



TOWN COUNCIL MINUTES

REGULAR MEETING

October 20, 2015

Kure Beach Town Council held their regular meeting on Tuesday, October 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 (MPT) Craig Bloszinsky
Commissioner Emilie Swearingen
Commissioner David Heglar
Commissioner Steve Pagley

STAFF PRESENT

Building Inspector – John Batson
Finance Officer – Arlen Copenhaver
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.

VOTE TO EXCUSE COMMISSIONER PAGLEY FROM MEETING

MOTION – Commissioner Heglar moved to excuse Commissioner Pagley from the meeting.

SECOND – MPT Bloszinsky

VOTE – Unanimous

Commissioner Pagley entered the meeting at 6:35 p.m.

MOTION – Commissioner Heglar moved to allow Commissioner Pagley to join the meeting.

SECOND – MPT Bloszinsky

VOTE – Unanimous

APPROVAL OF CONSENT AGENDA ITEMS

- ~~1. Approve two members of Council to attend the 2015 Annual NCBIWA meeting in Wrightsville Beach on November 16th and 17th, at a total registration cost of \$190.~~
2. Adopt Resolution R15-12, transferring funds from the Contingency to the Administration and Finance Department FY15-16 budgets for unanticipated additional expenses incurred during FY15-16.
3. Approve Budget Amendment 16-02, to move funds from the General Fund Contingency to Capital Outlay Equipment in the amount of \$5,190 for purchase and



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installation of a replacement HVAC unit for Town Hall that was unanticipated in FY 15-16 budget.

4. Approve Budget Amendment 16-03, to move funds General Fund Contingency to Miscellaneous in the amount of \$1,994 to pay unanticipated 2015 property taxes on town-owned property at 402 and 406 H Avenue.
5. Fire Department Report – September 2015
6. YTD Finance Report Meeting
7. Minutes:
 - September 15, 2015, regular
 - September 15, 2015, closed
 - October 1, 2015, emergency

MOTION – Commissioner Heglar moved to remove Item 1 from the Consent Agenda Items for further discussion and consideration.

SECOND – Commissioner Swearingen

VOTE – Unanimous

MOTION – Commissioner Heglar moved to approve the remaining Consent Agenda Items, as amended.

SECOND – Commissioner Swearingen

VOTE – Unanimous

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

ADOPTION OF THE AGENDA

Commissioner Heglar asked that the item removed from under the consent agenda be placed on the agenda as Item 2 under New Business.

Mayor Lambeth asked that Item 3 under New Business be discussion on whether or not to support the Village of Bald Head Island's resolution to oppose the issuance of wind energy leases within 24 nautical miles of North Carolina's shores.

MOTION – Commissioner Heglar moved to adopt the meeting agenda, as amended.

SECOND – MPT Bloszinsky

VOTE – Unanimous

DISCUSSION AND CONSIDERATION OF PRESENTATIONS TO COUNCIL

1. Bernard Robinson & Co., Victor Blackburn, presentation of FY2014-2015 audit
Mr. Blackburn explained that there was a proprietary statement to the net position of the town this year because the town had to implement GASB 68 which states that participants of the retirement system should record on their financial statements their



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proportionate share of any liabilities or assets from the plan. He said this resulted in a restatement of beginning net positions of the town and a recording of the town's portion of the state's retirement plan for the town's employees; but there was no lack of authoritative guidance or consensus by the town. He said that the most sensitive estimates affecting the town were for law enforcement officers' Special Separation Allowance and other postemployment benefits for healthcare benefits liabilities.

He went on to review the findings from the audit and pointed out that 2015's unrestricted fund balance was up to \$2.5 million, compared to an average of about \$1.7 million in 2013 and 2014.

Commissioner Heglar said that the unrestricted fund amount shown in Mr. Blackburn's presentation reflects the net amount as of June 30, 2015. He asked town residents to understand that the town's revenue from property taxes comes in around January and February and the town has to exist off of it until the next year's property tax collection; so the \$2.5 million reflected as of June 30th doesn't represent the low point of the unrestricted fund balance which, he said, usually hits at the end of the calendar year.

Finance Officer Copenhaver said that the town really hits the low point in August or September, and property tax revenue begins coming in around October after the property tax bills are mailed out from the county.

After Mr. Blackburn finished reviewing his findings, he concluded that the town received the cleanest opinion from the auditors as can be received. He said there were no internal control issues and no management letters or adjustments needed, which should give council some comfort to know that the numbers presented to them by the finance officer throughout the year are consistent with what the auditors look at; they are good, solid numbers from which council can make their management decisions. He commended Finance Officer Copenhaver for making sure things are correct throughout the year instead of just waiting until year-end to fix them.

