



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, NOVEMBER 10, 2015 – 7:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday, November 10, 2015 at 7:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Ken Kyser; Commissioners Sandy Miller, Sheila Young, Dennis Harrington and Gina Martin; Town Manager David W. Hewett; Town Clerk Heather Finnell, Building Official Tim Evans; Police Chief Wally Layne; Shoreline Protection and Recreation Manager Christy Ferguson; and Public Works Director Chris Clemmons.

Mayor Holden asked for a moment of silence and then called the meeting to order.

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

Commissioner Harrington requested that the Board move item 14 to item 7a.

The Board all agreed on the amended agenda.

APPROVAL OF MINUTES

Motion by Mayor Pro Tem Kyser to approve the minutes of the Regular Meeting of October 13, 2015 as written; second by Commissioner Miller; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

No comments were made.

DISCUSSION AND POSSIBLE APPROVAL OF RESOLUTION 15-11. RESOLUTION IN HONOR OF VETERANS DAY

Mayor Holden asked all veterans to stand up. Town Manager Hewett read the resolution.

Motion by Commissioner Young to approve Resolution 15-11; second by Mayor Pro Tem Kyser.

Commissioner Miller mentioned the Veterans Day Appreciation Breakfast being held on Friday.

The motion passed by unanimous vote.

PRESENTATION BY MIKE MCINTYRE, SENIOR ADVISOR AND DIRECTOR OF GOVERNMENT RELATIONS, POYNER SPRUILL

Mayor Holden explained the purpose of former Congressman McIntyre being at the meeting tonight is to share services that might be available to the Town as we embark on our upcoming projects. Mr. McIntyre stated he is thankful for the special relationship he has shared with the Town. He provided background information on his associate Glenn Dunn, who was also in attendance. In Mr. McIntyre's new position with Poyner Spruill, he is working on business and economic development. His firm could help with finding sources of funding; coordination of the grant application process; negotiations and discussions with federal, state, county and regional agencies; other concerns with federal and state agencies; and strategic planning and legal prospective. Mr. Dunn stated he deals primarily with regulatory issues. Mr. Dunn commented on the status of the Town's terminal groin application. Mr. McIntyre provided information on some of the programs his company might be able to assist the Town with.

Commissioner Miller asked if the Board could approve the concept. Mr. McIntyre stated he can get a copy of the proposal to Town Manager Hewett for the Board's review. Commissioner Young asked if he has spoken with any other towns and if any have retained their services. Mayor Holden explained the Board would want to make sure that if we were the first one to engage in a contract, that we wouldn't end up in the middle of the line for services. Mr. McIntyre stated they couldn't take on a client that would be a conflict of interest.

Mayor Holden asked if any of the commissioner-elects had questions. They did not. Commissioner Young stated she would like to know the cost of retaining their services. Commissioner Harrington stated they should wait until Town Manager Hewett receives the information Mr. McIntyre is sending. Commissioner Young inquired if there is a possibility the new Brunswick Beaches Consortium would want to hire the company or if the Town would have enough business to retain them on our own. Mayor Holden stated the Town would pay for the services we need. His concern is he would like to see the Town at the front of the line. He would like to see this company represent the Town for some of our larger issues. They have all of the contacts and experience. Town Manager Hewett stated for the two major projects we are looking at, the Town is the applicant. Commissioner Martin stated it would be hard to find someone else who knows so much about this area, so she would like to see the Town move forward with this. Mayor Holden asked if anyone would have a problem with a called meeting if the information becomes available. Nobody did.

FISCAL YEAR 2014 – 2015 AUDIT RESULTS – ALAN THOMPSON, THOMPSON, PRICE, SCOTT, ADAMS AND CO.

