

**TOWN OF OCEAN ISLE BEACH
THREE WEST THIRD STREET
OCEAN ISLE BEACH, NC 28469**

BOARD OF COMMISSIONERS MEETING

January 13, 2015

MINUTES

MEMBERS PRESENT:

Mayor Debbie Smith	Mayor Pro Tem Dean Walters
Commissioner D.B. Grantham	Commissioner R. Wayne Rowell
Commissioner Bob Williams	Commissioner Betty Williamson
Daisy Ivey, Town Administrator	Larry Sellers, Assistant Town Administrator
Sue Stuhr, Town Clerk	Michael Isenberg, Town Attorney

OTHERS PRESENT:

Approximately 22 Property Owners/Guests

MEETING CALLED TO ORDER

Mayor Smith called the regular meeting to order with everyone repeating the Lord's Prayer and pledging allegiance to the flag.

ADOPTION OF CONSENT AGENDA

Mayor Smith stated the consent agenda included approval of the minutes of the December 9, 2014 Public Hearing and Board of Commissioners Meeting, approval of Budget Adjustment # 4 for Fiscal Year 2014-15 to account for final construction and engineering cost for East End Water Tank and approval of Change Order No. 1 – A.C. Schultes of Carolina, Inc. (East End Water Tank). Upon a motion by Commissioner Williamson with a second by Commissioner Rowell, the Board vote was unanimous in approval.

ADOPTION OF AGENDA

Mayor Smith stated the next item of business was adoption of the meeting agenda. Mayor Pro Tem Walters made a motion to approve the meeting agenda with an amendment to include Board discussion regarding a proposal by BEMC to provide street light updates as New Business # 5. Upon a second by Commissioner Rowell, the Board vote was unanimous in approval.

MAYOR'S REPORT

Mayor Smith recognized Officer Jason Freeman for his actions in response to an emergency call on January 1, 2015. Mayor Smith stated Officer Freeman was first on the scene and proceeded to administer CPR until the EMTs arrived. Officer Jason Freeman was presented a lifesaving ribbon for his heroic actions. Mayor Smith noted the visitor made a full recovery and was able to return to his work in Charlotte.

DEPARTMENTAL REPORTS

1. Administration – Mrs. Ivey provided a copy of the financial dashboard for the month of December 2014 for review by Board members. Mrs. Ivey stated the report showed a

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decrease in cash and investments over same period prior year due to property purchases. Mrs. Ivey advised building permit revenues stand at a collection rate of 75.53% compared to 64.99% for same month prior year. Mrs. Ivey reported on F/Y 2014 property taxes indicating current year outstanding taxes in the amount of \$911,648, for a collection rate of 71%. Mrs. Ivey also reported F/Y 2013 has \$98,670 in property taxes outstanding as of December 2014, at a current collection rate of 96.90%. For the tax year 2012, \$892 remained outstanding at a collection rate of 99.97%. Mrs. Ivey stated accommodation taxes for the month of November 2014 increased 106 % due to back collections from May through October. Businesses showed a 18.75% increase and VRBO's collections increased 400% over same month prior year. Mrs. Ivey advised the Town has been notified of the results of recently completed ISO analysis of the Town's building codes and its efforts in the enforcement of these codes. Mrs. Ivey stated the Town received a grading classification of 7 for 1 and 2 Family Residential and Commercial properties, which due to certain NC Building Codes in this area, is the best possible classification attainable by the Town. Mrs. Ivey noted this rating is used to determine home owners' insurance rates. Mrs. Ivey provided an update on the terminal groin project advising Coastal Planning & Engineering (CPE) has developed and shared a detailed timeline with the Corps and urged completion of the final review of the draft EIS as soon as possible to allow publication in the Federal registry no later than January 23, 2015. Mrs. Ivey indicated the terminal groin project remains on schedule to proceed in the 2015-16 environmental window. Mrs. Ivey stated CPE has also indicated their expectation to complete the finalized draft report on the 30 Year Beach Management Plan within the next few weeks. Mrs. Ivey provided an update on the Concrete Canal dredging project advising the contractor is currently approximately two weeks ahead of the anticipated schedule. Mrs. Ivey stated property owners may now return boats to canals #9, #10 and #11 and dredge surveys are currently being completed in canals #19, # 8, #7 and #6. Mrs. Ivey reported Brunswick County has allocated \$1600 to the Town to assist in funding the local mosquito control program. Mrs. Ivey noted staff is in the process of completing the 2015 Town Newsletter for mailing. Mrs. Ivey also reported the Town has received a \$46,000 refund in conjunction with the Coastal Storm Damage Reduction Project. The total cost of the \$8,295,159 project was funded by 65% Federal share and 35% shared equally with State and local funds. Mrs. Ivey stated one half of the amount of the refund received will be returned to the State. Mrs. Ivey reported the Town closed on the RPZ property purchase on December 19, 2014 and has received reimbursement for the purchase by State and Federal DOA Grant funds. Mrs. Ivey advised some additional closing costs will also be submitted for reimbursement by grant funds. Mrs. Ivey also reported, during the recent GSAT meeting, the NCDOT Transportation Improvement Plan (TIP) was presented. Mrs. Ivey noted the TIP includes information regarding the SR 1184/NC 179 extension project indicating an anticipated completion date of May, 2016.

2. Police Department – Chief Bellamy provided a report on police activity for the month of December. Chief Bellamy advised two suspects had been arrested in connection with recent breaking and entering crimes and the majority of the stolen property had been recovered.

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3. Water/Sewer/Street – Mr. Sellers provided a summary report of activities of the Water, Sewer and Street Departments during the month of December including details of seasonal landscape maintenance and projects in progress for each utility department. Mr. Seller advised the Town will begin the project to rehab the E-1 Main Pump Station's wet well and piping located at 1 Laurinburg Street in the upcoming weeks.
4. Fire Department – Assistant Chief Rash summarized an activity report for the month of December indicating the Department responded to a total of 44 calls for service and a year to date total of 782, which reflects a 4% increase over prior year's statistics. Assistant Chief Rash reported 200 hours of training and 39 fire inspections were performed during the month.
5. Planning/Zoning – Mr. Dycus provided a report on behalf of the Planning Department. Mr. Dycus advised 4 mobile vendor applications were received and approved to conduct business on the strand for the year 2015 including Sunset Slush, Roberto's Italian Ice, Carolina Quench and Causeway Gourmet. Mr. Dycus also advised the Static Line Exemption has been reauthorized for the next 5 year period.
6. Building Inspections – Mr. Cooke provided a report from the Building & Inspections Department indicating that permits were issued for 2 new single family (SF) residential homes in the city and 2 residences in the ETJ for a total of 67 permits issued during the month of December, with a total construction value of \$2,091,379. The annual summary report was provided indicating a total of 1342 permits with a total construction value of \$25,475, 579 issued during the year 2014.

COMMENTS

Mayor Smith stated that this time had been set aside to allow our citizens to speak in regard to issues relating to agenda items. Mayor Smith stated that due to time constraints, each speaker should limit their comments to three minutes. Comments were heard as follows:

David Martin, 248 East First Street - Mr. Martin commented the Run for Food Race Event held on January 10, 2015 was a well run event and expressed his appreciation to the Police Department for their traffic control management as the participants crossed over the bridge. Mr. Martin noted the Town is beginning to see more requests for road race activities on the island and suggested the Town may need to consider the priority of the requests and also the cost to the Town involved with these special activities. Mr. Martin expressed his opinion that group activities sponsored by off island business ventures requesting to conduct an event that will generate profit should be considered carefully in regard to the cost the Town will incur.

OLD BUSINESS

1. Discussion regarding a recommendation from the Planning Board to make amendments to Section 10-125 Fencing was the first item of business. Board members reviewed proposed amendments to the Town's ordinance regulating fencing in commercial areas that would allow taller solid fences around commercial structures. The Planning Board recommended Section 10-25 Fencing be amended to read as follows:

(a) Fencing must have at least 50 percent open construction and will be limited to split rail, lattice, picket and noncorrosive aluminum types. Maximum height allowed will be four feet

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from ground level to the highest point of the fencing. The following types of fencing are prohibited: above-ground electric fences, chain-link fencing and metallic-type fencing. Replacement or repair of any existing fence must comply with these requirements. A building permit will be required prior to installation of fencing.

(b) Owners of residential structures who construct in-ground or above-ground pools can completely enclose the pool structure with a fence provided that said fence be designed to collapse or break way. Above and in-ground pool fencing shall meet a five-foot maximum height limitation and shall utilize the split rail, lattice, picket, shadow box or a closed design fence. The definition of a pool is any structure intended for swimming or recreational bathing that could contain 24 inches of water. This depth includes both in-ground and above-ground pools, hot tubs and spas.

(c) Commercially zoned lots which also contain commercial uses may install solid or open construction fencing up to a height of five feet measured from ground level to the highest point of the fencing, subject, however, to the following requirements:

- (1) Fences shall not extend closer than ten feet to the front property line.
- (2) In no case shall fencing be allowed across a front property boundary or to completely enclose a property.

Multi-family structures do not constitute a commercial use for the purpose of this Ordinance, however, hotels and motels shall.

(d) No fence shall impede the visual locating of 911 emergency street addresses.

(e) No fence shall block access from doors or windows. Fences must have a clearance of at least two feet from building walls, except where fences project to or from a building wall.

(f) Fences shall not alter or impede the natural flow of water in any stream, creek, drainage swale or ditch.

(g) The finished side of the fence shall face off site.

(h) Pedestrian connections through fences that connect to adjoining neighborhoods or other uses are encouraged.

(j) Government facilities (i.e. water towers, sewer treatment facilities, storage yards, etc.) are exempt from these requirements.

Following discussion of the proposed changes to the Town's ordinance regulating fencing, upon a motion by Commissioner Walters and second by Commissioner Grantham, the Board voted unanimously to schedule a public meeting at 8:45 a.m. on February 10, 2015 to allow public comment regarding the proposed changes to the Town's Ordinance Section 10-25 Fencing.

NEW BUSINESS

1. The first item of business was discussion regarding award of contracts and project agreements as follows:

a. Approval of Audit Contract F/Y 2014-15 – Thompson, Price, Scott, Adams & Co, PA:

Following review of the proposed audit contract, upon a motion by

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Commissioner Grantham and second by Commissioner Rowell, the Board voted unanimously to authorize entry into the contract agreement with Thompson, Price, Scott, Adams & Co, PA in an amount of \$8,250 for the audit services and \$1000 for preparation of the annual financial statements as presented.

- b. Renewal of Lease Agreement between the Town, Virginia Williamson & OIB Holdings, LLC for Open Space/Park Area Adjacent to R.H. McClure Realty: Board members reviewed renewal of an annual lease of the open space/park area, which included payment of Brunswick County and municipal taxes assessed against the leased property for the one year term of the lease. Commissioner Grantham made a motion to authorize entry into an agreement with Virginia Williamson & OIB Holdings for an additional year as presented. Upon a second by Commissioner Rowell, the Board voted unanimously in approval.
 - c. Discussion and Award of Contract to Replace Beach Accesses at Raeford and Beaufort Streets:
Board members reviewed bids received in response to the Town's RFP for the project to replace beach accesses at Raeford and Beaufort Streets. A copy of the bid tabulation is incorporated by reference and hereby made a part of these minutes. Staff recommended award of contract to low bidder Jessie and Myers Construction. Mrs. Ivey advised funds for the project were allocated in the F/Y 2014-15 Budget. Mrs. Ivey also advised the contractor has requested a contract schedule to allow 60 days for the completion of the project. Following Board review and discussion of the plans for the beach access project, Commissioner Williamson made a motion to authorize entry into a contract for the project to Jessie and Myers Construction at a cost of \$67,500 and to specify the project be completed within a 60 day time frame. Upon a second to the motion by Mayor Pro Tem Walters, the Board vote was unanimous in approval.
 - d. Review of Bids and Award of Contract for E-1 Main Pump Station Rehab Project:
Board members reviewed two bids received for the project to rehab the E-1 Main Pump Station's wet well and piping (1 Laurinburg Street). Mr. Sellers recommended award of bid to low bidder Dun-Right Services in the amount of \$53,224. Mr. Sellers advised he has been pleased with the work provided by this contractor for previous projects. Mrs. Ivey stated funds for the project were allocated in the F/Y 2014-15 Budget. Following review of the proposed contract, Commissioner Grantham made a motion to enter into an agreement with Dun-Right Services for the project to rehab the E-1 pump station as presented. Upon a second by Commissioner Williams, the Board vote was unanimous in approval.
2. The next item of business was a request by Coastal Race Productions for approval to conduct "Run Ocean Isle Beach", which would include a mile run, 5k and half marathon

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at Ocean Isle Beach. Mrs. Ivey summarized the group activity request which indicated several dates for consideration including October 3, 31 or November 1, 2015. Mrs. Ivey noted the earlier date of October 3 was the organizer's preferred option. Mrs. Ivey also clarified with Mr. David Hutnik, Race Director, regarding the fact the race event would be charging entry fees and although the local nonprofit Paws-Ability would set up a booth onsite during the activities, the waiver of group activity was not being requested. Commissioner Grantham asked if the dates in the later part of October would conflict with the Southern Kingfish Association (SKA) Tournament discussed at a prior Board meeting. Mayor Smith indicated the SKA event was not confirmed at this time. Mayor Pro Tem Walters sited his concerns regarding the potential danger to race participants and stated he wished to go on record voicing his opposition to a race route that crosses the bridge. Mr. Hutnik reviewed the race route with the Board members and suggested it was possible the event could begin earlier in the day. Mrs. Ivey confirmed the bridge would not be closed during the race and the Police Department would be available to assist in monitoring traffic. Following Board discussion and input by Chief Bellamy regarding the proposed dates with the event organizers, it was the consensus that October 3 would be the optimal date for the event. Upon a motion by Commissioner Rowell and second by Commissioner Williams, the Board vote was unanimous in approval of the request to conduct the event on October 3, 2015 and to allow use of Town-owned land contingent upon evidence of liability insurance by Coastal Race Productions. Board members confirmed, due to the fact the group activity fee was not waived, payment of the group activity fee was also required.

3. Mayor Smith stated discussion regarding appointment to fill the expiring term of Buddy Russell as Trustee on the Ocean Isle Beach Firefighters Relief Fund Board was the next item of New Business. Mrs. Ivey advised Mr. Russell has indicated his interest in continuing to serve in this capacity. Commissioner Rowell made a motion to appoint Buddy Russell to serve an additional two year term through January 2017 on the Firefighters Relief Fund Board. Upon a second to the motion by Commissioner Williamson, the Board vote was unanimous in approval.
4. Discussion and Approval of Resolution Designating an Official to Make Recommendations regarding ABC Permit Applications was the next item of business. Board members considered a resolution to appoint Police Chief Bellamy to make recommendations on ABC permit applications. Upon a motion by Mayor Pro Tem Walters and second by Commissioner Rowell, the Board unanimously approved the resolution to designate Chief Bellamy official to make recommendation regarding ABC permit applications.
5. The final item of New Business was discussion regarding a proposal by BEMC to provide street light updates in the Town. Mrs. Ivey provided details of a proposal developed by BEMC to update the Town's street lighting that would provide a consistent design and color for the lighting fixtures for street lights on the island. Mrs. Ivey advised, following several meetings with BEMC, a plan had been developed to complete the project to replace outdated fixtures with uniform designs and re-paint the poles. The turnkey proposal would paint the street light poles gray and change all fixture heads to the smaller LED light heads at a total cost of \$ 77,260. The offer also included financing available at a 2% interest rate with

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payments over a 3 to 5 year period. The project was planned to commence immediately if approved. Following discussion of the details of the project that would update all existing street lights to conform with a consistent design and color and also the financing available, Commissioner Rowell made a motion to proceed with the project as presented and utilize the five year financing option to make monthly payments for a total project cost of \$81,250. Upon a second to the motion by Commissioner Williams, the Board voted unanimously in approval.

EXECUTIVE SESSION

The Board recessed to Executive Session upon approval of a motion of Commissioner Williamson with a second by Commissioner Grantham. The vote was unanimous. Mayor Smith stated an Executive Session was necessary in order to approve the minutes of the December 9, 2014 Executive Session as per G.S. 143-318.11(1) and consult with the Town Attorney regarding pending legal issues as per G.S. 143-318.11(3).

The Board returned to regular session upon approval of a motion by Commissioner Williamson with a second by Commissioner Rowell. Mayor Smith reported during executive session the Board approved the minutes of the December 9, 2014 executive session upon a motion of Commissioner Grantham and second by Commissioner Williamson. The vote was unanimous. Mayor Smith stated during executive session the Board also consulted with the Town Attorney regarding pending legal issues.

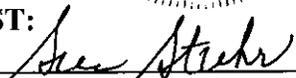
ADJOURN

Being no additional business was heard; Commissioner Rowell made a motion to adjourn. Upon a second by Commissioner Grantham, the vote was unanimous to adjourn.

DATED: January 13, 2015

SIGNED: 
Debbie S. Smith, Mayor



ATTEST: 
Sue Stuhr, Town Clerk