



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, NOVEMBER 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, November 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; Assistant Town Manager Christy Ferguson; Police Chief Wally Layne; Public Works Director Chris Clemmons; Planning & Inspections Director 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 requested to remove #20, Possible Acquisition of Lot 9, Sea Aire Estates from the agenda. Commissioner Butler would like to add Discussion and Possible Action to Amend the Rules of Procedures for the Board of Commissioners.

Motion by Commissioner Freer to delete #20 and add; second by Commissioner Fletcher.

Commissioner Freer withdrew his motion, with Commissioner Fletcher in agreement.

Motion by Commissioner Freer to remove agenda item #20; second by Commissioner Fletcher; approved by unanimous vote.

Motion by Commissioner Butler to add to the agenda Possible Action and to Amend the Rules of Procedure for the Board of Commissioners. Mayor Holden suggested adding it as #20, replacing the item just removed. The motion was seconded by Commissioner Fletcher.

Commissioner Butler started explaining why he is recommending that the second sentence contained in Rule 13 of the Rules of Procedure be revised. Mayor Holden said that the motion is to put the item on the agenda. The discussion of the matter would follow only if the item is approved. Mayor Pro Tem Sullivan said he objects to this being placed on the agenda, despite the fact he is very much in favor of public comments. He said this is another example of not having an item placed on the agenda when it is supposed to be placed. He said he is assuming the special meeting the Board held is what caused this to become an

issue. Mayor Pro Tem Sullivan said at the special meeting there was an objection to allowing people to have public comment. Although he is firmly in favor of public comment, he has been consistent that any agenda item that is not on the agenda should not be considered if the Board is given material at the last moment. He was given the document earlier today, but he doesn't believe the other members were. The public has no idea what this issue is. The whole idea of having an agenda is so the public, as well as the Board, are made aware of the issues, have an opportunity to study those issues and have an opportunity to make comments on those issues. Whether it is an issue he is in favor of or one he is opposed to it shouldn't be on the agenda unless it is put on the agenda in the proper way. Commissioner Kwiatkowski added she did revise the Rules of Procedure. Although it does seem simple to make an amendment and it can be, she would prefer that everyone have what is proposed ahead of the meeting. The document has areas you need to refer back and forth on. She thinks everyone needs to have the information ahead of time, to have the whole document in front of them so they could look at the change and see how it affects other sections. Commissioner Kwiatkowski stated it is not an objection to amending the rules. She thinks it should be done appropriately, put it on the agenda and have the information given out ahead of time. It is a big document, it is kind of hard to just flip it into where it belongs. Commissioner Freer said it is a discussion and possible action so the Board doesn't need to take action if the Board doesn't feel comfortable. He said we have been flexible because if you want to get technical items 15 and 19 have no backup. There is no way of knowing what is really meant by those agenda items, by him or the public. He said he added backup for item 17 for which there was none. Commissioner Freer said he thinks a little flexibility is not a bad thing. Mayor Pro Tem Sullivan stated as the secretary Commissioner Freer could have rejected those items and kept them off the agenda if he thought they didn't have enough documentation. He said from the very first meeting he sat on the Board there was a last minute change that was an important one. He said at least 2/3 of the meetings held have had last minute additions to the agenda. It shouldn't be a regular way of doing business. He said if Commissioner Freer feels as the secretary that there is not enough information don't put it on the agenda, but don't put something on the agenda at the last minute. He said those are two different issues. Commissioner Freer said he would definitely argue with the 2/3 statement. He said he is being flexible and he thinks that should be a part of how the Board does business. Commissioner Kwiatkowski added that sometimes the intent of the agenda item is so clear by the sentence that is given that writing two sentences as a backup document doesn't add anything. Mayor Holden stated as mayor he would appreciate being made aware of things like this before the meeting. Commissioner Butler said he will withdraw it. He thought because of the simplicity associated with this, because of the issue that occurred at the last meeting, it was important enough to him to get it on the table. He wants to make sure this is taken care of going forward. Commissioner Butler will carry it over until the December meeting.

Mayor Pro Tem Sullivan said when we talk about public comment this goes back to the last special meeting we had. We had a meeting where we had our environmental attorney come here and give a presentation. After the presentation was finished not one person on the Board asked a question. Not one person asked him what we should do. Not one person inquired where we should go and what would benefit the Town, but four days later he gets a notice we are having a special meeting and we are going to sue the island west of us. At that meeting because it was a special meeting, he moved that the Board have public comment so people could comment on if this was a good idea. He said three people said no. Mayor Pro Tem Sullivan said there is nothing in our rules that say you can't have public comment during a special meeting. He agrees there should always be public comment, but there is also a process and said we shouldn't just change it to make it easy. He said we should have allowed public comment, especially

because in that audience we had a county representative, a state representative and the mayor and staff from Ocean Isle. He was told one of the reasons we wouldn't do that was because we already knew what they were going to say and we didn't need to hear that. When someone is going to speak against his position that is what he wants to hear. He doesn't need someone who is going to support his decision to speak. He wants people to speak always. Mayor Pro Tem Sullivan stated he is the one that made the motion and the motion was turned down. He wants them to speak, they can speak as long as they would like, but the process needs to be followed. Commissioner Freer said they can't speak as long as they would like. The Board has rules and we need to follow the rules. The rules are three minutes. We have rules for special meetings, we follow those rules. He said there were communications before that from the attorney that were sent to all of the Board to explain what was going on. He said Mayor Pro Tem Sullivan is going back to the other meeting where it's their prerogative to ask questions. He said he is criticizing him for not asking a question for something that he understood the issue. His understanding of the rules is the Board didn't have to have a comment section at a special meeting. He said it would have been okay if he wanted to suspend those rules, that is what Commissioner Fletcher did halfway through the meeting and the Board agreed to that. Mayor Pro Tem Sullivan explained he understood the issue and saw no sense moving forward with the amicus brief. It was clear to him so why would he ask any questions. He doesn't believe there is anything in the rules that prohibits comments during a special meeting. He said there are rules for comment, but none of the rules apply if you don't let people comment. Commissioner Fletcher said you cannot add an agenda item to a special meeting unless it is an emergency, but we can say may we waive the Rules of Procedure. That is what he did. He didn't vote at first because you are not allowed to change the agenda.

Commissioner Butler withdrew his motion. He will put it in the December agenda.

Motion by Commissioner Fletcher to approve the agenda with #20 removed and everything else staying the same; second by Commissioner Freer; approved by unanimous vote.

APPROVAL OF MINUTES

Motion by Commissioner Fletcher to approve 5a, b and c (minutes of the Special Meeting of October 5, 2018, minutes of the Regular Meeting of October 23, 2018 and minutes of the Special Meeting of November 1, 2018); second by Commissioner Butler; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

No comments were made.

