



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, FEBRUARY 20, 2018 – 7:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday, February 20, 2018 at 7:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Mike Sullivan; Commissioners Pat Kwiatkowski, Joe Butler, John Fletcher and Peter Freer; Town Manager David W. Hewett; Town Clerk Heather Finnell; Shoreline Protection and Recreation Manager Christy Ferguson, Police Chief Wally Layne; Building Official Tim Evans; Public Works Director Chris Clemmons; 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 that the agenda be amended with the addition of item 16a, a canal dredging budget amendment, Ordinance 18-06, titled An Ordinance Amending Ordinance 17-08, The Revenues and Appropriations Ordinance for Fiscal Year 2017 - 2018 (Amendment No. 3)

Motion by Commissioner Fletcher to approve the agenda as amended; second by Commissioner Freer; approved by unanimous vote.

APPROVAL OF MINUTES

Mayor Holden asked if there was a motion to approve all of the minutes (Special Meeting of January 16, 2018, Regular Meeting of January 16, 2018, Special Meeting of January 19, 2018 - Recessed Meeting of January 16, 2018 and the Special Meeting of February 6, 2018).

Motion by Commissioner Fletcher to approve the minutes.

Commissioner Kwiatkowski said as part of the February 6th meeting the Board did a tally of their priorities. She would like the tally to be included in the minutes. Town Clerk Finnell said she was going to place the tally sheet in the minutes book when the minutes were approved. The Board agreed that was fine.

The motion was seconded by Commissioner Freer.

Mayor Holden confirmed that the Board understands that it included the paperwork.

The motion passed by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

Rhonda Dixon discussed points from the environmental attorney, Clark Wright's presentation about the terminal groin. She said \$637,000 was spent so far. She stated that in August 2015, we received the Draft Environmental Impact Study, two and a half years later we are getting the final version. Ms. Dixon said the public has 30 days to digest the document, but they had two and a half years to review it. She said all five board members said they were not in favor of the terminal groin before they were elected. She inquired why we are still on this path.

Mark Fleischhauer said he was going to talk about item 13, the proposed Inlet, Beach, Environmental Protection Board, but he is pleased to see a more logical document than the one presented at the last meeting is being considered. He said formation of additional committees shouldn't be taken lightly in this community; we don't have a wealth of people. He said the same intent was previously organized as part of the existing Parks & Recreation Advisory Board. He asked why giving the same directions to the existing committee doesn't serve an equal purpose.

DISCUSSION AND POSSIBLE ACTION ON AUDIT REPORT, FISCAL YEAR 2016 - 2017

Mr. Thompson said the Board should have copies of the Report and the Presentation of Audit Results (hereby incorporated into the minutes). He explained there are two significant findings. There were no difficulties in performing the audit; no uncorrected misstatements; and no disagreements with management when conducting the audit. Management provided them with a representation letter. He said they are unaware that management consulted with any outside accountants. There was an item regarding posting prior year journal entries. Page 3 relates to pension assets and actuary reports. Mr. Thompson reviewed the financial information for the past five years on page 4 of the results. He discussed the charts which include Analysis of Fund Balance, Analysis of Fund Balance Available, Analysis of Unreserved and Undesignated Fund Balance as a % of General Fund Expenditures, Analysis of Revenues Over (Under) Expenditures before Transfers, Cash vs. Accumulated Depreciation, Analysis of Cash and Fund Balances, Property Tax Rates, Collection Percentages, Property Valuation and Levy Amount, Breakdown of General Fund Revenue and Breakdown of General Fund Expenditures.

Mr. Thompson explained on page 24 of the report you will see an amount in excess of the budget. He said that had to do with when the police vehicles were purchased you need to record both the loan amount and the total expenditure there. It was just shown in terms of the debt service as it related to that. He said even though no money passed through the Town it still needs to show in the budget. Mr. Thompson stated that on page 57 there are two significant findings. One in regards to internal controls over the preparation of financial statements. The recommendation being the Town should designate an individual responsible to review the statements. The second deficiency relates to the \$497,000 that was part of a project that wasn't capitalized in the previous year so a prior period adjustment needed to be made for that. They recommended that making sure all of the stuff is capitalized in each year so it properly reflects on the balance sheet.

Commissioner Freer asked if they are attributing Section 17-1 on page 58 to the Board. He stated he doesn't recall that being the case. He doesn't have any recollection of denying funds for training for anyone so he doesn't know where that is coming from. Commissioner Freer also asked if Section 17-02 has been addressed. Town Manager Hewett replied that it has been done. Commissioner Fletcher confirmed the adjustments have been made, so the Board doesn't need to do anything.

POLICE REPORT – CHIEF WALLY LAYNE

- Has been the best winter since he has been here. Still waiting for the first reported break-in, hopefully, it won't happen. In the county, robberies have surpassed break-ins.

- Started in-service training for 2018. Have two classes taken care of. That is eight hours of the 24 required by the state. Trying to get done before the season starts.

