



Town of Holden Beach
Board of Commissioners
Regular Meeting

Tuesday, July 19, 2016
7:00 PM

Holden Beach Town Hall
Public Assembly



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS' REGULAR MEETING
HOLDEN BEACH TOWN HALL – PUBLIC ASSEMBLY
TUESDAY, JULY 19, 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 June 9, 2016 (Pages 1 – 4)
 - b. Minutes of the Regular Meeting of June 21, 2016 (Pages 5 – 14)
6. Public Comments on Agenda Items
7. Joint Amicus Brief – NC Oceanfront Counties and Towns – Nies vs. Emerald Isle – Mayor Holden, Mayor Smith, Ocean Isle Beach, Mayor Eccard, Shallotte and Mayor Watts, Sunset Beach
8. Police Report – Chief Wally Layne (Page 15)
9. Elimination of Roll Off Recycling Containers Located at Bridgeview Park – Town Manager Hewett (Page 16)
10. Beach Patrol Evaluation Status Report (Page 17)
 - a. Part-time Beach Patrol – Chief Layne
 - b. Beach Ambassador Program – Parks & Recreation Advisory Board Chair Peggy Schiavone
11. Discussion and Possible Action on Enforcement of Holden Beach Code of Ordinances §157.087, Building Numbers– Commissioner Fletcher (Page 18)
12. Discussion and Possible Nomination of Members to Upcoming Vacancies on Town Boards (Pages 19 – 23)
 - a. Planning & Zoning Board
 - b. Board of Adjustment
 - c. Parks & Recreation Advisory Board
13. Town Manager's Report
14. Mayor's Comments
15. Board of Commissioners' Comments

16.Public Comments on General Items

17.Executive Session Pursuant to North Carolina General Statute 143-318.11(a)(3), To Consult with the Attorney Employed by the Public Body in Order to Preserve the Attorney Client Privilege Between the Attorney and the Public Body

18.Adjournment

***Please sign up for public comments beginning at 6:00 p.m. in accordance with the new Rule 28B requirements.**



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
SPECIAL MEETING
TUESDAY, JUNE 9, 2016 – 3:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Special Meeting on Thursday, June 9, 2016 at 3:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem H. Ashley Royal; Commissioners Peter Freer, Kim Isenhour, John Fletcher and Ken Kyser; Town Manager David W. Hewett; Town Clerk Heather Finnell; Shoreline Protection and Recreation Manager Christy Ferguson; Public Works Director Chris Clemmons; Police Chief Wally Layne; and Fiscal Operations Clerk Margaret Lancaster and Mandy Lockner.

BUDGET WORKSHOP

Town Manager Hewett recapped the budget schedule and today's objective. The proposed budget appropriates current debt services; establishes a Capital Improvement Plan; and decreases our Fund Balance Available to 19%. There are some consequences and concerns about taking the Fund Balance down to 19%. He reviewed other municipalities' fund balances. The budget also establishes a Central Reach Project by Capital Project Fund; escrows the projected debt service payment per the Interlocal Agreement with the County; makes a projected interest only payment for the debt service appropriation for the Central Reach Project; keeps about \$2 million in the BPART fund balance; incorporates the previously proposed inspections fees and water/ sewer rate increases; increases the tax rate by 7 cents; and reconditions/ paves streets in accordance with the Street Plan. The budget retains current employee benefits; rolls over the PARTF project; increases the solid waste budget; appropriates money for gensets from the pending Sewer Advisory Committee study; accommodates the canal dredging program; finishes the Terminal Groin Project permitting; provides refurbishing of the water tower; rolls over the residual funding for the water meter upgrades; and procures a small excavator, Kubota and shoring system from the Water Fund.

The budget does not include COLA or merit raises. There are no Lockwood Folly Inlet navigation maintenance funds; and no funds for the Lockwood Folly Inlet Atlantic Intracoastal Crossing. Town Manager Hewett stated the Board will need to choose which projects they want to do. We just received a request from the Corps. Shoreline Protection and Recreation Manager Ferguson stated it looks like the Corps will get \$3 million to do the Atlantic Intracoastal crossings in North Carolina. They reached out to see if anyone is interested in piggybacking. She provided information on the upcoming project. Town Manager Hewett explained how the opportunity could impact the Town. Town Manager Hewett explained he pulled \$210,000 for the two gensets and the four electrical connections and moved that into the current budget year. He left the other fixes in year two of the Capital Improvement Plan, knowing that even if the Board appropriated money, we couldn't get the project done before this time next year. The engineering money has not been pulled over. The Board would need to do that if they desire to move forward with the project. That can be done as a supplemental appropriation. The Board discussed the gensets.

Town Manager Hewett reviewed some of his concerns with the budget. He stated he thinks he has been overly optimistic with some of the revenue projections. The expenses have been conservatively estimated. He has some worries about our ability to continue at the operational pace we have with the proposed funding levels. The Available Fund Balance will not provide an adequate cushion acceptable by the Local Government Commission (LGC) and the market. The Board discussed Fund Balance. All towns don't have the same type of revenue streams. Town Manager Hewett provided examples of municipalities who have ABC stores. The Board discussed tax and BPART revenues. Mayor Pro Tem Royal asked how the Town is tracking this year against the budget estimates for 2015. Town Manager Hewett explained where we are at on the General Fund level. Commissioner Fletcher asked if there is a concern that there will be a slowdown in building. Town Manager Hewett replied he is always concerned about that.

Town Manager Hewett explained that the Interlocal Agreement was approved unanimously by the county board and is on the Town's agenda for June. We are looking at getting the package together for LGC approval in July. The tax rate is set assuming the LGC approves the project. The funding strategy template we are using has been approved for other local NC beach communities. We still need to go to market if the LGC approves it. Staff has already been contacted with exploratory inquiries from a couple of lending institutions.

Public Works Director Clemmons said he has some equipment not incorporated in the proposed budget. Town Manager Hewett stated he missed adding those in. Public Works Director Clemmons stated it is about \$10,000.

Commissioner Fletcher said this budget has different amounts than in the past. He asked if there is some amounts that are built in for safety. Town Manager Hewett gave an example of communications where we budgeted to procure a computer in Administration, but didn't spend the money. When a computer goes down in Administration you need to be able to get one quick. Some might be rollover expenses because the money wasn't spent in the current year. He said if expenses are increased it could be a direct requirement of the operational budget going up. He provided a solid waste example.

Commissioner Fletcher stated that Town Manager Hewett said there are no raises, but the Police Department budget went up. Town Manager Hewett replied you need to keep in mind that the current year's budget is the entry from the proposed budget from last year, but the Board appropriated money to adjust the salaries. He hasn't moved the amount appropriated by the previous Board from the Wellness line item yet. The increase reflects the salary equalization. He added that when salaries go up, overtime does too. He said in Public Works we have had some emergency situations we needed to deal with and those items have been busted since March. Commissioner Fletcher asked about the Capital Outlay in Police Expenses. Town Manager Hewett explained that is the equivalent of 1 1/3 cars because of the current purchase installment program.

Commissioner Isenhour asked about the Communications line item. Town Manager Hewett stated that includes telephones, computers, software support and everything IT. Copier expenses also come out of there. Hosting services and software are also included. Those costs are allocated per department. The new water meter reading system is included.

Commissioner Freer is surprised that \$100 is estimated for traffic tickets. Town Manager Hewett explained we need to have a place keeper for that. State citations are not reflected in our revenue stream.

Mayor Pro Tem Royal asked about the Interfund Transfer on page 24. Town Manager Hewett responded that the Emergency Operations Center building debt is \$93,000 and the insurance is an additional charge. It is an approximation charge to the Water Fund for the support rendered to the General Fund.

Commissioner Fletcher asked if there should be a plan to have a second inspector available in light of what just happened with Building Official Evans and because of the increase of building activity. Town Manager Hewett answered that he upped the amount for Contracted Services. We were lucky to get a capable interim substitute. We are working on having an apprentice who can help out as needed. They would be paid on a contracted basis. The Board discussed having a backup available.

Mayor Pro Tem Royal asked how the Town is managing vacations. Staff explained how they are managing time off. The Board discussed how this affects overtime. Commissioner Freer thinks the Town needs to look into options to help alleviate overtime and would like to add that item to the next agenda.

Mayor Pro Tem Royal asked the staff's view of proposed budget. Staff members responded with their opinions. Town Manager Hewett added the Town has some long lived staff and department heads who are notorious for just budgeting for the requirement. The challenge is determining the expectation of service delivery.

Commissioner Isenhour said as the year goes by, it would be good to get updates on where the Town is with the budget. Town Manager Hewett stated that two months ago staff started posting budget versus actual to the website. If the Board would like a summary he could put that in the agenda packets.

Commissioner Freer asked if we still have Police admins. Chief Layne replied yes, it started last year.

Commissioner Freer inquired if the Town has found replacements for the trash rollback service. Public Works Director Clemmons responded yes.

Chief Layne stated the Police admin earn their pay and save the Police Department money. Commissioner Fletcher asked if an officer was going to retire and how fast the Town could have a replacement. Chief Layne said it takes about three months for a replacement, depending on how fast the state can approve the paperwork.

Mayor Pro Tem Royal asked Town Manager Hewett's biggest risk in the proposed budget. Town Manager Hewett replied a hurricane hitting and taking out the tax base and occupancy tax. Mayor Pro Tem Royal referred to the concerns in the slideshow and mentioned Fund Balance. The Board discussed Fund Balance.

Town Manager Hewett stated the budget message was posted on the website. He hasn't received feedback from the message. Commissioner Fletcher stated he had received lots of input. People are very supportive of the Central Reach Project.

Commissioner Freer asked about Travel/ Training. Town Manager Hewett explained why that line item is critical.

Mayor Pro Tem Royal asked for confirmation that dredging is self-sufficient. Town Manager Hewett responded that it is 100% funded by the canal property owners.

Mayor Holden asked for an executive summary in regard to special projects funding. Town Manager Hewett explained any land purchases are not addressed in the budget. The current budget includes the end of the permitting phase for the terminal groin. The \$2.5 million terminal groin cost is included in year two of the Capital Improvement Plan. That is for initial construction. He explained how the sewer is included in the budget and the Capital Improvement Plan. The Board discussed the Water and Sewer Fund and the potential fix to the sewer system. Mayor Pro Tem Royal asked the Town's financing options if the Board decides to purchase properties. Town Manager Hewett said he thinks the Town could start with the amount in the Fund Balance of the BPART Fund. You also would have the option of installment financing. There also may be grant opportunities available.

Town Manager Hewett asked if the 10 year Capital Improvement Plan is worth the effort. The Board agreed it is. The best time to update it is concurrent with the budget. Commissioner Fletcher mentioned a similar one with the Town's debt service would be helpful as well.

Commissioner Fletcher asked if VRBO rentals are taxed. Town Manager Hewett said they are obligated just as everyone else. We have been through several exercises to track people down to make sure they are paying.

Motion by Commissioner Fletcher to hold the public hearing at the next regular meeting at 7:00 p.m.; second by Commissioner Isenhour.

Town Manager Hewett stated it is a formal presentation. You can receive feedback. The budget just has to be adopted by the end of the fiscal year.

The motion passed by unanimous vote.

ADJOURNMENT

The Board adjourned at 4:55 p.m.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, JUNE 21, 2016 – 7:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Public Hearing/ Regular Meeting on Tuesday, June 21, 2016 at 7:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem H. Ashley Royal; Commissioners Peter Freer, Kim Isenhour and John Fletcher; Town Manager David W. Hewett; Town Clerk Heather Finnell; Public Works Director Chris Clemmons, Police Chief Wally Layne; Shoreline Protection and Recreation Manager Christy Ferguson; Fiscal Operations Clerks Margaret Lancaster and Mandy Lockner; and Town Attorney Noel Fox. Commissioner Ken Kyser was unable to attend the meeting.

NATIONAL ANTHEM – SPECIAL GUEST MARIE-PIERRE FLETCHER

PUBLIC HEARING – PROPOSED BUDGET FOR FISCAL YEAR 2016 - 2017

Town Manager Hewett reviewed the budget process. The proposed budget appropriates the current debt services for Town Hall, the Emergency Operations Center, sewer and Police Department vehicles. It establishes a Capital Improvement Plan (CIP). It decreases the General Fund Balance Available to approximately 19%. The Central Reach Project (CRP) is the centerpiece of this budget. The budget establishes it in a Capital Project Fund. It escrows the projected \$1.5 million debt service payment for the CRP in accordance with the Interlocal Agreement. It makes the projected interest only payment for the debt service of \$192,000 for the CRP. It retains about \$2 million in the BPART Fund Balance. The budget increases the tax rate by seven cents. It increases the water/ sewer rates and inspections fees. It establishes dock fees. It reconditions and paves streets in accordance with the Streets Plan. It retains current employee benefits. It finishes the park. It increases the solid waste budgets in response to some of the expenses we have incurred this year. The contract with Waste Industries is up in January so that is subject to modifications. The budget funds the gensets from the CIP. It continues with the Canal Dredging Program.

Town Manager Hewett explained that the proposed budget doesn't include cost of living adjustments or merit raises for the employees. There is no Lockwood Folly Inlet navigation/ maintenance dollars. There is no engineering for sewer lift station fixes in this budget.

The CIP is a 10 year effort to scope all of the different requirements coming to the Town. It represents about \$24 million in total.

Bill Spier asked what canals are being discussed. Town Manager Hewett stated it is all of the subdivisions collectively. Dolly Mitchell pointed out the canal property owners pay for that. Lewis Mitchell added none of the canals will be dredged this year. Town Manager Hewett explained the process and the upcoming schedule

for canal dredging. Gay Atkins asked if there will be a collection of revenue for the dredging this year. Town Manager Hewett responded yes, the fees are listed in the ordinance.

Irvin Woods asked why there isn't funding for the Lockwood Folly dredging. Town Manager Hewett explained why an appropriation was not made, but stated that doesn't mean an appropriation couldn't be made at a future time.

Joe Butler asked about the CRP. Town Manager Hewett explained it is a \$15 million project and how it is broken down. Mr. Butler is concerned that the Town is biting off more than we can chew. Susan Scharling is concerned about the spending. Mr. Woods said that without an adequate beach strand, this town will go broke. He supports the CRP even though his section won't benefit from it. Mr. Butler said nourishment is a top priority and that was not what his comment meant.

Mayor Holden closed the public hearing at 7:20 p.m.

REGULAR MEETING

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

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

Mayor Holden stated in considering the agenda, we already listened to the national anthem so that could be removed from the proposed agenda.

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

APPROVAL OF MINUTES

Motion by Commissioner Isenhour to approve the minutes of the Special Meeting of May 17, 2016 (Reconvened Meeting of April 8, 2016) as written; second by Commissioner Fletcher; approved by unanimous vote.

Motion by Commissioner Fletcher to approve the minutes of the Regular Meeting of May 7, 2016 as written; second by Mayor Pro Tem Royal; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

Will Carter stated he has read reports about terminal groins. He talked about his observations. He asked Town Manager Hewett about the Bald Head Island groin. Town Manager Hewett stated it appears to be working well. Mr. Carter said the benefits of the groin are many for wildlife, homeowners, fisherman and boaters. He said the drawbacks are mainly monetary. He asked the Board to approve the opportunity, while it is available.

Tony Marwitz stated he was on the Sewer Vulnerability Committee. He stated if you could wave a magic wand and do everything recommended on the suggestion list, we still will have a problem. He thinks the Town needs to find a way to bypass a lift station. He foresees a monster pump on a trailer. Mr. Marwitz thinks the Town needs to address it with Air Vac.

Irvin Woods asked if what is referred to as Ocean Boulevard East Extension in the traffic code is what most people know as Ocean Boulevard East between Avenue A and Dunescape. Town Manager Hewett stated the agenda item change is for Ranger Street only. Mr. Woods detailed his concerns with the Ocean Boulevard East extension in the existing ordinance.

BUDGET REPORT – TOWN MANAGER DAVID W. HEWETT

Town Manager Hewett explained this is a summary report as of June 1st. It provides a status as of that date. He explained the report. Mayor Pro Tem Royal asked about the Water/ Sewer Fund. Town Manager Hewett said the challenge is magnified by the fact that we take a lot of money in the middle of the year and there are not a lot of expenditures at that time. He explained the challenge is always one of cash flow in addition to the budget. We take a lot of money one month and then get hit with a famine the next month. Mayor Pro Tem Royal said a projection line would be good to have for the rest of the fiscal year.

POLICE REPORT – CHIEF WALLY LAYNE

- So far it has been a typical busy season with no major incidents.
- Thinks the flashing sign on the causeway has been a big help. Has been riding the beach since Memorial Day. Has encountered one dog. Public Works Director Clemmons is averaging about one item left on the beach a day. He has been running the route at 6:00 a.m. The Board talked about the sign. Chief Layne stated we are coming up on July 4th. Will be interesting to see if people pay attention to the fireworks information on the sign.
- Gearing up for the 4th of July and the rest of hurricane season. Have your plan.
- Commissioner Fletcher asked how an officer is notified when someone calls 911. Chief Layne answered they are dispatched by radio. Gay Atkins asked if there is any way to say welcome to Holden Beach on the flashing sign to make it friendlier. Chief Layne said their intention is to educate folks to prevent them from getting a ticket. Dolly Mitchell asked the cost of the sign. Chief Layne stated about \$20,000. Chief Layne said the sign is programmable, it can be adjusted as needed.

SANITARY SEWER VULNERABILITY – PLANNING & ZONING BOARD MEMBER MIKE SULLIVAN

Mr. Sullivan provided a recap of the Sanitary Sewer Committee and its work. The committee made a chart with vulnerabilities. They determined the system is most vulnerable to an electrical outage. Storm surge was listed second. Mr. Sullivan went through the additional vulnerabilities. The committee found there are a number of issues in trying to get into a group to share resources. The availability of parts was provided to the Board. He reviewed costs of replacements parts and our current inventory levels. Mr. Sullivan went over NOAA data. The committee suggested that the best way to protect the system is to take the underground vault, remove the electrical equipment from it, remove the parts that are susceptible to damage and put them above the flood level at each of the stations. Pump Station I is the least vulnerable so they suggest the

Town work on Station II first. You would need to build another station that is fully operational and then flip a switch. The committee suggests that you use whatever parts you can from that to fix the other stations. Mr. Sullivan stated he spoke with Public Works Director Clemmons about the ability to bypass the retention tanks. The company that put in the system said it currently would not work. They can keep looking for other methods to bypass it. The retention tanks are currently housed in subterranean vaults. In the case of tank failure, the concrete slab would need to be broken to replace it. It has been suggested that the slab be modified by cutting a hole large enough to replace the tank and covering the hole with a stainless steel hatch cover. Mr. Sullivan stated the recommendations run about \$2.2 million. If this work is started, you will need to bring everything up to code.

Mayor Pro Tem Royal asked if we have done any non-destructive testing on the tanks. Public Works Director Clemmons stated that they noticed some corrosion during the annual cleaning. They will monitor it to the best of their ability. He said you need to have a collection tank for the system to run. He said in a perfect world you would have a second tank to switch the system to for times there are problems and they need to work on it. Mayor Pro Tem Royal thinks we should look into testing. It could help with prioritizing and assessing risk. He commended the committee. He said engineers were involved in the original design. He thinks it would be reasonable to get an independent engineering assessment of the recommendations of the committee. Commissioner Freer concurs that he would like a second opinion. He inquired if we make repairs when we notice flakes. Public Works Director Clemmons replied no, he can't afford to shut it off for the time needed. Commissioner Fletcher asked how it affects the other stations if you shut one down. Public Works Director Clemmons explained how the system works. Commissioner Freer asked if new generators will be on ground level. Public Works Director Clemmons responded yes. If there is a potential for flooding, they would take them off the island. Mayor Pro Tem Royal asked about confined space. Public Works Director Clemmons reviewed the regulations he follows. Commissioner Isenhour asked if anything could be done to make the parts more uniform when the Town builds a new system. Public Works Director Clemmons explained the vacuum pumps are pretty uniform. He detailed why the sewer pumps are not. Commissioner Isenhour stated she would like to ask the independent engineer that the Board might find to look at this to look at putting the retention tanks above ground. Public Works Director Clemmons stated he would like to look into that, but he is not sure if that is possible since it is a gravity system.

PLANNING & ZONING BOARD SUBDIVISION REGULATIONS REVIEW – PLANNING & ZONING BOARD VICE CHAIR VICKI MYERS

Mrs. Myers reviewed the Board's request. The Planning & Zoning Board (P&Z) reviewed the subdivision regulations and found the Town's ordinances are based on the state's regulations and that allows lots to be combined. The subdivision regulations do not address the size of structures. There are other restrictions already in place that restricts structures. Mrs. Myers stated P&Z is suggesting that they prepare a summary of restrictions already on the books. They would like clarification on the task to address size. Commissioner Freer said he focuses on structure size. He likes P&Z's recommendation and would like to see a list. He would also like to see it noted who controls each contributing factor. Commissioner Fletcher stated his thought was to limit it to a mass amount for a building. Mrs. Myers said they did look at different communities and rules vary by municipality. Commissioner Freer would like to know the options and contributing factors. He thinks the recommendation in the third paragraph of P&Z's memo is sufficient. Commissioner Isenhour agrees, the Town might have regulations on the books already. Mrs. Myers asked if they should do a financial analysis.

Commissioner Freer said he just wants to understand the issue, not to restrict people. Mayor Pro Tem Royal explained why he thinks this is a function of P&Z.

DISCUSSION AND POSSIBLE APPROVAL OF DISASTER DEBRIS MANAGEMENT AND MONITORING CONTRACTS

Public Works Director Clemmons stated the county awarded the contract to Crowder Gulf for storm debris management and Landfall Strategies for monitoring services. They seem to be qualified. You need to have this in place before an event in order to qualify for FEMA reimbursement. Commissioner Freer asked the cost. Public Works Director Clemmons said there is only a cost if you have an event. The Town could activate the contract at any time. It locks them into a price. Town Manager Hewett stated the reimbursement rates are established by FEMA. We are piggybacking on the county's contract.

Motion by Commissioner Isenhour to piggyback on the County's contract; second by Commissioner Fletcher; approved by unanimous vote.

DISCUSSION AND POSSIBLE APPROVAL OF ORDINANCE 16-10, AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES, CHAPTER VII: TRAFFIC CODE (§72.03 PARKING PROHIBITED AT ALL TIMES)

Chief Layne said the modification is pertaining to Ranger Street. The Board was informed of issues by homeowners in that area at a previous meeting. The proposed ordinance would designate areas for vehicles, golf carts, beach equipment and bikes by sign. Chief Layne explained the 25' listed in the ordinance still remains. Commissioner Isenhour explained the Ranger Street area and why designating parking makes sense in that area. Mayor Pro Tem Royal asked if this will set a precedent for other areas. Town Manager Hewett replied there are two other similar streets that this may be a template for. Commissioner Isenhour stated she thinks the difference is there is space available for parking there. Mayor Holden recommended that the Town consider a wording change to include Hillside Drive.

Mayor Holden suggested the wording could be Ranger Street extended southward through the right-of-way of Hillside Drive. Attorney Fox agreed.

Motion to approve the ordinance as amended; second by Commissioner Isenhour; approved by unanimous vote.

BEACH SECURITY – COMMISSIONER FREER

Commissioner Freer stated there is a constant challenge of enforcing the Town's beach ordinances. He doesn't know the best model to adopt. He proposes the Police present an evaluation of part-time beach patrol. He also would like to have the Parks & Recreation Advisory Board to do an evaluation of a beach ambassador program. He thinks we need to supplement the Police.

Motion by Commissioner Freer to ask the Police for their recommendation and Parks & Rec for their recommendation; second by Commissioner Fletcher; approved by unanimous vote.

REQUEST FOR NO PARKING ZONE – HOLDEN BEACH CHAPEL

Town Manager Hewett said the Chapel would like to make the sodded area adjacent to Rothschild and Brunswick Avenue no parking. Jane Edwards, Chair of the Chapel Grounds explained there used to be a fence in the area. The Chapel has four parking lots, which are open for people to use. The fence had become a liability so they have taken it down. She stated the Chapel would like that area to be a no parking zone. She stated there are sprinklers and landscaping in the area. The Board discussed the request.

Motion by Mayor Pro Tem Royal to consider at the next regular meeting an ordinance that authorizes the installation of no parking signs at the Chapel directed by the letter.

Commissioner Isenhour said it is a not just the signs, it is a no parking zone.

Mayor Pro Tem Royal agreed to the amendment; second by Commissioner Freer; approved by unanimous vote.

DISCUSSION AND POSSIBLE APPROVAL OF ORDINANCE 16-11, AN ORDINANCE AMENDING ORDINANCE 15-06, THE REVENUES AND APPROPRIATIONS ORDINANCE FOR FISCAL YEAR 2015 – 2016 (AMENDMENT NO. 6)

Shoreline Protection and Recreation Manager Ferguson said the inlet was dredged over the Memorial Day holiday. Two thirds of the cost was from the NC Division of Water Resources fund. The county paid \$50,000 upfront and asked Oak Island and the Town to share in the cost, making our local share \$12,500. The best way to appropriate the funds would be to decrease the Beach Nourishment Fund by \$12,500 and increase the Lockwood Folly Dredging Fund by \$12,500. The project was for transportation purposes only.

Motion by Mayor Pro Tem Royal to approve Ordinance 16-11; second by Commissioner Isenhour; approved by unanimous vote.

DISCUSSION AND POSSIBLE APPROVAL OF TOWN/ COUNTY INTERLOCAL FINANCING AGREEMENT FOR THE CENTRAL REACH PROJECT

Shoreline Protection and Recreation Manager Ferguson explained the Central Reach Interlocal Agreement was passed by the county on May 31st. She recommended approval of the agreement.

Motion by Commissioner Fletcher to approve the Town/ County Interlocal Financing Agreement for the Central Reach Project, second by Mayor Pro Tem Royal.

Mayor Pro Tem Royal said the Town has talked about decreasing the Fund Balance in the budget that is going to be considered. The Board was briefed that doing so could have potential impacts on the cost of borrowing money. He asked for confirmation that this interlocal agreement and the budget will implement the reduction in the Fund Balance. Town Manager Hewett stated it will only implement the reduction in the fund balance if the Board passes the budget.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE SCHEDULING OF A DATE TO HOLD A PUBLIC HEARING TO ESTABLISH A MUNICIPAL SERVICE DISTRICT

We are required to hold a public hearing in order to establish a Municipal Service District for the Central Reach Project. It is recommend that it be held on August 16th.

Motion by Mayor Pro Tem Royal to hold the public hearing on August 16th; second by Commissioner Isenhour; approved by unanimous vote.

JOINT AMICUS BRIEF – NC OCEANFRONT COUNTIES AND TOWNS – NIES VS EMERALD ISLE

Town Manager Hewett explained that the Town of Emerald Isle is requesting that beach communities assist with the funding in the matter of Nies versus the Town of Emerald Isle. At issue is the right of the public to use the dry sand beach which has been the historical and traditional public practice by right. Known local governments participating are Southern Shores, Dare County, Wrightsville Beach, Indian Beach, North Topsail Beach, Pine Knoll Shores, Nags Head, and Duck. Brunswick County and Kure Beach will be considering it soon. The amount requested is \$2,000. Town Manager Hewett stated that he thinks the broader implications for North Carolina and the resulting consequences for Holden Beach would justify the Town's monetary support. Commissioner Fletcher asked if doing this adds the Town's name to the lawsuit. Attorney Fox said the Town's name would be added to the Amicus Brief. She provided a summary of her understanding.

DISCUSSION AND POSSIBLE APPROVAL OF ORDINANCE 16-16, THE REVENUES AND APPROPRIATIONS ORDINANCE FOR FISCAL YEAR 2016 - 2017

Town Manager Hewett stated this is the proposed spending plan for the upcoming year. He confirmed it includes revenues.

Commissioner Fletcher said the majority of the budget includes the Central Reach Project, an expenditure of \$15 million. He owns a house on the beach which may be affected. He thinks he has a conflict of interest and should recuse himself. Attorney Fox stated he doesn't have a direct substantial financial interest and explained why he has a duty to vote.

Commissioner Fletcher asked about the addendum to the budget. Town Manager Hewett said the CIP is not an executable budget. The only budgetary execution is in the ordinance, which is year one of the plan. The CIP is being passed as an addendum to the budget. Mayor Pro Tem Royal asked if the Bridgeview Park dock fees are comparable to similar facilities. Town Manager Hewett responded as best as we can come up with, in accordance with Fish and Wildlife guidance. Commissioner Isenhour stated she is ready to vote for the budget. She thanked Town Manager Hewett and the department heads for their work on the budget. She stated it is very difficult to say yes to a tax increase. Commissioner Isenhour stated she would like to change the process in the upcoming year. She would like to come up with a way to work toward developing a process; start earlier; and have workshops. She would like to see the Town start with workshops within the next couple of months. Commissioner Freer stated he agrees with that concept. He would like to be more involved. He stated the Board could have a special meeting soon and incorporate the Audit Committee. Commissioner Freer stated there are a lots of positives in the budget. The Inspections Department increased their fees so

they could support themselves. We have an increasing block rate structure for water that is in line with other communities. Commissioner Freer stated it is good the Town is not facing a 9.5 cents increase, but it is tough saying a 7 cents increase is good. The biggest thing that jumps out at him is the low Fund Balance Available. He stated the Town needs to adjust how we are doing things to rectify that. Mayor Holden asked for a brief explanation of what the budget doesn't include. Town Manager Hewett replied there is \$130,000 in the budget to complete the permitting of the terminal groin. A residual of \$2 million is left in the BPART Fund Balance. The terminal groin construction is in year three of the CIP. There are no funds budgeted for the purchase of the Holden Beach Fishing Pier or the Griffin property.

Motion by Mayor Pro Tem Royal to adopt the budget as presented; second by Commissioner Fletcher; approved by unanimous vote.

TOWN MANAGER'S REPORT

- An electrical vehicle charging station is being installed courtesy of Nissan and Brunswick Electric. The equipment has been installed free of charge. There will be free power for a year.
- Building Official Tim Evans will be out for about six more weeks. Bill Bruce will be filling in on a contractual basis. Mayor Pro Tem Royal asked Town Manager Hewett to pass along that Building Official Evans is missed and they wish him well.
- Working on the repair for the walkway at 885 OBW. Will get it done as soon as we can.
- Lockwood Folly Inlet Crossing Maintenance Dredging - the Corps' Chief of Navigation has made an inquiry to us to see if there is interest in participating in a piggyback project. We have questions in to the Corps.
- Shallow Draft Inlet - there is a move to extend the Memorandum of Agreement to 10 years. Also trying to increase the funding cap.
- The pre-bid conference for the Central Reach Project was held last week. The bids are due back the first part of July. Easement work continues.
- Bridgeview Park – the lights are on. They are scheduled to go off at 10:00 p.m. There are a lot of people having fun out there. The dock structures are complete. Waiting to have a SaniSailor and the utility connections made. Still remaining is the rest of the stormwater, laying down sod and the sidewalks. That will finish the first phase. Work on the PARTF portion will not begin until after the summer.
- The Department of Transportation Bridge Landscaping Project is still not finished. There is no signage or lights in the contract.
- Received approximately \$115,000 from the county for loaning our excess sewer capacity to Southport. Our capacity remains unaffected. Southport is using some of the unused capacity.
- Embers will be here this weekend.
- Commissioner Fletcher asked if Town Manager Hewett would be bringing back information to the Board about funds available for the pier. Town Manager Hewett replied yes. Commissioner Fletcher asked if the Town is aware some Outer Banks island are doing nourishment projects in the summer and inquired if they are ignoring the turtles. Town Manager Hewett stated their issue is one of weather. It is a cost benefit determination for them. Their permits are written that they can dredge in the summer.

MAYOR'S COMMENTS

- No comment.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Royal

- Been very pleased with the Department of Transportation Bridge Beautification Project. He thinks it is a great opportunity to have a sign and lights at the location.
- Thanked Town Manager Hewett and staff for enduring questions during the budget process. He found them to be very well prepared to speak to their department's needs. Sympathize that most are on a fixed income. Didn't expect to approve a tax increase when deciding to run for commissioner, but was convinced it was the prudent thing to do.

Commissioner Freer

- Agreed with everything Mayor Pro Tem Royal said.

Commissioner Isenhour

- Thanked everyone for the work on the budget.
- Thanked the Sewer Committee. They worked extensive hours. Appreciates what they came back with. It was very helpful and a lot of work.
- Reminded everyone about the Second Helping Program.

Commissioner Fletcher

- Asked at the last meeting that we have a good turnout at this meeting. Happy to see how many people are here.
- In support of Commissioner Isenhour's recommendation on workshops for the budget. Thinks everyone will see how the business functions and why it costs what it does to run a Town like this.
- Seconds the efforts of the Sewer Committee. It is a major risk. They did a tremendous job of investigating the issue.

Mayor Holden explained that Commissioner Kyser had a previous commitment that was scheduled before the meeting schedule was amended.

PUBLIC COMMENTS ON GENERAL ITEMS

Dolly Mitchell asked if we would have water if we didn't have sewer. Public Works Director Clemmons answered that it is two separate systems, but if we don't have a collection system it could cause a problem and we would probably shut the water off. Commissioner Fletcher added that if there is no sewer, people cannot be on the island. Mrs. Mitchell said there are people who saved their septic system. She asked if there are options to use the septic systems until the sewer system could get up and running. Mayor Holden stated unless the Board changes the existing policy, if the sewer is down, people are off the island.

ADJOURNMENT

Motion to adjourn at 9:32 p.m. by Mayor Pro Tem Royal; second by Commissioner Fletcher; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk

Activity Log Event Summary (Cumulative Totals)

HOLDEN BEACH POLICE DEPT.

(06/01/2016 - 06/30/2016)

911 Hang Up/Open Line	3	Administrative Call	2
Alarm Activation	15	Animal Complaint	8
Assist Motorist	13	Assist Other Agency	16
Attempt to Locate-ATL	20	Beach Patrol	2
Disturbance/Fight	3	EMS/Medical Call	6
Fire Call	5	Found Person	1
Found Property	1	Incident Report	8
Intoxicated Subject	2	Investigation	2
Lost Property	4	Maintenance Call (Not HB Public Works)	1
Maintenance/Water Leaks(HB Only)	2	Meet with Complainant	17
Motor Vehicle Crash (Property Damage Only)	3	Noise/Nuisance Complaint	7
Other Ordinance Complaint	1	Parking	10
Phone Call (requested to call subject)	27	Public Assist	1
Supplemental (to prior report - use original OCA)	4	Suspicious Activity	3
Suspicious Vehicle	2	Traffic Control	1
Trespassing	1	Water Rescue	3
Welfare Check	2		

Total Number Of Events: 196



Memo To: Holden Beach Board of Commissioners

12 July 2016

From: David W. Hewett, Town Manager

Re: Recommendation to Eliminate Bulk Recycling

Staff proposes that the Town eliminate the roll off recycling containers, currently located adjacent to Bridgeview Park and the Water Tower. The existing bulk recycling service is not working as intended and has become significantly problematic in terms of being an effective means of solid waste disposal.

- The site is the only convenient Town owned property that can accommodate large containers.
- The containers are accessible 24/7 and are not manned.
- Use of the service has been hijacked by non residents' and contractors' abuse of the facility.
- Non-compliant items are overfilling the containers, scattering trash throughout Bridgeview Park.
- Service cost the Town in excess of \$70k this past fiscal year; not counting additional tipping fees for non-recyclables and requisite town manpower/equipment for site cleanup.

Alternative services are available for recycling.

- Brunswick County operates a manned facility at 1709 Oxpen Road, approximately five minutes from the Town's current recycling location. Site is open 8am- 6pm M, W, F and Saturday.
- Curbside recycling is available to all Town properties that care to participate. Current annual charge per property is \$54 for biweekly pickup.

The Waste Industries contract will be renegotiated this winter. In addition to regular trash services; provisions for more individualized recycling can be included in those considerations. Waste Industries has preemptively indicated the ability to provide weekly pickup during the peak season for an estimated annual charge of \$90.

Request BOC approve termination of bulk container recycling effective 6 September 2016.

DWH (12)



Date: July 7, 2016

To: Mayor Holden and Board of Commissioners

From: Peggy Schiavone, Chair- Parks and Recreation Advisory Board

PS

Re: Beach Ambassador Program

After careful consideration, we have decided to ask Oak Island to visit us at our October meeting to discuss all the facets of their Beach Ambassador program. The Parks and Recreation Advisory board first discussed the program at their June 23, 2016 and invited Oak Island to their July 7, 2016 meeting. Oak Island could not attend. Currently the Parks and Recreation Advisory Board has many questions and concerns about the viability of this program at Holden Beach.

Holden Beach Code of Ordinances

§ 157.087 BUILDING NUMBERS.

(A) The correct street number shall be clearly visible from the street on all buildings. Numbers shall be block letters, not script, and of a color clearly in contrast with that of the building and shall be a minimum of six inches in height. Numbers shall be provided on each unit in a duplex or multiple unit building and shall consist of the building number with a suffix letter (A, B, C, and the like). Numbers existing on the effective date of this chapter and at least four inches high and clearly visible from the street shall be allowed to remain. Replacement numbers shall comply with this section.

(B) Beach front buildings will also have clearly visible house numbers from the strand side meeting the above criteria on size, contrast, etc. Placement shall be on vertical column supporting deck(s) or deck roof on the primary structure. If no such condition exists for the building, or if a clearer line of sight position exists on the building, the numbers shall also be affixed to the primary structure. For buildings with a setback of over 300 feet from the first dune line, a vertical post shall be erected aside the walkway with house numbers affixed. The post shall not exceed eight feet in height above the base of the walkway. The post will be placed on the highest elevation of the walkway within 300 feet of the first dune line. In all cases the numbers must be clearly visible from the strand. Other placements may be acceptable with approval of the Building Inspector.

('85 Code, § 15-6.16) (Ord. 12-86, passed 10-6-86; Am. Ord. 91-03, passed 3-4-91; Am. Ord. 01-07, passed 7-23-01) Penalty, see § 157.999



Date: July 11, 2016

To: Commissioners and Mayor Holden

From: Heather Finnell, Town Clerk HF

Re: Board Vacancies

There are two alternate and one regular member positions on the Planning & Zoning that are set to expire in July. The members currently serving in the positions are eligible and willing to serve another term. There is also an existing vacancy on the board. An email blast was sent out asking people to submit a resume form if they were interesting in serving. Only one interested applicant, Tony Marwitz, submitted a form. Mr. Marwitz has served on the Planning & Zoning Board in the past. It is the Board's option to nominate him to serve at the meeting or if the Board elects to interview Mr. Marwitz, the interview can be scheduled for the August meeting.

The Parks & Recreation Advisory Board and Board of Adjustment also have terms expiring, but the members are eligible and prepared to serve another term at the Board's discretion.

Parks & Recreation Advisory Board		Term	Term Expires
Peggy Schiavone Chair	Appointed November 9, 2010 Reappointed 8/12/14	2nd	2017
Lewis Mitchell Vicechair	Appointed November 9, 2010 Reappointed 8/12/14	2nd	2017
Becky Willis	Appointed to Tom Decker's Vacant Position 1/12/16	not full	2017
Karen Fleischhauer	Appointed to Shane Holden's Vacant Position	1st	2017
Jack Lohman	Appointed to Charlie Stokes Vacant Position March 12, 2013	1st	2016
Melanie Champion	Appointed to Carol Money Penny's Vacant Position 02/12/13	1st	2016
John Legge	Appointed to Carol Byrnside's Position 7/14/15	1st	2018

PLANNING AND ZONING		TERM EXPIRES	TERM
Vacant	Ralph Martin's Vacant Position	07/01/2017	1st
Vicki Myers	Appointed to Ralph Martin's Alternate Position on 8/12/14 Appointed to John Legge's Regular Position 07/14/15	07/01/2016	not full
Bob Hunter	Appointed to Tiffany Hobb's Alternate Position Appointed to Brayton Willis' Regular Position 07/14/15	07/01/2018	1st
Mark Fleischhauer	Appointed to Tony Marwitz's Regular Position 7/14/15	07/01/2018	1st
Michael Sullivan	Appointed to Bob Hunter's Alternate Position 7/14/15 Appointed to David Burris' Regular Position - reconstitution of PZ 12/16/15	07/01/2018	1st
Tiffany Hobbs	Appointed to David Burris' Alternate Position 01/12/16	07/01/2016	
Peter Pallas	Appointed to Vicki Myer's Alternate Position 7/14/15	07/01/2016	

BOARD OF ADJUSTMENT APPOINTMENT & EXPIRATION DATES

NAME	SUMMARY	TERM EXPIRES	Term
Larry Blume	Appointed to MaryLou Lahren's Alternate Position 8/13/13 Appointed to Regular Position Vacated by John Lytvinenko on March 11, 2014 Reappointed to Regular Position 07/08/14	Jul-17	1st
Larry Reinhart	Appointed to Bobby Brown's Regular Position 01/12/2016	Jul-17	not full
MaryLou Lahren	Appointed to Marlene Hahn's Alternate Position 02/08/10 Re-appointed to Alt Position 7/12/11 Appointed to Ken Weston's Regular Position 6/11/13 Reappointed to Regular Position 7/8/14	Jul-17	1st
Stephen Veenker	Appointed to John Lytvinenko's Alternate Position 8/09/11 Appointed to Marlene Hahn's Regular Position 06/11/13	Jul-16	1st
John Kilian	John Kilians's Regular Member Position Vacant as a result of Resolution 15-10 Reinstated March 8, 2016	Jul-18	1st
Anne Arnold	Anne Arnold's Alternate Member Position Vacant as a result of Resolution 15-10 Reinstated March 8, 2016	Jul-17	1st
Dennis Harrington	Appointed to John Fletcher's Regular Position 01/12/2016	Jul-17	Not full
Ben Baker	Appointed to John Killian's Alternate Position 7/14/15	Jul-17	1st

RESUME FORM

Date: 3/1/08

Municipal Board or Committee
in which you are interested: Pe. 2
BOARD OF ADJUSTMENT

Name: C.A. "Tony" MARWITZ Phone (Home): 842-8993
(Work): _____

Address: 118 FRIGATE DR

Occupation/Employer: RETIRED

Educational Background:

School (s)	Dates	Area of Study	Degree
<u>N.C. STATE</u>	<u>59-1963</u>	<u>ENGINEERING</u>	<u>BSEE</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Places you have lived, length of residence (in reverse order):

- (A) WILMINGTON BEACH Dates: 94-PRESENT
- (B) RICHMOND VA Dates: 74-94
- (C) CHARLOTTE NC Dates: 65-74

Specific experiences, training or interests which you have that you feel would be useful in the work of this Board or Committee.

EXTENSIVE KNOWLEDGE OF COASTAL N.C. BUILDING REQUIREMENTS
" " OF N.C. BUILDING CODES
12 YEARS OF EXPERIENCE IN BUILDING INDUSTRY IN
COASTAL N.C.

Submitted by: C.A. Marwitz