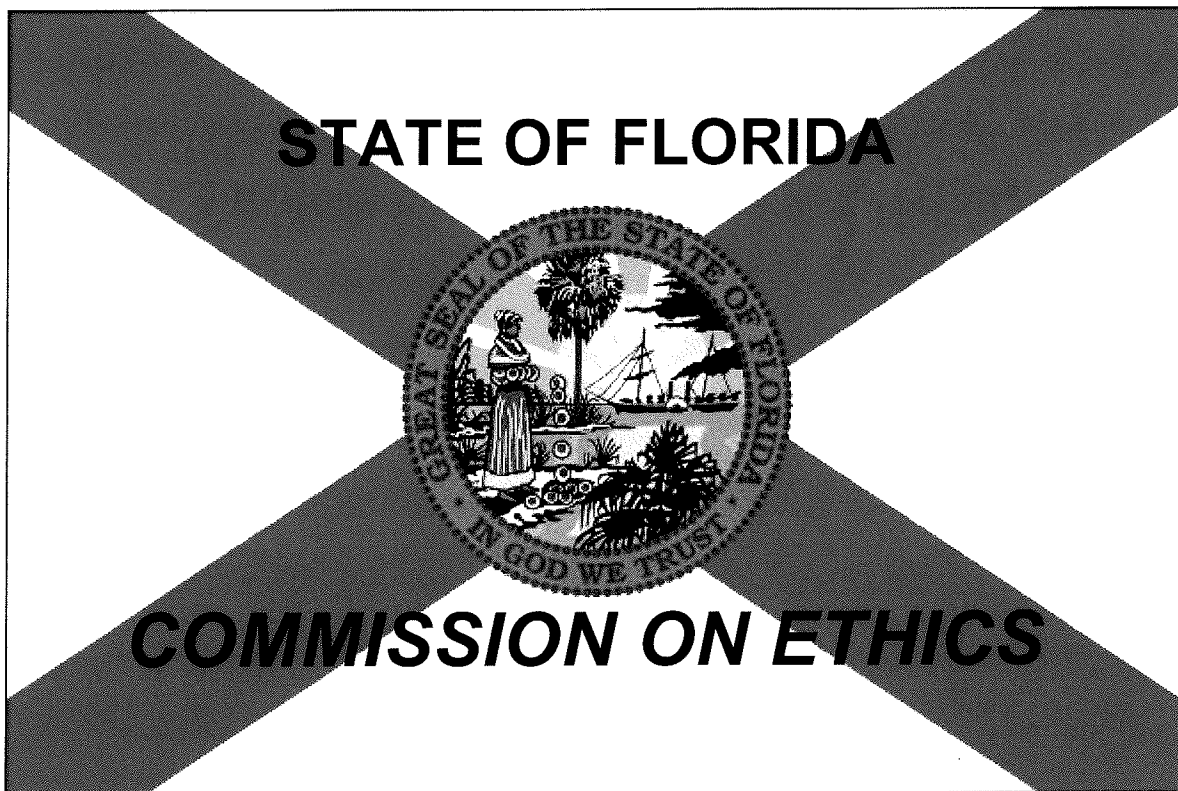


REPORT OF INVESTIGATION



Complaint Number 23-052

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. *See Section 112.3215, Florida Statutes, regarding executive branch lobbying matters and confidentiality.

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

REPORT OF INVESTIGATION

TITLE: DANIEL DAVID STURGES
Vice Mayor
City of Fernandina Beach
Fernandina Beach, Florida

COMPLAINT NO.: 23-052
Exhibits A through C

INVESTIGATED BY: Charles E. Shotwell
Charles E. Shotwell

Distribution: Commission on Ethics
Respondent
Advocate
File

Releasing Authority: Kerrie J. Stillman
Kerrie J. Stillman
Executive Director

October 11, 2023
Date

* * * * *

**REPORT OF INVESTIGATION
COMPLAINT NO. 23-052**

(1) The complaint in this matter was filed by Faith A. Ricketts Ross who alleges that the Respondent, Daniel David Sturges, a Fernandina Beach City Commissioner, violated the Code of Ethics for Public Officers and Employees.

(2) The complaint alleges that the Respondent has been a business associate of Mr. Todd Erickson, at least since 2019, in a business called Pirates Booty, LLC, and that Mr. Erickson is also the Respondent's real estate agent and broker. The complaint also alleges the Respondent has a construction business located on a property owned by Pirates Booty, LLC. Additionally, the complaint alleges that, during the relevant time period, Mr. Erickson tended bar to supplement his income at Brett's Waterway Café. It is alleged that the building housing Brett's Waterway Café was deemed unsafe by the Fernandina Beach City Engineer and the City's Building Official. The complaint alleges the Respondent voted on a matter relating to litigation regarding the building that houses Brett's Waterway Café and that he also voted on a budget allocation to investigate the building's structure. It is alleged that both of these matters inured to the special private gain or loss of Respondent's business associate, Mr. Erickson, because Mr. Erickson would lose income if Brett's Waterway Café was forced to close. Finally, the complaint alleges that Respondent moved to terminate the City Manager because the City Manager allowed Commissioners to discuss documents relating to the insurance policy that Brett's Waterway Café obtained in connection with its lease on City property.

(3) 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 Section 112.313(6), Florida Statutes (Misuse of Public Position) and Section 112.3143(3)(a), Florida Statutes (Voting Conflicts).

Background

(4) The City of Fernandina Beach owns the property located at 1 South Front Street in Fernandina Beach. The structure on the property is leased to Centre Street Restaurant Group, which has a sublease with Brett Carter and Robert Fisher who operate Brett's Waterway Café (Brett's) at the location. Since at least 2011, structural concerns have been noted and addressed related to the concrete pilings that provide support for the structure.

The Allegation Concerning the Respondent Being a Business Associate of Todd Erickson and Using His (Respondent's) Position as a City Commissioner to Benefit Erickson

(5) The Complainant alleges that the Respondent has been a business associate of Todd Erickson's since 2019 in a business called Pirates Booty, LLC. The Division of Corporations' records indicate that the Articles of Organization for Pirates Booty were filed on September 26, 2019. The Respondent is listed as the Registered Agent and as an "Authorized Member." Todd S.

Erickson is listed as the only other Authorized Member of Pirates Booty (Exhibit A). The Complainant alleges that the Respondent voted on matters during City Commission meetings on December 7, 2021 and February 1, 2022, in an effort to enable Brett's Waterway Café to remain open so that Mr. Erickson, who works as a part-time bartender at the restaurant, could keep his job there.

(6) The Respondent explained that he and Mr. Erickson, a real estate broker, co-own a building located at 1214 Beech Street in Fernandina Beach. Mr. Erickson, he said, occupies one-half of the building where his (Erickson's) real estate business, Amelia Sunrise Realty, is housed. The Respondent advised he occupies the other one-half of the building where his (Respondent's) construction business, Sturges and Sturges, is housed. Pirates Booty, LLC, he explained, is a holding company created for him and Mr. Erickson to co-own the building where their businesses are located.

(7) Mr. Todd Erickson confirmed by telephone that he and the Respondent co-own the building located at 1214 Beech Street, Fernandina Beach, which houses both of their businesses. Pirate's Booty, LLC, he confirmed, is a holding company he and the Respondent formed to own the building. Other than Pirate's Booty, LLC, he said, he and the Respondent are not involved in any ongoing business ventures.

(8) The Respondent confirmed participating in the votes on December 7, 2021, and February 1, 2022. He recalled that he voted on December 7, 2021 to authorize the City Attorney to represent the City in a lawsuit involving the Brett's Waterway Café property and on February 1, 2022, to have the City undertake structural assessments. However, he denied voting on any matter in an effort to keep Brett's Waterway Café open to allow Mr. Erickson to retain his part-time employment there as a bartender. The Respondent said Mr. Erickson has been a bartender at Brett's for many years because he (Erickson) enjoys the work and the interaction with customers.