Commissioner Freer asked if there has been any changes in personnel. Chief Layne replied that Doshier, a fulltime employee, recently had a child and requested that he go into a part-time status. We lost a fulltime officer, which is why we are advertising. He works a minimal amount of hours and will help in extreme circumstances. Commissioner Butler asked what a Keep Check is. Chief Layne responded when a property owner is away, they fill out a form and the house gets checked by his department.

DISCUSSION AND POSSIBLE ACTION – RESOLUTION 11-12, TERMINAL GROIN PERMIT APPLICATION AND ENGINEERING DESIGN STATUS REPORT

Shoreline Protection and Recreation Manager Ferguson showed a slide where the terminal groin would be. There is currently approximately \$25,540 left on the Dial Cordy contract. That does not include attorney fees. The Final Environmental Impact Study (FEIS) edits have been delivered to the Corps and we are waiting for them to be reviewed and returned to the 3rd party contractor so they can get them ready to be published. The last information we received from the 3rd party contractor is that the FEIS should be published by February 23rd. The comment period for the public is for 30 days after that. Then, there would be a Record of Decision (ROD) from the Corps, a CAMA application completed and then five years before the permit expires.

Shoreline Protection and Recreation Manager Ferguson said the comment period is 30 days. Commissioner Freer asked if the Town could ask for an extension on the public comment process if the Board wants. Shoreline Protection and Recreation Manager Ferguson replied she is not sure and would need to check. Commissioner Kwiatkowski said if they are like other federal organizations, you can ask for it, but they don't have to grant it. Commissioner Freer asked if the Town could inquire if an extension could be granted. He asked about costs relating to the project. Town Manager Hewett said the amount on the slide is what is remaining on the contract, the other amount is what has been spent. Commissioner Freer asked if that is the only anticipated future expenditure. Town Manager Hewett said the other \$20,000 is primarily for the CAMA portion after the ROD is made. Commissioner Butler asked for confirmation that the federal register is available to anyone. Town Manager Hewett replied that is correct. He added we will post a link to our website once it is ready.

Commissioner Freer said in closed session the Board discussed that the new environmental attorney was going to give a report once the FEIS is out. He would like to see if everyone is available on March 8th to receive that report. Mayor Pro Tem Sullivan asked if that is tentative based on if the FEIS is released. Commissioner Freer said he is relying on the February 23rd date to be met; he has been waiting over two years for the report and the Town has spent over \$200,000. Mayor Pro Tem Sullivan said he is in favor of hearing the report from the attorney, but he can't give his input if the FEIS isn't released. The Board talked further about if they should have a meeting if the report is not out yet. Attorney Fox said the Board previously gave the environmental attorney direction. If the report is not available, it is in contrary to the previous direction. The environmental attorney hired by the Board is monitoring the situation and he will get back to the Board. She explained the direction was to get back to the Board within the 30-day public comment period. She said the Board could schedule a special meeting now or when the report is issued they can call a special meeting. Commissioner Butler stated he thinks the issue he is having is we were expecting the FEIS to be available. He thinks the Board needs to identify a specific date and someone needs to be accountable. Mayor Pro Tem Sullivan said the Board hired a third attorney to advise them on the groin. He said they held a meeting and directed the attorney to advise us once the report was issued and now we want him to report to the Board before the FEIS is available. He said the Board cannot learn anything from the attorney if they do not allow him to review the report. He said the Board can move forward on their own if the report is not available. Commissioner Butler said eventually the Board may need to get to the other side of the bridge if they don't receive the report. He doesn't know what a reasonable date is. Mayor Pro Tem Sullivan said he thinks that if

the Board wants to set a specific time to vote on it, it is a different issue. Commissioner Freer said the Draft EIS has been on the table for over 2.5 years. 30 days is when he expected the report from the attorney. He asked how long the Board wants to wait. After more discussion on the process, Attorney Fox explained the process for holding a special meeting. The Board agreed to figure out a date once the FEIS is issued.

Mayor Holden said he is hearing commissioners are anxious to get a report from the attorney. He asked the Board to not call a special meeting, have the attorney give the report and then immediately after kill the project without a regular meeting. He said he thinks the public needs to have a good opportunity to hear, on a regular meeting basis, what possibly could be the result of killing a project that some of us have been working on for decades. Commissioner Freer said he agrees.

DISCUSSION AND POSSIBLE ACTION – CONSTRUCTION MANAGEMENT SERVICES OF THE VACUUM SEWER SYSTEM #4 UPGRADE STATUS REPORT

Public Works Director Clemmons provided an overview of the sewer upgrade project history. The total budget for this project is \$1,413,000. The first invoice to Green Engineering has been paid in the amount \$20,000. He said they had three meetings to date and numerous phone calls. He reviewed the timeline for the project. He said we are on budget and following the timeline so far.

Commissioner Freer said he thinks the Board should do this every month; he will ask if we are on budget and following the timeline each month. Commissioner Fletcher asked if we can compress the schedule for the next two stations. Public Works Director Clemmons explained we will be more knowledgeable, he said it is a learning experience. He wants to make sure we have something functional and user friendly. He wants to make sure it will withstand a flood situation. Commissioner Butler asked if the Town has input in the design input meetings. Town Manager Hewett said the meetings were with us. Public Works Director Clemmons stated he has another meeting March 1st. Mayor Pro Tem Sullivan stated that when he looks at the proposed schedule it has award of bids on May 17th. He said it would be good to move that date up if possible to coincide with the May meeting date.

Mayor Holden asked about the Town's vacuum truck. Public Works Director Clemmons replied it has been sent to a shop for repairs and should be back in about a week.

DISCUSSION AND POSSIBLE ACTION ON RECOMMENDATION FROM CITIZEN ADVISORY COMMITTEE REPORT ON PARKING FOR IMPLEMENTATION PRIOR TO THE 2018 BEACH SEASON

Building Official Evans reviewed the Board's proposed parking goals and talked about the background of recent parking discussions. He explained we received quotes to develop a visitors' map. 5,000 maps will cost an estimated \$1,500 to \$2,000 to print. Developing the maps is \$75 an hour, map development time is unknown. He reviewed considerations for the Board. He explained we could add the information to our existing app. Around Us is an interactive map. He said we are thinking that is one of our better media strategies. He said we could still do a hard copy in addition to the app. Town Clerk Finnell said there is an additional fee to add the service to our app. If the Board would like a map on the website, we would need to develop a separate map. We can do that and not print it. The Board talked about adding a map to the website, but not printing it.

Building Official Evans said a communication plan would utilize different media sources. There could be physical and cyber maps. Currently, visitors and homeowners are signed up for Town maintained media and would get updated through those sources.

Building Official Evans said signage, per NCDOT staff, could be allowed under an encroachment agreement as approved by NCDOT. Staff would need to develop a map of locations. He would then meet with them for approval.

An encroachment agreement would need to be developed that says we would maintain the signs as approved by the NCDOT.

Building Official Evans said police enforcement would require two part-time civilian employees. There would only be one part-time employee a day at six hours a day, \$13 per hour. Parking enforcement would operate seven days a week beginning the Friday before Memorial Day and will end after Labor Day. Commissioner Freer said he didn't envision hiring additional staff. He thought that might be a future idea if needed. Commissioner Fletcher asked if he sees them presenting tickets. Chief Layne replied that was his understanding of what the Board wanted. He said that is all they would do, they would not be law enforcement. They would issue Town citations for parking violations. Commissioner Butler said the committee was looking for police enforcement and monitoring. Commissioner Freer said they are making new rules and they are just asking for enforcement. Mayor Pro Tem Sullivan asked where the Town would get these people if it was decided it was necessary to have civilians issue violations. Chief Layne said it would be the same process as the beach rangers'. They would do an in-house training program from the Police. They would need to have a camera so they could take picture of vehicles illegally parked, a golf cart and a violation book. They would not be authorized to enter the tickets into the system, so the part-time employee would have to do it. Commissioner Fletcher said they need enforcement of the existing parking rules. He doesn't anticipate any new no parking zones. Commissioner Butler said this is Phase 1. After the summer season, the Board is going to assess and evaluate the changes made. Then the next phase would be to look at Town owned properties and what it would cost the Town to convert those properties to parking if we find we need additional parking.

Commissioner Butler said he had a number of residents contact him about implementation of a rule about no overnight parking in a public parking space. Chief Layne said that already exists. Building Official Evans said he thinks there is a 72 hour limit. Chief Layne said the Police Department does not allow it. Commissioner Butler said he thinks the Town needs to publicize that. He said both islands to the west of us have no overnight parking. Town Clerk Finnell read from the Code Book. Attorney Fox clarified that is for contractors and read about the 72 hour limit. She said that could be changed to no overnight parking. Town Manager Hewett brought up the fisherman who stay out all night. Chief Layne explained how they enforce overnight parking now. Commissioner Freer said he thinks the intent would be to codify it. The Board talked about public parking versus contractors. Commissioner Butler would like to see signage saying no overnight parking. He suggested maybe on the end of Ferry and under the bridge.

Building Official Evans said they were asked to look at problems with implementing the ordinances. They reviewed item 1, the recommended ordinance change of property owners having the option to preserve their property to have an item in the right-of-way (ROW) to clearly indicate to the public that the area is not approved parking. Item 2 is these items must not obstruct or create a safety issue as outlined in the current Town ordinance, landscaping and other deterrents must not exceed three feet. Staff review shows that item 2 is allowed under C2, but only outside of ten feet beyond the pavement or road bed. Item 1 is already allowed under the current ordinance. Item 2, if placed in the ROW can only be removed if it interferes with Public Works' job or is deemed a safety hazard, but it can be penalized under the ordinance. Staff concludes that item 2 would require an amendment that redefines fences under definitions; review of the Land Use Ordinance Section 157.080; and require revisions of Section 95.05(c) and (b). Item 1 is already allowed without changes. He said it would probably help to change the ordinance because current policy has created a lot of nonconforming fences. Staff has concluded anything above 18" to two feet would probably end up being a safety issue.

Building Official Evans said the car stops cost is estimated at \$62 per unit, an estimated 91 units are needed, with 100 purchased for a total cost of \$6,200.

Building Official Evans reviewed the summary of cost of implementation for the items he described. He said it is a minimum cost to implement, but it will require staff time.

Commissioner Butler said he thinks the Board has enough information and needs to act. He said he thinks the only additional item added is to modify the overnight ordinance. Commissioner Freer added that the Board didn't want to add extra Police. Commissioner Kwiatkowski asked for point by point approval.

1. Develop map – After discussion, Mayor Pro Tem Sullivan said the Board would be agreeing that the map would be the Around Me version and we would develop a hard copy so it could be added to the Town website.
2. Parking signage – Building Official Evans explained the process for the encroachment agreement and placing the signs.
3. Better utilization of current parking – The Board is okay with purchasing and placing 100 bumpers, Public Works Director Clemmons said he doesn't think the Town needs to put stops down everywhere, if we can get by with stripes. Building Official Evans suggested staff get together and determine the number to purchase. Public Works Director Clemmons said curb stops can become a safety issue. He thinks striping will be a better approach. The Board agreed.
4. Town ordinances impacted by the changes revised accordingly - Item 1 - 95.05 already exists. Commissioner Freer asked about grandfathering the ones that are higher than 1.5 feet. Building Official Evans said the way the ordinance is written now, if they are deemed a public safety issue, we can require them to be removed. They need to use their judgement when enforcing that. Commissioner Freer said if it is too small it could also be a safety issue. Mayor Pro Tem Sullivan inquired what would make something two feet high a safety issue. Building Official Evans replied it depends where it is located. He added that the Board needs to remember that there are some ROWs on one side of the road that are different from the other. Commissioner Freer said that language may need to be amended. Building Official Evans said he and Attorney Fox can work together.

Mayor Pro Tem Sullivan suggested getting all of these facts down for all of the items and voting on it at the next meeting. Building Official Evans asked if the Board would like the proposed ordinances to be prepared. Mayor Pro Tem Sullivan replied yes. Commissioner Butler asked that the no parking ordinance be addressed also. He offered to help Building Official Evans.

DISCUSSION AND POSSIBLE ACTION TO REMOVE “OR SIBLING” FROM §30.25 COMMISSIONS, BOARDS, AGENCIES AND AUTHORITIES ESTABLISHED BY ORDINANCE OR UNDER THE AUTHORITY OF THE BOC

Commissioner Freer explained the attorney removed “or sibling” from the proposed ordinance.

Motion by Commissioner Freer to accept the ordinance change the attorney made with the effective date of immediately, today; second by Commissioner Kwiatkowski.

Mayor Pro Tem Sullivan confirmed the Board was voting on Ordinance 18-01.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE ACTION TO ESTABLISH THE INLET, BEACH AND ENVIRONMENTAL PROTECTION BOARD

Commissioner Freer stated he has one issue about the secretary being an employee. He said it is against Section 30.25(b) so he would like that to be removed. Town Manager Hewett said you could substitute clerk instead of secretary. Commissioner Freer said that is fine. Commissioner Kwiatkowski said she thought what the Board was doing was inlet, beach and dune protection. She said environmental protection means something totally different

to her than the focus they were on, which was about the inlet, the beaches and protecting the dunes. She believes environmental protection opens them up to a larger interpretation. Commissioner Kwiatkowski prefers it be the Inlet, Beach and Dune Protection Board. She wants to be sure the Town is not duplicating efforts. She sees that Section D under Powers and Duties is the job of Town staff. She said if they want information, all they need to do to receive it is to ask for an update. Commissioner Kwiatkowski would like to remove Section D and move everything else up to allow the Town Manager and staff to do their job. She agrees with Commissioner Freer's comment regarding the secretary position. She stated she doesn't see any references, as for other committees, to attend conferences or meetings. She wondered if that is something the Board would like to add. Attorney Fox explained this is an advisory board. She said there are expenses incurred when someone wants to sign up for something that can be approved by the Town Manager. She explained why she doesn't think it needs to be codified. Mayor Pro Tem Sullivan said he had a similar thought with Section C, it also seems to be the job of the Town. He said he could see if the Board changes it to evaluate the feasibility and cost benefits and bring that to the Board, but to monitor the projects doesn't seem to be the job of an advisory board. Attorney Fox said she is sure Town Manager Hewett would concur with those opinions on duplication of efforts. Her understanding was that the Board wanted an advisory board to give them reports and keep abreast of projects that were going on; that's why it is in there. She said this Board is tasked with large responsibilities with no authority to enact anything because everything will be a conduit back to them. She added this board would gather information and bring it to the Board for consideration of any action. She would think staff's interaction with providing information would be key also.

Mayor Pro Tem Sullivan said he understands why some of the members think establishing this is important, but he looked at the website of 10 other coastal communities. Of those, only two have anything similar. He reviewed who doesn't have anything. Oak Island has an advisory committee, but they are volunteers that do cleanups in the marshes and things like that. Topsail Beach has one, but the website lists nothing about what it does. It just lists the names of members. North Topsail has one called the Shoreline Protection Committee, but is hasn't met since 2010. He asked if we could take the existing Parks & Recreation Advisory Board (PRAB) and assign them the duties the Board agrees on or if we need a separate committee. Commissioner Fletcher said he thinks the Town does need a separate board as what happens to the beach and the inlet is the most important thing the Town will face in the next three to five years. He said there are lots of meetings going on; he thinks some members can sit in on the meetings to pass along information to the Board, without troubling the staff. He thinks there needs to be an independent board. Commissioner Freer said he agrees, he thinks it needs the focus because there is a lot of activity on the inlet and the beach and the focus needs to be appropriately directed to those items. Mayor Pro Tem Sullivan asked what makes the Board think that if the people currently on the PRAB were asked and willing to do those type of things that they wouldn't be capable. He said the Board could make changes, but he is in favor of giving the people on the PRAB the opportunity to do the job that the Board thinks is beneficial to the Town. Commissioner Freer said he would encourage them to join this committee, but he thinks there needs to be focus and there is a lot of work to do with the inlet and the beach. Commissioner Kwiatkowski doesn't disagree with having a committee that focuses more on the beach and inlets. She said she doesn't want duplication of efforts and doesn't want environmental protection to be part of the definition. Commissioner Freer said other towns are putting environmental advisory boards together. He didn't think a board needed to be established just for that, but he is flexible on that point.

Motion by Commissioner Freer to accept the ordinance with the provisions that Commissioner Kwiatkowski has asked to be removed and that's D.

Commissioner Freer asked what else Commissioner Kwiatkowski said. Commissioner Kwiatkowski said she believes that Mayor Pro Tem Sullivan made the comment about C and she agrees. She asked if it would be best for Attorney Fox to take the comments and amend the ordinance to bring back to the Board next month. Commissioner Freer said he agreed with that.

Attorney Fox confirmed that Environmental would be removed from the name of the board; monitor would be removed from Section C; Section D will be removed; and secretary will be changed to clerk. Mayor Pro Tem Sullivan said as far as Section C is concerned there is more to it than just removing the word monitoring. He thinks the language of that section needs to change so that it starts with evaluate the feasibility and cost benefits of dredging projects, beach and/ or dune nourishment projects. She confirmed that everyone is fine with it being a five member board consisting of property owners or residents. Attorney Fox asked how they will make appointments. Commissioners Freer and Fletcher confirmed the same as the current process, soliciting volunteers and voting on it. Mayor Holden asked if members can serve on more than one board. Commissioner Freer said there are not limitations, he doesn't see it being different than other boards. Mayor Holden said he is concerned about the same people serving on numerous boards. Mayor Pro Tem Sullivan said if the reason for this board to be established is because there is so much work to do, then the people on this board should be dedicated solely to the tremendous amount of work the Board anticipates. Commissioner Freer said he disagrees because that is not a provision for other boards. Commissioner Kwiatkowski thinks it is a valuable consideration for the Board to determine if there should be a maximum amount of committees someone can serve on. She said it could be put on the next agenda.

The Board talked about residents versus property owners. The Board would like the PRAB language changed to reflect that also.

Motion by Commissioner Kwiatkowski that Attorney Fox is going to amend based on all of our comments, Ordinance 18-02 as we discussed and bring it back for dissemination and voting at the next meeting and at the same time Ordinance 18-03 will be brought back with the suggested changes; second by Commissioner Freer; approved by unanimous vote.

LOCKWOOD FOLLY DREDGING PROJECT, LOCAL SHARE REQUEST BY THE COUNTY

Shoreline Protection and Recreation Manager Ferguson explained that the County has fronted the money for the dredging of the inlet that according to the schedule is set to begin this week. They are asking for \$84,000 from us, half the amount of the local share. Oak Island has chosen not to participate in this cycle. The amount is in the current budget. If any further dredging comes up, we will most likely need a budget amendment because there will only be \$16,000 left in the current budget.

Motion by Commissioner Butler that we go forward with providing the County with half the amount, \$84,000; second by Commissioner Fletcher.

Shoreline Protection and Recreation Manager Ferguson said the sand will be in the near shore, it is a hopper dredge.

The motion passed by unanimous vote.

VEGETATION FOR WEST OF CENTRAL REACH PROJECT AREA

Shoreline Protection and Recreation Manager Ferguson said our contractor has evaluated the area for the vegetation planting that we talked about that would be west of the project area. In order to plant in the desired amount, it would require a budget amendment in the amount of \$29,375. Commissioner Freer said the memo mentions past 1000 OBW, his understanding it is at 1057 OBW. Shoreline Protection and Recreation Manager Ferguson said the contractor didn't give an exact stopping address, he mentioned a trash can near Pointe West. Commissioner Freer said it is just passed Pointe West and it is 1057 OBW. Town Manager Hewett replied that is right. Mayor Pro Tem Sullivan asked if the cost includes fencing. Shoreline Protection and Recreation Manager Ferguson replied just vegetation, not fencing. Commissioner Freer added this was the recommendation from the expert. Shoreline Protection and Recreation Manager Ferguson said the contractor, Steve Mercer, feels this will be

completed before July 1st. Commissioner Freer said they rode down the beach and talked about Mr. Mercer's recommendations. Mayor Pro Tem Sullivan said he thinks the most accumulation is where the fences are. Town Manager Hewett explained there are limitations as to where they will fit.

Motion by Commissioner Fletcher to approve the request for the funds; second by Commissioner Freer; approved by unanimous vote.

CONSIDERATION OF SETTING A RIBBON CUTTING FOR BRIDGEVIEW PARK

Shoreline Protection and Recreation Manager Ferguson said the PRAB would like to schedule a ribbon cutting for Bridgeview Park. Their suggested date is July 10th at 1:00 p.m.

Motion by Commissioner Fletcher to approve the date; second by Commissioner Kwiatkowski; approved by unanimous vote.

CANAL DREDGING BUDGET AMENDMENT, ORDINANCE 18-06, AN ORDINANCE AMENDING ORDINANCE 17-08, THE REVENUES AND APPROPRIATIONS ORDINANCE FOR FISCAL YEAR 2017 - 2018

Town Manager Hewett stated we received the contract from NC Division of Water Resources that upon execution will provide grant funding for 2/3 of the Canal Dredging Project's \$2.18 million estimated cost. The grant application was previously approved by the Board in December, with the execution authority for the contract vetted to the manager. The existing budget for the project is \$2.046 million, \$134,987 less than the NCDWR approved project amount. In order to execute the project and maintain compliance with the Fiscal Control Act, we need to amend the budget accordingly. The budget amendment in front of the Board does that.

Motion by Commissioner Fletcher to approve the budget amendment; second by Commissioner Freer; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION – SOLID WASTE REPORT

Town Manager Hewett said the purpose of conducting the Solid Waste Study was to define, refine and implement some specific solid waste methods, practices and solutions. The Town provides residential trash pickup, rollback, yard waste pickup, residential recycling, bulk trash, strand and access collection, along with pet waste stations. The County provides year-round trash pickup via a Waste Industries contract. The Town provides for the second pick-up in the summer via a second contract. He said providing service here is challenged by the oscillation of seasonal demand. There has been some requests for increases in trash and recycling services. The Board specifically requested the costing out of increasing recycling and requiring all rentals to recycle. The Town's total solid waste budget is approximately \$210,000. It is paid for from a mix of general and occupancy tax funds. Residential curbside recycling is a voluntary subscription service. The Town does not provide bulk item recycling.

Town Manger Hewett said some of the assumptions made include any service expansion will need to be offset by other service reductions and/ or new money; and recycling might not work for rental properties. The Board will decide on the implementation of any of the actions coming out of the study and the recommendations coming from the staff.

Town Manager Hewett said the Town may require participation in solid waste collection and charge a fee. The Town may require recyclables to be removed from the solid waste stream, but it may not require transfer of those recyclables to the Town or to its contractor. Attorney Fox said recyclables are considered a commodity.

Town Manager Hewett said solid waste services have evolved over time. He said the interrelationships of services lack clarity. Bulk recycling and curbside recycling have issues with contamination of the waste stream. There are apparent inequities in the rollback service based on the fact it is only provided on Ocean Boulevard. There is a liability and exposure for providing rollback underneath someone's house. There is also a disconnect with the ordinance. Patronage of yard debris was ill defined. There is a disconnect between the perception versus the reality of enforcement. Town Manager Hewett said we have a lot of communication tools in place now that address solid waste and recycling.

Town Manager Hewett discussed the logic and method of completing the report. He reviewed the proposed rates from Waste Industries for different recycling services.

Town Manager Hewett said the boom/ bust cycle of our tourism industry makes it hard to shrink wrap solutions for solid waste services. The Town could provide solid waste services as an enterprise fund service and charge for it, but he is not recommending that. The Town cannot compel and charge for curbside recycling. The Town could pay for year-round recycling. Funding would need to be determined. The current voluntary recycling services could be expanded to a different format. Yard debris patronage is greater than previously perceived. We recommend that be retained. The rollback service is inequitable and it increases liability exposure. He recommends it be deleted. We recommend deleting the provision of the ordinance that allows for solid waste corals. Town Manager Hewett said we did discover there is an administrative opportunity to formally notify new owners of the extra can requirement. There is some demand for bulk item disposal services, but it not recommended the Town provide the service.

Commissioner Fletcher asked if it would make sense to make it optional to allow one of the cans required for rental homes to be a blue can. Town Manager Hewett responded there wouldn't be a second pickup for the recycling can under the current biweekly structure. Giving the recycling subscription folks credit against the ordinance was discussed. He doesn't think it would achieve the objective of getting extra trash gone. The Board discussed rental properties and the extra cans requirements.

Commissioner Kwiatkowski said she knows the Board was waiting for the report before they discussed what to budget for. She had lots of people ask about extending the twice a week service to May 1st to October 1st. She would like to know what that would cost the Town. She thinks the idea of getting a second pick-up during the season, but keeping it voluntary is a logical way to proceed. Commissioner Freer would be curious how many are rentals and how many are fulltime residents of the 377 participants. He thinks the majority is fulltime residents. Town Manager Hewett said he does have that information, but he will have to bring it back. He believes it was the other way around; we were surprised at the amount of rentals properties who use recycling. Commissioner Freer stated he thinks the need for rentals for the summer is weekly, but doesn't think it is for fulltime owners.

Commissioner Kwiatkowski stated she thinks rollback should be island-wide on Saturdays during the season; Sunset Beach does it. They do it to make the neighborhoods look better and it keeps people from running into the cans. Commissioner Freer said Ocean Isle does not do it. Commissioner Kwiatkowski asked what recommendations the Town is going to give to homeowners if the Town is going to stop the program. Town Manager Hewett explained that would need to be phased in. He said he didn't price island-wide.

Commissioner Kwiatkowski asked if there is any place the Town could put recycling on the island that could be monitored, maybe Friday and Saturday during the season. Town Manager Hewett replied he doesn't know of a central location where it could be located. Commissioner Kwiatkowski said she thinks the emphasis on OXpen is good.

Commissioner Kwiatkowski asked how the Town could better enforce the can number requirement at the rental houses. Building Official Evans stated if staff sees a house that doesn't have enough cans, they notify them of the

violation. There isn't a structured program to make sure everyone is complying, but they are paying attention. Commissioner Freer said he would argue for a structured program because he thinks it is a big problem.

Commissioner Butler said so the recommendation would be rollback be discontinued, so everyone would be responsible for putting the cans away. Town Manager Hewett said that recommendation would be in sync with removing the coral ordinance.

Mayor Pro Tem Sullivan stated he is interested in the recyclable section of the report and the response from the attorney at the School of Government. He reviewed her response and how she pointed out that despite the fact that you cannot mandate someone to become a paying customer for recycling, you can enter them into the program and then it is up to them to opt out. He said the Town would then know if a majority want recycling. He said whatever plan the Board decides, everyone is in it, but you can opt out. He said if it doesn't work, you can go back to the subscription plan. Commissioner Butler said if the Town does it in the summer, it needs to be done once a week. He explained his volume goes up in the summer. Town Manager Hewett said it would entail a contract amendment with Waste Industries and an amendment to the fee schedule.

The Board talked about the next steps. Mayor Holden reviewed the consensus is no action being taken at the meeting, Town Manager Hewett will bring information back at a later date.

POINTE WEST STORMWATER REPAIR PROJECT REPORT

Building Official Evans explained the history. Pointe West had a stormwater plan that had never been installed per the erosional permit from DWQ, now DEQ. He said we spent years trying to work out the nuances with DWQ and DEQ to find out why it wasn't installed properly and we learned that the Division of Environmental Quality would rather you not do anything with your water because their primary concern is it messing with areas of environmental concern. He explained how it violated the Town's ordinance. Building Official Evans said there is a statute that says he cannot issue a permit if it is in violation of any state, local law or federal law. He said this is in violation of both state and local law, so he can no longer issue any building permits out there. He said we ended up with a situation that a health hazard was being created on private properties and in the subdivision and there is stormwater that is going nowhere. Building Official Evans stated that we entered into a possible joint venture to try and take care of the problem. We agreed to match funds in order to develop and implement a plan. He talked about the process of creating the plan. We sent out a RFP and have an acceptable proposal. There are funds in his budget under Professional Services to take care of the Town's portion. We are at the point now that the Pointe West Property Owners Association has given us funds that need to be put in the budget.

Commissioner Freer asked if this addresses the issue in the development fully. Building Official Evans said it addresses the problem that it is creating in a section that we can correct. In this particular case most of the water seems to be ending up on a private property outside of the subdivision and there is a lot of standing water in there. The plan improves some inverted areas in there that allows it to get to an outfall and out of the subdivision. Attorney Fox said this is basically a facilitated resolution to a private property owner that is asking the Town to enforce its ordinances. Commissioner Freer asked if it is one specific property owner being addressed. Attorney Fox would be happy to advise the board in closed session because there is threatened or pending legislation. The state was not enforcing the engineered plans that were designed for the subdivision. The Town requested that be done, it hasn't happened. She said at the same time we have a violation of the Town's ordinances that is causing hardship to a private property owner. Attorney Fox said Pointe West, the Town and the private property owner's attorney have worked together to facilitate this resolution. It will address some of the stormwater runoff issues, but not all in the plan that was submitted and approved. This is a corrective measure that will eliminate water runoff for a private owner and will improve the stormwater functionality of Pointe West. Building Official Evans said the primary swales don't exist and there are two outfalls that don't exist. He explained there are some issues there that need to be

addressed. Commissioner Freer asked if Building Official Evans will be able to issue permits again in this development after this is done. Building Official Evans said yes, their engineer and ours said it is a solution to the stormwater problem. Attorney Fox said this is not a remedial action that will fix all the deficiencies from the Town's perspectives, however it will improve the stormwater to a point that the building official believes permits can be issued. Building Official Evans said when new houses are put into the subdivision, they will be required to meet the requirements of the Town's stormwater ordinance. Mayor Holden said some property owners in there are suffering similar circumstances. This may take care of this issue, but there are others suffering as well. He said this person legitimately needs help, he is outside the subdivision, but there are others that do as well. Building Official Evans said the Board would need to approve the budget ordinance, Ordinance 18-05.

Motion by Commissioner Freer to accept; second Commissioner Fletcher; approved by unanimous vote.

REMINDER OF DECAL DISTRIBUTION AND RE-ENTRY POLICIES FOR OWNERS

Commissioner Kwiatkowski said she decided it would be good to remind people about the decal policy. Everyone will get four decals per residence. She reviewed the guidelines. Commissioner Fletcher added one option is to put a decal in your wallet if you don't live here.

CONFIRMATION OF AUDIT COMMITTEE MEMBERS

Commissioner Fletcher said the three existing members Mark Fleischhauer, Ron Skubic and Ben Byrnside showed interest in serving another year. He recommends they continue and Tom Myers be added as a member to the committee.

The Board came to a consensus to approve the members.

APPOINTMENT OF NEW MEMBER TO THE PLANNING AND ZONING BOARD

Mayor Holden announced that Tracy Thomas was elected to the Regular Member position. The votes were as follow: Tracy Thomas – Commissioners Butler, Fletcher and Freer, Woody Tyner – Mayor Pro Tem Sullivan and Peter Pallas – Commissioner Kwiatkowski.

DISCUSSION AND POSSIBLE CHANGE TO THE BOARD OF COMMISSIONERS' MEETING SCHEDULE

Town Manager Hewett explained that when the Board amended their regular meeting schedule, the regular meeting was moved to March 27th. A workshop on revenues was set for March 30th. These dates would preclude him from attending the National Hurricane Conference. He inquired if the Board has any inclination to slide the meetings to Friday, April 6th. The Board agreed to hold the budget workshop at 9:00 a.m.

The Board agreed to the dates and to allow Town Clerk Finnell to amend the regular meeting schedule.

DISCUSSION, UPDATE AND POSSIBLE DECISION ON PRELIMINARY FLOOD MAPS

Mayor Pro Tem Sullivan said exactly a year ago the Board passed a resolution urging FEMA to expedite the flood maps process. The Board also asked the Board of Brunswick County to take the appropriate action to urge FEMA to implement the request and to urge state and federal elected representatives to intervene. When he submitted this agenda item, it was his understanding that nothing has been accomplished in the past year. As a member of the Property Owners Association, he has drafted letters that can be used by anyone to contact Representative Rouzer and our two state senators to express our dissatisfaction with their lack of involvement and advocacy on our part.

He recently heard that on February 28th, the letter of final determination for Brunswick County is supposed to be released. Mayor Pro Tem Sullivan would like the letters to be posted on our website on March 1st if the letter isn't issued on February 28th.

Motion by Mayor Pro Tem Sullivan that if the letter of final determination isn't issued on February 28th, then on March 1st we place the letters in the agenda packet on the Town website to be used by any and all people; second by Commissioner Fletcher.

Mayor Holden suggested the attorney look at the letters before they are posted.

The motion passed by unanimous vote.

Commissioner Freer asked if the Board can approve the maps when the letter is released or do they need to wait six months. Building Official Evans said he was assured by Randy Mundt that the letter of final determination would be here by February 28th. The effective date will be six months later, August 28th. He explained we will do a text amendment to the ordinance where we will change the effective date. We do not need to do anything else to our ordinance, it is already strong. Town Manager Hewett said he proposed that could be put on the April agenda.

TOWN MANAGER'S REPORT

- Kendra McDonald, our administrative assistant, has taken a medical leave of absence for the next 90 days. Jo Yount who has filled in before is here on a temporary basis.
- Adam Sellers, a sewer collection system worker, has taken a job with the town of Ocean Isle Beach. We will be soliciting for that position.

MAYOR'S COMMENTS

- Thank you for being here.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Sullivan

- Thank you.

Commissioner Kwiatkowski

- Look forward to seeing you in April.

Commissioner Butler

- Thanked staff members and others for working on the waste study report. It is very concise. Thanked Public Works Director Clemmons, Building Official Evans and others for helping with their efforts on Phase 1 of parking.
- Thanked everyone for attending this evening and for your endurance.

Commissioner Fletcher

- Thanked all staff. All of the reports were well prepared, very well presented and useful. He knows a lot of work went into them.

Commissioner Freer

- Ditto. Thank you.

PUBLIC COMMENTS ON GENERAL ITEMS

Richard Weigand said in terms of the rollback program it should be applicable to everyone or not at all. He said people need to take personal responsibility. He said why would he want his tax money to go to that when there are other, greater needs. Mr. Weigand said we have recycling now, done on a voluntary basis. One thing the Board needs to consider is what happens when a recycling product is contaminated. He said it goes into the general dump. He said people who aren't participating voluntarily will end up putting more trash in the recycling can. He said if we are going to expand recycling, you almost have to do it on a weekly basis.

Ashley Royal said he echoed what Mr. Weigand said with rollback and recycling. He stated if you don't speak into your microphone, there is a potential the audience can't hear you and the audio will not pick you up. He encouraged the Board to use them. Mr. Royal said he would like to talk about change management principals. When he was considering an item he looked at it from three principals: safety, compliance and cost effective. His opinion is the discussions on parking, the Inlet, Beach and Environmental Protection Board and the associated costs do not meet principles of change management. He urged the Board to think about the cost effect on the taxpayer.

ADJOURNMENT

The Board adjourned at 10:24 p.m.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk