

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

**BOARD OF COMMISSIONERS MEETING  
FEBRUARY 11, 2014  
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	Elva Jess, Town Attorney

**OTHERS PRESENT:**

Approximately 14 Property Owners and Guest

**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 January 14, 2014 Board of Commissioners meeting and approval of authorization directing the Tax Collector to advertise tax liens on real property F/Y 2013. Upon a motion by Commissioner Williamson and second by Commissioner Williams, the Board voted unanimously to approve the consent agenda as presented.

**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 add a discussion regarding acquisition of Parcel No. 257DI009 located on Causeway Drive to New Business. Upon a second by Commissioner Williams, the Board vote was unanimous in approval.

**MAYORS REPORT**

Mayor Smith provided an update on the status of the Ocean Isle Beach Coastal Storm Reduction Project indicating the survey crews had arrived and the expectation was for pumping to begin approximately the first week of March. Mayor Smith noted identifying tags will be utilized on contractor's work vehicles during the project. Mayor Smith also advised this week she planned to attend the first public hearing regarding the terminal groin project for Bald Head Island at Southport.

**DEPARTMENTAL REPORTS**

1. Administration – Mrs. Ivey provided a financial dashboard summary for January 2014, indicating an increase in Cash and Investments from same month prior year. Mrs. Ivey also reported on F/Y 2013 tax collection indicating \$1,219,245 in property taxes had been received as of January 2014, leaving a current outstanding balance of \$338,310 and a

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current collection rate of 89.36%. Mrs. Ivey stated the 2012 tax collection rate was 99.96%, with an outstanding balance of \$ 1,242. Mrs. Ivey reported Accommodation Taxes and VRBO receipts collected for January decreased over the same month prior year. Mrs. Ivey provided an update on the first meeting of the steering committee for the Bicycle and Pedestrian Plan. Mrs. Ivey advised staff had completed a mailing to all Concrete Canal property owners regarding the 2014-15 canal dredging project. Mrs. Ivey also advised the application for approval of the Town's financing for the purchase of the property adjacent to the Museum had been submitted to the Local Government Commission (LGC).

2. Police Department – Chief Goodwin provided a report indicating a reduction in activity for the month of January. Chief Goodwin expressed his appreciation that local residents had chosen to stay off the roads during the recent ice storm. Chief Goodwin advised his officers continue to regularly perform house security checks and once again encouraged all property owners to continue to report any irregular activity noted, directly to the Police Department. Chief Goodwin noted his department was making plans to participate in a land based water rescue training with the Fire Department. Chief Goodwin also advised a medicine drop has been scheduled on March 27 at The Landing Shopping Center.
3. Water/Sewer/Street – Mr. Sellers reported during the month of January, the Water Department activities included installation of taps, locates for cable and telephone, repair of water leaks, grading on East Third Street, maintenance around meter boxes and checking for water leaks following the recent storm. Mr. Sellers summarized work activity by the Street Department including cutting back of plants, pruning trees, picking up debris on the beach strand and assisting with beach access repairs. The Sewer Department activities during the month included locates for cable and telephone, assistance with installation of bypass sewer meter, replacement and cleaning of floats on lift stations.
4. Fire Department – Chief Yoho summarized an activity report for the month of January indicating the Department responded to a total of 49 calls, of which 15 were in the city. Chief Yoho advised Fire Department personnel completed 280 hours of training and also performed 49 fire inspections during the month.
5. Building Inspections – Mr. Cook reported the Building & Inspections Department issued permits for 3 new single family (SF) residential homes in the city for a total of 57 permits issued during the month of January, with a total construction value of \$ 1,332,088.

### **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. No comment was heard.

### **NEW BUSINESS**

1. Mayor Smith stated the first item of New Business was discussion regarding a request from the new developers of The Retreat at Ocean Isle Beach for revision of the bond. Staff advised a revised improvement guarantee was necessary following the recent purchase of The Retreat at Ocean Isle Beach by Bill Clark Homes of Wilmington, LLC. Board members reviewed an opinion of probable cost provided by McKim and Creed indicating a current total bond

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estimate of \$265,208.13. The Planning Department advised a cashier's check in this amount has been received by the Town from Bill Clark Homes of Wilmington, LLC. Upon a motion by Mayor Pro Tem Walters and second by Commissioner Rowell, the Board voted unanimously to approve the revision of bond as presented.

2. The next item of New Business was discussion regarding requests for approval of group activities as follows:

- a. Ocean Isle Fishing Center (OIFC) Request for 2014 Fishing Tournaments:

Jolly Mon King Classic - June 19-22, 2014

Fall Brawl King Classic – October 10-12, 2014

Board members reviewed a summary checklist with details of the each of the tournaments along with a letter from the OIFC requesting use of the Town's property on Causeway Drive as a parking area for the events. One issue noted was the fact the alternate date listed for the Fall Brawl fishing tournament would fall on the same weekend as the Oyster Festival. Following discussion, it was suggested the alternate date for the Fall Brawl be revised to October 24-26. Upon a motion by Commissioner Grantham and second by Commissioner Rowell, the Board vote was unanimous in approval of the fishing tournaments with the revised alternate date for the Fall Brawl as suggested. The request for the use of the Town's vacant lot on Causeway Drive as a parking area was also approved contingent upon receipt of evidence of liability insurance.

