



TOWN COUNCIL MINUTES

FY14-15 BUDGET WORK SESSION #2

APRIL 23, 2014

The Kure Beach Town Council held a Fiscal Year (FY) 14-15 Budget Work Session on Wednesday, April 23, 2014 at 8:00 a.m. The Town Attorney was present and there was a quorum of Council present.

COUNCIL MEMBERS PRESENT

Mayor	Dean Lambeth
Mayor Pro Tem	Craig Bloszinsky
Commissioner	Emilie Swearingen
Commissioner	David Heglar
Commissioner	Steve Pagley

STAFF PRESENT

Finance Officer – Arlen Copenhaver
Town Clerk – Nancy Avery
Building Inspector – John Batson
Public Works Director – Sonny Beeker
Police Chief – Dennis Cooper
Fire Chief – Harold Heglar
Ocean Rescue Captain – Ed Kennedy
Deputy Town Clerk – Nancy Hewitt

CALL TO ORDER AND WELCOME

Mayor Lambeth called the meeting to order at 8:00 a.m.

MOTION – Commissioner Heglar made motion to add Dow Jetty Danger Buoys and Storm Damage Reduction Project as the last two discussion items on the agenda.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

1. PUBLIC WORKS BUDGET

a. Storm Water Project

Director Beeker said that the letter from the engineer regarding the Seawatch dune infiltration system estimates the cost of the project at \$150K, but he said it could go as low as \$30K or as high as \$400K depending on several factors. He said the system isn't going to do what a lot of people want it to do, explaining that it will clean the first half inch of rainfall, but any more rain than that would wash out through the outfall pipe onto the beach, unfiltered. He said that the type of project to take care of a larger amount of rainfall would cost millions of dollars. He said Council will have to decide if it would be worth proceeding with the project. He said the Town has about \$800K in the Storm Water Fund for projects and he could get an engineering quote to see what lining the pipes would cost as opposed to a "tear out and replace" project as part of



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Phase II of the Storm Water project; he could also get quotes on some of the smaller projects like sinkhole repairs.

Finance Officer Copenhaver said that the Powell Fund could cover a little of the cost of the projects, but most of the funding would come from the Storm Water Fund.

Mayor Lambeth asked if Phase II for storm water was as important as the water/sewer lines in the old part of Town, to which Director Beeker said that there's not as much money in the Water/Sewer Fund as there is in the Storm Water Fund which is available now.

Commissioner Heglar asked if Public Works could handle working on both Phase II and the water/sewer lines, to which Director Beeker replied that he can do it all if Council approves them and gives him the funds to do them. He said he could take some of the money the Town has for engineering and get quotes on the work that needs to be done. He recommended doing the work piece-by-piece, as the Town has funds, commenting that the Town used to wait until it had the money before doing a project but then got into a bad habit of borrowing money. He suggested returning to the "pay as you go" practice. He reminded Council that, just because Public Works doesn't have any major projects going on at the moment, it doesn't mean they're not busy and are slacking on things.

The Finance Officer said that Public Works has \$10K in the budget for engineering and \$50K in the budget for potential storm water projects which would cover the initial work. He said if Council needs more money put in the proposed budget, the offset would be an appropriation of Fund Balance.

Commissioner Heglar said that Council needs Director Beeker to get the engineering studies done on both projects, and then he and the Finance Officer can come back to Council with their information. If Council can't include it in the initial budget, then the intention is for Council to look at it as an appropriation as soon as they have the engineering study so that Director Beeker can prioritize and time the projects.

The Finance Officer reminded Council that the budget has to be officially presented at the May Council meeting. He said if Council has an estimate, they can build something into the budget or can just wait until next year and do a budget amendment.

Mayor Pro Tem Bloszinsky asked Director Beeker, if we have the ability to do something at the Sandman Drive property and sell it, does the money go to the General Fund or can Council put that in any fund.

The Finance Officer said it was probably more of a General Fund item because it's not specifically related to storm water or water/sewer.



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Mayor Pro Tem Bloszinsky said that there's a small road extension in the plans for Sandman Drive. He asked how much it would cost to extend the road, to which Director Beeker replied it would cost about \$25-\$30K and Powell Fund money could be used to pay for it.

The Finance Officer said there was \$62K in the Powell Fund for undetermined projects.

Director Beeker summarized the direction Council was giving him, as follows: get the engineering study done on Phase II, get the engineering study on Water/Sewer for all of it and get the engineering study for three or four of the smaller storm water projects, then bring the information to the Finance Officer.

Commissioner Swearingen said that Director Beeker shouldn't look at doing the Seawatch dune infiltration system because it would cost the Town as much to do that one project as it would to do six smaller projects, and the system isn't going to solve their problem.

Mayor Pro Tem Bloszinsky said he would talk to Seawatch about it.

Commissioner Heglar said that Director Beeker would engineer the entire line replacement project, to which Mayor Lambeth added that half could be done at a time; some now, some later.

Director Beeker said that, if the Town is going to pay for tearing out and replacement of the pipes, then it may as well do it all at one time. He said the money for that project may need to be borrowed, to which the Finance Officer concurred.

Commissioner Swearingen asked if Brian Cox from Engineering Services (ES) was the engineer, to which Director Beeker replied that he was but that the engineer can be anyone Council wants it to be since there's nothing that states the Town has to use ES; but the Town has used them as engineer for the last several years.

Commissioner Heglar said that was a good discussion point which should be separate from the budget discussion. He suggested having a closed session in the next month or two to see if the Town wants to use a different engineer, and Director Beeker should attend to give his input.

The Town Clerk stated that Seawatch was willing to take on some of the cost of the infiltration system, to which Commissioner Swearingen said they only have about \$100,000 for the project.

Mayor Pro Tem Bloszinsky said he didn't think they even had that much any longer.

Commissioner Swearingen suggested Director Beeker look into borrowing money from the State at 0% interest, and the deadline is in September. She said that if he felt the Seawatch project was worth it, then the Town could borrow the money and Seawatch could pay it back.



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b. Maintenance costs for OFP public restrooms hours of operation

Town Clerk Avery said that, earlier this year, the Town received complaints that the restrooms weren't open at the Ocean Front Park. She said Council originally voted to completely close the restrooms from December 1st to March 14th each year.

Director Beeker said it costs the Town \$200 per weekend for someone to clean the restrooms, once in the morning and once in the afternoon.

Mayor Pro Tem Bloszinsky said that, once the restrooms are winterized, they should stay in a dormant mode until the appointed time.

Commissioner Heglar said Council should discuss this at the September or October Council meeting to give Public Works their decision.

Commissioner Swearingen suggested only closing the restrooms for the months of January and February each year.

c. Salary increases above what is being proposed for COLA and merit

Director Beeker explained that a couple of reasons he asked for more funding, above what is being proposed for COLA and merit for all employees, is that he wants to give a salary increase to the employee he promoted into the job vacated by the recently retired Water/Sewer supervisor and he wants to give his office assistant a salary increase to be more comparable to what other Town assistants make.

d. Maintenance records on playground equipment

Director Beeker said that he doesn't keep a checklist for playground equipment status but, every Friday for the last 20 years, his crew does maintenance at the park and they inspect the playground equipment, as well. He said they could start keeping a list if that's what Council wants, but he suggested that the Town Attorney should look into whether that is a requirement of the liability insurance company.

Commissioner Heglar told Council that he asked Director Beeker to contact other towns to see how they monitor their playground equipment and to discuss the matter with the Town Attorney. He asked Director Beeker to report back at the June or July Council meeting with his findings.

2. RULES AND REGULATIONS FOR FIRE DEPARTMENT LIVE-IN PROGRAM

Captain Kennedy provided Council with an information packet containing information on similar programs of other fire departments. He said he checked with the Town Clerk to make sure he didn't violate the Town personnel policy. He highlighted what the requirements would be for a participant who would be considered volunteers. He said they would not receive pay, but only receive free housing. He said they don't have a house lined up yet and he's not sure if the free



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housing would be considered taxable income. He pointed out the rules and standard operating procedures of the program, and said he reviewed them with Commissioner Heglar and Town Clerk Avery for their approval. He reviewed the disciplinary process and included a live-in agreement which he had the Town Attorney review.

Mayor Pro Tem Bloszinsky said he doesn't think it should matter what college course a participant is taking as long as they know how to follow proper procedures for rescuing someone from a fire. He commended Captain Kennedy for doing a nice job on the program information stating that it looked very comprehensive.

The Finance Officer said he built \$15K into the budget for the program.

Commissioner Heglar said there needs to be a separate meeting with the Fire Chief and Captain Kennedy to go over everything before finalizing it, but he suggested moving forward on the budget side of it. He said it needs to be approved, separately from the budget, as a new program in order to initiate it.

3. COMPARISON OF SALARY, MERIT AND COLA FOR OTHER TOWNS

Finance Officer Copenhagen reviewed a history of COLA and merit increases over the last seven years for the Town. He reviewed the history of the COLA and the merit increases of other towns from a survey conducted by the NC League of Municipalities (NCLM). He said that, compared to the average of other towns over the last seven years, COLA for Kure Beach was increased by 8.3% compared to 18.2% for other towns, and merit for Kure Beach was increased by 16.5% compared to 18.5% for other towns.

Commissioner Heglar said that the information shows that Council has done an "OK job, but the Town is falling behind on pay.

The Town Clerk pointed out that COLA impacts salary ranges; the minimums and maximums for starting salaries. She said that, in the last four years, Council hasn't made any changes to the salary ranges that were adopted in 2001.

The Finance Officer compared the average salaries of department heads from other towns versus Kure Beach. He said some of the towns reported in 2012 and some in 2013, with most of the towns paying higher salaries compared to Kure Beach. He advised Council that there are many factors that make it hard to exactly compare duties of employees, as they vary with each town and salaries also depend on years of experience.

Commissioner Heglar proposed that, in the fall, Council do a detailed salary study to prepare for when the department heads retire. He said the study will also be used to help Council fix issues of salary in next year's budget. He explained that, in 2000, Council took months to review an



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enormous amount of data from the NCLM and make a decision to move to a pay scale by job. He said Council then adjusted salaries over the next two years to bring salaries into the range of comparable towns.

The Town Clerk said that, back in 2000, the Town hired a firm to help review the data and make recommendation to Council on salaries. She told Council to expect a time-consuming task of doing a salary study. She said it may cost about \$10K to \$15K to have a salary study done now and the Town's salary ranges have 18 steps which are supposed to provide certain merit and COLA increases which has never been followed since the plan was adopted.

Commissioner Heglar said that maybe the Town would decide to hire a firm to do a salary study, but Council should start the work first.

Answering a question posed to him, the Finance Officer said it would cost about \$200,000 to bring Kure Beach employees up to the average pay. He proceeded to compare Council pay with other towns stating the comparison doesn't take into account any other compensation such as benefits, cell phones, etc. He said that Council's pay is pretty much in line with the average of other towns except Emerald Isle, which gave a large salary to its council.

Commissioner Heglar proposed that Council address the subject of Council pay in next year's budget work session for any increases to go into effect January 2016, after the new Council takes office. He said that the Town needs to encourage more people to run for office in Kure Beach because there should never be an unopposed election in Kure Beach.

4. REVIEW BUDGET REVISIONS MADE DURING WORK SESSION #1

Finance Officer Copenhagen reviewed the revisions he made after the last work session: changing the contributions for outside agencies, decreasing the committee budget, increasing workers compensation and increasing the sales tax. He said, after making those changes, the budget is still balanced.

5. FINAL DETERMINATION OF OUTSIDE FUNDING ALLOCATIONS

Finance Officer Copenhagen said that, after the first budget work session, he received calls from the Katie B. Hines Senior Center asking for \$2,000 and from the Federal Point Help Center asking for \$1,000. He asked what Council wanted to do about the contribution request from Friends of Fort Fisher for \$5,000.

Commissioner Swearingen said that Paul Laird from the Friends of Fort Fisher brought his budget information to the Marketing Committee meeting yesterday. She said that the Wilmington and Beaches Convention and Visitors Bureau will help Mr. Laird market the event for a sum of close to \$5,000 from them. She proposed that Council lower their contribution to his group to \$2,000 and use the \$3,000 left over to fund the senior center and the help center.



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COUNCIL CONSENSUS – Council approved the following amounts for outside agency contributions: \$2,000 Friends of Fort Fisher, \$2,000 Katie B. Hines Senior Center and \$1,000 Federal Point Help Center.

6. FINAL DETERMINATION ON COMMITTEE REQUESTS

Finance Officer Copenhagen said that Council mentioned at their last budget work session that they would consider reducing the amount of the committee budget from \$10,500 to \$7,500. He said that the request for the entire amount was made by the Shoreline Access, Beach Protection and Parking Committee (SLABP&P), \$4,000 of which is related to parking in the corral.

The Town Clerk said there are issues with getting approval for a right-of-way for access to the corral. She said that she was able to obtain a permissive easement from AT&T, but DOT won't give the Town a permit until they get a separate permit from AT&T; and AT&T won't sign another driveway permit for DOT. She said DOT is the hold up, so the Town can't legally use AT&T's driveway as a driveway into the corral, with the corral posted as a public parking lot.

Mayor Lambeth said that SLABP&P co-chairperson, Tony Gonsalves, wants lights and gravel installed in the parking area, as well.

Director Beeker recommended paving it because gravel during the summer creates a lot of dust. He pointed out that, in several years, the land may be needed for expansion of Town buildings and suggested leaving the corral the way it is, and he can just put up parking bumpers.

Commissioner Heglar said he will call Mr. Gonsalves and tell him to talk with the department heads when he has a project idea, to discuss it with them first before bringing requests to Council.

COUNCIL CONSENSUS – Council approved \$7,500 be budgeted for the committee request.

7. STAFF CHANGES AND SUCCESSION PLANNING

Commissioner Heglar asked the Town Clerk to put Succession Planning for Department Heads on her "to-do list" to schedule a meeting on this topic sometime in the fall.

8. FINALIZATION OF PROPOSED FY14-15 BUDGET FOR PRESENTATION AT MAY 20TH COUNCIL MEETING

COUNCIL CONSENSUS – Town Council approved the revised proposed budget, to be presented to Council at the May 20, 2014 meeting.



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9. DOW JETTY DANGER BUOYS

Town Clerk Avery asked Council to decide if they want to approve putting four buoys with warning signage at the four corners of the Dow Jetty, as proposed by Intercoastal Marine, LLC; the cost is a lump sum of \$22K. She told Council to keep in mind that the company can't guarantee that the buoys will stay put even though they will be anchored.

Captain Kennedy said there is also a lifeguard tower stationed in front of the jetty and there are about four danger signs on the beach. He stated that people may try to climb on the buoys if they're too big.

Mayor Lambeth suggested that the lifeguards could put a sandwich board sign on the beach to warn people away from the water, if Council is worried the signs aren't enough warning.

MOTION – Commissioner Heglar made the motion to accept the proposal of \$22,000 lump sum payment for Intercoastal Marine, LLC, to anchor four buoys with warning signs at the four corners of the Dow Jetty.

SECOND – Commissioner Swearingen

VOTE – Unanimous

Director Beeker suggested that, if the Town ever gets a beach renourishment in that area, they can take the metal-works out while they are “high and dry.” He said it's when the area is covered with water that it's impossible to remove the machinery.

The Town Clerk pointed out that the diver who plotted out the size of the jetty had it running almost three blocks, from the HOA access down to N Avenue.

10. STORM DAMAGE REDUCTION PROJECT

Commissioner Heglar said that the County Manager recommended an option for Carolina Beach (CB) and Kure Beach (KB) to renourish their beaches, but he wants to ask the County what their plan is to line up the cycles for beach renourishment.

Mayor Lambeth said that Layton Bedsole, the New Hanover County Shore Protector Coordinator, said if Council waits, the Town is guaranteed the money will be there during the next renourishment cycle in 2016.

Mayor Pro Tem Bloszinsky said that the Federal money is there, but if the County says they don't want us to use our ROT funds until the next nourishment cycle, then there's no guarantee that they will do it a few years down the road.

Mayor Lambeth said that CB Mayor Wilcox told him CB Council decided to ask for Option 3 of the Storm Damage Reduction proposal, to which Commissioner Heglar added that CB will then



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be expecting KB to request Option 3, as well. Mayor Lambeth said that CB gave KB \$2 million for the last renourishment cycle, so KB should support CB on their decision.

Mayor Pro Tem Bloszinsky said that CB doesn't need KB to do renourishment in order to get their own funding.

Mayor Lambeth said Mayor Wilcox told him that although the County only addressed what CB sent them, he still thinks KB should submit a resolution requesting funding, too.

COUNCIL CONSENSUS – Council asked Mayor Pro Tem Bloszinsky and the Town Clerk to draft a revised resolution with a contingency in it for the County to approve ROT funds for KB. They asked the Town Clerk to email it to them for revisions, and Council will return at 5:30 p.m. to vote on it.

MOTION – At 10:10 a.m., Commissioner Heglar made the motion to continue the budget work session at 5:30 p.m. tonight to vote on the revised Resolution 14-05.

SECOND – Commissioner Pagley

VOTE – Unanimous

MEETING RESUMED

MOTION: Commissioner Heglar made the motion to reconvene the continued budget meeting at 5:30 p.m.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

All Council members were present, as well as Town Clerk Avery who recorded the minutes from this point, on.

Layton Bedsole was in attendance and stated:

- He is working on getting local capability for the towns in the form of individual permits as a back-up plan in case less Federal and/or State funding is received in the future.
- CB's permit has been received, KB's final draft is being reviewed and he plans to begin Wrightsville Beach's (WB) next year.
- For him to even consider a four-year cycle, he needs scientific facts in the form of surveys and measurements of the beaches. He is also interested to know if WB needs a three-year cycle instead of a four-year cycle; this is the reason for his suggestion to hire a surveyor to measure all three beaches.
- Once the surveys are in place, we can establish a template and try to move that towards the water to get additional beach.
- His first suggestion was for the Corps to do the \$727,000 veneer, but the Corps said they couldn't bundle projects and most of the funding would go for mobilization costs.



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- He has now changed his mind and wants to go with the CSDR for Carolina Beach, which is still a veneer but a much larger project.
- He questioned whether the KB fill area has had time to refill since last year, enough to provide the 590,000 cubic yards as outlined in the project since 557,702 cubic yards were pulled from this area last year.
- In 2013, no money was congressionally authorized for KB, but in 2014 funds for FY15 and FY16 were authorized. The President's FY15 budget didn't authorize any funds for any beaches, anywhere, which sends up red flags to him.
- If the Town spends its money now, three years later it can get its shovel out and dig up that can of money with 17.5% share in it.
- The Town had last year, and has this year and next year to save money. We then do your project in 2016 and we are back pursuing money as hard as we can.
- The \$808,000 funding from the State was a surprise and wasn't requested; more red flags.
- Our focus should be to ensure the State recognizes our ROT funds versus the Federal dollars. If ROT becomes the 65% and the State retains their 17.5% participation, and the Town has time to build its 17.5% up; then in 2054 we still have a balance of a little less than \$20 million in the bank for the ROT fund.
- The last time sand was put on the beach was spring of 2013. The next scheduled time is winter of 2016.
- He has been given permission to say that the County staff won't support the KB resolution.

DISCUSSION HIGHLIGHTS

Commissioner Heglar

- Having Federal funding out of sequence gives us the opportunity to get the three towns on the same schedule, but he isn't sure he is ready to make a decision on a four-year cycle, like Wrightsville Beach is on, instead of a three-year cycle. We aren't sure if it is the County's plan to have all three towns on the same schedule.
- The unexpected, not requested State funding makes him nervous.
- Maybe we should send the request in and let the County respond.

Commissioner Swearingen

- There is no guarantee that the Office of Budget and Management (O&B) won't step in and take this money away from the Corps of Engineers.
- We are taking a chance either way. We could go ahead with it now and the Feds may say we spent our money for 2016 and they aren't giving us more. We could not do it this year and then in 2016 there is an emergency and our money disappears. None of us can predict what will happen.
- The County needs to send us good facts we can give to our property owners.



TOWN COUNCIL
TOWN OF KURE BEACH, NC

*R*ESOLUTION R14-05

**A RESOLUTION PETITIONING NEW HANOVER COUNTY COMMISSIONERS TO
FUND STORM DAMAGE REDUCTION PROJECT IN 2014**

WHEREAS, the US Army Corps of Engineers (USACE) recently contacted the Town of Kure Beach with a request to consider moving the scheduled 2016 storm damage reduction project to 2014; and

WHEREAS, this is the timeframe the Town of Carolina Beach is scheduled to receive their last authorized storm damage reduction project; and

WHEREAS, the USACE stated it would be financially beneficial to reduce mobilization costs by providing this service to both towns, island wide, at the same time; and


WHEREAS, Federal funding for the Kure Beach project in the amount of \$4,745,000 is available whether the project is done in 2014 or 2016 and State funding is available in the amount of \$808,000; and

WHEREAS, per the attached updated budget estimate from the USACE, the non-Federal amount needed for the project is \$2,555,000. This amount less the State funding of \$808,000, leaves a balance of \$1,747,000 from the ROT fund to complete the project in 2014; and

WHEREAS, the non-Federal ROT amount needed to complete the project in 2016 is \$1,277,500, resulting in an additional \$469,500 needed from the ROT fund in 2014 to proceed.

NOW, THEREFORE, BE IT RESOLVED THAT the Kure Beach Town Council petitions the New Hanover County Board of Commissioners to authorize the expenditure of \$1,747,000 from the ROT funds to allow participation in the USACE storm damage reduction project in 2014. Failure of the Board to authorize the funds will result in the Town not being able to participate in the project in 2014 as requested and recommended by the USACE.

Adopted by the Kure Beach Town Council this 23rd day of April, 2014.


Dean Lambeth, Mayor




Attest: Nancy Avery, Town Clerk

Dean Lambeth
Mayor
Emilie Swearingen
Commissioner
Steve Pagley
Commissioner



Craig Bloszinsky
Mayor Pro Tem
David Heglar
Commissioner
Nancy Avery
Town Clerk

Town of Kure Beach

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www.townofkurebeach.org

April 23, 2014

Board of Commissioners
New Hanover County
230 Government Center Drive, Suite 175
Wilmington, NC 28403

Commissioners,

The Town of Kure Beach is submitting the enclosed resolution for your consideration. The purpose of the resolution is to request funding in the amount of \$1,747,000 from the New Hanover County (NHC) Room Occupancy Tax (ROT) fund for a storm damage reduction project in 2014.

The Town was contacted by the US Army Corps of Engineers (USACE) with a request to consider moving the scheduled 2016 storm damage reduction project to 2014. This is the same timeframe the Town of Carolina Beach is scheduled to receive their last authorized storm damage reduction project.

The USACE stated it would be financially beneficial to reduce mobilization costs by providing this service to both towns, island wide, at the same time. Federal funding is available for this project whether it is done in 2014 or 2016 in the amount of \$4,745,000. State funding is also available in the amount of \$808,000.

As per the attached updated budget estimate from the USACE, the non-Federal ROT amount needed to do the project is \$2,555,000. Subtracting the available State funding in the amount of \$808,000, leaves a balance of \$1,747,000 from the ROT fund to do the project in 2014. The non-Federal ROT amount needed to do the project in 2016 is \$1,277,500. This results in an additional \$469,500 needed from the ROT fund in 2014 to proceed.

The Town Council is seeking the Board's support and approval of the request from the USACE by authorizing the funding in the amount of \$1,747,000 in 2014.

Sincerely,
Dean Lambeth, Mayor

Option 3: Budget Cost Estimate for Beach Replenishment (Carolina Beach & Kure Beach Project)

Carolina Beach Portion					
Mob & Demobilization	1	LS	\$	3,500,000.00	\$ 3,500,000.00
Pipeline Dredging (Borrow Source: Carolina Beach Inlet)	490,000	CY	\$	5.50	\$ 2,695,000.00
Beach Tiling	35	ACRE	\$	600.00	\$ 21,000.00
Total Beach Replenishment Contract (Carolina Beach):					\$ 6,216,000.00
Total Contract W/ Contingency (15%):					\$ 7,148,400.00
Planning, Engineering, & Design Costs:					\$ 150,000.00
Construction Management Costs:					\$ 100,000.00
Total Project Cost (Carolina Beach):					\$ 7,398,400.00
Rounded figure:					\$ 7,400,000.00
Federal Funds Available (65%):					\$ 4,810,000.00
Non-Federal Matching Funds (35%):					\$ 2,590,000.00
Area South (Kure Beach Portion)					
Mob & Demobilization	1	LS	\$	800,000.00	\$ 800,000.00
Pipeline Dredging (Borrow Source:Offshore)	590,000	CY	\$	8.50	\$ 5,015,000.00
Beach Tiling	50	ACRE	\$	600.00	\$ 30,000.00
Total Beach Replenishment (Kure Beach):					\$ 5,845,000.00
Total Contract W/ Contingency (20%):					\$ 7,014,000.00
Planning, Engineering, & Design Costs:					\$ 150,000.00
Construction Management Costs:					\$ 100,000.00
Total Project Cost (Kure Beach):					\$ 7,264,000.00
Rounded figure:					\$ 7,300,000.00
Federal Funds Available (65%):					\$ 4,745,000.00
Non-Federal Matching Funds (35%):					\$ 2,555,000.00
Total Contract Cost:					\$ 14,700,000.00
Total Federal Cost:					\$ 9,555,000.00
Total Non-Federal Cost:					\$ 5,145,000.00

Nancy Avery

From: Keistler, Robert W SAW [Robert.W.Keistler@usace.army.mil]
Sent: Monday, April 21, 2014 4:22 PM
To: Chris Coudriet (New Hanover County Manager); Jim Iannucci (New Hanover County Engineer); Layton Bedsole (NH County Shore Protection Coordinator); Mayor Dan Wilcox (Town of Carolina Beach, NC); Mr. Michael Cramer (CB - Town Manager); Ed Parvin (Town of Carolina Beach); Dean Lambeth; Nancy Avery; John Batson
Cc: Brayman, Christine M SAW; Colella, Samuel J SAW; Medlock, James M SAW; Bingham, Jonathan SAW
Subject: 2014 CB Budget Estimate (4-19-2014).xlsx
Attachments: 2014 CB Budget Estimate (4-19-2014).pdf

Team,

Attached is an updated budget estimate for three possible options for the proposed sand placement on the Carolina Beach & Vicinity Project. This is information that can be used to make your decision on project scope. Listed below is a list of the three options identified in the attachment.

Option 1: Carolina Beach Nourishment Only (Smaller Scoped Project Set to Budgeted Non-Federal Funds Available)

Option 2: Carolina Beach Nourishment Only (Scoped at Amount of Material Available in Carolina Beach Borrow Area (500,000 cubic yards))

Option 3: Carolina Beach and Kure Beach Nourishment

SAW is not able at this time to identify another project that we could pair the Carolina Beach solicitation package with to try and save on mobilization costs.

Please let me know if you have any additional questions.

Thanks,

Bob Keistler

Robert (Bob) W. Keistler, PE
Project Manager
USACE - Wilmington District
69 Darlington Avenue
Wilmington, NC 28403

4/24/2014



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Mayor Pro Tem Bloszinsky

- He isn't sure how spending \$2.2 million from ROT now, or spending \$1.4 million in 2016 if we go in cycle, gives us six years to save money.
- If we don't at least ask for the money now and something happens and that money goes away, then my concern is the Corps could say they offered us the money and we didn't take it.

Mayor Lambeth

- He still doesn't understand why we are being required to pay 17.5% because this is a County and State beach.
- We need to send the resolution and let the County Commissioners respond. It won't play out well here with our residents or in the newspaper if we don't at least ask for it.

MOTION – Commissioner Heglar made the motion to adopt Resolution 14-05 with the Town Clerk to correct any numbers that are in arrears in the five financial numbers in the resolution, and to authorize the mayor to sign it tomorrow and authorize the mayor to sign the attached letter with the exception of the next to the last sentence to be deleted that talks about coordinating storm damage reduction projects.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

Said resolution and letter are herein incorporated as part of these minutes.

ADJOURNMENT

MOTION – Commissioner Heglar made the motion to adjourn at 6:10 p.m.

SECOND – Commissioner Swearingen

VOTE – Unanimous





Dean Lambeth, Mayor ATTEST: Nancy Hewitt, Deputy Town Clerk

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting. Persons wishing to hear the recording of this meeting may request to do so by contacting the Town Clerk.