

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

BOARD OF COMMISSIONERS MEETING

April 8, 2014

MINUTES

MEMBERS PRESENT:

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

MEMBERS ABSENT:

Commissioner Bob Williams

OTHERS PRESENT:

Approximately 14 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 for the March 2014 meetings, including the March 11 Board of Commissioners meeting, March 13 Budget Workshop and March 20 Reconvened Board meeting. Upon a motion by Commissioner Rowell and second by Commissioner Grantham, 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. Commissioner Williamson made a motion to approve the meeting agenda with an amendment to add a discussion regarding request by property owner for expansion of Town's ETJ to include Parcel Nos. 2290000104 and 2290000101 under New Business and also to indicate consultation would be held by conference call with the Town Attorney under executive session. Upon a second by Commissioner Grantham, the Board vote was unanimous in approval.

MAYORS REPORT

Mayor Smith provided an update on the Coastal Storm Damage Reduction Project on the east end of the island indicating project is now complete. It was estimated approximately 800,000 cubic yards of sand were placed on the strand as part of the beach renourishment project.

DEPARTMENTAL REPORTS

1. Administration – Mrs. Ivey provided a financial dashboard summary for March 2014, indicating an increase in Cash and Investments and also a slight decrease in General Fund expenditures from same month prior year. Mrs. Ivey reported on F/Y 2013 tax collection

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indicating \$1,219,245 in property taxes had been received as of March 2014, leaving a current outstanding balance of \$212,708 and a current collection rate of 93.30%. Mrs. Ivey stated the 2012 tax collection rate was 99.97%, with an outstanding balance of \$ 851. Mrs. Ivey provided an update from the dredging company indicating demobilization was in process and final placement of sand on the beach nearly complete. Mrs. Ivey reported Mrs. Cindy Huddleston was hired as the new activity director for Camp OIB for the 2014 summer season. Mrs. Ivey updated the Board regarding some new plans for the Camp OIB program including a family day event scheduled on Wednesdays. Mrs. Ivey advised of changes in Street Department personnel including the upcoming retirement of Terry Cook, and also the hiring of Ryan Wilson, to fill the position vacated by the retirement of John Kirst. Mrs. Ivey also reported interviews for the new Police Records Specialist position were scheduled to be held within the next week. Mrs. Ivey reviewed updated information on the Terminal Groin Project indicating the EIS was at 74% completion with the expectation the draft document would be ready in the May-June timeframe. Mrs. Ivey also reported on a recent meeting with Coastal Planning and Engineering regarding the Beach Management Plan, anticipating a projected completion date within six months. Mrs. Ivey advised of the progress of the new ABC Store, noting the approval of 7460 has been received from FAA. Mrs. Ivey also confirmed the upcoming 7th District Coastal Communities Luncheon featuring Congressman McIntyre was scheduled to be held on April 24 at The Isle's Restaurant.

2. Police Department – Chief Goodwin provided a report indicating an increase in activity for the month of March. Chief Goodwin summarized information relating to recent larcenies advising the suspects had been captured and some of the stolen items had been recovered. Chief Goodwin confirmed his officers continue to regularly perform house security checks. Chief Goodwin also reported on the medicine drop held on March 22 at the Landing Shopping Center.
3. Water/Sewer/Street – Mr. Sellers reported during the month of March, the Water Department activities included installation of taps, repair of leak in the waterline on the bridge, cutting off water leaks due to freezing conditions, repair of fire hydrants, semiannual flushing of system, water locates and meter replacement. Mr. Sellers summarized work activity by the Street Department including clean up on beach strand, placement of mulch in beautification areas, planting of flowers, mowing and application of fertilizer treatment. The Sewer Department activities during the month included cleaning of pump stations, repair of pumps and cleanouts, assisting contractors at the E-1 pump station damaged by lightning and also the manhole replacement project on Monroe Street.
4. Fire Department – Chief Yoho summarized an activity report for the month of March indicating the Department responded to a total of 53 calls, of which 23 were in the city. Chief Yoho advised Fire Department personnel completed 210 training hours, including participation in a Aircraft Rescue Firefighter (ARF) training held at the Odell Williamson Municipal Airport on April 10. Chief Yoho also reported 30 fire inspections were performed during the month.
5. Planning/CAMA - Mr. Whiteside reported Town employees participated in an Adopt-a-Highway pickup on April 10. Mr. Whiteside also advised the Planning Department has been working with CAMA to assist in determining some acceptable types of fill for parking pads of houses on the east end of the island.
6. Building Inspections – Mr. Cook reported the Building & Inspections Department issued permits for 1 new single family (SF) residential home in the city and 2 new SF residential

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homes in the ETJ for a total of 113 permits issued during the month of March, with a total construction value of \$ 1,875,577.