(9) Mr. Erickson advised he has served as a part-time bartender at Brett's Waterway Café for approximately 14 years. He said he began tending bar at Brett's on a part-time basis during a real estate downturn and used the income to supplement his regular income. After the real estate market recovered, Mr. Erickson advised, he no longer depended on his part-time work at Brett's to supplement his income. However, because the work is enjoyable to him and allows him to do something different other than real estate, he continues to tend bar at Brett's.

(10) A review of the video and minutes of the December 7, 2021 meeting of the City Commission confirmed that the City Commission considered Resolution 2021-192 which, if approved, would authorize the City Attorney to defend the City in the matter of Centre Street Restaurant Group, Inc., et al, v. City of Fernandina Beach, Case Number: 21-CA-317, in the Fourth Judicial Circuit Court for the State of Florida. The records indicate that, after the City Engineer determined that the City's structure housing Brett's was unsafe in July 2021, Centre Street Restaurant Group, the lessee, appealed the decision to the City's Board of Adjustment (BOA) but was denied. Centre Street Restaurant Group appealed the BOA decision and the Court granted a stay of the City's decision. Resolution 2021-192 was approved unanimously, with the Respondent participating in the vote, to authorize the City Attorney to defend the City's interests in the lawsuit filed by Centre Street Restaurant Group.

(11) Fernandina Beach City Attorney Tammi Bach stated that the Respondent voted to approve Resolution 2021-192 on December 7, 2021. Attorney Bach said that, prior to the vote, there was no mention to her by the Respondent that he and Mr. Erickson were in business together or that Mr. Erickson was employed at Brett's.

(12) A review of the video and minutes of the February 1, 2022 meeting of the City Commission confirmed that the City Commission considered Resolution 2022-25, a professional services agreement with Hanson Professional Services, Inc., to inspect and report its findings related to the structural concrete support system of the City-owned structure where Brett's Waterway Café is located. The Resolution was unanimously approved by the Commission with the Respondent participating in the vote approving the inspection of the City structure at a cost not to exceed \$59,849.

(13) City Attorney Bach stated she was unaware of any alleged conflict by the Respondent due to his relationship with Mr. Erickson's employment at Brett's Waterway Café. She said she subsequently learned of the alleged conflict from Commissioner Chip Ross. Thereafter, she said, she met with the Respondent and advised him not to vote on any matter related to Brett's Waterway Café, in an abundance of caution, due to his relationship with Mr. Erickson.

Allegation Concerning the Respondent's Motion to Terminate the City Manager

(14) The Complainant alleges that the Respondent moved to terminate then-City Manager Dale Martin because Mr. Martin allowed City Commissioners, specifically Commissioner Ronald "Chip" Ross, the Complainant's husband, to discuss documents relating to the insurance policy that Brett's Waterway Café obtained in connection with its lease of City Property.

(15) The Respondent advised that former City Manager Martin served as an at-will employee of the City Commission. He confirmed he prepared a document that he read aloud during the February 7, 2023 Commission meeting and sought the termination of Mr. Martin, based on the issues he addressed in the document.

(16) City records confirm there were several issues brought to the attention of City Commissioners in the written document prepared by the Respondent as reasons to terminate Mr. Martin during a Commission meeting on February 7, 2023 (Exhibit B). The meeting video confirms the Respondent read aloud his list of concerns to his fellow Commissioners during the meeting. Included in Section 2(D) of the Respondent's document it is mentioned that then-City Manager Martin showed special consideration and/or favoritism for Commissioner Ross. In Section 2(E) of the document, the Respondent indicated that Mayor Bradley Bean had specifically instructed Mr. Martin, during a prior Commission meeting, not to conduct independent research on any insurance matters involving Brett's Waterway Café until City Attorney Bach returned from her vacation. According to the Respondent, Commissioner Ross, with Mr. Martin's approval, discussed Brett's insurance with outside counsel, costing the City \$650.00 in legal fees.

