



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, DECEMBER 20, 2016 – 7:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday, December 20, 2016 at 7:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem H. Ashley Royal; Commissioners Peter Freer, Kim Isenhour, John Fletcher and Ken Kyser; 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

Motion by Commissioner Fletcher to approve the agenda; second by Commissioner Freer.

Mayor Pro Tem Royal would like to move item 15, Town Manager Performance Objectives, to the January scheduled meeting. He met with Town Manager Hewett and would like to give him time to provide his input.

The Board was all in agreement of approving the agenda with the amendment.

APPROVAL OF MINUTES

Motion by Mayor Pro Tem Royal to approve the minutes of the Regular Meeting of November 15, 2016 as written; second by Commissioner Isenhour; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

No comments were made.

AUDIT REPORT – FISCAL YEAR 2015 – 2016 – ALAN THOMPSON, THOMPSON, SCOTT, PRICE & ADAMS

Mr. Thompson reviewed the Presentation of Audit Results that he provided to the Board. He met with the Audit Committee last week and he found it was a very productive meeting. Mr. Thompson explained his

firm issued an unmodified “clean” report. There were no significant findings and no difficulties encountered when performing the audit. He reviewed key numbers and showed them in context against the previous four years’ numbers. The Total Fund Balance was \$1,669,226. In 2012, it was \$1,129,608. Mr. Thompson said outside a little dip in 2013, it has been steadily rising. He reviewed the rest of the current year numbers in the report. Mr. Thompson discussed charts that showed Total Fund Balance and Reserved and Designated Fund Balance. The Analysis of Fund Balance Available Chart showed the Town at the highest balance it has been in the five years presented. Mr. Thompson explained the rest of the charts in the results. Mr. Thompson discussed how the Central Reach Project could affect the numbers.

Commissioner Fletcher said the Audit Committee discussed having a quarterly analysis of the financials. Mr. Thompson agrees that he would be in favor of that.

DISCUSSION AND POSSIBLE NOMINATION OF BOARD MEMBER TO THE MAYOR PRO TEM POSITION

Commissioner Isenhour nominated Commissioner John Fletcher. The Board unanimously agreed to select Commissioner Fletcher.

DISCUSSION AND POSSIBLE NOMINATION OF BOARD MEMBER TO THE EXECUTIVE SECRETARY POSITION

Commissioner Isenhour nominated Commissioner Peter Freer. The Board unanimously agreed to select Commissioner Freer.

POLICE REPORT – CHIEF WALLY LAYNE

- Things remain quiet in the world of break-ins on the island so far. Don’t let your guard down, it is still break-in season. Continue to look out for each other. The Police Department is being as proactive as possible to keep people away.
- Finished in-service training for the year last week.
- Trying to get Detective Jeremy Dixon into a long-term management school. Also trying to get him into the FBI Academy.

Commissioner Royal said he stopped by the other day to thank the Police Department for the traffic checks. He thinks it is a good proactive measure to help with public safety. Mayor Pro Tem Fletcher said he thinks a couple officers prevented a break-in a couple of weeks ago. He provided details about the situation. Sue Kyser thanked the Police Department. She thinks operation Santa was a very big success. Dolly Mitchell said Halloween was too. Commissioner Kyser said one thing people need to remember is that a break-in could occur and we won’t know until the homeowner comes down. If you see something unusual, call the Police Department. Chief Layne said when there are large sections of the island unoccupied, the Police Department does walk and physically check properties.

DISCUSSION AND POSSIBLE ACTION ON THE BUDGET CALENDAR AND PROCESS

Town Manager Hewett stated he took a stab at establishing a draft proposed budget schedule for the Board's review. He said if the outline he prepared is okay, he thinks the Board would want to pick a date for the first meeting. Commissioner Freer would like to schedule a firm date in January. Town Manager Hewett suggested the Board give him their goals prior to the meeting and allow him to consolidate them for the meeting. The Board would like the goals to be provided to Town Manager Hewett by the next Board meeting. The workshop will be held on January 23rd at 9:00 a.m.

DISCUSSION AND POSSIBLE ACTION ON CONTRACT FOR ENGINEER TO REVIEW SEWER SYSTEM VULNERABILITY

Town Manager Hewett stated in response to the proposal submitted by Compass Pointe Engineering, the contract in the packets has been prepared. There is not a timeframe on it. In speaking with Mr. Norton, he said the timeframe is four months. The contract is for \$43,700. It would require a budget amendment, which is included for consideration. Town Manager Hewett explained there wasn't an appropriation for professional services when the budget was approved. The amount is coming from the Water & Sewer Fund Balance. The work would start once the contract is signed, probably after the holidays.

Motion by Mayor Pro Tem Fletcher to approve the contract and the associated budget amendment, second by Commissioner Royal.

