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

AMANDA REES,

Plaintiff,

v.

CITY OF PALM COAST,

Defendant.
_____/

CASE NO.: 25-CA-2025 CA 000217
FLA BAR NO.: 0739685

COMPLAINT

Plaintiff, AMANDA REES, hereby sues Defendant, CITY OF PALM COAST, and alleges:

NATURE OF THE ACTION

1. This is an action brought under the Florida Whistleblower Act codified at Chapter 112, Florida Statutes.

2. This action involves claims which are, individually, in excess of Fifty Thousand Dollars ($50,000.00), exclusive of costs and interest.

THE PARTIES

3. At all times pertinent hereto, AMANDA REES, has been a resident of the State of Florida and was employed by Defendant. Plaintiff is a member of a protected class due to reporting and disclosing Defendant's malfeasance, misfeasance and/or gross misconduct. Plaintiff was retaliated against after reporting Defendant's unlawful employment practices.

4. At all times pertinent hereto, Defendant, CITY OF PALM COAST, has been organized and existing under the laws of the State of Florida. At all times pertinent to this action,

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Defendant has been an "employer" as that term is used under the applicable laws identified above. Defendant was Plaintiff's employer as it relates to these claims.

CONDITIONS PRECEDENT

5. Plaintiff has satisfied all conditions precedent to bringing this action, if any.

STATEMENT OF THE ULTIMATE FACTS

6. Plaintiff, a protected whistleblower, began her employment with Defendant on or about June 17, 2024, and held the position of Utility Director at the time of her wrongful termination on November 14, 2024.

7. Despite her stellar work performance during her employment with Defendant, Plaintiff was subjected to disparate treatment, different terms and conditions of employment, and was held to a different standard because she reported certain of Defendant's activities and was subject to retaliation thereafter.

8. The disparate treatment and retaliation came at the hands of specifically but not limited to City Manager, Lauren Johnston, Director of Human Resources, Renina Fuller, and Chief of Staff, Jason DeLorenzo.

9. During her tenure, Plaintiff was responsible for overseeing the operations of the Defendant's Utility Department, including the water and wastewater systems, and ensuring the effective maintenance of the city's infrastructure. Plaintiff was hired with the understanding that she would implement improvements and increase efficiency within the Utility Department.

10. Approximately two to four weeks after Plaintiff's employment began, she attended a meeting with Johnston, who expressed a desire to terminate top management in the Utility Department, specifically Stephen Flanagan, Peter Roussell, and Danny Ashburn. Johnston stated that Utility Systems Assistant Manager, Stefanie Plummer, was promoted beyond her

capabilities and instructed Plaintiff to demote her. She also referred to Utility Supervisor, Mike Hughes as problematic but did not specify any reasons. Johnston attributed utility problems to Flanagan and Roussell's failed leadership, citing their promotion beyond qualifications but offered no supporting details.

11. Plaintiff requested documentation on these claims and was directed to consult Fuller. Johnston suggested demoting the employees or allowing them to resign. Johnston had been involved in Flanagan's prior demotion but provided no reasons beyond claims of inadequate leadership. Fuller informed Plaintiff that no documentation existed regarding Flanagan's discipline and would follow up with Johnston.

12. Early in her employment, Plaintiff encountered significant leadership challenges, particularly in the Water Distribution Construction section. The conduct of Hughes had been well-documented prior to Plaintiff's employment, with Human Resources previously involved in addressing these concerns.

13. Prior to Plaintiff's arrival, she was informed that Staff Members, Jim Melley and Mike Hughes had engaged in an altercation as Hughes resisted attempts to implement organizational changes within the department. Plaintiff was not present during the incident and did not review any associated documentation. However, it was understood that after the department underwent staff reassignments, with direct reports being shifted to Plummer, Mike Hughes refused to comply with the changes to his behavior and work practices, thereby displaying insubordination and contributing to a toxic work environment. This, in turn, led to discord among employees, who were aware that management was not aligned in its approach. Plummer experienced difficulties in managing Hughes, as he failed to follow her directives. It is

believed that Plummer felt constrained by a lack of support from prior leadership, hindering her ability to address the situation effectively.

14. Plaintiff, upon becoming aware of the issues, informed Plummer that she would assist in rectifying the situation within the department. Despite Plaintiff's ongoing efforts to foster accountability and improve team cohesion, including the implementation of measures such as requiring weekly reports and assigning additional supervisory responsibilities to staff, employee morale remained low, and resistance to change persisted.

15. Throughout Plaintiff's employment she reported her concerns regarding the future of the Defendant's wastewater treatment infrastructure, particularly the capacity of Wastewater Treatment Plant One ("WWTP1") to Johnston, DeLorenzo, Duffy in email and verbally in meetings. More specifically, Plaintiff reported that WWTP1 was operating at full capacity, and Defendant had overpromised water and sewer services to new developments. This led to the need to halt new Utility Agreements sending flow to the plant. Additionally, there was confusion over the ownership of the Otis Stone Wells, which had once been part of Defendant's water permit but were no longer included, affecting Defendant's ability to meet growing water demands.

16. On July 23, 2024, during a Council meeting of Defendant's City Council, Director of Stormwater and Engineering, Carl Cote, communicated with Plaintiff informing her that the information presented in the Comprehensive Plan conflicted with the Capital Plan and the numbers that had been discussed in prior meetings related to capacity needs. Plaintiff immediately sent a text message to DeLorenzo, which read, "I am just seeing the Utility Capital Projects section of the Comprehensive Plan – it is not reflective of what we are experiencing. It conflicts with our capacity needs. Just wanted you to know." Plaintiff noted that Johnston was

absent from that meeting with DeLorenzo attending in her place. DeLorenzo did not respond to the text message.

17. Prior to the commencement of the aforementioned Council meeting, Plaintiff spoke with DeLorenzo in the Council room, further addressing the discrepancies in the presentation and the inaccurate information presented to the City Council. Plaintiff informed him that the information needed to be corrected. DeLorenzo instructed Plaintiff to exercise caution in her statements and directed an employee to remove the relevant slide from the public presentation. However, the inaccurate information remained in the Council members' packets. Plaintiff interpreted DeLorenzo's cautionary remarks as a veiled threat to refrain from speaking the truth.

18. The slide in question, which was removed from the public presentation but not from packet, falsely indicated that sufficient water and sewer capacity existed for future needs. This misrepresentation was of particular concern, given that the Comprehensive Plan is a crucial document outlining the City's westward expansion. At the time, the City lacked the necessary water and sewer capacity for such an expansion. Furthermore, Plaintiff was later informed by Johnston that the westward expansion would be supported by the developer, Raydient LLC. However, as Plaintiff continued in her employment, it became clear that this assertion was false.

19. In a subsequent meeting in or around August 2024 with Paul Rice of Raydient LLC and DeLorenzo, Plaintiff was shown a map of the proposed westward expansion plan, which included a preliminary development design for a sports complex/stadium. Rice stated that the sports complex was of particular interest to the City of Palm Coast. Rice acknowledged that serving the westward expansion would require additional water and sewer capacity and mentioned having a proposal for such capacity. Plaintiff inferred that Rice's team at Rayonier

Corporation had drafted a Master Services Agreement between the City of Palm Coast and the proposed development. Plaintiff requested to review this agreement but Rice advised that it could be viewed at a later time. Plaintiff was never shown this proposed Agreement.

20. In a subsequent meeting in or around September 2024, between Palm Coast Utility Team and Rice, the parties discussed the current capacity constraints, and Plaintiff verbally emphasized the urgency of acquiring the Otis Stone Wells to secure additional water supply. Rice indicated that he would be willing to consider the proposal in May 2025, after the approval of the Comprehensive Plan.

21. Upon receiving a Consent Decree from FDEP on July 29, 2024, Plaintiff reviewed the document and reported concerns regarding certain clauses that imposed criminal liability, including imprisonment, for past or future misuse of sewer revenues for non-Utility related purposes. Plaintiff was aware from budget meetings that the City Council had approved a loan transferring funds from the Utility Fund to the General Fund for the road expansion project, which conflicted with the Consent Decree.

22. In August 2024, Plaintiff reported her concerns regarding the Consent Decree to several city officials, including Duffy, Johnston, DeLorenzo and Director of Finance, Helena Alves by email. Plaintiff proposed that Alves should sign the financial portions of the Consent Decree, given the financial implications. Alves responded that she had not seen such clauses in previous agreements, and Johnston instructed Plaintiff to consult with Duffy regarding these concerns.

23. On that same day, during a subsequent phone call with Johnston, Plaintiff verbally reported that, as she lacked the authority to transfer funds from the Utility Fund, the individual

with the authority to do so should be the one to sign the document. No further discussions regarding who should sign the document took place following this conversation.

24. During the forthcoming week, Plaintiff additionally reported her concerns to Duffy, who acknowledged that transferring funds from the Utility Fund to the General Fund could create complications in signing the Consent Decree. Plaintiff worked with Duffy to modify the language in the Consent Decree, ensuring it did not implicate the City or Plaintiff. Plaintiff sent emails to request modifications to the Consent Decree on the day of her termination.

25. Prior to the Plaintiff's scheduled presentation on the Utility Action Plan & Consent Decree Overview, she attended a meeting organized by Johnston, which was also attended by Councilwoman Theresa Pontieri and her child. During this meeting, they reviewed the presentation Plaintiff was set to deliver on October 3, 2024, which encompassed the Consent Decree and the Utility Action Plan. During the course of the meeting, Plaintiff suggested that revising the phrase "Growth pays for Growth" would be beneficial, as her analysis of the Utility's financials did not support this assertion. Plaintiff noted that she had heard this phrase repeated from the council podium, and her professional opinion was that, based on the financial data and the costs associated with new expansions, a more accurate representation should be provided to the public. Plaintiff left the meeting with the understanding that they had discussed significant and challenging issues.

26. On or about September 2024, Plaintiff communicated via email to Johnston, reporting to her that the generator at WWTP1 required replacement due to its age and deteriorating condition. Plaintiff received a response from Johnston asking why it had not been included in the most recent budget; however, the budget preparations were made prior to Plaintiff's employment. Plaintiff replied in an email to Johnston that even though it was not

represented in the budget it needed to be purchased with emergency funds. Subsequently, when Hurricane Milton occurred, Plaintiff was forced to urgently rent a generator to ensure the continued operation of the facility.

27. On September 30, 2024, Plaintiff attended a formal meeting regarding a written warning issued by Director of Human Resources, Renina Fuller, Chief of Staff, DeLorenzo, and Plaintiff's direct supervisor, Acting City Manager, Lauren Johnston. During this meeting, Plaintiff was informed that Pontieri had expressed dissatisfaction with the tone Plaintiff used in a previous meeting with her. Plaintiff was advised that her failure to meet Pontieri's expectations regarding tone had led to the written warning.

28. Plaintiff subsequently declined to sign the write-up, as Plaintiff believed it was unfounded and did not accurately reflect the circumstances of the meetings/discussion with staff members.

29. Following this formal meeting, Plaintiff had a private conversation with Fuller in the HR conference room. During their discussion, Plaintiff inquired about the nature of the situation, to which Fuller responded, "If Councilwoman Pontieri had not made comments about your tone, we would just be having a verbal discussion about the comments made by employees, and it would be a verbal conversation—not a written warning."

30. Additionally, Fuller remarked, "Palm Coast is a very political city, and when the new city manager was appointed, the new city council would instruct that individual to terminate directors. Whether right, wrong, or indifferent, that would happen."

31. The written warning issued to Plaintiff by City Administration which followed her disclosures of wrongdoing and malfeasance within the City, significantly undermined Plaintiff's ability to lead hers department and created a work environment where any employee

could make unfounded comments about Plaintiff, which would then be accepted as factual without affording Plaintiff an opportunity to defend herself. This policy effectively obstructed Plaintiff's ability to manage staff members and placed Plaintiff in a position where Plaintiff was set up to fail.

32. In an attempt to resolve the matter, Plaintiff sent an email to Johnston following the issuance of the written warning. In the email, Plaintiff expressed ongoing support for both Ms. Johnston and Pontieri and conveyed Plaintiff's willingness to personally apologize to Pontieri should she have been offended by Plaintiff's tone during the prior meeting.

33. Despite Plaintiff's outreach, Johnston did not respond to Plaintiff's email. In an in-person conversation, Ms. Johnston informed Plaintiff that it was unnecessary for Plaintiff to apologize to Pontieri, and Plaintiff followed her directive by refraining from discussing the matter with the Councilwoman.

34. Approximately two weeks before her dismissal, Plaintiff had a meeting with City Attorney, Marcus Duffy, Duffy's Colleague, Patrick L/N/U, DeLorenzo, and Johnston, where she proposed a resolution to halt new development agreements until WWTP1 capacity was expanded. Plaintiff's goal was to ensure responsible growth and protect the long-term sustainability of the City's wastewater treatment system.

35. On November 14, 2024, Plaintiff was summoned to a meeting with Fuller, during which she was informed that the City had decided she was "not the right fit" for her position, and that her employment would be terminated effective immediately. This decision was unquestionably linked to Plaintiff's previous reporting of concerns to the Defendant supporting the fact that her termination was retaliatory. Plaintiff was not provided with any specific reasons for her dismissal and, when inquiring about why Johnston was not present, Fuller did not

respond. Plaintiff was not provided with any formal documentation or explanation, except for a Non-Disclosure Confidentiality Agreement, which Plaintiff declined to sign. Plaintiff was offered the option of resigning to protect her reputation, but she declined.

36. On November 15, 2024, Plaintiff received a termination letter via email from Fuller, indicating that her dismissal was based on performance issues. This explanation is contradicted by the fact that Plaintiff had never been provided with a performance evaluation nor any feedback showing that she was not properly performing her duties, thereby highlighting a discrepancy between the stated grounds for her termination and the lack of prior performance assessments.

37. Following Plaintiff's termination, Defendant publicly released a statement to the press asserting that Plaintiff was fired for allegations of bullying employees. There is not one iota of support for this false statement nor any evidence that there were performance-based grounds for her termination. Defendant's false public announcement of the reasons for Plaintiff's termination was taken by Defendant to manipulate the public narrative and slander Plaintiff's name in retaliation for her reports of wrongdoing within the Defendant.

38. Plaintiff has retained the undersigned to represent her interests in this cause and is obligated to pay a fee for these services. Defendant should be made to pay said fee under the laws referenced above.

COUNT I
PUBLIC WHISTLEBLOWER RETALIATION

39. Paragraphs 1 through 38 above are incorporated herein by reference.

40. This count sets forth a claim against Defendant under §112.3187, et seq., Florida Statutes.

41. Plaintiff was a public employee protected under the provisions of Chapter 112, Florida Statutes.

42. As stated more specifically in part above, Plaintiff reported and disclosed violations of rules, regulations and laws, and/or malfeasance, misfeasance and/or gross misconduct to persons both inside and outside of her normal chain of command, and to others having the authority to investigate, police, manage and otherwise remedy the violations of rules, regulations and laws that she reported. Plaintiff also disclosed this information when she participated in investigations, hearings, or other agency inquiries. Plaintiff reported malfeasance, misfeasance, and other acts specifically outlined in §112.3187(5), Florida Statutes.

43. After reporting these matters and/or participating in investigations, hearings, or other agency inquiries, as related in part above, Plaintiff was the victim of retaliatory actions set forth in part above including without limitation her termination.

44. Plaintiff's terminations was a direct adverse result of her reporting violations of rules, regulations or laws, and/or her reporting malfeasance, misfeasance or gross misconduct, and/or her participating in investigations, hearings or other inquiries, specified in part above.

45. The actions of all employees within Defendant who affected Plaintiff's employment adversely did so at least in part in retaliation against her for her "whistleblowing" activities.

46. As a direct and proximate result of the actions taken against her by Defendant, Plaintiff has suffered injury, including but not limited to past and future wage losses, loss of benefits, emotional pain and suffering, loss of the capacity for the enjoyment of life and other tangible and intangible damages. These damages have occurred in the past, are occurring at present and will occur in the future. Plaintiff is entitled to injunctive relief.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment against Defendant for the following:

(a) that process issue and this Court take jurisdiction over this case;

(b) that this Court grant equitable relief against Defendant under the applicable counts set forth above, mandating Defendant's obedience to the laws enumerated herein and providing other equitable relief to Plaintiff;

(c) enter judgment against Defendant and for Plaintiff awarding all legally-available general and compensatory damages and economic loss to Plaintiff from Defendant for Defendant's violations of law enumerated herein;

(d) enter judgment against Defendant and for Plaintiff permanently enjoining Defendant from future violations of law enumerated herein;

(e) enter judgment against Defendant and for Plaintiff awarding Plaintiff attorney's fees and costs;

(f) award Plaintiff interest where appropriate; and

(g) grant such other further relief as being just and proper under the circumstances, including but not limited to reinstatement.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury on all issues herein that are so triable.

DATED this 18th day of April 2025.

Respectfully submitted,

/s/ Marie A. Mattox
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