(17) Then-City Manager Martin, the video reflects, after hearing the concerns and comments from the Respondent and other Commissioners, directly addressed the Respondent's concerns as

detailed in the document the Respondent prepared. Following the comments of Mr. Martin and fellow Commissioners, the Respondent made a motion to terminate then-City Manager Martin effective immediately. Thereafter, a substitute motion was made to postpone the vote on Mr. Martin's termination until the next scheduled meeting of the Commission on February 21, 2023, to allow Commissioners the opportunity to speak with City staff who expressed concerns about Mr. Martin's leadership. The substitute motion to postpone consideration of Mr. Martin's termination passed on a 3-2 vote with the Respondent voting against the motion.

(18) During the February 21, 2023 meeting of the Commission, the Respondent restated his motion to terminate the services of Mr. Martin, without cause, and the Commission voted to terminate Mr. Martin on a 4-1 vote with Commissioner Ross voting against the motion.

(19) The Code of Ordinances for the City of Fernandina Beach, Section 25 – City Manager appointment; tenure of office; qualifications; indicates "the City Commission must appoint a City Manager who is the administrative head of the municipal government under the direction and supervision of the City Commission and holds office at the pleasure of the City Commission." (Exhibit C)

END OF REPORT OF PRELIMINARY INVESTIGATION

EXHIBIT A

EXHIBIT A



[Department of State](#) / [Division of Corporations](#) / [Search Records](#) / [Search by Entity Name](#) /

Detail by Entity Name

Florida Limited Liability Company
PIRATES BOOTY LLC

Filing Information

Document Number L19000243128
FEI/EIN Number 84-3382093
Date Filed 09/26/2019
State FL
Status ACTIVE

Principal Address

1214 Beech Street
FERNANDINA BEACH, FL 32034

Changed: 06/08/2020

Mailing Address

P.O. Box 15505
FERNANDINA BEACH, FL 32035

Changed: 06/08/2020

Registered Agent Name & Address

STURGES, DANIEL D
1214 Beech Street
FERNANDINA BEACH, FL 32034

Address Changed: 06/08/2020

Authorized Person(s) Detail

Name & Address

Title AMBR

STURGES, DANIEL D
1214 Beech Street
FERNANDINA BEACH, FL 32034

Title AMBR

A-1

ERICKSEN, TODD S
1214 Beech Street
FERNANDINA BEACH, FL 32034

Annual Reports

Report Year	Filed Date
2021	04/19/2021
2022	03/17/2022
2023	03/07/2023

Document Images

03/07/2023 -- ANNUAL REPORT	View image in PDF format
03/17/2022 -- ANNUAL REPORT	View image in PDF format
04/19/2021 -- ANNUAL REPORT	View image in PDF format
06/08/2020 -- ANNUAL REPORT	View image in PDF format
09/26/2019 -- Florida Limited Liability	View image in PDF format


Public Inquiry for FIDR 12/21/2023 09:01:00

EXHIBIT B

EXHIBIT B

City Manager Dale Martin TERMINATION

1. FIRST AND FOREMOST IT GIVES ME NO PLEASURE IN HAVING TO DISCUSS THIS TYPE OF CITY BUSINESS THIS EVENING. IM MAKING A MOTION TO TERMINATE DALE MARTIN WITHOUT CAUSE AND GIVE HIM 30 DAY WRITTEN NOTICE IMMEDIATELY.
2. I PROPOSE WE ACT ON THIS ISSUE THIS EVENING. I WILL DISCUSS SOME OF THE VARIOUS REASONS THAT HAVE BROUGHT ME TO THIS POINT.
 - A. SINCE BEFORE I WAS A COMMISSIONER, ONE OF THE FIRST MEETINGS I ATTENDED THAT PROPELLED ME TO RUN WAS A BUDGET DISCUSSION WHERE THE CITY MANAGER LOOKED UP A FEW PROPERTY OWNERS WHO WERE PRESENT AND PROCEEDED TO EMBARRASS THEM WITH VERBALLY LETTING EVERYONE KNOW THEIR EXACT TAX BILL.
 - B. I FEEL THAT THE TERMINATION OF A LONG TIME CITY EMPLOYEE REX LESTER FOR NO CAUSE WAS TERRIBLE MANAGEMENT, BY ELIMINATING HIS POSITION WITH 1.5 YEARS LEFT TO SERVE BEFORE HIS RETIREMENT. I ONLY FOUND OUT LAST WEEK THAT THE CITY MANAGER WAS GIVEN MULTIPLE OPTIONS FROM OTHER DEPARTMENT HEADS TO FINISH HIS TIME RESPECTFULLY. DALE REFUSED TO CONSIDER ANY OF THEIR OFFERS.
 - C. THE CITY MANAGER DELAYED THE TERMINATION OF THE CITY COMMISSIONERS' HEALTH INSURANCE BENEFIT for APPROXIMATELY 6 MONTHS IN ORDER TO BENEFIT ONE COMMISSIONER UNTIL HE WAS ELIGIBLE FOR MEDICARE. SELECTIVE MANAGEMENT.
 - D. HOWEVER, IN THE BRETT'S ISSUE THE CITY MANAGER COULD NOT PERSUADE MR ROSS TO WAIT 2 WEEKS OR JUST DISCUSS THIS POSSIBLE ISSUE OF INSURANCE COVERAGE WITHOUT TRYING TO DISGRACE OUR CITY. FIRST OF ALL THE WHOLE ISSUE WAS SUPPOSED TO HAVE BEEN DONE WITH IN THE FIRST MEETING OF JANUARY WHEN NO COMMISSIONER 2ND COMMISSIONER ROSS'S MOTION TO CONTINUALLY DRAG THE NON ISSUE ALONG. HOWEVER THE CITY MANAGER WITH COOPERATION WITH MR ROSS ALONE CREATED AN OPPORTUNITY TO HY-JACK YET ANOTHER MEETING WITH THE ATTEMPT TO MAKE OUR CITY AND COMMISSIONERS LOOK BAD AND SOMEHOW CONDEMN BRETT'S, ALL OF THIS WAS DONE CONVENIENTLY WHEN THE CITY ATTORNEY WAS NOT PRESENT. SHOWING A LACK OF CONSIDERATION AND FAVORITISM ONCE AGAIN FOR 1 COMMISSIONER AND NOT THE WHOLE COMMISSION. POOR MANAGEMENT.

- E. FURTHERMORE, MAYOR BEAN SPECIFICALLY INSTRUCTED THE CITY MANAGER TO WAIT UNTIL THE CITY ATTORNEY RETURNED AND NOT TO SPEND MONEY ON MR POOLE TO RESEARCH THE BRETT'S INSURANCE TOPIC. YET THE VERY NEXT DAY WITH THE CITY MANAGER'S PERMISSION COMMISSIONER ROSS DID JUST THAT AND COST THE CITY AN ADDITIONAL 650.00. SEE INVOICE ATTACHED.
- F. REGARDING BRETT'S LEASE. I BELIEVE IN ATTEMPT TO CONTROL AND OR GET THE EXACT BID WINNER TO ACCEPT THE CONTRACT FOR THE BRETT'S FUTURE LEASEHOLDER THE CITY MANAGER ACTUALLY OFFERED THE CITY COMMISSION AN IDEA OF A 10 DAY RFQ. WHICH WOULD ONLY BENEFIT THE EXACT PERSON THE CITY MANAGER WANTED TO WIN. UNACCEPTABLE FINANCIAL MIS MANAGEMENT. 
- G. AS A CITY COMMISSIONER I SHOULD NOT BE INFORMED ABOUT A HIRING OR FIRING OF AN EMPLOYEE AFTER THE NEWSPAPER WAS INFORMED. MOST RECENTLY THE NEWS LEADER KNEW DAYS BEFORE THE COMMISSIONERS WERE INFORMED THAT THE AIRPORT MANAGER RESIGNED. LACK OF COMMUNICATION.
- H. I WAS HIGHLY DISCOURAGED WHEN THE CITY MANAGER WHOSE PREROGATIVE IS CURRENTLY TO HIRE A NEW POLICE CHIEF BASICALLY BLEW OFF MY REQUEST TO MEET AND DISCUSS WITH HIM THIS HIRE. I WOULD FEEL AT THE LEAST THIS WOULD WARRANT LISTENING TO MY INPUT AS I AM ONE OF HIS BOSSES.
- I. THE WHOLE POLICE CHIEF HIRING PROCESS FROM OUR CITY MANAGER HAS BEEN A DEBACLE. I PERSONALLY KNOW FROM A PREVIOUS CITY COMMISSIONERS ARTICLE THAT THE CITY MANAGER'S 2 TOP CANDIDATES HAVE ONGOING LITIGATION AGAINST THEM. THE CURRENT ASSISTANT DEPUTY CHIEF WAS HIRED WITH THE INTENTION TO TAKE OVER THE POLICE CHIEF POSITION ONCE HE LEFT. I WAS INFORMED BY THE DEPUTY CHIEF THAT THE CURRENT INTERIM POLICE CHIEF JIM HURLEY WAS SET TO LEAVE ON FRIDAY A FEW WEEKS AGO, ACCORDING TO THE CITY MANAGERS LACK OF MANAGEMENT DID NOT INFORM STAFF UNTIL LATE THAT EVENING HURLEY WOULD BE STAYING. LAST WEDNESDAY JIM HURLEY DID LEAVE HIS TEMPORARY POSITION, YET OUR DEPUTY CHIEF HAS NOT BEEN INFORMED OF HIS CURRENT JOB DUTIES. CURRENTLY WITH NO TEMPORARY POLICE CHIEF IN PLACE. LACK OF COMMUNICATION AND LEADERSHIP.

- J. IN A STAFF MEETING A FEW WEEKS AGO I WAS INFORMED THAT THE CITY MANAGER EXPLAINED THAT MR. ROSS WOULD BE ROLLING OUT A 10 PERCENT BUDGET CUT PRESENTATION TO GET PREPARED FOR THE BUDGET CYCLE. THE CITY MANAGER SAID "MAKE IT LOOK UGLY" WITH HIS INTENTION OF UNDERMINING THE BUDGET PROCESS IS IRRESPONSIBLE AND UNFAIR AND INEQUITABLE TO ALL COMMISSIONERS.I VERIFIED WITH 3 DEPARTMENT HEADS THAT THIS IS ACTUALLY WHAT THE CITY MANAGER STATED.
- K. THESE ARE JUST SOME OF THE EXAMPLES THAT HAVE LED ME TO THIS DECISION FOR THE NECESSITY OF NEW LEADERSHIP AT OUR CITY.

RESPECTFULLY SUBMITTED,
VICE MAYOR DAVID STURGES

EXHIBIT C

EXHIBIT C

Sec. 25. - City Manager appointment; tenure of office; qualifications;

The City Commission must appoint a City Manager who is the administrative head of the municipal government under the direction and supervision of the City Commission and holds office at the pleasure of the City Commission. The City Manager must be chosen solely on the basis of executive and administrative qualifications without regard to political belief, and need not be a resident of the City or state at the time of appointment; however, not later than 90 days after executing the Oath of Office, the City Manager must become a resident of the City. The City Manager must have prior management experience, and the Commission must consider more than one (1) qualified candidate for City Manager. The City Manager must be a member in good standing of a professional organization such as the International City/County Management Association prior to appointment or within six (6) months after appointment. The City Commission will establish an appropriate contract for the City Manager, which contains the employment conditions, compensation, benefits and such other terms as may be appropriate. The City Manager may also be deemed to be a regular employee of the City, and the employment conditions, compensation, benefits and other terms may be set by the City Commission through ordinance, resolution or policy.



(Laws of Fla., ch. 8949(1921), § 25; Ord. No. 91-17, § 1, 9-17-91; Ord. No. 98-4, § 1, 2-17-98; Ord. No. 2005-40, § 3, 1-17-06; Ord. No. 2020-21, § 17, 1-19-21)

Editor's note— Ord. No. 2020-21, § 17, adopted Jan. 19, 2021, amended § 25, and in so doing changed the title of said section from appointment; tenure of office; qualifications; manager pro tem to read as set out herein.