

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

BOARD OF COMMISSIONERS MEETING

**June 10, 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 13 Property Owners and 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 April 15 Workshop with Sunset Beach, May 8 Budget Workshop, May 13 Public Hearing and Board of Commissioners meeting, May 21 Budget Workshop and approval of contract for attorney services with Jess, Eisenberg and Thompson for F/Y 2014-15. 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. Commissioner Rowell made a motion to approve the meeting agenda with an amendment to add New Business #6 discussion regarding approval of resolution for the funding of NPE Grant Project 36237.60.9.1 between NC Department of Transportation and Town of Ocean Isle Beach for Land Acquisition Assistance (Runway 6 RPZ) for Odell Williamson Municipal Airport. Upon a second by Commissioner Williams, the Board vote was unanimous in approval.

MAYORS REPORT

Mayor Smith presented a service award to Ken Bellamy, Assistant Police Chief, expressing the Town's appreciation of his ten years of dedicated service and leadership in the Police Department.

DEPARTMENTAL REPORTS

1. Administration –Mrs. Ivey also reported on F/Y 2013 tax collection indicating \$180,942 in property taxes was outstanding as of May 2014, at a current collection rate of 94.31%. Mrs. Ivey stated the 2012 tax collection rate was 99.97%, with an outstanding balance of \$854.32. Mrs. Ivey reported on a quarterly project meeting with the engineers and Corps regarding the terminal groin project. Mrs. Ivey advised the EIS was currently at an 83% completion rate and the project remained on schedule for release of the draft EIS in July

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2014, with final EIS to be released in January 2015 and the submittal for state permit application anticipated in February 2015. Mrs. Ivey provided information regarding recently passed state legislation, Session Law 2014 - 3 indicating this legislation will impact the Town's collections from privilege licenses, which currently produces \$25,000 in municipal revenue. Mrs. Ivey advised the new legislation would limit the Town to collection of privilege licenses for businesses located in the city limits, resulting in a \$9,000 reduction in revenue for F/Y 2014-15. In F/Y 2015-16, the Town will only be able collect for beer and wine licenses, currently \$683, resulting in an estimated \$25,000 reduction in revenue. Mrs. Ivey stated interviews are currently being conducted for the Police Department Detective position and advised of upcoming interviews for the opening in the Street Department. Mrs. Ivey also reported the recent hiring of new Police Records Specialist, Wanda Jones.

2. Police Department – Chief Goodwin provided a report indicating a decrease in police activity for the month of May. Chief Goodwin reported the traffic on the island over Memorial Day weekend was the heaviest traffic experienced during this holiday weekend in many years. Chief Goodwin expressed his appreciation of Mrs. Wanda Jones in her new position at the Police Department.
3. Water/Sewer/Street – Mr. Sellers reported during the month of May, the Water Department activities included installation of taps, placing of rock on driveways and beach access areas, stormwater work on Craven Street, mowing around hydrants, water meters and locates for utilities. Mr. Sellers summarized work activity by the Street Department including Causeway maintenance, repair of irrigation, spraying of weeds and mowing at the airport. The Sewer Department activities during the month included cleaning of floats and lift stations, locates for new sewer connects, installation of transducer at the E-1 lift station and NCDENR performed its annual sewer collections inspection. Mr. Sellers advised the new East end water tank project remained on schedule for late June completion.
4. Fire Department – Chief Yoho summarized an activity report for the month of May indicating the Department responded to a total of 59 calls, of which 29 were in the city. Chief Yoho advised five Fire Department personnel completed 340 hours of training and also reported 21 fire inspections were performed during the month.
5. Planning/CAMA - Mr. Whiteside provided information on recent business activity, advising of the opening of a new restaurant called Loaders Island Grill and also a change of the Waves store to Eagles Beachwear under new management. Mr. Whiteside reported on his recent attendance of a Hurricane Forum with Mayor Smith and Chief Goodwin. Mr. Whiteside advised the State is recommending regional Hazard Mitigation plans in the future, which in our area would include Brunswick, New Hanover and Pender Counties. In anticipation of these upcoming changes to regional plans, Mr. Whiteside asked the Board for their direction regarding proceeding with a request for the Town to participate in a Hazard Mitigation Plan with Brunswick County. Mr. Whiteside confirmed the Town would remain eligible for grant funding. Following this discussion, Commissioner Walters made a motion to direct staff to proceed with the Town's request to participate in Brunswick County's Hazard Mitigation Plan. Upon a second by Commissioner Rowell, the Board voted unanimously in approval.
6. Building Inspections – Mr. Cook reported the Building & Inspections Department issued permits for 1 new single family (SF) residential home in the city and 1 new SF residential

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homes in the ETJ for a total of 198 permits issued during the month of May, with a total construction value of \$ 1,580,386.

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 requests for approval of group activities as follows:

a. Brunswick County Chamber of Commerce – Request to Conduct the 34th Annual Oyster at Ocean Isle Beach on October 18-19, 2014

Board members considered a request from Brunswick County Chamber of Commerce to conduct their annual Oyster Festival at Ocean Isle Beach on October 18-19, 2014. Mrs. Ivey advised staff reviewed the group activity application and recommended approval pending receipt of letters of approval from property owners and evidence of liability insurance. Mrs. Ivey stated the Oyster Festival application included a request for use of the Town's property at 18 East Second Street as part of the event area and also waiver of the group activity fee due to the non-profit status of the organization. Upon a motion by Mayor Pro Tem Walters and second by Commissioner Williams, the Board voted unanimously to approve the request to conduct the Oyster Festival on October 18-19 as requested, waiver of the group activity fee and to allow permission for use of Town's property. The Board's approval was contingent upon receipt of written approval from other property owners and evidence of liability insurance.

b. Request to Conduct 5K Run to Raise Funds for Juvenile Diabetes Research Foundation International (JDRF) on November 8, 2014

Board members considered a request from Ms. Patricia Poulos for approval to conduct a 5k Run for JDRF at Ocean Isle Beach to raise funds for diabetic research. The event which is anticipated to draw approximately 300 participants and spectators, includes a 5k run on Ocean Isle Beach with a route crossing the Odell Williamson Bridge. Waiver of the group activity application fee due to the non-profit status of the sponsor organization was also requested. Chief Goodwin expressed concerns regarding allowing the 5k run to cross the bridge indicating traffic may still be an issue at this time of the year. Board members reviewed details of the proposed event and considered issues related to the runners crossing the bridge. Mayor Pro Tem Walter indicated his concerns regarding the increasing number of events that use a route across the bridge and the related safety issues. Following further Board discussion, Commissioner Grantham made a motion to approve the request to conduct the 5k with the route as presented. Upon a second by Commissioner Williams, the Board vote was 4 to 1 to approve the event; Mayor Pro Tem Walters was opposed.

2. The next item of New Business was discussion regarding appointments to fill expiring terms on Advisory Boards as follows:

a. Planning Board - Vacancies for two members to serve as representatives in the ETA.

Board members discussed appointments to fill two vacancies on the Planning Board left by the expiring terms of Frank Williamson and Terry Stephenson. Board members

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- reviewed a letter from Mr. Frank Williamson indicating his interest in continuing to serve on this Board. Staff noted Mr. Stephenson has advised he would be unable to continue his service on this Board due to the increasing demands of his job. The Board considered a letter of interest from Mr. Ernest Crews, expressing his interest in serving on the Planning Board. Upon motion by Mayor Pro Tem Walters and second by Commissioner Williams the Board voted unanimously to send a letter to Brunswick County recommending the appointment of Mr. Frank Williamson and Mr. Earnest Crews to serve as members of the Planning Board for a term ending May 2017.
- b. Board of Adjustment - Vacancies for two members to serve as representatives in the ETA. Board members reviewed letters from Mr. Frank Williamson and Mrs. Jo Lammonds indicating their interest in continuing to serve an additional three year term on this Board. Mayor Pro Tem Walters made a motion to send a letter to Brunswick County recommending the appointment of these two members to each serve an additional three year term as members of the Board of Adjustment representing the ETA. Upon a second to the motion by Commissioner Rowell, the Board vote was unanimous.
3. Mayor Smith stated the next item of New Business was to consider a recommendation from the Planning Board for amendments to Section 66-45 R-1 Single Family Residential District regarding commercial parking. Board members considered proposed changes to the Town's Zoning Ordinance regarding commercial parking areas within the R-1 Zoning District as follows:
1. To amend Section 66-45 (1) Permitted uses to include commercial parking and (3) Lots to indicate minimum lot area requirement for commercial parking.
 2. To add new Section 66-45 (13) Commercial Parking and (14) Density as follows:

(13) *Commercial parking.* Commercial parking located within the R-1 Zoning District shall only be permitted if the parking is directly adjacent to a commercially zoned lot where a commercial business is being operated. For the purposes of this section, directly adjacent shall mean either the parcel abuts directly to the commercial zoning district or is separated from the commercial zoning district by a street or street right-of-way.

 - a. If the property proposed to be used as parking space is not owned by the adjacent business owner, the owner must submit a lease between him and the lessor in a form that can be properly recorded, said lease terms shall be reviewed and approved by the Town prior to recordation.
 - b. Commercial parking located in the R-1 Zoning District shall not be used to meet the minimum number of spaces required for parking as set out in Chapter 66, Article IV for newly constructed businesses. Parking shall only be used for expansion or overflow purposes for existing businesses or commercial accommodations.
 - c. All parking must meet the minimum requirements set out in Section 66-135 and 66-136. However, commercial parking on residential lots shall be exempt from the paving requirement in Section 66-135(d)(5). If an impervious material is used an engineered stormwater drainage plan must be submitted prior to approval.

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d. The 5 foot minimum setback shall be used as a vegetative screening from adjacent residential properties. A landscaping plan must be submitted to the Town for approval prior to any improvements being installed on the property. All landscaping shall be maintained for the duration of the parking lease.

(14) *Density*. The density limitation within this district shall be six units per acre.

Following Board review and discussion regarding these recommendations from the Planning Board, Mayor Pro Tem Walters made a motion to schedule a public hearing at 8:45 am on July 8, 2014 to allow public comment regarding these proposed amendments to the Town's Zoning Ordinance. Upon a second by Commissioner Rowell, the Board voted unanimously in approval.

4. The next item of New Business was discussion regarding professional services for the Ocean Isle Beach 30 Year Beach Management Plan. Board members considered an updated draft scope of services developed by Coastal Planning and Engineering (CPE) for a long term beach management feasibility study and management plan utilizing engineering, environmental, geotechnical and project management services. The revised proposal included a reduction in cost from \$80,000 to \$60,000 for these engineering services. Board members discussed elements of the revised scope of services and indicated this reduced cost was more in line with their expectations for the engineering services necessary for the project. Commissioner Rowell made a motion to authorize Mayor Smith to enter into the agreement with CPE for the Town's Beach Management Plan as presented. Upon a second by Commissioner Grantham, the motion was unanimously approved.

5. Mayor Smith stated the first item of New Business was presentation of the Budget for Fiscal Year 2014-15 and scheduling of a public hearing to allow public comment. Mrs. Ivey presented the budget message and recommended balanced budget for FY 2014-15, providing summary details of the major components and highlights of the proposed budget. Mrs. Ivey stated the total net budget for F/Y 2014-15 is \$13,410,958 including all governmental and proprietary funds.

The following provides a review of the major components of the proposed F/Y 2014-15 Budget:

General Fund	\$ 4,685,561
Canal Dredging	\$ 1,387,182
Beach Renourishment	\$ 1,524,435
Water Fund	\$ 1,501,971
Sewer Fund	\$ 1,201,820
Accommodation Fund	\$ 1,871,913
Airport (Local) Funds	\$ 136,436
Airport (Grant) Funds	\$ 1,101,640

Mrs. Ivey stated the Town continues to improve its financial standing by reducing operational costs, conservative financial forecasting and setting high expectations within each Town

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Department. Mrs. Ivey advised the proposed tax rate for the recommended budget remains the same as prior year at .155 per \$100 valuation and will produce approximately \$2,751,250 in tax revenue. Mrs. Ivey informed the Board the budget reflects a fee rate increase for water of up to 12 cents per thousand gallons of water used, due to pending increases in the wholesale rate charged by Brunswick County. The current rate of \$3.81 per \$1000 gallons could be increased to a new maximum rate of \$3.93 per 1000 gallons. Mrs. Ivey noted this rate will need to be adjusted due to an increase in the wholesale rate charged by Brunswick County to the Town for the purchase of water when the final calculation of the Producer Price Index is determined by the County late June. Following discussion of the proposed budget, upon a motion by Mayor Pro Tem Walters and second by Commissioner Rowell, the Board voted unanimously to schedule a public hearing regarding the Fiscal Year 2014-15 Proposed Budget at 9:00 am on June 25, 2014.

6. Discussion regarding approval of resolution to enter into agreement between NC Department of Transportation and Town of Ocean Isle Beach to fund NPE Grant Project 36237.60.9.1 for Land Acquisition Assistance (Runway 6 RPZ) for Odell Williamson Municipal Airport was the final item of New Business. Board members reviewed details of a proposed agreement between NCDOT and the Town for FAA Airport Improvement Program Funds in the amount of \$23,540 and also included 10% matching funds appropriated by the State of North Carolina. Upon a motion by Commissioner Williams and second by Commissioner Williamson, the Board vote was unanimous to adopt the resolution approving the State/Federal Block Grant /NPE Agreement as presented.

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 May 13 and 21, 2014 Executive Session meetings as per G. S. 143-318.11 (1), consultation with 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 Mayor Pro Tem Walters with a second by Commissioner Williamson. Mayor Smith reported during executive session the Board approved the minutes of the May 13 and May 21, 2014 meeting upon a motion of Mayor Pro Tem Walters 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 and 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.

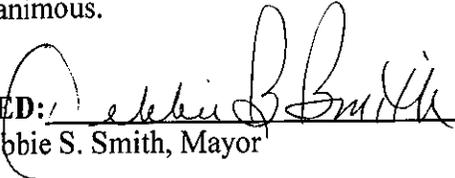
RECESS TO RECONVENE

Being no additional business was heard, Commissioner Rowell made a motion to recess to reconvene for a Public Hearing regarding the Fiscal Year 2014-15 Budget and Board of Commissioners meeting following on June 25, 2014 at 9:00 am at the Town Hall meeting room.

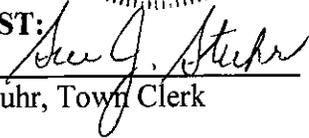
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Upon a second by Commissioner Williams, the vote was unanimous.

DATED: June 10, 2014

SIGNED: 
Debbie S. Smith, Mayor



ATTEST: 
Sue Stuhr, Town Clerk