

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

**BOARD OF COMMISSIONERS MEETING
May 21, 2014
BUDGET WORKSHOP
MINUTES**

MEMBERS PRESENT:

Mayor Debbie Smith	Mayor Pro Tem Dean Walters
Commissioner Bob Williams	Commissioner Betty Williamson
Commissioner R. Wayne Rowell	Daisy Ivey, Town Administrator
Sue Stuhr, Town Clerk	Larry Sellers, Assistant Town Administrator
Justin Whiteside, Planning Director	John Goodwin, Police Chief
Robert Yoho, Fire Chief	Robin Farmer, Accounting Supervisor

MEMBERS ABSENT:

Commissioner D.B. Grantham

OTHERS PRESENT

Brian Slattery, Brunswick Beacon

MEETING CALLED TO ORDER

Mayor Smith called the reconvened meeting to order.

ADOPTION OF AGENDA

Upon a motion by Mayor Pro Tem Walters, with a second by Commissioner Rowell, the agenda was unanimously approved.

EXECUTIVE SESSION

The Board recessed to Executive Session upon a motion of Mayor Pro Tem Walters with a second by Commissioner Rowell. The vote was unanimous. Mayor Smith stated an Executive Session was necessary in order to consult with Town Attorney via conference call regarding pending legal issues as per G.S. 143-318.11(3) and for Board 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 Walters with a second by Commissioner Williamson. Mayor Smith reported 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 Runway Protection Zone, Parcel Nos. 2430001801, 2430001802 and 2430001803 and also consulted with the Town Attorney regarding pending legal issues.

BUDGET DISCUSSION

Mayor Smith stated the first item of business was continued discussion of the Town's budget for fiscal year 2014-2015. Mrs. Ivey presented a recommended budget for the General Fund, Canal Dredging, Beach Renourishment, Water, Sewer, Accommodation Tax and Airport Funds. Mrs. Ivey reviewed details of each Town Department's

Board of Commissioners
Budget Workshop
May 21, 2014
Page 2

expenditures and summarized proposed adjustments in line items as considered at the budget workshop on May 8. Mrs. Ivey advised the final tax values had been received from Brunswick County reflecting a total tax valuation of \$1,779,448, 177. Mrs. Ivey stated no tax increase was proposed in the F/Y 2014-15 budget and advised the revised total proposed draft budget for F/Y 2014-15 was \$13,581,480.

COUNCIL/ STAFF DISCUSSION

Council and Staff continued discussion regarding necessary projects, economic forecast and tax rates. Board members revisited the discussion regarding offering retiree insurance for employees. Mrs. Ivey provided information regarding the implementation of a retiree insurance benefit through the state retirement plan indicating the estimated cost to the Town of \$119,000 per year. Following Board discussion regarding the long term cost commitment of providing retiree insurance benefit, the Board was in consensus to postpone a decision regarding this issue until the next budget year.

Proposed curbside recycling was also a topic of consideration. Mrs. Ivey provided information regarding the \$45 annual cost to property owners for a curbside recycling program that would provide biweekly service. Mrs. Ivey advised, in order to accommodate the tourist season, the Town would scheduled additional pickups to allow for weekly service for the busy months of April to September. Mrs. Ivey reviewed the Town costs involved to provide the additional weekly service coupled with the cost reduction resulting from removal of the recycling bin currently provided behind Town Hall. The net cost to the Town to implement the curbside recycling program was estimated to be approximately \$8,000. Board discussion followed regarding curbside recycling costs to property owners, the environmental benefits of recycling and tourists expectations regarding recycling service, the need to provide the service on a weekly basis during the summer season and also the ongoing issues with the self serve recycling program that frequently overflows the Town's container. Mayor Pro Tem Walters and Commissioners Williams expressed opposition to implementation of a curbside service program, indicating the current self service system provided a voluntary recycling option and did not impose a mandatory cost to property owners. Mayor Smith, Commissioner Williamson and Commissioner Rowell expressed support of curbside recycling noting there were many property owners and tourists that expected a curbside recycling program and also gave consideration to the impact it would have in reducing the volume of solid waste taken to the landfill. It was the consensus this issue would be subject to a public hearing as part of the budget process and would allow property owners to provide input regarding a curbside recycling program.

The Town's current yard debris pickup program was also discussed. Board members addressed the issue of the strict regulations imposed by Waste Industries for bundling of yard debris and the fact yard debris is frequently not picked up due to a homeowner's non-compliance with these rules. Following discussion of these issues, the Board was in consensus to direct staff to seek bids for yard debris pickup from other contractors for comparison of the rates and service offered.

Board of Commissioners
Budget Workshop
May 21, 2014
Page 3

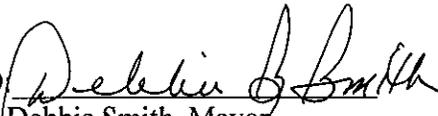
Changes to the Town's Fee Schedule were also discussed. The Planning Department reviewed proposed changes to increase building permit fees by \$10 in numerous categories and provided information regarding the impact the new rates would impose to a new house construction. Mr. Whiteside advised the current rates have remained the same for 11 years. The Public Utility Department also proposed increases of \$250 for a ¾" water tap fee and \$350 for a 1" water tap fee for residential, rental and commercial units. Following Board discussion of the proposed increases, Commissioner Williamson made a motion to approve the proposed fee schedule with a July 1, 2014 effective date. Upon a second by Commissioner Rowell, the Board voted unanimously in approval of the new fee schedule as presented. The Planning Department advised the updated fee schedule would be distributed to contractors as part of the contractor's privilege license renewal process.

Discussion regarding professional services for the Ocean Isle Beach 30 Year Beach Management Plan was the final topic on the agenda. Mayor Smith advised of an upcoming meeting with Coastal Planning and Engineering (CPE) regarding costs for the project and suggested this discussion be postponed until after the meeting on May 27. Board members were in agreement to delay further discussion until after the Mayor's meeting with CPE regarding the project.

ADJOURN

With no additional comment heard, Mayor Smith expressed her appreciation to the Board and staff for this productive workshop. The budget meeting was adjourned upon a motion by Mayor Pro Tem Walters with a second by Commissioner Williamson. The vote was unanimous.

DATED: May 21, 2014

SIGNED: 
Debbie Smith, Mayor

ATTEST: 
Sue Stuhr Town Clerk