ANNUAL BEACH MONITORING REPORT – FRAN WAY, APPLIED TECHNOLOGY AND MANAGEMENT

Mr. Way explained every year they do a beach analysis. They look at volume change, shoreline change, and do 48 transects on the beach and a few on Oak Island. This annual survey has been occurring since 2001. It is primarily for planning for nourishments, as well as for FEMA eligibility. The annual monitoring is from July - July. Surveying usually occurs in the spring. They collect the data and process it. This is talking about the 2017 hurricane season. Florence and Michael were much worse than anything we had in 2017. It was a favorable year prior to Florence and Michael. He showed images and provided information on the

Central Reach Project in 2017. He talked about how they do volume analysis. Mr. Way said you don't usually see a lot of sand moving deeper than 12 feet. With Hurricane Matthew we did see material move. When they did the volume analysis they found that the beach gained about 440,000 cubic yards without doing a renourishment. Usually the beach will not gain sand like that unless you are actively putting sand out there. The material that moved offshore beyond 12 feet for Matthew moved back onshore. That is good, it is showing some recovery. They did do some wading depth surveys post Michael and Florence, but we won't know what is really going on out there until next spring. Mr. Way explained that pretty much the whole beach accreted over the past year. There was erosion on the east end and also a little on the west end. The west end has been pretty stable. The sand from the Central Reach Project is moving west and will continue to benefit the western shoreline. They are keeping an eye on it. He discussed the mean high water chart. The volume is still there, but the mean high water line changed significantly. He showed where we are still seeing some erosion on the west end. It is still a nice dune system. They will look at it. One idea they had is to look into going into a secondary dune system. He said they can talk to Steve Mercer to see if he has any ideas to get the wide dune system a little more beefy, a little more landward of where the beach grasses are. Mr. Way said the shoreline is almost 200 feet wider than it was in 2000. If you compare it to background erosion it is even wider. He said it is basically saying the Town has done a good job and their beach management activities have been successful. We are not only keeping up with erosion, but we are getting ahead of it in most spots. Over the past five years have seen more erosion than normal on the west end. They will keep an eye on that.

Mr. Way said there is some pressure from other communities. The sand from the Lockwood Folly Inlet traditionally went to the east end every other year. Oak Island is getting the sand this year. That is difficult because the east end really relies on that sand source. He will continue to work with the Town to try and figure something out. He talked about the bend widener project. The county is looking to try to widen and possibly deepen the area he showed to get the material for the beach. It will be difficult, especially because of the shipwrecks, to do any sort of beach nourishment project. The county is interested in it so we will continue to coordinate with them on that because it is really important. Florence and Michael FEMA mitigation is ongoing. Central Reach additional offshore borrow area planning needs to be looked at in the near future.

Commissioner Freer asked if the ongoing items are in the document. Mr. Way replied yes. Commissioner Freer said he looked at page 2-35, 2.9, the Terminal Groin Project and expected a more detailed, robust description. He said we had Resolution 18-02 and a couple of meetings. Mr. Way asked if he meant detailed in the process and procedures. He said he didn't agree with some of the information in the resolution. Commissioner Freer said there are some comments from Coastal Division Management. He said he doesn't know if he can make the statement in paragraph 3. He said it was an experimental program and he doesn't know it is defined. Mr. Way said the modeling and the analysis did show that. He said he can revise it. Commissioner Freer encouraged him to look at the resolution and the information from the April meetings. Mr. Way said he did look at it and there were some things from an engineering standpoint that he didn't agree with.

Commissioner Fletcher said he is a turtle rider. This year they dredged the Shallotte inlet. His thought was after that we had severe erosion on the west end. He asked if there is a linkage between the dredging and what the sand did to beach. Mr. Way explained there could be. Around 2001, they took way too much material out of the Shallotte Inlet, about 1.8 million cubic yards. There was some obvious effects on

Holden Beach's west end. Since then they stepped that down to about 600,000 cubic yards. Depending on where they put that, they can place that too close to the Holden Beach shoreline where the material could go right back into that borrow area. He said they can look into that a little more. Whenever there is dredging activity in Shallotte they look at it. Commissioner Fletcher asked if the deepening and widening of the Lockwood Folly Inlet might have the same severe effect on our east end. Mr. Way said they are proposing only about 250,000 cubic yards of material so it is much smaller than the Shallotte Dredging Project, but yes. Shoals would move naturally from Oak Island and attach on the east end. When you start moving the material artificially the hole out there you created has to fill in before that natural system continues to work. It is a dangerous balancing act. From a navigation point of view it is much easier to navigate.

Commissioner Butler said based on the east end of the island it looks like we lost 140,000 cubic yards. Mr. Way confirmed yes. Commissioner Butler said Mr. Way mentioned 500,000 cubic yards of material and asked if there are any suggestions that may be a ray of light pertaining to Holden Beach receiving the material without getting into a contest with our neighbors. Mr. Way replied that will be difficult. Oak Island is talking about needing 15 million cubic yards of material. This is a small fraction of what they need. They are treating hotspots. The Town had a good project for a small section of the shoreline that needed it. It was perfectly suited, especially when the Town started to piggyback. He talked about how the sand source we used for the Central Reach Project is now in jeopardy. He said he will continue to work hard with the Town to make sure we have all of our sand sources lined up. Commissioner Freer said when we did what some people call the eastern reach, we had 120,000 cubic yards and we lost 140,000 so we would have been close to replenishing the whole loss. Mr. Way said that project is every two years and they don't think it can go four years. Both sides of the Central Reach Project will benefit from it, but when you get a Florence or a Michael we are already stressing that project. He said it did hold up well, but we are not getting many summers off and the winters can be energetic. He confirmed they will be doing extra analysis on the east end. Commissioner Butler said there is a lot of data in the report, it is really good. Mr. Way said he can issue a revision to the report and add more stuff.

RECEIPT OF INLET AND BEACH PROTECTION BOARD REPORT

Commissioner Freer said part of the Inlet and Beach Protection Board's charge is to give the Board a written report. If anyone has any questions, they can ask them, but he is okay with accepting the report. There is no action needed.

POLICE REPORT – CHIEF WALLY LAYNE

- Tonight was a special occasion. His longest serving officer retired after 30 years of service. Had a little get together for him. Ready to hire his replacement. Have someone in mind. The paperwork has gone to the state. The state said they have a 10-day turnaround on that now. Hopefully by the middle of December we will have another officer on board. Thinks he will be an asset to the department and to the Town. He has been working for the Sheriff's Department for five years. He is from Varntamtown and is very familiar with the island. Looking forward to getting him on board.
- Wished everyone a safe and happy Thanksgiving.
- Not experiencing any major crime waves. Hopes that will continue through the winter.

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

Mr. Green said the Board has a status report on the project. It doesn't include the vacuum pump that was purchased directly by the Town. It's been delivered and is in place. TA Lovings' contract price is \$1,205,000. As of the end of October, they have requested \$327,000. The Notice to Proceed was issued July 9th. The substantial completion date is January 5th, with the final payment February 7th. At the present time they are projecting a completion date of January 19th. He is running about 20 days behind his projected scheduled. There may be justification for a few days being lost to the hurricane. Mr. Green feels we will be in good shape as far as completing the project during the slow season before the spring rush. He thinks some of the delay we are experiencing could probably be attributed to a subcontractor. Workmanship is good. They are satisfied to date with the project.

Commissioner Freer asked about the completion date. Mr. Green responded the completion date is the 19th; they will demobilize and clear the site by the 25th. Commissioner Freer asked if they are on budget. Mr. Green replied there will be some minor changes. There are some credits and some additional costs, but nothing major. Mayor Pro Tem Sullivan inquired what he anticipates the final cost will be. Mr. Green answered he can't anticipate anything over \$1,210,000 - \$1,215,000. He doesn't have the original price in front of him. Public Works Director Clemmons said the pump station equipment the Town purchased directly was about \$170,000. They also had the backup skid for emergency purposes that was \$15,000, so it was a little less than \$200,000. Town Manager Hewett said those were programmed and budgeted expenses. He believes the original contract price was \$1,205,000. Mr. Green said that includes electrical. Mayor Holden asked if Planning & Inspections Director Evans had anything to add and if he is satisfied with the inspections. Planning & Inspections Director Evans responded that inspections are different than what the Board discussed here. It is a conflict of interest for him to be involved in design systems, talks about contracts and dollars. Everything they have called in has been inspected. They have fixed, repaired or worked with us to take out any deficiencies. The work we have down there is fantastic as far as that goes. We are having some problems with approvals of changes, but that is not changes to the system and doesn't affect anything as far as operation. It is just an administrative portion of the law that needs to be followed so we have accurate documentation of what we are doing. He said the engineer is going a great job. Mr. Green said Public Works Director Clemmons, Planning & Inspections Director Evans and all of the staff have been a great help. They have monthly progress meetings.

DISCUSSION AND POSSIBLE ACTION – APPROVAL OF AUDIT COMMITTEE CHAIR AND BYLAWS

Commissioner Fletcher said in the material that was passed out ahead of time there was a revision to the charter and a set of bylaws that the Audit Committee passed. The charter was approved by the Audit Committee, but then it has to come to the Board for its approval. The charter was based on the one that is used for Fayetteville, which was recommended by our Town Attorney. As it was drafted for the Audit Committee, the Town Attorney reviewed it, came up with a final draft. The Chief Executive of the Government Finance Officers Association reviewed the one the attorney did and passed it. The auditor doing the internal control reviewed it and said it was fine. What you have today is a version the attorney provided, a last minute update for this and the only difference is in the first line of the charter the Audit Committee serves as an advisory board for the Town's Board of Commissioners. He said the rest of the

charter material stays the same. He asked Attorney Fox if that is correct. Attorney Fox said she does not agree with his presentation of events as they unfolded. She said what the Board has in front of them is what she provided to Commissioner Fletcher to provide to the Audit Committee. She is assuming that is also what the other entities approved. What is in the packet is not what she sent to the Audit Committee. Commissioner Fletcher said that is what the Audit Committee sent back, their requested changes. He said we are back to what the attorney gave us originally and the Audit Committee asked to make some additional bylaws, but the attorney suggested that we pull those out and go with what we have here and she will work with the Audit Committee to make sure we haven't violated any of the Open Meeting Law as we put the bylaws together.

Motion by Commissioner Fletcher that the Board approve this amendment to Ordinance 30.26, the Audit Committee, in the form that was given to us today by the Town Attorney; second by Commissioner Freer.

Commissioner Kwiatkowski asked if it would be more appropriate to say confirm instead of ensure for items 6 and 7. She said these will be things that will be happening by recommendations of an auditor. She asked isn't it for them to confirm and if there is an issue bring it back to the Board for the Board to decide what action needs to be taken. She said confirm seems to be more in line with what the Audit Committee's responsibilities are. Commissioner Fletcher and Attorney Fox do not have objections to that terminology. Attorney Fox said ultimately the Board is the entity that is responsible for ensuring that the financial affairs of the Town are being operated in accordance with the law.

Mayor Pro Tem Sullivan asked about appointment of terms; with all other advisory boards and committees the whole list of people who wish to serve on that board is submitted to the Board to look at and to determine who would be on there. For the Audit Committee, that is left for the chairman to select who he thinks is qualified. He would prefer if the Board selected the members of the Audit Committee the same way they select the members of the other committees. He thinks the members of the Board are qualified to look at the resumes of the applicants and to determine if they are qualified to serve. Commissioner Fletcher said the chair does not pick. He said the Audit Committee in full reviews every proposal of someone who wants to serve, evaluates them. Three of those members are highly qualified accountants and auditors themselves. Two are people who ran companies on their own. He said the Board felt when they put this together that they were more qualified than the overall Board is to select the proper people to have on the committee. Mayor Pro Tem Sullivan said the document says the public members shall be appointed by the chair. Commissioner Fletcher said they are, only based on a complete review and agreement by the Audit Committee. Attorney Fox said she thinks it is subject to review by the Board. She suggested it might make the process easier if she obtain the Board's input and then supply it to the Audit Committee. Approving just the charter tonight was discussed. Mayor Holden said it makes him nervous that a committee is selecting their own members when the liability is coming back to the commissioners. Commissioner Fletcher said the Audit Committee proposes to the Board and the Board approves. The Board will see everyone's bio. Mayor Pro Tem Sullivan stated his point is the way it is now, 10 people could express their interest. Commissioner Fletcher said they come here to the Board first and the Audit Committee reviews them. He said all of the nominees that brought themselves forward, everyone comes and makes a presentation to the Board. He said that goes to the Audit Committee, which looks at all of their credentials and experience and they tell him to nominate those to the Board. It is the Board's choice. Mayor Pro Tem Sullivan said they will go to the Audit Committee and they will say these are the two that we think are most qualified. He thinks the Board should look at all 10 people and

determine if they are qualified. Commissioner Fletcher asked if he will know what is required to be on an Audit Committee. Mayor Pro Tem Sullivan replied that is why Commissioner Fletcher is there, he is an expert. He can tell the Board the things they need to look at. Commissioner Freer asked what the best practices are and asked if this is what they do in Fayetteville. Attorney Fox responded that Fayetteville is different. She believes in that situation you have outside professionals and more than one commissioner serving on the committee so it is not apples to apples. She thinks that generally consistency is good. If you treat all of the advisory committees the same it leaves it without the ability for people to scrutinize. If the Board is appointing all the other advisory committees, then the Board should appoint members of this committee too. If you want to carve out specific requirements you can add those. Commissioner Kwiatkowski compared it to a job description and said the preferred qualifications for the candidates could come from the Audit Committee. She said it wouldn't be that a recommendation or an opinion coming from the chair isn't valuable, but she tends to agree we should do this the same way across all of the advisory boards. This one needs more structure about qualifications perhaps than some of the others. Commissioner Fletcher said the Audit Committee interviews the people, not just looks at bios. They sit and interview. He said a lot of it is attitude. Do you belong on the Audit Committee; are you going to be able to tell the Mayor or the Town Manager that there is a problem with this before it is brought to the Board. Some aren't well suited to be on that. They want to be on there for a different reason. The Audit Committee, the five of them that are all qualified do a pretty good job so far. Commissioner Fletcher said that was the view three years ago when the Audit Committee was reestablished; the Board would trust one of their own to be in charge of four outsiders that are qualified to make that call, but they don't make that decision. The Board makes that decision and they can overrule it. You will see the bios. Mayor Pro Tem Sullivan stated he thinks they understand that, but the issue is that the applicant pool is cut down at the discretion of the people that are already on the Board. He said that doesn't sit right that the current board members get to choose the other board members that they are going to work with. He said as Commissioner Fletcher said, if you interview someone and you don't think their personality is up to what you think it should be, that is a pretty subjective way of evaluating somebody and he doesn't think it is what we should rely on. We could schedule time to have people go through an interview and there is no reason why Commissioner Fletcher can't lead the interview. He thinks we should be the same with all of the advisory boards and that in the interest of protecting the Town we do it so the Board, the people who are ultimately responsible for what goes on, are the ones who make the decision. He said the decision was made three years ago. That was a different Board. Four people ran together as a team so there wasn't a lot of difference when it came to implementing or not implementing an issue. Now there is a different Board. Now you want to change the document that was drafted three years ago. Part of that change he is suggesting is that the Board makes the decision on who will be on the committee.

Attorney Fox said in what she supplied to Commissioner Fletcher, she tried to make the terminology in terms of the title areas with the previous ordinance for the Inlet and Beach Protection Board. She explained how that was structured. Making things consistent with Town ordinances helps the Board, staff and members of the advisory boards. Mayor Pro Tem Sullivan said for the sake of being consistent if we don't want to use the word ensure in item 6, should we also change it in item 7. Commissioner Fletcher said we did. Town Manager Hewett said it is in item 5 too.

Motion by Commissioner Kwiatkowski to defer approving this until after the Audit Committee meets to go through the comments and finalize the charter and at the same time the Town Attorney could be working with the Audit Committee on their bylaws.

Attorney Fox asked if the Board's consensus is that the appointment should be consistent with other advisory boards. Commissioner Freer said there is a motion on the floor. Town Clerk Finnell read the motion. Commissioner Freer said this board is different because we have a commissioner on the Board so it isn't consistent with the other boards. He thinks the qualifications to be on that board are different as well.

Mayor Holden asked Attorney Fox to show him in writing what the Board is about to consider to approve. Commissioner Fletcher said he put the proposed change at the table; just the two words were changed. Town Clerk Finnell said she prefers an ordinance, like the Board always does. This is not an ordinance. Typically the Board discusses something, tells her what to bring back to the next meeting and the Board passes it in the form of the ordinance. She said the changes could be brought to the December meeting. Attorney Fox said what she sent in October to Commissioner Fletcher included additional things the Board had set forth in the Inlet and Beach Protection Board. She said that is not included in the current charter the way it is outlined. Town Clerk Finnell said she can draft it and have Attorney Fox review it before the next meeting. Mayor Holden asked if the commissioners are asking him to move the question or are we in agreement to wait until the next meeting when it comes back. Commissioner Fletcher stated to take the vote to give this to her.

The motion passed with a 3 -2 vote with Commissioners Butler, Fletcher and Freer voting for the motion and Mayor Pro Tem Sullivan and Commissioner Kwiatkowski voting in the negative.

DISCUSSION AND POSSIBLE ACTION ON POYNER SPRUILL LLP PROPOSAL CONCERNING CONSULTING SERVICES

Town Manager Hewett explained the Board has two proposals in their packets tonight in response to the presentation by Mr. McIntyre at a previous meeting and the subsequent direction to bring back the proposals. The first proposal in the package outlines 10 services, identified as Option 2 on page 41. The price for that suite of services is a retainer of \$9,500 a month. The Option 1 proposed services are outlined on page 49. Those five subject areas are proposed at a cost of \$7,500 per month. The term for each one is for a year. In follow-up discussions with Mr. McIntyre he wanted to express their flexibility to work with the Board if there is a desire to modify the services. In order to consider either, you would need to appropriate funds. The budget amendment proposed is for \$66,500, which is the amount to appropriate for the \$9,500 proposal through the end of the year. Town Clerk Finnell said she sent out the budget amendment separately and did not print it.

Mayor Pro Tem Sullivan stated when he looked at the agreement under General Waivers of Conflicts he had concerns with subsection b. He said we would be hiring this firm as our advocate. He read from the language in the retainer. He stated the way he reads it is that they can represent us and another client at the same time and argue in favor of that client to the Town's detriment. He finds that unacceptable. Attorney Fox said she thinks some of it comes out of North Carolina rules for advising clients of conflict. If you chose to undertake representation of two clients that may be aligned at this time and a conflict becomes apparent down the line, then you would typically have to withdraw unless the client consents to continue with the conflict. She assumes that is why that provision is in there, but she doesn't know how to interpret it other than the plain meaning of the words. Mayor Pro Tem Sullivan said it doesn't even say

to him that they would withdraw, it says that they could take an adverse position to the Town. He stated the Town could be paying them and they could be arguing to our detriment. Attorney Fox said their representation is subject to the applicable rules of professional conduct and that is stated in the contract. Mayor Pro Tem Sullivan provided an example regarding the previous meeting relating to Ocean Isle's permit. Attorney Fox said her understanding is the firm would need to withdraw from representation of both parties, unless the parties consented. She said she could confirm that if the Board would like. Mayor Pro Tem Sullivan replied he would like that.

Commissioner Fletcher stated he has a concern that the minimum fee for one of them is \$114,000 a year plus any other expenses and the use of the other consulting firm with no guarantee the Town would get anything. His concern is this is a really pricey deal. He would be interested in seeing other firms that do this and if they are more competitive. He thinks it was \$1,500 a month retainer the first time they came. He thinks this is a big risk. Commissioner Butler added there are a lot of dollars involved. He asked if we can really afford this. The other side of the equation is do we have to afford it. He stated a number of people attended the NC Beach Inlet and Waterway Association (NCBIWA) annual conference. He explained there were people at the conference who had so many different ideas. He asked if the Board is fully utilizing Attorney Fox's capabilities. He inquired if the Town has exhausted our avenues with this group and the other people associated with this group. He said this is a lot of money. He is not saying we won't get anything out of our money, but he wants to know if there are other options. Commissioner Butler stated he thinks the Town needs to step back and look at this again and make a few phone calls. Commissioner Freer said he went to the Atlantic Intercostal Waterway Association meeting; a regional meeting. Just like in North Carolina, there was an individual whose job was to advocate for the group and the individuals represented in the group. He said we are a member of both of these organizations and thinks we should become much more involved. Commissioner Freer said he was open to Mr. McIntyre's presentation. He thought it was something the Board should strongly consider, but he is taken back by the price. Without any actions, goals or projected results, he thinks the price is too rich for us.

Commissioner Kwiatkowski stated she thinks federal is very important and that is something that Mr. McIntyre brings. She said there was the discussion that you could always pare back. Other clients he had started out smaller and added as it went on. The question would be if the Board could pare it down to two; it would probably be Lockwood Folly and beach renourishment. She said the Board can refine it. This is a pick your top priority, let them work on it and show what they can do, then you can add onto it after the first successes or if you got what you need that is okay. She said the cost didn't surprise her, but suggested the Board could widdle back Option 1 further to get something within what the Board is willing to spend. Mayor Pro Tem Sullivan said one of the Board's major concerns is Lockwood Folly and whether the Town gets the material from dredging. There seems to be an opportunity coming up this year where a decision will be made on what they will dredge, how much material will be removed and where it will be placed. He asked if they determined when those decisions will be made. Town Manager Hewett replied it is his understanding that when the bids were opened on October 30th, they exceeded the available budget so they need to circle back around and go back to the procurement process. Assistant Town Manager Ferguson said at the NCBIWA conference last week the person giving the report said it looks like they would be able to work through their issues and the contract was going to be awarded to Southwinds for the sand to be put on Oak Island. Mayor Pro Tem Sullivan said he knows we already lost that sand, but we are concerned about the ongoing projects. He said we decided to pay \$47,000 to ATM to do a study to justify why the Town should get that sand. He inquired if we retained this company would they be able

to benefit us on the projects that are scheduled but haven't been decided yet or will the lack of our having easements make it void. He asked if we need to strike now. Town Manager Hewett stated he thinks the dredging of the inlet will require federal involvement regardless of what plant is used. That is also tied into the development of the state's dredge, which will take a couple of years. In general, his feelings are that this federal dredging issue is a game that is played above the rim with seven footers and played at a court at the capital. The type of intercessor that is looking out for the Town's interests for the Corps' prospective would have benefit. He reminded the Board we just had an election that now has the majorities in the house split. That will prove to be a more challenging playing field for getting involved and making sure federal dollars come this way to southeastern North Carolina. Mayor Pro Tem Sullivan asked if the Board needs to make a decision now to influence the decision that will be made on the bend widener. He also asked if we are still up in the air about the easements. Attorney Fox said we are waiting on a determination from the Real Estate Department of the Corps on if we need easements based on the information we sent them in support of the fact that we do not need easements. We are still collecting easements in the meantime, but we are hoping they will say we do not need easements. Assistant Town Manager Ferguson said she is not sure if they closed the bend widener issue or not. The last word we received at the Brunswick Shoreline meeting is that they said they would be willing to sit down and talk to both towns after the contract was executed and they had a low bidder. There has been no follow up from the Corps so she doesn't know if their timeline changed based on the contract being stalled. Commissioner Freer asked if it is also a Town funding issue as well. Town Manager Hewett replied yes as far as a burden share. The Board discussed the bend widener project further.

Commissioner Butler said the one thing the Town needs to get out of the way is the easement issue. Attorney Fox stated they are sending out a follow-up letter for folks they haven't heard from on Monday. She is planning on following up with her contact at the Corps next week to see where the Real Estate Department is with their determination.

Commissioner Kwiatkowski said there has been comment that this is expensive and yes it is expensive. There hasn't been discussion of where people would feel comfortable. There has been a discussion on the importance of federal, then there is also state and county. There has been discussion of there might be a need to look for other providers to get competitive bids. She asked if the Board wants to look for other providers, who would do it, how and when. She asked what the priorities are on federal, state and local levels. Commissioner Kwiatkowski asked what the Board wants as their top priorities to start to get our voice heard. She inquired about the next steps if the Board does believe lobbying is needed. She said it comes down to what the Board is comfortable with spending. There is never a guarantee of a win, but you can look at people's track records. Commissioner Freer added that the Board talked about the regional and state groups that do offer advocacy. He said in the language in the proposal he doesn't see any actions, goals or projected results. Mayor Pro Tem Sullivan suggested that the Board could ask them to send something that would describe how they would plan to help us in the Lockwood Folly. He asked if the advocacy groups mentioned become advocates for one municipality against the other or do they just advocate for the general area to get funds that can be dispensed to all of the various components. He said what the Town needs is someone that will take our side. Commissioner Freer said the Town could ask them to work with two municipalities and have an agreement where we share those resources. Mayor Pro Tem Sullivan stated that Fran Way just said we can't share resources. If we get the 200,000 cubic yards every two years that will stabilize the east end, but we can't go every four years. He asked if an advocacy group would really help us in this type of circumstance or do we need a firm that has some weight.

Commissioner Butler said the cloud over the Town's head right now is the sand in the Lockwood Folly. He said we can certainly use some help on that issue. Mayor Pro Tem Sullivan said the Town lost the sand this year and we don't want to lose it two years from now so he asked if it is time to obtain a lobbyist firm. Commissioner Freer asked if he thinks Holden Beach getting the sand over Oak Island is a federal level decision. Mayor Pro Tem Sullivan responded it is the Corps who made the decision; that is a federal entity. The Board talked further about what level the decision was made on.

Commissioner Butler said maybe the Town needs to go back to see what they can do for the Town as far as the Lockwood Folly Inlet and see if they can size the project down. Commissioner Fletcher said this is \$9,500 a month to start and that doesn't include the cost of representation or the out of pocket costs. Mayor Pro Tem Sullivan agrees we don't need the premier representation. He suggested that Town Manager Hewett contact the firm and ask if they can do a scope of work specific to Lockwood Folly and then the Board can revisit this at the next meeting when the Board gets the scope of work. He is intrigued by the idea of being able to get federal grants. If they are aware of grant money the Town could tap into they could pay for themselves. He thinks those two issues are important. Town Manager Hewett said for clarity they are asking for a redo of the proposal and to concentrate on federal issues relating to the Lockwood Folly Inlet maintenance and federal issues relating to beach nourishment. Commissioner Butler said that sums it up. Mayor Pro Tem Sullivan said they would like a better idea of exactly what the scope of work is; what they would do and how they would do it, who it would influence and how it would benefit us. Commissioner Freer said he calls that a deliverable. Commissioner Kwiatkowski added a deliverable, estimated timeframe and a probability of success. Additionally, what their success level is when they have done these sorts of jobs in the past and what some of the steps taken to help justify the cost given are.

Mayor Holden passed the gavel to Mayor Pro Tem Sullivan. He said about three years ago he offered the suggestion the Town hire someone to represent and speak for us and it went nowhere. A year ago it came up again and it went nowhere. His interpretation tonight is that the Board is not enthusiastic about it again this year. He is happy to have seen commissioners at the NCBIWA meeting and to hear they felt it was a good meeting and they learned something. He said what continues to tear him up is that those who have been doing it for decades have no voice. When they are trying to share what they have learned by going to these meetings over decades, they might as well not say anything. Mayor Holden said in the last three years Holden Beach has gone downhill in our sand project. The highlight the Town has had in recent years is something that the groundwork was done years before; the \$15 million sand project. He thinks everyone generally agrees it has been a successful program. He said we are now essentially voting that we don't need one of the main voices that helped make that happen. He said we are saying we don't need the person that was voted the best member of Congress as far as working both sides of the aisle. He said he was voted by both parties as being the most professional working both sides and easiest to work with when he was in Washington for 18 years. He said he is dejected. We just got over a battle about suing the town next door. He said we are going down the tubes in public relations and in our power. We need to get something positive going. If you want to ride in a Mercedes, get a Mercedes. If you want to ride in a Pinto, get a used Pinto and bounce down the road. He asked if they want successful representation that knows what they are doing or if they want to go shopping again. He challenges anyone to find any dirt on Mr. McIntyre. He told the Board we can choose how we want to hire them and they will fix the agreement to the Board's satisfaction. We need to do something. Ocean Isle has a project going on over there. Oak Island has jerked the sand away from us. It's done behind the scenes. You need to have contacts, trust and go to meetings repetitively to build these bonds. If you don't want to hire Mr. McIntyre, hire someone

with a good reputation that knows what they are doing. We need to do something or else we will watch the money go to other places. Mayor Holden stated if anyone wants to disagree with what he is saying, he is willing to listen. It's tough watching some of your fellow elected officials laugh at you for what your town has done recently. He hopes the Town can get better or we will get beat worse.

Commissioner Kwiatkowski asked if the Board could agree on the top two priorities they would like a cost estimate on. She asked if it was the inlet and renourishment because there was some discussion about grants. She asked if the Board could move to ask Town Manager Hewett to approach the firm again and ask them for an estimate for those two topics and some more information around steps that would be taken and a sort of estimate of how long before some meaningful results can be expected. Commissioner Fletcher added what it will cost the Town extra; the retainer doesn't have anything to do with the work. Attorney Fox explained they are guaranteed a certain amount a month, whether the Town uses their services or not. If you used them it is billed against the retainer they are collecting, up to \$9,500. If you go above that, then you pay them. They have a range of hourly rates in there.

Motion by Commissioner Kwiatkowski that the Town Manager approaches Poyner Spruill with the additional questions around the cost and the basic steps for specifically Lockwood Folly Inlet and beach renourishment; second by Commissioner Fletcher; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON AMENDMENT OF THE SCOPE OF WORK FOR THE RECENTLY CREATED PARKING ADVISORY COMMITTEE

Commissioner Butler explained that last month the Board discussed parking and a couple of other things that didn't end up in the motion. He would like to amend the scope of work for the recently created Parking Advisory Committee within the Planning & Zoning Board. He said that would include the next phase of the project and taking a look at Jordan Boulevard. He understands that a number of years ago there was an engineer the Town hired that developed an architectural drawing that we cannot locate. He suggested contacting that company and trying to resurrect the drawing. The other item on there was the discussion about the possible implementation of the kiosk technology for parking. Right now we are looking for different revenue sources.

Motion by Commissioner Butler to amend the scope of work to include those; second by Commissioner Fletcher.

Commissioner Butler confirmed his motion is for the items listed on page 54.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE APPROVAL OF ORDINANCE 18-18, AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES, CHAPTER 50: SOLID WASTE

Commissioner Kwiatkowski explained it is not her intent to approve the ordinance today. She said she thinks this is the first time people are seeing this version. The intent is for the Board to amend the existing Code of Ordinances related to solid waste to make it more clear and complete and in cases where education doesn't work, more enforceable. She said they tried up front to define all of the different types

of waste we are discussing; to go through container specifications; the requirements for the number of specifications; how garbage is supposed to be kept in the cans; and what the collection rules are. There is a section in there about yard waste. She said it is very specific about the number of cans that have to be maintained by rental properties. It also is very clear that violations will be subject to penalties. Commissioner Kwiatkowski said we only received a couple of written comments when we asked the public for suggestions. This is the product of the Town staff and attorney coming up with what they think is a clear, concise, enforceable ordinance.

Commissioner Freer said he saw two comments and asked if they were included since they came late. Commissioner Kwiatkowski replied Gail's had a lot to do with corals, which to her is dealing somewhat with the rollback issue, which is the next topic to discuss. Amending this ordinance without having a rollback decision makes no sense. She believes the intent is to make the rollback decision before this would start to be enforced. Commissioner Freer said there is an effective date of tomorrow. Commissioner Kwiatkowski said she thinks originally there was something about enforcement actions not starting until May 1st. She will need to look. Commissioner Freer said he will go through it and give his comments. He agrees that rollback is an integral part of this. Commissioner Butler asked if it would be helpful to clarify the information regarding the services Waste Industries is willing to provide. He said there is a lot of confusion out there right now. He suggested using the website and the newsletter and stated the more we communicate the better. Town Manager Hewett stated he thinks when we get to a resolution on the ordinance and the rollback problem that would be the appropriate time to send that type of information out because what would be sent out about the existing ordinance and rollback would be wrong and in conflict. Commissioner Kwiatkowski asked that comments be sent within a week so they can be incorporated. Mayor Pro Tem Sullivan said when he looks at the document under yard waste and rental homes there are adverbs that might make it harder to enforce this than if we struck those adverbs. He would like consistently taken out. He also said we should get rid of abnormal and similar words so it doesn't confuse the issue. Commissioner Freer asked if having two penalties, criminal and civil is normal. Attorney Fox replied yes. Commissioner Kwiatkowski said the objective is to have a final version that the Board can vote on in December. She hoped to hear public comment today, but we haven't. Maybe after getting the information out there if people have concerns they will express them before the meeting.

DISCUSSION OF WASTE CAN ROLLBACK OPTIONS AND IMPLICATIONS

Commissioner Kwiatkowski said it is amazing how many rollback options you can come up with. She provided examples. She thinks the best thing to do is to have a workshop in December to sit down together to get through this. Commissioner Freer suggested including the ordinance itself to the workshop. Commissioner Kwiatkowski agreed the Board could work on ordinance finalization and the definition of the rollback program. She asked Town Clerk Finnell to obtain the Board's availability for the first half of December. Mayor Pro Tem Sullivan asked if the Board could get some type of estimates on the costs of the various options. Town Manager Hewett said he thinks to expand that service would rise to a level of you would need to bid that out to get a good competitive estimate. Anything else would be speculative. Until we have a service provider that goes out there and does an estimate to set that up in January it may not be realistic to do that. He is not comfortable with guessing. Those types of things need to be bid out. Mayor Pro Tem Sullivan said it would be hard to make a decision not knowing how that decision would affect taxpayers or homeowners of the Town. Commissioner Freer said we haven't defined what we are asking him to look at so he agrees with Town Manager Hewett. Town Manager Hewett said we might be

able to get something worthy of discussion, but it will be holey as Swiss cheese. It would be based on discussions with our current vendor, but he is not sure if the vendor will be willing to do that. Commissioner Freer said he thinks the Board should narrow down what they would ask him to go out to bid for.

DISCUSSION AND POSSIBLE DESIGNATION OF VOTING DELEGATE AND/ OR ALTERNATE DELEGATE FOR THE NCLM ADVOCACY GOALS CONFERENCE

Commissioner Kwiatkowski stated the NCLM is having an advocacy goals conference where participating municipalities would be involved in the discussion and voting in reducing 33 advocacy goals down to the 15 the NCLM will focus on over the next couple of years. We missed the opportunity to send goals in. By us going to this we can get a flavor of how this is working and have input. She and Town Manager Hewett are going and were told to designate a voting delegate. She would like the Board to agree that having Town Manager Hewett cast our votes at the meeting would be the appropriate delegate.

Motion by Commissioner Kwiatkowski that David Hewett be designated as the delegate to vote for Holden Beach at the Advocacy Goals Conference; second by Mayor Pro Tem Sullivan.

Commissioner Butler asked for information on some of the goals. Commissioner Kwiatkowski said they were sent on the NCLM's communications. Commissioner Butler asked if they are in line with the Town's expectations. Commissioner Fletcher said some apply to us and some don't.

Mayor Holden said we have a representative from the NCLM in the audience. Anne White, the designee for Southeastern NC, introduced herself.

Commissioner Freer said he thinks Town Manager Hewett understands the Town's needs.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON THE SCOPE OF THE INLET AND BEACH PROTECTION BOARD'S INVOLVEMENT

Mayor Pro Tem Sullivan asked to have this item placed on the agenda because he attended the last meeting of the Inlet and Beach Protection Board (IBPB), along with a number of other commissioners. It seemed that the IBPB was questioning their scope of responsibility, the tasks they should undertake and if they need permission from the Board to do certain things. As he listened to it he thought they could use direction. He knows they tried to do that during the joint meeting when the IBPB was first formed. He has a concern that as dedicated as they are, they could do a tremendous amount of work and research on a topic that the Board may not want work or research on. He called the chair of the committee to see if they have the same concern. She told him they do not. Mayor Pro Tem Sullivan stated this is an open invitation to the advisory board that if they need some direction the Board is willing and eager to assist in any way they can. Commissioner Freer said he asked that ordinance be placed as backup for this agenda item. He read from the ordinance and said the Board codified the ask of the Board pretty definably. If they are doing work to support what he just read, it is pretty clear. The Board accepted the ordinance. He thinks the next topic is another board that is working on something they weren't tasked with. He thinks they are

doing the right thing looking at something. Mayor Pro Tem Sullivan agrees that the ordinance is clear, but that doesn't mean the ordinance is being adhered to. There were questions if they should look into items that the Board voted on. Mayor Pro Tem Sullivan said he is not criticizing the board. He is asking if they need to get together to make sure what Commissioner Freer just read is understood to be the objective.

Vicki Myers, chair of the IBPB, asked what it was Mayor Pro Tem Sullivan thought the IBPB discussed that the Board already voted on. Mayor Pro Tem Sullivan responded he would need to look. Mrs. Myers reviewed the items on the agenda. Mayor Pro Tem Sullivan said it might have been the amicus brief. He said this is getting more complicated than he intended. He would like to know if she feels the IBPB needs to have a meeting or if she feels comfortable that everyone understands what is expected. Mrs. Myers responded that they are all familiar with the ordinance and what the Board is asking them to do. The long-term plan for the beach will take a lot of background research on their parts. She thinks the IBPB is working diligently to do it. It will be broad and she is assuming they want that in the report. Mayor Pro Tem Sullivan agreed. Commissioner Fletcher said he thinks the Board agrees that if any of our boards or committees have a question they can ask. Mrs. Myers said she thinks their board is the only one who sends a monthly memo. Attorney Fox said it sounds like on occasion more than three members have attended these meetings and reminded the Board that if they engage in dialogue they would be running afoul of the Open Meeting Law. She said the Board should not all attend those meetings. If the Board wants to participate in a task they should undertake that as the Board. Commissioner Butler said he thinks Town Manager Hewett did an excellent job of explaining that.

The Board recessed from 9:42 p.m. – 9:47 p.m. in order to fix the recording equipment.

DISCUSSION AND POSSIBLE ACTION ON RECOMMENDATION FROM THE PARKS & RECREATION ADVISORY BOARD REGARDING SPECIAL EVENT FEE IMPLEMENTATION

Assistant Town Manager Ferguson explained that at the request of Town Manager Hewett, the Parks & Recreation Advisory Board (PRAB) began to look at races. She provided the background. The idea was to try to bring the Town more in line with other municipalities. The Turtle Patrol has been the group on our island that provides volunteers. What they found in other places is the groups that assisted would get their donation, but the town would also get money back. We were not getting money back as a town. The PRAB proposed a motion by Vice Chair Willis to charge a special event fee of \$1,500, in which the Town has discretion to waive the fee for non-profits and if the number of Police Officers exceeds five, an additional fee will be charged. Member Tucker seconded the motion and it was approved by unanimous vote. If the Board wants to move forward with this we will need to bring it back in December to include it in the fee schedule. The next race it will take effect for will be in January because the September race was moved to January due to a hurricane.

Commissioner Butler asked if this is similar to what others charge. Assistant Town Manager Ferguson provided information on what the others charged. The PRAB looked at the man and machine requirements for the Police and worked off of that. The main target is for the for profit companies. She did make them aware when they changed the date that the item was currently before the PRAB and it would be going to the Board so they may be seeing a fee. Commissioner Kwiatkowski suggested the Board say the Town has the discretion to reduce or waive if appropriate. She said you can put for example for non-profits. Commissioner Freer asked where they came up with five officers. After discussion, Assistant Town

Manager Ferguson explained that the calculation covers up to four Police Officers and their vehicles. Solid waste is also built in. Commissioner Freer inquired who would make the decision. Assistant Town Manager Ferguson responded the Town Manager.

Commissioner Freer thinks he would like PRAB to look at other festivals and other activities the Town spends money on and doesn't get reimbursements from. Assistant Town Manger Ferguson explained in regards to the festival there is a \$7,000 line item in the BPART Fund to cover trash fees. The HB Merchants do not turn over the information on the profit for the festival. Town Manager Hewett said the HB Merchants Association is the sponsoring group of the festival. Commissioner Freer asked if they are a for profit organization. He said we are spending budget money to support it. Town Manager Hewett is not sure if they are for profit. Commissioner Freer said for him it is an equivalency thing. His question is if someone is making money off of the festival. We are paying tax dollars to support that. Attorney Fox said she thinks what she is hearing is to look at a special event fee. She doesn't think it should be based on just profit versus non-profit. She thinks you need to have an idea of the outlay for the Town for providing the services that allow these events to take place. She asked if the Town has a special event application. Assistant Town Manger Ferguson said the PRAB worked on creating a form. Attorney Fox said it should be predictable when someone wants to do one of these events. She thinks it would be easier from an administrative standpoint. Commissioner Freer agreed with Attorney Fox's concept, but not for non-profits. He would like it for any special event. Commissioner Fletcher said he thinks the Town should be recovering at least the costs. Assistant Town Manager Ferguson asked if the Board wants to move forward with this for the race and then broaden it or have it come back once the PRAB evaluates other options. The Board talked about the options. Town Manager Hewett would like to see the Board entertain a special event fee at the next meeting so we can address races specifically. Festivals will be another issue. It has a much broader prospective. Holden Beach is a good place to hold these types of events. We felt we have been inundated with these race requests. He is seeing the logistics tail that goes along with supporting those kinds of things and he would like to do something to offset those costs.

Commissioner Kwiatkowski said the motion is adopted specifying races and with the change of waiving or reducing fee as discussed earlier; second by Commissioner Freer.

Mayor Holden asked if Town Clerk Finnell needed verbiage explaining the previously discussed portion of the motion. Town Clerk Finnell said she understands and it will be brought back to the Board next month for final approval because of the fee schedule.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE ACTION FOR CREATING GOLF CART SPECIFIC PARKING PLACES IN THE VICINITY OF SOME OF THE PUBLIC BEACH ACCESSES

Commissioner Kwiatkowski said we all know that golf carts are getting more popular. There were several tickets issued last year. She was wondering if it would be valuable for staff to look at side street parking opportunities where they are close to beach accesses. She knows there is a side street by 884 OBW that has marsh on one side of the street. Her idea is to have staff identify some of these side streets. She suggested looking into having the front end of side streets designated specifically for a few golf carts to make it easier for people to drop all of the kids and stuff off. It would be an opportunity to give golf carts

someplace specific to park where they are not competing with larger vehicles. Commissioner Freer said golf carts are considered cars. Commissioner Kwiatkowski agreed and said this would be to give them a preference at the front of some of the side streets near walkways. Similar to what some towns do for motorcycle parking. She asked if the Board agrees that staff can investigate. Commissioner Freer agreed and said the Board should look at cars to be put in those places as well. Planning & Inspections Director Evans stated you can't park within a certain amount of feet of an intersection so that will eliminate the first 100 feet at an intersection. He added we have the rule that allows homeowners to put items out as long as they meet the ordinance so he doesn't know how you would designate the areas. Commissioner Kwiatkowski stated these would be the streets that have marsh on one side, areas like Swordfish where after the first half there is a stretch of right-of-way that then goes into the marsh. Planning & Inspections Director Evans said he thinks there are three of those, he is not sure if they line up with the beach accesses. Town Manager Hewett said we will take a look at that to see if it fits.

Mayor Holden said every time the Town makes a decision about allowing parking in different areas in residential neighborhoods, it makes a tremendous impact on the value of properties in the area. 194 Ocean Boulevard East lost a \$751,000 contract on the property because of the newly located parking lot next door. He is sure some other realtors can verify this type of thing. He asked the Board to take into consideration the neighborhoods when they consider these kind of things.

DISCUSSION AND POSSIBLE ACTION ON VEHICLE REPLACEMENT POLICY

Town Manager Hewett said we are proposing the Board approve a Vehicle Replacement Policy in order to better prepare for budgeting and replacing of our vehicles. The way we do it now is we inventory every year. As a baseline we are proposing to start with making an adjudication when a vehicle has 70,000 miles or seven years. Once it is replaced the vehicles get recycled as a spare or they are disposed of with the money put back into the fund the vehicle was purchased from. Here on the island if a vehicle is over seven years it starts to show heavy age. 70,000 miles was a Kentucky windage on the breakpoint of being able to capture value on the resale. Mayor Holden said part of that formula is the idle hours. Town Manager Hewett added this is a trigger to evaluate, but it isn't something that needs to be done. This is a budget officer guidance document to consider as part of the Board's fiscal policies.

The consensus of the Board is to move forward with the Vehicle Replacement Policy.

TOWN MANAGER'S REPORT

- King Dredging is fully mobilized onsite and the dredge is in the canals. Scotch Bonnet containment area is about ready to go. The soft schedule for dredging operations has them starting in Holden Beach Harbor for seven – eight weeks, beginning the 1st of December through January 25th. Heritage Harbor is January 26th – February 25th and Harbor Acres is February 26th – April 9th. If you haven't made arrangements for your dock and your boat you still have some time to do that.
- Matthew – Asked the congressional liaison, Chance Lambeth, for help on the outstanding \$350,000 of reimbursements that continues to be held up.
- Florence – we have a program manager that has deployed here locally. Holding weekly meetings with the program manager. The problem is that while we have taken care of the smaller categories of

damages for the storm, we don't have a beach technical advisor (TAC) that can write the project worksheet for our beach damages. We are waiting for the federal beach TAC to come down and write the worksheet. We need to have that done and submitted before it can be approved. It will be at least a couple more weeks before they can get here and address all of the North Carolina beaches. We are ahead of the game because we have a pretty good program. The program manager said we are way ahead in terms of our program and our beach management plan. There was an indication that she would like to consider that our staff be included in the FEMA North Carolina Working Group as subject matter experts once the TAC is onsite. We will see how that works, wants to make sure to take care of Holden Beach.

- Michael - we submitted estimated losses to the state for a possible federal declaration. Doesn't know if that will happen, but we submitted it.
- Next Coastal Resources Commission Meeting will be held at Brick Landing Plantation November 27, 28 and 29. Doesn't know the agenda.

MAYORS' COMMENTS

- Happy Thanksgiving. Glad you are here.
- The number of check-ins for the whole Thanksgiving week is the highest it has ever been this year at his company. There is an evolvement in the vacation industry where the whole family is coming to the beach more every year. They are coming and having the food brought in. It is a change that he has seen take place.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Sullivan

- Wished everyone a happy Thanksgiving.
- Suggested if you have any input on the rollback or waste issue you email the Board or show up here at the next meeting when they discuss it. It is a lot easier to make a decision when you have everybody's input. He appreciates any input anyone has.

Commissioner Kwiatkowski

- Thanked everyone for coming and staying. Have a happy Thanksgiving.

Commissioner Butler

- Happy Thanksgiving. Thanks for hanging in there. Appreciates it.

Commissioner Fletcher

- Have a safe and happy Thanksgiving and he will see you next time.

Commissioner Freer

- Ditto.

PUBLIC COMMENTS ON GENERAL ITEMS

Planning & Inspections Director Evans said annually they hold a contractors informational meeting. Every year they have guest speakers. They spend a tremendous amount of time to educate the contractors on the island. A lot of the staff gets involved. CAMA Official Rhonda Wooten and Secretary Ava Cain spend a tremendous amount of time prepping and getting things ready. It is important that the Town recognize that staff is involved with this and it saves the contractors and taxpayers money. He thanked staff for helping because everyone made it a success.

Vicki Myers said the IBPB meeting was October 25th. The amicus brief meeting was November 1st so she doesn't think that was the issue. She said she wanted to clarify that.

ADJOURNMENT

Motion by Commissioner Fletcher to adjourn at 10:23 p.m.; second by Commissioner Butler; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk