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

BOARD OF COMMISSIONERS MEETING
March 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

OTHERS PRESENT:

Approximately 17 Property Owners and Guest
Brian Slattery, Brunswick Beacon

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 February 11, 2014 Board of Commissioners meeting and approval of Budget Adjustment #1. Mayor Smith stated there was one correction necessary to a date under Executive Session. Upon a motion by Commissioner Williamson and second by Commissioner Rowell, the Board voted unanimously to approve the consent agenda with the correction as indicated.

ADOPTION OF AGENDA

Mayor Smith stated the next item of business was adoption of the meeting agenda. Commissioner Rowell made a motion to approve the meeting agenda with an amendment to add a discussion regarding approval of the Town's Matching Funds for FAA State Block Grant Program WBS Element 36237.60.7.2 Land Acquisition, Phase I EDDA, Obstruction Removal & Acquire Easement, add a discussion regarding approval of work authorization for land acquisition assistance services by Talbert and Bright and also to delete consultation with the Town Attorney under executive session. Upon a second by Commissioner Williams, the Board vote was unanimous in approval.

MAYORS REPORT

Mayor Smith acknowledged Police Officers Angie King, Brett Heintz, Parks Reid and Charles Liles commending their recent completion of Critical Incident Management Training. Mayor Smith also presented a service award to Tim McGinn, recognizing his 5 years of dedicated service to the Fire Department. Mayor Smith reported the Town's marketing consultant, Lewis Advertising, was recently honored with a Bronze "Addy" award for their excellence in design for the Town's new billboards. Mayor Smith provided an update on the beach renourishment project indicating she will be attended a meeting with the Corps this week. Mayor Smith also advised she

and the Town Administrator will be attending the upcoming NCBIWA meeting in Nags Head.

DEPARTMENTAL REPORTS

1. Administration – Mrs. Ivey provided a financial dashboard summary for February 2014, indicating an increase in Cash and Investments and also a decrease in General Fund expenditures from same month prior year. Mrs. Ivey reported on F/Y 2013 tax collection indicating $1,219,245 in property taxes had been received as of February 2014, leaving a current outstanding balance of $286,099 and a current collection rate of 91%. Mrs. Ivey stated the 2012 tax collection rate was 99.96%, with an outstanding balance of $1,224. Mrs. Ivey provided an update from the Corps on the beach renourishment project indicating additional sand may be required. Mrs. Ivey stated the original estimate of 640,000 cubic yards of sand for the project was increased to an expected 800,000 cubic yards of sand and noted the additional cost would be covered by federal and non-federal funding. Mrs. Ivey also reported the purchase of the Williamson property adjacent to the Museum has now been completed. Mrs. Ivey advised the Town's 2014 "News Breaker" newsletter had been mailed to all Town property owners. Mrs. Ivey expressed her appreciation to Sue Stuhr for design of the publication and also to staff for their assistance in the mailing. Mrs. Ivey also advised of upcoming meetings including the Cape Fear COG annual meeting on March 25 and the Division of Coastal Area Management public hearing regarding the Comprehensive Inlet Management Study meeting on March 26 from 6:00 – 8:00 pm at Town Hall.
2. Police Department – Chief Goodwin provided a report indicating an increase in activity for the month of February. Chief Goodwin summarized information relating to recent larcenies reported and advised his officers continue to regularly perform house security checks. Chief Goodwin noted his department was making plans to participate in a land based water rescue training with the Fire Department. Chief Goodwin advised four additional officers plan to attend upcoming critical incident training classes. Chief Goodwin also reminded everyone of the upcoming medicine drop scheduled on March 27 at The Landing Shopping Center.
3. Water/Sewer/Street – Mr. Sellers reported during the month of February, the Water Department activities included installation of taps, repair of leak in the waterline on the bridge, cut off water leaks due to freezing conditions, repair of water leaks, maintenance around meter boxes and locates for cable and telephone. Mr. Sellers summarized work activity by the Street Department including cutting back of plants following recent freezing weather, clean up of strand on East end, cleaning and trimming around access areas and assisting with beach access repairs. The Sewer Department activities during the month included cleaning of 1800 feet of sewer line, cleaning of floats and lift stations with Vac truck, locates for other utilities and also pulling and cleaning of pumps.
4. Fire Department – Chief Yoho summarized an activity report for the month of February indicating the Department responded to a total of 47 calls, of which 14 were in the city. Chief Yoho advised Fire Department personnel completed 139 hours of training and also performed 50 fire inspections during the month.
5. Planning/CAMA - Mr. Whiteside reported the opening of Drift, a new coffee shop on the Island. Mr. Whiteside advised the Planning Department has completed a mailing of letters to concrete canal property owners regarding bulkhead issues that need to be addressed prior to the dredging project. Mr. Whiteside also advised the elevation certificates on file

have now been scanned and saved on the Town network for easier access to this information.

6. Building Inspections – Mr. Cook reported the Building & Inspections Department issued permits for 1 new single family (SF) residential home in the city and 5 new SF residential homes in the ETJ for a total of 65 permits issued during the month of February, 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.

Bob Mayhew, 24 Dare Street – Mr. Mayhew expressed his concerns about an agenda item regarding an application for rezoning of 21 East First Street from R-1 (Single Family Residential) to C-2 (Commercial Business District). Mr. Mayhew asked the Town to proceed cautiously in the consideration of this request due to adjacent residential areas.

OLD BUSINESS

1. Mayor Smith stated discussion regarding the Town's Noise Ordinance Section 22-71 Unnecessary Noises was the first item of business. Board members revisited a discussion from the February Board meeting regarding complaints voiced by residents or guests that construction noise was bothersome at early hours in the day. Mr. Whiteside provided information regarding the policy of other local municipalities regarding regulation of hours of construction activity indicating the Town's noise regulation of activity (8:00am – 8:00pm) did allow activity earlier than some of the other local communities. Board members were advised most complaints were voiced by weekend guests and warnings were issued to contractors that began work prior to the allowed hours of activity. After further discussion, Board members were in consensus to direct the Planning Department to continue to monitor the hours of construction noise, taking no further action at this time.

NEW BUSINESS

1. Mayor Smith stated the first item of New Business was discussion regarding an application for Rezoning of 21 East First Street by Splash Beachwear, LTD. Board members reviewed an application submitted by Gene Hardee, owner of 21 East First Street requesting rezoning of Parcel 257DG001 from R-1 (Single Family Residential) to C-2 (Commercial Business District). Following discussion of the request to rezone this vacant lot which is adjacent to both commercial (C-2) and residential (R-1) zoned parcels, upon a motion by Commissioner Grantham and second by Commissioner Rowell, the Board voted unanimously to refer this request to the Planning Board for review and recommendation.

2. The next item of New Business was discussion regarding requests for approval of group activities as follows:
   a. Fisherman's Post - 2014 Ocean Isle Inshore Challenge Fishing Tournament, May 30-31, 2014
      Request for approval to conduct the Ocean Isle Inshore Challenge Fishing Tournament on May 30-31, 2014

   Board members reviewed a summary checklist with details of the tournament along with a letter from the OI Fishing Center allowing permission for the use of their facility for the event. Mrs.

Ivey advised the activity fee had been paid and staff had reviewed the group activity application for the fishing tournament with no issues noted. Upon a motion by Commissioner Rowell and second by Commissioner Grantham, the Board vote was unanimous in approval of the fishing tournament as requested.

b. Ocean Isle Beach Sea Turtle Protection Organization (OISTPO)

1. South Brunswick Sea Turtle Festival on July 9, 2014
   Request for approval to conduct annual educational Sea Turtle Festival at the Community Center on July 9, 2014

2. Turtle Talk at the Community Center, Tuesday Evenings May27 – August 26, 2014
   Request for approval to conduct their educational Sea Turtle program at the Community Center 7:00pm – 8:30pm each Tuesday evening, May 27 – August 26, 2014

Mrs. Ivey advised staff had reviewed the group activity application for these annual OISTPO events with no issues noted. Mrs. Ivey noted evidence of liability insurance has been provided and waiver of the group activity application fee due to the non-profit status of the sponsor organization was requested. Commenting these types of events contribute to the quality of life at Ocean Isle Beach, Mayor Pro Tem Walters made a motion to approve the events as requested by Ocean Isle Sea Turtle Protection Organization and allow waiver of the group activity fee due to nonprofit status. Upon a second by Commissioner Williams, the Board voted unanimously in approval.

c. Museum of Coastal Carolina:

1. Family Day – April 19, 2014,
   Request for approval to conduct annual Family Day event
2. Wine Fest 2014 – May 3, 2014,
   Request for approval of annual wine festival fundraiser event including live and silent auction, food and wine at the Museum on May 3, 2014

Board members reviewed the group activity checklist for the events to be held at the Museum of Coastal Carolina. The request included permission for use of the Town's property on Causeway Drive as a parking area for the event. Mrs. Ivey noted evidence of liability insurance had been provided and confirmed that all alcoholic beverages served at the event would be consumed inside the Museum building only. 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 Williamson, the Board voted unanimously to approve the request to conduct the events at the Museum of Coastal Carolina as requested, allow waiver of the group activity fee and also to allow permission for use of Town's property as a parking area.

d. Paws-Ability 4th Annual Bicycle Poker Run – October 11, 2014:
   Request for approval to conduct annual Bicycle Poker Run fundraiser event

Board members reviewed the group activity checklist for the Bicycle Poker Run. The application included a request for permission to use the Town's property on Causeway Drive to set up a tent for event registration and a gathering following the Poker Run. 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 requested. Upon a motion by Mayor Pro Tem Walters and second by Commissioner Rowell, the Board voted unanimously to approve the request to conduct the Poker Run fundraiser as requested, allow waiver of the group activity fee due to nonprofit status and also to allow permission for use of Town's property on Causeway Drive for the event.

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

a. Discussion and Approval of Audit Contract F/Y 2013-14 – Thompson, Price, Scott, Adams & Co, PA
Board members reviewed a proposed contract with Thompson, Price, Scott, Adams & Co, to perform auditing services for F/Y 2013-14. Mrs. Ivey advised the rates for the audit remained the same as for the prior year. Upon a motion by Commissioner Rowell and second by Commissioner Williams, the Board voted unanimously to approve the audit contract for F/Y 2013-14 with Thompson, Scott, Price, Adams, Inc. as presented.

b. Discussion and Approval of Lease Agreement with Pitney Bowes for Town's Mailing System
Board members reviewed a draft agreement for the lease of the Town's mailing equipment. Staff advised the renewal of the lease for the postage equipment was offered at the prior lease government pricing. Upon a motion by Commissioner Grantham and second by Commissioner Rowell, the Board vote was unanimous to authorize entry into a lease agreement with Pitney Bowes for the Town mailing system at the rate of $234 per month for a term of five years.

c. Discussion and Award of Contract for Rehab of Five (5) Manholes
Bids were reviewed for the project to rehab manholes at five locations on West First and East Second Street. Staff recommended award of contract to low bidder Dunright Services, Inc. in the amount of $10,467. Mr. Sellers advised this budgeted project was expected to be complete by April 11, 2014. Commissioner Williamson made a motion to award the contract to Dunright Services, Inc. in an amount not to exceed $10,467. Upon a second to the motion by Mayor Pro Tem Walters, The Board vote was unanimous in approval.

d. Discussion and Award of Contract for Piping Rehab of Winston Salem and East Second Street Pump Station (E-24)
Board members reviewed bids received for the budgeted project for piping rehab of Pump Station E-24. Mr. Sellers recommended award of the project to low bidder Hickman Utilities, Inc. and advised the project would need to be performed at night due to controlling flow into the pump station. Following Board review of the contract agreement, upon a motion by Commissioner Rowell and second by Commissioner Williams, the Board voted unanimously to authorize entry into an agreement with Hickman Utilities, Inc. for the E-24 pump station pipe rehab project in an amount not to exceed $16,375.

e. Discussion Regarding Proposals for Engineering of Beach Access Replacements

Board members reviewed the specifications for the structural engineering services for several beach access ramp projects. Staff provided information regarding qualifications provided for structural engineering services for the replacement of damaged beach access ramps and recommended Wingate Consulting Engineers for the project. Staff indicated the Town has previously worked with this engineer on an unsafe structures and this contractor could produce construction plans quickly. Following discussion, Commissioner Rowell made a motion to authorize entry into an agreement with Wingate Consulting Engineers to provide engineering services for the beach access replacement project. Upon a second by Commissioner Grantham, the Board vote was unanimous in agreement.

4. Mayor Smith stated the next item of New Business was discussion regarding a Shallow Draft Inlet Recon Study Permitting Contract. Mrs. Ivey advised the State of North Carolina has recently completed the Recon Study and is now ready to move forward with the permitting process. A letter of commitment confirming the Town's local matching funds is necessary from the Towns involved in the Recon Study, including Holden Beach, Emerald Isle, New Hanover County, North Topsail and Ocean Isle Beach. Board members reviewed a draft letter with the Town's commitment of up to $37,500 in matching funds toward the cost of the permitting process. Upon a motion by Commissioner Grantham and second by Commissioner Williams, the Board voted unanimously to authorize the Mayor to forward a letter of request that the NC Division of Water Resources proceed with soliciting bids for a contractor to secure a USACE general permit and NCDCM major permit for the continued maintenance of Shallotte Inlet and confirm the Town's commitment in matching funds in an amount up to $37,500.

5. Discussion and Review of Qualifications for Professional Services for the Ocean Isle Beach Management Plan was the next item of New Business. Board members reviewed qualifications from four firms for engineering services related to the development of the Ocean Isle Beach Management Plan that would provide direction for the entire island including areas outside of the beach renourishment plan. The Board was in consensus of the fact each of the candidates (Coastal Planning and Engineering of North Carolina, Inc., Gahagan & Bryant Associates of NC, PLLC, Moffat & Nichol and TI Coastal, PLLC) were well qualified to perform engineering services for the Town. Staff recommended Coastal Planning and Engineering, noting some of the necessary information would have already been acquired in the process of their work on the EIS for the Terminal Groin project and the fact the Town was pleased with their performance on the study. Following further discussion, upon a motion by Grantham and second by Commissioner Rowell the Board voted unanimously to select Coastal Planning and Engineering of North Carolina, Inc. to provide professional services for the preparation of the Town's Beach Management Plan.

6. Discussion regarding amendment to Section 38-71 to amend the Town's Ordinance as it pertains to the regulation of firing, discharge and explosion of fireworks within the Town was the next item of business. Board members reviewed proposed changes to the Town's Ordinance to permit a fireworks exhibition to be performed by a company that specializes in professional fireworks displays. Following discussion, upon a motion by Commissioner Rowell and second by Commissioner Williams, the Board voted unanimously to adopt a resolution to modify the Town Ordinance as follows:

   That Section 38-71(a) of the Code of Ordinances of the Town of Ocean Isle .Beach shall be amended in its entirety, to read as follows:

(a) *It shall be unlawful for any person to fire or discharge any rifle, gun, pistol, pellet gun, air gun, air pistol, air rifle, fireworks or any type of pyrotechnic device within the town, on or off his premises, in sport or amusement. A violation of this section shall not apply to the sale, use or possession of those devices specified in N.C.G.S. 14-414 as permitted by the State of North Carolina as specific exceptions to the State ban on fireworks and explosives. In addition, as a further exception to this provision, a permit may be obtained for a fireworks exhibition or display from the Town provided the display is designed and performed by a company that specializes in the performance of firework displays, the display area adheres to or exceeds applicable National Fire Protection Association standards and insurance is provided.*

7. Mayor Smith stated the next item of New Business was discussion regarding approval of work authorization for land acquisition assistance services by Talbert and Bright Engineering(TBI). Board members reviewed a work authorization for land acquisition services necessary for the purchase of Runway 6 RPZ, including an updated appraisal, updated review appraisal and updated Phase I EDDA at a lump sum amount of $16,830. Mrs. Ivey reported on a recent meeting with North Carolina Division of Aviation (NCDOA) and advised she was assured the $ 16,830 in additional engineering costs necessary for these updates will be absorbed entirely by NCDOA. Upon a motion by Mayor Pro Tem Walters and second by Commissioner Rowell, the vote was unanimous in approval of Work Authorization No. 14-01 for TBI Project No. 3405-1401 as presented.

8. Approval of Town's matching funds for FAA State Block Grant Program WBS Element 36237.60.7.2 Land Acquisition, Phase I EDDA, Obstruction Removal (TOFA) & Acquire Easement (Grant Adjustment) was the final item of New Business for discussion. Board members reviewed information regarding approval of the Town's match of funds related to an adjustment of FAA State Block Grant for Odell Williamson Municipal Airport that will be expiring July 1, 2014. Mrs. Ivey provided information from a recent meeting with the Division of Aviation indicating the DOA is willing to work with the Town in using and obtaining these funds. Upon a motion by Commissioner Williamson and second by Commissioner Grantham second by Commissioner Rowell, the Board voted unanimously to approve the Town's matching funds for the FAA State Block Grant Program WBS Element 36237.60.7.2 as presented.

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 February 11, 2014 executive session meeting as per G. S. 143-318.11 (l), 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 Williams with a second by Commissioner Rowell. Mayor Smith reported during executive session the Board approved the minutes of the February 11, 2014 meeting upon a motion of Commissioner Rowell with a second by Commissioner Williamson. The vote was unanimous. Mayor Smith stated also during executive session the Board 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.

RECESS TO RECONVENE

Being no additional business was heard, Commissioner Williamson made a motion to recess to reconvene for a Budget Workshop on March 13, 2014 at 8:00 am at the Ocean Isle Inn. Upon a second by Commissioner Rowell, the vote was unanimous.

DATED: March 11, 2014

SIGNED: Debbie S. Smith
Debbie S. Smith, Mayor

TOWN OF OCEAN ISLE BEACH
SEAL
NORTH CAROLINA

ATTEST: Sue Stuhr
Sue Stuhr, Town Clerk