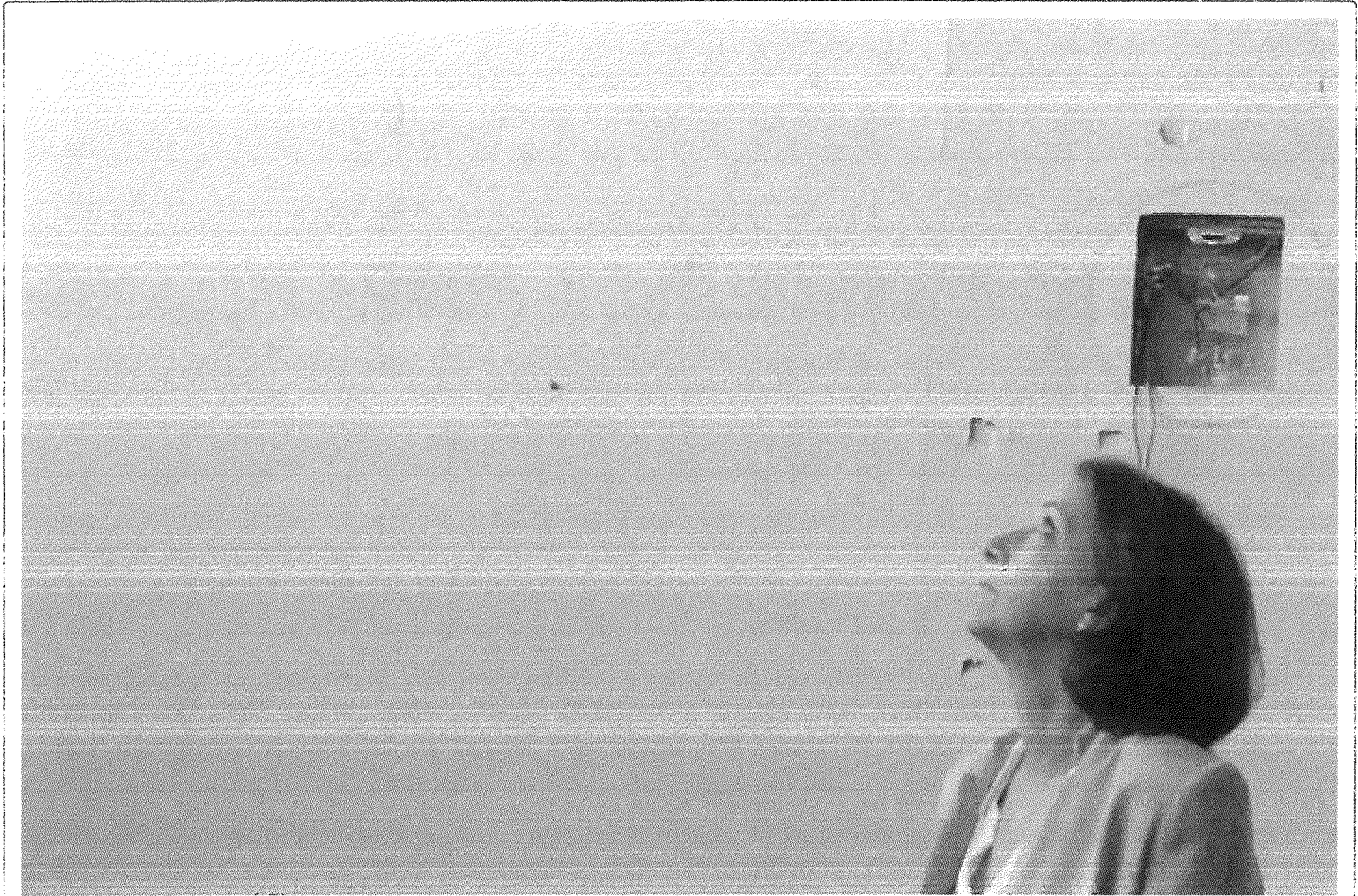


Supervisor of Elections Kimberle Weeks. (© FlaglerLive)

*Published 11/14/15*

# Flagler Commissioner Revels Faces \$2,500 Fine Over Ethics Violations as Investigation Points To Discrepancies

FlaglerLive



Flagler County Commissioner Barbara Revels, who faces two fines over probable violations of state ethics laws, during a tour of the old Memorial hospital building in Bnnell last May, just before she initiated one of two votes to buy the property. The ethics commission advocate says she should not have participated in those votes. (© FlaglerLive)

“It’s kind of a sad day in Flagler County that it’s what we’re known for in Tallahassee, these continual ethics complaints,” Flagler County Commissioner Barbara Revels said last month. She was referring to a slew of such complaints filed against her and the rest of the county commission by then-Supervisor of Elections Kimberle Weeks, who has since resigned. Revels was also well aware at the time of another ethics complaint pending against her, that one filed by Ray Stevens, a two-time candidate for sheriff and a member of the right-wing insurgent group known as the Ronald Reagan Republican Assemblies.

That complaint was prompted by Stevens’s claim that Revels acted improperly by not disclosing a conflict of interest as she voted with the county commission to buy the old Memorial hospital in Bunnell (for \$1.23 million) in the summer of 2013. She did so even though she had a business relationship with one of the three owners of the hospital at the time, Palm Coast Intracoastal Bank President Bruce Page. Revels owned Intracoastal Bank

stock worth \$100,000 at the time of purchase in 2007 (with gains of 15 percent since 2008, according to Revels), and the bank had just increased a line of credit to her.

In an unusual move that reflects the commission's willingness to go beyond the parameters of a complaint, the ethics commission later ordered a further investigation into what appeared to have been Revels's improperly making a motion at a special meeting to go ahead with due diligence and negotiations for the eventual purchase of the old hospital, thus putting her in a position to have privately benefited from the act.

Last week (on Jan. 8), the Florida Ethics Commission made public the Revels investigation prompted by the Stevens complaint and the supplemental investigation, finding probable cause to believe that Revels broke Florida law on both counts—one alleged by Stevens, and one deduced by ethics investigators.

Revels has agreed to concede to the commission that she broke the law, though she denied having ever gained anything from the deal, or gained anything even indirectly through her association with Intracoastal Bank. She now faces fines of \$1,250 on each count (or a total of \$2,500), a civil, not a criminal, penalty, but the ethics commission itself must approve the agreement when it next meets on Jan. 23.

The ethics investigation, rich in details of the former hospital owners' business history and stakes, led to the dismissal of another charge Stevens brought against Revels—that her vote was influenced by a \$200,000 increase in a line of credit from Intracoastal Bank in May 2013, weeks before the vote on the old hospital that August. Revels told investigators she needed the credit as she and her husband had started “flipping houses.”

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*An investigative report points to a closer relationship between Revels and then-owners of the old Memorial hospital she championed buying in 2013.*

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Revels's ownership of stock was known at the time of the hospital vote: she had disclosed it in a previous financial disclosure form when running for reelection to that seat. But the details of her relationship with the bank, including details of the line of credit, were not. Nevertheless, Revels, along with the rest of the commission, sustained strong public criticism in the weeks leading up to the vote on the hospital, which had only recently before the deal been appraised at \$354,000. (Page would subsequently tell investigators that he took a loss on the sale, not a gain, when all costs were calculated.) The county administration had been negotiating a deal with the owners in the full knowledge of county commissioners outside of public meetings until a FlaglerLive article in late April 2013 revealed the nature of the negotiations.

On May 6, 2013, it was Revels who made the motion at a commission meeting to move ahead with due diligence and appraise the hospital again on the way to negotiations for a final price. That motion carried 3-2, making Revels the swing vote: had she abstained, the tie vote, assuming another commissioner had made the motion, would have led to a failed motion, and the matter might have ended there.

On Aug. 1, the commission voted 4-1 to buy the hospital, with Revels again making the motion. (Commissioner Charlie Ericksen was the lone dissenter.)

If there was any doubt left that Revels had been at least part of the driving force behind the hospital buy, the ethics commission investigation dispelled those doubts. The investigation notes that Revels was approached by Page and Larry Jones—the husband of Realtor Margaret Sheehan-Jones, who was the broker on the hospital property—in late 2012 or early 2013 so they could present their arguments as to why the county should buy the building and turn it into a Sheriff's Office administration headquarters. Revels at the time told them the county was planning on refurbishing the old courthouse for the sheriff's HQ, and that she would not herself push the

idea of using the old hospital, but that if they wanted to take the proposal anywhere, “they’d have to go sell it to the administrator themselves” she told them, referring to County Administrator Craig Coffey. Page agreed that Revels was non-committal at the meeting. The administrator, however, does not make deals without his commissioners’ approbation.

Page owned the hospital at the time with Michael Chiumento, the Palm Coast attorney, and James Newslow of Ormond Beach, both of whom, like Revels, owned stock in Intracoastal Bank. Page revealed to ethics investigators that far from making a profit on the sale of the hospital, his documents pointed to an aggregate loss of \$863,464 for Flagler Crossroads, the company that owned the property under the trio’s name. Page owned a third of the company stock. Those figures are based on Flagler Crossroads buying the building in 2005 for \$1.65 million, though at the time of the negotiations in 2013 the county property appraiser’s website showed the original purchase price to have been \$750,000.



Revels made the motions in both key votes that led to the \$1.23 million purchase of the old hospital. Click on the image for larger view. (© FlaglerLive)

Investigators asked Revels whether she knew that Page was, like her, a shareholder in Intracoastal Bank at the time of the hospital deal. “I never really thought about it in that way,” Revels told investigators through her attorney. “He is the CEO, employed by the bank, I guess one might assume he invested in the start-up, but that has never been discussed by him around me. That would have been highly inappropriate for him to say something like that as I am not in that ‘inner circle’ of the Board of Directors. Nor do I have any kind of personal relationship with Mr. Page that he would discuss his personal finances. I bought stock and put my business banking there, that was it.”

## Click On:

- [Lawsuit and Ethics Charge Cite Flagler Commissioner Revels Ties to Business Associate in County’s Old Hospital Buy](#)
- [Contempt and Deception: How Flagler County Sealed a Dirty Deal for the Old Hospital](#)
- [Testily and Disparaging Local “Papers,” County Administrator and Commission Defend Hospital Buy](#)
- [Commissioner Frank Meeker: Why I Voted to Buy the Old Hospital Despite Reservations](#)
- [Sold: County Commission Votes 4-1 To Buy \\$1.23 Million Hospital in Bunnell for Sheriff](#)
- [Appraisals for Old Hospital Place Value at \\$1.5 Million as County Moves Toward Acquisition](#)
- [Divided Flagler Commission Moves Ahead With \\$1.23 Million Option on Old Hospital](#)
- [Other People’s Money: How Flagler County Is Closing on a Raw Deal at Taxpayers’ Expense](#)
- [County Is Negotiating Acquisition of Old Hospital in Bunnell for New Sheriff’s HQ](#)
- [In Prenup Haggling, County and Bunnell Agree to Split Old Courthouse, With Sheriff in Annex](#)
- [In a Historic Breakthrough, County Will Cede Old Courthouse to Bunnell for Its New City Hall](#)

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## The Documents:

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- Hamilton & Jacobs Appraisal
- Cooksey & Associates Appraisal
- Phase I Environmental Site Assessment
- Hazards Survey
- County Administrator's Memo and Option Agreement

“Upon further questioning,” the investigative report states, “Commissioner Revels stated that she did not know that Mr. Page was a shareholder of Intracoastal Bank at the time she voted on May 6, 2013, and August 1, 2013.”

That drew a sharp dissent from Page himself, who told investigators that Revels “absolutely” knew he was a shareholder, a fact “clearly disclosed” in the bank’s “Offering Circular” and “Subscription Agreement” that Revels, who is known for her attention to details at commission meetings and with government documents, signed when she became a shareholder in 2007. (Revels says she doesn’t recall reading the circular or signing the subscription agreement.) Page told investigators it is “standard practice that the President/CEO of a community bank has a material ownership in the bank, typically.”

Page at the time owned 3.7 percent of the bank’s total shares (and now owns 4.62 percent), Revels less than 1 percent. Chiumento, too, was a stockholder in Intracoastal Bank (owning just under 3 percent of the shares), and Revels acknowledged that she knew he was. Page says Revels had been to almost all shareholder meetings since 2008, and therefore would have seen Chiumento and Newslow there, though Revels says she didn’t know Newslow was a shareholder when she voted on the hospital.

The investigation report revealed another running discrepancy in the way Revels described her relationship with Page. Revels described it as professional and “friendly,” but not social, and that she’d known him at least 10 years. Page described the relationship almost identically when he spoke to investigators. But investigators unearthed a speech Page delivered at a Corporate Pinnacle Award meeting in November 2012, when he received an award from Revels and the county commission, and thought it relevant enough to include in the report as it described his relationship with Revels.

“I was just told Barbara Revels wants you at the commission chambers at 9 o’clock Monday Morning,” Page is quoted as having told the assembly, “and those of you who know me, and Barbara, and our relationship, when Barbara tells me to do something, I do it. When I first moved to this community 20 years ago, a business person, a community leader, Barbara took me under her wing and has mentored me on every level, professionally; how to be a good community citizen; how it’s all about the community and the citizens, not you as a business person or individual. It first started out as a professional relationship, but I am glad to say that she is one of my best friends. I love her and her husband Jerry like no other.”

Page nevertheless stressed to investigators that the majority of his interactions with Revels remained through community involvement, while Revels denied to investigators that she’d been his mentor. She said Page has a tendency to “emote.”

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In a statement Revels circulated to the press Monday and that was first reported by the Palm Coast Observer Tuesday, Revels said: ““After working with the Flagler County Ethics Commission to resolve the question of a voting conflict of interest to purchase the Bunnell hospital property, I now have a clear understanding of the statute’s intent on ‘business relationships.’ At the time I felt I complied with all requirements and could vote on the purchase. I have since learned that my minority ownership of stock (less than one percent) still gives the appearance of a business relationship with other stock owners. To avoid the appearance of impropriety, I should have filed a conflict of interest form and not participated in the vote. Further I am pleased the Ethics Commission determined that I did not benefit from the sale nor did I receive favorable treatment from the bank. The commission only found a procedural violation. The appropriate use of Flagler’s citizens’ tax dollars is always my overriding concern when making these kinds of decisions. I still believe the county received a good value in the purchase of the property.”

Revels is understating the case: the commission advocate concludes that Revels showed more than “the appearance of impropriety” or that she merely committed “a procedural violation.” Revels, the advocate found, violated the law in two instances, and the investigation casts at least some doubt over the distance Revels sought to establish between her and Page, or her lack of knowledge about the nature of her business relationship with Intracoastal Bank.

“It is difficult to have more to say until the Ethics Commission affirmatively agrees with my agreement with the Advocate,” Revels said in an email Thursday morning.

But whatever criticism the county commission faced as a whole over the purchase of the old hospital, it was not significant enough to translate into political consequences: two of the four commissioners who joined Revels in the vote to buy the hospital (Frank Meeker and Nate McLaughlin) were reelected last November.

Investigative Report Into Barbara Revels Ethics Violation Allegations (2014-15)

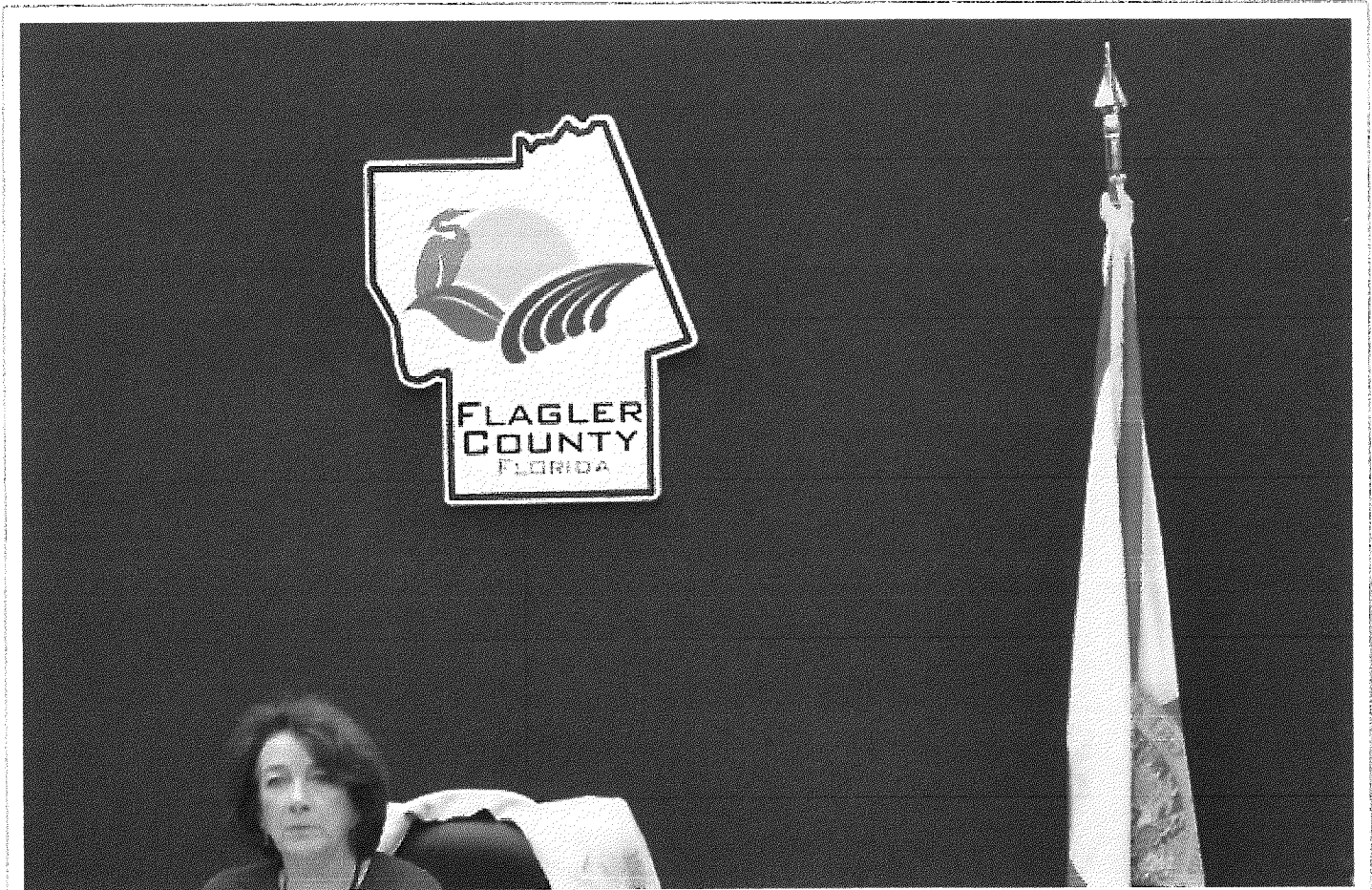
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*Published 1/28/15*

# State Ethics Panel Ratifies \$2,500 Fine on Flagler Commissioner Revels Over 2 Violations

FlaglerLive



Barbara Revels is in her seventh year on the Flagler County Commission. She was reelected without opposition in 2012. (© FlaglerLive)

The Florida Commission on Ethics voted unanimously Friday to approve a \$2,500 fine against Flagler County Commissioner Barbara Revels, the result of two ethics violations related to Revels's vote in 2013 to buy the old Memorial Hospital in Bunnell for a sheriff's operations center. It is the steepest fine leveled at any Flagler County official over ethics matters in at least five years.

Ray Stevens, a two-time candidate for sheriff in Flagler and a member of the Ronald Reagan Republican Assemblies, an extremist branch of the local GOP, brought the complaint against Revels, with the commission, in an unusual move, adding an additional charge as it investigated the case. Revels had not disclosed a business relationship with one of the principal owners of the old hospital, and the commission found that in a key vote on the hospital purchase where she proved to be the swing vote, she had improperly moved to go ahead with due diligence on the property, causing a gain or loss to her business associates. Each violation resulted in a \$1,250 fine. (The commission does not impose the fine: the governor does, but that's considered a formality.)

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The ethics commission did not discuss a subsequent email from Stevens, sent on Jan. 12, claiming the commission had not properly investigated “the allegation concerning a boat trip to the Bahamas by Ms. Revels and Mr. Page prior to her vote” (Bruce Page is the president of Palm Coast’s Intracoastal Bank, the Revels business associate and one of the former owners of the hospital building). Stevens also claimed the loan Revels had from Intracoastal, an amount raised before the vote, was “not properly investigated.”

“You have thoroughly looked at this additional information?” a commissioner asked the commission advocate during Friday’s hearing.

The advocate said she’d directed Stevens to contact the investigator. “I did not receive any further information, so I went with what I had in the report of the investigation,” the advocate told the commissioner before the vote. The settlement ends the darkest episode—and only serious blot—in Revels’s six-year tenure on the commission. She was re-elected without opposition in 2012.

She is one of two local officials with serious ethics matters before the Florida Ethics Commission. Sheriff Jim Manfre is the other. Kimberle Weeks, the former supervisor of elections, filed ethics and elections commission charges against Revels and all of Revels’s fellow county commissioners, but those charges appear to be scattershot and frivolous.

On Tuesday, Revels was at a two-hour training sessions on ethics presented by Palm Coast’s city government. She declined to speak about her ethics matter, preferring to put it behind her. The ethics training is now required by law of all city and county elected officials (as well as state officials, including the governor and members of the Florida Cabinet).

Investigative Report Into Barbara Revels Ethics Violation Allegations (2014-15)

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*Published 3/27/15*

## Palm Coast "Watchdogs" and Attorney Ordered to Pay County \$3,100 Over Frivolous Suit

FlaglerLive



Josh Knight, the attorney who ended up on the losing end of two frivolous lawsuits, was not in court Wednesday when Al Hadeed, the county attorney, to the left, was awarded legal fees in the latest case. (© FlaglerLive)

Flagler County Circuit Judge Michael Orfinger ordered a Palm Coast pressure group and its attorney to pay the Flagler County Commission's legal office \$3,100 in fees and interest as a result of a frivolous suit the group filed against the commission last year.

Eight weeks ago, Orfinger found in favor of Palm Coast government, ordering the same attorney and a different client to pay Palm Coast \$15,900 as a result of a frivolous suit the city fought off.

The suit against the county was filed by a group called the Flagler Palm Coast Watchdogs, created by Dan Bozza, who said at the time of its creation that the group's purpose was to file suits against local governments. The group hasn't filed any other suit than the one tossed out, though it threatened to do so. The suit alleged improprieties in the county's purchase of the old Memorial hospital in Bunnell, and sought to have that project

stopped, even though it had been almost a year since the county commission had approved the purchase.

"I did not view that as responsible at all on the part of a group of citizens that wanted to challenge a decision legally," County Attorney Al Hadeed said. "The only nexus that I could find with filing the complaint in June was that now the elections were getting into gear, so I saw it as a tactic to try to influence the elections more than I saw it as a serious effort to undo the decision that the board had made almost a year earlier."

The suit against the city was filed by Dennis McDonald, a two-time county commission candidate and, more recently, a candidate for the state Senate seat that covers Flagler County. His suit alleged that the city had improperly executed development around the old Palm Harbor shopping center and Palm Coast Parkway.

Bozza and McDonald were members of the Ronald Reagan Republican Assemblies, the radical right-wing group that's taken over leadership of the local Republican Executive Committee. They were both represented by Josh Knight, a Palm Coast attorney who's being arraigned in county court next Tuesday on a battery charge. The charge was a downgrade from a battery and kidnapping charge Knight had faced in circuit court in February, after an incident involving his wife immediately after the hearing where he and McDonald were ordered to pay Palm Coast its legal fees.

Knight did not return calls placed to his office and cell phones. Bozza, who is retired, did not return a call placed at his home line.

Orfinger ruled in favor of the county in a hearing on Wednesday. Neither Knight nor Bozza showed up despite calls made from the courtroom to the Watchdogs' legal representative. The county was represented by Hadeed.

"They were supposed to have a successor attorney but no one came and no one came from the organization," Hadeed said. The judge, he said, "approved all of the hours that I submitted in the case, and he awarded me, based on skill and experience, \$200 an hour." Hadeed had submitted about 15 hours.

"This was not an attempt to be punitive whatsoever," Hadeed said Friday. "This was not an attempt to seek a penalty but rather to provide reimbursement to the county taxpayers for the work I had to do on what was and is a frivolous suit."

Four times ahead of Wednesday's hearing Hadeed attempted to end the case with the Watchdogs without seeking the fees. Hadeed said his dismissal motion had outlined with detailed citations of legal authority showing why the suit had no basis. He followed through with additional communications to Knight to seek an amical, fee-free dismissal.

"In my motion I have laid out as clearly as I can the lack of jurisdiction and included cites for the court's benefit but also for you and your client," Hadeed wrote Knight on July 15. "I assume you have had time to study the arguments and the cites. If you do not have any case or other authority that establishes that you do have jurisdiction, you should voluntarily dismiss. If voluntarily dismissed I will not pursue Chapter 57 attorneys' fees on the dismissed complaint."

Hadeed tried again two weeks later. "It is not my preference to seek fees, as I explained in my email" he wrote in a letter mailed to Knight's office. "However, now that you are aware of the legal issues on jurisdiction, if we have to continue to proceed, I must recover attorney's fees for the benefit of county taxpayers."

The order calls for the Watchdogs—which, aside from Bozza, are not known to have any other members—to pay \$1,570 of the fees, and Knight to pay \$1,570.

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# FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE
MAILING ADDRESS	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF:
CITY	<input type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
COUNTY	NAME OF POLITICAL SUBDIVISION:
DATE ON WHICH VOTE OCCURRED	MY POSITION IS:
	<input type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE

## WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

## INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which inures to his or her special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

\* \* \* \* \*

### ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

\* \* \* \* \*

### APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

**IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:**

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

**APPOINTED OFFICERS (continued)**

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

**DISCLOSURE OF LOCAL OFFICER'S INTEREST**

I, \_\_\_\_\_, hereby disclose that on \_\_\_\_\_, 20 \_\_\_\_:

(a) A measure came or will come before my agency which (check one)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, \_\_\_\_\_;
- inured to the special gain or loss of my relative, \_\_\_\_\_;
- inured to the special gain or loss of \_\_\_\_\_, by whom I am retained; or
- inured to the special gain or loss of \_\_\_\_\_, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

\_\_\_\_\_  
Date Filed

\_\_\_\_\_  
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

**FILED**

15 JUN -2 AM 12:49

STATE OF FLORIDA  
ELECTIONS COMMISSION

STATE OF FLORIDA  
FLORIDA ELECTIONS COMMISSION

**In Re: Nathan McLaughlin**  
\_\_\_\_\_ /

Case No.: FEC 14-464  
F.O. No.: FOEC 15-141W

**CONSENT ORDER**

Respondent, **Nathan McLaughlin**, and the Florida Elections Commission (Commission) agree that this Consent Order resolves all pending issues between the parties in this case. The parties jointly stipulate to the following facts, conclusions of law, and order.

**FINDINGS OF FACT**

1. Respondent was a 2014 candidate for re-election to the Flagler County Commission, District 4.

2. On December 1, 2014, the Commission received a sworn complaint alleging that Respondent violated the following section(s) of The Florida Election Code on one occasion:

**Section 106.143(1)(a), Florida Statutes:** As alleged in the complaint, Nathan McLaughlin, a 2014 candidate for re-election to the Flagler County Commission, District 4, distributed a political advertisement that contained express advocacy but did not include a proper disclaimer.

3. No other legally sufficient violation of Chapter 104 or 106, Florida Statutes, was alleged in the complaint.

4. Respondent against whom the complaint was filed has not been notified of an allegation of the same violation before the conduct about which the complaint was filed.

5. If the alleged violation occurred less than 14 days before the election in which the

Respondent is participating, the complainant did not allege that the political advertisement was either deceptive or influenced the outcome of the election.

6. Respondent used his name in the political advertisement.

#### CONCLUSIONS OF LAW

7. The Commission has jurisdiction over the parties to and subject matter of this cause, pursuant to Section 106.26, Florida Statutes.

8. The Commission considers the allegation contained in the complaint a minor violation, pursuant to Rule 2B-1.003, Florida Administrative Code.

9. Respondent neither admits nor denies that he violated Section 106.143(1)(a), Florida Statutes, on one occasion.

#### ORDER

10. Respondent and the staff of the Commission have entered into this Consent Order voluntarily and upon advice of counsel.

11. Respondent shall bear his own attorney fees and costs that are in anyway associated with this case.

12. Respondent understands that before the Consent Order is final agency action, it must be approved by the Commission. The Commission will consider the Consent Order at its next available meeting.

13. Respondent voluntarily waives the right to any further proceedings under Chapters 106, and 120, Florida Statutes, and the right to appeal the Consent Order.

14. Respondent will carefully review Chapter 106, Florida Statutes, and avoid any future violation of the chapter.

15. Respondent agrees to correct immediately, if feasible, the violations alleged in



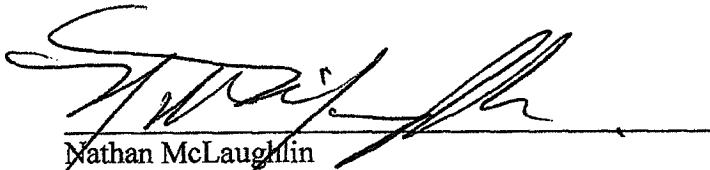
the complaint.

16. If the Commission does not receive the signed Consent Order and payment by the close of business on March 30, 2015, the staff withdraws this offer of settlement and will proceed with an investigation of the allegations in the complaint.

17. Respondent shall remit to the Commission a civil penalty in the amount of \$250. The civil penalty shall be paid by money order, cashier's check, or attorney trust account check and be valid for 120 days from the date of its issuance. The civil penalty shall be made payable to the Florida Elections Commission and sent to 107 West Gaines Street, Collins Building, Suite 224, Tallahassee, Florida 32399-1050, as a condition precedent to the Commission's execution of this Consent Order.


**Respondent** hereby agrees and consents to the terms of this Consent Order on

3-20, 2015.

  
Nathan McLaughlin  
P.O. Box 351495  
Palm Coast, FL 32135

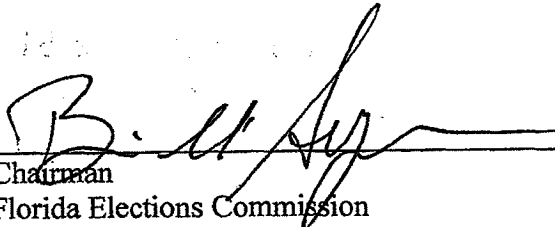
The **Commission staff** hereby agrees and consents to the terms of this Consent Order on

March 27, 2015.

  
Amy McKeever Toman, Executive Director  
Florida Elections Commission  
107 West Gaines Street  
Collins Building, Suite 224  
Tallahassee, FL 32399-1050

Approved by the Florida Elections Commission at its regularly scheduled meeting on

~~May 16, 19~~ <sup>May 20,</sup> 2015.  
DM

  
Chairman  
Florida Elections Commission

Copies furnished to:

Amy McKeever Toman, Executive Director  
Mark Herron, Attorney for Respondent  
Mark Richter, Complainant

ORIGINAL  
UMEN/PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER  
MESSER CAPARELLO, P.A.  
TRUST ACCOUNT  
P.O. BOX 15579  
TALLAHASSEE, FL 32317  
(850) 222-0720

CENTENNIAL BANK  
TALLAHASSEE, FL 32301  
91-275/829

13385

DATE: 03/26/2015  
NUMBER: 13385  
AMOUNT: \*\*\*\$250.00\*

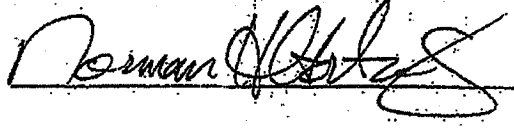
PAY TO THE ORDER OF: \*\*\* TWO HUNDRED FIFTY & 00/100 DOLLARS

Florida Elections Commission

MESSER CAPARELLO PA

TO THE ORDER OF

FLAGLER COUNTY



**FILED**

15 JUN -2 AM 12:49

STATE OF FLORIDA  
ELECTIONS COMMISSION

**STATE OF FLORIDA  
FLORIDA ELECTIONS COMMISSION**

**In Re: Frank J. Meeker**

**Case No.: FEC 14-463**

**F.O. No.: FOFEC 15-140W**

**CONSENT ORDER**

Respondent, Frank J. Meeker, and the Florida Elections Commission (Commission) agree that this Consent Order resolves all pending issues between the parties in this case. The parties jointly stipulate to the following facts, conclusions of law, and order.

**FINDINGS OF FACT**

1. Respondent was a 2014 candidate for re-election to the Flagler County Commission, District 2.

2. On December 1, 2014, the Commission received a sworn complaint alleging that Respondent violated the following section of The Florida Election Code on one occasion:

**Section 106.143(1)(a), Florida Statutes:** As alleged in the complaint, Frank Meeker, a 2014 candidate for re-election to the Flagler County Commission, District 2, distributed a political advertisement that contained express advocacy but did not include a proper disclaimer.

3. No other legally sufficient violation of Chapter 104 or 106, Florida Statutes, was alleged in the complaint.

4. Respondent against whom the complaint was filed has not been notified of an allegation of the same violation before the conduct about which the complaint was filed.

5. If the alleged violation occurred less than 14 days before the election in which the

Respondent is participating, the complainant did not allege that the political advertisement was either deceptive or influenced the outcome of the election.

6. Respondent used his name in the political advertisement.

#### CONCLUSIONS OF LAW

7. The Commission has jurisdiction over the parties to and subject matter of this cause, pursuant to Section 106.26, Florida Statutes.

8. The Commission considers the allegation contained in the complaint a minor violation, pursuant to Rule 2B-1.003, Florida Administrative Code.

9. Respondent neither admits nor denies that he violated Section 106.143(1)(a), Florida Statutes, on one occasion.

#### ORDER

10. Respondent and the staff of the Commission have entered into this Consent Order voluntarily and upon advice of counsel.

11. Respondent shall bear his own attorney fees and costs that are in anyway associated with this case.

12. Respondent understands that before the Consent Order is final agency action, it must be approved by the Commission. The Commission will consider the Consent Order at its next available meeting.

13. Respondent voluntarily waives the right to any further proceedings under Chapters 106, and 120, Florida Statutes, and the right to appeal the Consent Order.

14. Respondent will carefully review Chapter 106, Florida Statutes, and avoid any future violation of the chapter.

15. Respondent agrees to correct immediately, if feasible, the violations alleged in

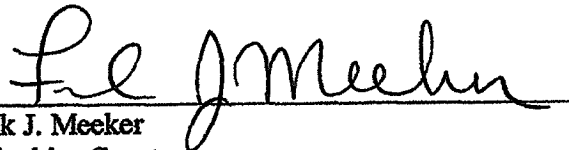
the complaint.

16. If the Commission does not receive the signed Consent Order and payment by the close of business on March 30, 2015, the staff withdraws this offer of settlement and will proceed with an investigation of the allegations in the complaint.

17. Respondent shall remit to the Commission a civil penalty in the amount of \$250. The civil penalty shall be paid by money order, cashier's check, or attorney trust account check and be valid for 120 days from the date of its issuance. The civil penalty shall be made payable to the Florida Elections Commission and sent to 107 West Gaines Street, Collins Building, Suite 224, Tallahassee, Florida 32399-1050, as a condition precedent to the Commission's execution of this Consent Order.

Respondent hereby agrees and consents to the terms of this Consent Order on

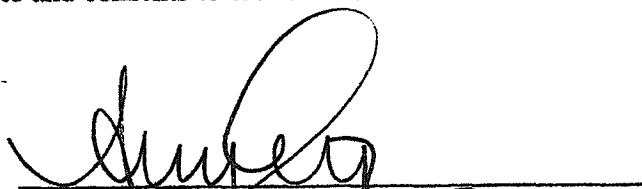
3-27, 2015.



Frank J. Meeker  
41 Cochise Court  
Palm Coast, FL 32137

The Commission staff hereby agrees and consents to the terms of this Consent Order on

March 31, 2015.



Amy McKeever Toman, Executive Director  
Florida Elections Commission  
107 West Gaines Street  
Collins Building, Suite 224  
Tallahassee, FL 32399-1050

Approved by the Florida Elections Commission at its regularly scheduled meeting on

~~August 16-19~~  
May 20,  
DM \_\_\_\_\_, 2015.

*[Handwritten Signature]*  
Asy Chairman  
Florida Elections Commission


Copies furnished to:  
Amy McKeever Toman, Executive Director  
Lonnie Groot, Attorney for Respondent  
Mark Richter, Complainant

Bank of America 

Cashier's Check

No. 1024001967

0150KINGS RD  
0001 0109099 0070


Pay  **BANK OF AMERICA** **250.00**  
TWO HUNDRED FIFTY AND 00/100 DOLLARS

To The Order Of **FLORIDA ELECTIONS COMMISSION**

Remitter (Purchased By) **FRANK J MEEKER**

Bank of America, N.A.  
SAN ANTONIO, TX

**FEC 14-463**

  
AUTHORIZED SIGNATURE

**\*\*\*\$250.00**



THE ORIGINAL DOCUMENT HAS A REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE ENDORSEMENTS.

64



**IN THE CIRCUIT COURT, SEVENTH  
JUDICIAL CIRCUIT, IN AND FOR  
FLAGLER COUNTY, FLORIDA**

**FLAGLER-PALM COAST WATCHDOGS, LLC**  
a Florida limited liability company,

Plaintiff,

CASE No.  
Division:

vs.

**BOARD OF COUNTY COMMISSIONERS OF  
FLAGLER COUNTY, FLORIDA**, a political  
Subdivision of the State of Florida,

Defendant.

\_\_\_\_\_ /

**COMPLAINT FOR INJUNCTIVE RELIEF**

COMES NOW the Plaintiff, FLAGLER-PALM COAST WATCHDOGS, LLC (hereinafter, "Plaintiff"), by and through their undersigned counsel, and respectfully requests this Court to issue Preliminary and Permanent Injunctive Relief. In support thereof, Plaintiff alleges the following:

**JURISDICTION AND VENUE**

1. Plaintiff is a Florida limited liability company, residing and operating in Flagler County, Florida, whose purpose is dedicated to ensuring fiscal responsibility and the total transparency of the activities of our local governments, as well as strict conformance to all Florida Statutes consistent with the state of Florida's Government in the Sunshine Doctrine.

2. Defendant, BOARD OF COUNTY COMMISSIONERS OF FLAGLER COUNTY (hereinafter, "Defendant") is a political subdivision of the State of Florida.

3. This action is subject to the jurisdiction of this Court, as it involves an action seeking equitable (i.e. injunctive relief) from a cause of action arising from a vote conducted by the Defendant on or about August 1, 2013 in Flagler County, Florida; as well as the vote on June 16, 2014 that approved additional expenditures for an architectural study to renovate and remodel the subject property.

4. On August 1, 2013, Defendant held a Special Meeting of the Flagler County Board of County Commissioners, during which it voted in favor of the purchase of a certain parcel of real property formerly known as Memorial Hospital, alternatively known as the "Old Hospital" (hereinafter: "The Property"), located at 901, Moody Blvd. E., Bunnell, Florida 32110, situate in Flagler County, Florida (transcript attached hereto as, Exhibit "A").

#### **FACTUAL ALLEGATIONS**

5. Property records from the Flagler County Property Appraiser's Office show that on or about January 28, 2003, Maluchi Development Corporation purchased the subject Property for a purchase price of \$750,000. The Florida Department of State's records names Maluchi Development Company's corporate directors as Bruce E. Page, Michael D. Chiumento II, and James A. Newslow III (Articles of Incorporation attached hereto as, Exhibit "B").

6. On August 8, 2005, Maluchi Development Corporation filed papers with the Florida Department of State, Division of Corporations to change its name to Flagler Crossroads, Inc. (Name Change Amendment attached hereto as, Exhibit "C").

7. On August 1, 2013, at the Emergency Operations Center, Building Three on or about 1:00 PM, Defendant held a public workshop to discuss purchasing the subject Property.

8. On the same day, same location and immediately following the public workshop, Defendant conducted a special meeting, wherein Defendant voted 4-1 to purchase the subject property for a purchase price of \$1.23 million dollars.

9. Property records from the Flagler County Property Appraiser's Office indicate that the subject Property had a 2012 Just Market Value of \$353,952.00, and a 2013 Just Market Value of \$661,453.00; the Assessed Value of the subject Property was \$353,952.00 in 2012, and the Assessed Value was \$389,374.00 in 2013.

10. Following the transfer of the subject Property, on October 21, 2013, Flagler Crossroads, Inc. filed papers to voluntarily dissolve the corporation with the Florida Department of State, Division of Corporations. Said vote for dissolution was unanimous between the corporate directors, Bruce E. Page, Michael D. Chiumento II, and James A. Newslow III (Articles of Dissolution attached hereto as, Exhibit "D").

11. Mr. Bruce E. Page is also the named President, CEO, and Director of Intracoastal Bank, a position he's held from March of 2007 until present; according to the website for Intracoastal Bank and public records from the Florida Department of State, Division of Corporations.

12. Pursuant to Florida Statute §112.3145, public officials are required to submit a Full and Public Disclosure of Financial Interests, Form 6 document every year with a complete accounting of their personal finances.

13. On May 17, 2012, Flagler County Commissioner Barbara Revels submitted a completed Form 6, which became public record once received by the Flagler County Supervisor of Elections (time-stamped June 5, 2012), and included the following pertinent information: Ms. Revels listed herself as holding \$100,000.00 in shares of Intracoastal Bank stock and additionally listed herself as having liabilities to Intracoastal Bank in the amount of \$215,049.94.

14. On June 18, 2013, Flagler County Commissioner Barbara Revels submitted a completed Form 6, which became public record once received by the Flagler County Supervisor of Elections (time-stamped by the Commission on Ethics June 21, 2013), which included the following pertinent information: Ms. Revels listed herself as holding \$100,000.00 in shares of Intracoastal Bank stock and additionally listed herself as having liabilities to Intracoastal Bank in the amount of \$312,685.00.

**COUNT I: INJUNCTIVE RELIEF**

15. Plaintiff restates and incorporates by reference Paragraphs 1-13 of the above Complaint.

16. A review of the public minutes surrounding the special meeting and the vote that took place on August 1, 2013 to purchase the subject Property does not reveal any Commissioner as having submitted a Form 8B Memorandum of Voting Conflict For County, Municipal, and Other Local Public Officers (a transcript of the public minutes is attached to this Complaint as Exhibit "A").

17. Pursuant to Florida Statutes §112.3143(3)(a):

No county, municipal, or other local public officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss; which he or she knows would inure to the special private gain or loss of any principal by whom he or she is retained or to the parent organization or subsidiary of a corporate principal by which he or she is retained, other than an agency as defined in s. 112.312(2); or which he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Such public officer shall, prior to the vote being taken, publicly state to the assembly the nature of the officer's interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

18. Pursuant to Florida Statutes §112.312(4), a "business associate" is defined as:



(4) "Business associate" means any person or entity engaged in or carrying on a business enterprise with a public officer, public employee, or candidate as a partner, joint venturer, corporate shareholder where the shares of such corporation are not listed on any national or regional stock exchange, or co-owner of property.

19. As noted in Paragraphs 5-13 above, Mr. Bruce E. Page was one of three directors of Flagler Crossroads, Inc., the company that owned the subject Property prior to Defendant's purchase, and is also the President, CEO, and Director of Intracoastal Bank.

20. As noted in Paragraphs 5-13 above, Flagler Crossroads, Inc. made a substantial profit on the real estate transaction: with Defendant paying well over the listed Just-Market Value and the Assessed Value of the subject Property, per public records with the Flagler County Property Appraiser's Office.

21. As a co-shareholder in Intracoastal Bank, Commissioner Revels had an affirmative duty to disclose her business relationship with Mr. Page and/or Intracoastal Bank prior to voting on the purchase for the subject Property in compliance with Florida Statute §112.3143.

22. Furthermore, in a public opinion column published August 2, 2013 (approximately one day after the vote to purchase the subject Property) in the online newspaper, "www.FlaglerLive.com", by County Commissioner Frank Meeker, Mr. Meeker stated that there was "considerable lobbying" surrounding the purchase and stated "honestly, I can't help but feel I'm being led, at times by the nose, to a conclusion to support the hospital purchase." See Frank Meeker, *Why I Voted To Buy the Old Hospital Despite Reservations*, FlaglerLive (August 2, 2013), <http://flaglerlive.com/57363/meeker-old-hospital-fm> (attached hereto as, Exhibit "H").

23. Pursuant to Florida Statutes §112.3175(1)(b)(3), "Any contract that has been executed in violation of this part is voidable: ...in any circuit court, by any

appropriate action, by: ...Any citizen materially affected by the contract and residing in the jurisdiction represented by the officer or agency entering into such contract.”

24. Due to the age of the property and the amount of time the subject Property has sat vacant, extensive renovations and remodeling will be needed before the intended tenant can occupy the Property.

25. Prior to the purchase of the subject Property, Defendants published an estimated cost for the refurbishment of 61.6% of the subject Property as \$6.075 million dollars (attached hereto as, Exhibit “I”).

26. At a recent Public Workshop conducted June 16, 2014, Defendants approved an additional \$44,990.00 to be paid to TTV Architects for an architectural study into the remodeling of the subject Property.

27. Defendant’s actions reasonably indicate that the planning and construction phases are imminent.

28. Plaintiff, along with other residents and businesses in Flagler County, will be permanently and irreparably damaged by any further costs expended on the subject Property, given the potential statutory violations surrounding the original purchase.

29. The damages are including, but not limited to: all future costs associated with the architectural and engineering studies commissioned to develop and remodel the subject Property; and all future costs associated with the construction work needed to remodel the property.

30. Additionally, as a Florida non-profit corporation founded to ensure public accountability and public transparency with publicly elected officials, Plaintiff will suffer special damages by a frustration of their stated public purpose.

31. Plaintiff has no adequate remedy at law that will prevent the irreparable harm cited above.

32. Plaintiff is seeking preliminary injunctive relief to prevent Defendant from expending any future monies on the subject Property, pending review into the circumstances surrounding the original vote to purchase the subject Property.

33. It is in the public interest that this Court issue an Order granting preliminary injunctive relief to prevent Defendant from taking further action to expend additional resources on the subject Property given the potential statutory violations that could rescind the original purchase of the subject Property.

34. This prayer for injunctive relief is justifiable based on the fact a vote took place on June 16, 2014, that represents the first amendment to the initially proposed plan/budget and approved by the County Commissioners as it pertains to the subject Property. If allowed to take continue, this and all additional expenses will further increase the damages incurred by the Plaintiff, as well as the tax paying residents of Flagler County as a whole.

**WHEREFORE**, for good cause shown, Plaintiff respectfully requests that this Honorable Court enter an Order preliminarily and permanently enjoining Defendant, its agents, employees, officers and representatives from taking any and all further action that will or could result in the payment or allocation of any additional county resources, and/or additional commitments/obligations to spend

or allocate any county resources in association with the subject Property described herein, and for such other relief that this Court may deem just and proper.

Respectfully submitted this 25<sup>th</sup> day of June, 2014, by undersigned counsel.

/s/ Joshua D. Knight  
Attorney for Plaintiff  
Florida Bar No. 38546  
The Law Office of Joshua Knight  
9 Florida Park Drive, N  
Palm Coast, Florida 32137  
(386) 385-4220 Office  
(855) 768-6660 Facsimile  
jknight@knight-legal.com

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and accurate copy has been provided to the Flagler County Attorney, Albert J. Hadeed, by email, electronic filing portal, facsimile and US Postal Service this 25<sup>th</sup> day of June, 2014, utilizing the information contained on the service addendum attached hereto.

**THE LAW OFFICE OF JOSHUA D. KNIGHT**

/s/ Joshua D. Knight  
Attorney for Plaintiff  
Florida Bar No. 38546  
9 Florida Park Drive, N  
Palm Coast, Florida 32137  
(386) 385-4220 Office  
(855) 768-6660 Facsimile  
jknight@knight-legal.com



**SERVICE LIST**

Albert J. Hadeed, Esquire  
County Attorney  
Flagler County, Florida  
1769 E. Moody Boulevard  
Building 2  
Bunnell, Florida 32110  
(386) 313-4105 Facsimile  
[ahadeed@flaglercounty.org](mailto:ahadeed@flaglercounty.org)  
[icarter@flaglercounty.org](mailto:icarter@flaglercounty.org)

**FLAGLER COUNTY BOARD OF COUNTY COMMISSIONERS**

**AUGUST 1, 2013**

**SPECIAL MEETING**

**Present: Chair Nate McLaughlin, Vice Chair George Hanns, Commissioners Barbara Revels, Charles Ericksen and Frank Meeker, Clerk Gail Wadsworth, County Administrator Craig Coffey, County Attorney Al Hadeed, and Deputy Clerk Andrew Moss.**

**ITEM 1 - CALL TO ORDER**

Chair McLaughlin called the meeting to order at approximately 4:53 p.m. in the Emergency Operations Center of the Government Services Complex in Bunnell, Florida.

**ITEM 2 - PLEDGE TO THE FLAG AND MOMENT OF SILENCE**

Chair McLaughlin led the Pledge to the Flag and requested a moment of silence.

**ITEM 3 - PUBLIC COMMENT**

Bob Halsey, Palm Coast resident, explained the Sheriff's criteria list seemed like an absolute minimum to him, noting he thought there should be even more items on the list.

Reverend Sims-Jones, Flagler County resident, believed the hospital site would be a good location and consolidation of space was a necessity.

Jane Gentile-Youd felt if the BCC could come up with money for the former hospital it could pay for a third helicopter pilot, noting the exact price for a pilot was known and this was not.

Hutch King, Former County Commissioner, stated the Bunnell CRA had not been funded and believed until it was funded it was not technically a CRA, noting there would still be a loss of revenue. Reiterated the bad appearance of this and challenged the BCC to do the right thing.

Michael Barr, Flagler County resident, noted he was past chair of the CRA advisory committee and involved with the CRA effort for eight years. Stated the loss of revenue to Bunnell's general fund was minimal compared to the benefits of the hospital acquisition for the Sheriff's Office.

Catherine Robinson, City of Bunnell Mayor, stated the city commission had not taken a formal stand on this matter, but noted Bunnell's philosophy was that it was "open for business". Spoke on the negative implications the former hospital had on Bunnell's downtown core. She believed it would be positive and offered to get a consensus regarding this matter from her commission.

Dennis McDonald, Flagler County resident, stated there was an exception in the contract for building repairs not to exceed \$250,000.00 and asked the BCC to make sure that did not happen.

There were no further public comments.

Special Meeting  
August 1, 2013

**ITEM 4 - STAFF DIRECTION ON THE FORMER HOSPITAL SALES AGREEMENT  
DUE DILIGENCE PERIOD**

County Administrator Coffey explained the \$250,000 was a threshold to bring the issue back to the BCC for its attention and action, stating it was brought today.

Commissioner Hanns expressed his appreciation for all the public comments received. Stated in a county of this size the people typically involved in large real estate transactions were the people who had the money to invest in the first place. He assured everyone that no one on this board would be benefitting in any way over this acquisition.

Chair McLaughlin mentioned the integrity of the BCC, noting the commissioners were elected to make decisions like this in the best interest of the County's taxpayers. Stated this had been a long process with years of consideration. Felt he needed to defend the integrity of the BCC, stating he would not have the integrity of the BCC questioned at random with no evidence.

A motion was made by Commissioner Revels to request staff move forward to finalize the option on the old hospital and proceed post haste with design and development of that location for the Sheriff's Operation Center. Seconded by Commissioner Hanns.

Commissioner Meeker asked if the BCC could get more specifics regarding cost during the time that was left prior to commencing purchase.

County Administrator Coffey responded staff could give more due diligence, however to get more cost specific it would need to look for a design firm and issue RFP's. He mentioned at this stage it would always be rough estimates and as the process moved forward the numbers would be more specific through the design and bidding stages.

Commissioner Ericksen was concerned the cost of retrofitting would not be anywhere near the estimated costs currently before the BCC. He viewed it as a property purchase, noting the County should build a new building. He did not think the property was worth \$1.23 million.

Further discussion ensued.

Commissioner Meeker mentioned he had an issue with staff trust.

County Administrator Coffey reminded the BCC that most projects came in on or under budget and on time.

Special Meeting  
August 1, 2013

**ITEM 5 - REQUEST THE BOARD TAKE ACTIONS AS DEEMED NECESSARY  
REGARDING ISSUES DISCUSSED AT THE WORKSHOP THIS DATE**

Chair McLaughlin reminded the BCC there was a motion and a second on the floor and requested further discussion.

Commissioner Ericksen asked to have the motion repeated.

Commissioner Revels re-stated her motion was to direct staff to proceed with the closing of their option contract on the old hospital and immediately start the design process for the Sheriff's Operation Center. Seconded by Commissioner Hanns

Chair McLaughlin asked the County Administrator when the BCC could see more specific numbers regarding this acquisition before he called the question.

County Administrator Coffey responded he believed the current numbers were pretty good, but the timeframe for looking at design could be nine months.

Chair McLaughlin called the question. Motion carried 4-1 with Commissioner Ericksen dissenting.

**ADJOURNMENT**

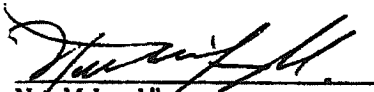
A motion was made by Commissioner Mecker to adjourn at 5:30 p.m. Seconded by Commissioner Ericksen.

APPROVED AND ADOPTED AUGUST 19, 2013

ATTEST:

FLAGLER COUNTY BOARD OF  
COUNTY COMMISSIONERS

  
Gail Wadsworth  
Clerk and Ex Officio Clerk to the Board

  
Nate McLaughlin  
Chair

PO3000008271

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

PICK-UP     WAIT     MAIL

(Business Entity Name)

(Document Number)

Certified Copies \_\_\_\_\_ Certificates of Status \_\_\_\_\_

Special Instructions to Filing Officer:

Office Use Only



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RECEIVED  
03 JAN 23 PM 12:56  
DIVISION OF CORPORATIONS  
SECRETARY OF STATE  
TALLAHASSEE FLORIDA  
03 JAN 23 PM 1:54

Exhibit "B"

12/21/17

FILED

ARTICLES OF INCORPORATION

03 JAN 23 PM 1:54

of

MALUCHI DEVELOPMENT CORP.

SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

The undersigned incorporators of these Articles of Incorporation, each a natural person competent to contract, hereby associate themselves together to form a corporation under the laws of the State of Florida.

ARTICLE I. NAME

The name of this corporation is:

MALUCHI DEVELOPMENT CORP.

ARTICLE II. NATURE OF BUSINESS

The general nature of the business to be transacted by this corporation is to operate a real estate development business; and to engage in every and any aspect and phase of any and every lawful business, including, but not limited to, the following activities:

To conduct business in, have one or more offices in, and buy, hold, mortgage, sell, convey, lease, or otherwise dispose of real and personal property, including franchises, patents, copyrights, trademarks and licenses, in the State of Florida and in all other states and countries.

To loan money, to contract debts and borrow money, issue and sell or pledge bonds, debentures, notes and other evidences of indebtedness, and execute such mortgages, transfers of corporate property, or other instruments to secure the payments of corporate indebtedness as required.

To purchase the corporate assets of any other corporation and engage in the same character of business.

To guarantee, endorse, purchase, hold, sell, transfer, mortgage, pledge or otherwise acquire or dispose of the shares of the capital stock of, or any bonds, securities or other evidences of indebtedness created by any other corporation of the State of Florida or any other state or government, and whole owner of such stock to exercise all the rights, powers and privileges of ownership, including the right to vote such stock.

ARTICLE III. CAPITAL STOCK

The maximum number of shares of stock that this corporation is authorized to have

outstanding at any one time is: 100 shares of common stock with a no par value. The consideration to be paid for each share shall be fixed by the Board of Directors. There shall be no other class of stock. The incorporators may, by contract, restrict the alienability of this stock. An endorsement shall be made upon each certificate of stock indicating the existence of such contract.

#### **ARTICLE IV. TERM OF EXISTENCE**

This corporation is to exist perpetually.

#### **ARTICLE V. ADDRESS**

The street and mailing address of the initial principal office of this corporation in the State of Florida is 4 Old Kings Road North, Suite B, Palm Coast, FL 32137. The Board of Directors may, from time to time, move the principal office or mailing address to any other addresses in Florida.

#### **ARTICLE VI. DIRECTORS**

The corporation shall have four (4) directors initially. The number of directors may be increased or decreased from time to time, by By-Laws adopted by the stockholders.

#### **ARTICLE VII. INITIAL DIRECTORS**

The names and post office addresses of the members of the first Board of Directors are:

<u>Name</u>	<u>Address</u>
Michael D. Chiumento	4 Old Kings Road North, Suite B Palm Coast, FL 32137
Nicholas Lupinacci	5 Crafton Court Palm Coast, FL 32137
Janet Lupinacci	5 Crafton Court Palm Coast, FL 32137
Michael Mazzola	The Bailey House 338 Route 100 Somers, NY 10589

**ARTICLE VIII. INCORPORATORS**

The name and post office address of each incorporator of these Articles of Incorporation is:

<u>Name</u>	<u>Address</u>
Michael D. Chiumento	4 Old Kings Road North, Suite B Palm Coast, FL 32137

**ARTICLE IX. AMENDMENT**

These Articles of Incorporation may be amended in the manner provided by law.

**ARTICLE X. REGISTERED AGENT AND OFFICE**

The registered agent and office for this corporation shall be Michael D. Chiumento, Esquire, 4 Old Kings Road North, Suite B, Palm Coast, Florida 32137, to accept service of process within this State as to this corporation. The Registered Agent and office of the Corporation may be changed by the Corporation at anytime in accordance with the provisions of Florida law.

  
MICHAEL D. CHIUMENTO, Incorporator


**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE  
FOR THE SERVICE OF PROCESS WITHIN FLORIDA, NAMING  
AGENT UPON WHOM PROCESS MAY BE SERVED**

IN COMPLIANCE WITH SECTION 48.091, FLORIDA STATUTES, THE FOLLOWING  
IS SUBMITTED:

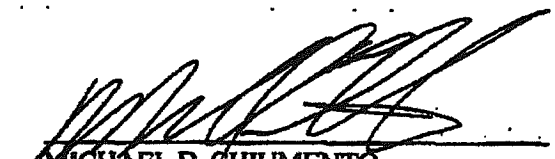
FIRST: THAT MALUCHI DEVELOPMENT CORP., DESIRING TO ORGANIZE OR  
QUALIFY UNDER THE LAWS OF THE STATE OF FLORIDA, WITH ITS PRINCIPAL PLACE  
OF BUSINESS AT 4 OLD KINGS ROAD NORTH, SUITE B, PALM COAST, FL 32137, HAS  
NAMED MICHAEL D. CHIUMENTO, ESQUIRE, 4 OLD KINGS ROAD NORTH, SUITE B,  
PALM COAST, STATE OF FLORIDA, 32137 AS ITS REGISTERED AGENT AND OFFICER



TO ACCEPT SERVICE OF PROCESS WITHIN FLORIDA.

  
MICHAEL D. CHIUMENTO, Incorporator  
DATE: 1/22, 2003

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE-  
STATED CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY  
AGREE TO ACT IN THIS CAPACITY, AND I FURTHER AGREE TO COMPLY WITH THE  
PROVISIONS OF ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE  
PERFORMANCE OF MY DUTIES.

  
MICHAEL D. CHIUMENTO  
REGISTERED AGENT  
DATE: 1/22, 2003

**ARTICLES OF AMENDMENT  
OF  
MALUCHI DEVELOPMENT CORP.**

FILED  
05 AUG -8 AM 9:55  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Section 607.1006 of the Florida Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment of its Articles of Incorporation:

Article I of the Articles of Incorporation of Maluchi Development Corp., is hereby amended to read as follows:

**The name Corporation is:**

**FLAGLER CROSSROADS, INC.**

Article V of the Articles of Incorporation of Maluchi Development Corp., is hereby amended to read as follows:

**The street and mailing address of the principal office of this corporation in the State of Florida is 4 Old Kings Road North, Suite B, Palm Coast, FL 32137. The Board of Directors may, from time to time, move the principal office or mailing address to any other addresses in Florida.**

**The foregoing amendments were adopted by the shareholders of this corporation under Sections 607.0704 and 607.1003(6), Florida Statutes, by written action on the 4th day of August, 2005.**

**The corporation has fewer than thirty-five (35) shareholders and all owners of stock signed the written action adopting this Amendment to the Articles of Incorporation.**

**There are no separate voting groups and no other voting group is entitled to vote separately. The number of votes cast were sufficient for approval.**

**The aforementioned amendment to the Articles of Incorporation of Maluchi Development Corp., shall become effective upon the date of the execution of these Articles of Amendment as set forth hereinafter below.**

**Exhibit "C"**

82

IN WITNESS WHEREOF, the undersigned President and Secretary of this Corporation have executed these Articles of Amendment this 1st day of August, 2005.

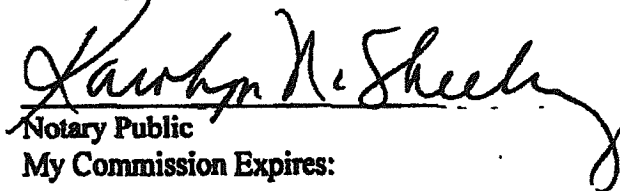
MALUCHI DEVELOPMENT CORP.

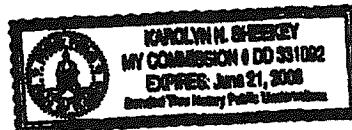
By   
MICHAEL D. CHIUMENTO  
Vice President

STATE OF FLORIDA  
COUNTY OF FLAGLER

BEFORE ME, the undersigned authority, authorized to take acknowledgments in the State and County aforesaid, personally appeared MICHAEL D. CHIUMENTO, as Vice President of MALUCHI DEVELOPMENT CORP., known to me and known by me to be the person described in and who executed the foregoing instrument and he acknowledged before me that he executed the same for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 4 day of August, 2005.

  
Notary Public  
My Commission Expires:



Chiumento & Associates, P.A.

Michael D. Chiumento  
Michael D. Chiumento III  
Ronald A. Herzel  
Vincent T. Lyon

Scott Alan Selis, P.A.  
Scott A. Selis

Marc E. Dwyer, P.A.  
Marc E. Dwyer

Lewis A. Berns, P.A.  
Lewis A. Berns  
Of Counsel

Andrew C. Grant, P.L.  
Andrew C. Grant  
Of Counsel



A P.L.L.C. of P.A.s

Reply To:  
Palm Coast  
145 City Place, Suite 301  
Palm Coast, FL 32164  
386-445-8900 Tel  
386-445-6702 Fax

Ormond Beach  
(by Appointment Only)  
1414 W. Granada Blvd., Suite 4  
Ormond Beach, FL 32174  
386-864-5337 Tel

E-mail: [agrani@palmcoastlaw.com](mailto:agrani@palmcoastlaw.com)  
Website: [palmcoastlaw.com](http://palmcoastlaw.com)

October 16, 2013

Amendment Section  
Division of Corporations  
P.O. Box 6327  
Tallahassee, FL 32314

RE: Flagler Crossroads, Inc., Document No: P03000008271

Dear Sir:

The enclosed Articles of Dissolution for Flagler Crossroads, Inc. and fee are submitted for filing. Please return all correspondence concerning this matter to the following:

Andrew C. Grant  
Chiumento Selis Dwyer, PL  
145 City Place, Suite 301  
Palm Coast, FL 32164

For further information concerning this matter, please call Andrew C. Grant at 386-445-8900.

Enclosed is a check for \$43.75 for the filing fee and a Certificate of Status.

Sincerely,

Andrew C. Grant  
ACG:ks  
Encl.

---

"Your Legal Team for Life"  
Since 1973

84

P03000008271

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

PICK-UP     WAIT     MAIL

(Business Entity Name)

(Document Number)

Certified Copies \_\_\_\_\_ Certificates of Status \_\_\_\_\_

Special Instructions to Filing Officer.

Office Use Only



200252709902

10/21/13--01056--003 \*\*43.75

FILED  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
13 OCT 21 AM 9 06

Amr Diss/cus  
(10) 10.28.13

85

**ARTICLES OF DISSOLUTION  
FOR FLAGLER CROSSROADS, INC.**

Pursuant to section 607.1403, Florida Statutes, this Florida profit corporation submits the following articles of dissolution:

**ARTICLE FIRST**

The name of the corporation as currently filed with the Florida Department of State is:

Flagler Crossroads, Inc.

**ARTICLE SECOND**

The document number of the corporation is P03000008271.

**ARTICLE THIRD**

Dissolution of the corporation was authorized September 17, 2013 and shall be effective December 31, 2013.

**ARTICLE FOURTH**

Adoption of dissolution was approved by the shareholders. The number of votes cast for dissolution was sufficient for approval.

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

FILED  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
13 OCT 21 AM 30 06

Exhibit "D"

86

FILED

2008 JAN -9 P 1:57

SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

**ARTICLES OF INCORPORATION  
OF  
INTRACOASTAL BANK**

The undersigned, acting as directors for the purpose of forming a corporation under and by virtue of the Laws of the State of Florida, adopt the following Articles of Incorporation.

**ARTICLE I**

The name of the corporation shall be Intracoastal Bank and its initial place of business shall be located at 1290 Palm Coast Parkway NW, Palm Coast, Flagler County, Florida 32137.

**ARTICLE II**

The general nature of the business to be transacted by this corporation shall be that of a general commercial banking business with all the rights, powers, and privileges granted and conferred by the Florida Financial Institutions Codes, regulating the organization, powers, and management of banking corporations.

**ARTICLE III**

The total number of shares authorized to be issued by the corporation shall be 5,000,000. Such shares shall be of a single class and shall have a par value of \$5.00 per share. The corporation shall begin business with at least \$6,762,500 in paid-in common capital stock to be divided into 1,352,500 shares. The amount of surplus with which the corporation will begin business will be not less than \$6,237,500.

**ARTICLE IV**

The term for which said corporation shall exist shall be perpetual unless terminated pursuant to the Florida Financial Institutions Codes.

**ARTICLE V**

The number of directors shall not be fewer than five (5). The names and street addresses of the first directors of the corporation are:

<u>Name</u>	<u>Street Address</u>
Albert W. Baylor	1860 County Road 2006, Bunnell, FL 32110
Michael D. Chiumento	4B Old Kings Road N., Palm Coast, FL 32137
C. Scott Crews	2123 N. Central Ave, Flagler Beach, FL., 32136
Robert DeVore	64 Christopher Court, Palm Coast, FL 32137
Thomas L. Gibbs	33 Sugar Mill Lane, Flagler Beach, FL 32136
Albert B. Johnston, Jr.	350 West Black Point Rd. , Bunnell, FL 32110

Gerald P. Keyes  
Michael Machin  
Bruce E. Page

1 Florida Park Drive, N., Suite 106, Palm Coast, FL 32137  
129 Barrington Drive, Palm Coast, FL 32137  
1520 Lambert Avenue, Flagler Beach, FL 32136

A majority of the full board of directors may, at any time during the year following the annual meeting of shareholders, increase the number of directors of this corporation by not more than two and appoint persons to fill the resulting vacancies.

ARTICLE VI

The name and street address of the person signing these Articles of Incorporation as incorporator is Bruce E. Page, 1520 Lambert Avenue, Flagler Beach, FL 32136.

In witness of the foregoing, the undersigned incorporator has executed these Articles of Incorporation declaring and certifying that the facts stated herein are true, and hereby subscribes thereto and hereunto sets his hand and seal this 2 of January, 2008.

Bruce E. Page  
Bruce E. Page

STATE OF FLORIDA )  
COUNTY OF FLAGLER )

The foregoing instrument was acknowledged before me this 2<sup>nd</sup> day of January, 2008, by Bruce E. Page.

[Signature]  
Printed Name: John P. Greeley  
Notary Public - State of Florida at Large

Personally known  or Produced Identification   
Type of Identification Produced \_\_\_\_\_



FILED  
2008 JAN - 9 P 1: 57  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

88



2008. Approved by the Florida Office of Financial Regulation this 9<sup>th</sup> day of January.

Tallahassee, Florida



Linda B. Charity  
Director, Division of Financial Institutions

2008 JAN -9 P 1:57  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

FILED

# FORM 6 FULL AND PUBLIC DISCLOSURE OF FINANCIAL INTERESTS

2011

Please print or type your name, mailing address, agency name, and position below:

LAST NAME — FIRST NAME — MIDDLE NAME:

Revels Barbara Sue

MAILING ADDRESS:

P.O. Box 434

CITY:

Flagler Beach

ZIP:

32136

COUNTY:

Flagler

NAME OF AGENCY:

Flagler County Commission

NAME OF OFFICE OR POSITION HELD OR SOUGHT:

County Commissioner

CHECK IF THIS IS A FILING BY A CANDIDATE

FOR OFFICE USE ONLY:

COPY

ID Code

ID No.

Conf. Code

P. Req. Code

2012 JUN - 5

RECEIVED  
CITY CLERK  
FLAGLER COUNTY  
SUPERVISOR OF ELECTIONS

## PART A - NET WORTH

Please enter the value of your net worth as of December 31, 2011, or a more current date. [Note: Net worth is not calculated by subtracting your reported liabilities from your reported assets, so please see the instructions on page 3.]

My net worth as of May 18, 20 12 was \$ 1,478,971.10

## PART B - ASSETS

### HOUSEHOLD GOODS AND PERSONAL EFFECTS:

Household goods and personal effects may be reported in a lump sum if their aggregate value exceeds \$1,000. This category includes any of the following, if not held for investment purposes: jewelry; collections of stamps, guns, and numismatic items; art objects; household equipment and furnishings; clothing; other household items; and vehicles for personal use.

The aggregate value of my household goods and personal effects (described above) is \$ 9500.00

### ASSETS INDIVIDUALLY VALUED AT OVER \$1,000:

DESCRIPTION OF ASSET (specific description is required - see instructions page 4)

VALUE OF ASSET

See attached list

1,684,521.00

## PART C - LIABILITIES

### LIABILITIES IN EXCESS OF \$1,000 (See instructions on page 4):

NAME AND ADDRESS OF CREDITOR

AMOUNT OF LIABILITY

Intracoastal Bank, 1290 Palm Coast Parkway, Palm Coast, FL

215,049.94

### JOINT AND SEVERAL LIABILITIES NOT REPORTED ABOVE:

NAME AND ADDRESS OF CREDITOR

AMOUNT OF LIABILITY

**PART D - INCOME**

You may EITHER (1) file a complete copy of your 2011 federal income tax return, including all W2's, schedules, and attachments, OR (2) file with state-ment identifying each separate source and amount of income which exceeds \$1,000, including secondary sources of income, completing the remainder of Part D, below.

**COPY**

I elect to file a copy of my 2011 federal income tax return and all W2's, schedules, and attachments.  
(If you check this box and attach a copy of your 2011 tax return, you need not complete the remainder of Part D.)

**PRIMARY SOURCES OF INCOME** (See instructions on page 5):  
NAME OF SOURCE OF INCOME EXCEEDING \$1,000

NAME OF SOURCE OF INCOME EXCEEDING \$1,000	ADDRESS OF SOURCE OF INCOME	AMOUNT
Flagler County Board of County Commissioners	1769 E. Moody Blvd, Bunnell, FL 32110	47,859
Coquina Real Estate & Construction, Inc.	316 S. Oceanshore Blvd., Flagler Beach, FL 3213	17,652.00

**SECONDARY SOURCES OF INCOME** (Major customers, clients, etc., of businesses owned by reporting person--see instructions on page 5):

NAME OF BUSINESS ENTITY	NAME OF MAJOR SOURCES OF BUSINESS' INCOME	ADDRESS OF SOURCE	PRINCIPAL BUSINESS ACTIVITY OF SOURCE
Rental Properties	Rental Properties	various locations	renting personal properties

**PART E - INTERESTS IN SPECIFIED BUSINESSES** (Instructions on page 5)

	BUSINESS ENTITY # 1	BUSINESS ENTITY # 2	BUSINESS ENTITY # 3
NAME OF BUSINESS ENTITY	Coquina Real Estate & Constr.		
ADDRESS OF BUSINESS ENTITY	316 S. Oceanshore Blvd, FB		
PRINCIPAL BUSINESS ACTIVITY	real estate sales & construct.		
POSITION HELD WITH ENTITY	President/owner		
I OWN MORE THAN A 5% INTEREST IN THE BUSINESS	Yes		
NATURE OF MY OWNERSHIP INTEREST	100% Stockholder		

IF ANY OF PARTS A THROUGH E ARE CONTINUED ON A SEPARATE SHEET, PLEASE CHECK HERE

**OATH**

I, the person whose name appears at the beginning of this form, do depose on oath or affirmation and say that the information disclosed on this form and any attachments hereto is true, accurate, and complete.

STATE OF FLORIDA  
COUNTY OF Flagler

Sworn to (or affirmed) and subscribed before me this 14 day of

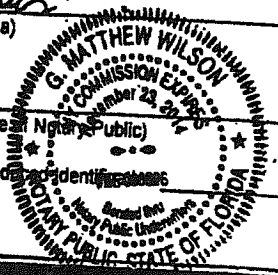
May, 20 12 by Barbara S. Revels

*Matthew Wilson*  
(Signature of Notary Public--State of Florida)

(Print, Type, or Stamp Commissioned Name of Notary Public)

Personally Known  OR  Produced Identification

Type of Identification Produced \_\_\_\_\_



*Barbara S. Revels*  
SIGNATURE OF REPORTING OFFICIAL OR CANDIDATE

**FILING INSTRUCTIONS** for when and where to file this form are located at the top of page 3.  
**INSTRUCTIONS** on who must file this form and how to fill it out begin on page 3.  
**OTHER FORMS** you may need to file are described on page 6.

COPY

Assets of Barbara S. Revels		
Asset type	Address	Asset Value
Personal Residence	354 S. 22nd Street, Flagler Beach	\$384,700.00
Coquina Office Bldg	316 S. A1A, Flagler Beach	\$215,578.00
Apartment rentals	500 N. Central Ave, Flagler Beach	\$108,599.00
House rental	112 N. 5th Street, Flagler Beach	\$97,026.00
Duplex rental	324 Connecticut Ave, Flagler Beach	\$53,559.00
Vacant Commercial Land	11 A&B Emerald Lane, Palm Coast	\$97,512.00
Condo rental 1/2 ownership	100 Dotney Avenue, San Mateo, FL	\$30,000.00
Life Insurance cash value	Unit #4 Plaza Caribe, 301 S. Central, FB	\$33,850.00
Stock	Phoenix Life Insurance	\$26,031.00
IRA -retirement acct	Intracoastal Bank	\$100,000.00
Bank accounts	United Planners Financial	\$312,166.00
Business Interest in Coquina	Bank of America, Intracoastal Bank, RBC	\$48,500.00
Totals	316 S. A1A, Flagler Beach	\$1,684,521.00

FOR OFFICE USE ONLY:

COMMISSION ON ETHICS

AUTO MIXED AADC 323 T7 P120

Barbara Sue Revels
County Commissioner, District 3
Flagler County
Elected Constitutional Officer
PO Box 434
Flagler Beach, FL 32136-0434

DATE RECEIVED

JUN 21 2013

ID Code



ID No

83891

Conf. Code

PROCESSED

Revels, Barbara Sue

CHECK IF THIS IS A FILING BY A CANDIDATE [ ]

PART A - NET WORTH

Please enter the value of your net worth as of December 31, 2012, or a more current date. [Note: Net worth is not calculated by subtracting your reported liabilities from your reported assets, so please see the instructions on page 3.]

My net worth as of June 18th, 2013 was \$1,539,802

PART B - ASSETS

HOUSEHOLD GOODS AND PERSONAL EFFECTS:

Household goods and personal effects may be reported in a lump sum if their aggregate value exceeds \$1,000. This category includes any of the following, if not held for investment purposes: jewelry; collections of stamps, guns, and numismatic items; art objects; household equipment and furnishings; clothing; other household items; and vehicles for personal use.

The aggregate value of my household goods and personal effects (described above) is \$ 8,800.00

ASSETS INDIVIDUALLY VALUED AT OVER \$1,000:

DESCRIPTION OF ASSET (specific description is required - see instructions p.4)

VALUE OF ASSET

See attached listing of individual assets

\$1,843,687

PART C - LIABILITIES

LIABILITIES IN EXCESS OF \$1,000 (See instructions on page 4):

NAME AND ADDRESS OF CREDITOR

AMOUNT OF LIABILITY

Intracoastal Bank, 1290 Palm Coast Parkway, Palm Coast, FL

312,685

JOINT AND SEVERAL LIABILITIES NOT REPORTED ABOVE:

NAME AND ADDRESS OF CREDITOR

AMOUNT OF LIABILITY

93

**PART D – INCOME**

You may **EITHER** (1) file a complete copy of your 2012 federal income tax return, including all W2's, schedules, and attachments, **OR** (2) file a sworn statement identifying each separate source and amount of income which exceeds \$1,000, including secondary sources of income, by completing the remainder of Part D, below.

I elect to file a copy of my 2012 federal income tax return and all W2's, schedules, and attachments.  
 (If you check this box and attach a copy of your 2012 tax return, you need not complete the remainder of Part D.)

**PRIMARY SOURCES OF INCOME** (See instructions on page 5):  
 NAME OF SOURCE OF INCOME EXCEEDING \$1,000

ADDRESS OF SOURCE OF INCOME

AMOUNT

Flagler County Board of County Commissioners	1769 E Moody Blvd., Bunnell, FL 32110	47,384
Rep Coquina Real Estate & Const.	316 S. Oceanshore Blvd., Flagler Beach, FL	28529

**SECONDARY SOURCES OF INCOME** (Major customers, clients, etc., of businesses owned by reporting person—see instructions on page 5):

NAME OF BUSINESS ENTITY	NAME OF MAJOR SOURCES OF BUSINESS INCOME	ADDRESS OF SOURCE	PRINCIPAL BUSINESS ACTIVITY OF SOURCE
Rental Properties	Rental properties	various locations	renting personal properties

**PART E – INTERESTS IN SPECIFIED BUSINESSES** (Instructions on page 6)

	BUSINESS ENTITY # 1	BUSINESS ENTITY # 2	BUSINESS ENTITY # 3
NAME OF BUSINESS ENTITY	Coquina Real Estates Constr.		
ADDRESS OF BUSINESS ENTITY	316 S. Oceanshore Blvd. Flagler Beach, FL		
PRINCIPAL BUSINESS ACTIVITY	Real Estate sales and general construction		
POSITION HELD WITH ENTITY	President/owner		
I OWN MORE THAN A 5% INTEREST IN THE BUSINESS	Yes		
NATURE OF MY OWNERSHIP INTEREST	100% stockholder		

IF ANY OF PARTS A THROUGH E ARE CONTINUED ON A SEPARATE SHEET, PLEASE CHECK HERE

**OATH**

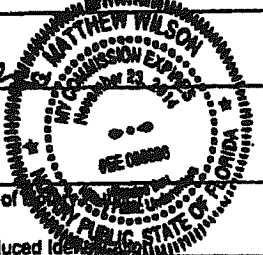
I, the person whose name appears at the beginning of this form, do depose on oath or affirmation and say that the information disclosed on this form and any attachments hereto is true, accurate, and complete.

STATE OF FLORIDA Flagler  
 COUNTY OF \_\_\_\_\_

Sworn to (or affirmed) and subscribed before me this 18th day of

June, 2013 by Barbara S. Revels

*(Signature of Notary Public—State of Florida)*



(Print, Type, or Stamp Commissioned Name of Notary Public)

Personally Known  OR Produced Identification

Type of Identification Produced \_\_\_\_\_

*Barbara Sue Revels*  
 SIGNATURE OF REPORTING OFFICIAL OR CANDIDATE

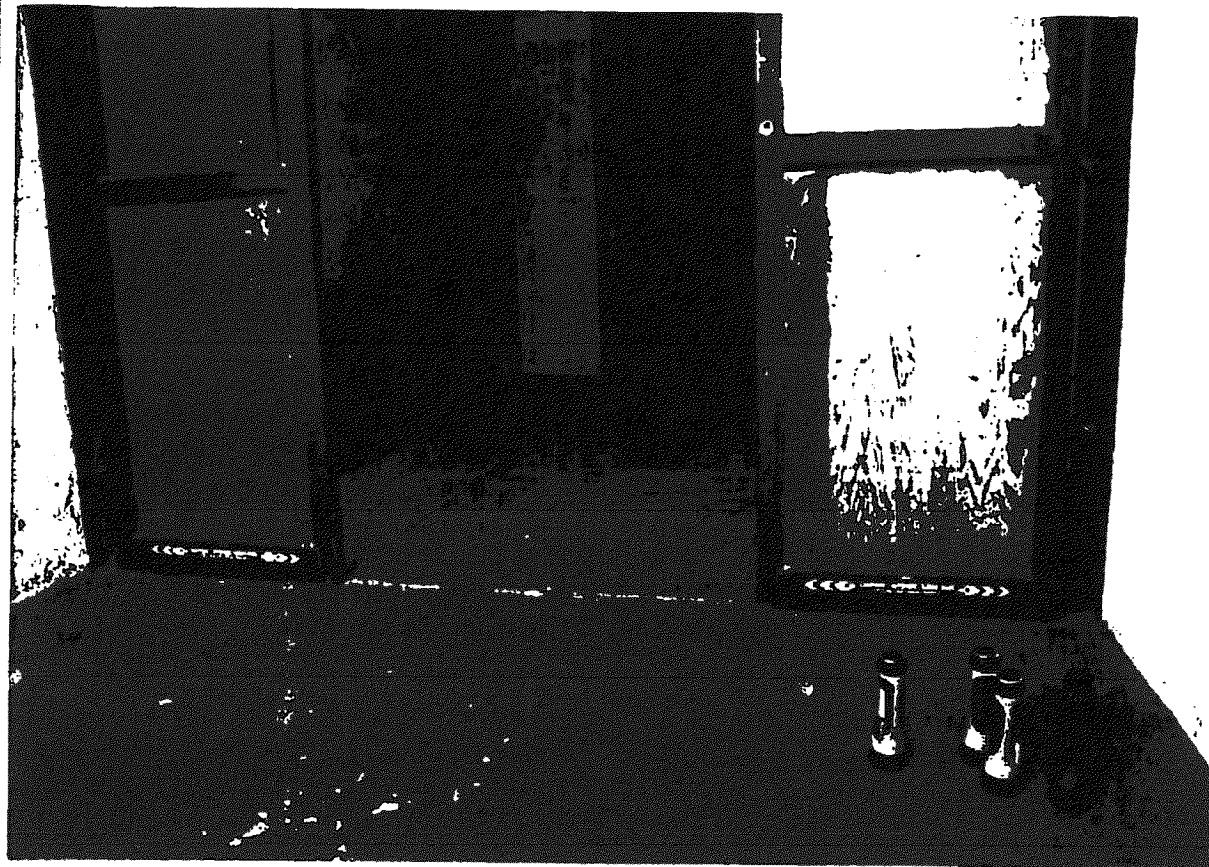
**FILING INSTRUCTIONS** for when and where to file this form are located at the top of page 3.  
**INSTRUCTIONS** on who must file this form and how to fill it out begin on page 3.  
**OTHER FORMS** you may need to file are described on page 6.

Assets of Barbara S. Revels		as of June 18, 2013	
Asset type	Address	Asset Value	
Personal Residence	354 S. 22nd Street, Flagler Beach	\$381,582.00	
Coquina Office Bldg	316 S. A1A, Flagler Beach	\$212,004.00	
Apartment rentals	500 N. Central Ave, Flagler Beach	\$102,774.00	
Apartment rental	112 N. 5th Street, Flagler Beach	\$95,101.00	
House rental	324 Connecticut Ave, Flagler Beach	\$46,128.00	
Duplex rental	11 A&B Emerald Lane, Palm Coast	\$96,217.00	
House rental	115 Avalon Ave, Flagler Beach	\$127,202.00	
Vacant Commercial Land	100 Dotnby Avenue, San Mateo, FL	\$16,248.00	
Condo rental 1/2 ownership	Unit #4 Plaza Caribe, 301 S. Central, FB	\$33,850.00	
Life Insurance cash value	Phoenix Life Insurance	\$35,967.00	
Stock	Intra-coastal Bank	\$100,000.00	
IRA -retirement acct	United Planners Financial	\$340,165.00	
Bank accounts	Bank of America, Intra-coastal Bank, RBC	\$55,442.00	
Business Interest in Coquina	316 S. A1A, Flagler Beach	\$201,007.00	
Totals		\$1,843,687.00	

X

## Commissioner Frank Meeker: Why I Voted to Buy the Old Hospital Despite Reservations

FlaglerLive



Four flashlights, four votes: the flashlights were left at the entrance to the old Memorial hospital in late May when Flagler County commissioners toured the facility. (© FlaglerLive)

**By Frank Meeker**

The Flagler County Commission's 4-1 vote to buy the old hospital in Bunnell continues to blow up with all sides wading in, even though not all attended the workshop and subsequent meeting. I felt I'd provide my notes for consideration as to how I as one commissioner came to my conclusions. After all, I'm one of two votes that started us down this long trek of looking at other options.

My initial no vote on the hospital came about for two reasons:

- 1) I did not feel there was a proper vetting of other alternatives for construction on property already owned by Flagler County, and
- 2) A simple request by me and fellow-County Commissioner Charlie Erickson to consider other options, specifically the expansion of the existing Emergency Operations Center, was denied.

Now, after considerable lobbying from all sides (none of which came from any of the current owners, I might add), and after much hand-wringing by the staff in reviewing options looking for a consensus that the whole commission could

Exhibit "H"

96



support, here we are with a number of studies that reviewed architectural, engineering, environmental, and appraised values for purchase, plus a staff document summary of all information designed to help lead us to the right conclusion.

Honestly, I can't help but feel I'm being led, at times by the nose, to a conclusion to support the hospital purchase. But fortunately for me, I don't mind researching issues on my own. I came to my own conclusions on some of the key issues prior to, and just after, reading the volumes of supporting information provided. Here is what I found out.

1) When the subject of the old hospital came up, the first thing I told County Administrator Craig Coffee was that I wouldn't support the option without more detailed information from a number of sources or studies. Those were to include a Phase I audit, a proper appraisal, microbiological assessment, and an architectural and engineering report. I specifically mentioned my concerns on the following issues:



Frank Meeker (© FlaglerLive)

## Click On:

---

- Contempt and Deception: How Flagler County Sealed a Dirty Deal for the Old Hospital
- Testily and Disparaging Local "Papers," County Administrator and Commission Defend Hospital Buy
- Commissioner Frank Meeker: Why I Voted to Buy the Old Hospital Despite Reservations
- Sold: County Commission Votes 4-1 To Buy \$1.23 Million Hospital in Bunnell for Sheriff
- Appraisals for Old Hospital Place Value at \$1.5 Million as County Moves Toward Acquisition
- Divided Flagler Commission Moves Ahead With \$1.23 Million Option on Old Hospital
- Other People's Money: How Flagler County Is Closing on a Raw Deal at Taxpayers' Expense
- County Is Negotiating Acquisition of Old Hospital in Bunnell for New Sheriff's HQ
- In Prenup Haggling, County and Bunnell Agree to Split Old Courthouse, With Sheriff in Annex
- In a Historic Breakthrough, County Will Cede Old Courthouse to Bunnell for Its New City Hall

## The Documents:

---

- Hamilton & Jacobs Appraisal
- Cooksey & Associates Appraisal
- Phase I Environmental Site Assessment
- Hazards Survey
- County Administrator's Memo and Option Agreement

a. Asbestos in the building. Asbestos abatement was discussed on page 24 of the AR report and on pages 1-29 of the mold study (also appendix C under other documents of the mold study and Appendix III). Section 9 of the report under Facility findings (a previous study done by Hartman and Associates, maybe back in 2000: the date was unclear) says there was some vinyl flooring, thermal insulation wrap non friable asbestos in the boiler room and duct mastic throughout. If you know anything about asbestos cleanup, this is no big deal, and is easily handled by experts prior to

the full demolition within the building.

b. Potential Microbiological Contamination – I have asked from day one for a complete biological assessment for hazardous bacterial and viral pathogens. As expected, I got a mold study. The mold study provided doesn't do it for me. I'm sure staff will pooh pooh the concepts, but this is a big issue in my book.

However, prior to receiving the infectious disease opinion from Dr. Mark Wallace, I went back to my school books to research the types of pathogens I should be concerned about which, based on past courses in microbiology, I felt would be or could be present in the building. I already knew that most hazardous diseases are very short lived in an open environment. I didn't go after the Richard Preston favorites of Ebola, but rather focused on the ones of concern to me for a hospital that previously treated sick patients—Hepatitis B and C, and HIV.

Based on my research, I concluded the likelihood of their presence ten years later was beyond negligible. I ruled that out as a concern. The same conclusion was reached by Dr. Wallace. I even received emails from the public discussing potential hazardous waste generation issues from sources common to hospital operations. Those emails were based on information compiled from basic web searches. I concluded the information was interesting, but not relevant to this hospital as the wastes discussed assume the building was currently a functioning hospital. That is clearly not the case here.

c. The 140 mph wind speed loading. This also was a question to me from day one as the Operations Center has similar functions as the EOC during times of crisis, such as hurricane emergencies. Discussions on wind loading all over the architect's report (AR) have plenty of notations such as "we assumed this or we assumed that". For more detail, see pages 5 (section 3.1) and other sections (see 10, 11, 23—with four options for replacement/repair, all around ½ million—pages 26, 27) and costs were discussed on page 30. They even made comments about how to bring it up to current standards, and of course, with that kind of redesign comes the engineers' certification of compliance with current requirements. In short, it doesn't meet the standards now, but under the reconstruction program, measures can be taken at considerable costs, to make the structure meet this need.

d. LUSTs or Leaking Underground Storage Tanks. As expected for a site this old, at one time, there was an oil-leaking underground storage tank. I've handled cleanups of this nature myself so I'm familiar with the issue, and with how the State of Florida handles these cleanups. The 23 monitoring wells were abandoned and sealed with neat grout cement (see page 8 of the Phase I report and Appendix J of the same report).

This is a requirement of the closing down phase of the compliance action with the Florida Department of Environmental Protection (read the Phase I report on historic recognized environmental conditions). Some suggested we needed to collect samples from these wells. But they have been abandoned, and filled with neat cement grout. You can't collect samples from something that doesn't exist and I do not believe there is any need. The DEP must have agreed because the owners at that time were allowed "natural attenuation" which in English means "sit around, monitor, and watch the pollution dissipate or dilute itself because there really isn't very much of it there in the first place and everything will be ok."

In short, it wasn't a very big deal to DEP in the first place. If pollutant levels were showing an increase from these wells during the monitoring period, they never would have gotten a "no further action" report from the DEP, which closed this one out in 2004 (I assume starting in 1989 when the discharge happened). That means there was probably 15 years of groundwater monitoring data collected, long enough to see any trends.

2) Other issues I didn't know about that came up during county administration and consultant review:

a. The lack of bottom flange bracing on some of the steel beams. This is an issue to me because it reduces the steel beams' ability or capacity to support the compressive stresses due to roof wind uplift during storms, and may cause the steel beams to buckle if overstressed. Obviously, this needs to be corrected if we're to rehab the building. Detailed information and costs were provided on the issue as part of the corrective actions.

b. The masonry walls. These are the walls which form the outside of the building perimeter and are not reinforced with steel rebar which limits the maximum wind speed protection (see page 10 of the AR). Trying to install support to meet current standards may be problematic but apparently doable and well within the overall cost scope of the project.

c. ASTs or Aboveground storage tanks. There is one on such site, but it's a 2000 Convault tank. I'm very familiar with these tanks. They are as tough as they can be so there shouldn't be any problems except for the pump and dispenser which will need to be replaced. According to the Phase I study, no evidence of discharge from this tank was noted. See Appendix J of the Phase I for more detail.

d. Lead based paint. No big deal in the mold study.

e. Useful remaining life of structural components. From day one, I've had issues with this. I assumed a concrete based structure of this type would have a useful life of, say, 100 years. I was concerned that almost a third of the useful life was gone, the building being 30 years old. I was shocked to see the Cooksey appraisal list the useful remaining life as 15 years. Why an appraiser feels they are expert enough to render an opinion on this is beyond me. Rehabilitation kind of turns the clock back on this subject and extends the life of the building.

i. Further, this appraisal says any hazardous conditions usually diminish the market value.

1. The appraisal came in at \$1.5 million. We're proposing to purchase it for \$1.23 million, so I feel we're at least being consistent.

f. The Phase I study. The Phase I study did not indicate a need to proceed to Phase II. That in itself is odd. Consultants always want to study something further so there really must not be any significant environmental issue remaining. However:

i. They found one historically recognized environmental condition, the previous petroleum discharge discussed above. Some 24 other sites with contamination problems, located in the nearby area or in proximity to the hospital property were also mentioned. The potential for migration of hazardous waste from these other off site sources was considered low.

**Closing comments and other considerations:**

I have been hearing some comments that I just flatly disagree with or need further elaboration.

a. First, let me make this clear: I'm not proposing or trying to move or relocate the county seat out of Bunnell and move it to Palm Coast. Read that again. I'm not proposing or trying to move or relocate the county seat out of Bunnell and move it to Palm Coast. But this building, a sheriff's operation center, by itself does not have to be located in the county seat. The sheriff's office must be in the county seat, but the operations center can be anywhere. To say it any other way and imply that both have to be linked together is trying to peddle influence that just isn't supported by state law. I can cite examples where this is the case. It may be a preference for the current sheriff's management style to have everybody in one location, and that's OK. But suggesting that the two components of the sheriff's office must be in the same place, in my view, is a complete misrepresentation. And it took other viable options off the table for consideration.

b. Staff Trust. I am inherently distrustful of staff if I believe there is a propensity to move me in a specific direction. That is why I have always done my own research. If it coincides with the staff's position, then I support staff and vote in support of something.

In this case, potential negatives were noticeably lacking to me regarding the old hospital. For example, the lack of discussion regarding the building's useful life: A full rehab of the building with structural modification can overcome that deficiency. But the fact that the issue didn't warrant a checkmark in the negative column made me suspect of staff's intent because it is my nature to be suspect of staff intent. Ronald Reagan's quoting of an old Russian

~~proverb~~—trust but verify—still works for me.

And if I had to point to one area I do not feel fully confident in the staff's analysis, it would be in the cost of certain options for using other sites. As one example, I offer the Government Services Building campus option 3 as one I favor (building a wing onto the existing courthouse), but there doesn't seem to be support for.

I believe the cost numbers for GSB option 3 are artificially high. It assumes the interior would be built to the same finished levels as the rest of the Hammond Justice Center. In my mind, that assumption is flawed. If in coming up with the cost, the staff was using, say, a per square foot construction cost of \$250, we've artificially placed this option out of reach. If I assume a more reasonable \$150 per square foot, that changes the game plan and doesn't try to sway my decision without a fair and clear comparison. Others may disagree, but that is the way I see it.

Future expansion for needed parking was excluded by saying not enough area was available. But staff didn't discuss the option of going up instead of out, yet parking lots are built vertically all the time. We don't have a problem asking developers to go up to protect important natural areas. So what's the problem here? On the other hand, this is a very expensive additional cost to construct.

There has been no discussion on permitting. The water management districts require permits to construct, alter, operate, abandon and maintain stormwater management systems. The proposal for the hospital clearly is altering an existing system, and a stormwater permit may (but with strong argument to the contrary, maybe not) require a new stormwater management system. If so, there goes maybe 20 percent of the current site. Now, how does it stack up for available parking and other needs?

We say "multiple criteria deficiencies for sheriff's function and operation" is an issue without elaborating what those deficiencies are. Usually, that means they are kind of weak arguments. Does it have to do with it being a multistory building? If so, why wasn't that an issue with the old courthouse annex—what had been the top option for the sheriff's move until this year—all along, years ago? The answer seems to be in a choice of management style, which again is OK, but should be clearly stated.

The alternatives presented for expanding operations at the existing GSB site seemed to be presented in the most advantageous way as to lead us away from the GSB campus. Again, my opinion. You don't have to share it. That being said, if we go with the old hospital and if this project comes in at or under the estimated costs we're discussing here, staff will have gone a long way to rebuilding my confidence in local or regional government's ability to fairly present facts to a governing board or in this case, a commission. I'm willing to give them that opportunity. It's important because I'm one of five people that have to make the call that the people's money is being wisely spent this time.

Community Benefit. Probably the most difficult issue to grasp or is the most wildly speculated about so far is the potential to influence local neighborhoods with a reputation for drug issues by the mere presence of the sheriff's operations center. When you talk to high school students (sometimes, while I was yelling and screaming at soccer players in that age group over fourteen years of coaching I did take the time to actually talk to them) you find out there is a drug problem in Flagler County, and further, that you can find most of what you want in certain areas of the county South Bunnell is one. At least that's the perception.

Placing a stronger policing presence at the old hospital may, and I say may, have a deterrent effect in reducing the availability of drugs harmful to our children, and force these people to go elsewhere. If that is the case, there is a possible side benefit of lowering crime in Palm Coast and the Hammock, which in the end, is a prime concern for me and tips the balance of this project in favor of the old hospital.

*Frank Meeker represents District 2 on the Flagler County Commission. here.*

## Cost Comparisons: The Seven Options

	Courthouse Annex	Old Jail	Old Hospital	Old Hospital if Demolished and Rebuilt	GSB South of the EOC Building	GSB South of Circular Road	GSB East Courthouse Wing
Property Purchase Cost (*)	None	None	\$1,230,000	\$1,230,000	None	None	None
Building Construction	\$4,000,000	4,555,000	3,535,000	4,555,000	4,555,000	4,555,000	5,980,000
Site Work	\$400,000	\$500,000	\$300,000	\$300,000	\$500,000	\$500,000	\$100,000
Architect, Permits etc.	\$250,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Demolition Costs	None	\$350,000	None	\$700,000	\$25,000	None	None
Brick Facade Work	\$100,000	None	None	None	None	None	None
Structural Upgrades (**)	\$300,000	None	\$450,000	None	None	None	None
Transportation Impact Fees (***)	None	\$15,000	None	None	\$25,000	\$25,000	\$25,000
Water and Sewer Impact Fees	None	\$10,000	None	None	\$25,000	\$25,000	\$25,000
Wetland and Floodplain Mitigation	None	\$50,000	None	None	\$100,000	\$300,000	None
Furnishings	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Contingencies	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
<b>Totals</b>	<b>\$5,700,000</b>	<b>6,530,000</b>	<b>6,555,000</b>	<b>7,835,000</b>	<b>6,280,000</b>	<b>6,455,000</b>	<b>7,180,000</b>

(\*) The county administration in its calculations had put old hospital purchase costs in the non-demolition column at \$750,000, rather than \$1.23 million, by "prorating" the purchase cost according to the percentage of the space the sheriff would use (35,000 square feet out of 56,800 square feet). But that's a misleading calculation, as the county would have to buy the building for its agreed-upon price regardless of the space the sheriff uses. By going with the smaller figure, the administration was able to make the purchase of the old hospital look like the second-lowest choice. In fact, it's the third-most expensive option.

(\*\*) Bringing structures to 141 mph windload.

(\*\*\*) Scheduled to be back in effect in Oct. 2014.

Source: Flagler County Administration.

# Cost Comparison (\$\$)

Construction Items	Courthouse		Old Jail	<del>Old Hospital</del>		Old Hospital Demo	South of EOC	GSB 1	GSB 2 South of Circular Road	GSB 3 East Courthouse Wing
	Annex									
Property Purchase *	\$ -	\$ -	\$ -	<del>\$ 750,000</del>	\$ 1,230,000	\$ -	\$ -	\$ -	\$ -	\$ -
Building Including Generator	\$ 4,000,000	\$ 4,555,000	\$ 3,525,000	\$ 4,555,000	\$ 4,555,000	\$ 4,555,000	\$ 4,555,000	\$ 5,980,000	\$ 5,980,000	\$ 5,980,000
Site Work	\$ 400,000	\$ 500,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 100,000
Architect, CEI, Staff, Permits	\$ 250,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Demolition	\$ -	\$ 350,000	\$ -	\$ -	\$ 700,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -
Brick Façade Work	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Structural Upgrades **	\$ 300,000	\$ -	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation Impact Fees***	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Water Sewer Impact Fees	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Wetland/Floodplain Mitigation	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 300,000	\$ -	\$ -	\$ -
Furnishing Allowance	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Contingency	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
<b>Total</b>	<b>\$ 5,700,000</b>	<b>\$ 6,530,000</b>	<b>\$ 6,075,000</b>	<b>\$ 7,835,000</b>	<b>\$ 6,280,000</b>	<b>\$ 6,455,000</b>	<b>\$ 7,180,000</b>	<b>\$ 7,180,000</b>	<b>\$ 7,180,000</b>	<b>\$ 7,180,000</b>

\* Prorated \$1,230,000 for Sheriffs Operations Portion of 61.5% or 35,000 s.f. or 30,800 s.f. ( Not Included +4,500 s.f out building)  
 \*\* Brings structure to 141 mph windload Exact amount unknown at this time for the Annex currently being investigated  
 \*\*\* May not apply, scheduled to return October 2014. GSB 3 Does not include -piping of ditch or front area parking

**IN THE CIRCUIT COURT,  
SEVENTH JUDICIAL CIRCUIT,  
IN AND FOR FLAGLER COUNTY**

**CASE NO: 2014 CA 000445**

FLAGLER-PALM COAST WATCHDOGS, LLC,

Plaintiff,

v.

BOARD OF COUNTY COMMISSIONERS  
OF FLAGLER COUNTY,

Defendant.

\_\_\_\_\_ /

**MOTION TO DISMISS COMPLAINT WITH PREJUDICE**

Defendant, Board of County Commissioners of Flagler County (hereafter "the County"), moves to dismiss the Complaint with prejudice and as grounds therefor states as follows:

1. The Court lacks jurisdiction over the subject matter of the complaint. The complaint seeks preliminary and permanent injunctive relief against the County based on allegations that a county commissioner committed a violation of the Florida Code of Ethics by failing to file Form 8B of the Florida Commission on Ethics in advance of a particular vote by the County Commission. Form 8B is used for identifying a voting conflict and is prescribed by the Florida Commission on Ethics. The complaint alleges that the factual circumstances surrounding the vote by the County Commission to purchase the former Bunnell Hospital on August 1, 2013 required the commissioner to file Form 8B, and the failure to file the prescribed form constituted a violation of Section 112.3143, Fla. Stat. The exclusive jurisdiction for investigating violations of the Ethics Code, including Section 112.3143, however, lies with the Florida Commission on Ethics.

The Commission is created by the Florida Constitution to investigate and determine all complaints of ethics violations. Art. II, § 8(f), Fla. Const.; Fla. Admin. Code § 34-5.0015; Garner v. the Florida Commission on Ethics, 415 So.2d 67 (Fla. 1<sup>st</sup> DCA 1982), rev denied, 424 So.2d 761 (Fla. 1983) (rejected claims that ethics code allegations should be handled by other agencies and affirmed denial of injunction against Ethics Commission based on its constitutional jurisdiction); Pedraza v. Hernandez, Case No. 12-19392-CA-27 (Fla. 11<sup>th</sup> Jud. Cir. Ct.), aff'd, per curiam, 95 So.3d 237 (Fla. 3d DCA 2012) (dismissal of complaint seeking circuit court adjudication of ethics code violation). Under Florida Chapter 112, Part III, final actions of the Ethics Commission are subject to review by the districts courts of appeal and not the trial courts. Fla. Stat. § 112.3241. The trial courts lack not only the authority but the unique resources and processes of the Ethics Commission to investigate and report violations of the Code of Ethics. The trial courts do not have the experience or the body of jurisprudence developed by the Commission since its creation in the 1970's for addressing violations of the Code of Ethics. See generally, <http://www.ethics.state.fl.us/>.

2. The plaintiff invokes the statutory provision that allows review of contracts entered into when an ethics violation has been established, specifically Section 112.3175. That statute only comes into play after an ethics violation has been determined. The statute does not confer any authority for a trial court to assume or take over the work of the Ethics Commission. The statute addresses "what comes next" after there is a determination of a violation. In short, there is no concurrent jurisdiction to determine a violation.

3. Even when viewed in the light most favorable to the plaintiff, the Court



lacks jurisdiction over the subject matter alleged, and the complaint must be dismissed. No amendment of the complaint can remedy these jurisdictional defects as to the alleged ethics violation.

4. The complaint fails to state a claim on which relief can be granted. There is an allegation that another county commissioner published his views on why he voted for the purchase, entitled “Why I Voted to Buy the Old Hospital Despite Reservations.” The complaint incorporates this by reference but isolates partial quotes. The plaintiff’s claim is that, because of these expressions, the County should be enjoined from expending any funds or resources in building the Sheriff Operations Center. The excerpted, edited quotes in fuller version provide:

“Now, after considerable lobbying from all sides (none of which came from any of the current owners, I might add), and after much hand-wringing by the staff in reviewing options looking for a consensus that the whole commission could support, here we are with a number of studies that reviewed architectural, engineering, environmental, and appraised values for purchase, plus a staff document summary of all information designed to help lead us to the right conclusion.

“Honestly, I can’t help but feel I’m being led, at times by the nose, to a conclusion to support the hospital purchase. But fortunately for me, I don’t mind researching issues on my own. I came to my own conclusions on some of the key issues prior to, and just after, reading the volumes of supporting information provided. Here is what I found out. ....”

These expressions are not actionable. No allegation or citation of authority is contained within the complaint to suggest otherwise. Indeed, the County’s vote to purchase land and to develop facilities for its elected Sheriff is within the responsibility of the County. See, e.g., Fla. Stat. §§125.01(1)(c); 129.01; 30.49(1) & (2). Further, in carrying out this responsibility, there is no statute that prescribes any procedure

forbidding an elected commissioner from expressing his or her rationale on why they voted a certain way. Similarly, there is no legal prohibition preventing an elected official from hearing the views or urgings of citizens and organizations on the matter of the resource needs of the Sheriff. Here, as with jurisdiction, no amendment of the complaint about the commissioner's published remarks can cure this defect in the alleged cause of action.

5. The remaining factual allegations of the complaint (which the Rules of Civil Procedure require the parties to accept as true on a motion to dismiss) do no more than express the opinion of the plaintiff that the purchase of the former hospital property was not wise. That the plaintiff has a different opinion about the property purchase than the decision by the governing, elected body of the County does not, without more, create a cause of action,

6. The plaintiff lacks standing to pursue its claims. The complaint is based on Section 112.3175, Fla. Stat., but to pursue such claims the plaintiff must either be a party to the contract or be a citizen "materially affected by the contract...." Id. 112.3175 (1)(b)3. "Materially affected" is defined in Section 112.312(16) as follows:

"Materially affected" means involving an interest in real property located within the jurisdiction of the official's agency or involving an investment in a business entity, a source of income or a position of employment, office, or management in any business entity located within the jurisdiction or doing business within the jurisdiction of the official's agency which is or will be affected in a substantially different manner or degree than the manner or degree in which the public in general will be affected or, if the matter affects only a special class of persons, then affected in a substantially different manner or degree than the manner or degree in which such class will be affected.

The plaintiff must therefore satisfy what is essentially a two-part test. First, the

plaintiff must show it has either: 1) an interest in real property located in Flagler County; or 2) an investment in a business entity located within Flagler County; or 3) a source of income or position of employment, office or management in a business that is located or doing business within Flagler County. Second, the plaintiff must show that one of these three enumerated interests will be "affected in a substantially different manner or degree, than the manner or degree in which the public in general will be affected." Id.

In this case, the plaintiff has asserted that it is a non-profit corporation founded to ensure public accountability and public transparency with publicly elected officials, and that by failing to enjoin further expenditures related to the County's purchase of the Bunnell Hospital, it will suffer "special damages by a frustration of its stated public purpose." The frustration of an organizational purpose is not one of the three interests that are encompassed by the "materially affected" element of standing. An organization purpose or goal is not a real property interest, nor does it equate to a business investment or position of employment.

Moreover, no facts have been alleged to demonstrate how the plaintiff's organizational purpose will be affected in a substantially different manner or degree, than the manner or degree in which the general public will be affected. The reality is that the plaintiff does not stand in a superior position to the rest of Florida's citizenry, with respect to the right to ensure public accountability and transparency, and if there has been a failure to be accountable or transparent, the plaintiff does not suffer a greater harm than the rest of the community. Absent the demonstration of a special injury, the plaintiff has no standing. See generally, St. John Medical Plans, Inc. v. Gutman, 696 So.2d 1294, 1295 (Fla. 3d DCA 1997), aff'd on other grounds, 721 So.2d

717 (Fla. 1998) (" 'Materially affected,' as defined in the statute, requires some type of special injury.").

7. Plaintiff has not satisfied the requirements for preliminary injunctive relief.

The essential elements for a preliminary injunction are i) likelihood of irreparable harm; ii) no adequate remedy at law; iii) substantial likelihood of prevailing on the merits; and iv) consideration of the public interest. See Dragomirecky v. Town of Ponce Inlet, 882 So. 2d 495, 497 (Fla. 5<sup>th</sup> DCA 2004). Plaintiff pleads only conclusory allegations. For example, with regard to irreparable harm, Plaintiff has not pled any commercial interest that is affected by the pursuit of a new Sheriff Operations Center. Further, there is an adequate remedy at law for any perceived ethics violations, i.e., filing a complaint with the Ethics Commission. There is no likelihood of prevailing given the lack of standing and the jurisdictional and other defects in the complaint. The public interest is protected by the Ethics Commission processes. On the allegations as pled, there simply is no basis for injunctive relief.

8. The complaint should be dismissed with prejudice.

(Attached are relevant cited authorities for the convenience of the Court.)

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished by Florida e-portal to Joshua D. Knight, Esq., Attorney for Plaintiff , The Law Office of

Joshua Knight, 9 Florida Park Drive, N., Palm Coast, FL 32137 at [jnight@knight-legal.com](mailto:jnight@knight-legal.com); [dbenton@knight-legal.com](mailto:dbenton@knight-legal.com), this 3rd day of July, 2014.

s/ Albert J. Hadeed  
ALBERT J. HADEED  
[ahadeed@flaglercounty.org](mailto:ahadeed@flaglercounty.org)  
Florida Bar Number 0180906  
Attorney for Defendant, Board of County  
Commissioners of Flagler County  
1769 East Moody Blvd., Bldg. 2  
Bunnell, FL 32110  
(386) 313-4005

CONSTITUTION  
OF THE  
STATE OF FLORIDA

AS REVISED IN 1968 AND SUBSEQUENTLY AMENDED  
\* \* \* \*

ARTICLE II  
GENERAL PROVISIONS  
\* \* \* \*

SECTION 8. **Ethics in government.**—A public office is a public trust. The people shall have the right to secure and sustain that trust against abuse. To assure this right:

\* \* \* \*

(f) There shall be an independent commission to conduct investigations and make public reports on all complaints concerning breach of public trust by public officers or employees not within the jurisdiction of the judicial qualifications commission.

**34-5.0015. Jurisdiction of the Commission.**

34 FL ADC 34-5.0015 Florida Administrative Code (Approx. 3 pages)

**Proposed Regulation**

West's Florida Administrative Code

Title 34. Florida Commission on Ethics

Chapter 34-5. Review, Investigation and Hearing of Complaints

Rule 34-5.0015, F.A.C.

Fla. Admin. Code r. 34-5.0015

**34-5.0015. Jurisdiction of the Commission.****Currentness**

Article II, Section 8(f) Florida Constitution, requires the Commission on Ethics "to conduct investigations and make public reports on all complaints concerning breach of public trust by public officers or employees not within the jurisdiction of the judicial qualifications commission." The rules of this chapter have been promulgated by the Commission to provide the practices and procedures under which the Commission shall exercise this constitutional function. A complaint concerning breach of public trust is any complaint, filed with the Commission in accordance with the rules of this chapter, which alleges that a public officer or employee has violated a provision of the State Constitution, or of Part III, Chapter 112, Florida Statutes, which establishes a standard of ethical conduct, a disclosure requirement, or a prohibition applicable to public officers or employees in order to avoid conflicts between public duties and private interests, including without limitation, a violation of Art. II, Sec. 8, Florida Constitution, or of Part III, Chapter 112, Florida Statutes. The rules of this chapter also have been promulgated by the Commission to provide the practices and procedures under which the Commission shall exercise its statutory function of investigating complaints of violations of the Code of Ethics for Public Officers and Employees contained in Part III, Ch. 112, Florida Statutes.

**Credits**

Adopted Sept. 21, 1977; Amended July 13, 1980; Transferred from 34-5.015; Amended July 28, 1998.

**AUTHORITY:** 112.322(9) FS. Law Implemented Art. II, Section 8(f), (h), Fla. Const., 112.322, 112.324 FS.

Current with amendments available through June 30, 2014.

Rule 34-5.0015, F.A.C., 34 FL ADC 34-5.0015

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**Page 67**  
**415 So.2d 67**  
**Dr. Ambrose GARNER, Appellant,**  
**v.**  
**The FLORIDA COMMISSION ON ETHICS, Appellee.**  
**No. AL-198.**  
**District Court of Appeal of Florida,**  
**First District.**  
**June 2, 1982.**

**Page 68**

Trenam, Simmons, Kemker, Scharf, Barkin, Frye & O'Neill, P. A., and W. Reynolds Allen for Hogg, Allen, Ryce, Norton & Blue, P. A., Tampa, for appellant.

Jim Smith, Atty. Gen., Patricia R. Gleason, Asst. Atty. Gen., and Philip C. Claypool, Staff Atty., Tallahassee, for appellee.

MILLS, Judge.

Garner appeals the trial court's denial of his motion for a preliminary injunction seeking to terminate proceedings before The Florida Commission on Ethics on two complaints against him and to enjoin the Commission from disclosing any of the materials connected with the proceedings. We affirm.

Two complaints were filed against Garner, President of Hillsborough Community College, alleging he misused his public position, contrary to Section 112.313(6), Florida Statutes (1981), by sexually harassing two female college employees. An additional allegation of the complaints charged that the acts of sexual harassment violated Section 112.313(2)(b), Florida Statutes (1981), which prohibits the solicitation or acceptance of gifts by public officers or employees.

After considering the complaints at an executive session, the Commission directed its staff to conduct an investigation of the charges. Following the investigation and submission of reports of investigation to the Commission, Garner was advised that the Commission was going to hold a "hearing to determine manner of

disposition of complaint" (probable cause hearing) pursuant to Florida Administrative Code Rule 34-5.06.

Garner filed a motion seeking to dismiss the complaints, arguing the conduct alleged was not within the Commission's jurisdiction. Upon being informed the Commission would rule on his jurisdictional motions immediately before the scheduled probable cause hearing and then decide whether to proceed on the complaints, Garner filed the injunction action in the Leon County Circuit Court.

The trial court refused to enjoin the Commission's proceedings but did enter a stay enjoining the Commission from disclosing any material connected with the proceedings until Garner's appeal of his ruling could be resolved.

The trial court did not err in refusing to terminate the Commission's proceedings.

First, the conduct alleged in the complaints, misuse of public position to sexually harass and to attempt to obtain sexual favors from subordinate employees, falls within the jurisdiction of the Commission. Section 112.313(6), Florida Statutes, prevents a public official or employee from using his or her official position to secure a

**Page 69**

special benefit, privilege, or exemption for himself or others. See Bruner v. Commission on



Ethics, 384 So.2d 1339 (Fla. 1st DCA 1980), which notes the Commission has previously proceeded on complaints alleging sexual harassment. Garner seeks to transform these complaints into charges of sexual discrimination which would be within the jurisdiction of the Florida Human Relations Commission Act, Section 23.161, et seq. The complaints, however, allege sexual harassment, not sexual discrimination.

We find no merit in Garner's contention that Section 112.313(6), Florida Statutes (1981), is unconstitutionally vague. See *Tenney v. Commission on Ethics*, 395 So.2d 1244 (Fla. 2nd DCA 1981).

Likewise, his argument that Title VII of the Civil Rights Act, 42 U.S.C., Section 2000e, et seq., may preempt the Commission's jurisdiction is without merit. *New York Gaslight Club, Inc. v. Carey*, 447 U.S. 54, 100 S.Ct. 2024, 64 L.Ed.2d 723 (1980).

There was no error in the manner in which the Commission conducted its investigations before deciding to hold a probable cause hearing. As noted in *Tenney*, there is no requirement that Garner be afforded a full-blown adversary type proceeding before a determination of probable cause. "[The statute] requires the Commission inform the public official of the complaint, and it mandates that the Commission undertake an investigation before deciding the question of probable cause." *Tenney*, supra. The court in *Tenney* likened this investigation to that of a state attorney in preparing to file an information or a grand jury in determining whether to return an indictment. The Commission complied with its rules, the statutes, and the constitution in conducting its investigation.

Garner's argument that the disclosure of information in the Commission files after the probable cause hearing regardless of the Commission's finding, pursuant to Section 112.324(2), Florida Statutes (1981), violates his right to privacy is also without merit. The

Florida Supreme Court held in a similar challenge to public disclosure that individual disclosural privacy rights did not outweigh the public's right to see such reports. *Shevin v. Byron, Harless, Schaffer, Reid & Associates, Inc.*, 379 So.2d 633 (Fla.1980).

Although the Fifth Circuit Court of Appeal has determined there is a federal constitutional right of disclosural privacy, a balancing standard rather than the compelling state interest standard is used to measure the challenged action. *Fadjo v. Coon*, 633 F.2d 1172 (5th Cir. 1981). In this case, we hold that the public's right to see the Commission's files outweighs Garner's disclosural privacy rights. The Legislature, by way of Section 112.324(2), Florida Statutes, and the people of Florida, through Article II, Section 8(f) of the Constitution, have mandated that the Commission's reports on complaints be made public.

Garner's last argument is that he has been denied equal protection because Section 112.324(3), Florida Statutes (1981), requires that complaints and investigatory materials concerning legislators and impeachable officers be kept confidential when no probable cause is found, but complaints and investigatory materials concerning lesser public officials like himself are disclosed regardless of the finding by the Commission. We are not persuaded by this argument.

The constitution controls over a statute when the two are in conflict. *Gray v. Moss*, 115 Fla. 701, 156 So. 262 (1934). Article II, Section 8(f) and (h) require that the Commission make public reports on all complaints. We are confident that the Commission will perform its duties as mandated by the constitution. Garner has not been denied equal protection. The protections and procedures provided by the Florida Constitution and statutes have been provided Garner.

The trial court's order denying Garner's petition for a preliminary injunction is affirmed. :

SHIVERS and WIGGINTON, JJ., concur.

**Page 761**  
**424 So.2d 761**  
**Garner (Ambrose)**  
**v.**  
**Florida Commission on Ethics**  
**NO. 62,287**  
**Supreme Court of Florida.**  
**Jan 20, 1983**

Appeal From: 1st DCA, 415 So.2d 67

Disposition: Pet. for rev. den.

IN THE CIRCUIT COURT OF THE 11<sup>TH</sup>  
JUDICIAL CIRCUIT IN AND FOR  
MIAMI-DADE COUNTY, FLORIDA

**RODOLFO PEDRAZA,**

Plaintiff

vs.

CASE NO.: 12-19392-CA-27

**FRANK HERNANDEZ,**  
Candidate for County Court Judge and  
**PENELOPE TOWNSLEY,** Supervisor  
of Elections, Miami-Dade County,  
Florida, in her official capacity,

JUDGE VICTORIA PLATZER

Defendants.

**ORDER GRANTING MOTION TO DISMISS**

**THIS CAUSE** came before the Court June 1, 2012 on Defendant Frank Hernandez's Motion to Dismiss. The Plaintiff, Rodolfo Pedraza, was represented by Michael Catalano, Esq. The Defendant, Frank Hernandez, was represented by Juan Carlos Planas, Esq. The Defendant, Penelope Townsley, was represented by Oren Rosenthal, Esq.

The Court, having reviewed the pleadings, relevant case law and statutes, having heard argument of counsel and being otherwise fully advised in the premises, hereby finds and orders as follows:

**FINDINGS OF FACT**

1. Plaintiff, Rodolfo Pedraza is a qualified elector in Miami-Dade County. He is also the spouse of Patricia Marino Pedraza, a sitting County Court Judge who is currently running to retain her seat in Group 1 of the Miami-Dade County Court.

2. Defendant, Frank Hernandez, is a Miami-Dade resident, who on April 20, 2012 filed to run for County Court Judge in Group 1, in the election is scheduled to take place August 14, 2012. In conjunction therewith, Hernandez filed with the Miami-Dade Department of Elections the forms necessary to qualify as a candidate for the Office of County Court Judge, including Form 6.
3. Defendant, Penelope Townsley, is the Supervisor of Elections for Miami-Dade County and is the Constitutional officer charged with administering the election. Townsley is joined as an indispensable party for the purpose of the relief sought, which is to disqualify Hernandez as a candidate.
4. On May 17, 2012, Plaintiff filed this suit challenging the validity of Mr. Hernandez's candidacy pursuant to §112.317(1)(c)1, Fla.Stat.(2011) and Art. II, §8, Fla.Const.. Plaintiff alleges that Mr. Hernandez made material false disclosures in the financial disclosure forms which were filed.
5. Defendant Hernandez has moved to dismiss Plaintiff's Complaint, alleging lack of jurisdiction by the Circuit Court, lack of standing by the Plaintiff and failure to state a claim for which relief can be granted.

#### CONCLUSIONS OF LAW

6. Art. II, §8, Fla. Const. is titled "Ethics in Government." §8 (a) requires that "All elected constitutional officers and candidates for such offices and, as may be determined by law, other public officer, (and) candidates...shall file full and public disclosure of their financial interests."
7. Art. II, § 8(D)(1), Fla. Const. defines full and public disclosure as meaning "...filing with the custodian of state records...a sworn statement showing net

worth...." To that end, candidates are required to file, *inter alia*, CE Form 6 with the Department of Elections in order to qualify as a candidate for judicial office. Form 6 is titled "Full and Public Disclosure of Financial Interests".

8. Art. II, § 8(f) , Fla. Const. requires an independent commission to conduct investigations concerning breaches of the public trust by those public officers not within the jurisdiction of the judicial qualifications commission. Hernandez, as a candidate for office, falls within that category. The Independent commission is further, at Art. II, § 8, (i) (3), Fla. Const. defined to mean the Florida Commission on Ethics.
9. §112, Part III, Fla.Stat.(2011) which is headed as " Code of Ethics for Public Officers and Employees" contains the only statutory means for enforcement of disclosure requirements for candidates. The Commission on Ethics is created pursuant to § 112.320, Fla. Stat. and serves as the independent commission provided for in §8, Article II, Fla. Const. The Commission on Ethics was established and empowered to investigate complaints of violations of § 8, Art. II, Fla. Const. and to make recommendations to the appropriate disciplinary body or official to take action. In this case, the appropriate official would be Defendant, Patricia Townsley, as Supervisor of the Division of Elections.
10. §112.3241, Fla. Stat. (2011), contained within Part III, specifically addresses appellate review of Commission action and indicates that "any final action by the commission taken pursuant to this part shall be subject to review in a district court of appeal upon the petition of the party against whom an adverse opinion, finding, or recommendation is made." *Id.*

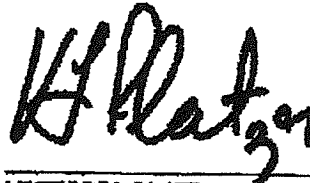
11. The question before the Court in this matter is whether the Commission on Ethics has exclusive jurisdiction to address this alleged violation or whether the Circuit Court has jurisdiction as well. The intent of the legislature was clearly that the Commission on Ethics handle these matters preliminarily and make recommendations to the appropriate governing body.

12. Based upon the foregoing analysis, the Court finds that it lacks jurisdiction over this case; rather, the Commission on Ethics is the more appropriate body to handle this matter.

13. In that the court finds it does not have jurisdiction in this matter, it does not reach the other grounds for dismissal raised by Defendant.

**WHEREFORE** it is **HEREBY ORDERED AND ADJUDGED** that Defendant's Motion to Dismiss is granted without prejudice.

**DONE AND ORDERED** in Chambers at Miami-Dade County, Florida, on 06/06/12 8:43 AM.



VICTORIA PLATZER  
CIRCUIT COURT JUDGE

**FINAL ORDERS AS TO ALL PARTIES**  
**SRS DISPOSITION NUMBER 12**  
**THE COURT DISMISSES THIS CASE AGAINST ANY PARTY NOT LISTED IN THIS FINAL ORDER OR PREVIOUS ORDER(S). THIS CASE IS CLOSED AS TO ALL PARTIES.**  
Judge's Initials VP

The movant shall, using any method(s) mandated by the Florida Rules of Civil Procedure, serve all parties/counsel of record with a true and correct copy of this Order IMMEDIATELY and file proof of service with the Clerk.

Page 1294  
696 So.2d 1294  
22 Fla. L. Weekly D1717  
ST. JOHN MEDICAL PLANS, INC., et al., Appellants,  
v.  
Alberto GUTMAN, Appellee.  
No. 96-1800.  
District Court of Appeal of Florida,  
Third District.  
July 16, 1997.

James V. Johnstone; Karen Gievers,  
Miami, for appellants.

Gilbride, Heller & Brown and Dyanne E.  
Feinberg, Miami, for appellee.

Before NESBITT, JORGENSON and  
FLETCHER, JJ.

JORGENSON, Judge.

The appellants, St. John Medical Plans, Inc., St. John Clinic Medical Center, Inc., and Miguel Angel Cruz-Peraza [the "plaintiffs"], both individually and on behalf of the State of Florida, brought an action against the appellee, Alberto Gutman, a state senator. Pertinent to this appeal, which involves the fourth count of a six-count complaint,<sup>1</sup> is the plaintiffs' allegation that Gutman

Page 1295

misused his position as a state senator by receiving an inappropriate \$500,000 fee, and in so doing breached the public trust. The trial court dismissed this count with prejudice, finding that the plaintiffs lacked standing to bring the action. We affirm.

Article II, section 8 of the Florida Constitution, known as the "Sunshine Amendment," serves as the philosophical basis upon which a public official conducts the affairs of his or her office. The plaintiffs assert that they have standing under this section. The relevant portion is: "A public office is a public trust. The people shall have the right to secure and sustain

that trust against abuse." Subsection (c) provides: "Any public officer or employee who breaches the public trust for private gain and any person or entity inducing such breach shall be liable to the state for all financial benefits obtained by such actions. The manner of recovery and additional damages may be provided by law." (Emphasis added.) Interpreting the clear language of subsection (c), we hold that this provision is not self-executing, as it cannot be implemented without some manner of recovery being established through legislative enactment. See State of Florida ex rel. Citizens Proposition for Tax Relief v. Firestone, 386 So.2d 561 (Fla.1980) (finding a constitutional provision to be self-executing where it clearly establishes a right which can be implemented without any legislative enactment); Gray v. Bryant, 125 So.2d 846, 851 (Fla.1960) (noting that the test for determining whether a constitutional provision is self-executing "is whether or not the provision lays down a sufficient rule by means of which the right or purpose which it gives or is intended to accomplish may be determined, enjoyed, or protected without the aid of legislative enactment."). Additionally, subsection (c) provides that liability is "to the state," indicating that standing is conferred on the State of Florida, not on individual citizens.<sup>2</sup> Therefore, the plaintiffs have no standing under the Florida Constitution.<sup>3</sup>

The plaintiffs' alternative argument is that they have standing under section 112.3175, Florida Statutes (1995). This statute allows a contract executed in violation of the Code of Ethics for Public Officers and Employees to be voidable by a party to the contract or, among

others, by "[a]ny citizen materially affected by the contract and residing in the jurisdiction represented by the officer or agency entering into such contract." "Materially affected," as defined in the statute, requires some type of special injury. § 112.312(16), Fla. Stat. (1995). The plaintiffs acknowledge that they have no special injury and thus no standing under these statutory provisions. <sup>4</sup> Instead, they urge us to recognize a broad grant of standing under the Sunshine Amendment and to declare unconstitutional this statutory definition of "materially affected." We decline to do so and again note that there is no constitutional standing here. Cf. School Bd. of Volusia County v. Clayton, 691 So.2d 1066, 1068 (Fla.1997) (reaffirming "long established precedent" that in order to have standing, a taxpayer must allege either a special injury distinct from other taxpayers or a constitutional violation of the legislature's taxing and spending powers); North Broward Hosp. Dist. v. Fornes, 476 So.2d 154 (Fla.1985) (noting that the court would "continue to adhere to precedent" and holding "that absent a constitutional challenge, a taxpayer must allege a special injury distinct from other taxpayers in the taxing district to bring suit").

We certify the following question to the Florida Supreme Court as one of great importance:

Page 1296

Does article II, section 8(c) of the Florida Constitution, by itself and without any legislative enactment, provide individual citizens of Florida with a cause of action for breach of the public trust for private gain against a public official or employee?

Affirmed; question certified.

-----  
1 This was the plaintiffs' second amended complaint; a variety of claims against a number of parties, including Gutman, remain pending below. These claims include unconstitutional taking of property, interference with a business relationship, civil conspiracy to tortiously interfere with an advantageous business relationship, breach of contract, and breach of covenant of good faith.

2 We do not reach the issue of whether a corporate entity can be an injured party under this constitutional provision.

3 But cf. Clayton v. School Bd. Of Volusia County, 696 So.2d 1215, 1216 n. 2 (Fla. 5th DCA 1997) (noting that while the appellant's complaint may not allege a "constitutional challenge" as contemplated by the Florida Supreme Court, it might at least have a "constitutional connection" with article II, section 8).

4 Additionally, Florida statutes do not provide for a qui tam action in situations such as this.



STATE OF FLORIDA  
COMMISSION ON ETHICS  
P. O. DRAWER 15709, TALLAHASSEE, FLORIDA 32317-5709

FLORIDA  
COMMISSION ON ETHICS  
MAY 19 2014  
RECEIVED

COMPLAINT  
14-082 ORIGINAL

1. PERSON BRINGING COMPLAINT:

Name: RAY STEVENS Telephone Number: 386-437-1942

Address: 25 UTIDE CT.

City: PALM COAST, FLORIDA County: FLAGLER Zip Code: 32164

2. PERSON AGAINST WHOM COMPLAINT IS BROUGHT:

Current or former public officer, public employee, candidate, or lobbyist - please use one complaint form for each person you wish to complain against:

Name: BARBARA SUE REVELS Telephone Number: 386-439-3130

Address: P O BOX 434

City: FLAGLER BEACH, FLORIDA County: FLAGLER Zip Code: 32136

Title of office or position held or sought: FLAGLER COUNTY COMMISSIONER, DISTRICT 3

3. STATEMENT OF FACTS:

Please explain your complaint fully, either on the reverse side of this form or on additional sheets, providing a detailed description of the facts and the actions of the person named above. Include relevant dates and the names and addresses of persons whom you believe may be witnesses. If you believe that a particular provision of Article II, Section 8, Florida Constitution (the Sunshine Amendment) or of Part III, Chapter 112, Florida Statutes (the Code of Ethics for Public Officers and Employees) has been violated, please state the specific section(s). Please do not attach copies of lengthy documents; if they are relevant, your description of them will suffice. Also, please do not submit video tapes or audio tapes.

4. OATH

I, the person bringing this complaint, do depose on oath or affirmation and say that the facts set forth in the foregoing complaint and attachments thereto are true and correct to the best of my knowledge and belief.

STATE OF FLORIDA  
COUNTY OF FLORIDA

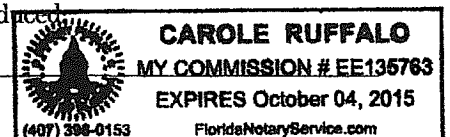
Sworn to (or affirmed) and subscribed before me  
this 14<sup>th</sup> day of MAY,  
20 14, by RAY STEVENS  
(name of person making statement)

Carole Ruffalo  
(Signature of Notary Public - State of Florida)

(Print, Type, or Stamp Commissioned Name of Notary Public)

Personally Known  OR Produced Identification  1  
Type of Identification Produced

Ray Stevens  
SIGNATURE OF COMPLAINANT



**Jurisdiction of the Commission:** The Commission on Ethics has the authority to review and investigate complaints concerning possible breaches of the public trust (violations of the State's ethics laws) by public officers, public employees, and similar persons involved with state and local government in Florida, including Executive Branch lobbyists. Complaints about the actions of Judges should be brought to the Judicial Qualifications Commission, and complaints against attorneys in private practice should be made to The Florida Bar.

**Procedures followed by the Commission:** The Commission follows a three-stage process when it considers complaints.

The first stage is a determination of whether the allegations of the complaint are legally sufficient, that is, whether the complaint indicates a possible violation of any law over which the Commission has jurisdiction. If the complaint is found not to be legally sufficient, the Commission will order that the complaint be dismissed without investigation and all records relating to the complaint will become public at that time.

If the complaint is found to be legally sufficient, the investigative staff of the Commission will begin an investigation. The second stage of the Commission's proceedings involves this investigation of the complaint and a decision by the Commission of whether there is probable cause to believe that there has been a violation of any of the ethics laws. If the Commission finds that there is no probable cause to believe that there has been a violation of the ethics laws, the complaint will be dismissed and will become public at that time.

If the Commission finds that there is probable cause to believe there has been a violation of the ethics laws, the complaint becomes public and enters the third stage of proceedings. The third stage requires that the Commission decide whether the law actually was violated and, if so, what penalty should be recommended. This stage requires a public hearing (trial) at which evidence would be presented.

**Attorney's Fees:** If the complaint is dismissed, the person against whom the complaint is filed can file a petition to have the complainant pay his or her attorney's fees, which will be awarded after a hearing if the Commission finds that the complaint was made with a malicious intent to injure the official's reputation, the complainant knew that the statements made about the official were false or made the statements about the official with reckless disregard for the truth, and the statements were material.

**Confidentiality:** The Commission cannot accept anonymous complaints and cannot keep the identity of the complainant or any witness confidential. A complaint, as well as all of the Commission's proceedings and records relating to the complaint, is confidential and exempt from the public records law either until the person against whom the complaint is made waives confidentiality, or until the complaint reaches a stage in the Commission's proceedings where it becomes public. The Commission's procedures on confidentiality do not govern the actions of the complainant or the person against whom the complaint is made.

**Legal Counsel:** Both the complainant and the person complained against can be represented by legal counsel during the Commission's proceedings.

**Other Information:** More information about the ethics laws and the Commission's responsibilities is available at the Commission's website, [www.ethics.state.fl.us](http://www.ethics.state.fl.us), which contains publications, rules, and other information.

STATE OF FLORIDA

**COMMISSION ON ETHICS**

P. O. DRAWER 15709, TALLAHASSEE, FLORIDA 3217-5709

**COMPLAINT**

*FAILURE TO COMPLY WITH FLORIDA STATUTES  
SEC. 112.3143*

- **FACT 1:** Revels is a County Commissioner in Flagler County District 3
- **FACT 2:** On August 1, 2013 Barbara Revels voted to purchase the old "Flagler Hospital" for \$1.23 Million Dollars from Flagler Crossroads Inc.
- **FACT 3:** Revels is a business associate of Bruce Page at Intracoastal Bank
- **FACT 4:** Bruce Page is an officer in Flagler Crossroads, which sold the old hospital to the County
- **FACT 5:** Bruce Page is CEO of Intracoastal Bank
- **FACT 6:** Barbara Revels failed to file form 8B, Memorandum of Voting Conflict after her vote on August 1, 2013 to buy the old Flagler Hospital from Flagler Crossroads.

**DOCUMENTS:**

- FULL AND PUBLIC DISCLOSURE OF FINANCIAL INTERESTS , January 13, 2013 (Form 6)
- BUYER'S CLOSING DOCUMENTS, BOARD OF COUNTY COMMISSIONERS/FLAGLER CROSSROADS INC.

123<sup>3</sup>

December 7, 1998  
Regular Meeting

**ITEM 18 - SYD CROSBY, CLERK - COUNTY ATTORNEY INVOICES FOR EXCESS HOURS WORKED**

(Connie A. Tanner, Volusia Reporting Company, Official Court Reporters, Daytona Beach, Florida was present for Item 18.)

Clerk Crosby stated John Sundeman is representing the Clerk's Office for this item.

Asked if the court reporter was present at Mr. Hadeed's expense or the County's expense.

County Attorney Hadeed stated the County Attorney's office ordered a court reporter for these two items at the County's expense.

John Sundeman, certified public accountant with McGhin, Calhoun and Sundeman, P.A., stated he was hired by Clerk Crosby to audit Mr. Hadeed's time records for the year ending September 30, 1998 and to look at options that might be available to the Board in dealing with this issue. Introduced Ana Satz, the audit manager with his firm.

Ana Satz reviewed the following information:

December 7, 1998  
Regular Meeting

Item 18 - continued

*Draft - for discussion purposes at  
12/7/98 Board of Commissioners Meeting*

**FLAGLER COUNTY  
CLERK OF COURTS  
AGREED UPON PROCEDURES  
FLOWCHART  
FOR THE YEAR ENDED SEPTEMBER 30, 1998**

1. **DETERMINE EMPLOYEE CLASSIFICATION (EXEMPT VS. NON-EXEMPT)**  
(Refer to Definition per the " Board of County Commissioners Flagler County, Florida Personnel Policies and Procedures page iii")

*Albert J. Hadeed's position is classified as an "exempt employee"*

2. **OBTAIN BUDGET APPROVAL**

*FYE 9/30/98 budget approval was obtained for \$81,729 equivalent to 1.0 position  
RE: County Attorney; categorized as executive salaries object code 1100*

3. **CHANGES TO APPROVED BUDGET MUST BE ACCOMPANIED BY A BUDGET TRANSFER OR BUDGET AMENDMENT**

*FYE 9/30/98 an increase of 3% for cost of living was provided to Albert J. Hadeed*

4. **COMPENSATE EXEMPT EMPLOYEES ON A REGULAR NORMAL SALARY**  
(Refer to Section 18.01 item H per the "Board of County Commissioners Flagler County, Florida Personnel Policies and Procedures")

*"Employees in classifications exempt from overtime payment in the pay plan shall be compensated by a regular (normal) salary on the basis that extended workdays and / or workweeks may be required to accomplish the assignments of their position. Such employees are expected to work whatever reasonable hours are necessary to complete assignments and successfully execute the duties and responsibilities of the position. The paragraph does not apply to work assignments during a declared state of emergency."*

*FYE 9/30/98 Albert J. Hadeed was compensated \$84,180.12 in twelve equal installments of \$7,015.01*

Item 18 - continued

*Draft - for discussion purposes at  
12/7/98 Board of Commissioners Meeting*

**FLAGLER COUNTY  
CLERK OF COURTS  
AGREED UPON PROCEDURES  
OPTIONS AVAILABLE  
FOR THE YEAR ENDED SEPTEMBER 30, 1998**

**I. FOR THE YEAR ENDING SEPTEMBER 30, 1998**

**A. NO OBLIGATION TO PAY EXCESS HOURS**

**REASONS:**

1. Approved budget FYE 9/30/98 does not include authorization for excess hours
2. Exempt employee; therefore, no entitlement to excess hours or overtime. Section 18.01 Paragraph H of "Board of County Commissioners Flagler County, Florida Personnel Policies and Procedures" unless a "state of emergency is declared."
3. Acceptance letter (employment contract) dated November 3, 1993 authored by Albert J. Hadeed states in item #2 that excess hours will be compensated as follows:  
  
"compensatory time off for hours worked in excess of 8 hours per day, to be used by me for vacation or other legal work"

**B. COMPENSATE FOR EXCESS HOURS INCURRED**

1. Budget Amendment will be required
2. Must ensure that payment is within statutory limitations
3. Consider test results

**II. FOR YEARS PRIOR TO 9/30/98**

- A. No action
- B. Agreed upon procedures

December 7, 1998  
Regular Meeting

Item 18 - continued

*Draft - for discussion purposes at  
12/7/98 Board of Commissioners Meeting*

**FLAGLER COUNTY  
CLERK OF COURTS  
AGREED UPON PROCEDURES  
RESULTS OF TESTING  
FOR THE YEAR ENDED SEPTEMBER 30, 1998**

	<b>FINDING</b>	<b>FREQUENCY</b>
1)	DAILY TIME SHEETS DID NOT AGREE TO "RECORD OF TIME" SUBMITTED TO COUNTY	11
2)	DAILY TIME SHEETS REFLECT PARTIAL ASSIGNMENT OF WORK HOURS TO SPECIFIC PROJECTS	89
3)	DAILY TIME SHEETS WERE NOT LEGIBLE	36
4)	DAILY TIME SHEETS REFLECTED CHANGES IN WORK HOURS	40
5)	DAILY TIME SHEETS DID NOT REFLECT BREAKS FOR WORK PERIOD EXCEEDING 8 HOURS	22

Item 18 - continued

*Draft - for discussion purposes at  
12/7/98 Board of Commissioners Meeting*

**FLAGLER COUNTY  
CLERK OF COURTS  
AGREED UPON PROCEDURES  
RECOMMENDATIONS  
FOR THE YEAR ENDED SEPTEMBER 30, 1998**

**1. ESTABLISH ANNUAL EMPLOYMENT CONTRACTS FOR EXEMPT  
EMPLOYEES**

At present, with the exception of Mr. Hadeed and another individual, the County does not have formal written employment contracts with exempt employees. Employment contracts provide a tool to enable evaluations based on performance measurements. Additionally, they provide written acknowledgment of the employee's employment terms.

Consideration should be given to establishing annual employment contracts with exempt employees. Annual employment contracts should specify the employment period, responsibilities and measurement criteria. The employment contracts should be signed by the employee's supervisor and the employee. The contract period should be consistent with the County's fiscal year.

**2. CREATE ANNUAL PERFORMANCE EVALUATIONS FOR EXEMPT  
EMPLOYEES**

Annual performance evaluations are not performed on exempt employees. The process has recently been established for non-exempt employees.

We recommend the establishment of a policy requiring annual performance evaluations. The evaluations should support the employee's accomplishments and performance versus responsibilities and measurement criteria. Additionally, they should provide the employee a record of strengths and weaknesses and areas for improvement. The work product should also be utilized for determining annual compensation, future goals and expectations.

**3. REQUIRE AUTHORIZATION PROCESS FOR UTILIZATION OF  
VACATION AND LEAVE USAGE FOR ALL EXEMPT EMPLOYEES**

Exempt employees are not required to submit pre-authorized forms for utilization of vacation and leave usage.

A policy should be established requiring exempt employees to submit requests for vacation and leave usage. Approval should be obtained from the employee's direct supervisor. The form should be maintained to support vacation and leave usage as well as ensure availability of hours.



December 7, 1998  
Regular Meeting

Commissioner Seay asked what an exempt employee is exempt from.

Ms. Satz stated exempt from overtime or payment of excess hours.

Commissioner Hanns asked what is the purpose of this presentation. Asked if it is being implied that Mr. Hadeed is not qualified for the additional hours and that the Board should not pay him.

Mr. Sundeman stated this is not an issue of whether the Board should or should not pay, it is an issue of proper accountability. Stated he is sure Mr. Hadeed works very long, hard hours for the County. Stated Mr. Hadeed is turning in a request for \$24,000 in excess hours and the work that was performed can not be identified. Stated he is not saying Mr. Hadeed did not do the work or did not do a good job, he is saying that Mr. Hadeed's accountability of these hours does not support the excess hours from his regular work hours.

There was discussion regarding County Attorney Hadeed's manner of recording his time and the terms of his contract.

County Attorney Hadeed played a portion of an audio tape from the September 19, 1994 meeting of the Board where the Board and Clerk validated the payment of his excess hours at that time.

Commissioner Seay asked what action is Clerk Crosby asking for.

Clerk Crosby stated he is not asking for action, but he is just trying to explain to the Board why he can not pay Mr. Hadeed for the excess hours that he has claimed but can not validate.

County Attorney Hadeed explained the purpose of his daily work journals.

Chairman Darby stated the only steps he sees that could be taken is for Mr. Hadeed to restructure his time sheets and resubmit them with his request to the Clerk and let the Clerk scrutinize them to determine if they had been made any clearer.

Commissioner Seay stated regardless who is correct this Board does not have any control of the Clerk of the Circuit Court.

Clerk Crosby stated he would not be unreasonable if Mr. Hadeed wanted to submit another bill.

Ms. Satz stated the County's independent auditors have been privy to this particular report and they concur with her position.

December 7, 1998  
Regular Meeting

No action was taken on Item 18.

**ITEM 19 - COUNTY ATTORNEY'S EMPLOYMENT AGREEMENT**

(Connie A. Tanner, Volusia Reporting Company, Official Court Reporters, Daytona Beach, Florida was present for Item 19.)

The following information was provided by County Administrator Chinault:

SUBJECT: COUNTY ATTORNEY'S  
EMPLOYMENT AGREEMENT

ITEM # 19  
December 7, 1998

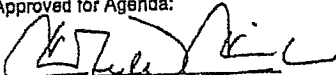
The Board is being requested to approve the Employment Agreement between the County and the County Attorney. The County Attorney notes that this document memorializes the present contractual arrangements surrounding his employment.

The Board, on October 19, 1998 (agenda item 45), tabled this matter until the first meeting once the new Board has been seated.

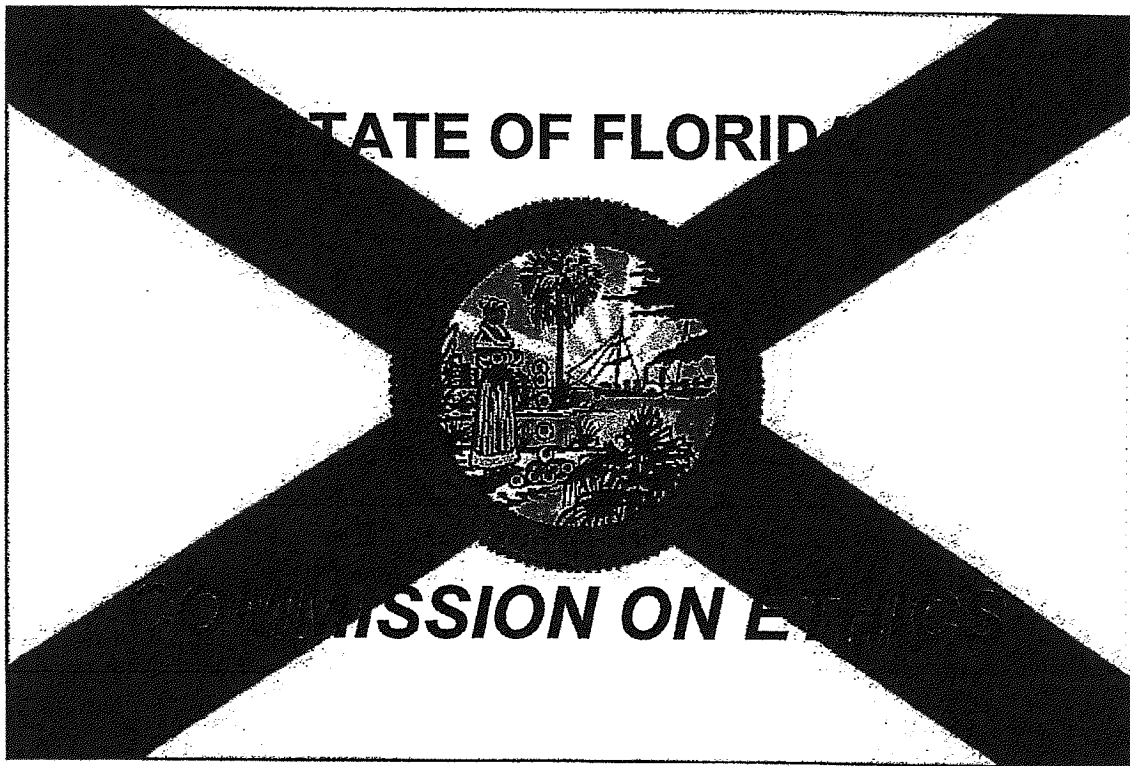
**STAFF RECOMMENDATION:**

Approve the Employment Agreement between the County and the County Attorney Albert J. Hadeed - Item was tabled from October 19, 1998 meeting.

Approved for Agenda:

  
County Administrator

# REPORT OF INVESTIGATION



Complaint Number 14-082

## NOTICE CONCERNING CONFIDENTIALITY

This report of investigation concerns an alleged violation of Chapter 112, Part III, Florida Statutes, or other breach of public trust under provisions of Article II, Section 8, Florida Constitution. The Report and any exhibits may be confidential (exempt from the public records law) pursuant to Section 112.324, Florida Statutes, and Chapter 34-5, F.A.C., the rules of the Commission on Ethics. Unless the Respondent has waived the confidentiality in writing, this report will remain confidential until one of the following occurs: (1) the complaint is dismissed by the Commission; (2) the Commission finds sufficient evidence to order a public hearing; or (3) the Commission orders a public report as a final disposition of the matter.

STATE OF FLORIDA  
COMMISSION ON ETHICS  
Post Office Drawer 15709  
Tallahassee, Florida 32317-5709

## REPORT OF INVESTIGATION

**TITLE:** Barbara Sue Revels  
Flagler County Commissioner, District 3  
Flagler Beach, Florida

**COMPLAINT NO.:** 14-082  
Exhibits A through G

**INVESTIGATED BY:**

  
Roberto Anderson-Córdova

**Distribution:**

Commission on Ethics  
Respondent  
Advocate  
File

**Releasing Authority:**

  
Executive Director

12/1/14  
Date

\*\*\*\*

**REPORT OF INVESTIGATION  
COMPLAINT NO. 14-082**

(1) Mr. Ray Stevens of Palm Coast alleges that Ms. Barbara Sue Revels, a Flagler County Commissioner, failed to declare a conflict of interest, file a voting conflict form, and abstain from voting on County Commission measure(s) related to the County's purchase of real property, where the Respondent was a stockholder in a privately held bank and the president of that bank (also a stockholder) was an officer of the company selling the property to the County. The Complainant further alleges that the Respondent received from the bank, prior to her vote on the measure relating to the property purchase, an increase in the amount of an existing loan.

(2) The Executive Director of the Commission on Ethics noted that based upon the information provided in the complaint, the above-referenced allegations were sufficient to warrant a preliminary investigation to determine whether the Respondent's actions violated Sections 112.3143(3)(a), Florida Statutes (Voting Conflicts) and 112.313(4), Florida Statutes (Unauthorized Compensation).

VOTING CONFLICT ALLEGATIONS

(3) The Complainant alleges that Commissioner Revels voted on August 1, 2013, in favor of the County's purchase of the "Old Flagler Hospital," located at 901 Moody Boulevard East, Bunnell, Florida, for \$1.23 million from Flagler Crossroads, Inc. Mr. Stevens alleges that Mr. Bruce Page is a corporate officer of Flagler Crossroads and that the corporation realized a net gain of \$125,000 when Flagler Crossroads sold the Old Flagler Hospital to the County.

Note: The County purchased the property to be used as the new Flagler County Sheriff's Office Operations Center.

(4) The Complainant further alleges that Commissioner Revels is a business associate of Mr. Page in that they both are shareholders of Intracoastal Bank, with her owning \$100,000 worth of stock in the bank. The Complainant noted that Mr. Page is also Chief Executive Officer (CEO) and President of Intracoastal Bank.

(5) Although not alleged in the complaint, the minutes of the May 6, 2013, Flagler County Board of Commissioners meeting (Exhibit A) reflect that the Respondent made a motion and voted to "approve County Administration moving forward with due diligence on the old hospital property stretching the due diligence period to 90 days, requesting an appraisal either by the appraiser who did the previous appraisal updating it or from a new independent appraiser such that the final purchase price would not exceed appraised value. Seconded by Commissioner Hanns . . . Chair McLaughlin called the question. Motion carried 3 to 2 with Commissioners Meeker and Ericksen dissenting."

(6) The minutes of the August 1, 2013, Flagler County Board of Commissioners meeting (Exhibit B) reflect that the Respondent voted in favor of the County's purchase of the Old

Flagler Hospital. Commissioner Revels made the motion to "direct staff to proceed with the closing of their option contract on the old hospital and immediately start the design process for the Sheriff's Operation Center . . . The motion carried 4-1 with Commissioner Ericksen dissenting."

(7) Page A-13 of the complaint amendment demonstrates that Flagler County bought the Old Flagler Hospital property from Flagler Crossroads for a total of \$1,230,035.50.

(8) Mr. Page acknowledged he was one of the three owners of Flagler Crossroads when the company sold the "Old Flagler Hospital" to Flagler County for approximately \$1.23 million. Mr. Page related that he owned Flagler Crossroads along with business partners Michael Chiumento and James Newslow. Mr. Page explained that he and Flagler Crossroads did not make any profit from the sale of the property. He provided Flagler Crossroads' 2013 Internal Revenue Service Tax Return Form 11205 (Exhibit C) to demonstrate that the company experienced a financial loss of \$863,464. The 2013 IRS Tax Return Form lists Mr. Page as owning 33% of the stock of Flagler Crossroads and that he had a loss of \$284,943 from the sale of the property.

(9) Mr. Page stated Flagler Crossroads bought the property in question for \$1,650,000 on July 1, 2005. He reported that for eight years Flagler Crossroads spent approximately \$145,811.62 annually in costs to maintain the property.

(10) Mr. Page stated that he and Commissioner Revels are not business partners, that she has never had any ownership interest in Flagler Crossroads, and that they do not have any future business ventures planned. He acknowledged that both he and the Respondent are founding shareholders of Intracoastal Bank, which is a privately held bank not listed on any national or regional stock exchange, and have owned stock in the bank since 2008, but he maintains that the sale of the Old Flagler Hospital had no impact on Intracoastal Bank's stock.

(11) Florida Department of State, Division of Corporations' records reflect that the Respondent has never been a corporate officer of Flagler Crossroads and that this company was dissolved on December 31, 2013.

(12) Commissioner Revels stated that, other than both being shareholders of Intracoastal Bank, she has not had any business relationship with Mr. Page and that she was not a silent partner in Flagler Crossroads. The Respondent added that the sale of the Old Flagler Hospital to the County did not cause her to have any financial gain or loss. When asked whether she knew that Mr. Page was a shareholder of Intracoastal Bank at the time she voted she responded through her attorney:

I never really thought about it in that way. He is the CEO, employed by the bank, I guess one might assume he invested in the startup, but that has never been discussed by him around me. That would have been highly inappropriate for him to say something like that as I am not in that "inner circle" of the Board of Directors. Nor do I have any kind of personal relationship with Mr. Page

that he would discuss his personal finances. I bought stock and put my business banking there, that was it.

(13) Upon further questioning, Commissioner Revels stated that she did not know that Mr. Page was a shareholder of Intracoastal Bank at the time she voted on May 6, 2013, and August 1, 2013.

(14) Mr. Page stated that Commissioner Revels "absolutely" knew he was a shareholder of Intracoastal Bank because the fact that he was a shareholder was "clearly disclosed" in Intracoastal Bank's "Offering Circular" and "Subscription Agreement" that Commissioner Revels signed to become a shareholder in 2007. He added that every Intracoastal Bank shareholder received an Offering Circular and completed a Subscription Agreement. Mr. Page added that it is "standard practice that the President/CEO of a community bank has a material ownership in the bank, typically. You want the executive to have a stake in the business and share your interest as a shareholder. That's common."

(15) Pages 15 and 16 of the Offering Circular (composite Exhibit D) demonstrate that Mr. Page is a shareholder of Intracoastal Bank with 3.7 percent of the total shares. Pages 4 and 5 of the Subscription Agreement (composite Exhibit D) demonstrate that Commissioner Revels signed the documents which agree to the terms in the Offering Circular.

(16) Commissioner Revels stated that she does not recall having read the Offering Circular or signed the Subscription Agreement.

(17) Mr. Page stated that he attends the Intracoastal Bank Annual Shareholder Meetings.

★ (18) Mr. Page confirmed that Mr. Chiumento and Mr. Newslow, the two other officers (owners) of Flagler Crossroads, also have been shareholders of Intracoastal Bank since the bank's inception in 2008.

(19) Commissioner Revels affirmed that she knew at the time she voted on May 6, 2013, and August 1, 2013, that Mr. Chiumento is a shareholder of Intracoastal Bank and that he was a co-owner of the Old Flagler Hospital. She added that she knew that Mr. Chiumento was a shareholder of Intracoastal Bank because it is "common knowledge . . . that if you were a Board of Director [member] you owned a lot of stock in the bank. So I believe that anybody that is a Board of Director [member], separate aside from the CEO, that they owned a fair amount of stock in that bank."

(20) Mr. Page stated that Mr. Chiumento was a member of the Intracoastal Bank Board of Directors from 2008 through 2013. He added that Mr. Newslow has never been a member of the Intracoastal Bank Board of Directors.

(21) Mr. Thomas Hury, the Senior Vice President and Chief Risk Officer for Intracoastal Bank reported that Mr. Chiumento owns 43,000 shares or 2.94 percent of shares in the bank, and Mr. Newslow owns 10,000 shares or 0.685 percent of shares in the bank.

(22) Mr. Page stated that Mr. Newslow has been to approximately half of the Annual Intracoastal Bank Shareholder Meetings since 2008. He noted that Mr. Newslow has been present at the last two annual shareholder meetings (2013 and 2014). Mr. Page stated that Mr. Chiumento has been to all of the annual shareholder meetings since 2008 with the exception of the last one held in March 2014. Mr. Page recalled that Commissioner Revels has been to all or almost all of the annual shareholder meetings since 2008. Mr. Page stated that everybody knows that people present at the annual shareholder meetings are there because they are shareholders.

(23) Commissioner Revels stated she did not know Mr. Newslow was a shareholder of Intracoastal Bank at the time that she voted on May 6, 2013 and August 1, 2013, and does not recall having ever seen him at an Intracoastal Bank Annual Shareholder meeting.

★  
→ (24) Commissioner Revels stated she "never had a thought in the world" that her vote on the Old Flagler Hospital purchase could be a conflict of interest, since she and her relatives have no business relationship with officers of Flagler Crossroads or Intracoastal Bank where she could have realized a gain or loss. She explained that she did not ask anyone for advice on whether she had a possible conflict of interest because she had taken ethics classes with the Florida Association of Counties and believed she had a clear understanding of what constitutes a voting conflict.

(25) Commissioner Revels acknowledged that she has been a shareholder of Intracoastal Bank since 2008. She added that her initial shareholder amount was \$100,000 and that she believes her stock has increased by approximately 15 percent since 2008. The Respondent stated that she owns less than one percent of the Intracoastal Bank shares. Commissioner Revels added that she has no knowledge of how Intracoastal Bank invests its money, but she believes that the sale of the Old Flagler Hospital had no impact on Intracoastal Bank.

(26) Ms. Cheryl Tanenbaum, the Senior Vice President and Chief Financial Officer confirmed that the Respondent owns 10,000 shares of Intracoastal Bank stock and that the purchase date of the stock was September 30, 2007. She added that this represents 0.6855% of outstanding Intracoastal Bank shares and that the value of the stock at the time of purchase was \$10 per share which equates to \$100,000.00.

(27) Mr. Page stated that he currently owns 4.62 percent (67,500 shares of a total 1,458,755 shares) of Intracoastal Bank stock and owned 3.63 percent (50,000 shares of a total 1,378,550 shares) when the bank opened in 2008. He added that the fluctuation in percentage ownership is a result of his exercising stock options that became vested.


(28) Commissioner Revels affirmed she has known Mr. Page for at least 10 years. She added that they are "friendly," but do not socialize, and do not share the same circle of friends or church.

(29) Mr. Page said he has known the Respondent for approximately 20 years. He stated that the relationship he has had with the Respondent has primarily been through their involvement in various community organizations. Mr. Page added that they interact mostly through



organizations such as the Flagler County Chamber of Commerce, Enterprise Flagler (on whose board they both served), and the Flagler County Homebuilders Association, where the Respondent served as President. Mr. Page further added that they both volunteer for JAX USA, which is an economic development arm of the Jacksonville Chamber of Commerce, and occasionally they drive together to quarterly meetings in Jacksonville.

(30) Mr. Page stated the following during his acceptance speech at the Flagler County Commission Chairman Corporate Pinnacle Award meeting on November 5, 2012, regarding his relationship with Commissioner Revels:



I was just told Barbara Revels wants you at the Commission chambers at 9:00 o'clock Monday morning, and those of you that know me, and Barbara, and our relationship, when Barbara tells me to do anything, I do it. When I first moved to this community 20 years ago, a business person, a community leader, Barbara Revels, took me under her wing and has mentored me on every level, professionally; how to be a good community citizen; how it's all about the community and the citizens, not you as a business person or individual. It first started out as a professional relationship, but I am glad to say that she is one of my best friends. I love her and her husband Jerry Lloyd like no other. And so this is especially rewarding that she gave me this award because she's been my mentor all these years, so thanks to everybody and a special thanks to Barbara.

(31) When questioned about the comments of this November 5, 2012 acceptance speech, Mr. Page explained that his situation is unique in that the majority of his friends are made through his involvement in business and community activities. Mr. Page added that he considers many of the Intracoastal Bank shareholders his friends, but acknowledges the reality is that they are business relationships. Mr. Page stated that the majority of his interactions with Commissioner Revels are through community involvement.

(32) Commissioner Revels stated that Mr. Page is very demonstrative and that he has a tendency to compliment people very much. Commissioner Revels stated that she has not been a mentor to Mr. Page. Commissioner Revels explained that Mr. Page can "emote" otherwise but that does not mean they have a personal relationship.

(33) The Respondent recalled that she was approached by Mr. Page and Larry Jones – husband of Margaret Sheehan-Jones, the commercial real estate agent selling the Old Flagler Hospital property – and Mr. Jones made a presentation to her about the old hospital property during which he expressed why it should be used as the Sheriff's Operations Center. She believes this meeting took place in late 2012 or early 2013, and that she did not know prior to the arrival of Mr. Page and Mr. Jones what they wanted to talk to her about. Commissioner Revels added that several years earlier, Flagler Crossroads owners Mr. Newslow, Mr. Chimento, and Mr. Page had given her a tour of the Old Flagler Hospital property, and solicited her ideas about uses for the property. The Respondent related that she told Mr. Page and Mr. Jones at that meeting in late 2012/early 2013, that she was in favor of having the Sheriff's Operations Center housed in the historic Courthouse Annex, as the County had already spent money and time with that plan. Commissioner Revels maintains that she told

Mr. Page and Mr. Jones that she would "not take forward to the County their property to be considered for that, but if they wanted to take it anywhere they'd have to go sell it to the [County] administrator [Craig Coffey] themselves." Commissioner Revels stated she was approached by Mr. Page and Mr. Jones at her Coquina Real Estate office in Flagler Beach and that the meeting lasted approximately 30 minutes. Commissioner Revels stated that she had no other conversations with Mr. Page about this topic.

Note: According to Respondent's business website, she has owned and operated Coquina Real Estate and Construction, Inc., for more than 25 years and has an extensive background in land use, planning, affordable housing, growth management, and construction.

(34) Mr. Page recalled he and Mr. Jones met the Respondent at her Coquina Real Estate office in Flagler Beach regarding their interest in selling the Old Flagler Hospital to the County and she referred them to County Administrator Coffey during that meeting. Mr. Page stated that this meeting happened in "early 2013, definitely before March 2013." He explained that the Respondent was "non-committal" about the idea and told them that if the County was going to get involved, County Administrator Coffey should lead it and that it was not part of her responsibility as a county commissioner to be involved in that process. Mr. Page related he felt there was "very little possibility" that the County would be interested in the purchase of the Old Flagler Hospital when he left the meeting.

(35) Mr. Page recalled he subsequently met with Mr. Jones and Mr. Coffey either at a conference room at Mr. Coffey's office or at the Old Flagler Hospital property. Mr. Page added that no one else attended this meeting. He related that Mr. Coffey gave them a list of questions about the property. Mr. Page stated that his real estate agent for the property, Margaret Sheehan-Jones, worked with Mr. Coffey and his staff to get the information.

(36) Mr. Coffey said he did not meet in person with Mr. Page, but rather Mr. Jones called him and he (Mr. Coffey) met with only Mr. Jones and Margaret Sheehan-Jones at the Old Flagler Hospital property to discuss the possibility of the County purchasing the property. Mr. Coffey stated that they initially offered him an asking price of \$1.7 million and told him that Flagler Crossroads had paid \$1,650,000 for the property. He explained that the County ordered two appraisals on the Old Flagler Hospital property as well as one "master reviewing" appraisal. These three appraisals were performed by appraisers obtained from a state-certified reference list. Mr. Coffey advised that one appraisal listed the property value at \$1,490,000, the other appraisal was at \$1,500,000, and the master reviewing appraisal found these values acceptable. Mr. Coffey stated that he handled the negotiations with Ms. Sheehan-Jones and made the final offer of \$1,230,000, which the Flagler Crossroads owners accepted.

(37) Mr. Coffey explained that he was in favor of the County purchasing the Old Flagler Hospital to house the Flagler County Sheriff's Operations Center because it was within the County's budget and had ample space for future growth, an impound yard, and parking. He added that these advantages were unavailable with the other properties under consideration.


(38) Commissioner Revels stated she was in favor of the County purchasing the Old Flagler Hospital property once the plan to use the Courthouse Annex for the Sheriff's Operations


Center was ruled out. She added that the hospital property was the best option available because it had the most space, was the largest building, and was on one level.

(39) County Administrator Coffey stated he has no knowledge of any past business relationships between Commissioner Revels and Mr. Page or whether Commissioner Revels realized any gain or loss financially from the sale of the Old Flagler Hospital. He added that to his knowledge Intracoastal Bank did not benefit from the Old Flagler Hospital sale and that the mortgage for the property was held by the Independent Bankers Bank of Florida. Mr. Coffey stated that Commissioner Revels never contacted him to recommend that the County purchase the Old Flagler Hospital property.

(40) Flagler County Attorney Albert Hadeed stated he has no knowledge of any past business relationships between Commissioner Revels and Mr. Page.

#### RESPONDENT'S LOAN WITH INTRACOASTAL BANK

 (41) The Complainant alleges that the Respondent received an increase of approximately \$100,000 to an existing loan with Intracoastal Bank sometime prior to her vote to purchase the Old Flagler Hospital on August 1, 2013.

 (42) The Respondent explained that two or three years ago she had a \$100,000 line of credit on her personal residence with another bank (not Intracoastal Bank) and that the line of credit had been active for years, but was due to expire. The Respondent related that the bank required her to complete a new application and pay for an appraisal, but would not guarantee that she could keep her \$100,000 credit line. Commissioner Revels recalled she contacted a lending officer at Intracoastal Bank who informed her that the bank's process is to perform an assessment of her property value and possibly charge a fee in order to provide a line of credit. The Respondent advised that she decided to apply, and received a \$100,000 line of credit from Intracoastal Bank in 2012.

(43) The Respondent stated that in 2012, due to "all of the foreclosures" in the real estate market, she and her husband decided to reduce their involvement in the construction business, and work instead on "flipping houses." Commissioner Revels said she realized that she needed more cash since she wanted to buy houses at auction, and Intracoastal Bank Senior Vice President and Loan Officer Richard Wells recommended that she increase her existing credit line by using her home as collateral to facilitate buying houses to flip while avoiding the long and expensive process of obtaining a standard mortgage. The Respondent related that Mr. Wells reviewed the market value of her home and offered to increase her credit line from \$100,000 to \$300,000. The Respondent advised that the line of credit increase closed on May 31, 2013. The Respondent stated she did not use the credit line until she bought a house to flip in April 2014. The Respondent said that, to her knowledge, Mr. Page was not involved in the loan process. The Respondent added that she dealt specifically with the lending department of Intracoastal Bank through Mr. Wells and that the loan was not contingent on any official actions by her.

(44) Mr. Wells stated that the Respondent contacted him directly by telephone to apply for a line of credit. Mr. Wells verified that the Respondent received a \$200,000 increase to her existing \$100,000 "Home Equity Line of Credit" (HELOC) with Intracoastal Bank. He recalled that the application process started in March or April 2013, and by May 2013 was completed. Mr. Wells related that a HELOC is a common type of loan where money is borrowed against the equity of one's home, which the Respondent secured through her primary residence. Mr. Wells stated that the Respondent's \$300,000 HELOC closed at 3.25 percent interest rate.

(45) The Uniform Residential Appraisal Report for Commissioner Revels' Intracoastal Bank HELOC appraised her primary residence's market value at \$550,000 as of July 17, 2013 (composite Exhibit E).

(46) The Flagler County Property Appraiser's Office listed the 2013 "Just Market Value" for the Respondent's property at \$390,496 (Exhibit F).

(47) Mr. Wells stated that Commissioner Revels was not given any special treatment and that Mr. Page was not involved in this loan process other than being on the Officers Loan Committee which approved the loan. He added that no one at Intracoastal Bank directed him to give Commissioner Revels any special treatment.

(48) Mr. Page explained that Commissioner Revels' \$300,000 HELOC went before the Intracoastal Bank Officers Loan Committee which is composed of four members including himself, Mr. Wells, and two other managers. Mr. Page added that all four members have equal votes with no one having more influence than the other. He stated that Commissioner Revels received what was the standard interest rate at the time for someone with similar credit history.

(49) Records provided by Intracoastal Bank confirm that the Respondent received a \$300,000 HELOC loan on May 31, 2013 (Exhibit G).

#### **END OF REPORT OF PRELIMINARY INVESTIGATION**

**EXHIBIT A**

**EXHIBIT A**

**FLAGLER COUNTY BOARD OF COUNTY COMMISSIONERS**

**MAY 6, 2013**

**SPECIAL MEETING**

Present: Chair Nate McLaughlin, Vice Chair George Hanns, Commissioners Barbara Revels, Charles Erickson and Frank Meeker, Clerk Gail Wadsworth, County Administrator Craig Coffey, County Attorney Al Hadeed, and Deputy Clerk Rhea Cosgrove

Chair McLaughlin called the meeting to order at approximately 1:54 p.m. in the Emergency Operations Center of the Government Services Complex in Bunnell, Florida.

**ITEM 2 - PLEDGE TO THE FLAG AND MOMENT OF SILENCE**

Chair McLaughlin led the Pledge to the Flag and requested a moment of silence.

**ITEM 3 - REQUEST THE BOARD TAKE ACTION ON OPTION AGREEMENT FOR SALE & PURCHASE OF PROPERTY LOCATED AT 901 MOODY BLVD, E, BUNNELL**

County Administrator Coffey pointed out there was an appendix to the option agreement he signed which would authorize staff to move forward.

Chair McLaughlin confirmed the purchase would not happen without it coming back to the BCC.

County Administrator Coffey stated he would bring it back prior to the end of the due diligence period. Noted the agreement authorized the County Administrator to move forward on the due diligence up to a cost of \$70,000.

County Attorney Hadeed explained if the BCC approved the agreement it would be compressing the actual amount of due diligence activity that could take place.

Chair McLaughlin asked if it was possible to stretch the timeframe from 60 to 90 days.

County Attorney Hadeed stated he felt that would facilitate the ability to accomplish the BCC's objective if the objective was to have another meeting based on whatever the due diligence reports yield in order to decide and close the transaction.

Commissioner Meeker stated he was in favor of 90 days.

Commissioner Hanns stated his support for the County doing its due diligence when inspecting for radon, mold, asbestos and things of that nature. Noted the building was structurally in good shape, but the purchase would depend on how much it would cost to renovate versus new construction.

May 6, 2013  
Special Meeting

(Item 3 – continued)

→ Commissioner Revels commented on the information passed out by Commissioner Meeker noting in the information the BCC was looking at the old hospital at that time for a County Administration facility and not a Sheriff's Operation Center.

→ Commissioner Meeker noted it was for a County purchase and any deficiencies then could still be relevant today regardless of its use.

There was further discussion.

Commissioner Ericksen noted the report stated there was a cursory inspection which he felt meant hasty. Pointed out when this building was considered in the past as the location for a County Administration Building it was rated as an option below the First Baptist Church and it was also noted the old hospital was built in 1979 and its life expectancy was 35 plus years. He asked the Sheriff to hold off for one or two years and to continue using the existing facility.

He suggested an alternative to the old hospital was the EOC (Emergency Operations Center) which he felt would have a much lower cost, so he would not be voting for this purchase.

→ A motion was made by Commissioner Revels to approve County Administration moving forward with due diligence on the old hospital property stretching the due diligence period to 90 days, requesting an appraisal either by the appraiser who did the previous appraisal updating it or from a new independent appraiser such that the final purchase price would not exceed appraised value. Seconded by Commissioner Hanns.

Commissioner Revels stated from what she knew there were quite a few commercial sales in the County that indicated the old hospital property was worth more than it was currently optioned for and gave examples. Stated the Courthouse Annex had better "ready to go" space at this time, but she felt it was constrictive for future use, and the old hospital had more acreage and square footage that could be used for expansion and additional use. Pointed out it was a hospital so it should be ADA compliant. Stated she saw no cracks on any walls and the roof appeared to be in excellent shape noting it did need a new coating, but the bones of the building were strong.

Commissioner Meeker agreed the bones of the building were strong, but asked if the due diligence would give an analysis of the expected useful life of the building, particularly the roof.

County Administrator Coffey replied the structural engineer could do an overall inspection of the building to include the deficiencies brought up by Commissioner Ericksen.

There was further discussion.

Commissioner Meeker asked if the motion included looking at the EOC as a possible location.

Commissioner Revels replied it did not.

May 6, 2013  
Special Meeting

(Item 3 – continued)

Chair McLaughlin stated the subject had been discussed and if the old hospital did not work out he would not consider any other option other than the Courthouse Annex because staff already had approval to proceed with that location. Stated he felt no one could buy a shell building at \$20 a square foot, but it would depend on the budget.

County Attorney Hadeed noted with the current purchasing policy if any of the consultants were over \$25,000 staff would have to bring those back to the BCC for approval. He suggested adding to the motion that the County Administrator be authorized to proceed with the due diligence without returning to the BCC for approval of the scope of service agreements.

Commissioner Revels amended her motion to include the County Attorney's suggestion. Seconded by Commissioner Hanns.

County Administrator Coffey stated staff would also look at the two alternative options suggested by BCC members.

#### PUBLIC COMMENT

Al Hanulik stated he had volunteered to work on the jail expansion project and he wished the reception for people who had experience and credibility would be more openly accepted stating he felt he could be very beneficial to the County on the project. Noted he found out there was another retired warden who lived in Flagler County and felt if the County would not let a retired warden help with the project then it was not using its resources properly.

Alan Peterson commended staff on exploring all options, but he felt the process was backward. Noted the wording of the contract was "As Is" and that the approval would lock the price when it had not been determined what the property was worth. He felt the County should do its due diligence and obtain two independent appraisals. Questioned the comparable properties and why the BCC would pay 3.5 times the assessed value. Pointed out \$5 million was only for half of the building and did not include a new roof.

Stated the ½ cent small county sales tax was voted in for the jail and library expansions and other ongoing and delayed capital projects. He asked the BCC to opt for another option that would allow them to do their due diligence.

Jane Gentile-Youd, Plantation Bay, agreed with Mr. Peterson and stated the BCC should not pay more than the County's - not the seller's - independent appraised value. Commented the amount of repairs should be capped to give the County the opportunity to negotiate with the sellers or walk away. Pointed out the property was purchased for \$750,000 in 2006 and then in 2007 the sellers obtained a mortgage of \$1,470,000 and an updated appraisal for \$20,000 less.

Pastor Sims Jones stated the County needed to look at the possible uses for the building noting it could use half of the building for the Sheriff and the other half for the free clinic and a lot of other services that were needed. Stated it was a great location with parking and a perfect opportunity to bring services together and use the building for the good of the entire county.



May 6, 2013  
Special Meeting

(Item 3 – continued)

Mark Langelo stated he looked at the building and it did have good bones and was a good platform for a new building. Stated the BCC did need to explore its options and he was in favor of what it was doing.

Hutch King stated he appreciated Mr. Ericksen's position on the item and asked why the County Property Appraiser's Office was not used to appraise the property. Noted the market value on the property was \$781,000 and last year it was \$416,000. He called into question the perception the purchase gave to the public. Stated if the County did not need a 60,000 square foot building the BCC should not purchase the property. He felt it would take more than \$10 or \$15 million to complete.

Chair McLaughlin closed public comments.

Chair McLaughlin called the question. Motion carried 3 to 2 with Commissioners Meeker and Ericksen dissenting.

Commissioner Revels amended the motion to include a cap of \$70,000 for the due diligence.

**ITEM 4 - REQUEST THE BOARD TAKE ACTION ON INTERLOCAL PROJECTS FOR SUBMITTAL TO THE HAMMOCK DUNES CDD BOARD**

Withdrawn


**ADJOURNMENT**

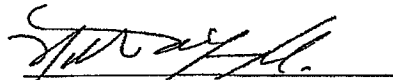
A motion was made by Commissioner Meeker to adjourn at 2:45 p.m. Seconded by Commissioner Ericksen.

APPROVED AND ADOPTED JUNE 3, 2013

ATTEST:

FLAGLER COUNTY BOARD OF  
COUNTY COMMISSIONERS

  
Gail Wadsworth  
Clerk and Ex Officio Clerk to the Board

  
Nate McLaughlin  
Chair

**EXHIBIT B**

**EXHIBIT B**

**FLAGLER COUNTY BOARD OF COUNTY COMMISSIONERS**

**AUGUST 1, 2013**

**SPECIAL MEETING**

Present: Chair Nate McLaughlin, Vice Chair George Hanns, Commissioners Barbara Revels, Charles Ericksen and Frank Meeker, Clerk Gail Wadsworth, County Administrator Craig Coffey, County Attorney Al Hadeed, and Deputy Clerk Andrew Moss.

**ITEM 1 - CALL TO ORDER**

Chair McLaughlin called the meeting to order at approximately 4:53 p.m. in the Emergency Operations Center of the Government Services Complex in Bunnell, Florida.

**ITEM 2 - PLEDGE TO THE FLAG AND MOMENT OF SILENCE**

Chair McLaughlin led the Pledge to the Flag and requested a moment of silence.

**ITEM 3 - PUBLIC COMMENT**

Bob Halsey, Palm Coast resident, explained the Sheriff's criteria list seemed like an absolute minimum to him, noting he thought there should be even more items on the list.

Reverend Sims-Jones, Flagler County resident, believed the hospital site would be a good location and consolidation of space was a necessity.

Jane Gentile-Youd felt if the BCC could come up with money for the former hospital it could pay for a third helicopter pilot, noting the exact price for a pilot was known and this was not.

Hutch King, Former County Commissioner, stated the Bunnell CRA had not been funded and believed until it was funded it was not technically a CRA, noting there would still be a loss of revenue. Reiterated the bad appearance of this and challenged the BCC to do the right thing.

Michael Barr, Flagler County resident, noted he was past chair of the CRA advisory committee and involved with the CRA effort for eight years. Stated the loss of revenue to Bunnell's general fund was minimal compared to the benefits of the hospital acquisition for the Sheriff's Office.

Catherine Robinson, City of Bunnell Mayor, stated the city commission had not taken a formal stand on this matter, but noted Bunnell's philosophy was that it was "open for business". Spoke on the negative implications the former hospital had on Bunnell's downtown core. She believed it would be positive and offered to get a consensus regarding this matter from her commission.

Dennis McDonald, Flagler County resident, stated there was an exception in the contract for building repairs not to exceed \$250,000.00 and asked the BCC to make sure that did not happen.

There were no further public comments.

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Special Meeting  
August 1, 2013

**ITEM 4 - STAFF DIRECTION ON THE FORMER HOSPITAL SALES AGREEMENT  
DUE DILIGENCE PERIOD**

County Administrator Coffey explained the \$250,000 was a threshold to bring the issue back to the BCC for its attention and action, stating it was brought today.

Commissioner Hanns expressed his appreciation for all the public comments received. Stated in a county of this size the people typically involved in large real estate transactions were the people who had the money to invest in the first place. He assured everyone that no one on this board would be benefitting in any way over this acquisition.

Chair McLaughlin mentioned the integrity of the BCC, noting the commissioners were elected to make decisions like this in the best interest of the County's taxpayers. Stated this had been a long process with years of consideration. Felt he needed to defend the integrity of the BCC, stating he would not have the integrity of the BCC questioned at random with no evidence.

**A motion was made by Commissioner Revels to request staff move forward to finalize the option on the old hospital and proceed post haste with design and development of that location for the Sheriff's Operation Center. Seconded by Commissioner Hanns.**

Commissioner Meeker asked if the BCC could get more specifics regarding cost during the time that was left prior to commencing purchase.

County Administrator Coffey responded staff could give more due diligence, however to get more cost specific it would need to look for a design firm and issue RFP's. He mentioned at this stage it would always be rough estimates and as the process moved forward the numbers would be more specific through the design and bidding stages.

Commissioner Ericksen was concerned the cost of retrofitting would not be anywhere near the estimated costs currently before the BCC. He viewed it as a property purchase, noting the County should build a new building. He did not think the property was worth \$1.23 million.

Further discussion ensued.

Commissioner Meeker mentioned he had an issue with staff trust.

County Administrator Coffey reminded the BCC that most projects came in on or under budget and on time.

Special Meeting  
August 1, 2013

**ITEM 5 - REQUEST THE BOARD TAKE ACTIONS AS DEEMED NECESSARY  
REGARDING ISSUES DISCUSSED AT THE WORKSHOP THIS DATE**

Chair McLaughlin reminded the BCC there was a motion and a second on the floor and requested further discussion.

Commissioner Ericksen asked to have the motion repeated.

Commissioner Revels re-stated her motion was to direct staff to proceed with the closing of their option contract on the old hospital and immediately start the design process for the Sheriff's Operation Center. Seconded by Commissioner Hanns

Chair McLaughlin asked the County Administrator when the BCC could see more specific numbers regarding this acquisition before he called the question.

County Administrator Coffey responded he believed the current numbers were pretty good, but the timeframe for looking at design could be nine months.

Chair McLaughlin called the question. Motion carried 4-1 with Commissioner Ericksen dissenting.

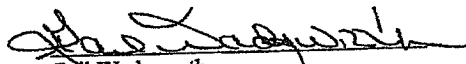
**ADJOURNMENT**

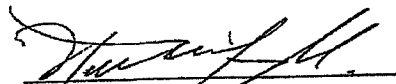
A motion was made by Commissioner Meeker to adjourn at 5:30 p.m. Seconded by Commissioner Ericksen.

APPROVED AND ADOPTED AUGUST 19, 2013

ATTEST:

FLAGLER COUNTY BOARD OF  
COUNTY COMMISSIONERS

  
Gail Wadsworth  
Clerk and Ex Officio Clerk to the Board

  
Nate McLaughlin  
Chair

**EXHIBIT C**

**EXHIBIT C**

Form **1120S**

**U.S. Income Tax Return for an S Corporation**

**2013**

Department of the Treasury  
Internal Revenue Service

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.  
Information about Form 1120S and its separate instructions is at [www.irs.gov/form1120s](http://www.irs.gov/form1120s).

For calendar year 2013 or tax year beginning \_\_\_\_\_, ending \_\_\_\_\_

A S election effective date <b>01/23/03</b>	TYPE  OR  PRINT	Name <b>FLAGLER CROSSROADS, INC.</b>	D Employer identification number <b>41-2076394</b>
B Business activity code number (see instructions) <b>531120</b>		Number, street, and room or suite no. If a P.O. box, see instructions. <b>880 AIRPORT ROAD, SUITE 108</b>	E Date incorporated <b>01/23/2003</b>
C Check if Sch. M-3 attached <input type="checkbox"/>		City or town, state or province, country, and ZIP or foreign postal code <b>ORMOND BEACH FL 32174</b>	F Total assets (see instructions) <b>\$ 0</b>

e Is the corporation electing to be an S corporation beginning with this tax year?  Yes  No If "Yes," attach Form 2553 if not already filed

H Check if: (1)  Final return (2)  Name change (3)  Address change (4)  Amended return (5)  S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year **3**

Caution. Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1a	Gross receipts or sales		1c	
	1b	Returns and allowances		2	
	2	Balance. Subtract line 1b from line 1a		3	
	3	Cost of goods sold (attach Form 1125-A)		4	<b>-791,217</b>
	4	Gross profit. Subtract line 2 from line 1c		5	
	5	Net gain (loss) from Form 4797, line 17 (attach Form 4797)		6	<b>-791,217</b>
Deductions (see instructions for limitations)	6	Total income (loss). Add lines 3 through 5		7	
	7	Compensation of officers (see instructions—attach Form 1125-E)		8	
	8	Salaries and wages (less employment credits)		9	
	9	Repairs and maintenance		10	
	10	Bad debts		11	
	11	Rents		12	<b>6,428</b>
	12	Taxes and licenses		13	
	13	Interest		14	<b>213</b>
	14	Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)		15	
	15	Depletion (Do not deduct oil and gas depletion.)		16	
	16	Advertising		17	
17	Pension, profit-sharing, etc., plans		18		
18	Employee benefit programs	<b>See Stmt 1</b>	19	<b>65,606</b>	
19	Other deductions (attach statement)		20	<b>72,247</b>	
20	Total deductions. Add lines 7 through 19		21	<b>-863,464</b>	
Tax and Payments	21	Ordinary business income (loss). Subtract line 20 from line 6		22a	
	22a	Excess net passive income or LIFO recapture tax (see instructions)		22b	
	b	Tax from Schedule D (Form 1120S)		22c	
	c	Add lines 22a and 22b (see instructions for additional taxes)		23a	
	23a	2013 estimated tax payments and 2012 overpayment credited to 2013		23b	
	b	Tax deposited with Form 7004		23c	
	c	Credit for federal tax paid on fuels (attach Form 4136)		23d	
	d	Add lines 23a through 23c		24	
	24	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>		25	
	25	Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed		26	
26	Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid		27	<b>Refunded</b>	
27	Enter amount from line 26 Credited to 2014 estimated tax				

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

**Sign Here** Signature of officer **BRUCE PAGE** Date \_\_\_\_\_ Title **OFFICER**

**Paid Preparer Use Only** Print/Type preparer's name **Gerald P. Keyes** Preparer's signature **Gerald P. Keyes** Date **01/29/14** Check  if self-employed PTIN **[REDACTED]**

Firm's name **Keyes, Stange & Wooten CPA Firm, LLC** Firm's EIN **20-0519183**

Firm's address **391 Palm Coast Pkwy SW Ste 3 Palm Coast, FL 32137-4766** Phone no. **386-446-1743**

For Paperwork Reduction Act Notice, see separate instructions.

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Form 1120S (2013) **FLAGLER CROSSROADS, INC.**

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17a Investment income	17a	13
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		

Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14i	18	-864,732
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Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash		22,425		
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)		1,696,184		
6 Other current assets (attach statement) Stmt 2				
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (attach statement)	4,882			
10a Buildings and other depreciable assets	3,388	1,494		
b Less accumulated depreciation				
11a Depletable assets				
b Less accumulated depletion		75,000		
12 Land (net of any amortization)	182,097			
13a Intangible assets (amortizable only)	661	181,436		
b Less accumulated amortization		110		
14 Other assets (attach statement) Stmt 3		1,976,649		0
15 Total assets				
<b>Liabilities and Shareholders' Equity</b>				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year		3,024		
18 Other current liabilities (attach statement) Stmt 4				
19 Loans from shareholders		1,119,939		
20 Mortgages, notes, bonds payable in 1 year or more				
21 Other liabilities (attach statement)				
22 Capital stock		1,546,500		
23 Additional paid-in capital		-692,814		0
24 Retained earnings				
25 Adjustments to shareholders' equity (attach statement)				
26 Less cost of treasury stock		1,976,649		0
27 Total liabilities and shareholders' equity				



Shareholder's Basis Worksheet Page 2

2013

Form 1120S  
Schedule K-1

For calendar year 2013 or tax year beginning

, ending

Taxpayer Identification Number  
41-2076394

Name  
FLAGLER CROSSROADS, INC.

BRUCE E PAGE

Loss Allocated to Stock and Loan Basis

	Suspended Losses	Current Year Loss	Total Loss	Percent	Allowed Stock Loss	Disallowed Loss	Percent	Allowed Loan Loss	Loss to Carryforward	Total Allowed Loss
Nondeductible noncap expenses										
Deductible items:										
Ordinary business loss		284,943	284,943	99.85	284,943					284,943
Net rental real estate loss										
Other net rental loss										
Short-term capital loss										
Long-term capital loss										
Net section 1231 loss		423	423	0.15	423					423
Other portfolio loss										
Other losses										
Section 179 expense										
Cash contributions (50%)										
Cash contributions (30%)										
Noncash contributions (50%)										
Qual conserv contrib (50%)										
Noncash contributions (30%)										
Cap gain prop 50% org (30%)										
Cap gain prop (20%)										
Qual conserv contrib (100%)										
Portfolio deductions (2% floor)										
Portfolio deductions (other)										
Investment interest expense										
Deductions-royalty income										
Section 59(e)(2) expend										
Preproductive period exp										
Commercial revitalization ded.										
Restoration expense ded										
Other deductions										
Foreign taxes										
Loss on disposal of 179 assets										
Total deductible items		285,366	285,366	100.00	285,366					285,366
Total nonded and deductible items		285,366	285,366		285,366					285,366

Note to shareholder: This worksheet was prepared based on corporation records. Please consult with your tax advisor for adjustments.

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**Schedule K-1  
(Form 1120S)**  
Department of the Treasury  
Internal Revenue Service

**2013**

Final K-1  Amended K-1

OMB No. 1545-0130

For calendar year 2013, or tax  
year beginning \_\_\_\_\_  
ending \_\_\_\_\_

**Shareholder's Share of Income, Deductions,  
Credits, etc.** ▶ See back of form and separate instructions.

<b>Part I Information About the Corporation</b>	
A Corporation's employer identification number <b>41-2076394</b>	
B Corporation's name, address, city, state, and ZIP code <b>FLAGLER CROSSROADS, INC.</b>  <b>880 AIRPORT ROAD, SUITE 108</b> <b>ORMOND BEACH FL 32174</b>	
C IRS Center where corporation filed return <b>e-file</b>	
<b>Part II Information About the Shareholder</b>	
D Shareholder's identifying number <b>[REDACTED]</b>	
E Shareholder's name, address, city, state, and ZIP code <b>BRUCE E PAGE</b> <b>1520 LAMBERT AVENUE</b>  <b>FLAGLER BEACH FL 32136</b>	
F Shareholder's percentage of stock ownership for tax year ..... <b>33.000000 %</b>	

<b>Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items</b>			
1	Ordinary business income (loss) <b>-284,943</b>	13	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income <b>5</b>		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss) <b>-423</b>		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
11	Section 179 deduction	16	Items affecting shareholder basis <b>D 5,760</b>
12	Other deductions		
		17	Other information <b>A 5</b>

\* See attached statement for additional information.

For IRS Use Only

**EXHIBIT D**

**EXHIBIT D**

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Bank's strategic location, and the abilities of the Organizers. Based upon the foregoing general assumptions, the Organizers believe that the Bank will be operating on a profitable basis within its first three years of operations. However, there can be no assurance that profitability will be achieved in the first three years, if at all.

Bank Premises

The Bank's main office will be located at 1290 NW Palm Coast Parkway, Palm Coast, Florida 32137. The Bank intends to construct a full service facility (up to 6,450 square feet, plus a drive through) on this lot. The Bank's directors have a contract to purchase this lot on behalf of the Bank. The lot, in addition to any improvements, will be sold to the Bank as soon as legally possible at the cost to the directors plus carrying costs and improvement costs in the interim. Upon completion of construction of the main office, the Bank intends to consolidate its staff and operations into the location.

The Bank also plans to open a branch office in its third year of operations near the main entrance of a large master planned community known as The Town Center Palm Coast. This location is approximately four miles south of the Bank's main office. The office will have full service staff, drive throughs and an ATM. Since the Bank has not entered into any agreements or received regulatory approvals relating to the proposed office, there is no assurance as to the opening of such branch office, the timing of any such opening, or whether the Bank will own or lease the facility. See "Use of Proceeds."

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**MANAGEMENT**

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Organizers and Directors

The following sets forth the name and occupation of the proposed Directors of the Bank and their proposed ownership of Common Stock assuming the sale of the minimum of 1,352,500 shares of Common Stock offered hereby. It is proposed that each of the individuals listed will serve as a Director of the Bank commencing with its opening. The following individuals serve as the Organizers of the Bank.

<u>Name and Address</u>	<u>Occupation</u>	<u>Number of Shares</u>	<u>Percent of Total Shares</u>
Albert W. Baylor 1860 Country Road 2006 Bunnell, FL 32110	Construction/Farming	50,000	3.70%

<u>Name and Address</u>	<u>Occupation</u>	<u>Number of Shares</u>	<u>Percent of Total Shares</u>
Michael D. Chiumento 4B Old Kings Road N. Palm Coast, Florida 32137	Attorney	50,000	3.70%
Samuel E. Cline Post Office Box 625 Bunnell, Florida 32110	Commercial and Marine Construction	30,000	2.22%
C. Scott Crews Post Office Box 69 Bunnell, Florida 32110	Retired	30,000	2.22%
Robert DeVore 64 Christopher Court Palm Coast, Florida 32137	Real Estate Development	25,000	1.85%
Thomas L. Gibbs 33 Sugar Mill Lane Flagler Beach, Florida 32136	Automobile	50,000	3.70%
Albert B. Johnston, Jr. Post Office Box 245 Bunnell, Florida 32110	Farmer	50,000	3.70%
Gerald P. Keyes 1 Florida Park Drive North Suite 107 Palm Coast, Florida 32137	CPA	50,000	3.70%
Michael Machin 129 Barrington Drive Palm Coast, Florida 32137	Construction/Development	25,000	1.85%
Bruce E. Page 1520 Lambert Avenue Flagler Beach, Florida 32136	Banker	50,000	3.70%
	Totals	<u>410,000</u>	<u>30.31%</u>

(1) The proposed ownership indicated is based upon the sale of the minimum number of shares in this Offering. There can be no assurance that such persons will purchase the amount of shares so indicated.

**INTRACOASTAL BANK**  
(In Organization)  
50 Leanni Way, Suite C-3  
Palm Coast, Florida 32137

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**STOCK SUBSCRIPTION AGREEMENT**

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To the Organizers and Directors:

The undersigned ("Subscriber") having read the Offering Circular dated August 15, 2007 of Intracoastal Bank (In Organization) (the "Bank"), and in sole reliance on the information contained therein, hereby subscribes for and agrees to purchase the number of shares of Common Stock of the Bank at \$10.00 per share indicated on page 4 of this Subscription Agreement. The minimum subscription that will be accepted is for 10,000 shares (\$100,000) and the maximum subscription that will be accepted from any individual who is not a Bank director, or affiliated group is 25,000 shares (\$250,000), unless otherwise waived by the Bank.

The Subscriber hereby certifies that the shares are subscribed in good faith in the Subscriber's own right and that the Subscriber is not acting as agent or attorney for any undisclosed individual or entity.

The undersigned encloses herewith a check or checks payable to "Independent Bankers' Bank of Florida, Escrow Agent" in an amount equal to \$10.00 for each share subscribed. The amounts payable by check are referred to in this Subscription Agreement as the "Subscription Funds." The Subscription Funds will be held in a separate escrow account maintained by the Escrow Agent. If an aggregate of 1,352,500 shares are subscribed and paid for on or prior to the termination of the Offering (as referred to in the accompanying Offering Circular), and the Bank elects to close on the sale of the shares, the Subscriber understands that the Subscriber's Subscription Funds will be delivered by the Escrow Agent to the Bank in payment of the Subscriber's required subscription payment. As soon as practicable after the sale of the shares, the shares registered in the name of the Subscriber, together with a copy of the Subscription Agreement executed by the Bank, will be delivered to the Subscriber at the address set forth at the end of this Subscription Agreement.

If for any reason the Bank does not open for business and the Offering is terminated or withdrawn and no shares are sold, then the cash paid by the Subscriber for shares will be returned without interest or deduction. The Bank will not pay to the Subscriber any interest on the Subscriber's subscription proceeds, including if the Bank opens for business.

The Subscriber understands that the Bank's Organizers reserve the right to reject in whole or in part any offers to subscribe and to allocate a lesser number of shares to the Subscriber in the event of oversubscription. The Subscriber also understands that until the date the Bank commences operations, the Bank's Organizers have the right to return in full the subscription amounts paid, thereby cancelling this Subscription Agreement.

The Subscriber's right in and under this Stock Subscription Agreement may not be assigned, transferred, or otherwise hypothecated or alienated without prior approval of the Bank's Organizers.

The Subscriber understands that the Bank intends to file an election with the Internal Revenue Service to have the Bank treated as an S Corporation under the Internal Revenue Code. The Subscriber also understands that this election must be signed by each shareholder of the Bank. Accordingly, the Subscriber also has attached to this Subscription Agreement a completed Counterpart Signature Page to S Corporation Election Form. In addition to signing the election, each Bank shareholder also must maintain eligibility to hold S Corporation stock. The Subscriber also understands that if the Bank shares are ever transferred by a Bank shareholder to a holder who is not eligible to own S Corporation stock, then the Bank's S Corporation election will terminate. Accordingly, the Subscriber understands the Bank is requiring each Bank shareholder to sign a form of this Subscription Agreement which will serve as an agreement between the Bank and the shareholder as to the shares of Common Stock owned by the shareholder, in order to preserve for the Bank and its shareholders the benefits of the S Corporation election.

The Subscriber hereby represents, warrants and agrees to the Bank and the Bank shareholders as follows:

1. The Subscriber is eligible to hold and own shares of an S Corporation under the Internal Revenue Code.
2. The Subscriber will promptly sign any additional forms to be filed by the Bank with the Internal Revenue Service in connection with the Bank's S Corporation election under the Internal Revenue Code.
3. The Bank shares owned by the Subscriber (the "Shares") will not be transferred to any individual who is not eligible to own S Corporation stock. Prior to transferring any of the Shares, the Subscriber will provide to the President of the Bank such documentation as the Bank in its sole discretion may require in order to assure that the proposed transfer is to an individual who is eligible to hold S Corporation stock. If the individual is not so eligible, the Subscriber will not transfer the Shares. The Subscriber understands that the Shares may not be transferred by the Subscriber to any entity, including any trust.
4. The Subscriber understands that an S Corporation can have only a limited number of shareholders. As a result, the Subscriber understands that there may be circumstances where the Subscriber would like to transfer all or any part of the Shares to a person eligible to own S Corporation stock, but the Subscriber's transfer, either alone or in combination with other transfers, may cause the number of Bank shareholders to exceed the limitation on the number of S Corporation shareholders deemed appropriate by the Bank. The Subscriber agrees that (unless otherwise agreed to by the Bank) the Subscriber will not transfer Subscriber's Shares unless, following the Subscriber's transfer of shares, the number of Bank shareholders under the Federal tax laws will not increase. The Subscriber also understands that prior to registering any transfer of the Subscriber's Shares the Bank has the right to request from the Subscriber's attorney a legal opinion that the transfer of Shares is in compliance with the terms of this agreement, including that the transferee is an individual eligible to own S Corporation stock.

5. The Subscriber understands that this agreement is irrevocable and will survive the Subscriber's death or disability and will be binding upon the Subscriber's heirs, executors, administrators and permitted successors and assigns. The Subscriber understands that any permitted transferee of the Shares will take such Shares subject to the terms of this agreement and must enter into an agreement with the Bank similar to this agreement prior to the Bank registering any transfer of the Shares.
6. The Subscriber understands that the certificates for the Subscriber's Shares will be legended to reflect the agreements and restrictions on the transfer of the Subscriber's Shares set forth in this letter, and that the Bank will not register or recognize any transfer of the Shares in violation of this agreement. The Subscriber agrees to promptly deliver to the Bank upon request by the Bank all certificates for the Subscriber's Shares in order that the Bank may place a legend on each such certificate in accordance with the foregoing.
7. The Subscriber either alone or with the Subscriber's purchaser representative(s) has the knowledge and experience in financial and business matters that the Subscriber is capable of evaluating the merits and risks of the purchase of the Shares.
8. The Subscriber understands that if the Bank, by the affirmative vote of at least two-thirds of its directors then holding office, and the shareholders of the Bank by the affirmative vote of at least two-thirds of the then issued and outstanding Shares of the Bank, decide to terminate the S Corporation election, the Subscriber will be provided a written notice of such determination. Within 60 days after delivery of such notice, the Subscriber, if requested, will sign and deliver a consent to such revocation to the President of the Bank in the form prescribed by the Internal Revenue Service or the State Department of Revenue, or both, as the case may be.
9. The Subscriber understands the consequences of the agreements set forth in this letter and will indemnify the Bank and its directors, officers and agents from and against all claims, damages, losses, costs and expenses (including reasonable attorneys' fees) which they may incur, directly or indirectly, by reason of the failure by the Subscriber to fulfill any of the terms and conditions of this agreement.

**PLEASE RETURN THIS SUBSCRIPTION AGREEMENT TO:**

**Intracoastal Bank (In Organization)  
50 Leanni Way, Suite C-3  
Palm Coast, Florida 32137  
Attn: Bruce E. Page  
President and Chief Executive Officer**



SHARES SUBSCRIBED; PAYMENT

STEP ONE: SHARES SUBSCRIBED: The undersigned hereby subscribes for the following number of shares of Common Stock:

10,000 shares

STEP TWO: AMOUNT OF PAYMENT: The undersigned encloses herewith a check payable to "Independent Bankers' Bank of Florida, ESCROW AGENT" in the following amount (number of shares subscribed for times \$10.00 per share equals amount of payment):

\$100,000

STEP THREE: FORM OF PAYMENT: The form of payment enclosed is indicated by the box checked below:

uncertified check  certified or cashier's check  wire transfer

STEP FOUR: TYPE OF OWNERSHIP: The form of ownership of the Common Stock by the Subscriber is indicated by the box checked below:

- Subscribing individually
Subscribing as Joint Tenants with Right of Survivorship
Subscribing as Tenants in Common
Subscribing as Tenants by the Entirety
Other qualifying entity
Subscribing as Custodian for under the Uniform Gift to Minors Act

STEP FIVE: SIGNATURE: IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement on this 22 day of August, 2007. (Please sign in exact name(s) of Subscriber(s). If subscribing as Joint Tenants with Right of Survivorship or Tenants in Common or Tenants by the Entirety, all must sign below.)

By: Barbara S. Revels
Printed Name of Subscriber Trustee

Printed Name of Subscriber

P.O. Box 434

Flagler Beach, FL 32136
(Address)

(Address)

By: Barbara S. Revels
Signature Trustee

By: Signature

386-439-3130
Daytime Phone Number

Daytime Phone Number

Social Security Number

Social Security Number

ACCEPTED:

INTRACOASTAL BANK (In Organization)

By: [Signature]

As Its: LFO

Date: 9-30, 2007.6

#113

023

Intra-coastal Bank  
 1290 NW Palm Coast Pkwy.  
 Palm Coast, FL 32137



Name and address of each shareholder or former shareholder required to consent to the election. (See the instructions for column K)  If more than 100 shareholders are listed, check the box if treating members of a family as one shareholder (see test 2 under Who May Elect in the instructions)	K Shareholder Consent Statement Under penalties of perjury, we declare that we consent to the election of the above-named corporation to be an S corporation under section 1362(a) and that we have examined this consent statement, including accompanying schedules and statements, and to the best of our knowledge and belief, it is true, correct, and complete. We understand this consent is binding and may not be withdrawn after the corporation has made a valid election. (Sign and date below.)		L Stock owned or percentage of ownership (see instructions)		M Social security number or employer identification number (see instructions)	N Shareholder's tax year ends (month and day)
	Signature	Date	Number of shares or percentage of ownership	Date(s) acquired		
Barbara Reynolds Revocable Trust P.O. Box 434 Palm Beach, FL 32136	* Barbara Skene Trustee	3/22/07	10,000	2/22/08	[Redacted]	12/31

Under penalties of perjury, I declare that I have examined this election, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of officer: *[Signature]* Title: CFO

Date: 9-30-07


Wilson



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**INTRACOASTAL BANK (In Organization)  
COMMON STOCK OFFERING**

**Subscription Instructions**

1. **Read Offering Circular:** Read and carefully consider the Offering Circular. 
2. **Pay for Shares:** Have a check issued payable to "Independent Bankers' Bank of Florida, Escrow Agent" in an amount equal to the number of shares purchased multiplied by \$10.00 per share. If paying by wire transfer, please use the following wire transfer instructions:  

Independent Bankers Bank of Florida  
615 Crescent Executive Court, Suite 400  
Lake Mary, FL 32746  
Routing #:   
For the benefit of: Intracoastal Bank (I.O.)  
Escrow Account#: 
3. **Complete/Sign Subscription Agreement:** Complete and sign the Subscription Agreement.
4. **Complete/Sign the attached Counterpart Signature Page to S Corporation Election Form (page 5).** If subscribing in joint names, both individuals must sign the form.
5. **Mail Subscription Documents and Payment to:** Intracoastal Bank (In Organization), 50 Leanni Way, Suite C-3, Palm Coast, Florida 32137, Attention: Bruce E. Page.
6. **Questions:** If you have questions about how to subscribe for Shares, please call Bruce E. Page (386) 447-1662.

**EXHIBIT E**

**EXHIBIT E**

Uniform Residential Appraisal Report

File No. 713-21

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address **364 S 22nd St** City **Flagler Beach** State **FL** Zip Code **32136**  
 Borrower **Revels** Owner of Public Record **Revels** County **Flagler**  
 Legal Description **Morningside Sub. Block 33, Lots 4-7.**  
 Assessor's Parcel # **19-12-32-4550-00330-0040** Tax Year **2012** R.E. Taxes \$ **7,141**  
 Neighborhood Name **Flagler Beach** Map Reference **MSA 2020** Census Tract **603**  
 Occupant  Owner  Tenant  Vacant Special Assessments \$ **0** PUD  HOA \$ **0** per year  per month  
 Property Rights Appraised  Fee Simple  Leasehold  Other (describe)  
 Assignment Type  Purchase Transaction  Refinance Transaction  Other (describe)  
 Lender/Client **Intracoastal Bank** Address **1290 Palm Coast Pkwy, NW, Palm Coast, FL 32137**  
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal?  Yes  No  
 Report date source(s) used, offering price(s), and date(s). **Not listed**

I did  did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price \$ \_\_\_\_\_ Date of Contract \_\_\_\_\_ Is the property seller the owner of public record?  Yes  No Data Source(s) \_\_\_\_\_  
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower?  Yes  No  
 If Yes, report the total dollar amount and describe the items to be paid. \$0;

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends			One-Unit Housing		Present Land Use %	
Location	<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	70 %	
Build-Up	<input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$(000)	(yrs)	2-4 Unit	6 %	
Growth	<input type="checkbox"/> Rapid <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	56 Low	0	Multi-Family	%	
Neighborhood Boundaries	<b>Atlantic Ocean to the east, Painters Hill to the north, Flagler County line to the south and John Anderson Highway to the West. All of Flagler Beach</b>			1500 High	70	Commercial	20 %	
Neighborhood Description	<b>See Attached Addendum</b>			325 Pred.	35	Other Public	5 %	

Market Conditions (including support for the above conclusions) **See Attached Addendum**

Dimensions **240 x 173** Area **41520 sq ft** Shape **Rectangular** View **B-Marsh/Preserve**  
 Specific Zoning Classification **SFR** Zoning Description **Single Family Residential**  
 Zoning Compliance  Legal  Legal Nonconforming (Grandfathered Use)  No Zoning  Illegal (describe)  
 Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use?  Yes  No If No, describe.

Utilities Public Other (describe) \_\_\_\_\_ Public Other (describe) \_\_\_\_\_ Off-site Improvements - Type Public Private  
 Electricity  One  Water  Street **Asphalt**   
 Gas  Tank for FP, Stove Sanitary Sewer  Alley **None**  
 FEMA Special Flood Hazard Area  Yes  No FEMA Flood Zone **AE** FEMA Map # **120035C-0232D** FEMA Map Date **07/17/2006**  
 Are the utilities and off-site improvements typical for the market area?  Yes  No If No, describe.  
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?  Yes  No If Yes, describe. **See Attached Addendum**

GENERAL DESCRIPTION		FOUNDATION		EXTERIOR DESCRIPTION materials/condition		INTERIOR materials/condition	
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	Foundation Walls	<b>Frame / Gd</b>	Floors	<b>Wood, Tile / Gd</b>		
# of Stories <b>3</b>	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	<b>Cedar / Gd</b>	Walls	<b>Drywall, Paper / G</b>		
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Basement Area <b>0 sq. ft.</b>	Roof Surface	<b>Metal / Gd</b>	Trim/Finish	<b>Wood / Gd</b>		
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish <b>0 %</b>	Gutters & Downspouts	<b>Aluminum / Gd</b>	Bath Floor	<b>Tile / Gd</b>		
Design (Style) <b>Contemp</b>	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	<b>Anderson / Gd</b>	Bath Wainscot	<b>Tile/marble / Gd</b>		
Year Built <b>1995</b>	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	<b>Yes / Yes / Gd</b>	Car Storage	<b>None</b>		
Effective Age (Yrs) <b>10-12</b>	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	<b>Yes / Gd</b>	<input checked="" type="checkbox"/> Driveway # of Cars <b>3</b>			
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Wood Stove(s) # <b>0</b>	Driveway Surface	<b>Concrete</b>		
<input checked="" type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other <input type="checkbox"/> Fuel Elect	<input checked="" type="checkbox"/> Fireplace(s) # <b>2</b>	<input type="checkbox"/> Fence <b>None</b>	<input checked="" type="checkbox"/> Garage # of Cars <b>3</b>			
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input checked="" type="checkbox"/> Patio/Deck <b>Open</b>	<input type="checkbox"/> Porch <b>None</b>	<input type="checkbox"/> Carport # of Cars <b>0</b>			
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool <b>None</b>	<input type="checkbox"/> Other <b>None</b>	<input checked="" type="checkbox"/> Alt. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in			
Appliances <input type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other (describe)	Finished area above grade contains: <b>7 Rooms 3 Bedrooms 4.0 Bath(s) 3,541 Square Feet of Gross Living Area Above Grade</b>						
Additional features (special energy efficient items, etc.) <b>See Attached Addendum</b>							

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). **C3; No updates in the prior 15 years; No external inadequacies were noted during the site inspection. The subject appears to be in good condition. The utilities were on at the time of the inspection and appear to be in working order, although the appraiser is NOT a home inspector. It should be noted that the house was built in three phases. 1991 the garage and living area above, 1995 the kitchen, laundry and bedroom, 2002 the living room and master suite were added on. For the purposes of this report the 1995 date was used as the year built.**  
 Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?  Yes  No If Yes, describe. **None Known. The appraiser is not an engineer or contractor and is not qualified to comment on the soundness or structural integrity of the property.**

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?  Yes  No If No, describe **Yes it does conform, yet it is one of a kind in terms of size and style. There are other stilt homes in the area but none are of this size. The foundation above was noted as a crawl space as there is no category for a stilt house and UAD does not allow variations.**

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Uniform Residential Appraisal Report

File No 713-21

There are 12 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 479,000 to \$ 1,389,000.

There are 8 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 295,000 to \$ 850,000.

FEATURE	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
354 S 22nd St		1915 N Oceanshore Blvd	608 Riverview Rd	2728 S Oceanshore Blvd
Address	Flagler Beach, FL 32136	Flagler Beach, FL 32136	Flagler Beach, FL 32136	Flagler Beach, FL 32136
Proximity to Subject		3.42 miles NNW	0.84 miles SSE	0.98 miles SE
Sale Price	\$	\$ 475,000	\$ 649,000	\$ 477,500
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 211.49 sq. ft.	\$ 196.67 sq. ft.	\$ 152.95 sq. ft.
Data Source(s)		FCMLS#191825;DOM 136	FCMLS#189321;DOM 253	FCMLS#187873;DOM 154
Verification Source(s)		FCPAO / Inspection	FCPAO / Observation	FCPAO / Inspection
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sale or Financing Concessions		Armlth Conv;0	Armlth Conv;0	Armlth Cash;0
Date of Sale/Time		s02/13;unk	s04/13;unk	s09/12;unk
Location	B;Beachside;	B;Beachside;	B;Beachside;	B;Beachside;
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	41520 sf	5500 sf	12420 sf	10018 sf
View	B;MarshPresrve;	B;LmtdOcnVw; 25,000	B;Lake/LmtdRvr; 50,000	B;LmtdOcnVw; 25,000
Deacon (Style)	Contemp	Contemp	Contemp	Contemp
Quality of Construction	Q2	Q2	Q2	Q2
Actual Age	18	11 -31,500	15 -13,500	14 -18,000
Condition	C3	C3	C3	C3
Above Grade Room Count	Total Bdrms: 7 Baths: 3 4.0	Total Bdrms: 7 Baths: 3 2.1	Total Bdrms: 8 Baths: 5 4.1	Total Bdrms: 7 Baths: 3 2.1
Gross Living Area 60	3,541 sq. ft.	2,246 sq. ft.	3,300 sq. ft.	3,122 sq. ft.
Basement & Finished Rooms Below Grade	0sf	0sf	0sf	0sf
Functional Utility	Good	Good	Good	Good
Heating/Cooling	Central	Central	Central	Central
Energy Efficient Items	See page one	See comments 0	See comments 0	See comments 0
Garage/Carport	3 Car Garage	2 Car Garage 10,000	4 Car Garage 0	2 Car Garage 10,000
Porch/Patio/Deck	Decks, 2 F/P	Decks, 1 FP 2,500	No FP 5,000	Decks, Patio No FP 5,000
	No Pool	No Pool	Sc.Pool.Patio -30,000	No Pool
			Dock/Lift -25,000	
Net Adjustment (Total)		[X] + [ ] - \$ 98,700	[ ] + [X] - \$ 4,000	[X] + [ ] - \$ 82,140
Adjusted Sale Price of Comparables		Net Adj. 21% % Gross Adj. 34% % \$ 573,700	Net Adj. -0.6 % Gross Adj. 22.03% % \$ 645,000	Net Adj. 13.0% % Gross Adj. 20.6% % \$ 539,840

1  did  did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research  did  did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data source(s) MLS/Public records

My research  did  did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data source(s) MLS/Public records

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Date of Prior Sale/Transfer				
Price of Prior Sale/Transfer				
Data Source(s)	Public Records	Public Records	Public-Records	Public Records
Effective Date of Data Source(s)	07/25/2013	07/25/2013	07/25/2013	07/25/2013

Analysis of prior sale or transfer history of the subject property and comparable sales 1-3 are closed sales.

Summary of Sales Comparison Approach. See Attached Addendum

Indicated Value by Sales Comparison Approach \$ 550,000

Indicated Value by: Sales Comparison Approach \$ 550,000 Cost Approach (if developed) \$ 639,000 Income Approach (if developed) \$ 0

All three approaches to value were considered but only the Cost and Sales Approach could be developed. There was insufficient data for the development and support of the Income Approach to value as houses of this size and quality are not typically purchased for their income potential.

This appraisal is made  "as is,"  subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed,  subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or  subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: See Attached Addendum.

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 550,000 as of 07/17/2013, which is the date of inspection and the effective date of this appraisal.

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Uniform Residential Appraisal Report

File No. 713-21

**Clarification of Intended Use and Intended User:**

The Intended User of this appraisal report is the Lender/Client. No additional Intended Users are identified by the appraiser.

The Intended Use is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value.

The inspection of the subject dwelling consisted of measuring the exterior of the building as well as the garage and porch amenity. Observation of the quality and condition were noted along with the level of deferred maintenance. The interior inspection included observation of the overall quality and condition of the dwelling. The appraiser did NOT observe the attic. The inspection is limited to those things that are readily observable without the use of special testing or equipment. The appraiser may have used plans, specifications, photographs, owner records and/or property sketches provided at the time of the inspection. The primary reason for the inspection is to gather information about the characteristics of the property that are relevant to its value.

No, employee, director, officer or agent of the lender, or any other third party acting as a Joint venture partner, independent contractor, appraisal Management Company, or partner on behalf of the lender has influenced or attempted to influence the development, reporting, result or review of this assignment through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery or in any other manner. I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of the report), borrower, or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally, via phone or electronically to the client.

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) A search of both public records and MLS found listings and sales of land that backs to the marsh. Prices range from \$59,900 for a single site with 10,500 sf to \$149,000+ for approximately 1 acre on the marsh. Data is retained in the file.

COST APPROACH

ESTIMATED	<input type="checkbox"/> REPRODUCTION OR	<input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	125,000
Source of cost data	Files		Dwelling	3,541 Sq. Ft. @ \$ 135	= \$ 478,035
Quality rating from cost service	Q2	Effective date of cost data		Sq. Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Decks, 2 FP,				50,000
Effective age/life depreciation. The cost approach to value is NOT intended to be used for insurance purposes. "As is" site improvements include drive, walks, landscape, sod, impact fees.	Garage/Carport 1,057		Sq. Ft. @ \$ 35.00	= \$	36,995
	Total Estimate of Cost-New			= \$	565,030
	Less	Physical	Functional	External	
	Depreciation	\$81,000			= \$ ( 81,000)
	Depreciated Cost of Improvements				= \$ 484,030
	"As-is" Value of Site Improvements				= \$ 30,000
Estimated Remaining Economic Life (HUD and VA only)	50 Years	INDICATED VALUE BY COST APPROACH		= \$	639,000

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ 0 X Gross Rent Multiplier 0 = \$ 0 Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) The Income Approach to value was not developed since the neighborhood is predominantly owner occupied.

INCOME

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)?  Yes  No Unit type(s)  Detached  Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal name of project \_\_\_\_\_

Total number of phases	Total number of units	Total number of units sold
Total number of units rented	Total number of units for sale	Data source(s)

Was the project created by the conversion of an existing building(s) into a PUD?  Yes  No If Yes, date of conversion: \_\_\_\_\_

Does the project contain any multi-dwelling units?  Yes  No Data source(s) \_\_\_\_\_

Are the units, common elements, and recreation facilities complete?  Yes  No If No, describe the status of completion: \_\_\_\_\_

Are the common elements leased to or by the Homeowners' Association?  Yes  No If Yes, describe the rental terms and options: \_\_\_\_\_

Describe common elements and recreational facilities: \_\_\_\_\_

PUD INFORMATION

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**EXHIBIT F**

**EXHIBIT F**





[Sales In Area](#)      [Previous Parcel](#)      [Next Parcel](#)      [Return to Main Search](#)      [Flagler Home](#)

**Property Record Card**

**Owner and Parcel Information**

<b>Owner Name</b>	REVELS BARBARA S LIFE ESTATE	<b>Today's Date</b>	October 13, 2014
<b>Mailing Address</b>	P O BOX 434	<b>Parcel Number</b>	19-12-32-4550-00330-0040
	FLAGLER BEACH, FL 32136	<b>Tax District</b>	FLAGLER BEACH AREA (District 21)
<b>Location Address</b>	354 22ND ST S	<b>2013 Millage Rates</b>	21.96840
<b>Property Usage</b>	SINGLE FAM (000100)	<b>Homestead</b>	Y

[Tax Collector Bill](#) | [Show Parcel Maps](#) | [Generate Owner List By Radius](#) | [Show Assessment Notice](#) | [Show Historical Assessments](#)

**Value Information**

**Legal Information**

	2012 Certified Values	2013 Certified Values	2014 Proposed Values
<b>Building Value</b>	\$241,240	\$249,933	\$307,953
<b>Extra Feature Value</b>	\$11,422	\$12,021	\$13,248
<b>Land Value</b>	\$122,542	\$128,542	\$145,792
<b>Land Agricultural Value</b>	\$0	\$0	\$0
<b>Agricultural (Market) Value</b>	\$0	\$0	\$0
<b>Just (Market) Value*</b>	\$375,204	\$390,496	\$466,993
<b>Assessed Value</b>	\$375,204	\$381,582	\$387,306
<b>Exempt Value</b>	\$50,000	\$50,000	\$50,000
<b>Taxable Value</b>	\$325,204	\$331,582	\$337,306
<b>Protected Value</b>	\$0	\$8,914	\$79,687

MORNINGSIDE SUB DIV BL-33 LOTS4 - 7, LOT 9 & LOTS 17 & 18 BLK 31 FUQUAY SUBD OR 272/42 OR 329/685 OR 335/ 254-CD OR 335/256 OR 444/ 1002 (ESMNT ON LOT 4) OR 447/29-FPL ESMT NLY 10' LOT 4 OR 632/395-REVELS TRUST OR 1484/1643-RDMAN REVELS TRUST OR 1670/364-CD

The legal description shown here may be condensed for assessment purposes. Exact description should be obtained from the recorded deed.

\*Just (Market) Value\* description - This is the value established by the Property Appraiser for ad valorem purposes. This value does not represent anticipated selling price.

**Building Information**

<b>Type</b>	<b>Effective Area</b>	<b>Living Area</b>	<b>Exterior Wall</b>	<b>Roof Cover</b>	<b>Interior Wall</b>
SINGLE FAM	4,193	3,431	WD SIDING	ANOD GALV	DRYWALL
<b>Baths</b>	<b>Heating Type</b>	<b>A/C Type</b>	<b>Flooring</b>	<b>Actual Year Built/Effective Year Built</b>	<b>Sketch Building</b>
4	FO AIR DCT	CENTRAL	HARDWOOD / CERA/CLAY	1991 / 1991	<a href="#">Show Building Sketch</a>

**Extra Features Data**

Description	Units	Effective Year Built
CONCRETE DW	1,500 SF	1991
CONCRETE WW	90 SF	1991
FIREPLACE-C	1 UT	1991
STORAGE BLDG	96 SF	1994
FIREPLACE-A	1 UT	2002
BOAT DOCK AVG.COST	600 SF	2002
BRICK WW	50 SF	2002
CONC. PATIO	600 SF	1991

**Sale Information**

Sale Date	Sale Price	Instrument	Deed Book	Deed Page	Sale Qualification	Vacant or Improved	Grantor
10-01-1998		N/A	632	395	Unqualified	Improved	REVELS BARBARA S
12-01-1987	\$ 25,000	N/A	335	256	Qualified	Vacant	
11-01-1987	\$ 100	N/A	329	685	Unqualified	Vacant	
12-01-1985		N/A	272	42	Unqualified	Vacant	
02-01-1900	\$ 277,783	N/A	0	0	Qualified	Vacant	CONVERSION
01-01-1900	\$ 403,375	N/A	0	0	Qualified	Vacant	CONVERSION

**Land Information**

For land plat information see [Flagler Clerk of Court Website](#)

The Flagler County Property Appraiser's Office makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The Senior Exemption Does Not Apply to All Taxing Authorities. Just (Market) Value is established by the Property Appraiser for ad valorem tax purposes. It does not represent anticipated selling price. Working values are subject to change. Website Updated: October 8, 2014

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**EXHIBIT G**



Select Year:  

## The 2014 Florida Statutes

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Title X  
PUBLIC OFFICERS, EMPLOYEES,  
AND RECORDS

Chapter 112  
PUBLIC OFFICERS AND EMPLOYEES:  
GENERAL PROVISIONS

View Entire  
Chapter

### 112.313 Standards of conduct for public officers, employees of agencies, and local government attorneys.—

(1) DEFINITION.—As used in this section, unless the context otherwise requires, the term “public officer” includes any person elected or appointed to hold office in any agency, including any person serving on an advisory body.

(2) SOLICITATION OR ACCEPTANCE OF GIFTS.—No public officer, employee of an agency, local government attorney, or candidate for nomination or election shall solicit or accept anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor, or service, based upon any understanding that the vote, official action, or judgment of the public officer, employee, local government attorney, or candidate would be influenced thereby.

(3) DOING BUSINESS WITH ONE’S AGENCY.—No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer’s or employee’s spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or the officer’s or employee’s spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer’s or employee’s own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision. The foregoing shall not apply to district offices maintained by legislators when such offices are located in the legislator’s place of business or when such offices are on property wholly or partially owned by the legislator. This subsection shall not affect or be construed to prohibit contracts entered into prior to:

- (a) October 1, 1975.
- (b) Qualification for elective office.
- (c) Appointment to public office.
- (d) Beginning public employment.

(4) UNAUTHORIZED COMPENSATION.—No public officer, employee of an agency, or local government attorney or his or her spouse or minor child shall, at any time, accept any compensation, payment, or thing of value when such public officer, employee, or local government attorney knows, or, with the exercise of reasonable care, should know, that it was given to influence a vote or other action in which the officer, employee, or local government attorney was expected to participate in his or her official capacity.

(5) SALARY AND EXPENSES.—No public officer shall be prohibited from voting on a matter affecting his or her salary, expenses, or other compensation as a public officer, as provided by law. No local government attorney shall be prevented from considering any matter affecting his or her salary, expenses, or other

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compensation as the local government attorney, as provided by law.

(6) MISUSE OF PUBLIC POSITION.—No public officer, employee of an agency, or local government attorney shall corruptly use or attempt to use his or her official position or any property or resource which may be within his or her trust, or perform his or her official duties, to secure a special privilege, benefit, or exemption for himself, herself, or others. This section shall not be construed to conflict with s. 104.31.

(7) CONFLICTING EMPLOYMENT OR CONTRACTUAL RELATIONSHIP.—

(a) No public officer or employee of an agency shall have or hold any employment or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, an agency of which he or she is an officer or employee, excluding those organizations and their officers who, when acting in their official capacity, enter into or negotiate a collective bargaining contract with the state or any municipality, county, or other political subdivision of the state; nor shall an officer or employee of an agency have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or that would impede the full and faithful discharge of his or her public duties.

1. When the agency referred to is that certain kind of special tax district created by general or special law and is limited specifically to constructing, maintaining, managing, and financing improvements in the land area over which the agency has jurisdiction, or when the agency has been organized pursuant to chapter 298, then employment with, or entering into a contractual relationship with, such business entity by a public officer or employee of such agency shall not be prohibited by this subsection or be deemed a conflict per se. However, conduct by such officer or employee that is prohibited by, or otherwise frustrates the intent of, this section shall be deemed a conflict of interest in violation of the standards of conduct set forth by this section.

2. When the agency referred to is a legislative body and the regulatory power over the business entity resides in another agency, or when the regulatory power which the legislative body exercises over the business entity or agency is strictly through the enactment of laws or ordinances, then employment or a contractual relationship with such business entity by a public officer or employee of a legislative body shall not be prohibited by this subsection or be deemed a conflict.

(b) This subsection shall not prohibit a public officer or employee from practicing in a particular profession or occupation when such practice by persons holding such public office or employment is required or permitted by law or ordinance.

(8) DISCLOSURE OR USE OF CERTAIN INFORMATION.—A current or former public officer, employee of an agency, or local government attorney may not disclose or use information not available to members of the general public and gained by reason of his or her official position, except for information relating exclusively to governmental practices, for his or her personal gain or benefit or for the personal gain or benefit of any other person or business entity.

(9) POSTEMPLOYMENT RESTRICTIONS; STANDARDS OF CONDUCT FOR LEGISLATORS AND LEGISLATIVE EMPLOYEES.—

(a)1. It is the intent of the Legislature to implement by statute the provisions of s. 8(e), Art. II of the State Constitution relating to legislators, statewide elected officers, appointed state officers, and designated public employees.

2. As used in this paragraph:

a. "Employee" means:

(l) Any person employed in the executive or legislative branch of government holding a position in the Senior Management Service as defined in s. 110.402 or any person holding a position in the Selected Exempt Service as defined in s. 110.602 or any person having authority over policy or procurement employed by the

Department of the Lottery.

(II) The Auditor General, the director of the Office of Program Policy Analysis and Government Accountability, the Sergeant at Arms and Secretary of the Senate, and the Sergeant at Arms and Clerk of the House of Representatives.

(III) The executive director and deputy executive director of the Commission on Ethics.

(IV) An executive director, staff director, or deputy staff director of each joint committee, standing committee, or select committee of the Legislature; an executive director, staff director, executive assistant, analyst, or attorney of the Office of the President of the Senate, the Office of the Speaker of the House of Representatives, the Senate Majority Party Office, Senate Minority Party Office, House Majority Party Office, or House Minority Party Office; or any person, hired on a contractual basis, having the power normally conferred upon such persons, by whatever title.

(V) The Chancellor and Vice Chancellors of the State University System; the general counsel to the Board of Governors of the State University System; and the president, provost, vice presidents, and deans of each state university.

(VI) Any person, including an other-personal-services employee, having the power normally conferred upon the positions referenced in this sub-subparagraph.

b. "Appointed state officer" means any member of an appointive board, commission, committee, council, or authority of the executive or legislative branch of state government whose powers, jurisdiction, and authority are not solely advisory and include the final determination or adjudication of any personal or property rights, duties, or obligations, other than those relative to its internal operations.

c. "State agency" means an entity of the legislative, executive, or judicial branch of state government over which the Legislature exercises plenary budgetary and statutory control.

3.a. No member of the Legislature, appointed state officer, or statewide elected officer shall personally represent another person or entity for compensation before the government body or agency of which the individual was an officer or member for a period of 2 years following vacation of office. No member of the Legislature shall personally represent another person or entity for compensation during his or her term of office before any state agency other than judicial tribunals or in settlement negotiations after the filing of a lawsuit.

b. For a period of 2 years following vacation of office, a former member of the Legislature may not act as a lobbyist for compensation before an executive branch agency, agency official, or employee. The terms used in this sub-subparagraph have the same meanings as provided in s. 112.3215.

4. An agency employee, including an agency employee who was employed on July 1, 2001, in a Career Service System position that was transferred to the Selected Exempt Service System under chapter 2001-43, Laws of Florida, may not personally represent another person or entity for compensation before the agency with which he or she was employed for a period of 2 years following vacation of position, unless employed by another agency of state government.

5. Any person violating this paragraph shall be subject to the penalties provided in s. 112.317 and a civil penalty of an amount equal to the compensation which the person receives for the prohibited conduct.

6. This paragraph is not applicable to:

a. A person employed by the Legislature or other agency prior to July 1, 1989;

b. A person who was employed by the Legislature or other agency on July 1, 1989, whether or not the person was a defined employee on July 1, 1989;

c. A person who was a defined employee of the State University System or the Public Service Commission who held such employment on December 31, 1994;

d. A person who has reached normal retirement age as defined in s. 121.021(29), and who has retired

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under the provisions of chapter 121 by July 1, 1991; or

e. Any appointed state officer whose term of office began before January 1, 1995, unless reappointed to that office on or after January 1, 1995.

(b) In addition to the provisions of this part which are applicable to legislators and legislative employees by virtue of their being public officers or employees, the conduct of members of the Legislature and legislative employees shall be governed by the ethical standards provided in the respective rules of the Senate or House of Representatives which are not in conflict herewith.

(10) EMPLOYEES HOLDING OFFICE.—

(a) No employee of a state agency or of a county, municipality, special taxing district, or other political subdivision of the state shall hold office as a member of the governing board, council, commission, or authority, by whatever name known, which is his or her employer while, at the same time, continuing as an employee of such employer.

(b) The provisions of this subsection shall not apply to any person holding office in violation of such provisions on the effective date of this act. However, such a person shall surrender his or her conflicting employment prior to seeking reelection or accepting reappointment to office.

(11) PROFESSIONAL AND OCCUPATIONAL LICENSING BOARD MEMBERS.—No officer, director, or administrator of a Florida state, county, or regional professional or occupational organization or association, while holding such position, shall be eligible to serve as a member of a state examining or licensing board for the profession or occupation.

(12) EXEMPTION.—The requirements of subsections (3) and (7) as they pertain to persons serving on advisory boards may be waived in a particular instance by the body which appointed the person to the advisory board, upon a full disclosure of the transaction or relationship to the appointing body prior to the waiver and an affirmative vote in favor of waiver by two-thirds vote of that body. In instances in which appointment to the advisory board is made by an individual, waiver may be effected, after public hearing, by a determination by the appointing person and full disclosure of the transaction or relationship by the appointee to the appointing person. In addition, no person shall be held in violation of subsection (3) or subsection (7) if:

(a) Within a city or county the business is transacted under a rotation system whereby the business transactions are rotated among all qualified suppliers of the goods or services within the city or county.

(b) The business is awarded under a system of sealed, competitive bidding to the lowest or best bidder and:

1. The official or the official's spouse or child has in no way participated in the determination of the bid specifications or the determination of the lowest or best bidder;

2. The official or the official's spouse or child has in no way used or attempted to use the official's influence to persuade the agency or any personnel thereof to enter such a contract other than by the mere submission of the bid; and

3. The official, prior to or at the time of the submission of the bid, has filed a statement with the Commission on Ethics, if the official is a state officer or employee, or with the supervisor of elections of the county in which the agency has its principal office, if the official is an officer or employee of a political subdivision, disclosing the official's interest, or the interest of the official's spouse or child, and the nature of the intended business.

(c) The purchase or sale is for legal advertising in a newspaper, for any utilities service, or for passage on a common carrier.

(d) An emergency purchase or contract which would otherwise violate a provision of subsection (3) or subsection (7) must be made in order to protect the health, safety, or welfare of the citizens of the state or

any political subdivision thereof.

(e) The business entity involved is the only source of supply within the political subdivision of the officer or employee and there is full disclosure by the officer or employee of his or her interest in the business entity to the governing body of the political subdivision prior to the purchase, rental, sale, leasing, or other business being transacted.

(f) The total amount of the transactions in the aggregate between the business entity and the agency does not exceed \$500 per calendar year.

(g) The fact that a county or municipal officer or member of a public board or body, including a district school officer or an officer of any district within a county, is a stockholder, officer, or director of a bank will not bar such bank from qualifying as a depository of funds coming under the jurisdiction of any such public board or body, provided it appears in the records of the agency that the governing body of the agency has determined that such officer or member of a public board or body has not favored such bank over other qualified banks.

(h) The transaction is made pursuant to s. 1004.22 or s. 1004.23 and is specifically approved by the president and the chair of the university board of trustees. The chair of the university board of trustees shall submit to the Governor and the Legislature by March 1 of each year a report of the transactions approved pursuant to this paragraph during the preceding year.

(i) The public officer or employee purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with his or her agency.

(j) The public officer or employee in a private capacity purchases goods or services from a business entity which is subject to the regulation of his or her agency and:

1. The price and terms of the transaction are available to similarly situated members of the general public; and
2. The officer or employee makes full disclosure of the relationship to the agency head or governing body prior to the transaction.

(13) COUNTY AND MUNICIPAL ORDINANCES AND SPECIAL DISTRICT AND SCHOOL DISTRICT RESOLUTIONS REGULATING FORMER OFFICERS OR EMPLOYEES.—The governing body of any county or municipality may adopt an ordinance and the governing body of any special district or school district may adopt a resolution providing that an appointed county, municipal, special district, or school district officer or a county, municipal, special district, or school district employee may not personally represent another person or entity for compensation before the government body or agency of which the individual was an officer or employee for a period of 2 years following vacation of office or termination of employment, except for the purposes of collective bargaining. Nothing in this section may be construed to prohibit such ordinance or resolution.

(14) LOBBYING BY FORMER LOCAL OFFICERS; PROHIBITION.—A person who has been elected to any county, municipal, special district, or school district office may not personally represent another person or entity for compensation before the government body or agency of which the person was an officer for a period of 2 years after vacating that office. For purposes of this subsection:

(a) The “government body or agency” of a member of a board of county commissioners consists of the commission, the chief administrative officer or employee of the county, and their immediate support staff.

(b) The “government body or agency” of any other county elected officer is the office or department headed by that officer, including all subordinate employees.

(c) The “government body or agency” of an elected municipal officer consists of the governing body of the municipality, the chief administrative officer or employee of the municipality, and their immediate support staff.

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(d) The “government body or agency” of an elected special district officer is the special district.

(e) The “government body or agency” of an elected school district officer is the school district.

(15) **ADDITIONAL EXEMPTION.**—No elected public officer shall be held in violation of subsection (7) if the officer maintains an employment relationship with an entity which is currently a tax-exempt organization under s. 501(c) of the Internal Revenue Code and which contracts with or otherwise enters into a business relationship with the officer’s agency and:

(a) The officer’s employment is not directly or indirectly compensated as a result of such contract or business relationship;

(b) The officer has in no way participated in the agency’s decision to contract or to enter into the business relationship with his or her employer, whether by participating in discussion at the meeting, by communicating with officers or employees of the agency, or otherwise; and

(c) The officer abstains from voting on any matter which may come before the agency involving the officer’s employer, publicly states to the assembly the nature of the officer’s interest in the matter from which he or she is abstaining, and files a written memorandum as provided in s. 112.3143.

(16) **LOCAL GOVERNMENT ATTORNEYS.**—

(a) For the purposes of this section, “local government attorney” means any individual who routinely serves as the attorney for a unit of local government. The term shall not include any person who renders legal services to a unit of local government pursuant to contract limited to a specific issue or subject, to specific litigation, or to a specific administrative proceeding. For the purposes of this section, “unit of local government” includes, but is not limited to, municipalities, counties, and special districts.

(b) It shall not constitute a violation of subsection (3) or subsection (7) for a unit of local government to contract with a law firm, operating as either a partnership or a professional association, or in any combination thereof, or with a local government attorney who is a member of or is otherwise associated with the law firm, to provide any or all legal services to the unit of local government, so long as the local government attorney is not a full-time employee or member of the governing body of the unit of local government. However, the standards of conduct as provided in subsections (2), (4), (5), (6), and (8) shall apply to any person who serves as a local government attorney.

(c) No local government attorney or law firm in which the local government attorney is a member, partner, or employee shall represent a private individual or entity before the unit of local government to which the local government attorney provides legal services. A local government attorney whose contract with the unit of local government does not include provisions that authorize or mandate the use of the law firm of the local government attorney to complete legal services for the unit of local government shall not recommend or otherwise refer legal work to that attorney’s law firm to be completed for the unit of local government.

(17) **BOARD OF GOVERNORS AND BOARDS OF TRUSTEES.**—No citizen member of the Board of Governors of the State University System, nor any citizen member of a board of trustees of a local constituent university, shall have or hold any employment or contractual relationship as a legislative lobbyist requiring annual registration and reporting pursuant to s. 11.045.

**History.**—s. 3, ch. 67-469; s. 2, ch. 69-335; ss. 10, 35, ch. 69-106; s. 3, ch. 74-177; ss. 4, 11, ch. 75-208; s. 1, ch. 77-174; s. 1, ch. 77-349; s. 4, ch. 82-98; s. 2, ch. 83-26; s. 6, ch. 83-282; s. 14, ch. 85-80; s. 12, ch. 86-145; s. 1, ch. 88-358; s. 1, ch. 88-408; s. 3, ch. 90-502; s. 3, ch. 91-85; s. 4, ch. 91-292; s. 1, ch. 92-35; s. 1, ch. 94-277; s. 1406, ch. 95-147; s. 3, ch. 96-311; s. 34, ch. 96-318; s. 41, ch. 99-2; s. 29, ch. 2001-266; s. 20, ch. 2002-1; s. 894, ch. 2002-387; s. 2, ch. 2005-285; s. 2, ch. 2006-275; s. 10, ch. 2007-217; s. 16, ch. 2011-34; s. 3, ch. 2013-36.

## References: FLORIDA STATUTES

### 102.141 County canvassing board; duties.--

(1) The county canvassing board shall be composed of the supervisor of elections, who shall act as chair; and the chair of the board of county commissioners. An alternate member shall be appointed pursuant to paragraph (e). In the event any member of the county canvassing board is unable to serve, is a candidate who has opposition in the election being canvassed, or is an active participant in the campaign or candidacy of any candidate who has opposition in the election being canvassed, such member shall be replaced as follows:

(a) If no county court judge is able to serve or if all are disqualified, the chief judge of the judicial circuit in which the county is located shall appoint as a substitute member a qualified elector of the county who is not a candidate with opposition in the election being canvassed and who is not an active participant in the campaign or candidacy of any candidate with opposition in the election being canvassed. In such event, the members of the county canvassing board shall meet and elect a chair.

(b) If the supervisor of elections is unable to serve or is disqualified, the chair of the board of county commissioners shall appoint as a substitute member a member of the board of county commissioners who is not a candidate with opposition in the election being canvassed and who is not an active participant in the campaign or candidacy of any candidate with opposition in the election being canvassed. The supervisor, however, shall act in an advisory capacity to the canvassing board.

(c) If the chair of the board of county commissioners is unable to serve or is disqualified, the board of county commissioners shall appoint as a substitute member one of its members who is not a candidate with opposition in the election being canvassed and who is not an active participant in the campaign or candidacy of any candidate with opposition in the election being canvassed.

(d) If a substitute member or alternate member cannot be appointed as provided elsewhere in this subsection, or in the event of a vacancy in such office, the chief judge of the judicial circuit in which the county is located shall appoint as a substitute member or alternate member a qualified elector of the county who is not a candidate with opposition in the election being canvassed and who is not an active participant in the campaign or candidacy of any candidate with opposition in the election being canvassed.

(e)1. The chief judge of the judicial circuit in which the county is located shall appoint a county court judge as an alternate member of the county canvassing board or, if each county court judge is unable to serve or is disqualified, shall appoint an alternate member who is qualified to serve as a substitute member under paragraph (a).

2. The chair of the board of county commissioners shall appoint a member of the board of county commissioners as an alternate member of the county canvassing board or, if each member of the board of county commissioners is unable to serve or is disqualified, shall appoint an alternate member who is qualified to serve as a substitute member under paragraph (d).

3. If a member of the county canvassing board is unable to participate in a meeting of the board, the chair of the county canvassing board or his or her designee shall designate which alternate member will serve as a member of the board in the place of the member who is unable to participate at that meeting.

4. If not serving as one of the three members of the county canvassing board, an alternate member may be present, observe, and communicate with the three members constituting the county canvassing board, but may not vote in the board's decisions or determinations.

(2) The county canvassing board shall meet in a building accessible to the public in the county where the election occurred at a time and place to be designated by the supervisor of elections to publicly canvass the absentee electors' ballots as provided for in s. 101.68 and provisional ballots as provided by ss. 101.048, 101.049, and 101.6925. Provisional ballots cast pursuant to s. 101.049 shall be canvassed in a manner that votes for candidates and issues on those ballots can be segregated from other votes. Public notice of the time and place at which the county canvassing board shall meet to canvass the absentee electors' ballots and provisional ballots shall be given at least 48 hours prior thereto by publication on the supervisor of elections' website and once in one or more newspapers of general circulation in the county or, if there is no newspaper of general circulation in the county, by posting such notice in at least four conspicuous places in the county. As soon as the absentee electors' ballots and the provisional ballots are canvassed, the board shall proceed to publicly canvass the vote given each candidate, nominee, constitutional amendment, or other measure submitted to the electorate of the county, as shown by the returns then on file in the office of the supervisor of elections.

(3) The canvass, except the canvass of absentee electors' returns and the canvass of provisional ballots, shall be made from the returns and certificates of the inspectors as signed and filed by them with the supervisor, and the county canvassing board shall not change the number of votes cast for a candidate, nominee, constitutional amendment, or other measure submitted to the electorate of the county, respectively, in any polling place, as shown by the returns. All returns shall be made to the board on or before 2 a.m. of the day following any primary, general, or other election. If the returns from any precinct are missing, if there are any omissions on the returns from any precinct, or if there is an obvious error on any such returns, the canvassing board shall order a retabulation of the returns from such precinct. Before canvassing such returns, the canvassing board shall examine the tabulation of the ballots cast in such precinct and determine whether the returns correctly reflect the votes cast. If there is a discrepancy between the returns and the tabulation of the ballots cast, the tabulation of the ballots cast shall be presumed correct and such votes shall be canvassed accordingly.

(4)(a) The supervisor of elections shall upload into the county's election management system by 7 p.m. on the day before the election the results of all early voting and absentee ballots that have been canvassed and tabulated by the end of the early voting period. Pursuant to ss. 101.5614(9), 101.657, and 101.68(2), the tabulation of votes cast or the results of such uploads may not be made public before the close of the polls on election day.

(b) The canvassing board shall report all early voting and all tabulated absentee results to the Department of State within 30 minutes after the polls close. Thereafter, the canvassing board shall report, with the exception of provisional ballot results, updated precinct election results to the department at least every 45 minutes until all results are completely reported. The supervisor of elections shall notify the department immediately of any

circumstances that do not permit periodic updates as required. Results shall be submitted in a format prescribed by the department.

(5) The canvassing board shall submit on forms or in formats provided by the division unofficial returns to the Department of State for each federal, statewide, state, or multicounty office or ballot measure no later than noon on the third day after any primary election and no later than noon on the fourth day after any general or other election. Such returns shall include the canvass of all ballots as required by subsection (2).

(6) If the county canvassing board determines that the unofficial returns may contain a counting error in which the vote tabulation system failed to count votes that were properly marked in accordance with the instructions on the ballot, the county canvassing board shall:

(a) Correct the error and retabulate the affected ballots with the vote tabulation system; or

(b) Request that the Department of State verify the tabulation software. When the Department of State verifies such software, the department shall compare the software used to tabulate the votes with the software filed with the department pursuant to s. 101.5607 and check the election parameters.

(7) If the unofficial returns reflect that a candidate for any office was defeated or eliminated by one-half of a percent or less of the votes cast for such office, that a candidate for retention to a judicial office was retained or not retained by one-half of a percent or less of the votes cast on the question of retention, or that a measure appearing on the ballot was approved or rejected by one-half of a percent or less of the votes cast on such measure, a recount shall be ordered of the votes cast with respect to such office or measure. The Secretary of State is responsible for ordering recounts in federal, state, and multicounty races. The county canvassing board or the local board responsible for certifying the election is responsible for ordering recounts in all other races. A recount need not be ordered with respect to the returns for any office, however, if the candidate or candidates defeated or eliminated from contention for such office by one-half of a percent or less of the votes cast for such office request in writing that a recount not be made.

(a) Each canvassing board responsible for conducting a recount shall put each marksense ballot through automatic tabulating equipment and determine whether the returns correctly reflect the votes cast. If any marksense ballot is physically damaged so that it cannot be properly counted by the automatic tabulating equipment during the recount, a true duplicate shall be made of the damaged ballot pursuant to the procedures in s. 101.5614(5). Immediately before the start of the recount, a test of the tabulating equipment shall be conducted as provided in s. 101.5612. If the test indicates no error, the recount tabulation of the ballots cast shall be presumed correct and such votes shall be canvassed accordingly. If an error is detected, the cause therefore shall be ascertained and corrected and the recount repeated, as necessary. The canvassing board shall immediately report the error, along with the cause of the error and the corrective measures being taken, to the Department of State. No later than 11 days after the election, the canvassing board shall file a separate incident report with the Department of State, detailing the resolution of the matter and identifying any measures that will avoid a future recurrence of the error.

(b) Each canvassing board responsible for conducting a recount where touchscreen ballots were used shall examine the counters on the precinct tabulators to ensure that the total of the returns on the precinct tabulators

equals the overall election return. If there is a discrepancy between the overall election return and the counters of the precinct tabulators, the counters of the precinct tabulators shall be presumed correct and such votes shall be canvassed accordingly.

(c) The canvassing board shall submit on forms or in formats provided by the division a second set of unofficial returns to the Department of State for each federal, statewide, state, or multicounty office or ballot measure. The returns shall be filed no later than 3 p.m. on the 5th day after any primary election and no later than 3 p.m. on the 9th day after any general election in which a recount was ordered by the Secretary of State. If the canvassing board is unable to complete the recount prescribed in this subsection by the deadline, the second set of unofficial returns submitted by the canvassing board shall be identical to the initial unofficial returns and the submission shall also include a detailed explanation of why it was unable to timely complete the recount. However, the canvassing board shall complete the recount prescribed in this subsection, along with any manual recount prescribed in s. 102.163, and certify election returns in accordance with the requirements of this chapter.

(d) The Department of State shall adopt detailed rules prescribing additional recount procedures for each certified voting system, which shall be uniform to the extent practicable.

(8) The canvassing board may employ such clerical help to assist with the work of the board as it deems necessary, with at least one member of the board present at all times, until the canvass of the returns is completed. The clerical help shall be paid from the same fund as inspectors and other necessary election officials.

(9)(a) At the same time that the official results of an election are certified to the Department of State, the county canvassing board shall file a report with the Division of Elections on the conduct of the election. The report must describe:

1. All equipment or software malfunctions at the precinct level, at a counting location, or within computer and telecommunications networks supporting a county location, and the steps that were taken to address the malfunctions;

2. All election definition errors that were discovered after the logic and accuracy test, and the steps that were taken to address the errors;

3. All ballot printing errors or ballot supply problems, and the steps that were taken to address the errors or problems;

4. All staffing shortages or procedural violations by employees or precinct workers which were addressed by the supervisor of elections or the county canvassing board during the conduct of the election, and the steps that were taken to correct such issues;

5. All instances where needs for staffing or equipment were insufficient to meet the needs of the voters; and

6. Any additional information regarding material issues or problems associated with the conduct of the election.

(b) If a supervisor discovers new or additional information on any of the items required to be included in the report pursuant to paragraph (a) after the report is filed, the supervisor shall notify the division that new information has been discovered no later than the next business day after the discovery, and the supervisor shall

file an amended report signed by the supervisor of elections on the conduct of the election within 10 days after the discovery.

(c) Such reports shall be maintained on file in the Division of Elections and shall be available for public inspection. The division shall utilize the reports submitted by the canvassing boards to determine what problems may be likely to occur in other elections and disseminate such information, along with possible solutions, to the supervisors of elections.

(10) The supervisor shall file with the department a copy of or an export file from the results database of the county's voting system and other statistical information as may be required by the department, the Legislature, or the Election Assistance Commission. The department shall adopt rules establishing the required content and acceptable formats for the filings and time for filings.

History.—s. 46, ch. 6459, 1913; RGS 350; CGL 407; s. 11, ch. 13761, 1929; s. 6, ch. 26870, 1951; s. 1, ch. 57-104; s. 6, ch. 65-129; s. 19, ch. 73-334; s. 26, ch. 77-175; s. 47, ch. 79-400; s. 18, ch. 84-302; s. 4, ch. 85-33; s. 600, ch. 95-147; s. 41, ch. 2001-40; s. 20, ch. 2002-17; s. 26, ch. 2003-415; s. 58, ch. 2005-277; s. 33, ch. 2007-30; s. 14, ch. 2010-167; s. 43, ch. 2011-40; s. 19, ch. 2013-57.

Note.—Former s. 102.45.

CONDUCT OF ELECTION REPORT

12. Do you have any additional information regarding material issues and problems associated with the conduct of election?

(Section 102.141 (4)(a)6, F.S.)

~~NO~~ Proceed to 13.

**YES** Indicate on the checklist below the type of issue(s) or problem(s). Attach an explanation of the steps that were taken to address the issue(s) or problem(s).

Checklist

Early Voting and Election Day

Polling location

- Incorrect setup
- Solicitation area violated
- Incompatible for ADA accessibility
- Incompatible for use as a polling location

Voter check-in

- Electronic poll book / precinct register error
- Paper poll book / precinct register error
- Process error

Voters

- Fleeing voter
- Disruptive behavior
- Disruptive photography

Observers

- Not approved
- Disruptive behavior
- Disruptive photography

Media and/or citizen polling

- Disruptive behavior

Other

- Provide the description:

③ Elections Fraud Complaint  
filed against candidate Janet O.  
McDonald - canvassing board takes  
no action

① Removal of canvassing board members.

② Resignation of one canvassing  
board alternate,  
County Canvassing Board

13. Signatures

Signature	Title	Date
	Chair, County Judge	11/14/2014
	SOE	11/14/2014
	Alternate	11/14/2014

*Refused to sign Barbara Steads*

**NOTICE:** The Supervisor of Elections has a continuing duty to notify the Division of Elections no later than the next business day after the discovery of any new or additional information regarding any of the matters included in this report. A signed written amended report is due 10 days after the discovery.

Section 102.141(9)(b), F.S.

## CONDUCT OF ELECTION REPORT

8. Were any election definition errors discovered after the logic and accuracy test?  
(Section 102 141 (9)(a)2., F.S.)?

- NO Proceed to 9.  
 YES Summarize the number of errors in the appropriate columns in the table below. Attach an explanation of the steps that were taken to address the errors.

	Election definition errors	Precinct count media errors	Central count media errors
County created definition or media	-	-	-
Vendor created definition or media with correct county information	-	-	-
Vendor created definition or media with incorrect information from the county	-	-	-

9. Did any ballot printing and ballot supply problems occur?  
(Section 102 141 (9)(a)3., F.S.)?

- NO Proceed to 10.  
 YES Summarize the number of errors in the appropriate column in the table below. Mark on the checklist below the type of problems or errors and attach an explanation of the steps that were taken to address the problems.

	Electronic ballot layout errors	Paper ballot layout errors	Paper ballot printer errors	Paper ballot supply problems
County created the ballot	-	-	-	-
Vendor created with correct county information	-	-	-	-
Vendor created with incorrect information from the county	-	-	-	-

### Checklist for type of ballot or printer problems

**Early Voting and Election Day**

Polling location (please identify the location)

- Incorrect ballots to the voter – poll worker error  
 Ballot moisture (humidity) cannot scan

Absentee (please identify the location)

- Incorrect ballots to the voter – election staff error

Ballot-on-demand (BOD)

- Printed incorrect ballots – printer error such as duplex  
 Printed incorrect ballots – software error  
 Printer failure  
 Incorrect ballots given to the voter – poll worker error

Other

- Provide the description: One voter called stating wrong ballot was issued but was corrected before voting.



# CONDUCT OF ELECTION REPORT

[Section 102.141(9), Florida Statutes]

COPY

*This report is due to the Division of Elections/Bureau of Voting Systems if a county canvassing board submits its certified official election results for primary, and special elections, whichever is applicable.*

*Not for general.*

1. County: Flagler
2. Election Year: 2014
3. Election (check only one).
  - Presidential Pref
  - Primary Election
  - General Election
  - Other election (s)
4. Election Definition. Definition created by (Check one)

5. Voting Devices (fill-in the applicable number):

Absentee (Central) Count Marksense Scanners		
Initial Total AB Scanners	Removed	Replaced or Added
2	0	0

Precinct Count Marksense Scanners				
	Polling Locations	Initial Total Deployed	Removed	Replaced or Added
Early Voting	3	3	0	0
Election Day	22	22	0	0

ADA Voting Devices (e.g., Marking device and/or DRE Touchscreen)				
	Polling Locations	Initial Total Deployed	Removed	Replaced or Added
Early Voting	3	3	0	0
Election Day	22	22	0	0

6. Ballot-Printing (check all that apply):

	Early Voting	Election Day	Absentee
Ballot-on-Demand (BOD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ballot Printer Service (Vendor)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Ballot Printer Service (non-Vendor)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Select Year: 2014 ▾ Go

## The 2014 Florida Statutes

Title X  
PUBLIC OFFICERS, EMPLOYEES,  
AND RECORDS

Chapter 112  
PUBLIC OFFICERS AND EMPLOYEES:  
GENERAL PROVISIONS

View Entire  
Chapter

### 112.3142 Ethics training for specified constitutional officers and elected municipal officers.—

(1) As used in this section, the term “constitutional officers” includes the Governor, the Lieutenant Governor, the Attorney General, the Chief Financial Officer, the Commissioner of Agriculture, state attorneys, public defenders, sheriffs, tax collectors, property appraisers, supervisors of elections, clerks of the circuit court, county commissioners, district school board members, and superintendents of schools.

(2)(a) All constitutional officers must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation if the required subjects are covered.

(b) Beginning January 1, 2015, all elected municipal officers must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation if the required subjects are covered.

(c) The commission shall adopt rules establishing minimum course content for the portion of an ethics training class which addresses s. 8, Art. II of the State Constitution and the Code of Ethics for Public Officers and Employees.

(d) The Legislature intends that a constitutional officer or elected municipal officer who is required to complete ethics training pursuant to this section receive the required training as close as possible to the date that he or she assumes office. A constitutional officer or elected municipal officer assuming a new office or new term of office on or before March 31 must complete the annual training on or before December 31 of the year in which the term of office began. A constitutional officer or elected municipal officer assuming a new office or new term of office after March 31 is not required to complete ethics training for the calendar year in which the term of office began.

(3) Each house of the Legislature shall provide for ethics training pursuant to its rules.  
History.—s. 4, ch. 2013-36; s. 2, ch. 2014-183.

OCT 22 2014

FLAGLER COUNTY, FL  
KIMBERLE B. WEEKS

Mrs. Kimberle Weeks  
Supervisor of Elections  
1769 E. Moody Blvd., Bldg. 2  
Bunnell, FL 32110

Dear Mrs. Weeks:

Please be advised that at the October 20, 2014 meeting of the Flagler County Board of County Commissioners, Commissioner Barbara Revels was selected to replace Commissioner Charles Ericksen, Jr., as the Alternate to the Canvassing Board. This appointment is for the 2014 election cycle.

Should you have a question about this appointment, please feel free to contact County Administrator Craig Coffey or me.

Sincerely,

George Hanns, Chairman  
Flagler County Board of County Commissioners

C: Commissioner Barbara Revels  
Judge Melissa Moore-Stens, Canvassing Board Chairman

/clm

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FLAGLER COUNTY  
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FLAGLER COUNTY  
2014 OCT 22 1:00

District 1 Charles Ericksen, Jr.	District 2 Frank Meeker	District 3 Barbara Revels	District 4 Nate McLaughlin	District 5 George Hanns
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