



# TOWN COUNCIL MINUTES

## REGULAR MEETING

**January 20, 2015 @ 6:30 p.m., or soon thereafter**

The Kure Beach Town Council held their regular meeting on Tuesday, January 20, 2015 at 6:30 p.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

### COUNCIL MEMBERS ABSENT

Commissioner Steve Pagley

### STAFF PRESENT

Finance Officer Arlen Copenhaver, Building Inspector John Batson, Town Clerk Nancy Avery, Deputy Town Clerk Nancy Hewitt

### CALL TO ORDER AND WELCOME

Mayor Lambeth called the meeting to order at 6:30 p.m., delivered the invocation and led everyone in the Pledge of Allegiance.

### MOTION TO EXCUSE COMMISSIONER PAGLEY FROM MEETING

MOTION – Commissioner Heglar made the motion to excuse Commissioner Pagley from the meeting.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

### OPENING OF PUBLIC HEARING

Mayor Lambeth called the public hearing to order at 6:32 p.m. stating that, per N.C.G.S. 160A-20, it was being held to receive public comments on the filing of an application for approval of a financing agreement to finance costs associated with the purchase of real property located at 402 and 406 H Avenues and 334 S. 4<sup>th</sup> Avenue, for the purpose of future expansion of Town facilities/operations to better serve the needs of the Town's population. Financing is for 10 years and the amount will not exceed \$425,000. He said that, at the December 16, 2014 regular Council meeting, Council voted to adopt Resolution 14-12, authorizing the filing of the application, as well as to hold this hearing. Notice of the hearing was posted on the Town's website and at Town Hall on December 19, 2014 and published in the Island Gazette newspaper on January 7, 2015.

### PUBLIC COMMENTS

None

### ADJOURNMENT OF PUBLIC HEARING

As no one signed up to address Council, nor indicated their intent to speak, the Mayor asked for a motion to adjourn the public hearing at 6:32 p.m.



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MOTION – Commissioner Heglar made the motion to adjourn the public hearing.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

## APPROVAL OF CONSENT AGENDA ITEMS

1. Accept Tom Theisen's resignation from the Planning and Zoning Commission, effective February 5, 2015, and authorize Town Clerk to advertise vacancy.
2. Accept Harriet Owsley's resignation from the Street Festival Committee.
3. Accept Dick Graham's resignation from the Cape Fear Disability Commission (*verbal resignation given to Town Clerk in December*)
4. Approve Resolution 15-01, transferring \$11,750 from Contingency line item to Administration/Finance FY14-15 Budget for addition of a full-time Finance employee.
5. Approve Budget Amendment 15-04, to transfer \$11,750 from the General Fund Contingency and \$11,750 from the Water/Sewer Fund balance for a full-time Finance position (the position will be charged 50% to the General Fund and 50% to the Water/Sewer Fund) for a total estimated cost for FY2015 of \$23,500.
6. Approve Application for Funding from NHC TDA for \$173,045.47 for lifeguard services for the summer of 2014.
- ~~7. Approve travel for Mayor Lambeth, Mayor Pro Tem Bloszinsky and Commissioner Swearingen to attend the Water Resources Congress in Washington DC from March 9 to 11, 2015, at an estimated total cost of \$2,746.~~
8. Building Inspections Report – November & December 2014
9. Fire Department Report – December 2014
10. YTD Finance Report
11. Approve Meeting Minutes:
  - December 16, 2014, regular

Mayor Lambeth asked that Item 7 be moved from the Consent Agenda to Old Business as Item 2, for further discussion and consideration.

MOTION – Commissioner Heglar made the motion to move Item 7 of the Consent Agenda to Item 2 under Old Business, for further discussion and consideration.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

MOTION – Commissioner Swearingen made the motion to approve the Consent Agenda Items, as amended.

SECOND – Commissioner Heglar

VOTE – Unanimous



# TOWN COUNCIL MINUTES

## REGULAR MEETING

**January 20, 2015 @ 6:30 p.m., or  
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Resolution 15-01 and Budget Amendment 15-04 are herein incorporated as part of these minutes.

## ADOPTION OF THE AGENDA

Mayor Pro Tem Bloszinsky asked to add Update on Port, Waterway and Beach Commission meeting as Item 1 under New Business.

MOTION – Commissioner Heglar made the motion to adopt the agenda, amended to add Update on Port, Waterway and Beach Commission Meeting as Item 1 under New Business.

SECOND – Commissioner Swearingen

VOTE – Unanimous

## DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

### 1. Parks & Recreation Advisory Board

#### a. Little Free Library

Sarah Smith, member of Island Women, requested permission to install two Little Free Libraries on Kure Beach Town property:

- The libraries resemble a house and contain books that may be borrowed and returned by the public.
- One would be installed at the Community Center and one at Joe Eakes Park.
- Cost to build, install and maintain will be handled by Island Women and Island Men.
- Information was provided to the Public Works Director.
- Approval was received from the Community Center and the Parks and Recreation Advisory Board.
- The books will be of good content.

Public Works Director Beeker said he would like to be there when they start the installation.

MOTION – Commissioner Heglar made the motion to approve two Little Free Libraries be installed at the Community Center and Joe Eakes Park, as presented.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

### 2. Shoreline Access, Beach Protection and Parking Committee

Tony Gonsalves, Chairperson, asked Council to approve the following expenditures needed for the Beach Sweep to be held on April 11<sup>th</sup> and for the Sea Oats Planting to be held on April 18<sup>th</sup>. A total of \$1,792.75 will be needed to purchase supplies, to be taken out of the Committee Budget, as follows:

- \$26.75 purchase of a banner patch from Southern Sign Company
- \$1,650 to purchase 3,000 Sea Oats plants



# TOWN COUNCIL MINUTES

## REGULAR MEETING

**January 20, 2015 @ 6:30 p.m., or soon thereafter**

- \$116 to purchase gloves, bags, snacks and water for volunteers

Mr. Gonsalves said that the committee decided to hold the beach sweep themselves this year, rather than to do it jointly with the Keep America Beautiful campaign.

MOTION – Commissioner Heglar made the motion to approve the three expenditures for a total of \$1,792.75, to be paid out of the Committee Budget.

SECOND – Commissioner Swearingen

VOTE – Unanimous

3. Replacement of Town Representative on the Cape Fear Disability Commission  
Town Clerk Avery stated Dick Graham resigned from the commission for personal reasons. She said he wanted to relay to Council that there wasn't a lot for him to do on the committee since very little was related to Kure Beach, stating it was focused more on Wilmington transportation needs.

CONSENSUS – Council instructed the Town Clerk to advertise the vacancy for a committee replacement to represent the Town.

## DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

### 1. Administration, Finance and Recreation

- a. Council approval of Resolution 15-02, approving financing terms with BB&T for the purchase of real property located at 402 and 406 H Avenues and 334 S. 4<sup>th</sup> Avenue, at a rate of 2.49 percent for 10 years, not to exceed \$425,000.

Finance Officer Copenhaver requested Council approve Resolution 15-02, as presented. He said the best rate received as a result of the Request for Proposal was from BB&T.

MOTION – Commissioner Heglar made the motion to adopt Resolution 15-02, as presented.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – The motion CARRIED with a vote of three to one, as follows: Mayor Lambeth, Mayor Pro Tem Bloszinsky and Commissioner Heglar FOR; Commissioner Swearingen AGAINST.

Resolution 15-02 is herein incorporated as part of these minutes.

### b. Street Festival

Event Coordinator, Nikki Keely, said the Town will hold the Street Festival this year on the last Saturday in April from 11:00 a.m. to 7:00 p.m., and requested approval of the following:

- Close Atlantic Avenue between K and L Avenues
- Allow craft and food vendors



# TOWN COUNCIL MINUTES

## REGULAR MEETING

**January 20, 2015 @ 6:30 p.m., or  
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- Allow beer and wine to be sold by 3<sup>rd</sup> party vendor

MOTION – Commissioner Heglar made the motion to approve the Street Festival, as presented, with the closure of Atlantic Avenue, from K to L Avenues, for the last Saturday in April.

SECOND – Commissioner Swearingen

VOTE – Unanimous

## 2. Building Department

Inspector Batson stated:

- A new home is being built at 205 Settlers Lane, bordering along MOTSU land.
- The owner would like to build a deck that would encroach upon a 25-foot utility easement by six feet.
- The wooden deck, supported by wooden posts, could be easily removed.
- He received Public Works Director Beeker's approval to encroach on the easement.

MOTION – Commissioner Swearingen made the motion to approve the request for the owners of 205 Settlers Lane to build a wooden deck, as shown in the plans.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

## DISCUSSION AND CONSIDERATION OF OLD BUSINESS

### 1. Sandman Property Update

Commissioner Heglar reviewed the issue of the Town's property on Sandman Lane, stating:

- He and the Mayor met with Beach Walk and Kure Village HOA representatives.
- He doesn't see a short term resolution to this complex issue.
- The openness from the HOA representatives was appreciated, and each group had a number of concerns.
- He will send his notes from the meeting to the HOA participants.

Commissioner Swearingen thanked Commissioner Heglar for his work and facilitation of the meeting. She said this is the first time the Town brought the groups together for an honest, open discussion.

### 2. Water Resources Congress Travel

Mayor Lambeth said Commissioner Swearingen has decided not to attend the Water Resources Congress meeting in Washington, DC in March. Only he and Mayor Pro Tem Bloszinsky will attend which reduces the travel estimate from \$2,746 to \$1,754. He requested that Council approve the travel.



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R15-01


**TRANSFERRING FUNDS FROM CONTINGENCY LINE ITEM TO  
ADMINISTRATION/FINANCE FY14-15 BUDGET FOR ADDITION  
OF A FULL-TIME FINANCE EMPLOYEE**

**WHEREAS**, it is a policy of the Town of Kure Beach that the Kure Beach Town Council adopt a resolution any time funds need to be transferred out of the General Fund Contingency account; and

**WHEREAS**, the Kure Beach Town Council has approved the addition of a full-time Finance position within the Administration/Finance Department with a total estimated cost of \$23,500 in FY 2014/2015 with 50% of the expense (\$11,750) being charged to the General Fund; and

**NOW, THEREFORE, BE IT RESOLVED THAT** the Kure Beach Town Council authorizes the Finance Officer to transfer funds in the amount of \$11,750 from the General Fund Contingency account to the General Fund Administration/Finance FY14-15 Budget to cover 50% of the cost of adding a Finance position in the Administration/Finance Department.

Adopted by the Kure Beach Town Council this 20th day of January, 2015.

  
\_\_\_\_\_  
Dean Lambeth, Mayor



  
\_\_\_\_\_  
Attest: Nancy Avery, Town Clerk

BUDGET AMENDMENT  
 FISCAL YEAR ENDING JUNE 30, 2015  
 AMENDMENT DATE: 01/20/2015

Budget Amendment No.: 15-04

DESCRIPTION/PURPOSE OF AMENDMENT

At the 12/16/2014 Town Council meeting, Council approved the addition of a full-time finance position within the Administration/Finance Department. The position will be charged 50% to the General Fund and 50% to the Water/Sewer Fund. The portion relating to the General Fund is being funded from the General Fund Contingency. At the 1/20/15 Town Council meeting, Resolution R15-01 to transfer \$11,750 from the FY 2015 Contingency Fund to the General Fund Administration/Finance Budget is being approved. The Water/Sewer Fund portion is being funded by an appropriation from the Water/Sewer Fund balance. The total estimated cost of the position for FY 2015 is \$23,500, with 50% being charged to each fund.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-420-02-00	Salaries	\$8,000	
10-420-05-00	FICA Taxes	\$612	
10-420-06-00	Group Insurance	\$1,768	
10-420-06-01	Flexible Spending Acct.	\$387	
10-420-07-00	Retirement	\$583	
10-420-07-02	401K	\$400	
10-490-00-00	General Fund Contingency		\$11,750
30-720-02-00	Salaries	\$8,000	
30-720-05-00	FICA Taxes	\$612	
30-720-06-00	Group Insurance	\$1,768	
30-720-06-01	Flexible Spending Acct.	\$388	
30-720-07-00	Retirement	\$582	
30-720-07-02	401K	\$400	
30-310-10-00	Appropriate W/S Fund Balance		\$11,750

NOTE: (a) Budget Officer may transfer between line item expenditures without limitation and without a report being required up to \$10,000 at any one time. (b) The Budget Officer may transfer amounts within departments and of the same fund and reported as part of the financial statements. He/She shall make an official report immediately to Council on such transfers. (c) The Budget Officer may not transfer amounts between funds without prior Council action.

Requested By: Arlen Copenhaver, Finance/Budget Officer Date: 01/20/15


Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 01/20/15

(Copies of actions/directives from Council Meeting to be attached, if required as per NOTE above).



Approved by Council 01/20/15

  
\_\_\_\_\_  
Dean Lambeth, Mayor

  
\_\_\_\_\_  
Nancy Avery, Town Clerk





TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R15-02

**APPROVING FINANCING TERMS WITH BB&T  
FOR THE PURCHASE OF REAL PROPERTY**

**WHEREAS**, The Town of Kure Beach (“Town”) has previously determined to undertake a project for real property purchase financing for future expansion of Town facilities and operations (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project;

**NOW, THEREFORE, BE IT RESOLVED THAT**

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated January 6, 2015. The amount financed shall not exceed \$425,000.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.49% and the financing term shall not exceed ten (10) years from closing.
2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as BB&T may request.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

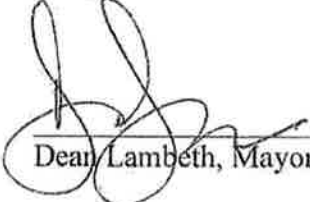
*R*ESOLUTION R15-02

4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).


5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The Town intends that funds that have been advanced, or that may be advanced from the Town's general fund, or any other Town fund related to the project for project costs, may be reimbursed from the financing proceeds.

6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Adopted by the Kure Beach Town Council this 20<sup>th</sup> day of January, 2015.

  
Dean Lambeth, Mayor



  
Attest: Nancy Avery, Town Clerk



# TOWN COUNCIL MINUTES

## REGULAR MEETING

**January 20, 2015 @ 6:30 p.m., or soon thereafter**

MOTION – Commissioner Heglar made the motion for Mayor Lambeth and Mayor Pro Tem Bloszinsky to attend the Water Resources Congress from March 9– 11<sup>th</sup>, at an estimated cost of \$1,754.

SECOND – Commissioner Swearingen

VOTE – Unanimous

## DISCUSSION AND CONSIDERATION OF NEW BUSINESS

### 1. Port, Waterway and Beach Commission Meeting

Mayor Pro Tem Bloszinsky stated negotiations with U.S. Fish and Wildlife are complete and permits are almost ready for the next beach nourishment. He said that this is the first time the Town’s beach will be under the Federal Endangered Species Act, protecting the sea turtle population. He said that, when the permit is ready, we will find out the requirements under the new rules and regulations. He said Federal funding is in place, the State has a portion of their funding, but we need to obtain the rest for beach nourishment.

Commissioner Swearingen asked if the March 17<sup>th</sup> Council meeting could be rescheduled due to conflicts with a meeting taking place in Pine Knoll Shores that certain Council members want to attend on March 16<sup>th</sup> & 17<sup>th</sup>, and this year’s NCLM Town Hall Day is occurring on March 18<sup>th</sup>.

CONSENSUS – Council asked that this item be added to the February Council meeting agenda.

## ADJOURNMENT

MOTION – Commissioner Heglar made the motion to adjourn.

SECOND – Commissioner Swearingen

VOTE – Unanimous

The meeting adjourned at 7:06 p.m.

Dean Lambeth, Mayor



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.