Mr. Thompson stated there were no significant audit findings; no difficulties encountered in performing the audit; no uncorrected misstatements; and no disagreements with management. Mr. Thompson reviewed the financial information for 2015 on the sheet titled Financial Information for Five years. The General Fund - Fund Balance is at \$1,398,852. The Unavailable Fund Balance is at \$921,000. The Restricted and Assigned Fund Balance is at \$1,305,000. General Fund Expenditures are at \$2,445,000. Fund Balance Available as a Percentage is 19.53%. Unreserved and Undesignated Fund Balance is at \$93,086. Mr. Thompson explained if you look at the Restricted and Assigned Fund Balance, it can be restricted by state statute. That has to do with if you have inter-fund loans. That causes the Restricted to rise, which causes your Unassigned to drop as a percentage. He stated you can see where the total Fund Balance went up, but the Unassigned Percentage went down. He stated there is cash available to pay the inter-fund loans, so if the Board chooses to pay those back, it will raise the Unassigned Balance. Revenues Over and (Under) Expenditures before Transfers were (\$234,447) in the General Fund, \$725,273 in the BPART Fund and \$409,761 in the Water and Sewer Fund. The total fixed assets were at \$23,275,000; Accumulated Depreciation was at \$5,400,000; and the Cash was at \$4,388,000. Mr. Thompson reviewed the numbers for the Cash vs. Fund Balance. The Tax Collection Percentage was at 97.78%. The Total Levy amount was \$1,573,000. Mr. Thompson reviewed the breakdown of the General Fund Revenues. He reviewed the charts in the Presentation of Audit Results that he provided to the Board. He stated it was an unmodified opinion, which is what used to be the unqualified opinion, which is a clean report.

STREET SURVEY UPDATE – SHANE LIPPARD, RIGHT ANGLE ENGINEERING

Mr. Lippard stated the draft report is in Board's packets. The first page is the Executive Summary. There are about 40% of the streets that are in need of some type of maintenance. The estimated total maintenance cost is \$1,200,000. The last few pages are the street priority listing. The lower the number, the worse the street is. He thinks this is a good planning level document to help the Board budget for repairs in the future. He suggested you could look at it in a 10 year realm and try to tackle it on a yearly basis.

Town Manager Hewett stated on an annual basis the Town receives our Powell Bill distribution. It yields about \$32,000 – \$33,000. This is the follow on action to the budget action where the Board made a penny taxing decision to lay that away for this purpose. This is the first evolution of the effort to pave the first portion of those streets. We would get estimates, get a statement of work and then take the project to bid for Board award.

Commissioner Harrington asked how this evaluation differs from the one in 2008. Mr. Lippard said it is a reflection of not a lot of corrective measures occurring. The streets continue to degrade and the costs go up. Commissioner Harrington asked the streets he considers to be the worst. Mr. Lippard stated he believes the worst rated ones were a portion of Holden, Davis and By the Sea. He stated you then have a portion of Sunshine and Tide Ridge. Commissioner Martin asked if the volume of traffic was taken into consideration. Mr. Lippard stated it is a surface evaluation. He stated this doesn't take into consideration Ocean Boulevard since the Department of Transportation maintains it. He thinks the rest are all Class A streets, low volume, residential. Commissioner Harrington stated the estimate says approximately \$93,000 per mile. He asked if that is doing the entire street, both lanes. Mr. Lippard stated it is not a full resurface of the street. It is repairing the portions that are degraded. Commissioner Harrington stated he did a personal assessment on the original survey. He stated it seems the corners are where work is needed. Commissioner Harrington stated people in the audience would say the worst street that is the most heavily traveled would be Brunswick Avenue. He stated that should probably be at the top of our priority list if the Town wants to make an impact on the roads. Commissioner Young asked if an estimate was done on what it would take to fix Brunswick Avenue. Town Manager Hewett responded the Town didn't ask him to do that. He stated this is a pavement condition survey and the Board is talking about different variables. Mr. Lippard said this will help identify the areas of what should be fixed. Public Works Director Clemmons stated the price of asphalt is lower than it has been in a while. He stated maybe the Town can get something going before it goes back up.

POLICE REPORT – CHIEF WALLY LAYNE

- It has been a mild break-in season so far.
- Gave kudos to Shoreline Protection and Recreation Manager Ferguson for organizing Boo at the Beach. It was a very family friendly event. Kudos to the Police Department for winning the Best Booth Contest. It was an excellent team building exercise.
- Officers will not be shaving during the month of November. It is a fundraiser. Proceeds go to the Cape Fear Cancer Specialists.
- The noise ordinance continues to rear its ugly head. His understanding is a committee was formed from the Planning and Zoning Board (P&Z) to study and make a recommendation to P&Z. He was on the committee. The recommendation of the subcommittee was that all the current noise ordinance needed to be enforceable was a timeframe. Feels that is what is missing from the ordinance. It was a consensus of the committee. Understands P&Z rejected the recommendation and insisted that decibel levels be added. Another meeting is scheduled, with the mandate that decibel levels be added. Came from a place with a large noise ordinance. When someone is charged and it goes to court, the judge dismisses it. Decibels levels are arbitrary. If you set the limits the county currently has, he is violating the noise ordinance as he speaks now. Respectfully submits that all the noise ordinance needs is a timeframe.
- John Heimlich, a former commissioner was diagnosed with lung cancer. This past weekend he was admitted to the hospital. His situation has deteriorated and he is at Cape Fear Hospice.

- Commissioner Harrington stated the Town had a large festival. It had some issues and problems. He stated parking was a major problem. Commissioner Harrington stated the Town didn't issue any tickets, but had the opportunity to do so. He inquired what people are supposed to do to keep people off their property if the Town has another successful festival. Chief Layne stated it is against the law to park on someone else's property. You can call the Police Department and it would be towed. Commissioner Harrington and Chief Layne discussed parking tickets.
- Commissioner Young stated she thinks it should be noted that whatever study has been taken up by P&Z, the Board of Commissioners doesn't have a formal report back.
- Commissioner Harrington asked Detective Dixon if anything could be done about the cars that were parking on the church grass during the festival. Detective Dixon had it roped off.

UPDATE ON PROPOSED FLOOD INSURANCE RATE MAP – BUILDING OFFICIAL EVANS

Building Official Evans provided information on the contractors' informational meeting his department hosted. It was a success. The Town gets credit on our insurance rating for having the meeting.

Building Official Evans stated it was his understanding that the Board wanted P&Z to review the county's noise ordinance. He recommended forming a committee. The committee went through the ordinance. He went over the people who were on the committee. The committee decided to reword a section of it and then sent it back to P&Z. P&Z asked the committee to reassess their recommendations. P&Z would like decibels to be included. P&Z is not ready to send anything to the Board. If you are interested in the noise ordinance come to the committee or P&Z meetings.

Building Official Evans explained the background on the flood maps. The maps have been released for public comment and review. They were released on October 29th. If you are not happy with the new maps, there is a 90 day appeal period. Any owner or lessee who believes their rights will be adversely affected need to appeal to Building Official Evans. He explained the process to appeal. Building Official Evans also explained community based appeals.

At the end of the 90 day appeals period, the North Carolina Flood Map Program or the North Carolina Department of Public Safety will send a letter of final determination and will establish an effective date for the maps. At which time, the Town will adopt the maps and they will become effective. Failure by the Town to adopt the maps will terminate our participation in the National Flood Insurance Program. Building Official Evans answered questions from the audience.

DISCUSSION AND POSSIBLE APPROVAL OF ORDINANCE 15-07, AN ORDINANCE AMENDING ORDINANCE 15-06, THE REVENUES AND APPROPRIATIONS ORDINANCE FOR FISCAL YEAR 2015 – 2016 (AMENDMENT NO. 1) (CAPTAIN JACKS)

Town Manager Hewett explained this budget amendment recognizes the insurance bond and settlement proceeds from the condemnation actions at 109 OBW. The proceeds will reimburse the cost of demolition. The amount is \$34,000.

Motion by Mayor Pro Tem Kyser to approve Ordinance 15-07; second by Commissioner Miller; approved by unanimous vote.

DISCUSSION AND POSSIBLE APPROVAL OF RESOLUTION 15-12, A RESOLUTION AMENDING THE FEE SCHEDULE FOR THE TOWN OF HOLDEN BEACH

Town Manager Hewett stated that when the Town originally started the curbside recycling program, the initial cost was \$43.20. The Board added a handling charge of \$6.20. Through the years, the fee has incrementally increased. It is now \$48. Staff is recommending reestablishing the \$6 increment to the fee schedule. The amount would be \$54.

Motion by Commissioner Miller to approve Resolution 15-12; second by Mayor Pro Tem Kyser.

Commissioner Harrington asked if it would be effective in January. Town Manager Hewett stated it would be effective when the Waste Industries fee would be, which is in 2016. Commissioner Young stated she thinks the Town could save money by not having the bins across the street. She thinks a price increase will discourage people from recycling. She would like to see if the Town could make that a point when negotiating with Waste Industries. She would like door to door recycling to be mandatory. Commissioner Young thinks the Town should subsidize or cover the cost of curbside recycling. She thinks the Town would get a better deal that way. She stated that most guests come from places that have recycling. Commissioner Harrington stated he is in favor of recycling. He did the numbers, to eliminate the two dumpsters wouldn't save the Town any money. He stated without the Town paying anything, it would actually increase the cost to the Town.

Commissioner Young asked for the motion to be restated. Town Clerk Finnell stated it was to approve Resolution 15-12, which was to amend the fee schedule.

The motion passed by a 4 – 1 vote with Mayor Pro Tem Kyser and Commissioners Miller, Harrington and Martin voting for the motion and Commissioner Young voting in the negative.

TOWN MANAGER'S REPORT

- The refinance of the sewer collection system loan has closed.
- Public Works has wrapped up 40 hours collectively of continuing education.
- We submitted our renewal request for the Central Reach Project. The permit expires in December.
- We submitted an extension request to complete the Hurricane Irene Project. FEMA denied Governor McCrory's request for Brunswick County's \$31 million from damages in the most recent flooding. We have had success in the past with beach nourishment.
- Almost the middle of November. There is a hurricane offshore. Will be happy for cold weather. We need a frost to get rid of the mosquitoes.
- Terminal Groin Project – the Draft Environmental Impact Statement was completed. The comment period has finished. We have been advised by the Corps that a Section 408 Consistency Review will be required. Have been provided the guidance that it will not slow the process down. Will be funded internally by the Corps. Most likely if the permit is issued, conditions will probably be added to the permit. Commissioner Young asked if it is possible the Town will run into some of the problems Ocean Isle Beach has run into. Town Manager Hewett stated the Town has been very methodical in moving forward. Hopes that will pay us back in spades.
- PARTF Grant – was approved by the North Carolina Parks & Rec Trust Fund Board on October 30th. That is for the picnic shelter, splash pad, kayak launch and the shade structures for the playground. The grant was ranked 5th out of 67 statewide. The total project cost is \$366,000. The Town share would be \$183,000. It will require a formal acceptance of the Board at a to be determined date.
- Tomorrow is a holiday. Town Hall will be closed.
- 13th of November at 9:00 a.m. is the Veterans Appreciation Breakfast.
- On Thanksgiving, November 26th, we will have our 2nd Annual Turkey Trot.
- The Annual Tree Lighting is December 3rd.

MAYOR'S COMMENTS

- Thanked all the veterans and those currently serving.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Kyser

- Thanked everyone for coming.
- Thanked his fellow veterans for the service provided to our country and the commitment made.
- Was at Boo at the Beach. It was a very big success.

Commissioner Miller

- Has been on the board of the Brunswick Shoreline Protection group. Will no longer be in December. The Town needs a Board member to replace her.
- Glad to see everyone here.

Commissioner Young

- Thanked everyone for being here.
- Thanked everyone for getting out to vote. It is always good to see a big showing.
- Hopes to see everyone at the breakfast on Friday.
- Thanked everyone for the support over the years.
- Stopped by the fire house. The basketball hoop is up. It looks like they did good job.

Commissioner Harrington

- Thanked everyone for attending. See you at the next meeting.

Commissioner Martin

- Thanked everyone for attending.
- Appreciates the turnout for voting.
- Enjoyed serving as commissioner.

PUBLIC COMMENTS ON GENERAL ITEMS

Frederick Barton stated he believes warning tickets would help with the parking problems. He suggested for the festival the Town could make some streets one way, which would open up some parking.

John Fletcher asked everyone to read the Brunswick Beacon. He stated our own Flo Groberg was awarded the Medal of Honor at the White House.

John Whitten stated he missed the notice of the noise ordinance committee. He asked if there were minutes or a recording. Building Official Evans stated the P&Z minutes will be completed and approved by P&Z. He stated they will put out notice for the next noise ordinance committee meeting. It wasn't posted for the first one. Mr. Whitten recommended checking into the Open Meeting Act to make sure the process hasn't been tainted.

Irvin Woods thanked the current Board and congratulated the new Board. He looks forward to working with them. The flood maps are an important issue. He would like the maps to be adopted as soon as possible. He also talked about flood insurance.

ADJOURNMENT

Motion to adjourn at 9:04 p.m. by Commissioner Miller; second by Mayor Pro Tem Kyser; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk