

MINUTES

**CITY OF INDIAN ROCKS BEACH
SPECIAL CITY COMMISSION MEETING**

Civic Auditorium

1507 Bay Palm Blvd. Indian Rocks Beach, FL. 33785

Thursday, February 26, 2026 at 10:30 a.m.

CALL TO ORDER

Mayor-Commissioner Houseberg called the meeting to order at 10:30 a.m., followed by the Pledge of Allegiance and a moment of silence.

ROLL CALL

Attendance:

- Commissioner Jude Bond - Present
- Commissioner John Bigelow - Present
- Commissioner Hillary King - Present
- Vice Mayor-Commissioner Janet Wilson - Present
- Mayor- Commissioner Denise Houseberg - Present

1. DISCUSSION OF scheduling an Executive Client Session to discuss pending litigation

City Attorney Maggard explained that the city is required to attend a third mediation in the AP 6 LLC versus Indian Rocks Beach federal court case ordered by the Judge of the Middle District of Florida. The mediation is scheduled for Monday, March 2nd, at 9:30 AM. He proposed having each commissioner attend in individual rooms with the mediator, City Manager, and outside counsel Carlos Kelly, conferring with each individually. He requested scheduling two executive sessions on the mediation day: one at 11:30 AM and another at 2:15 PM, during which they would break from mediation, call a public meeting to announce the executive session, meet privately with a court reporter, then return to close the meeting and resume mediation.

Commission Discussion

Commissioner Bigelow raised concerns about Mayor Commissioner Houseberg receiving a \$1,000 campaign contribution from Donald Flagg, son of Diane Flagg, who is part of the plaintiff AP 6 LLC. He requested that the mayor recuse herself from the mediation and be removed from Monday's proceedings, citing it as a conflict of interest. The City Attorney stated based on a preliminary review of Florida Statute §112.3143, which governs voting conflicts for municipal officers, a lawful campaign contribution from a relative of a party to pending litigation

does not create a financial interest or special private gain contemplated by the statute. The attorney stated he needed more time to fully research the recusal issue.

Commissioner King suggested tabling the discussion until the attorney could complete his research. Vice Mayor Wilson expressed concerns about proceeding with mediation given the circumstances. The attorney explained the mediation timing was chosen based on various factors, including trial preparation costs and scheduling complexities, denying any improper intent. He noted the court's deadline for completing mediation is April 1st, and that a case management conference was held the previous day, where the judge emphasized wanting the parties to settle.

After extensive discussion, the consensus was to keep the mediation scheduled for Monday but hold a meeting on Monday at 9:00 AM if needed to address the recusal issue after the attorney completes his research. A public meeting was also scheduled for 6:00 PM on Monday to report on the outcome of the mediation.

2. NEIGHBOR COMMENT

Kellee Watt, 431 Harbor Drive South: Stated that Diane Flagg's familial relationship with plaintiff Donald Flagg creates at minimum an appearance of conflict of interest, for Mayor-Commissioner Houseberg, and noted that mediation is not required until April 1st, making Monday's session unnecessary.

Bob Coplen, 447 20th Avenue: Stated that the appearance of conflict is as damaging as an actual conflict, warned commissioners they are being set up, and suggested having lawyers conduct mediation on March 12 without commissioners present so settlement matters could come before the new commission after the election.

Kelly Cicerick, 448 Harbor Drive South: Provided details on the Flagg family's business connections, concluding there is a clear appearance of conflict and recommending Mayor Commissioner Houseberg recuse herself from mediation.

John Van Steele, 448 Harbor Drive South: Noted that Flagg is the mayor's largest campaign contributor and that the situation, while not illegal, reflects poorly in appearance.

Eddie Bie, 497 20th Avenue: Questioned commissioners' participation in mediation, called the timing suspicious, and recommended postponing until after the election.

Beth McMullen, 481 Harbor Drive South: Stated that mediation is not required before the March 10th election and that proceeding beforehand creates an unnecessary appearance of impropriety and potential election interference.

John Hamman, 106 Gulf Boulevard: Agreed that delay is appropriate and urged the mayor to recuse herself from all further matters related to the case.

Joan Mulling, 461 20th Avenue: Urged Mayor Commissioner Houseberg to recuse herself.

Motion by: Commissioner Bigelow, to have Mayor-Commissioner Houseberg removed from Monday's mediation.

Seconded by: Commissioner King

Vote outcome: Motion tabled pending legal research by City Attorney. Motion remains on the table for potential vote at a meeting to be held on Monday at 9:00 AM before the scheduled mediation, if necessary.

City Attorney Maggard reviewed the following:

The City Attorney will provide a written legal opinion on the recusal/conflict of interest issue before Monday. A special meeting is scheduled for Monday, March 2, 2026, at 9:00 AM if needed to address the recusal issue before the mediation.

The mediation remains scheduled for Monday, March 2, 2026, at 9:30 AM with executive sessions at 11:30 AM and 2:15 PM.

A public meeting is scheduled for Monday at 6:00 PM to report on the mediation outcome, regardless of whether an agreement is reached.

The court's deadline for completing mediation is April 1, 2026. This is the third court-ordered mediation in the AP 6 LLC v.

3. ADJOURNMENT

Motion by: Vice-Mayor Commissioner Wilson

Seconded by: Commissioner King

Vote: Carried Unanimously

Meeting adjourned at 11:18 A.M.

3/25/2026
Date Approved



Lan Vaughan, Mayor-Commissioner

Attest: Lorin A. Kornijtschuk
Lorin A. Kornijtschuk, City Clerk