MPT Bloszinsky thanked Mr. Blackburn for making it part of the record that the finance officer is doing a great job.

DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

1. John Ellen, 181 Seawatch Lane

Mr. Ellen thanked Public Works for clearing away the sand and gravel from the bike lanes that was deposited during the recent storm. He added that he was asked by Congressman Rouzer's team to be a member of his Veterans Advisory Council. He said that, after all of the years he spent in the Air Force, he feels he can help out.



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DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Shoreline Access, Beach Protection and Parking Committee

a. Adopt-A-Beach program proposal presentation

Committee member, Ann Hughes, gave council a copy of the proposed guidelines and participation agreement form for the program. She said their plan is to “soft market” the program to the businesses, community services and HOAs via the newspaper and community talks. She said that the committee will monitor the program and there will be a link from the town’s website to their website giving information on the program and providing an area for sponsorship registration. She said there are no plans to have sponsorship signs on the beach areas. She said that she and five other people on the committee worked to put the proposal together and get it up and running. She said that, if approved, the program’s implementation date will be January 1, 2016.

Commissioner Heglar said the only thing he thought was missing from the guidelines was a list of criteria to determine if a sponsor should be terminated.

Ms. Hughes said they originally had that in the guidelines, but the town’s attorney recommended removing it and replacing it with the current statement of termination.

Attorney Canoutas said that, in this situation, it should be left up to Council to terminate a sponsor because he doesn’t feel comfortable delegating that authority to a committee.

MOTION – Commissioner Pagley moved to approve the program’s guidelines and the Annual Partnership Agreement Form for the Kure Beach Adopt-A-Beach program, as presented.

SECOND – MPT Bloszinsky

VOTE – Unanimous

Said program guidelines and form are herein incorporated as part of these minutes.

b. Corral and Downtown Street/Parking Lighting

Committee Chairperson Gonsalves said he knows Public Works has been working very hard, but the agenda item regarding lighting that was supposed to be addressed last month but was rescheduled for this month was taken off of the agenda. He said he didn’t know what council wanted to do, but a decision needed to be made on the subject.

Deputy Town Clerk Hewitt explained that she contacted Public Works and was told to take it off of the October agenda.

Commissioner Heglar said he would speak with Director Beeker and asked that it be put on the November agenda for discussion and consideration.



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DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration and Recreation

- a. Authorization to close Town Hall for the day at noon on Wednesday, November 25th to allow employees to attend Employee Appreciation luncheon.

MOTION – Commissioner Heglar moved to authorize the closing of Town Hall at 12:00 p.m., for the day, on Wednesday, November 25th to allow employees to attend Employee Appreciation luncheon.

SECOND – MPT Bloszinsky

VOTE – Unanimous

2. Finance Department

Finance Officer Copenhaver said there will be a visit from that state's emergency management team and FEMA to go over any extra costs the town incurred because of the recent storm.

3. Building Department

Inspector Batson said that a 90-day appeal period starts regarding the town and county flood maps on October 29th, at which time the town needs to submit either technical or scientific data to the state, if there's a problem with the flood map. He said that Wrightsville Beach is planning to appeal their flood map which, in turn, may delay the effective date for Kure Beach's flood map for about one or two years. He said he'd keep Council informed on the progress of the maps.

Commissioner Swearingen said there's a public meeting coming up sometime next week about the flood maps, at which point Commissioner Heglar stated that the upcoming meeting isn't about the flood maps but about the waters of the United States, which is also important to the town.

Inspector Batson said that 16 properties reported some damage from the storm. He commended Public Works and said that Director Beeker did an excellent job mitigating issues before they became major problems. He said that whenever there is a new house being built in a flood-prone area, instead of charging a storm water fee, he has been waiving the fee in return for the homeowner putting in an engineered storm water system; three have been done like this in the last couple of years. He said that there is nothing in the ordinance that allows for that, but it was done when he and Director Beeker could see a need. He said he anticipates more of this coming up soon and asked council how they wanted him to proceed.

MPT Bloszinsky asked who inspected the systems after installation to evaluate if they were put in correctly.



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Inspector Batson said Director Beeker is capable of doing the inspection, but the engineer who drew the system usually comes out and does a side inspection and provides his written acceptance of the system to Inspector Batson.

COUNCIL CONSENSUS – Council directed the town attorney to work with the building inspector to recommend how to modify the ordinance to give him authority to waive storm water fees for new houses being built in flood-prone areas in return for homeowners installing an engineered storm water system on their property.

