



**TOWN OF HOLDEN BEACH  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
TUESDAY, JANUARY 17, 2017 – 7:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday, January 17, 2017 at 7:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem John Fletcher; Commissioners H. Ashley Royal, Peter Freer, Kim Isenhour and Ken Kyser; Town Manager David W. Hewett; Town Clerk Heather Finnell; Police Chief Wally Layne; Shoreline Protection and Recreation Manager Christy Ferguson; Public Works Director Chris Clemmons; Building Official Tim Evans; and Town Attorney Noel Fox.

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

**PLEDGE OF ALLEGIANCE**

**AGENDA APPROVAL**

Town Manager Hewett asked to move item 14, Town Manager's Report, to after item 11. Mayor Holden confirmed he wanted to combine the items, with 11 being first.

*Motion by Commissioner Royal to approve the agenda as amended; second by Mayor Pro Tem Fletcher; approved by unanimous vote.*

**APPROVAL OF MINUTES**

*Motion by Mayor Pro Tem Fletcher to approve the minutes of the Regular Meeting of December 20, 2016 as written; second by Commissioner Isenhour; approved by unanimous vote.*

**PUBLIC COMMENTS ON AGENDA ITEMS**

No comments were made.

**DISCUSSION AND POSSIBLE ACTION ON CANAL DREDGING PLAN UPDATE – SHANE LIPPARD, RIGHT ANGLE ENGINEERING**

Shane Lippard provided background on the original plan. The document goes through the procedures and steps to formulate a dredging cycle. He reviewed what's in the updated plan. Shoreline Protection and

Recreation Manager Ferguson added that the working group met and support the plan. The staff recommendation is to approve the update.

Commissioner Royal asked about balance forward amounts for the special revenue funds. Town Manager Hewett answered that it is the balance as of June 30<sup>th</sup>; the balance forward into the current fiscal year. The enabling legislation allows us to accrue those funds for up to 10 years and that is the mechanism for the subdivisions to save their money until they need to dredge. The amount is reviewed at the time the budget is adopted. Commissioner Freer asked if he is reading it right that the next dredging is November 2019. Mr. Lippard replied that it is about a 10 year cycle. It would be fall of 2018 into 2019.

*Motion by Mayor Pro Tem Fletcher to adopt the plan; second by Commissioner Freer; approved by unanimous vote.*

### **MEIC REPORT – ASBESTOS CEMENT PIPE CONDITION ASSESSMENT**

Public Works Director Clemmons provided background on the distribution system and the testing process. On the second round of samples, the samples were taken from Sand Spur, Lumberton and Schooner. The results show lots of life expectancy left. Sand Spur had the least life expectancy and it shows 64 years of life left in that pipe. The other two samples show about 100 years. Public Works Director Clemmons would like to continue with testing in the future years. So far from what we see on the results, we are in pretty good shape.

Mayor Pro Tem Fletcher asked if a place on the island would be more vulnerable than others. Public Works Director Clemmons responded that it is a possibility. Right now, we sampled from the east end, central portion and west end of the island. In the third round of sampling, he will probably pull another sample from Sand Spur to see if there is a pattern. Commissioner Royal stated it seems to him a one to two year frequency based on the results seems to be a bit excessive. Public Works Director Clemmons stated that is only about 50 feet of pipe. If it continues to look good, we can bail out of the program. He said maybe we can determine that after the next round of samples. Town Manager Hewett stated he would like to point out that the pipe was put into the ground at the same time as the main feed line from Wilmington that we just had the break on after Matthew. Public Works Director Clemmons provided some information about the results. Commissioner Isenhour asked if they are looking at safety too when they do the testing. Public Works Director Clemmons said he thinks it is part of that, but also the Town has to take samples to make sure asbestos is not getting into system. The cost is about \$15,000 for a round of testing.

### **POLICE REPORT – CHIEF WALLY LAYNE**

- Unfortunately after this past weekend, he can't say we haven't had many break-ins. Since Saturday, we had two. He provided details on the break-ins. They both were in the 200 block of OBW. Everyone needs to look out for each other. If you see something that doesn't look right, let the Police Department know.
- Last weekend during the ice storm, we had an accidental death of a subcontractor who was helping out with a remodel at 413 OBW. He fell from a deck, which resulted in his death. No official ruling from the medical examiner at this point. We are still probably about eight weeks out on that. An autopsy was

performed, with toxicology being a part of that. Based on what he saw it was an unfortunate, accidental death.

