

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

BOARD OF COMMISSIONERS MEETING

June 14, 2016

MINUTES

MEMBERS PRESENT:

Mayor Debbie Smith
Commissioner Betty Williamson
Commissioner Wayne Rowell
Daisy Ivey, Town Administrator
Justin Whiteside, Asst. Town Administrator

Mayor Pro Tem Dean Walters
Commissioner Bob Williams
Commissioner Carolyn Blythe
Mike Isenberg, Town Attorney
Bobby Hardy, Public Utilities Dir.

OTHERS PRESENT:

Approximately 30 Property Owners and Guests
Brian Slattery – Brunswick Beacon

MEETING CALLED TO ORDER

Mayor Smith called the meeting to order with everyone repeating the Lord's Prayer and pledging allegiance to the flag.

CONSENT AGENDA

The consent agenda included approval of minutes of May 2, 2016 Budget Workshop, May 10, 2016 Board of Commissioners Meeting, Approval of ABC Store Lease Renewal, and Approval of Extension of Contract with Colonial Fuel and Lubricant Services, Inc. The consent agenda was unanimously approved upon a motion of Commissioner Blythe with a second by Mayor Pro Tem Walters.

ADOPTION OF AGENDA

The agenda was approved upon a motion of Commissioner Rowell with a second by Commissioner Williams. The vote was unanimous.

REPORTS BY MAYOR

Mayor Smith recognized Carol Grantham for her years of dedicated service as Chairperson and member of the Ocean Isle Beach Planning Board. Mayor Smith reminded everyone June 14 was the national holiday, Flag Day, commemorating the adoption of the flag of the United States on June 14, 1777, by resolution of the Second Continental Congress. Mayor Smith called for a moment of silence to honor the victims of the mass shooting in Orlando, FL on June 12, 2016.

DEPARTMENTAL REPORTS

1. Administration – Mrs. Ivey stated that revenues in the General Fund were at 95.41% and General Fund expenditures were at 81.13%. Mrs. Ivey indicated that as of May 2016 the tax collection rate was at 96.23% with approximately \$140,387.10 outstanding for 2015 taxes and \$703.45 for the years 2012-2014. Mrs. Ivey stated Accommodation Tax revenues were up 6.22% for the month of April 2016, with VRBOs up by 54%. Mrs. Ivey commented that the Town is in the process of going live with a new accounting software program and thanked Town Staff for their dedication to the success of this transition. Mrs. Ivey stated that Staff conducted a planning meeting with the NCDOT Division of Aviation recently to discuss the Town’s 5010 Inspection, upcoming grant funding, new NCDOT grant system, and other topics. Mrs. Ivey continued that Odell Williamson Municipal Airport reports 16 based aircraft and an economic output of \$3,310,000. Mrs. Ivey reported OWMA generates \$22,300 in state and local taxes. Mrs. Ivey commented that Town Department Heads recently attended a Hurricane Preparedness conference on June 7, 2016. Mrs. Ivey stated that the Application for Terminal Groin permit was accepted by the Division of Costal Management on June 13, 2016 and will be available for review shortly. Mrs. Ivey noted that the Town submitted all required environmental documentation regarding the Town’s 30-Year Beach Management Plan to U.S. Army Corps of Engineers for review in January/February 2016 and is still in the waiting process. Mrs. Ivey announced the Corps gave authorization to continue federal navigation maintenance dredging with disposal areas for the SDI-5 project. Mrs. Ivey remarked that this authorization expires in December of 2019 and includes a one-time beach renourishment project. Mrs. Ivey informed the public that three town-owned vehicles (2005 Chevrolet Silverado, 2006 Chevrolet Silverado, and 2010 Ford Explorer) were sold via electronic auction on GovDeals.com for a total revenue of \$12,401.00. Mrs. Ivey noted that she and Mayor Smith attended a meeting hosted by Commissioner of Insurance, Wayne Goodwin. Mrs. Ivey shared information that out of 240 companies licensed to write homeowners insurance policies in North Carolina, only 91 actually do. Mrs. Ivey continued that North Carolina pays on average 41% less annually for auto insurance than other states and alerted the public that 40% of rate increases are the result of “consent to rate” practices.
2. Police Department – Chief Ken Bellamy stated that larceny violations were down 16% over the same time period last month and arrest were down 75%. Chief Bellamy noted increases in: citations (40%), ordinance violations (22%), and accidents (50%), noting that the majority of accidents were golf-cart related incidents. Chief Bellamy reported total call volume has decreased 20% over same time period last year, for a total of 1,263 calls. Chief Bellamy commented that 80 hours of training has been completed by the Department during the previous month. Discussion commenced regarding golf-cart safety issues and Ms. Reeves reminded the public that a full listing of golf-cart rules and regulations are posted on the town website and public access TV channels. Chief

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Bellamy introduced new officer Stephen Bullock. Mrs. Ivey and Commissioner Rowell commented on the positive praise received at Town Hall regarding Officer Bullock's performance thus far.

3. Fire Department – Chief Yoho reported during the month of May the Department completed 300 hours of training and 26 inspections were performed. Chief Yoho stated the Department received a total of 84 calls during the month, 39 within the Town limits, 39 in the County portion of our district, and 6 mutual aid requests. Chief Yoho reported call volume was up 15% over the same time period last year.
4. Public Utilities – Mr. Bobby Hardy reported that the Public Utilities Department installed 4 new taps and replaced a storm drain on Laurinburg Street. Mr. Hardy stated the Sewer Department replaced 18 floats on sewer stations and the Street Department recently completed the planting of thousands of flowers for the Town beautification program as well as replacing all street signs on West end of island bringing all signage to reflective code standards. Mr. Hardy stated the Public Utilities Department has completed and submitted the 2015 Wastewater Collection Report and noted that during 2015 the Department collected and safely transported 125 million gallons of wastewater, with an average flow of 339,726 gallons per day and a peak flow on October 6th, 2015 of 1.4 million gallons.
5. Planning and Inspections – Mr. Whiteside stated that the Town had received the CAMA Land Use Plan Grant in the amount of \$15,000 and also received Request for Proposals from firms interested in working with us on the LUP update. Mr. Whiteside announced the next Coastal Resources Commission Meeting was to be held July 12-13 in Beaufort, NC. Mr. Whiteside stated an individual Ocean Isle Beach property owner is attempting to have a sandbag variance request on the upcoming CRC meeting agenda.
6. Building Inspections – Mr. Dycus reported permits had been issued for 5 new single-family residential homes in the ETJ. Mr. Dycus reported a total of 157 permits with a construction valuation of \$2,143,026.00 were issued during the month of May 2016. Mr. Dycus announced the opening of 2 new businesses – Charlie Grainger's restaurant on the island and The Dawg House 2 in the ETJ. Mr. Dycus continued that the Marathon gas station at the intersection of Causeway Drive and Hwy 179 would be opening a Little Caesar's pick-up and delivery location within the store soon.

COMMENTS

Frances Mayhew – 24 Dare Street – Mrs. Mayhew thanked the Town for the load of gravel placed on Oak Ridge and Laurinburg Streets.

David Martin – 248 East First Street – Mr. Martin inquired when planting of sea oats on the strand would take place. Mr. Hardy replied that the request for bids had been sent out earlier in the day.

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Mr. Robbie Smith – (142 East First Street) – Mr. Smith asked if the Town has signage posted requiring people to walk their bicycles over the bridge. Mrs. Ivey replied that the signs were possibly stolen and new signs requesting that people walk their bikes over the bridge have been ordered.

Tony Tatone – Mrs. Tatone asked if the Town could provide a copy of the Town’s golf cart rules and regulations to local golf cart rental companies to help spread the word about safety issues. Mayor Smith responded that the Town would gladly disseminate the information to the rental companies.

Mike Allocco – Asheville Street – Mr. Allocco thanked the Town for its efforts to resolve the storm-water issues on Asheville street and stated that the communication between the Town of Ocean Isle Beach and residents “is awesome”. Mr. Allocco expressed concern over drivers not stopping for pedestrians at crosswalks. Mayor Smith stated that the Town is currently working with the DOT to explore possible options for addressing this issue since the crosswalks are a part of the state road system. Mrs. Ivey added that the Town has asked DOT if installing lighting at crosswalks is a possibility and the Town is waiting for a response.

Being no additional comment was heard, Mayor Smith declared the Public Comments Section closed.

OLD BUSINESS

1. Mayor Smith stated the only item of old business was the Discussion and Review of Proposed Amendments to Town Ordinance 42-22 Mandatory Requirements for Bulkheading of Natural Canals. Mayor Pro Tem Walters stated that the proposed amendments to the ordinance provide an aesthetically pleasing and viable alternative to wooden bulkheads and made a motion to approve the amendments. Commissioner Rowell seconded the motion and the Board voted unanimously to approve the amendments.

NEW BUSINESS

1. Mayor Smith stated the first item of new business was the Discussion and Review of CAMA Major Permit Consistency Review Options. The Board discussed the recently adopted rules regarding State Guidelines for Land Use Planning and the three options provided to local governments for review of CAMA Major Permit applications as follows: (1) Division Administration Option – where the Division of Coastal Management reviews all CAMA Major Permit Applications for consistency, (2) Joint Administration Option – where the local government identifies only the policies to which the local government and the Division will review, (3) Local Administration Option – where the Town would review all Major CAMA Permit Applications for consistency

with the adopted land use plan. Mayor Pro Tem Walters asked if selecting option (2) or (3) would expedite the permitting process. Mr. Whiteside stated that it would not change the time frames in which permits are issued by CAMA. Mr. Whiteside continued that it would remain a 75-150 day process regardless of which option is selected. Mr. Whiteside commented that staff recommends continuing to use option (1) until the Town's CAMA Land Use Plan is complete and reassessing the best option for the Town to pursue at that time. Mr. Whiteside continued that CAMA has informed the Town that changes can be made at a later date, if needed. After brief discussion amongst the Board, a motion was made by Commissioner Rowell to continue using option (1) which received a second from Commissioner Williamson. The vote was unanimous.

2. Mayor Smith introduced the next item of new business as Discussion and Approval of Certification of Funds in Conjunction with Grant STIP 46336.1.1 for Land Acquisition of RPZ Runway 24. Mrs. Ivey stated the Town had received grant funding from the State to cover 90% of the costs of acquiring land for Runway 24 at Odell Williamson Municipal Airport. Mrs. Ivey noted that during this first phase of the project the State would be providing \$62,433.00 with the Town agreeing to contribute \$6,937.00. Mrs. Ivey continued that Board approval of the *Certification of Funds* documentation is needed to begin the process for purchase of Runway 24 RPZ Phase 1, which includes preliminary engineering work, appraisal, review appraisal, EDDA, and survey. Upon a motion of Commissioner Rowell with a second by Commissioner Williamson, the Board voted unanimously to approve the motion.
3. Mayor Smith stated the next item of new business was the Presentation of Budget F/Y 2016-2017 and Scheduling of Public Hearing. Mrs. Ivey presented the budget message and recommended a balanced budget for FY 2016-17, providing summary details of the major components and highlights of the proposed budget. Mrs. Ivey stated the total net budget for F/Y 2016-17 is \$21,027,225 including all governmental and proprietary funds.

The following provides a review of the major components of the proposed F/Y 2016-17 Budget:

General Fund	\$5,465,388.00
Water and Sewer Funds	\$2,692,873.00
All Other Funds	\$12,868,964.00
Total	\$21,027,225.00

Mrs. Ivey stated the recommended budget includes no ad valorem tax rate change from the current rate of .1875 per \$100 valuation. Mrs. Ivey continued that the General Fund is balanced by utilizing a prudent fund balance appropriation of \$446,325 for non-recurring expenditures and capital expenditures. Mrs. Ivey noted that the recommended budget includes adequate resources to continue essential core services and focuses on

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employee retention and succession planning, public safety, beach renourishment and erosion management and meeting the needs of our community. Mrs. Ivey thanked Town Department Heads and Finance staff for their assistance in the development of the proposed budget and to the Board of Commissioners for their valuable direction. Mrs. Ivey stated it was her goal to work towards adopting a budget that will meet the Town's goals of providing services to our residents at the lowest possible cost to taxpayers and users. Following discussion of the proposed budget, upon a motion by Mayor Pro Tem Walters and second by Commissioner Williamson, the Board voted unanimously to schedule a public hearing regarding the Fiscal Year 2016-17 Proposed Budget at 9:00 am on June 29, 2016.

4. Mayor Smith stated that the final item of New Business was Discussion Regarding Appointments to Various Town Boards. Motions to appoint each individual to their respective 3-year Advisory Board term were unanimously approved by the Board as follows:
 - ABC Board – George Montague
 - ✓ Motion by Mayor Pro Tem Walters with a second by Commissioner Williams
 - Planning Board – Larry Cheek & George “Robbie” Smith Jr.
 - ✓ Motion by Mayor Pro Tem Walters with a second by Commissioner Williams
 - Board of Adjustments – Ida Moon
 - ✓ Motion by Commissioner Williamson with a second by Commissioner Rowell
 - Recreation Advisory Board – Ida Moon
 - ✓ Motion by Commissioner Williamson with a second by Commissioner Rowell
 - Local Firefighters Relief Fund Board – Curtiss Pritchard
 - ✓ Motion by Mayor Pro Tem Walters with a second by Commissioner Williams

Mayor Smith introduced Mrs. Cathy Altman as the new Marketing Director for the Museum of Coastal Carolina.

EXECUTIVE SESSION

The Board recessed to executive session upon approval of a motion by Commissioner Williamson, seconded by Commissioner Rowell. The vote was unanimous. Mayor Smith stated an Executive Session was necessary in order to approve minutes of the May 10, 2016 Executive Session as per G.S. 143-318.11 (1), to consult with the Town Attorney regarding pending legal issues (Jackson/Hill Aviation and N.I.E.S. vs Emerald Isle) as per GS 143-318.11 (3), to discuss Condemnation Mediation per GS 143.318.11 (3) with Town Attorney.

The Board returned to regular session upon a motion of Commissioner Williamson with a second by Commissioner Blythe. The vote was unanimous. Mayor Smith stated during executive session the Board unanimously adopted the minutes of the May 10, 2016

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Executive Session upon a motion of Commissioner Blythe with a second by Commissioner Rowell. Mayor Smith stated during Executive Session the Board discussed legal matters with Town's Attorney involving Jackson/Hill Aviation, N.I.E.S. vs Emerald Isle, and the condemnation proceedings. Mayor Smith stated the Board discussed participation in preparation of an Amicus Brief along with other North Carolina oceanfront counties and towns pertaining to N.I.E.S. vs Emerald Isle and to contribute up to \$2,000 toward this effort. Mayor Smith explained that the purpose of this Brief is to show support that the public is entitled to use the entire beach which includes both wet and dry sand. A motion to participate was made by Commissioner Williamson and received a second from Commissioner Rowell. The vote was unanimous.

RECESS TO RECONVENE

Being no additional business was heard, the meeting was recessed to reconvene on June 29th at 9:00am upon a motion of Commissioner Rowell with a second by Commissioner Blythe. The vote was unanimous.

DATED: July 13, 2016

SIGNED: Debbie S. Smith

Debbie S. Smith, Mayor

(SEAL)



ATTEST: Casey E. Reeves

Casey E. Reeves, Town Clerk