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

None

DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Political Signs on Dow Road

Mayor Lambeth told council that Commissioner Swearingen put some political signs on Dow Road, which is against the town's ordinance. He said that she is a town commissioner and was a building commissioner for two years and should know about the ordinance.

Commissioner Swearingen said she spoke to a representative at the regional DOT office who told her that state laws always take precedence over local laws. He sent her a copy of the state law that says one can put up campaign signs 30 days before early voting on any road for which the state DOT has control; those roads in Kure Beach are Highway 421, K Avenue, Dow Road and Ocean Boulevard. She said one also must have permission from the adjacent property owners which, in this case, is Sunny Point. She was told by the DOT representative that Sunny Point has never complained about the signs..

MPT Bloszinsky said that an accurate ruling was needed so both candidates can do what is allowed.

The town attorney read Chapter 19-373 (7) of the code that forbids putting signs on Dow Road and explained that it was originally adopted in 2003 and amended in 2009 and 2011. He said, when the question came up about putting signs on Dow, originally, he told the sitting council that Dow Road was a state road and they needed to find out from the DOT what their desire was. He said that the DOT informed the town that it could do anything out there with their permission, which is what the town obtained.

Commissioner Swearingen asked the Town Clerk if she could locate the DOT's written permission to forbid signs on Dow Road.



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Commissioner Heglar said that a lot of time is being spent in discussion about one campaign sign on Dow Road when there are so many more important things to discuss.

Mayor Lambeth said it was important to him because he doesn't want his opponent pushing the envelope when he has been obeying the ordinance.

Commissioner Heglar stated that, when the council members took their oaths, they said they would all follow the ordinances of the town. He said if there are stupid ordinances, then they should be discussed in a council meeting. He said if Commissioner Swearingen didn't know about the ordinance, then the mayor should have told her about it; but if she knew about it, she shouldn't have gone to the state directly to circumvent the town's ordinance. He said that the ordinance either needs to be changed or it should be followed.

Commissioner Swearingen said she doesn't think that the town's ordinance is wrong, but state laws should take precedence over what the town does.

Commissioner Heglar said that she should then put it on the agenda for council to change the ordinance.

Commissioner Swearingen asked that the subject be put on the November council agenda and asked if, in the meantime, the building inspector would work with the town attorney to change the ordinance to state, "If state laws take precedence, we will obey the state law." She asked if it had to go before the Planning and Zoning Commission (P&Z) first.

Inspector Batson said that the last two times it was changed, it was given to the town attorney to change.

Town Clerk Avery stated that, because it's a zoning ordinance, it has to go before P&Z; this was confirmed by the town attorney.

P&Z member, John Ellen, pointed out that they had canceled their November meeting and wouldn't be meeting again until December.

Commissioner Swearingen said that they could present their recommendation at the December council meeting.

COUNCIL CONSENSUS – Council directed the town attorney to work with the Planning and Zoning Commission on amending Chapter 19-373 (7) of the town's code and present their recommendation to council at the December council meeting.



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2. Approve two members of Council to attend the 2015 Annual NCBIWA meeting in Wrightsville Beach on November 16th and 17th, at a total registration cost of \$190.

MOTION – Commissioner Heglar moved to approve MPT Bloszinsky and whoever wins the mayoral election to attend the 2015 Annual NCBIWA meeting in Wrightsville Beach on November 16-17, at a total registration cost of \$190.

SECOND – Commissioner Pagley

VOTE – Unanimous

3. Bald Head Island’s resolution to oppose the issuance of wind energy leases within 24 nautical miles of North Carolina’s shores

Mayor Lambeth said the Village of Bald Head Island (VBHI) is opposed to having windmills being placed out in the ocean within their line of sight. He said that the Bureau of Ocean Energy Management contends that the further away from shore the windmills are moved, the less electricity is generated due to the length of the trunk line. He said that VBHI doesn’t need anything else to deal with on top of having to beef-up their beaches and asked council to support their resolution.

Commissioner Swearingen said that the windmills are much closer than what the feds are allowing in other states.

Commissioner Heglar said that VBHI’s argument is that people standing in the lighthouse will see the windmills, not because people could see them from the beach. He said that it is an engineering truth that if you put the windmills too far away, you’re not going to get any electricity from wind and, basically what they’re saying is they don’t want wind energy off their coast.

Town Clerk Avery pointed out that a Kure Beach resolution hasn’t been drafted yet because she just emailed it to council yesterday to see if they wanted to put it on the November council agenda.

Commissioner Swearingen said that, since there was no rush, the resolution could be drafted and brought back to the November council meeting for approval.