## **DISCUSSION AND POSSIBLE NOMINATION OF A BOARD OF COMMISSIONERS MEMBER TO SERVE AS THE AUDIT COMMITTEE CHAIR**

*Commissioner Freer nominated Mayor Pro Tem Fletcher for another term; second by Commissioner Isenhour. The Board all agreed to the nomination.*

## **BUDGET UPDATE**

Town Manager Hewett explained the budget update reflects the Town's position as of January 6<sup>th</sup>. It has been reviewed by the Audit Committee. It is a summary chart, by fund, budget to actual, revenues and expenses. It is the bottom line position as of midyear. It is of January 6<sup>th</sup>. The Audit Committee thought it would be good to show all of the tax revenue that came in since the tax deadline is January 5<sup>th</sup>. It reflects that all the debt services that have come due up to that date have been paid. Others are due in the spring and aren't reflected in there. The interest only payment on the Central Reach Project (CRP) is a payable in the spring. This reflects the escrow payment to the county for the CRP. The County has \$1.4 of the Town's money that they are holding on to. It shows the CRP funding stream is in place. It also reflects the fact the contract with Weeks has been encumbered. He explained the chart and the delta column. A negative number is a good thing in this case. Town Manager Hewett reviewed the amounts in each column.

## **TOWN MANAGER'S REPORT**

- Flood Maps Status – our conversations with the people who are supposed to know are saying it has been delayed and the new date is unknown. We don't have official word on when the new flood maps will go into play. Commissioner Freer inquired if we are being proactive about checking the status. Building Official Evans said we have a wonderful relationship with the Director of the NC Department of Public Safety. We also stay in contact with the Regional 6 Office of FEMA that handles our area. We won't get a definitive answer. He doesn't believe they are done with the appeals and other data. Town Manager Hewett said if the Board would like, we can bring the original briefing back to the Board for informational purposes.
- Water Tower Corrosion Control – the antennae from three of the legs of the tower have been relocated to the monopole. We have two more to go. Once that happens, we will shroud it and blast it. Painting will follow. Not sure what that schedule will be. Hoped they would be out of here by Easter, but it now looks like that won't be the case.
- CRP – explained the slide with four categories of data: reach, permit window, contract and volumes. The permit window expires March 31<sup>st</sup>. If production holds steady, we should come out with about three weeks left in the permit. That is important because we believe we might have an opportunity to piggyback on the project and capture Hurricane Matthew damages in this project. Does not know if we will be able to accomplish it because we will need to work with FEMA. There is congressional interest in saving money if we don't have to mobilize. There is a real small window of opportunity. Meeting with FEMA technical advisors tomorrow to see if we can bring this thing out. The sand would have to be placed in the project area.

- We have cleanup from Matthew underway. This is work being done by a FEMA reimbursable contractor. This is inlet to inlet, but we concentrated on the project area first to stay out of the contractor's way. Explained what we are picking up and showed pictures of the cleanup.
- LWF Navigation Dredging – getting calls about the inlet shoaling; the county is too. There is a Corps' funded maintenance project scheduled in March that will put about 60,000 cubic yards of sand on our east end. The county is interested in piggybacking another 60,000 cubic yards from the bend widener. Working with the county on developing a decision package. Two thirds state funding is available. The county has expressed interest in splitting the other third. The approximate cost is in the \$75,000 - \$100,000 range. Commissioner Royal inquired about Oak Island. Town Manager Hewett explained that when we requested their participation last time, our request wasn't met with success. The county would coordinate with them this time to see if they are interested. The Corps' sidcaster is scheduled for two weeks in March – April for the navigation maintenance of the inlet throat. The funding source on that is uncertain at this time. Commissioner Isenhour asked if Ocean Isle is doing anything to clear the Shallotte Inlet. Town Manager Hewett replied they are getting the inlet crossing Corps' effort, but he is not sure about the outer bar. Mayor Pro Tem Fletcher asked if we are restricted to where the sand goes if we dredge during turtle season. Town Manager Hewett replied that we are normally restricted to the sidcaster operations in the summertime.
- Static Vegetation Line – as a condition of our permit a static vegetation line is established whenever a large project of 300,000 cubic yards or above is completed. That will probably happen within the next five weeks if we stay on target with the production schedule. The Division of Coastal Management will come out and will establish one coincidental with the end of the project. One of the things we are working on is having the static vegetation line be reflective of the vegetation that existed as of July or August. If we get that put in place, thinking we probably won't need a development line. The rules reads you need to have one or the other, whichever is more restrictive.
- Solid Waste Contract – still working through that. Plan on having it for Board's action at the February meeting. Will meet with Waste Industries next week.
- Sewer Assessment – the contractor has been put to work. Met with him and provided him material for review.

## **LARGE STRUCTURE REPORT – PLANNING & ZONING BOARD CHAIR VICKI MYERS**

Ms. Myers reviewed what the Board asked the Planning & Zoning Board (P&Z) to discuss regarding large structures back in August. Commissioner Royal asked if P&Z came up with a prioritization of the possible solutions they provided. Ms. Myers replied no, they are not prioritized. Commissioner Freer stated P&Z did have a conclusion that was in report. Mayor Pro Tem Fletcher stated when he reads the report, he comes away thinking that we prefer not to set a limit on house sizing, but the bigger the house the more likely it will get misused. He thinks the Board needs to decide if the Town wants to have huge houses on the island or if 5,000 square feet is adequate. Ms. Myers stated as part of the report, they did speak to neighboring communities; the Town is not unique. Commissioner Isenhour stated from looking at the plan, there is an enormous spectrum of how different communities are handling this issue. It goes to the nature of the community and what that community wants to be. She stated the Town's next step is to figure out what the Town wants to do to move forward. She thinks there is a lot of information. The Board needs more time and to maybe have a workshop. Mayor Pro Tem Fletcher stated he thinks the Board needs to be sensitive that whatever they do, it needs to be enforceable. Noise and parking are tools the Police

Department can enforce. Commissioner Freer agrees it's a complex issue and it is still being discussed at other communities. Mayor Pro Tem Fletcher asked if the new association of islands is a mechanism the Town can use to deal with this as a group. Town Manager Hewett replied this is an issue that has surfaced at the Resort Towns and Convention Cities group at the City and County Managers' Association and it is all over the place. Other than acknowledging it as an issue, many managers are no further along than the Town. They have not been able to craft anything that is intelligibly applicable for everyone. Mayor Pro Tem Fletcher stated the Town advertises as a quiet family beach. He agrees a workshop is a wise move. Commissioner Freer agrees and thinks the Board should receive public input. Ms. Myers stated P&Z would like the Board to be proactive. Commissioner Freer stated they want to be proactive, but they don't want to be restrictive to growth and the rental community. Commissioner Kyser asked Attorney Fox if he could sue for the Town decreasing the value of his property if he bought a lot today and it was capable of building a 15,000 square foot house and then the Town puts restrictions on it so he could only be able to build a 5,000 foot house. Attorney Fox responded she thinks that answer is no. She thinks what you are seeing on the coast is everyone struggling with this. Holden Beach is not unique. It is everywhere and nobody has found a great solution. She stated it is a complex issue. Mayor Holden stated he can't tell how many meetings he has been to that had this same discussion since 1969. This is not something that is going to be easily resolved. One question keeps coming up when he looks at the report, would you rather have two lots with two 4,900 square foot houses on them or would you rather have a 7,500 square foot house in the middle of the two lots. Mayor Holden stated if you get into that kind of stuff, there is no end to the discussion.

#### **DISCUSSION AND POSSIBLE ACTION ON ESTABLISHING AN EXCEPTION TO SECTION 94.03: FRONTAL DUNE POLICIES AND REGULATIONS OF THE HOLDEN BEACH CODE OF ORDINANCES**

Commissioner Isenhour said prior to Hurricane Matthew a couple people brought up that the Town might need to look at exceptions or revisions to our frontal dune ordinance. We have regulations in place to protect the frontal dune, which is very important. She said in certain parts of the island there is an enormous amount of land that goes beyond the frontal dune where there are estuaries and ponds. Renters and owners are walking through it and ruining the habitats. Commissioner Isenhour thinks the Board needs to take a look at this and see if there are some exceptions that can be put in where we can extend in certain areas some of the walkways so people can get to the beach without trampling vegetation. On the west end, there is an area that is roped off. In that area those dunes are there. Where they didn't, the dunes are gone because the water came through where the cut throughs are. Commissioner Freer said you never want to have a cut through to destroy the integrity of a dune, no matter how far you need to walk. Commissioner Royal stated he thought the Town had some issues after Hurricane Matthew where people extended the walkways beyond the frontal dune and the Town was left with debris. He understands, but there does seem to be some unintended consequences the Board needs to consider.

*Motion by Commissioner Isenhour to ask Zoning/ CAMA Official Wooten and Building Official Evans to come to February's meeting with a draft of an exception to the ordinance for frontal dune policies; second by Mayor Pro Tem Fletcher.*

Commissioner Royal asked if they should consider having the attorney involved to make sure the Town is not proposing something that is illegal. Attorney Fox replied that she would work with Building Official Evans and Zoning/ CAMA Official Wooten.

*The motion passed by unanimous vote.*

## **MAYOR'S COMMENTS**

- Excited to see all the progress on the beach front. Amazing to see the amount of people who are observing this. The shell hunters are happy. Looking good. Talking with Town Manager Hewett, there is a lot of advantage to the construction company if they can finish three – four weeks ahead of time, can you imagine the per day costs. Not sure how much longer the Good Lord will give us this weather and calm seas.

## **BOARD OF COMMISSIONERS' COMMENTS**

Mayor Pro Tem Fletcher

- Thanks for coming out. It is always good to get a number of people to see what we are dealing with. The Board deals with issues as well as they can, but they can use input. If you don't want to make the input before the meeting, everyone's information is online. Anxious to hear what people think about the information they are pondering on.

Commissioner Royal

- Thanked everyone for coming.
- Thanked P&Z for their work on large structures. Seems like a solution in search of a problem. Asked the public if they are aware of issues they think need to be resolved through this issue, let the Board know. Otherwise inclined to move on.
- Thanked the Police Department for what they had to deal with regarding the fatality. It's just a reminder to him on what they deal with. Heard they did a professional job. Applauds them for that.

Commissioner Freer

- Thanked everyone.
- Thanked P&Z. That's why it's called planning, to anticipate things and make sure the Board is aware of any issues that may arise.
- Thanked Town Manager Hewett. It is very creative how we have a lot of sand moving around. Likes the idea we are going to use different mechanisms, different funding of moving sand from one place to where we want it.

Commissioner Isenhour

- Thanked Mayor Holden and Town Manager Hewett. They took her and her son to the beach to see the Central Reach Project up close. It is amazing to take a look at what they are doing. Their system is unbelievable. Very impressed with them and pleased with the progress of the project.

Commissioner Kyser

- Thanked everyone for being here.
- Echoed comments about P&Z. Some of the recommendations they made in the report are very thoughtful and could possibly give some answers to the use problem.
- Thanked Town Manager Hewett for his continuing to look for other revenue streams to help pay for putting sand on the beach. Nice to not have to do by ourselves.

## **PUBLIC COMMENTS ON GENERAL ITEMS**

Dolly Mitchell stated that in 1989 Hugo took all of the walkways off the beach and a lot of dunes. When the walkways were rebuilt they were rebuilt over the frontal dunes. Due to the engineered beach and work the commissioners have done through the years, the frontal dunes moved beyond the walkways. She remembers P&Z came back with a recommendation because people were making gaps in the frontal dune since the walkways built after Hugo were further back than the dunes. No action was taken because it meant every person on the beachfront had to replace their walkways. Mrs. Mitchell stated if you stay here long enough, the cycle repeats itself. She is thankful for the dune work that the Town has done under Town Manager Hewett's supervision. She stated she is concerned about the large houses, but she is also concerned about smaller homes, with not enough trash cans, that are overlooked and have lots of noise.

Beverly Compton said having suffered three years through the wedding house, she wrestles with the fact that the large structure doesn't have something to do with it, but does agree that it is the use that is the problem. She is not sure what the Town can do about wedding houses, but it is stressful to live in that area. She said the size does have something to do with it.

Steve Gribbon thanked the Board for addressing the walkway situation so quickly. He believes it was supposed to be addressed the Tuesday after the hurricane. He said it is commendable to bring it back up so soon, especially since the Town has a large project going on. Mr. Gribbon agrees with taking some time and performing due diligence before coming up with something to vote on. He stated there is a common theme in the Land Use Plan and state and federal CAMA ordinances; to protect vegetation, habitat and dunes and to provide access to the dry sand beach for oceanfront owners. He stated that is common in all three levels. He stated that is not what is going on in the west end.

Ray Compton stated he has gone to several meetings at Topsail Beach. The primary issues had to do with ingress and egress. He stated this summer there was a small fire. The Police Department was directing people down a dead end street. Mr. Compton said you have to picture the fire at Ocean Isle Beach where college kids died. He said ingress and egress was a problem in that situation. He has been at the west end where 100 – 150 people had been drinking. He wondered how the Fire Department would get to it if there was a fire. Mr. Compton said safety is an issue. He said to think not about the size, but about how the Town would service the house.

James Lutz said he is a contractor and has several people who are interested in building their walkways out to the southerly dunes. He thinks it is a win win for everyone involved.

**EXECUTIVE SESSION TO DISCUSS A PERSONNEL MATTER PERSUANT TO NORTH CAROLINA GENERAL STATUTE 143-318.11(A)(3)**

Town Clerk Finnell read the reason to hold Executive Session.

*Motion by Commissioner Isenhour to go into Executive Session at 8:29 p.m.; second by Mayor Pro Tem Fletcher; approved by unanimous vote.*

**OPEN SESSION**

The Board went back into Open Session at 9:31 p.m. Mayor Holden announced no action was taken.

**ADJOURNMENT**

*Motion by Mayor Pro Tem Fletcher to adjourn at 9:31 p.m.; second by Commissioner Isenhour; approved by unanimous vote.*

---

J. Alan Holden, Mayor

ATTEST:

---

Heather Finnell, Town Clerk