Commissioner Kyser feels this is an unnecessary step. The Board already had a committee review the sewer system and came up with recommendations. He said he doesn't agree with spending another \$50,000 to get another report that will say basically the same thing we already have. He stated it seems to be money being spent that doesn't need to be spent. It also puts a four month delay on starting the process. It will probably be several years before any physical work starts. Commissioner Freer doesn't know what the conclusion will be. He would like to learn from the past. He thinks it is money well spent. Mayor Pro Tem Fletcher agrees. Commissioner Royal stated given the amount of investment the Town is looking at, this action is reasonable to make sure we are spending the money in the right places and in the right priority.

The motion passed by a 4 – 1 vote, with Mayor Pro Tem Fletcher and Commissioners Royal, Freer and Isenhour voting for the motion and Commissioner Kyser voting in the negative.

DISCUSSION AND POSSIBLE ACTION ON STREET PLAN MODIFICATION

Town Manager Hewett said the memo the Board has proposes the Town reprioritize the paving of Tide Ridge Drive and Pointe West until the issues with stormwater and right-of-ways are satisfactorily resolved. It would basically put those streets in timeout and move the next streets up. Those streets are Marsh Walk and Schooner. He believes it can be done in the existing resources.

Motion by Commissioner Royal to approve the reprioritization of streets paving per the memo from Town Manager Hewett; second by Commissioner Isenhour; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON ORINANCE 16-18, AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES, TITLE VII: TRAFFIC CODE (SECTION 72.03 PARKING PROHIBITED AT ALL TIMES)

Chief Layne explained the Board approved a similar ordinance a few months ago. Recently a group of homeowners communicated their concerns about the beach access at Elizabeth Street to Town Manager Hewett. The access is not currently pedestrian, golf cart or bicycle friendly. We are proposing the same fix for Elizabeth as the Town did for Ranger. Commissioner Royal asked if the layout is the same. Chief Layne replied it is very similar and is not far away from Ranger. He said it would enhance the needs for public access (for CAMA grants).

Motion by Commissioner Royal to approve this ordinance, which will provide the same parking that we afforded Ranger as set forth in this modified Ordinance 16-18; second by Commissioner Freer.

Mayor Holden commented that he always gets complaints that public parking gets put on the east end. They wonder why parking is not directed towards the west end. He does think it is the consensus of the people in the area that this would be better than what we have now. Chief Layne stated the layout of the west end makes it a little more complicated to achieve parking than on the east end.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON CAMA LAND USE PLAN (LUP) UPDATE

Building Official Evans asked if the Board had any questions about his memo in the packets. Commissioner Isenhour asked when the current plan was created. Building Official Evans answered that in 2009 there was a full update. He thinks the approval was made between 2010 – 2011. He said there are a couple plans that are being updated now, but our plan is more current than those. There is no definitive language that says when you have to update the plan. The consensus is that you would only update it when there is a change of dynamics that would require it. Building Official Evans said the reason for updating it last time was because of one major change. That was the sewer system. We haven't had any major shifts that would require an update. The information he is providing is from the Council of Government and School of Government.

Commissioner Royal said his rational for bringing this topic up stemmed from a meeting that requested a variance on zoning, associated with the Griffin donated property. He remembers hearing that there is a subdivision plotted on that property. He was concerned that they are having Planning & Zoning review variances to that based on an outdated plan if the subdivision plot is being referenced. The general public's understanding is that was not the intent of that land. He asked how that is represented in the LUP. Building Official Evans said he doesn't believe they ever finished the rezoning process. Commissioner Royal stated he heard the staff recommended that the variance be approved. Building Official Evans said the LUP is a document where you determine if you are in compliance with the 7b guidelines so that we qualify for funds. It is not a document that is written in stone, as long as you don't violate the rules. He provided information on why the staff recommended it in that situation. Town Manager Hewett explained the LUP provides broad and general guidance and the subdivision and zoning ordinances get more specific. Variances and rezoning were further discussed.

REPORT, DISCUSSION AND POSSIBLE ACTION ON ORDINANCE 16-19, AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES, CHAPTER 91: FIRE PREVENTION

Commissioner Freer suggested removing the word cooking from open flame cooking devices because in one part it says open flame cooking devices and in two others it just says open flame devices. He said this doesn't include propane grills with a lid, it is open flame devices on or close to a deck, or within 10 feet of a house. The Board talked about what the ordinance would include. Commissioner Royal said it might be helpful to add that it does not include propane fueled grills. Building Official Evans said we can add Section 91.17 (a) Exception - propane fueled grills.

Motion by Commissioner Freer to approve the ordinance with the two updates; second by Commissioner Isenhour.

Commissioner Kyser asked for confirmation that the Board is saying charcoal grills and turkey fryers are against the rules. The Board agreed. The Board also agreed to take out combustible balconies from the proposed ordinance and make it combustible construction.