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.

Michael Powell, Drift Coffee Shop – Mr. Powell expressed his support of the request for rezoning of 21 East First Street, currently zoned residential, to a commercial (C-1) designation. Mr. Powell asked the Board to consider any possible options that would allow the property at 21 East First Street to be utilized as parking area for businesses, noting it has been unofficially used by the public for parking for many years.

Bob Mayhew, 24 Dare Street – Mr. Mayhew expressed his concerns about the application for rezoning of 21 East First Street currently zoned R-1 (Single Family Residential) and stated his opposition to a change of the parcel to C-2 (Commercial Business District) due to adjacent residential areas.

NEW BUSINESS

1. Mayor Smith stated the first item of New Business was discussion regarding recommendations from the Planning Board as follows:

- a. Splash Beachwear, LTD. – Application from Splash Beachwear, LTD for Rezoning of 21 East First Street, Parcel 257DG001

Board members reviewed a recommendation from the Planning Board regarding the application for the rezoning of 21 East First Street (Parcel 257DG001) indicating the Planning Board's decision not to recommend approval of the request. Board members discussed the fact this vacant lot, which is adjacent to both commercial and residential zoned parcels, had been used unofficially as a parking area for many years. The Board was in agreement with the Planning Board recommendation not to rezone the parcel to C-2, however; following further discussion, it was consensus of the Commissioners to refer this issue back to the Planning Board for consideration of any other possible options that would allow the property to be designated for use for as a parking area only. Upon a motion by Commissioner Grantham and second by Commissioner Rowell, the Board voted unanimously to refer this issue back to the Planning Board for additional consideration and research of possible options.

- b. Amendment to Section 66-133 Number of Parking Spaces

Board members reviewed a recommendation from the Planning Board regarding amendments to the Town's Ordinance 66-133 Number of Parking Spaces to modify residential parking restrictions on the mainland and also to remove employee parking requirements. Staff originally initiated the request for these changes indicating that residential parking restrictions on the mainland may be too restrictive in comparison with other Towns and also made a recommendation for amendments to remove employee parking requirements for businesses. Following discussion of the proposed amendments, Mayor Pro Tem Walters made a motion to schedule a public hearing at 8:45am prior to the May 13, 2014, Board

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meeting to receive comment regarding the proposed changes to the Town's zoning ordinance as presented. Upon a second by Commissioner Williamson, the Board vote was unanimous.

c. Recommendation for Amendment to Section 50-95 and 66-61 of the Subdivision and Planned Unit Development Ordinance

The Board reviewed a recommendation from the Planning Board for an amendment to the Town's ordinance to require street lighting be installed at intersections in new subdivisions and PUD developments. Staff also provided copies of proposed requirements for street lighting as originally prepared by the Planning Department and reviewed by Planning Board which specified spacing of lighting along pathways within a development. Mr. Whiteside provided some examples of decorative lower set lighting for walkways within a development with the maximum average placement recommended of 200 feet. The Planning Board chose to draft changes to the proposed amendment to indicate the requirement for lighting would apply only at intersections. The Planning Department requested the changes proposed by the Planning Board not be adopted due the fact the recommendation only addressed a requirement for lighting to be placed at intersections, not along sidewalks or pathways within a development for the safety of property owners, as was staff's intent in developing these requirements. Discussion included new designs of street lighting available and it was noted interest has been recently expressed by the Summer Place Homeowners Association to install the new lower more decorative designs in their development. Board discussion included possible costs involved in assuming responsibility of existing street lights when streets are dedicated to the Town. Following this discussion regarding lighting for safety of cars and pedestrians, the Board directed the Planning Department to draft design standards for lighting to be placed on all streets by the developer and provide information on current lighting costs from BEMC.

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

a. Request from Ocean Isle Property Owners Association (OIPOA) to conduct group activities planned for 2014:

Concerts on the Coast – Fridays (May 23 – September 5) 6:30pm–8:00pm

Independence Day Parade – July 4, 10:00 am – Noon

Sand Sculpture Contest – August 30, 9:30am–2:00pm

Trash Bash – September 27, 8:00am – 1:00pm

Super Saturday – November 29, Parade at 2:00pm, Tree Lighting at 5:00 pm followed by visit with Santa at 5:30 pm

Board members reviewed the requests for approval of the annual events sponsored by the OIPOA as listed. Board members expressed their appreciation of the enjoyment these annual events provide for Island residents and guests. Mrs. Ivey noted the group activity applications had been completed, evidence of liability insurance provided and written permission from the Museum of Coastal Carolina had been confirmed. Permission for use of the Town's adjacent property for use as parking area and waiver of the group activity fee due to the non-profit status of their organization was also requested. Upon a motion by Mayor Pro Tem Walters and second by Commissioner Williamson, the Board vote was unanimous to approve these events as presented, waive the group activity fee as requested, and allow permission for use of the Town's land for the events.

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b. Sonburst Ministries Surf Contest and Christian Youth Rally

The Board considered a request for group activity from Mr. Joe Memory, on behalf of Sonburst Ministries, to conduct a Surf Contest and Christian Youth Rally on the beach west of the Pier on May 10, 2014. Mrs. Ivey summarized the request noting the group activity application was complete and had been reviewed by staff with no issues indicated. Mrs. Ivey stated the application also included a request for waiver of group activity fee due to non-profit status. Mrs. Ivey advised written permission had been received for use of the Pier parking property for the activity and discussed the event with the Police Department confirming there will be no vehicles allowed on the beach. The Fire Department indicated there will be a boat on standby at the beach access and a quick response vehicle stationed on the strand. Following discussion, upon a motion by Commissioner Rowell and second by Commissioner Grantham, the Board voted unanimously to approve the request as presented and also waive the group activity fee due to nonprofit status of the organization.

c. 2014 Ocean Isle Beach Charity Poker Tournament

A request from Ms. Anne Overcash for approval of group activity to conduct the 2014 OIB Charity Poker Tournament to benefit "Susan G. Komen for a Cure" and "Relay for Life" at The Sandbar Restaurant on April 26, 2014 was reviewed. Mrs. Ivey advised the group activity application was complete with necessary approvals and staff had not indicated any issues regarding the event. Upon a motion by Commissioner Williamson and second by Commissioner Rowell, the Board voted unanimously to approve the request to conduct the charity poke tournament as requested and also waive the group activity fee due to nonprofit status of the sponsor organization.

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

a Contract Agreement for Cleaning of Community Center

Following review of the renewal agreement with Rosetta Kinlaw to provide cleaning services for the Community Center at the same terms as prior years at the rate of \$225 per week for daily cleaning, \$150 for a 3 day weekend rate and \$45 for daily/single cleaning on request. Commissioner Grantham made a motion to enter into the agreement with Mrs. Kinlaw for an additional year. Upon a second by Commissioner Rowell, the Board unanimously approved the agreement for cleaning services as presented.

b. Ocean Isle Sea Turtle Protection Organization — Turtle Monitoring Period May 1, 2014 through November 15, 2014

Board members considered the 2014 Turtle Monitoring Contract with Jim & Deb Boyce, Island Coordinators for Ocean Isle Sea Turtle Protection Organization offered at the rate of \$750 per month for the contract period of May 1 thru November 15, 2014. Upon a motion by Mayor Pro Tem Walters and second by Commissioner Rowell, the Board vote was unanimous to approve the agreement as presented.

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c. Award of Contract for Clearing of Trees and Vegetation on South Side of Airport Taxiway

Bids received for the project to clear trees and vegetation adjacent to the Odell Williamson Airport along south side of taxiway were reviewed. Staff recommended award of contract agreement for the project to low bidder Carolina Tree and Landscape Service and noted the Town will be eligible to receive NCDOA grant funds for the project. Commissioner Rowell made a motion to approve the agreement with Carolina Tree and Landscape in an amount not to exceed \$21,750. Commissioner Williamson made a second to the motion and the Board vote was unanimous in approval.

4. Discussion regarding a proposal from Verizon Wireless for Third Amendment to Water Tower Attachment Communications Site Agreement for the east end water tank was the next item of discussion. Staff provided background information on the site agreement with the Town indicating the terms of the agreement initially entered into on June, 2004 with Alltel Communications allows the tenant the right to extend this agreement for three (3) additional terms of five (5) years each ("renewal term(s)" with owner's consent on same terms and conditions set forth in this agreement except that the rent shall be renegotiated at each subsequent renewal term. In 2006 Alltel Corporation merged with Verizon Wireless and Verizon wants to exercise the lease option for an additional term. The current rate is \$1650 per month. The initial offer made by Verizon was to extend the lease under the same terms as current, a 10% increase, and include the option for future rent to increase by 10% over the rent paid during the preceding five year term. Verizon Wireless was advised staff would be recommending renewal terms at a rate similar to the Town's existing communications tower lease with ATMC, which is currently at a rate of \$3075 per month with 3% annual increases. Verizon countered with an updated offer of 2000 per month and 2% per year annual increases for Board consideration. Following review of this information, the Board was in consensus to direct staff to inform Verizon Wireless that the Board would not approve the proposed third amendment as presented. The Board indicated it would consider an extension of the communication site agreement with Verizon Wireless at the same rate and terms currently in place with ATMC.
5. Discussion regarding approval of a resolution supporting an advisory referendum to levy an additional quarter-cent County sales and use tax was the next item of discussion. Board members discussed support of Brunswick County scheduling an advisory referendum on May 6, 2014, on the question of whether to levy a one quarter cent sales and use tax. Upon a motion by Commissioner Grantham and second by Commissioner Williamson, the Board voted to adopt a resolution in support of the advisory referendum as presented.
6. Discussion regarding seismic air gun testing proposed off the North Carolina coast to search for offshore oil and gas was the next item of New Business. Board members reviewed information received regarding the potential harmful impacts of seismic testing as proposed in the Bureau of Ocean Energy Management (BOEM) Programmatic Environmental Impact Statement Alternative A and Alternative B. The Board considered concerns

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expressed by other coastal communities regarding the fact the full impact of seismic testing is not fully understood by the scientists, oil and gas industry or BOEM. Following discussion, the Board was in consensus to draft a resolution expressing the Town's concerns with seismic testing and request further study until such time as all testing options are evaluated and proper assurance for the protection of marine life are established. Upon a motion by Commissioner Grantham and second by Commissioner Rowell the Board voted unanimously to approve a resolution expressing the Town's concerns regarding seismic testing as discussed.

7. Discussion regarding Request by Property Owner for Expansion of Town ETJ to include Parcel Nos. 2290000104 and 2290000101 was the last item of New Business. Mr. Whiteside summarized the request by the property owner for the Town to take necessary action to expand the Town's ETJ area to include these parcels in their entirety in the Town's jurisdiction, noting presently these parcels are split between the jurisdiction of the Town of Ocean Isle Beach and also Brunswick County. Mr. Whiteside advised it would be necessary to send a request to Brunswick County for approval of the expansion. Following the Board's review of the parcel maps, Commissioner Grantham made a motion to forward the request for expansion of the Town's ETJ to include these parcels in their entirety to Brunswick County for approval. Upon a second by Commissioner Rowell, the Board voted unanimously in approval.

EXECUTIVE SESSION

The Board recessed to Executive Session upon a motion of Commissioner Rowell with a second by Commissioner Williamson, the vote was unanimous. Mayor Smith stated an Executive Session was necessary in order to approve the minutes of the March 11, 2014 executive session meeting as per G. S. 143-318.11 (1), consultation with Town Attorney via conference call 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 Rowell with a second by Commissioner Williamson. Mayor Smith reported during executive session the Board approved the minutes of the March 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 consulted with Town Attorney via conference call 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.

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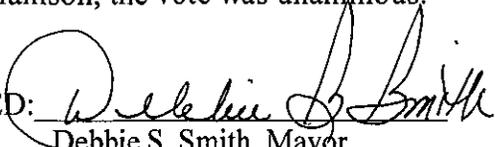
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RECESS TO RECONVENE

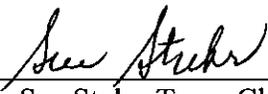
Being no additional business was heard, Commissioner Walters made a motion to recess to reconvene for a meeting with Sunset Beach official on April 15, at 12:00 noon at the Sunset Beach Town Hall. Upon a second by Commissioner Williamson, the vote was unanimous.

DATED: April 8, 2014

SIGNED:


Debbie S. Smith, Mayor

ATTEST:


Sue Stuhr, Town Clerk