- b. YMCA Girls on the Run (GOTR) and STRIDE 5K Benefit Run – April 12, 2014

Mrs. Ivey advised staff had reviewed the group activity application with no issues noted. The request included permission for use of the Town's leased property on Causeway Drive as a parking area for the event. Mrs. Ivey noted evidence of liability insurance had been provided and waiver of the group activity application fee due to the non-profit status of the sponsor organization was also requested. Upon a motion by Commissioner Rowell and second by Commissioner Williams, the Board voted unanimously to approve the request to conduct the GOTR/STRIDE 5K Run as requested, waiver of the group activity fee due to nonprofit status and also to allow permission for use of Town's leased property as a parking area.

3. Appointment to Fill Vacancy on Planning Board – Term Expiring July 2014

Board members considered letters from residents Bo Tate, Becky Noble and Mark Robertson indicating their interest in serving as a member of the Planning Board. Board members were in consensus of the fact that each of these residents was very well qualified to serve in this capacity, which made this decision a very difficult one. Following further discussion, Commissioner Williamson made a motion to appoint Mrs. Becky Noble to fill the vacancy on the Planning Board. Upon a second by Commissioner Williams, the Board vote was unanimous in approval.

4. The next item of New Business was discussion regarding award of contracts and project agreements as follows:

- a. Award of Contract for SCADA Panel for New Sewer Lift Station E25, Shallotte Boulevard Sewer Modification Project:

Board reviewed bids received for award of contract for SCADA electrical installation services related to the Shallotte Blvd Sewer Modification Project. Staff advised the Town is eligible to receive 100% reimbursement of these project costs utilizing Federal

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and State FEMA Hazard Mitigation Program funds. Mr. Sellers recommended award of the project to Kanoy and Kanoy, Inc. in the amount of \$8496.10. Upon a motion by Commissioner Rowell and second by Commissioner Williams, the Board voted unanimously to award the contract for electrical installation to Kanoy and Kanoy, Inc.

- b. Award of Contract for Electrical Services for Sewer Pump Station Controls, Shallotte Boulevard Sewer Modification Project:

Board reviewed the bid tab for award of contract for the electrical services to install pump station controls related to the Shallotte Blvd Sewer Modification Project. Staff advised the Town is eligible to receive 100% reimbursement of these project costs utilizing Federal and State FEMA Hazard Mitigation Program funds. Staff recommended award of contract to low bidder Kanoy and Kanoy, Inc. in the amount of \$17,144.55. Commissioner Grantham made a motion to award the contract for the electrical services to Kanoy and Kanoy, Inc. Upon a second by Commissioner Williams, the vote was unanimous in approval.

- c. Award of Contract for Relocation of Water Line, Shallotte Boulevard Sewer Modification Project:

Board members reviewed bids received for award of contract for relocation of a 6" water line for the installation of sewer pump station at Shallotte Blvd and East 4<sup>th</sup> Street. Staff advised the Town is eligible to receive 100% reimbursement of these project costs utilizing Federal and State FEMA Hazard Mitigation Program funds. Staff recommended award of contract to low bidder, Hickman Utilities. Commissioner Williams made a motion to award the contract to Hickman Utilities in the amount of \$7,515.50. Upon a second by Commissioner Rowell, the Board vote was unanimous in approval.

- d. Award of Contract for the Planting of Beach Grass at the Base of Dunes Along Beach Strand:

Board members reviewed bids received for the annual planting of American Beach Grass along the Beach Strand. Staff recommended award of contract to low bidder Head Acres Farms, Inc. in the amount of \$11,616.00. Upon a motion by Commissioner Williams and second by Commissioner Williamson, the vote was unanimous to award the contract to Head Acres Farms.

5. Mayor Smith stated the next item of New Business was discussion regarding a recommendation from staff for an increase of the fine for violation of the Town's Ordinance Section 22-71 Unnecessary Noises. Board members reviewed a recommendation by Town and Police Department Staff to increase the current penalty of \$25 per violation to \$100 in order to discourage violation of this ordinance and also align the penalty imposed to be similar with other penalties in the Town's ordinance. Upon a motion by Commissioner Rowell and second by Commissioner Grantham, the Board voted unanimously to amend Section 22-71 to increase the fine to \$100 per violation. Following further Board discussion of the current ordinance and the changes suggested by staff, it was also the consensus of the Board to direct staff to research information from other local municipalities regarding the timeframe as well as the time restrictions relating to their noise ordinance for further Board review at a future meeting.

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6. The next item of business was discussion regarding a proposed contract with Zambelli Fireworks Manufacturing Company for a Fireworks Display on the 4<sup>th</sup> of July. Board members reviewed a proposal prepared by Zambelli Fireworks to provide a fireworks display at the Pier on July 4, 2014. Mayor Smith advised the Ocean Isle Property Owners Association (OIPOA) has indicated their organization is willing to fund this fireworks event and has proposed a joint venture with the Town. Board members were advised verbal approval has been received from the Williamson's to conduct the display from the Ocean Isle Beach Pier. Mayor Smith indicated she was confirming the entities that need to be listed for certificate of liability insurance requirements. The Town Attorney stated the original draft contract had been corrected to indicate any legal issues would be heard in North Carolina and also reviewed some concerns regarding other requirements. Ms. Jess advised Town Ordinance Section 38-71 would need to be amended to allow a professional contracted fireworks display. Board discussion followed regarding some concerns relating to crowd control for the event. Further discussion followed regarding clarification of logistics and the Town's responsibilities related to the event. Commissioner Rowell made a motion to approve the contract with Zambelli Fireworks Manufacturing Company in the amount of \$17,500 to conduct a fireworks display on July 4, 2014. The motion indicated approval would be contingent upon the Town securing written approval from the Williamsons for use of the Pier and also determination of the party that was responsible for permitting the event. Commissioner Williams seconded the motion and the Board vote was unanimous in approval.
  
7. Board discussion regarding acquisition of Parcel No. 257DI009 located on Causeway Drive was the final item of New Business. Board members discussed issues regarding the Town's negotiations for acquisition of Parcel No. 257DI009 currently owned by Bank of America. Mayor Smith advised the Town has been in negotiations with Bank of America for the purchase of this parcel with the intent is for its use as municipal park/open space area and summarized the current situation. Mayor Smith stated the Town has now been advised Bank of America has given preference for negotiations to purchase the property to Drapec, Inc. The Town Attorney has been in communication with Drapec, Inc. and has been advised of their intent for the sale of the property to proceed. Mayor Smith advised the Town will require the entire parcel for the planned municipal park project. Mayor Pro Tem Walters recommended the Town pursue eminent domain proceedings to secure the property for the Town's important park project. Following further Board discussion, upon a motion Mayor Pro Tem Walters and second by Commissioner Rowell, the Board voted unanimously to direct the Town Attorney to take the necessary action to move forward with a notice of intent to the property owners that the Town will be exercising their rights for eminent domain for Parcel No. 257DI009.

### **EXECUTIVE SESSION**

The Board recessed to Executive Session upon a motion of Commissioner Williamson with a second by Mayor Pro Tem Walters, the vote was unanimous. Mayor Smith stated an Executive Session was necessary in order to approve the minutes of the January 14, 2014 executive session meeting as per G. S. 143-318.11 (1), to consult with the Town Attorney regarding pending legal issues as per G.S. 143-318.11(3) and discussion to establish or instruct staff or agent concerning the negotiation of the price and terms of a contract for acquisition of real property described as Parcel Nos. 2430001801, 2430001802 and 2430001803 as per G.S. 143-318.11(5).

The Board returned to regular session upon a motion of Commissioner Williamson with a

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second by Commissioner Grantham. Mayor Smith reported during executive session the Board approved the minutes of the January 14, 2014 meeting upon a motion of Commissioner Grantham with a second by Commissioner Williamson. The vote was unanimous. Mayor Smith stated also during executive session the Board consulted with the Town Attorney regarding pending legal issues and held discussion regarding the negotiation of the price and terms of a contract for acquisition of real property described as Parcel Nos. 2430001801, 2430001802 and 2430001803.

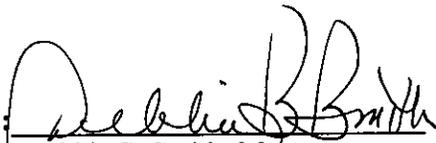
The Town Attorney advised further Board discussion was necessary due the fact earlier discussion had failed to address the need to establish a value for Parcel No. 257DI009 in order to prepare the Notice of Intent in conjunction with eminent domain proceedings for this parcel. Ms. Jess advised appraisals had been requested but responses had not yet been received. Following discussion and based upon review of the Town's offer to purchase of the adjacent tract, upon a motion by Mayor Pro Tem Walters and second by Commissioner Grantham, the Board voted unanimously to establish a value of \$1.2 million for Parcel No. 257DI009.

**RECESS TO RECONVENE**

Being no additional business was heard, Commissioner Williams made a motion to recess to reconvene for a Budget Workshop on February 27, 2014 at 9:00 am at the Ocean Isle Inn. Upon a second by Commissioner Grantham, the vote was unanimous.

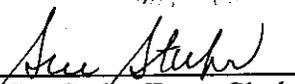
DATED: February 11, 2014

SIGNED: \_\_\_\_\_

  
Debbie S. Smith, Mayor



ATTEST: \_\_\_\_\_

  
Sue Stuhr, Town Clerk