



Town of Holden Beach
Board of Commissioners
Special Meeting

Tuesday, February 16, 2016
7:00 PM

Holden Beach Town Hall
Public Assembly



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS' SPECIAL MEETING
HOLDEN BEACH TOWN HALL – PUBLIC ASSEMBLY
TUESDAY, FEBRUARY 16, 2016 - 7:00 P.M.**

1. Invocation
2. Call to Order/ Welcome
3. Pledge of Allegiance
4. Agenda Approval
5. Approval of Minutes
 - a. Minutes of the Special Meeting of January 12, 2016 (Page 1)
 - b. Minutes of the Regular Meeting of January 12, 2016 (Pages 2 – 14)
6. Public Comments on Agenda Items
7. Presentation by Interim Attorney
8. Executive Session Pursuant to North Carolina General Statute 143-318.11(a)(6) To Consider the Qualifications, Competence, Performance, Condition of Appointment of a Public Officer or Employee or Prospective Public Officer or Employee (Town Attorney)
9. Nomination and Possible Action on Hiring of New Town Attorney
10. Discussion and Possible Action on Amendments to Rule 5 “Public Address to the Board” and Rule 28b “Public Comment Periods” of the Rules of Procedures as Adopted Per Town Ordinance §30.19
11. Discussion and Possible Action on Staffing of Police Department
12. Police Report – Chief Wally Layne (Page 15)
13. Discussion and Possible Action on Police Mutual Assistance Agreement between the Town of Holden Beach and the Town of Ocean Isle Beach (Pages 16 – 18)
14. Discussion and Possible Action on Ordinance 16-06, An Ordinance Amending the Holden Beach Code of Ordinances, Chapter 90: Animals (Dangerous Dogs) (Pages 19 – 21)
15. Discussion and Possible Action on the Planning & Zoning Board’s Recommendations for Amendments to the Town’s Noise Ordinance (Regarding Commercially Zoned Property) (Page 22)

16. Discussion and Possible Action on Ordinance 16-07, An Ordinance Amending the Holden Beach Code of Ordinances, Chapter 30: Town Government and Officials (Section 30.25 Commissions, Boards, Agencies and Authorities Established by Ordinance or Under the Authority of the BOC) (Pages 23 - 25)
17. Discussion and Possible Action on Ordinance 16-08, An Ordinance Amending the Holden Beach Code of Ordinances, Chapter 30: Town Government and Officials (Section 30.26 Audit Committee of the BOC) (Pages 26 - 27)
18. Discussion and Possible Nomination of Chair for the Audit Committee
19. Discussion and Possible Approval of Audit Contract for Fiscal Year 2015- 2016 between the Town and Thompson, Price, Scott, Adams and Co, P.A. (Pages 28 - 33)
20. Flood Map Status Report - Building Official Tim Evans
21. Staff Report - Terminal Groins (Page 34)
22. Central Reach Project Program Report and Request Workshop Date (Pages 35 - 36)
23. Town Manager's Report
24. Public Comments
25. Mayor's Comments
26. Board of Commissioners' Comments
27. Adjournment



1
 2 **TOWN OF HOLDEN BEACH**
 3 **BOARD OF COMMISSIONERS**
 4 **SPECIAL MEETING**
 5 **TUESDAY, JANUARY 12, 2016 – 6:45 P.M.**

6
 7 The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Special Meeting on Tuesday,
 8 January 12, 2016 at 6:45 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem
 9 H. Ashley Royal; Commissioners Peter Freer, Kim Isenhour, John Fletcher and Ken Kyser; Town Manager David W.
 10 Hewett; Town Clerk Heather Finnell; Public Works Director Chris Clemmons; Police Chief Wally Layne; Building Official
 11 Tim Evans; Shoreline Protection and Recreation Manager Christy Ferguson; and Fiscal Operations Clerk Mandy Lockner.

12
 13 Mayor Holden called the meeting to order at 6:49 p.m.

14 **INTERVIEWS FOR VACANCIES ON THE PLANNING AND ZONING BOARD, BOARD OF ADJUSTMENT AND PARKS AND**
 15 **RECREATION ADVISORY BOARD**

16 The Board interviewed Robert Ingraham, Larry Reinhart, Kevin Jones, Ken Weston, Sandy Miller, Tiffany Hobbs, Joe
 17 Butler, Becky Willis and Dennis Harrington for the vacancies.

18 **ADJOURNMENT**

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 20 The meeting was adjourned at 7:13 p.m.

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 J. Alan Holden, Mayor

ATTEST:

 Heather Finnell, Town Clerk



1
2 **TOWN OF HOLDEN BEACH**
3 **BOARD OF COMMISSIONERS**
4 **REGULAR MEETING**
5 **TUESDAY, JANUARY 12, 2016 – 7:00 P.M.**
6

7 The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday,
8 January 12, 2016 at 7:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem
9 H. Ashley Royal; Commissioners Peter Freer, Kim Isenhour, John Fletcher and Ken Kyser; Town Manager David W.
10 Hewett; Town Clerk Heather Finnell; Public Works Director Chris Clemmons; Police Chief Wally Layne; Building Official
11 Tim Evans; Shoreline Protection and Recreation Manager Christy Ferguson; and Fiscal Operations Clerk Mandy Lockner.
12

13 Mayor Holden called the meeting to order at 7:14 p.m.
14

15 **PLEDGE OF ALLEGIANCE**
16

17 **AGENDA APPROVAL**
18

19 Town Manager Hewett requested that item 7 be moved to item 4a and his supplemental memo be added to item 18b.
20 Commissioner Kyser would like to move item 20 to after item 11, but before item 12. Mayor Holden suggested adding
21 it as 11A. Mayor Holden stated Marty Cooke from the County Commissioners is here to discuss the terminal groin item
22 and Chris May from the Council of Governments is going to discuss a recently passed ordinance. He stated they can
23 speak during public comments or can be added to the agenda.
24

25 *Motion by Mayor Pro Tem Royal to approve the agenda as amended; second by Commissioner Isenhour; approved by*
26 *unanimous vote.*
27

28 **PRESENTATION OF NC RECREATION AND PARK ASSOCIATION AWARD TO THE HOLDEN BEACH PARKS AND**
29 **RECREATION ADVISORY BOARD – MICHELLE WELLS, EXECUTIVE DIRECTOR OF NC RECREATION AND PARK**
30 **ASSOCIATION**
31

32 Michelle Wells provided information on the Distinguished Recreation Board Award for 2015 and presented it to the
33 Holden Beach Parks & Recreation Advisory Board (PRAB).
34

35 **APPROVAL OF MINUTES**
36

37 *Motion by Mayor Pro Tem Royal to approve the minutes of the Regular Meeting of December 8, 2015 as written; second*
38 *by Commissioner Fletcher; approved by unanimous vote.*
39

40 *Motion by Commissioner Fletcher to approve the minutes of the Special Meeting of December 16, 2015 as written;*
41 *second by Commissioner Isenhour; approved by unanimous vote.*
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1 PUBLIC COMMENTS ON AGENDA ITEMS

2

3 Marty Cooke, Vice-Chair of the County Commissioners congratulated the new Board. He originally thought terminal
4 groins would not work. He started looking at case histories and started to see something that really was profound. He
5 stated they tended to work. Brunswick County is unique in that you have Representative Frank Iler, Mayor Holden,
6 Mayor Debbie Smith and others who have lobbied the General Assembly and who have been involved in the meetings
7 and studies. Commissioner Cooke has walked both of the ones in place. He felt they are the best case solution. He
8 provided information on studies pertaining to terminal groins. He feels it is a cost effective, fiscally responsible
9 perspective. He talked about navigation, public safety and commercial and recreational fishing perspectives.
10 Commissioner Cooke stated if you look at beach nourishment, there was a study done in 1999 that as he understands
11 it for every \$1 spent at the local level, they would get \$17 back for beach nourishment. Former Congressman McIntyre
12 has said for every \$1 local expenditure, it brings back \$300 to the local economy. Studies show you would not need to
13 renourish as often. Commissioner Cooke said that regardless of your position, there has been a great deal of work that
14 has gone into this and he doesn't see a better solution out there. He stated it will probably lower the instances where
15 you need to spend money to renourish the island, it will give you a greater chance to have stability for the island and
16 will not only benefit just Holden Beach, but also other beaches.

17

18 Chris May from the Cape Fear Council of Governments provided his background and information on the Council of
19 Governments. He stated he commends anyone who serves in a public office. He would like to make sure the Board has
20 all resources at their disposal. He understood there has been questions if a Board can get together before they are
21 sworn in. Mr. May explained yes, before they are sworn in they are citizens and can plan what they want to do. Once
22 members are sworn in, it would be a violation of the Open Meetings Law. Mr. May stated he heard some people had
23 questions and asked if the Board had any questions of him. He stated he is not an attorney so he can only give
24 professional advice. Mr. May talked about the School of Government. He said you can make a law that says you can't
25 have a conflict of interest, but you can't say someone can't serve on a board because of their job title. That would be
26 discriminatory. He said there is a rule that you can't have a financial interest. That is defined as having a direct,
27 substantial and readily identifiable financial conflict. Mr. May stated that three statutes deal with that. N.C.G.S. 160A-
28 381(d) talks about the direct, substantial and readily identifiable impact. N.C.G.S. 14-234(b1) prohibits direct benefit.
29 N.C.G.S. 160A- 75 talks about financial interest being a reason why a person would ask to be recused from voting.

30

31 Mr. May stated he knows people have questions on the big house. He stated in North Carolina you can regulate the
32 use of a building, the parking, or the amount of impact from a structure. In the past 10 years, beach communities have
33 been wrestling with what to do with mega houses. A lot of people use their beach homes for large gatherings. There
34 are many complications when trying to limit the amount of people who can stay in a home. You can regulate parking.
35 You can regulate noise, but you need to be careful on the level you use. He stated noise ordinances are probably about
36 the most contested things in the state. The best way to go after it is to look at the parking, then the capacity and
37 intensity of use, but that doesn't help with the existing structure. He said we did win the rule on beach clubs. With
38 enough people looking into this in the near future, there may be another solution for this. He stated elected officials
39 are charged with weighing both sides of the issue and proceeding based upon sound legal advice. Mr. May encouraged
40 the Board to constantly seek advice from the School of Government. He has a list of all of their attorneys sorted by
41 topic. He advised them about the Coates' Canons blog. He recommended doing research first and then contacting the
42 local attorney. He also recommended keeping the book from the Essentials of Municipal Government class and asking
43 Town Manager Hewett questions. He offered his services.

44

45 Commissioner Isehour stated with respect to the Board of Adjustment she did research about what these boards
46 looked like around the country and the state. There is a continuum of restrictions. She has found places that do restrict
47 people in real estate. Mr. May stated in his opinion you cannot tell someone they are disqualified because of their job.
48 He thinks there needs to be balance on a board. Commissioner Freer would like to take Mr. May up on his offer to
49 come back when they have more time to come up with questions. Mr. May stated most of the time that would be done
50 in the form of a retreat. Mayor Pro Tem Royal asked how the law addresses the proper way of recusing oneself based

1 on their perception of a conflict of interest. Mr. May responded a board member can ask another if they think there is
2 a conflict of interest or a person can ask to be recused. Mayor Holden added that then gets voted on by the members.
3 Mr. May stated everyone must follow the Open Meetings Law. The penalty for violating the Open Meetings Law is that
4 you need to do it again.

5
6 Dennis Harrington asked if the terminal groin application has been approved. Mayor Holden stated the application is
7 still in process. Mr. Harrington asked why the Town would like to consider withdrawing the application if we are not
8 sure it is approved. Mayor Holden explained there is concern from the citizenry that the plug is going to be pulled on
9 it. The purpose is to decide if the Board is still supporting the terminal groin. Mr. Harrington said the Town has already
10 invested considerable dollars on the issue. He suggested having the engineer meet with the public so they can have a
11 better understanding of what the project would entail.

12
13 Fred Barton stated he appreciated what Mr. May said. He learned a lot. As a citizen he would like to be able to attend
14 those meetings. Mr. Barton recognized Mayor Holden and provided information on his experiences with him. He also
15 acknowledged Jay Holden. He recommended adding three or four more officers because we live in a dangerous society.
16 He would pay more taxes for the increases. He stated the Town needs more protection at night.

17
18 Dolly Mitchell stated in regard to items 14 & 15 pertaining to the Audit Committee, she has no problem with the Board
19 doing an audit committee. Her concern is there are some people who think the Town doesn't do an audit. She asked
20 the Board to be sure people understand that we have a certified audit that is then sent to the state for certification.
21 Mrs. Mitchell is concerned with having one of the Board members chairing the committee. She thinks it should be an
22 independent look at the audit.

23
24 Karen Fleischhauer stated she is a member of the PRAB and without Shoreline Protection and Recreation Manager
25 Ferguson, they wouldn't have received the award. She added it has been a pleasure and honor to serve with her.

26
27 Regina Martin stated at the last meeting the Board reconstituted the Planning & Zoning Board (P&Z). She quoted Mayor
28 Pro Tem Royal's response to when Commissioner Kyser asked who had been excluded. She stated all meetings are
29 taped and people can request a copy of them. Mrs. Martin stated after Mr. May spoke she believes we all understand
30 now that we only needed to hold the meeting again, which she believes is what they did. She reminded the Board they
31 took an oath of office so they are obligated to take legal action against the chair, Ralph Martin if they believe he
32 committed an illegal act. She doesn't believe he did anything illegal. Mrs. Martin stated she believes the slanderous
33 remarks during an open meeting have opened the Board and the Town up to a possible lawsuit. Mrs. Martin advised
34 the Board to be mindful that when working on an event planning ordinance (item 11b), they will be exposing the Town
35 to a possible lawsuit. She stated citizens are guaranteed certain rights and most people do not like to be told how to
36 use their property. She would like to see proposed ordinances in correct form prior to being passed, which would
37 eliminate the need for an amendment. She would also like them to be reviewed by the Town Attorney so they can be
38 ready for codification. She said a member of P&Z in its reconstituted form has been in violation of a building ordinance
39 in the Town for over three months.

40
41 Richard Weigand stated in regards to item 19, he feels it is unfair to ask the Board to vote on an issue that they haven't
42 had the opportunity to be properly educated in. He suggested the engineer should come in to answer questions. He
43 thinks it is important that all residents be considered for boards. He asked the Board to reconsider the possible impact
44 of narrowing down the potential pool of candidates.

45
46 David Plumridge said it was terrific whoever brought in Chris May. There was a lot of good information. He stated in
47 regard to 11, event planning, he is concerned about the legality. He suggested the Board put together a search
48 committee and have a lawyer in place before making these decisions. He stated the Town needs to be careful about
49 how we address the treatment of the people who visit here. If people feel that Holden Beach is becoming hostile to
50 thing like weddings, it is bad for the economy and bad for Holden Beach. Commissioner Fletcher stated he lives on the

1 beach and has probably seen over 20 weddings. He said weddings aren't the problem. The only time it is a problem is
2 the noise from the speakers during parties and the noise ordinance addresses that.

3
4 Rhonda Dixon appreciated Marty Cooke talking about the terminal groin. She asked if the new Board is prepared to
5 vote on this and move forward. She feels there needs to be a lot more education done with the Board and the public
6 about the groin to decide if the Town should move forward. Mayor Holden stated it is a simple decision to continue to
7 support or not. Mayor Holden stated the process is ongoing and the information is there. We have been having
8 meetings for years and the public was invited. Ms. Dixon asked why they are only talking about the terminal groin and
9 not talking about other projects like the Central Reach Project. Mayor Holden replied that is a totally separate item.

10
11 Anne Arnold read from the minutes of the December 8th Board of Commissioners' meeting that pertained to the Town
12 Attorney. She asked if Commissioner Kyser participated in the action. He responded no. She asked the other Board
13 members if they participated.

14
15 **POLICE REPORT – CHIEF WALLY LAYNE**

- 16
17 • Provided information on the recent break-ins. Suggested everyone fill out the Keep Check Form if your house is
18 empty. Requested everyone fill out the form that lists the serial numbers of their property.

19
20 Chief Layne provided information on the next topic. He explained the Police Department recently had occasion to
21 utilize the North Carolina General Statute pertaining to dangerous dogs. The Police Department would like to impose
22 stricter regulations to guarantee a dangerous dog would not have the opportunity to attack someone again. Town
23 Manager Hewett stated that the interim attorney provided his opinion that the ordinance is appropriate as written as
24 long as they are afforded due process. Chief Layne stated he supports the change. He provided information on the one
25 situation the Town had. This change would give the Police Department the ability to get a dog off the island once it is
26 deemed dangerous.

27
28 Sheila Young asked if anyone else reported the fireworks at 4:15 a.m. on Friday morning. Dolly Mitchell stated someone
29 else reported it and a police officer went out. Chief Layne stated he can look into it.

30
31 **DISCUSSION AND POSSIBLE ACTION ON ORDINANCE 16-01, AN ORDINANCE AMENDING THE HOLDEN BEACH CODE**
32 **OF ORDINANCES, CHAPTER 90: ANIMALS**

33
34 *Motion by Commissioner Freer to accept and adopt Ordinance 16-01, second by Commissioner Fletcher.*

35
36 Mayor Pro Tem Royal stated he reviewed the ordinance and the recommended change. He supports removing a
37 dangerous dog if one is identified, but it seems to be a stretch to add it to the exotic animal ordinance. He suggested
38 taking the information, adding the due process section per the attorney's recommendation and establishing another
39 section.

40
41 *After discussion, Commissioner Freer and Commissioner Fletcher agreed to withdraw the motion.*

42
43 Town Manager Hewett will have a new document based on the feedback for the Board's review at the February
44 meeting.

45
46 **FLOOD MAP STATUS REPORT – BUILDING OFFICIAL TIM EVANS**

47
48 Building Official Evans stated we have 17 more days on the review period of the flood maps. We have three appeals
49 that were sent off. The Town reviewed them, agreed with the appeals and forwarded them. When a determination is
50 made on the appeals, they will move to the next stage, which is a letter of final determination. The Town then has a

1 six month period to adopt the maps. If the maps are not adopted, then we are dropped out of the National Flood
 2 Insurance Program. We are keeping a close eye on this. Building Official Evans explained we are looking for a draft
 3 resolution that might allow the Town to adopt the maps pending the letter of final determination. He has reviewed the
 4 Town's flood ordinance. There may be one area that we need to do a text amendment based on a changing designation
 5 on the maps. That is a minor thing. He is trying to see if the Town can use an early map decision.
 6

7 Building Official Evans is working on the Hazard Mitigation Plan update. The plan has been finalized. It has been sent
 8 to FEMA. One of his main goals since being here is to lower the Town's CRS rating. This plan has the potential to lower
 9 the rating. You also need to have a plan in place to apply for FEMA reimbursements.
 10

11 Mayor Pro Tem Royal asked when the provisional approval could be drafted since it is in the best interest of the Town
 12 to adopt the new maps. Building Official Evans replied that the Town is waiting on verification that the maps can be
 13 approved pending the letter of final determination. We were told in the past that we could do that. We do not have a
 14 timeframe to receive the letter. Town Manager Hewett stated staff plans to bring a resolution to the Board at the
 15 February meeting to adopt the maps whenever FEMA approves them, unless we are told we are not able to do that.
 16 Mayor Pro Tem Royal asked when the Hazard Mitigation Plan would be approved. Building Official Evans stated it has
 17 been approved by the state. It has been sent to FEMA for their approval. He hopes to have an answer in 45 days.
 18

19 Mayor Holden stated this is not official since he is not in the flood insurance business, but he has a paper from
 20 agentsfloodsmart.gov. The projected preliminary date was 2014. The projected effective date is January 20, 2017. He
 21 said we need to research that.
 22

23 **DISCUSSION AND POSSIBLE DIRECTION ON PLANNING & ZONING BOARD TASKERS – COMMISSIONER FREER**

24
 25 Commissioner Freer stated he had a few Planning & Zoning Board (P&Z) members seek direction on a couple of topics.
 26

27 **A - AMEND THE DATE P&Z IS TO REPORT TO THE BOARD ON THE SANITARY SEWER VULNERABILITY ADVISORY** 28 **COMMITTEE FROM FEBRUARY TO MARCH**

29
 30 Commissioner Freer stated that in the ordinance the Board passed, the Sanitary Sewer Vulnerability Advisory
 31 Committee was supposed to report back to the Board in February. That would only give them a couple of days to do
 32 the work. He would like to push that date to March. Mayor Pro Tem Royal asked if the committee was in place.
 33 Commissioner Freer replied no, they need to form the committee at the next meeting and do the work, so the earliest
 34 they could do anything would be March. Mayor Pro Tem Royal added that the committee would have the expertise of
 35 the Public Works staff.
 36

37 **B - DIRECT P&Z TO DEVELOP A DRAFT ORDINANCE REGARDING EVENT PLANNING AND THE USE OF RENTAL** 38 **PROPERTY**

39
 40 Commissioner Freer explained that P&Z had been directed to look into event planning. Members wanted to know if
 41 the Board still wants them to look into it. He is of the opinion that the Board should make it a low priority or table the
 42 item and bring it back if needed. Mayor Pro Tem Royal stated to him the central point of the issues they have been
 43 discussing are all about adhering to the Certificate of Occupancy you are issued. He thinks the Town should just rely on
 44 that. He is in favor of deleting that item from P&Z. Commissioner Fletcher added he is also good with that.
 45

46 **C - DIRECT P&Z TO DEVELOP A DRAFT AMENDMENT (WITH OPTIONS) TO THE NOISE ORDINANCE, WHICH INCLUDES** 47 **COMMERCIAL ZONE PROPERTY**

48
 49 Commissioner Freer explained this next item is to direct P&Z to develop a draft amendment, with options, to the noise
 50 ordinance, which includes commercially zoned properties. Commissioner Kyser stated he thinks mixed use properties

1 should also be added. Commissioner Freer said that is the intent, it is a little more complicated than just saying
 2 commercial properties. Commissioner Kyser thinks dogs should also be added to the ordinance. Mayor Pro Tem Royal
 3 stated he understood there is also a disturbing the peace ordinance. Chief Layne explained that realistically there are
 4 several ordinances that cover that situation. If someone in that situation called the Police Department, the Police would
 5 respond and take care of that situation. It would be a nuisance violation. Mayor Pro Tem Royal asked if the commercial
 6 portion was there for people who have residences in a commercial zone. He is supportive of addressing residential in
 7 commercial areas, but he has not heard significant complaints from commercial properties. He asked if it is the intent
 8 to include commercial properties in the ordinance. Commissioner Freer replied yes, there are several types of property
 9 in play when you say commercial, so he would like P&Z to look at it in its entirety and present some options. Chief
 10 Layne stated according to his research if you have a specific exclusion, it opens it up for challenge. So if commercial
 11 properties are not included, that could be a problem down the road. Commissioner Freer suggested that Chief Layne
 12 could be involved with consulting on that item.

13
 14 Mayor Holden stated he has some new information in regards to 11a, sewer vulnerability. He discovered there is a
 15 cooperating entity. The Town was concerned about not having enough money to stockpile the necessary parts to repair
 16 the sewer system immediately if there was an event. An alternative to having all of the parts is to be part of a
 17 cooperating entity. Everyone signs an agreement and can share parts in an emergency. That might lighten some of the
 18 worries the Town has. He will do further investigation on that. Mayor Pro Tem Royal echoed Mayor Holden’s
 19 comments. That concept is used in the nuclear industry. Commissioner Freer stated that is risk assessment planning.
 20 The Town needs to understand exactly what the risks are and assess them. The Town has already done some mitigation.
 21 We have a pump truck and some other things.

22
 23 Mayor Holden stated at the February regular meeting, the Sheriff’s Office will have an officer here to demonstrate
 24 noise and decibels. Chief Layne stated the Town’s noise meters will be in by the end of the week. Training will be
 25 completed the next week and then they will be up and running. The Phasers will also be in soon.

26
 27 **D – DIRECT P&Z TO CALL FOR NOMINATIONS TO THE P&Z SANITARY SEWER VULNERABILITY COMMUNITY ADVISORY**
 28 **COMMITTEE**

29
 30 *Motion by Commissioner Freer to send the information to P&Z (Items a, b, c, d).*

31
 32 Mayor Pro Tem Royal asked for clarification that P&Z will be advised that item b is deleted. Commissioner Freer
 33 responded yes.

34
 35 *The motion was seconded by Commissioner Fletcher and approved by unanimous vote.*

36
 37 **DISCUSSION AND POSSIBLE ACTION ON CHANGES MADE IN ORDINANCE 15-10 TO THE HOLDEN BEACH CODE OF**
 38 **ORDINANCES, CHAPTER 30, TOWN GOVERNMENT AND OFFICIALS**

39
 40 *Motion by Commissioner Kyser to remove the restrictions for realtors, realtor employees, realtors’ family members,*
 41 *contractors and contractors’ family members and employees; second by Commissioner Freer.*

42
 43 The Board discussed the first paragraph. Commissioner Freer stated Mr. May did advise the Board on this topic. He
 44 was unaware of that. Commissioner Kyser stated that as part of this, he believes the Board should reinstate those that
 45 were removed by the Board by taking this action. Commissioner Freer agreed with the action. Town Clerk Finnell
 46 confirmed with Commissioner Kyser that he was proposing to remove only the one paragraph of the existing ordinance,
 47 not the whole ordinance.

48
 49 *Commissioner Kyser amended his motion to take out the last paragraph on page 47 and reinstate the people;*
 50 *Commissioner Freer agreed with the amendment.*

1
2 Mayor Pro Tem Royal would like to propose that within the communication to those removed, the Town explain and
3 consider apologizing for the hasty action.

4
5 *The motion passed by unanimous vote.*

6
7 **DISCUSSION AND POSSIBLE NOMINATION OF MEMBERS TO FILL VACANCIES ON TOWN BOARDS**

8
9 *The Board voted by ballot. Tiffany Hobbs was selected to serve as the Regular Member to the Planning & Zoning Board*
10 *(Tiffany Hobbs – Mayor Pro Tem Royal, Commissioners Freer, Isenhour and Fletcher and Robert Ingraham –*
11 *Commissioner Kyser).*

12
13 The Board took a recess from 9:28 p.m. - 9:35 p.m.

14
15 *Town Clerk Finnell tallied the vote. There was a tie between Ben Baker and Larry Reinhart to serve as the Regular*
16 *Member to the Board of Adjustment (Larry Reinhart – Mayor Pro Tem Royal and Commissioner Kyser, Ben Baker –*
17 *Commissioners Freer and Fletcher and Dennis Harrington – Commissioner Isenhour)*

18
19 *The Board voted to break the tie. Larry Reinhart was selected to serve as a Regular Member to the Board of Adjustment*
20 *by a 4 – 1 vote (Larry Reinhart – Mayor Pro Tem Royal and Commissioners Isenhour, Fletcher and Kyser and Ben Baker*
21 *– Commissioner Freer).*

22
23 Town Clerk Finnell passed out new ballots for the Alternate Member position.

24
25 *Mayor Holden announced that Dennis Harrington was selected to serve as the Alternate Member to the Board of*
26 *Adjustment (Dennis Harrington - Mayor Pro Tem Royal and Commissioners Isenhour and Kyser, Joseph Butler –*
27 *Commissioners Freer and Fletcher).*

28
29 **DISCUSSION AND POSSIBLE NOMINATION OF BOARD MEMBER TO THE EXECUTIVE SECRETARY POSITION**

30
31 *Motion by Commissioner Freer to appoint John to the position of Executive Secretary; second by Commissioner Isenhour;*
32 *approved by unanimous vote.*

33
34 Commissioner Fletcher explained this is a new position, but in most regards nothing changes. He stated the mayor is
35 the senior member of the Board. If the mayor would like an item on the agenda, it is going on the agenda. He stated
36 we have a town manager who we picked to run the Town. If he has an item he wants on the agenda, it will go on the
37 agenda. He said his job is to make sure all of the materials get out earlier than in the past so the public can see the
38 things on the agenda a few days before the meeting.

39
40 *Mayor Holden announced that Becky Willis was selected to serve on the Parks & Recreation Advisory Board (Becky Willis*
41 *– Mayor Pro Tem Royal and Commissioners Freer and Isenhour, Robert Ingraham – Commissioner Fletcher and Ken*
42 *Weston – Commissioner Kyser).*

43
44 Mayor Pro Tem Royal stated he recognizes that the Board has essentially changed course with the changes and some
45 of the restrictions made.

46
47 *Motion by Mayor Pro Tem Royal Ashley to reinstate Mr. Ralph Martin as the chair of P&Z if he is willing to do so; second*
48 *by Commissioner Kyser. The motion passed by a 4 – 1 vote, with Mayor Pro Tem Royal and Commissioners Isenhour,*
49 *Fletcher and Kyser voting for the motion and Commissioner Freer voting in the negative.*

50

1 Town Clerk Finnell explained that would void the action taken by the Board to add a new member since there would
2 not be a vacancy. The Board discussed the regular member position.

3
4 *Motion by Mayor Pro Tem Royal to nullify the vote on the regular seat for the Planning & Zoning Board and to fill the*
5 *vacancy with Ralph Martin if he is so inclined; second by Commissioner Kyser. The motion passed by a 4 – 1 vote, with*
6 *Mayor Pro Tem Royal and Commissioners Isenhour, Fletcher and Kyser voting for the motion and Commissioner Freer*
7 *voting in the negative.*

8
9 **DISCUSSION AND POSSIBLE APPROVAL OF ORDINANCE 16-02, ORDINANCE ADOPTING AMENDMENTS TO CHAPTER**
10 **30 OF THE ORDINANCES OF THE TOWN OF HOLDEN BEACH PROVIDING FOR ESTABLISHMENT OF AN AUDIT**
11 **COMMITTEE OF THE BOARD OF COMMISSIONERS – COMMISSIONER FLETCHER**

12
13 Commissioner Fletcher explained that at the last meeting it was proposed that an audit committee be established. He
14 stated it is the recommendation of the School of Government, the external audit firm and the town manager that the
15 Board have an audit committee. Commissioner Fletcher worked with Town Manager Hewett to develop a list of
16 functions that the Audit Committee would perform. He reviewed the proposed duties in the ordinance.

17
18 *Motion by Commissioner Fletcher to adopt the ordinance; second by Commissioner Isenhour; approved by unanimous*
19 *vote.*

20
21 **DISCUSSION AND POSSIBLE NOMINATION OF BOARD MEMBER TO CHAIR THE AUDIT COMMITTEE**

22
23 Commissioner Isenhour stated Dolly Mitchell raised the issue of having a commissioner sit on the committee. She is
24 interested in hearing the other commissioners’ thoughts on that before nominating someone. She felt it was important
25 for one of the commissioners to be part of the committee, maybe not the chair. When this was introduced
26 Commissioner Isenhour thought Commissioner Fletcher would be perfect because of his background. Commissioner
27 Freer asked the history of the past committee. He was advised that a commissioner was not on the committee.
28 Commissioner Kyser stated his experience is that when you have commissioner on a committee, the committee
29 defaults to the commissioner. He doesn’t think a commissioner should be on it. Mayor Pro Tem Royal stated that is
30 consistent with what he has been informed. He stated commissioners aren’t restricted, but they shouldn’t attend
31 committees appointed by the Board because of the real or perceived influence on the outcome. Town Manager Hewett
32 stated the Board just adopted an ordinance that states a Board member will be chair.

33
34 Commissioner Freer recommended to defer this to next month’s agenda and also to amend the previous ordinance.

35
36 **DISCUSSION AND POSSIBLE ACTION ON ANNUAL AUDITING SERVICES**

37
38 Fiscal Operations Clerk Lockner explained the contract with the current auditor is up in April. Staff needs direction on
39 if the Board would like to keep the current auditor or search for new auditors for the upcoming audit. Mayor Pro Tem
40 Royal asked if there was a reason the Town switched from Thompson, Price, Scott, Adams & Co. to Martin Starnes and
41 Associates and then back to Thompson, Price, Scott, Adams & Co. Town Manager Hewett stated it was a Board decision
42 to change auditors, there was not a bad reason to change. Fiscal Operations Clerk Lockner said we have not had a bad
43 experience with either company. Mayor Holden explained it is common practice that you don’t get locked in with one
44 firm for years. He added there hasn’t been any problems with any of the Town’s auditors. Mayor Pro Tem Royal asked
45 if the staff had a recommendation. Town Manager Hewett stated he hesitates to help pick the auditor since it is his
46 work that is being audited. Commissioner Fletcher stated if you change auditors, the new auditors are not as effective
47 as the one that just left. We haven’t had this company too long and they are doing a good job. He see no need to
48 change this year. He said they are pretty much dictated by the state as to what they actually do. Commissioner Fletcher
49 stated they might have the Audit Committee ask that they are through as fast as they can be so the report can be out
50 earlier than in the past. Commissioner Kyser stated the thing to remember is that they have a deadline that is set by

1 the state. They need to get it to the state by the deadline, but then the state has to review it. Commissioner Fletcher
2 stated the Audit Committee will be working with the auditor and if the Board needs to change the auditor next year
3 that can be done.
4

5 Town Manager Hewett stated staff can bring the new annual contract to the next meeting for Board consideration.
6
7

8 **DISCUSSION AND POSSIBLE APPROVAL OF RESOLUTION 16-01, RESOLUTION APPROVING BB&T SIGNATURE CARD**
9

10 *Motion by Commissioner Kyser to approve Resolution 16-01; second by Commissioner Freer; approved by unanimous*
11 *vote.*
12

13 **DISCUSSION AND POSSIBLE APPROVAL OF COMPONENTS BRIDGEVIEW PARKS (PARTF GRANT, BOATING**
14 **INFRASTRUCTURE GRANT AND MULTIPURPOSE COURT)**
15

16 Shoreline Protection and Recreation Manager Ferguson stated that due to the timeliness of the different elements, the
17 Board needs to decide if the Town is going to move forward or back away from the elements. The first item to consider
18 is the multipurpose court. The Parks & Recreation Advisory Board discussed the court at length. They made
19 recommendations of components they wanted to see for the court. The original estimate didn't include lights or
20 fencing around the court. It also didn't include the subgrade. The original estimate from two years ago was \$40,000.
21 We received information back from four companies, the lowest bid to include the lights, fencing and the grading prep
22 work is \$51,553.70 for the court and fence and an additional \$13,750 for the lights. Shoreline Protection and Recreation
23 Manager explained that in order to move forward with the multipurpose court in the spring, which is the optimal time
24 to construct the court, we would need a budget amendment in the amount of \$25,000.
25

26 Shoreline Protection and Recreation Manager Ferguson stated that the second item that we need an amendment for
27 is the Boating Infrastructure Grant. There was a budget shortfall of \$51,000. She said they met with the North Carolina
28 BIG Grant's coordinator in late November. The engineer and apparent low bidder entered into some value engineering
29 conversations. Those adjustments, along with the Marine Sewer Pump-out Grant in the amount of \$26,040, as well as
30 taking out \$15,000 in contingencies from the apparent low bidder got us to the \$51,000 shortfall number. Town
31 Manager Hewett has provided the Board with additional memo and budget amendment to recognize the Marine Sewer
32 Pump-out Grant.
33

34 Shoreline Protection and Recreation Manager Ferguson stated Lou Cutajar asked some questions that she would like
35 to answer for everyone's benefit. The Marine Sewer Pump-out Grant award letter was received in July. The fully
36 executed contract was received in October. This grant was mentioned in the August PRAB meeting. The Town will
37 receive \$19,530 from the Department of Environmental Quality, with the match from the Town being \$6,510.
38

39 Shoreline Protection and Recreation Manager Ferguson stated when we first talked about the modular restrooms, the
40 time estimate was sixteen weeks. However when the estimates came back so much over we contacted the modular
41 company and put the bathrooms on hold. We are under contract for the bathrooms, but found it more fiscally
42 responsible to wait until the size of the building could be decided on. The size would depend on if the docks went
43 through, making the laundry room and shower necessary.
44

45 Shoreline Protection and Recreation Manager Ferguson stated the third component would be to decide if the Town is
46 going to accept the PARTF Grant that we were just rewarded. The contract for the Town's match is \$183,374 to fund a
47 picnic shelter, kayak launch, shade structures for the playground, splash pad and secondary amenities as outlined in
48 the contract. Each one of these amenities affects the others. The PARTF Grant paperwork has to be returned by January
49 20th so the Board would need to make a decision tonight if they want to accept the contract.
50

1 Town Manager Hewett explained that the Board has his supplemental memo, along with the budget amendment for
2 the Marine Sewage Pump-out Grant. The money spent to date is \$174,257. That is \$40,807 on the playground. Those
3 were donated funds from the Holden Beach Property Owners Association. The Rothschild line, which is \$117,929
4 encompasses, the bulkhead that has been constructed, the bocce courts, preliminary permitting, design and
5 stormwater. It also includes the preliminary work on the BIG in the amount of \$15,520. The Town's portion is being
6 funded from the occupancy taxes or the BPART Fund. The proposed budget amendments would be appropriated from
7 an unobligated fund balance in the BPART Fund of \$5.6 million. The total amount of the Town's portion for all of the
8 proposed amendments is \$265,884. The total cost from the Town for all elements of the park is \$699,045, with
9 matching funds from the grants in the amount of \$302,900. The total project cost is \$1,001,945.

10
11 Mayor Holden asked for an explanation of the monies that came from occupancy tax versus ad valorem taxes. Town
12 Manager Hewett explained that the Town collects an occupancy tax of 6% of the gross revenue from rentals. We give
13 the County's Tourism Development Authority 1% and then retain the other 5%, which is split into 2% and 3%. 3% goes
14 to tourism related expenses and the other 2% is for erosion control. The money being proposed to be spent is from
15 the occupancy tax money, not ad valorem taxes.

16
17 Shoreline Protection and Recreation Manager Ferguson stated the person who gave us the bid does all of the county's
18 courts and are highly recommended.

19
20 *Motion by Commissioner Kyser to approve all four budget amendments; second by Commissioner Fletcher.*

21
22 Mayor Pro Tem Royal checked the Parks & Recreation Plan to see how many of the elements of the park aligned with
23 the public's viewpoints. There was a high degree of correlation. He is glad we had the discussion on the funding coming
24 from the BPART Fund. He is reluctant to support spending this amount of money when we have threats to the island
25 with regard to the sewer system vulnerability to storm surge. The Board was given this to act on. He realizes grants
26 are probably going away. In the future he would like to see grants and components of the grant to not be dependent
27 on each other. Mayor Pro Tem Royal said they are kind of obligated to approve them all or nothing. He asked if the
28 Town knows what the maintenance costs will be year to year. Town Manager Hewett replied we do not know the
29 estimated cost. Mayor Pro Tem Royal asked about the longevity of the components. He also asked the intention of
30 lights for the multipurpose court. Shoreline Protection and Recreation Manager Ferguson answered it would allow
31 nighttime play. They would be on a timer or turned off at certain time. Mayor Holden added that lighting was also
32 discussed for the safety of people walking around the area. Commissioner Kyser agreed that there is sewer
33 vulnerability, but he doesn't believe the Town can use BPART to fix that. Town Manager Hewett stated that is a
34 discussion that is subject to debate and interpretation of how the law was written. Mayor Holden read from the law;
35 expenses incurred above and beyond the normal operation of the Town. Commissioner Isenhour does think this is a
36 whole lot of money to spend so it needs to be carefully considered. After looking at everything, she feels it will be a
37 benefit to the island that will draw people to us and increase our tourism. Commissioner Freer agreed. He also agreed
38 with the unknown expenses that may be associated with the sewer system, but a lot of work has been done with this.
39 It is part of the master plan. The Town already invested \$174,000. A lot of work has been done to obtain the PARTF
40 Grant. If the Board decided not to do this, the Town probably won't be able to get that funding again. Commissioner
41 Freer agreed it would be a nice addition even though it is a lot of money to spend. Commissioner Fletcher stated it is
42 highly visible across the bridge. You see the playground and this will be one more thing for people to look at and say
43 wow. He thinks a lot of work has been done and he supported that the Town finish it.

44
45 *The motion passed by unanimous vote.*

46
47 Town Manager Hewett explained the award for the BIG dock construction would need to be approved.

48
49 *Motion by Commissioner Freer to approve the award for the BIG dock construction; second by Commissioner Isenhour;*
50 *approved by unanimous vote.*

1
2 Mayor Pro Tem Royal stated the maintenance on the dock will be an ongoing cost.

3
4 Town Manager Hewett asked to clarify that item 18 is approved in its entirety, including the contracts and budget
5 amendments, etc. and that the manager is to execute the appropriate paperwork.

6
7 *The Board came to a consensus on Town Manager Hewett's clarification.*

8
9 **DISCUSSION AND POSSIBLE REVOCATION OF RESOLUTION 11-12, TERMINAL GROIN PERMIT APPLICATION**

10
11 Mayor Holden stated to take no action means to continue to support the position the Town has already taken. Mayor
12 Pro Tem Royal stated there are a lot of questions he still has about the terminal groin. He would like to hear more
13 information before the Town commits totally. He feels a lot of citizens are in the same position. He would like someone
14 with expertise to be brought in so questions can be asked. Commissioner Freer agreed. He would like to have a public
15 forum. He would like to see pros and cons. He stated there are other communities in the same process and he will
16 attend some of their meetings, but he would like to have a public forum here. His understanding is that this is on the
17 agenda as a vote of confidence for continuing with the permitting process. It is not a yes or no to the actual building of
18 the terminal groin. Commissioner Isehour asked the timeline the Board has. Town Manager Hewett stated the Town
19 doesn't have a decision on if we are going to get a permit. The only decision we had was if the Town was going to make
20 application to the Corps because it is a federal permit. That has already been done and is the resolution in front of the
21 Board. We are in the Corps' permitting process. Once a permit decision is rendered by the Corps, the decision is based
22 on the best alternative. If it isn't a good alternative, the Town will not receive a permit. Once we get a permit, which
23 as he understands it should be by the end of the year, that is when the Town would be in the position to decide to fund
24 it or not. The permit is good for five years. Commissioner Kyser stated part of what the Corps is looking at is if it would
25 make financial sense to do it. Town Manager Hewett stated if it is not the most practical, least damaging, you would
26 not get a permit. Commissioner Freer asked if the Town could get the Corps to come to the Town and answer questions.
27 Town Manager Hewett replied maybe, probably not. He explained the NEPA process is so highly defined and regulated
28 that they are real particular about varying from the specific timeframes. He will ask, but he thinks the answer will be
29 no. Mayor Holden stated the Town has done all of this. He said we had the Corps here and did all of the processes
30 being discussed. The ball is in the Corps' court. They will tell us if a permit will be issued. They have a process to follow.
31 The public has had the opportunities. We can ask them, but they don't have to and may not be allowed to. Mayor Pro
32 Tem Royal doesn't want people to confuse his comments. He has questions, but he isn't against it. He said before he
33 was elected that he supports the concept of the terminal groin, central reach project and anything that will protect the
34 beach, especially something that would reduce the erosion to where we are not just putting sand on the beach and it
35 erodes away. County Commissioner Cooke stated there is a report that addresses the issues. Mayor Holden stated one
36 of his big concerns is that if we send the message that we are unsure, that will not weigh well with those who are
37 evaluating if we are going to get a permit. Commissioner Freer supports the process, he just wants to ask questions.
38 Mayor Pro Tem Royal stated he supports continuing with the process to get the permit, however we already spent
39 \$500,000. He inquired what additional costs the Town is projecting for when we get to end of the process. Town
40 Manager Hewett stated we are 75% of the way there on a \$424,000 contract.

41
42 **TOWN MANAGER'S REPORT**

- 43
44 • This is unofficial, we don't have confirmation from the Board of Elections, but it is his understanding that the
45 Emergency Operations Center will be hosting the next election for the area. There has been special consideration
46 given since it is out of the precinct. Will get the formal word from the Board of Elections soon.
- 47 • Status on the Department of Transportation (DOT) Bridge Beautification Project– advertisements will be posted on
48 January 16th. The bid opening is February 4th, the start date is March 7th and they should finish by May 28th, depending
49 on where the bids come in relation with the state's budget.

- 1 • Commissioner Freer mentioned the new fountain out front. Town Manager Hewett said the fountain when you come
- 2 in is courtesy of the Beautification Club.
- 3 • Mayor Pro Tem Royal asked about the broken DOT sign on the bridge. Public Works Director Clemmons stated he
- 4 has contacted the DOT.

6 **MAYOR'S COMMENTS**

- 8 • The Holden Beach sign at the intersection of Sabbath Home Road and Old Ferry continues to get stolen every year,
- 9 several times a year.
- 10 • Just realized he should have mentioned this earlier. Had a phone call from Mr. Burris. He has family health issues
- 11 that require he be gone. He requested to be relieved of his P&Z position.

12 *It was the consensus of the Board to add Tiffany Hobbs as the Alternate Member to replace Mr. Burris.*

- 15 • Wants to make sure everyone understands that NC 130 is a DOT road. Paving is on schedule. It is on the list to be
- 16 done in 2017, but it hasn't been funded yet. This has been an ongoing project for several years to get it on the list.
- 17 Gay Atkins commented that it would be nice for the Town to pay for an extra five or six feet on the southside for
- 18 people to be able to walk or run on. Mayor Holden stated we will continue to ask.

20 **BOARD OF COMMISSIONERS' COMMENTS**

22 Mayor Pro Tem Royal

- 23 • Received feedback, listened to it and appreciates it. Pleased with the actions taken tonight. Thinks the discussion
- 24 has been healthy. Publicly apologized for the action and statements made last month with regards to the chair of
- 25 P&Z. Pleased with the action taken tonight removing the restrictions. Still stands behind them because he thinks it
- 26 is important if you can to remove any perception of any unethical behavior or any perception of conflicts of interest,
- 27 but sees where he overreacted and is glad they took the action.

29 Commissioner Freer

- 30 • Thanked everyone for coming.
- 31 • Thinks they did a lot today, had a lot of discussion and is pleased with the outcome of everything.

33 Commissioner Fletcher

- 34 • Thanked everyone for the comments. Open for feedback, both good and bad. Keep it up. Tries to be open,
- 35 transparent and think it through. If they make a mistake, they fix it. Thanks for being here for the long night.

37 Commissioner Isenhour

- 38 • Thanked everyone for coming and staying so late.
- 39 • Thanked the Town employees for the orientation. We are beyond blessed by the people who work for the Town.
- 40 Appreciative for the time spent with them and for their willingness to answer questions. Found out they do things
- 41 that she bets people have no idea about. Hoping in the future we can highlight a few of the staff members from time
- 42 to time to let you know more of what they do.

44 Commissioner Kyser

- 45 • Thanked the Parks & Recreation Advisory Board for all of their hard work. Very pleased the Board took the actions
- 46 tonight to continue with their efforts.
- 47 • Thanked Shoreline Protection and Recreation Manager Ferguson for all of her hard work. She does a terrific job.
- 48 • Thanked everyone for coming out and for everyone who volunteered to be on the boards.

1 • Read a statement – Per a conversation with the Cape Fear Council of Governments, I was advised that I needed to
 2 make a public statement for the record to distance myself from some of the actions taken by this Board. After being
 3 elected, but prior to being sworn in, the newly elected Board members had several meetings that I was not part of.
 4 This was not a problem until they started taking actions on these meetings prior to being sworn in. At this point,
 5 they potentially violated the Public Meeting Law. They contacted an attorney, who they instructed to write
 6 ordinances. They negotiated a contract with an attorney to be our interim attorney because they called the Town
 7 attorney and told him he needed to turn in his letter of resignation. Again, all of this was done prior to being sworn
 8 in. I was also told by one of them that they planned on removing three members of P&Z, but based on my reaction
 9 to hearing that they had asked the Town attorney for his resignation, they delayed these actions. Since I am not a
 10 judge or juror, I cannot say whether this was a misconduct of public office, a violation of Article 31 §14-229, acting
 11 as an officer before being qualified as such, but what I do know is these things were done without potential opening
 12 meeting. In making this statement I am letting everyone know that if this issue is taken to the district attorney by
 13 anyone that I was not part of this and should not be guilty of a Class 1 Misdemeanor and not be removed from office.
 14

15 **PUBLIC COMMENTS ON GENERAL ITEMS**

16
 17 Sheila Young stated sitting here tonight, it seems someone from the outside was brought in to attempt to chastise the
 18 new members. She is very disappointed. She said she hopes this doesn't start to sound like national politics. She
 19 thanked the Board for agreeing to serve.
 20

21 Fred Barton stated he is impressed by the whole bunch. He stated the Board should keep working together and we will
 22 get good results.
 23

24 Will Carter stated he really wants the terminal groin. He would like the Board to get educated so the Town can move
 25 forward.
 26

27 **ADJOURNMENT**

28
 29 The meeting was adjourned at 10:44 p.m.
 30
 31
 32

33
 34 _____
 J. Alan Holden, Mayor

35 ATTEST:

36
 37
 38 _____
 39 Heather Finnell, Town Clerk
 40
 41
 42
 43
 44
 45
 46
 47
 48
 49

Activity Log Event Summary (Cumulative Totals)

HOLDEN BEACH POLICE DEPT.

(01/01/2016 - 01/31/2016)

911 Hang Up/Open Line	2	Administrative Call	2
Alarm Activation	19	Animal Complaint	15
Assist Motorist	4	Assist Other Agency	21
Attempt to Locate-ATL	3	Debris	2
EMS/Medical Call	8	Fire Call	1
Fireworks	3	Found Property	1
Incident Report	8	Keep Check	2
Maintenance/Water Leaks(HB Only)	3	Meet with Complainant	9
Motor Vehicle Crash (Property Damage Only)	2	Open Door	8
Parking	2	Phone Call (requested to call subject)	10
Residence Check	13	Suspicious Activity	2
Suspicious Person	1	Suspicious Vehicle	3
Welfare Check	1		

Total Number Of Events: 145

MEMO

To: Holden Beach Board of Commissioners

From: Chief Wally Layne 

Date: February 4, 2014

Re: Mutual Aid Agreement with Ocean Isle Police Department

The Holden Beach Police Department currently has a mutual aid agreement with all area police departments. These agreements have to be updated on an annual basis. The reason this agreement is on this agenda is to accomplish that. Your consideration is greatly appreciated.



**POLICE MUTUAL ASSISTANCE AGREEMENT BETWEEN THE
TOWN OF HOLDEN BEACH AND
THE TOWN OF OCEAN ISLE BEACH, NC**

Pursuant to North Carolina General Statutes 160A-288 and 90-95.2, the undersigned do hereby request of one another, and agree to provide to one another, as manpower and equipment permit, temporary assistance in enforcing the laws of the State of North Carolina. This MUTUAL ASSISTANCE AGREEMENT shall serve as the request, in writing, for such assistance.

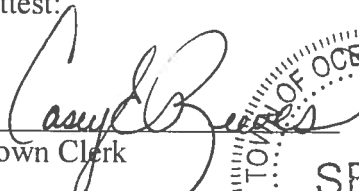
1. While working with a requesting agency, an officer shall have the same jurisdiction, powers, rights, privileges and immunities (including those relating to the defense of civil actions and payment of judgements) as the officers of the requesting agency in addition to those he normally possesses.
2. While on duty with the requesting agency, an officer shall be subject to the lawful operational commands of his superior officers in the requesting agency, but he shall for personnel and administrative purposes, remain under the control of his own agency, including for the purposes of pay. An officer shall furthermore be entitled to worker's compensation and the same benefits to the extent as though he were functioning within the normal scope of his duties.
3. When temporary assistance is needed pursuant to this MUTUAL ASSISTANCE AGREEMENT, the requesting agency shall notify the assisting agency of the need for such assistance and the assistance shall be provided if feasible to do so. A requesting agency that needs temporary assistance shall notify the assisting agency of such need in writing, when possible. In an emergency situation, the notification of the need for temporary assistance need not be in writing, but a written notification shall be provided as soon thereafter as possible.
4. Any disciplinary actions arising out of the temporary work assignment of any loaned officer will remain the responsibility of the officer's own department.
5. The requesting agency specifically covenants and agrees to assume all liability for any act committed by the temporary assigned officer within the course and scope of his temporary assignment, and further agrees to hold harmless and indemnify

the assisting agency for any damages, including the payment of attorney's fees, incurred by the assisting agency pursuant to such temporary assignment.

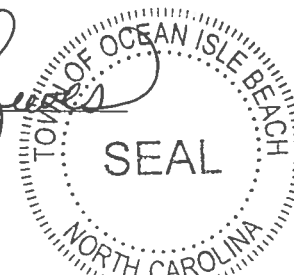
- 6. The requesting agency agrees to hold harmless the assisting agency for any damage to the property of the requesting agency incurred in the course and scope of the temporarily assigned officer's duties. Further, the assisting agency agrees to hold the requesting agency harmless for any damage to the property of the assisting agency occasioned by such act. This agreement shall not be construed as a bar to any other rights of claim, wither direct or by subrogation, which either agency shall have against any other party.
- 7. The undersigned enter into this agreement pursuant to duly adopted resolutions of their respective governing body, as authorized by North Carolina General Statutes 160A-288 and 90-95.2. This agreement shall remain in effect for one year unless one or both of the parties request that the agreement be terminated by giving thirty days written notice.

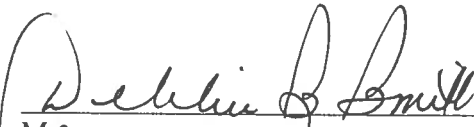
This MUTUAL ASSISTANCE AGREEMENT between the Town of Ocean Isle Beach, NC and the **TOWN OF HOLDEN BEACH** was approved on the 12th day of January, 2016 by the Ocean Isle Beach Board of Commissioners by a vote of 5 in favor and 0 against.

Attest:

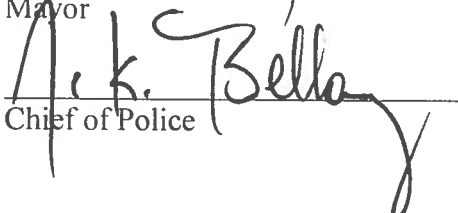


 Town Clerk





 Mayor



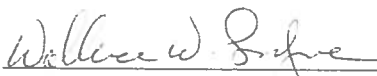
 Chief of Police

This MUTUAL ASSISTANCE AGREEMENT between the **TOWN OF HOLDEN BEACH, NC** and the Town of Ocean Isle Beach, NC was approved on the ___ day of _____, 2016 by the _____ Board of Commissioners by a vote of ___ in favor and ___ against.

Attest:

Town Clerk

Mayor



 Chief of Police



Date: February 4, 2016

To: Commissioners and Mayor Holden

From: Heather Finnell, Town Clerk HF

Re: Proposed Dangerous Dog Ordinance

Staff amended the proposed ordinance to impose stricter regulations on dogs deemed dangerous as allowed in North Carolina General Statutes 67, Article 1A per the guidance of the Board of Commissioners at the January meeting.

Chief Layne has reviewed and agreed with the proposed changes. Town Manager Hewett and I spoke with Attorneys Allen Trask and Clifford Parson from Ward & Smith, P.A. They advised us the proposed ordinance is appropriate.

**TOWN OF HOLDEN BEACH
ORDINANCE 16-06**

**AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES,
CHAPTER 90: ANIMALS**

BE IT ORDAINED BY the Mayor and Board of Commissioners of the Town of Holden Beach, North Carolina that the Holden Beach Code of Ordinances, Chapter 90: Animals, be amended as follows:

Section One: Add the following to Section 90.01 Definitions:

Dangerous Dog. Any dog deemed dangerous in accordance with North Carolina General Statutes, Chapter 67, Article 1A – Dangerous Dogs.

Section Two: Amend Section 90.24 Dangerous Pets as follows (*changes in italics*):

(A) When in the judgement of the County Animal Control Officer or his agent, or by a town police officer, it is determined that any pet found at large that is dangerous, fierce, vicious or represents a threat to the safety or health of members of the public, such pet may be slain forthwith by the Animal Control Officer, agent or police officer.

(B) *It is unlawful to keep any Dangerous Dog for any purpose within the corporate limits of the Town. Any Dangerous Dog which is kept by any person after said person has been afforded the due process set forth in North Carolina General Statutes Section 67-4.1(c) shall be taken up and impounded by the Town Animal Control Officer or his designee for the protection and health of the animal and/ or for the protection of the public.*

1. *Any animal impounded pursuant to this section will be held for three (3) days for the owner to claim it pursuant to subsection 2, but if the animal cannot be taken up safely by the Animal Control Officer, or if proper and safe housing cannot be found for the animal, the Animal Control Officer can immediately destroy the animal.*
2. *The owner or harbinger of the animal can reclaim the animal if the person can satisfy the Animal Control Officer that a safe transfer of the animal to an appropriate location out of the corporate limits has been arranged.*
3. *If no owner or harbinger can be located or will claim the animal within three (3) days after impoundment, the Animal Control Officer may sell, adopt or euthanize the animal at the discretion of the Animal Control Officer.*
4. *All costs of impoundment and care of the animal will be charged to its owner or harbinger regardless of whether the animal is claimed by or returned to said owner or harbinger; and in the event the animal is reclaimed pursuant to subsection 2 such costs shall be paid in full prior to the release of the animal.*

Section Three: The Town Clerk is directed to forward this ordinance to American Legal Publishing for inclusion in the next published supplement to the Holden Beach Code of Ordinances.

Section Four: This ordinance shall be effective the 17th day of February, 2016.

Adopted this the 16th day of February, 2016.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk



Date: February 3, 2016

To: Board of Commissioners

From: Planning & Zoning Board - Chairman Ralph Martin

The Board of Commissioners requested that the P&Z Board review the noise ordinance and submit options to included commercial areas.

The Planning & Zoning Board voted unanimously at their regular meeting on January 26, 2016 to send a memo to Board of Commissioners, the following list of options to the noise ordinance.

- Leave current ordinance as written and monitor the situation.
- Include commercial district in ordinance. (applying noise ordinance to everyone)
- Redefine residential district 157.060 of the Holden Beach Ordinances.
- Exempt commercial use in commercial district.



Date: February 4, 2016

To: Commissioners and Mayor Holden

From: Heather Finnell, Town Clerk HF

Re: Proposed Ordinance – Chapter 30: Town Government and Officials (§30.25)

At the January meeting, the Board of Commissioners voted to remove verbiage from Ordinance 15-10, which had been approved at a previous meeting. In order to implement those changes, the Board needs to adopt the amendment in ordinance form.

Ordinance 16-07 is enclosed for the Board's consideration.

TOWN OF HOLDEN BEACH
ORDINANCE 16-07

AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES, CHAPTER 30: TOWN GOVERNMENT AND OFFICIALS (§30.25)

BE IT ORDAINED BY the Town BOC of Holden Beach, North Carolina that the Holden Beach Code of Ordinances, Chapter 30: Town Government and Officials (§30.25), be amended as follows:

Section One: Amend Section 30.25 to read as follows (changes in italics):

§ 30.25 COMMISSIONS, BOARDS, AGENCIES AND AUTHORITIES ESTABLISHED BY ORDINANCE OR UNDER THE AUTHORITY OF THE BOC

Except as otherwise expressly provided for in these ordinances: (1) no person shall be appointed or elected by the BOC, or pursuant to any authority delegated by the BOC, as a voting or non-voting member or officer or other official of any commission, board, agency, authority or other similar group or body established by ordinance or otherwise under the authority of the BOC (other than committees and sub-committees of the BOC that are comprised only of members of the BOC or the Audit Committee of the BOC) who is member of the BOC; the Town Manager, Town Attorney, Town Clerk, Police Chief or any full or part-time employee of the town who reports to any of the forgoing; a contractor, consultant or other person providing good or services to the town in consideration of cash or other thing valued at more than \$1,000 in any one year or an officer or material owner thereof; or the spouse, domestic partner, child, parent or sibling of any of the forgoing; (2) no such person, once so appointed or elected, shall remain a member, officer or other official thereof, if such person is or subsequent to his or her appointment or election becomes any of the forgoing; and (3) all persons so elected or appointed shall be either residents of the town or owners of residential property located within the town.

In addition, without limiting the forgoing and notwithstanding any other provisions of these regulations to the contrary, none of the Town Manager, any employee of the town reporting to the Town Manager, the Town Clerk or the Town Attorney shall serve or function as the chairperson, vice chairperson, secretary or any similar capacity of (1) any commission, board, agency, authority or other similar group or body established by ordinance or otherwise under the authority of the BOC, or (2) any committee, working group or similar group thereof; provided, however that this shall not prevent any such persons from providing logistical and advisory support to such commission, board, agency, authority or other similar group or body or any committee, working group or similar group thereof, and such support shall be provided at the request of the chairperson or secretary thereof.

~~In addition, without limiting the forgoing and notwithstanding any other provisions of these regulations to the contrary: (1) no person shall be appointed or elected by the BOC as a voting or non-voting member or officer or other official of the Board of Adjustment; and (2) no such person, once so appointed or elected, shall remain a member, officer or other official thereof if such person is or subsequent to his or her appointment or election becomes: (A) a licensed real estate agent or an officer, owner or management employee of any licensed real estate agency doing any material business in the town; (B) a licensed construction or construction trades contractor or an officer,~~

~~owner or management employee of any licensed construction or construction trades contractor company doing any material business in the town; or (C) the spouse, domestic partner, child, parent or sibling of any of the forgoing.~~

Section Two: The Town Clerk is directed to forward this ordinance to American Legal Publishing for inclusion in the next published supplement to the Holden Beach Code of Ordinances.

Section Three: This ordinance shall be effective the 17th day of February, 2016.

Adopted this the 16th day of February, 2016.

ATTEST:

J. Alan Holden, Mayor

Heather Finnell, Town Clerk



Date: February 4, 2016

To: Commissioners and Mayor Holden

From: Heather Finnell, Town Clerk

Re: Proposed Ordinance – Chapter 30: Town Government and Officials (§30.26)

In the proposed ordinance, the verbiage regarding a commissioner chairing the Audit Committee has been removed from Section 30.26 per the Board's direction at the Board of Commissioners' January meeting.

Ordinance 16-08 is enclosed for the Board's consideration.

**TOWN OF HOLDEN BEACH
ORDINANCE 16-08**

**AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES, CHAPTER
30: TOWN GOVERNMENT AND OFFICIALS (§30.26)**

BE IT ORDAINED BY THE TOWN BOC OF HOLDEN BEACH that the Holden Beach Code of Ordinances, Chapter 30: Town Government and Officials (§30.26) is hereby amended as follows:

Section One: Amend §30.26 as follows:

§ 30.26 AUDIT COMMITTEE OF THE BOC

There is hereby established an Audit Committee of the BOC, which shall be comprised of: a Chairman of the BOC Audit Committee, ~~who shall be a member of the Board of Commissioners;~~ and not fewer than two nor more than four ~~Public~~ Members, as determined by the BOC at the first regular meeting in January. The Chairman of the BOC Audit Committee and each of the ~~Public~~ Members shall have a normal term of one year, and all shall serve at the pleasure of the BOC. The Chairman of the BOC Audit Committee shall be elected by the BOC at the first regular meeting in January. The ~~Public~~ Members shall be appointed by the Chairman of the BOC Audit Committee, subject to confirmation by the BOC.

The functions of the BOC Audit Committee shall be: (1) to assist and advise the BOC in its oversight responsibilities for the town’s: financial reporting process, system of internal controls over financial reporting and the external audit process; (2) to evaluate the performance of the external audit firm as it relates to the annual audit of the Town of Holden Beach (3) where appropriate, to review proposals from alternative external audit firms and recommend retention/selection action to the Board of Commissioners (4) in consultation with the Town Manager, review, advise and make recommendations to the BOC with respect to the town’s treasury management function and its’ risk management policies and procedures, including without limitation, the town’s insurance and self-insurance policies; (5) such other related functions as shall be delegated or assigned to it by the BOC from time-to-time.

Not later than the first regular meeting in March 2016, the BOC Audit Committee shall adopt, and present to the BOC for confirmation or modification, By-Laws setting forth such other policies and procedures as it shall deem necessary or appropriate to carry out its function. Such By-Laws may be amended by the BOC, subject to confirmation or modification by the BOC.

Section Two: The Town Clerk is directed to forward this ordinance to American Legal Publishing for inclusion in the next published supplement to the Holden Beach Code of Ordinances.

Section Three: This ordinance shall be effective the 16th day of February, 2016.

Adopted this the 16th day of February, 2016.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk



Date: February 4, 2016

To: Commissioners and Mayor Holden

From: Heather Finnell, Town Clerk HF

Re: Audit Contract

A proposed audit contract between the Town and Thompson, Price, Scott, Adams & Co, P.A. for fiscal year 2015 - 2016, as requested at the January meeting, is in the packets for Board consideration.

LGC-205 (Rev. 2016)

CONTRACT TO AUDIT ACCOUNTSOf TOWN OF HOLDEN BEACHPrimary Governmental UnitN/ADiscretely Presented Component Unit (DPCU) if applicableOn this 14TH day of JANUARY, 2016,Auditor: THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A. Auditor Mailing Address: PO BOX 398WHITEVILLE, NC 28472

Hereinafter referred to as The Auditor

and TOWN COUNCIL (Governing Board(s)) of TOWN OF HOLDEN BEACH(Primary Government)and N/A : hereinafter referred to as the Governmental Unit(s), agree as follows:
(Discretely Presented Component Unit)

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning JULY 1, 2015, and ending JUNE 30, 2016. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC CPA Board).

County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Circular A-133 for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.
3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government*

Contract to Audit Accounts (cont.) TOWN OF HOLDEN BEACH

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

Auditing Standards. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment..

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: OCTOBER 31, 2016. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the secretary of the LGC for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent via upload through the current portal address: <http://nctreasurer.slgfd.leapfile.net> Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. (Note: **Fees listed on signature pages.**)
10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements unless otherwise specified in the bond documents.

Contract to Audit Accounts (cont.)

TOWN OF HOLDEN BEACH

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.
13. The Auditor shall electronically submit the report of audit to the LGC as a text-based PDF file when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless another time frame is agreed to by the LGC.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, agreed-upon procedures report, a turnaround document and a representation letter addressed to the OSA shall be submitted to the LGC.

The LGC's process for submitting contracts, audit reports and invoices is subject to change. Auditors should use the submission process in effect at the time of submission. The most current instructions will be found on our website: <https://www.nctreasurer.com/slgl/Pages/Audit-Forms-and-Resources.aspx>

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract needs to be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract, and then must be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload your amended contract is <http://nctreasurer.slgfd.leapfile.net>. No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. Whenever the Auditor uses an engagement letter with the Governmental Unit, Item #17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of

Contract to Audit Accounts (cont.) TOWN OF HOLDEN BEACH
 Governmental Unit _____
 _____ N/A
 Discretely Presented Component Units (DPCU) if applicable _____

TOWN OF HOLDEN BEACH - FEES
 Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] _____ N/A
 Audit _____ \$12,750

Preparation of the annual financial Statements _____ N/A
 Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.
 The 75% cap for interim invoice approval for this audit contract is \$ _____ 9,563
 ** NA if there is to be no interim billing

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.
 Audit Firm Signature:
 THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.
 Name of Audit Firm
 By ALAN W. THOMPSON
 Authorized Audit firm representative name: Type or print

 Signature of authorized audit firm representative
 Date 1-14-2016

 alanthompson@tpsacpas.com
 Email Address of Audit Firm

Governmental Unit Signatures:
 TOWN OF HOLDEN BEACH
 Name of Primary Government
 By J ALAN HOLDEN, MAYOR
 Mayor / Chairperson: Type or print name and title

 Signature of Mayor/Chairperson of governing board
 Date _____
 By _____
 Chair of Audit Committee - Type or print name
 _____ **
 Signature of Audit Committee Chairperson

Date _____
 ** If Governmental Unit has no audit committee, mark this section "N/A"

TOWN OF HOLDEN BEACH
 PRE-AUDIT CERTIFICATE: Required by G.S. 159-28
 (a)
 This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.
 By DAVID HEWETT
 Primary Governmental Unit Finance Officer:
 Type or print name

 Primary Government Finance Officer Signature
 Date _____
 (Pre-audit Certificate must be dated.)

 dhewett@hbtownhall.com
 Email Address of Finance Officer

Date Primary Government Governing Body Approved Audit Contract - G.S. 159-34(a) _____



Date: February 5, 2016

To: Mayor Holden and Board of Commissioners

From: Christy Ferguson, Shoreline Protection and Recreation Manager CF

Re: Terminal Groin Update

At the January board meeting, the Board of Commissioners inquired about the possibility of a public information session regarding the Terminal Groin when the topic was discussed. Town Manager Hewett responded that the US Army Corp of Engineers (USACE) had a procedural way that they handled the Terminal Groin hearings and he would have to do some research to see if that type of meeting could occur at this point in time.

On February 2, 2016, a meeting of the USACE, the NC Division of Coastal Management (DCM), Dial Cordy, ATM, and the Town was held at the Wilmington field office for DCM. The purpose of the meeting was to further discuss DCM's comments to the Draft Environmental Impact Statement. During the meeting, Town Manager Hewett broached the subject of an informational meeting for the public. It was the opinion of both DCM and the USACE's representative that a meeting of that nature should not occur at this point in the process. They leaned toward the opinion that they would only be able to answer procedural questions as far as next actions for the respective agencies in the process. It would not be a question and answer type of session to provide more information about the project itself. They felt the limited commenting they could provide would be frustrating to the public.

Memo to Board

RE: Central Reach Project

From: Manager *DWH*

This memo seeks Board direction and approval to move forward with actions necessary for the construction of the Central Reach Project.

The CAMA permit extension recently granted for the Central Reach Project has an expiration date of 31 December 2017 which coincides with the expiration date of the USACE Federal permit. Dredging windows are November until April. Permit expiration dates of 31 December 2017 will not allow for conduct of a project in the winter of 17/18 without obtaining permit extensions. Permit extensions can be obtained but are not guaranteed nor are there assurances that additional permit conditions won't be tacked on.

If the Board chooses to pursue construction of a project during the winter of 16/17 the Town must get aggressive with required actions. Following is an outline of calendar requirements.

ITEM	DATE	NOTE
Final Design Specs/Bid Pkg	15 Feb 2016	ATM
Bid Pkg Solicitation	15 Apr 2016	ATM
Dredger Project Bid Review	60 days	Pre bid mtg
Bids due	14 June 2016	
Review & Negotiations	60 days	
Submit ltr to Joint Legislative Committee	August 2016	Town, BC
Distribute Finance RFP	15 August 2016	Town, FA
LGC update call	August 2016	Town, FA
RFP Responses due	30 August 2016	Town, FA
Submit LGC Application	1 Sep 2016	Town
Town calls for Public Hearing	Sep 2016	Town, BC
Document Review	Sep 2016	
Town Board Adopts Approving Resolution, Bid Award Contingent on LGC, Holds Public Hearing	September 2016	

LGC Approval	4 Oct 2016	LGC
Finance Closing	Oct 2016	Town
Construction Begins	15 Nov 2016	

There are significant details and workload involved in the actions outlined above; in addition to DEC Associates' assistance in preparing the financial package for the LGC approval, a bond attorney will be required. In order to initiate this effort in earnest I recommend that the Board conduct a Special Workshop in approximately two weeks in order to receive a comprehensive briefing from the Town's Consulting Coastal Engineer (ATM) and its Financial Advisor (DEC). In the meantime staff will coordinate the project administration with bond counsel, ATM and DEC to address specific proposed financing options for the workshop.

Other related notes – Dare County had bid opening on a similar sized project 4 February – the results of which are not known at this writing. We will be able to gain some insight as to our project's probable costs once that bid tab is acquired. Additionally, since the price of fuel is way down from previous levels and dredge plant availability is up due to Sandy work being over – the bid climate for this type of project may be in the Town's favor.