Mayor Lambeth said that he wanted to take the vote now to support the resolution.

MOTION – Mayor Lambeth moved to copy the resolution from VBHI, opposing the issuance of wind energy leases within 24 nautical miles of North Carolina’s shores and to adopt it for Kure Beach.



TOWN COUNCIL
TOWN OF KURE BEACH, NC

RESOLUTION R15-12

**TRANSFERRING FUNDS FROM CONTINGENCY LINE ITEM TO
ADMINISTRATION AND FINANCE DEPARTMENTS' FY 15-16 BUDGETS
FOR ADDITIONAL EXPENSES INCURRED DURING FY 15-16**

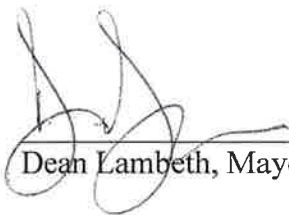
WHEREAS, it is a policy of the Town of Kure Beach that the Kure Beach Town Council adopt a resolution any time funds need to be transferred out of the General Fund Contingency account; and

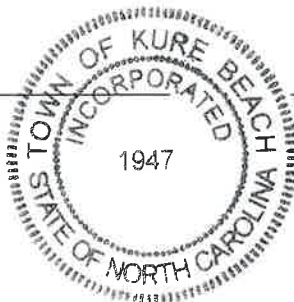
WHEREAS, the Kure Beach Town Council has approved FY 15-16 Budget Amendments totaling \$7,184 (Administration - \$5,190 and Finance - \$1,994) for estimated additional expenses beyond the approved operating budget; and


NOW, THEREFORE, BE IT RESOLVED THAT the Kure Beach Town Council authorizes the Finance Officer to transfer funds in the amount of \$7,184 from the General Fund Contingency account. These funds are to be allocated to the following FY 15-16 Departmental Budgets to cover estimated additional expenses beyond the approved operating budget:

Administration	\$5,190
Finance	<u>\$1,994</u>
Total	<u>\$7,184</u>

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


Dean Lambeth, Mayor




Attest: Nancy Avery, Town Clerk

BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2016

AMENDMENT DATE: 09/30/2015

Budget Amendment No.: 16-03

DESCRIPTION/PURPOSE OF AMENDMENT

For property tax purposes, the ownership of real property is determined annually as of January 1 (N.C.G.S. 105-285). On 3/12/2015, the Town of Kure Beach purchased two vacant lots (402 and 406 H Ave.). Since the land was not owned by a tax-exempt entity at 1/1/2015, property taxes must be paid for 2015. Therefore, property taxes of approximately \$997 are due for each lot (\$1,994 total). Since this expenditure was not anticipated when the FY 2016 Budget was prepared and approved, this Budget Amendment increases the Finance Dept. budget for the amount of the property taxes with the funding source being the General Fund Contingency account. At the 10/20/15 Town Council meeting, Council adopted Resolution 15-12 to transfer funds from the FY 2016 Contingency Fund to the Finance Dept. Budget for the additional expenses.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-415-57-00	Miscellaneous	\$1,994	
10-490-00-00	General Fund Contingency		\$1,994

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: 09/30/15

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 09/30/15

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

above by Council 10/20/15 [Signature] Dean Lambeth, Mayor

[Signature] Nancy Avery, Town Clerk



BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2016

AMENDMENT DATE: 09/22/2015

Budget Amendment No.: 16-02

DESCRIPTION/PURPOSE OF AMENDMENT

The HVAC unit for the Council room developed mechanical issues in September. The unit is in excess of 20 years old. The recommendation from the HVAC repair company is to replace the unit. The estimated cost to replace the unit is \$5,190. Since this expenditure was not anticipated when the FY 2016 Budget was prepared and approved, this Budget Amendment increases the capital outlay budget for the Administration Dept. with the funding source being the General Fund Contingency account. At the 10/20/15 Town Council meeting, Council adopted Resolution 15-12 to transfer funds from the FY 2016 Contingency Fund to the Administration Dept. Budget for the additional expenses.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-420-74-00	Capital Outlay - Equipment	\$5,190	
10-490-00-00	General Fund Contingency		\$5,190

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: Nancy Avery, Town Clerk Date: 09/22/15

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 09/22/15

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



Approved by Council 10/20/15 _____ Dean Lambeth, Mayor

_____ Nancy Avery, Town Clerk

"DRAFT"



Shoreline Access, Beach Protection and Parking Committee

Adopt – A – Beach

The Kure Beach Adopt a Beach program is an initiative through the Shoreline Access, Beach Protection and Parking Committee, a town committee appointed by Town Council. The program is an effort to provide a great way for businesses, civic clubs, school groups, neighborhood associations and individuals to make a significant contribution to the preservation of our beautiful coastal environment. By participation, groups and individuals become strong advocates for the preservation of our beach community and the efforts to maintain a litter free environment.

To get involved, a representative of your organization should access the link through the Town of Kure Beach website (www.townofkurebeach.org), where you will find further information and the Partnership Agreement form to get started.

General Adopt - a - Beach Guidelines:

- Adoption sites are designated at each public access point south to the next access point.
- Adoption sites are annual commitments, whereby organizations/individuals agree to daily/weekly litter pick up during the summer months (June – August) and monthly pick-up during the off-season
- Participants provide own gloves, bags, water & sunscreen.
- No participant shall walk on, or disturb any dune or nesting turtle sites.
- Collected trash can be left at the trash cans located at the access point. Although not required, if you do separate recyclables, there are recycle containers at the boardwalk near the pier, or you can take them home to include in your own recycle container.
- If you find any unusual trash, large items, or trash in the dunes, please don't try to remove it, instead make note on the website "additional information" section, ([http:// ... tbd ...](http://... tbd ...)).
- If you spot a Live or Dead marine mammal stranded on the beach, please contact, as soon as possible, the appropriate person listed on the "Marine Mammal & Water Fowl Stranding Response Info" on our website ([http:// ... tbd ...](http://... tbd ...)).



Shoreline Access, Beach Protection and Parking Committee

Adopt – A – Beach

Annual Partnership Agreement Form

Please complete this online fillable form and submit.

The Shoreline Access, Beach Protection and Parking Committee (SLABP&P) for the Town of Kure Beach and _____ (Organization / Individuals) recognize the need and the desirability of litter-free beaches.

The Adopt-A-Beach program was established for community and civic organizations as well as private business and individuals to contribute toward the effort of maintaining cleaner and more beautiful shorelines.

_____ (Organization / Individuals) is/are aware of the potential dangers associated with this effort, and agree to follow reasonable safety guidelines, which are as follows: 1) stay out of dune areas; 2) wear gloves and sunscreen; 3) be careful when handling sharp objects; 4) don't lift anything too heavy; 5) drink plenty of water; 6) if you encounter an unusual or a potentially dangerous item, don't remove it. Instead, please complete the "additional information form" on the website (<http:// ... tbd ...>); 7) If you spot a Live or Dead marine mammal stranded on the beach, please contact, as soon as possible, the appropriate person listed on the "Marine Mammal & Water Fowl Stranding Response Info" on our website (<http:// ... tbd ...>).

_____ (Organization / Individuals) have agreed to hold harmless the Town of Kure Beach, or other town related entities/individuals for any injuries they may suffer or damages that they may cause as a result of participation in the program, as indicated by their signatures on this agreement.

SLABP&P recognizes _____ (Organization / Individuals) as the adopting organization for the Kure Beach access point designated as (please reference the "access point map" on this website): _____

_____ in New Hanover County (please note: more than one organization may adopt the same stretch of beach)

Volunteer Information:

_____ (Organization / Individuals) volunteers accept the responsibility of picking up litter along its section of beach daily/weekly during the summer (June – August) and monthly during the off-season months for a period of one year. This agreement begins _____, 20____; and ends _____, 20____.

Failure to abide by this agreement may result in its termination.

Official Signatures:

Authorized Organization Representative

Shoreline Access, Beach Protection and Parking Committee

Signature

Adopt-A-Beach Coordinator

Print Name

Information: www.kbadopt-beach.com

Comments/Questions: (tbd ex: info@KBAdopt-beach.com)

Phone number

Address

City

Zip

Email



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SECOND – MPT Bloszinsky

VOTE – FAILED three to two, as follows: Commissioners Swearingen, Heglar and Pagley OPPOSED; and Mayor Lambeth and MPT Bloszinsky IN FAVOR.

COMMISSIONER ITEMS

Commissioner Heglar invited everyone to come to the 2015 Kure Beach Candidate Forum to be held tomorrow, October 21, 2015 at the Community Center.

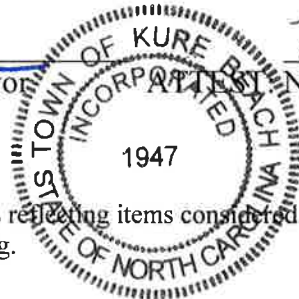
ADJOURNMENT

MOTION – Commissioner Heglar

SECOND – Commissioner Swearingen

VOTE – Unanimous

The meeting adjourned at 7:30 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.