Commissioners Freer and Isenhour agree with the additional change.

Town Clerk Finnell verified the changes would be to remove cooking from the two places; add Section 91.17 (a) Exception – propane fueled grills; and take out combustible balconies.

Commissioner Royal asked the intent on how the ordinance will be enforced. Building Official Evans assumes it would be complaint driven. The ordinance adopts the same penalties and guidelines as are already in the chapter.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE CREATION OF FIVE MEMBER SHORELINE PROTECTION AND SAFETY BOARD

Motion by Commissioner Freer to establish a five member Shoreline Protection and Safety Board; second by Mayor Pro Tem Fletcher.

Commissioner Kyser inquired what the responsibilities would be. Commissioner Freer said right now he views it as a function of the Parks & Recreation Advisory Board (PRAB). He thinks it deserves a focus. He encourages the people on the PRAB to submit an application for this board. It's to look at issues relating to things like the Central Reach Project, the static vegetation line/ development line and the east end shoreline protection issue. He said they can talk about the BPART Fund and beach patrol. Commissioner Freer stated his understanding is it used to be a separate board. Commissioner Kyser asked what it means by safety. Mayor Pro Tem Fletcher stated it would be a patrol that informs people about our regulations. Commissioner Kyser stated when you put someone on the beach to represent us, our insurance won't cover them so it is a liability to the Town. Commissioner Freer stated Oak Island is supposed to come over and talk about their beach patrol in February. He would like to understand how they do it. Commissioner Kyser would like to find out more about that first and find out what the Town's liability would be. Commissioner Freer said this would be a separate board that reports directly to the Board.

Royal asked if there is a way to reflect the Board's intent and then have it come back to the Board for approval of the descriptions and responsibilities so the Board knows more about what they are about to put into place. Commissioner Kyser would like supporting documentation on items before voting on them.

Commissioner Freer amended his motion to the intent to establish a five member Shoreline Protection and Safety Board. Mayor Pro Tem Fletcher agreed with the amended motion.

The Board agreed to the amended motion.

Commissioner Freer offered to give an outline of what he would like to see. He will work with Town Manager Hewett and Shoreline Protection and Recreation Manager Ferguson to come up with the content.

Mayor Holden confirmed the Board was voting on the intent to form the board.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE APPROVAL OF BOARD OF COMMISSIONERS' 2017 REGULAR MEETING SCHEDULE

Town Clerk Finnell explained the dates in the proposed schedule reflect the 3rd Tuesday of each month at 7:00 p.m.

Motion by Mayor Pro Tem Fletcher to approve the 2017 schedule of meetings; second by Commissioner Freer; approved by unanimous vote.

TOWN MANAGER'S REPORT

- Central Reach Project – looks like the bad weather we had for the last 10 days will preclude the submerged line from making it up here until about Christmas day. That means with the work needed, we are probably looking at Wednesday of next week before sand is put on the beach.
- Hurricane Matthew Cleanup – believes the crews are finished with the eastern leg from Jordan Boulevard east. The crews have the majority of the tires picked up from here to the pier. They are moving westward. The intent is to try to stay ahead and out of the way of the dredger.

MAYOR'S COMMENTS

- Santa Claus is coming. Looking forward to it.

BOARD OF COMMISSIONERS' COMMENTS

Commissioner Royal

- Thanked everyone for coming.

- We do value the input from the public. It has been a year since this Board has been in place. It has been a significant learning opportunity for him. Intent when asks questions is to get clarity on whatever the Board is proposing. Everything the Board proposes has an impact. Values input and feedback.
- Wished everyone a merry Christmas and happy New Year. Thankful for the community.

Mayor Holden stated the Chapel’s worship time on Sunday has been changed to 10:00 a.m. Mayor Pro Tem Fletcher added that Saturday’s service is at 7:00 p.m. on Christmas Eve.

Commissioner Freer

- Wished everyone a merry Christmas and a happy New Year.

Commissioner Isenhour

- Wished everyone a merry Christmas and a happy New Year.

Mayor Pro Tem Fletcher

- Thanked people for the support the Board received for the Board’s first year. Hopes it is even better the second year.
- Wished everyone and their families a very merry Christmas and a happy New Year.

Commissioner Kyser

- Thanked everyone for being here.
- Wished everyone a merry Christmas and a happy New Year.
- His voting against the money for the engineering firm to do another evaluation in no way reflects his desire to not fix it. He would like to see it get fixed, but would like to see it get done faster.

PUBLIC COMMENTS ON GENERAL ITEMS

No comments were made.

ADJOURNMENT

Motion by Mayor Pro Tem Fletcher to adjourn at 8:24 p.m.; second by Commissioner Freer; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk