



**CAROLINA BEACH**  
**TOWN COUNCIL MEETING**  
**MINUTES • AUGUST 11, 2015**

Council Chambers

Regular Meeting

6:30 PM

**1121 N. LAKE PARK BLVD.**  
**CAROLINA BEACH, NC 28428**

**1. CALL MEETING TO ORDER WITH INVOCATION AND PLEDGE OF ALLEGIANCE**

Mayor Wilcox called the meeting to order. He recognized our North Carolina Senator Michael Lee. Invocation was given by a member of the audience and was followed by the Pledge of Allegiance.

Attendee Name	Title	Status	Arrived
Dan Wilcox	Mayor	Present	
LeAnn Pierce	Mayor Pro Tem	Present	
Steve Shuttleworth	Council Member	Absent	
Sarah Friede	Council Member	Present	
Gary Doetsch	Council Member	Present	
Michael Cramer	Town Manager	Present	
Ed Parvin	Assistant Town Manager	Present	
Debbie Hall	Finance Director	Present	
Kim Ward	Town Clerk	Present	
Noel Fox	Attorney	Present	

**2. ADOPT THE AGENDA**

**Council Member Doetsch made a motion to excuse Council Member Shuttleworth who was unable to attend the meeting. MOTION CARRIED UNANIMOUSLY.**

**Mayor Wilcox made a motion to adopt the agenda. MOTION CARRIED UNANIMOUSLY.**

**3. SPECIAL PRESENTATIONS**

a. Employee Recognition

*(Requested by Kim Ward, Town Clerk)*

Interim Chief Harry Humphries introduced Wanda Hannah, the new Police Records Specialist.

Chief Humphries also recognized Sergeant Jeff Harvey for 10 years of service as well as Anthony Marcucilli as the newest member in the Detectives Division.

b. Brief Special Events for August and September

*(Requested by Brenda Butler, Planning & Development)*

Brenda Butler gave an update on the upcoming events for August and September.

c. Project Update by Gil DuBois

*(Requested by Gil Dubois, Operations)*

Presentation by Gil DuBois on project update.

Currently on the Phase 1 project the main waterlines on Cape Fear have been disinfected and passed the pressure tests. The contractor will start doing service transfers some time next week. The new 14" force main is basically completed, has been pressure tested and documented by the engineer and is currently in DENR's hands and we could use it if we had to. The major episode we started with to stay in compliance with the state has been completed. As an update on storm drain work, on the north side of Cape Fear, we are about 70 feet north of Fifth Street going towards Sixth and will be finished with that this week on the north side barring any significant weather change. On the south side we are approximately 200 feet from Fourth going to Fifth. We had a meeting with the contractor today who said it will take 7-10 days maximum to finish that section on the south side. So on Friday of next week we should be totally finished with storm drain work. On Monday of next week Freeman Concrete will be coming in and starting the concrete layout between Third Street and Fourth. Afterwards we will begin grading and everything is still on schedule to be completed by the established deadline.

d. Manager's Update

*(Requested by Michael Cramer, Town Manager's Office)*

Presentation of manager's update by Michael Cramer.

Cityworks Implementation - software was purchased and we hired a consultant to help us with the implementation. A lot of our staff are currently in training. We have brought in all of our upper and middle management staff and some who do specialized services to work with us in documenting exactly what they do and how they do it to establish a record of all of our assets we maintain in the town. We expect the implementation to be completed by January and will be able to give Council and the public much better service and information about the types of work that we provide dealing with our assets.

MOTSU Environmental Work - six months or so ago I mentioned that the authorities at MOTSU had requested that we perform an environmental phase 1 assessment of our wastewater treatment plant, a 50 acre facility. The main reason is because we have been leasing the property from them since the 1960's and regulations have changed. They wanted to make sure that we had their up-to-date standards, meaning having a phase 1 environmental done. We contracted with Clark Group Environmental to do that work and ended up coming away with a solid report that identified approximately ten items that were concerns. Seven of those concerns were all associated to the operation of a wastewater treatment plant so those all are understandable and acceptable to the regulators. The three that we had left were all three that we had slated on our budget for this year to do work on and improvements to. The first being the EQ basin and the re-establishment of that, the second being our drying beds and the reconstruction of our existing drying beds. The third would be the removal of an underground storage tank that has been on the property for our backup generators, and turning that into an above-ground storage tank. These three items we had already accounted for. The second piece of environmental work that we have been doing for almost two years has been on the old garage maintenance area. We started off with a very large footprint and did quite a bit of sampling to determine what kind of chemical signatures we would find in the area and have slowly whittled it down to where we have now determined there is one location that has a chemical signature that can't be explained. Clark Group has helped us with all of those samplings and projects and has established a report and presented that to DENR. They have accepted that report and believe that we are on the right path. The remediation for that at this point is a few test wells to make sure that we can sample and identify any of the chemical signatures if they make it to the groundwater. However, groundwater in that area at the present time has no

chemical signatures in it. So we are still working on that. With those two projects moving forward I sent the reports on to MOTSU for their information and requested three things from the authorities there. First that they would agree that we have met all of our environmental testing regulations at this point, and they have. They reiterated that to us. The second item was that they would authorize us to do those three improvements that we had planned on doing at the wastewater treatment plant, which they did. The last item was to schedule a meeting to talk with their staff about some of the future items that we're interested in, such as our three million gallon water tank, our plant, various wells and utility easements. That was the only place that we fell a little short. MOTSU didn't say no, but not at this time. Typically the federal fiscal year ends in September and begins in October so they are in the middle of going through budgets and trying to close out things. The recommendation was that we would come back and meet at the end of the year or beginning of next year and try and identify those things that we were looking for. All-in-all, we received very good information and acceptance of what we had done so far and seemed very appreciative of the speed we have been going at in removing these environmental issues and doing the testing.

In front of you I left you with a couple of different items, one was a general brochure overview of the Cityworks implementation documents and also the letter from Col. Hart at MOTSU explaining his answers to those reports we had sent.

Update on Police Chief Hiring Search - we received 86 applications from all over the country as well as in the region with very good high level interest. The applications were screened for minimum requirements and graded them. We ended up with twelve individuals who I interviewed. Six were internal town candidates and six were external. Three from within the state, two from Virginia and one from South Carolina. After going through the interview process I looked for and asked questions based on four different categories - motivation, leadership style, management and vision. After going through that we ended up with five qualified applicants to come in for a final panel interview, which will take place in the last week of August. The panel will be myself, Ed Parvin (Assistant Town Manager), Holly Brooks (HR Director), Allan Griffin (Fire Chief) and Sam Gervase (Topsail Island Police Chief). Barring any particular issues with that I expect we will have a decision made the following week and making an offer or recommendation at that point.

**4. OLD BUSINESS**

No old business heard.

**5. PUBLIC DISCUSSION**

No one signed up for public discussion.

Mayor Wilcox called for a break.

**6. PUBLIC HEARINGS**

Mayor Wilcox called the meeting back to order.

- a. Conditional Use Permit: For a Harris Teeter Grocery Shopping Center/Big Box Store that will be located at 1000 & 1010 N Lake Park Blvd. Applicant: BBM Associates Inc. – Alan Maness

*(Requested by Jeremy Hardison, Planning & Development)*

Mayor Wilcox said a conditional use hearing is a quasi-judicial hearing, a due process hearing that requires us to follow special rules different than when we make decisions about Town ordinances, text amendments and things of that nature. We have very specific guidelines we have to follow much like a court of law. Our

findings have to be based specifically on whether the project meets the ordinance or not and we can impose conditions, but those conditions have to be reasonable and they have to be within the spirit of the ordinance. And in doing that we can only consider material and competent evidence. We will be glad to listen to you if you get up here and say I just don't feel like this is good for the community, but it's not something we can take into account when we're making our decision for these types of decisions. The process generally is staff will give a presentation, the applicant will get up and make their presentation. We will then open up for public comment and then close public comment, have some discussion, may have some more questions and then it goes on from there.

Sworn in by the Clerk:

Alan Maness - BBM Associates, Inc.

Jonathan Guy, Kimley Horn

Michael Lee, Applicant's Attorney

Ed Parvin, Assistant Town Manager

Jeremy Hardison, Senior Planner

Randy Simon, Manager of Mona Black Marina

John Lennon, Federal Point Shopping Center

Presentation on the Conditional Use Permit for Harris Teeter Grocery Shopping Center/Big Box Store by Jeremy Hardison.

This conditional use permit proposal before you is for a Harris Teeter/Big Box Store and it is defined that way in our zoning ordinance because of the scope and size of the project and is required to go through the public hearing process. A quick overview - previous uses of the proposed site was Jubilee Park which was closed prior to 2005 and during that same year there was an approval for a mixed use project called Jubilee Park and it did have eleven commercial units adjacent to Lake Park Blvd. And 114 residential units but that project was never built and has since changed hands which leads us to the Harris Teeter. This is the current condition of the site (shown on overhead), which is vacant with one building previously used by Jubilee Park and also as a sales center for a real estate office. It consists of over seven acres. It is in a flood zone, but because of the elevation of the proposed lot, the building will not be required to be elevated but to grade as you would normally see a grocery store. It is in the highway business zoning district. Adjacent uses are the Federal Point Shopping Center, to the south is Putt-Putt and batting cages and the former site of the Brew Thru. This is going to be a grocery store and is proposed to have a pharmacy, a fuel center located along Lake Park Boulevard and some form of a coffee establishment, normally a national chain, located within the building. With this approval they are asking for an addition of over 5,000 square foot to bring the total square footage to 58,768 but at this time they are only going to build a 53,000 square foot store. They would like part of the approval to be for a proposed addition along the north side of the property (shown on overhead). Stormwater will be treated on site. A proposed pond will be in the rear of the property along St. Joseph Street. The project does meet the highway business setbacks and lot coverage requirements. They are proposing 266 parking spaces, three loading zones with two in the rear and one in the front during closing hours for smaller trucks. The building height is 41 feet and a trash compactor will be provided in the rear. There will also be some trash dumpsters in the fuel station area. With the proposed project they are making some significant traffic improvements in this area. One noticeable change will be the stoplight relocation that is currently between the ABC store and Wings. They will be relocating it on the other side of the Wings store to create a centralized access point to service both the Harris Teeter site and Federal Point. They will be providing several connectivity points to the Federal Point Shopping

Center and five foot sidewalks along Lake Park Boulevard and they are putting one in front of the Wings store to connect to the existing sidewalk that is in front of the ABC store and there is a sidewalk in front of the Brew Thru. Staff requested a pedestrian access to go through the site and to access the store. They have provided that, a five foot sidewalk entering the site along the south property line to the entrance of the store and it will continue around the building around the stormwater pond and connect to St. Joseph for a nice pedestrian link that will be away from vehicular traffic to give us a safe walkway (shown on overhead). Bike racks will be provided as well in front of the store. The Department of Transportation and MPO traffic engineers have reviewed the plan and a traffic impact analysis has been performed. The landscaping plan requires a ten foot setback and they have done this where it is feasible except with the five foot pedestrian connection here (shown on overhead). Staff was okay with waiving the landscaping here in lieu of a safe pedestrian access on the south side. They have provided the landscaping in the front, side of the buildings and around the stormwater pond. They are asking for a waiver of approval from Town Council for the ten foot setback buffer on the south side of the property for that five foot sidewalk. Another requirement would be consecutive parking spaces landscape requirement because of the parking requirement and also to provide for return carts, they are asking for that waiver as well.

Mayor Wilcox asked for clarification on the last part.

Mr. Hardison said in the landscaping ordinance it requires for every 15 consecutive parking spaces you have to break that up with an eight foot landscape aisle. There are areas on the side here (shown on overhead) that they have not provided that break in the fifteen consecutive spaces.

Council Member Friede asked do we frequently waive that when we get large parking areas like this or is that something we generally require people to implement.

Mr. Hardison said recently we haven't had any large parking lots that would have 15 consecutive so just because we haven't had a proposal recently we have not waived it.

Council Member Friede said the only one that I can think of that is relatively new in town is Food Lion and I don't think they have landscaping in the middle of their parking.

Mr. Hardison said they do on the sides, but not in the interior. One requirement they are having is 8% interior landscaping that they do meet. So they are providing some landscaping in the parking areas it's just not that 15 consecutive space.

Council Member Friede said what is the purpose of that 15 consecutive space? Is it to help with stormwater?

Mr. Hardison said it's just visual esthetics so you don't have a sea of parking.

Ed Parvin said I believe that was added in after Food Lion. It was a fairly recent code.

Council Member Friede said if we insisted on that, what would that do to their ability to meet the parking requirements at this site?

Mr. Hardison said they would have to redesign to meet the required parking because they are right at it now.

MPT Pierce said is there an entry from St. Joseph Street to the facility?

Mr. Hardison said they are using the existing driveway that Federal Point has and providing the interconnectivity to that site.

Council Member Friede said I always thought that was private. Isn't that a private road?

Mr. Hardison said it's a private access to Federal Point, they own that. It's not a public road, but they have an easement agreement to access that between the two parties.

Council Member Friede said what is the proposed addition for?

Mr. Hardison said it's just added square footage. They have different scales of Harris Teeter, different sizes, and eventually they would like to add the 5,000 square feet for store space. It is not a separate tenant, to my knowledge.

Council Member Friede said with the expansion space can they meet the parking requirements?

Mr. Hardison said right now it is just for the 5,300 square foot store. They would need to meet the additional parking and that is one of the conditions of the grant order for any new expansions they would have to provide that parking.

Council Member Friede said I have a number of questions about the parking study itself, the expansion of Lake Park Blvd. Are you prepared to address those or would those be better answered by the applicant?

Mr. Hardison said I can attempt to but they also have their traffic engineer who is better suited for those questions.

Michael Cramer said do you want to explain the recommendations from staff?

Mr. Hardison said staff recommends approval based off the Land Use Plan. It is in line with the plan. P&Z recommended approval. They did, however, have two additional conditions. One was they wanted additional landscaping and that was around the stormwater pond. They plan that they saw didn't have any. They did revise the plans to accommodate that request from Planning and Zoning. The other recommendation was to provide interconnectivity to the south properties which would be the Putt Putt or the former use of the Brew Thru site. They looked at that and were unable to meet that recommendation because of the traffic impact concerns and there are going to be, with the final site, differences in elevation where they would not be able to meet that driveway stub out.

Mayor Wilcox said the draft grant order, does it cover all of these items that are specified in here, the 58,000 to include the addition, landscaping and stormwater pond, sidewalk on the front and lead walk into the facility, ten foot side setback waiver and the landscaping waiver in the aisles?

Mr. Hardison said it does. The site plan that is in front of you now will meet those specifics.

Mayor Wilcox said what about the recommendation on the connectivity?

Mr. Hardison said it does not have that as part of their site plan so that's not part of their proposal. It's not in the grant order.

Mayor Wilcox opened the public hearing and we would like to hear from the applicant as the first part of the public hearing and then we will hear public comment.

Michael Lee, Lee Law Firm, representing the applicant. I will also introduce Ted Barnes who represents the owner of the property. Also Jonathan Guy with Kimley-Horne is here to talk about traffic related issues as well as the engineer, Alan Manness, to answer some technical questions. Jeremy has already kind of run through things in detail, so I may skip over a few things so that I don't repeat a lot of things he said. As you know, you have seven specific standards related to the development that are primarily technical in nature and I know that Jeremy has already covered those. I do want to focus in on the four general conditions, the fact that it won't materially endanger public health or safety. It meets all the required conditions and specifications and will not result in injury of adjoining or abutting properties. The project is essentially in harmony with the general area. I will address those a little bit later in the presentation. First, I'm really going to talk about the project, talk about the specific property, the dirt. Then I will address the four conditions and the ordinance requirements. First of all, these are just concept plans. I know you saw them in the staff presentation as well, but I'm not sure if it will look exactly like this. This is the plan they usually gravitate toward with beach communities (shown on overhead). You already know that 58,000 will be after expansion and Council Member Friede, you asked about that expansion. Harris Teeter, in just about all of their projects, whether they own or lease, will generally have an expansion option so that in the future if they might change prototypes they have some flexibility there and having to meet all of the code requirements as well as parking, stormwater and other aspects of the ordinance. And then, of course, the fuel center on the front side. Within the project the intent now is a coffee shop and potentially a pharmacy as well. I know you are all familiar with this site here (shown on overhead) with the adjoining Federal Point Shopping Center and we'll talk about this in just a moment. I think Council Member Friede brought it up. The applicant has really gone to great lengths to create interconnectivity in this whole project area by working with the Federal Point Shopping Center owner, by creating these access easements and, of course, when you have those impervious surfaces added, the stormwater components and having what will appear to be a little bit more of an integrated development as opposed to two separate standalone projects. I love this picture (shown on overhead) because it shows you the old Jubilee Park and just talking a little bit about the history. I know Jeremy already mentioned it. The property I didn't color right here (shown on overhead) but it also adds in this particular parcel as well and the reason it was added in there was because that's where the new access is going to come in to provide a central point of access for essentially both projects. If you didn't have a chance to look at it, these are some views (shown on overhead) and it tells you where they're from just to kind of orient you to what it looks like on the ground. The picture is of the abandoned building on the property and then the back view from Federal Point Station parking lot and then from St. Joseph Street. So here's the site plan that you saw (shown on overhead). What I did was I asked that they kind of include this just so that you could see the connection points and the interconnectivity that's coming through whether it's in and out from here or you are coming off of St. Joseph. Again, multiple entry points to create a sense of a cohesive type project. What I would like to do is to take this and ask the traffic engineer to come up and explain what specific traffic improvements are involved that the developer is working on and maybe where they are with NCDOT, and the MPO and that process as well.

Jonathan Guy, Kimley-Horn. We've been working on this project for quite some time with the MPO and NCDOT to ascertain the traffic impact associated with building a Harris Teeter here as well as a fuel station. One of the initial comments we received from the MPO is that they would like for us to look at a joint access agreement with the Federal Point Shopping Center to provide access to not only this development but also long term access as the Harris Teeter or the Federal Point development potentially redevelops over some time. Working with those two entities we went through the traffic engineering process of defining what the study area was. We looked at signals to the north, Dow Road, all the way down looking at where St. Joseph comes back in to N. Lake Park. We looked at all the intersections through here, analyzed the level of the service. Our recommendations for this location, specifically for the access, would be to create a left turn lane heading southbound on N. Lake Park into the development, relocate the existing traffic signal where it is today between the ABC and Wings to a new point of location here. One of the things that came up as we were trying to secure access for this property and looking at the Federal Point you will notice the existing signal basically jumped traffic straight into the front of what was formerly the Food Lion. You did have the opportunity to come over here (shown on overhead). One of the things that DOT was concerned about was creating that same sort of process or having all this traffic stack up here trying to come in as well as the congestion that would ensue here. So creating a new point of access for both properties, you will notice that both of them tie into the parking fields but they tie into the parking field in a manner that would load and unload in efficiently. One of the things I think is of the utmost importance is actually this left turn lane. Currently N. Lake Park Blvd. Is two lanes in each direction without a left turn lane? If you have ever tried to visit this, I know as a kid every time we tried to come to the Food Lion we would sit and sit and sit trying to make a turn here. This and the final dimensions of this have yet to be worked out. We're working with NCDOT. This was sized just off of the Harris Teeter with the fuel center here. We will be looking at this with DOT and MPO to determine the final length of what we need to be, but it will meet the needs of both the properties, not only just what we're proposing, but also the properties that are having access to it as well. With that I will take questions.

Council Member Friede this work that you're talking about doing or having done on Lake Park, is Lake Park currently built out to its full right-of-way or is there additional right-of-way on Lake Park that this work is going to be done on? Are we looking at new lanes in the DOT right-of-way or is this actually in your property?

Mr. Guy said what we're actually doing here, and it has to be because Lake Park has a very small right-of-way. So we're actually doing what is an asymmetrical widening or widening across our property. With the exception of the Wings property here, which we've been working with closely to secure the right-of-way we need to get this turn lane in. The properties on this side, on the opposite side of the road, we're not changing the right-of-way, we're not taking the right-of-way, and we're not impacting their right-of-way. We're impacting our right-of-way to accommodate this left turn lane.

Council Member Friede said so you're giving some of your right-of-way to DOT.

Mr. Guy said absolutely. We'll be required to give across our frontage to accommodate the left turn lane. One of the things we also have to do, because this is a traffic signal and NCDOT has to maintain the traffic signal, is that we have to work out an easement with NCDOT, or dedicated right-of-way, for them to come in and maintain the signal so they can come in and put in the loops and whatever they



need to do to maintain it. There will be additional right-of-way given to the state, or in this case right here (shown on overhead) there could be additional right-of-way given to the town.

Council Member Friede said the Wings next door looks like it would also need to give up some of its right-of-way in order for that plan to happen. That would be either voluntary or there would have to be some sort of condemnation proceeding which could take quite some time.

Mr. Guy said absolutely. It could also be that the developer would purchase that right-of-way as a way to get that right-of-way as well.

Council Member Friede said but those are obviously the only ways that that would happen. If Wings says we don't want that you would be looking at an extended condemnation potentially. What does that do to your plan?

Mr. Guy said I can't speak for Allen as far as how that would occur, but from DOT's perspective we would have to work through those issues in a timely manner. DOT does not acquire right-of-way from private developments such as this. Fortunately, we've had the discussions with the property owners for almost a year now and they have been very amenable to this because they realize the value that it gives their property with having new development here as well as the new signal being right here. It makes their property a whole lot more valuable than it is today. So far they have been very amenable to that process.

Mayor Wilcox said when you talk about giving up right-of-way, you're really talking about giving up some of your land to accommodate the right-of-way.

Mr. Guy said it's a right-of-way dedication which would be our property frontage to accommodate this.

Council Member Friede said so if Wings is a good neighbor and they see the benefit of cooperating and it looks like the ABC would need to give up a little chunk there, and of course that's County, assuming that all goes according to plan, how long do you anticipate those changes to Lake Park would take? And when would the construction on the road begin? That's a sensitive issue.

Mr. Guy said it's very sensitive. Having spent many years of my life growing up down here I know what that's like and how it is to get in and get out of here. Construction on N. Lake Park would be scheduled when we're not in peak season. Should everything work out we're looking at starting the first of the year. There are certain requirements that NCDOT has relative to when you can pave, when you can't pave so some of the first things we would do is set the new curb, work with curbing, get this design, get it permitted which we will do now before Christmas and then be ready as soon as we hit that peak time so we can have this done before we hit the peak season of traffic.

Council Member Friede said so it could be six months of construction on Lake Park?

Mr. Guy said no, it would not be that long at all. You're really looking at, to do what you need to do which can be done at night or off peak times and even on Sundays, you're probably looking at, to get the actual widening done, less than two weeks.

Mayor Wilcox said I am assuming you can set the new curb and gutter and expansion and such without disrupting traffic.

Mr. Guy said fortunately because we are pushing the road so far into our property we can actually work with a minimal impact to N. Lake Park and then we can actually shift traffic over as we are doing some of the striping. The last thing that will come in would actually be the traffic signal and we wouldn't turn that one on until we were ready to start accommodating traffic through here and once DOT has signed off on it. Since it's a relocation from an existing signal over to this new location, there's already been a signal out there, we would have to work through this with DOT, but I would imagine that they would waive the typical flashing period that the new signal has. There is already a signal so close to this one, so it would be almost instantaneous - turn this one on, turn that one off, back it up, that one comes down.

Council Member Friede on page 14 of the traffic impact analysis shows the number of northeastern bound cars that would be going from Lake Park onto St. Joseph Street and then if you move forward to page 42, and this is where I got confused, it looks like page 34 in our packet which is figure 6, shows 75 Saturday peak hour trips from Lake Park northbound onto St. Joseph, then 77 weekday peak hour trips, then 923 people going straight through that intersection on Lake Park. Page 42 in our packet, figure 10, shows 2016 Saturday build out volume. It doesn't look to me like you've increased your traffic count at all there. Do you think there won't be any additional traffic going from Lake Park onto St. Joseph after you've built your store? Am I reading those figures correctly?

Mr. Guy said no, we are actually increasing traffic there. There is a percentage of traffic that is being put out to St. Joseph for those folks that are coming north, say the locals that want to come in the back side. In the Saturday build out volumes we're adding 12 vehicles to that northbound right movement. For the through movement we're adding 74 vehicles.

Council Member Friede said do you think only 12 additional vehicles are going to be driving to that store on a Saturday afternoon?

Mr. Guy said no, that's not the total...

Council Member Friede said I mean driving that way, going in the back way.

Mr. Guy said it's a total of, if you add those two numbers together, you're talking about 86 total vehicles coming from the south heading north.

Council Member Friede said you understand that St. Joseph there doesn't really have anything back there that is drawing traffic other than locals. You don't think that's going to be a substantial passage for people to get to the store? It looks like many, many people continuing on Lake Park and I get that. I think a lot of locals are going to go through St. Joseph and I don't think that is accounted for in your numbers. I am also concerned about how many pedestrians may be going that way and how many people on bicycles may be going that way because it's a lot easier than Lake Park and the additional traffic that's not accounted for, we don't have sidewalks back there - can you address some of those issues?

Mr. Guy said absolutely. First I'll address the bike and pedestrian standpoint. That is not included in a traffic impact analysis. I understand why pedestrians may choose to take that route because N. Lake Park can be congested. One of the things we did was work with the MPO and NCDOT to develop an overall distribution and assignment of traffic. How we see traffic coming into and out of based on existing traffic volumes it's basically developing what is known as a gravity model. Where is

the population today, where is it coming from, how is it going to change and this was the distribution that DOT felt comfortable assigning traffic to. One of the things that they wanted to do was to simulate what it would be like worst case in the sense of what is the major impact to N. Lake Park. When you have a traffic signal out there, and you have a new attraction, there's going to be demand that is going to come and settles out over time. But they wanted to see what the maximum loading was on N. Lake Park which is why you see more traffic that is actually using this signal. The other reason for that is it increases the movements that are needed, i.e. the left turn lane, so that we can create a theoretical worst case scenario. In reality, you're right. If I was coming here and I was coming from my house down in Kure I would actually come down Dow road and come a different way. I'm coming down and making a left hand turn because that's easier for me. I try to avoid N. Lake Park because it gets congested. But if I did live in Carolina Beach I would use N. Lake Park and I probably would take this connector to come back around. But again, we were to simulate worst case scenario off N. Lake Park, which is why we did the assignment the way that we did and it was approved by NCDOT as well as the MPO. I do understand where you're coming from as well.

Mayor Wilcox said it's not a new phenomenon either. We've had a Food Lion there, we've had all those shops full, Michael's Restaurant, we had the movies back there, and our locals have been accessing that shopping center through St. Joseph for many, many years.

Mr. Guy said one of the good things is that St. Joseph, there is traffic that's there, there are people who are doing that but it does operate at a very good level of service with the congestion. And even if we were to add more traffic there, it would still be at a very high level of service so that it would not impede the traffic flow coming in and going out.

Council Member Friede said speaking of levels of service that gets me to table 2 which is page 25 in your traffic study and page 45 in our packet. Walk me through some of this. It looks like we've got, I understand the columns are eastbound, northbound, westbound, southbound and then northwest? What is that?

Mr. Guy said that intersection you've got Risley Road that comes in. You really have a five legged intersection that's controlled at that signal, and that's where that northwest left comes out of. It's that side road that comes up that services Michael's Restaurant that's basically right across the street from here and I will be honest with you, that creates a tremendous amount of congestion at that intersection. If that street couldn't be there, it would be great operation-wise but for that movement to run, every other movement has to stop and so that creates additional delay. That's what that is coming from.

Council Member Friede said it looks like DOT has the level of service there, for instance, the westbound lane currently is considered level of service D, with a 45.8, is that a second delay? Is that how long you, on average, sit at a red light?

Mr. Guy said correct.

Council Member Friede said your 2016 build out number, if I follow that same column over it drops down to an E, level of service, with a 75 second wait so we're adding a 30 second wait at that light for the average car going through there.

Mr. Guy said right. But one of the things that I will point out is that this traffic study was done under peak loading conditions so we're talking Fourth of July and Easter.

There were several counts that were done. We counted an Easter, looked at that traffic, didn't feel like that was comfortable, came back and looked at Fourth of July as well. We compared it to some historical counts, we worked with the town and the MPO to make sure that we were comfortable with what we projected. Think about peak loading here, Saturday, you know what it's like. That's what it is. A typical day you are not going to see this level of congestion. Also, I would point over to the overall intersection, your level of service C and then with our development we're increasing that by about 9 seconds. That's the actual impact that's really going to be felt at the intersection.

Council Member Friede said can you explain to me why, on that column for the northwestern for that little jog over there, you're showing currently level service A with a zero second wait. Do you mean people trying to go in there or come out of there?

Mr. Guy said what that is measuring is the... and a lot of this has to do with the balancing of traffic and the loading of traffic that's on there so if you have one car that's why you're seeing 0.7 seconds of delay there. It's actually much longer than that but it's measuring... what this is actually doing is looking at the loading impacts and what you're seeing there in the background of the build conditions is more likely what you are experiencing out there today. It takes much longer to actually get through there than what is shown in that. It's one of the nuances of one of the programs we use called Synchro, when you have a movement that has next to nothing as far as traffic. A lot of people will turn and go the other way and then shoot across rather than sitting there because it is kind of confusing, which way I go especially at night.

Council Member Friede said these numbers then mean average delay at a red light or average delay total regardless of whether it's a red or a green light.

Mr. Guy said it's the summation of that one hour peak period. If we go out and count for the Saturday peak hour or look at the highest peak when it's the highest possible traffic and congestion, that's what you're going to see. Any other time of the day you are not going to experience this level of congestion or delay.

Council Member Friede said my concern there is that, currently for that little shoot there that connects to one of our most popular restaurants and other significant businesses here, that wait goes from .7 seconds to 72.4 seconds. Since I know that you never ever actually get through there in .7 seconds I was just wondering whether that was really a true modeling, and I saw some other places there where it said Synchro couldn't accommodate certain quirks in our existing traffic patterns. I get that, but that is obviously a huge problem when I already know it's more like a 2-4 minute wait.

Mr. Guy said some of the things that can be done, as we work with DOT, is to look at the timing there and see what they can do. But that is one of the quirky nuances when you get a 5 legged intersection and Synchro likes to make it go crazy a little bit.

Council Member Friede said I've noticed a pretty significant jump, a 20 second increase from existing during weekdays at that same westbound. That's a significant backup, too. How do we address those because you've got, I think, a very small model of growth and I understand that too wasn't just pulled out of thin air? You've got a one percent estimated growth and we're seeing much more than that in our peak months.

Mr. Guy said the other thing that was considered, though, is the 100 room hotel that's being built downtown right now. That traffic was added in so it's not just the growth rate that's here. One of the things that is actually very interesting is that NCDOT is actually moving away from growth rates. They want to measure the impact of a development based on the traffic that's out there. They're not looking at growth rates. They want an instantaneous, this is the impact and this models that format that wasn't in place at the time but it's very close to that, because it gives you a truer measure what the development is actually going to have. If I model a ten percent growth rate and show that, you are going to see very little impact associated with my development. You are not going to see a measure at all, it's going to be background traffic and so then who comes back in and fixes those problems. Well the state doesn't have a lot of money. The town doesn't have a lot of money to fix big intersection problems, which is why they're moving to that model. This traffic study we developed simulates that as closely as it could, based on current regulations that are out there. In reality, what you will see is that the two generation factors that we used for this model which is a supermarket and then a fuel center. We just did counts at two existing fuel centers in Myrtle Beach two weeks ago, modeled those, and the trip generation that we generated for a product just like this up the street at an existing Harris Teeter, those trip volumes at those two locations, again, during peak season, were three quarters lower than what trip generation was saying was actually going to be out there. The point I'm making with this is the two factors that we used are extremely conservative in the sense of what they estimate the trips to be. So in all likelihood and reality the impact you're going to see at these intersections is going to be much, much lower than what we're projecting. We're showing a worst case scenario here.

Council Member Friede said I'm not sure I understand. I understand that modeling based simply on the expansion maybe of available accommodations in the town or new construction may not be the most reliable factor to use, but I think if you have been here recently you would know we have many thousands of people who come down and just spend the day. Clearly we have a volume of traffic that does have somewhat to do with a 100 room hotel and new construction, but it's so much more than that because of all the activities and events that we and the beach, boating, etc., so how do you model for that? How do you model for the fact that we're a tourist destination? We have day-trippers and they're not, more than 100 new rooms in what would be needed to accommodate them all to truly count them all.

Mr. Guy said I was just adding that point in there to let you know you were being comprehensive. That goes back to when we did the actual counts. If you look at Fourth of July weekend, if you look at Easter, you take any Saturday that you are here you do see those levels increase, people coming down which we looked at PM peak hour which is not only a normal PM peak. DOT requires us to typically look at peak hours on a Tuesday, Wednesday or Thursday. We actually looked at a PM peak hour on a Friday because you have that mass migration coming. So we already have high traffic hours associated with a PM peak hour. Saturdays, the exact same thing to address traffic coming in for the day, traffic heading out. We looked at the highest combination there as well. We didn't come in and count at 8:00 in the morning for those people who arrive early. We actually counted from 11:00AM to 1:00PM. That does two things. One, it gets those folks who are pretty far out of town that are just getting here, but then it also picks up the traffic that's been here but is either headed up to Wilmington for the day or is going to a restaurant in the area so you've got this perfect storm of traffic that's mixing through there. Then you compound that with a growth rate applied to it which is reasonable based off directions from the MPO and NCDOT. Then you layer that so that when we get to

that final build condition you've added on the supermarket traffic, which is the Harris Teeter traffic, and then you've added another increment associated with the gas station. So when you get all of that stacked together, it's a very, very healthy amount of traffic that's being looked at down there. It's extremely conservative and is one of the most conservative studies that we've done as far as the layers of traffic we've added to this.

Council Member Friede said and by conservative you mean really, truly looking at worst case scenario?

Mr. Guy said absolutely. We could have easily said, great, we need the count during the summer. Being from here I'm going to know what weekends to count and what weekends not to count. You have to look at the Fourth of July, big, huge attraction, fireworks... you've got everything going on here. That's when we need to come down and count as well as Easter.

Council Member Friede said I appreciate that because I think we've seen traffic studies from like Tuesday morning in February.

Mr. Guy said and to your point it doesn't capture the phenomenon that is here, which is this migration traffic.

Council Member Friede said what is Dallas permitted plus protective phasing?

Mr. Guy said what that is, and you've probably seen that driving around Wilmington, it's commonly known as flashing yellow arrow. What that basically allows you to do is, if there is no one opposing you, you can turn. You'll have that yellow arrow that's flashing. But when you need that arrow, when it needs to be green to stop the traffic, it's set up for it. It is the type of phasing that DOT is moving exclusively to and it's a much safer movement but it also accommodates traffic in a better way and allows it to customize itself based on the ebb and flow of traffic through a corridor that's more responsive.

Council Member Friede said so would there be signals here?

Mr. Guy said absolutely. What would happen is if you were heading southbound on N. Lake Park, you're going to turn into Harris Teeter, you pull up here (shown on overhead), there will be sensors in the road, light will turn green, traffic will stop northbound, you'll be able to turn left unopposed. Whereas today you sort of have to wait until there is a gap, shoot across the lanes of traffic or you wait until the light turns yellow, almost red and then you sneak in.

MPT Pierce said so you're saying the light should be a green arrow, which was my question.

Mr. Guy said that's correct.

MPT Pierce said and I'm wondering, where it's currently at now, the light and the light at Lake Park, traffic has the opportunity to gain a lot of speed through there and it's almost impossible to cross the street, I'm thinking with you moving it forward and also having that green arrow which would stop traffic, not long but just a few seconds, it might be a benefit to pedestrians and bicycles trying to move across the street in between that Lake Park section.

Mr. Guy said it actually would and what you're talking about in traffic theory is

actually platooning of traffic, creating manageable groups of traffic so that you don't have that huge racetrack as you're coming out of the downtown core, you turn the corner right there at St. Joseph's and you see I'm going to make this, I can sort of hit it all the way up to Dow Road. Having a signal here where you have traffic that's actually calling that light, it's going to break that traffic up, moderate speeds through the location. The fringe benefits of that are the bicycles and pedestrians because now you have slower speeds, people feel like they can cross, they can manage traffic, and they don't have to dart across.

MPT Pierce said it has gotten to the point where we have so many people trying to cross in that span that it's almost impossible even now to cross that street.

Mr. Guy said one of the things that we'll do with this signal is we will accommodate pedestrians. There will be signal heads here so you will be able to cross at a location where it does make it safe.

Council Member Friede said there will be marked crosswalks across Lake Park?

Mr. Guy said yes.

Council Member Friede said I know I saw some crosswalks on the site plans but they were hard to read. I had a hard time telling exactly where they went. It looked like there was a crosswalk across the new proposed drive aisle coming out of the shopping center but I couldn't tell if there were going to be any across Lake Park.

Mr. Guy said one of the things that DOT would want us to do at this signal, just because of the nature of where it's at, there will be a crosswalk at this location here (shown on overhead) connecting with the sidewalk. Then you would have two that would cross here and of course there would be pedestrian signal heads, pushbuttons, so you could call a halt across the street.

Council Member Friede said I have a couple of questions about what some of your terms mean.

Council Member Doetsch said the crosshatched area that you've got as a divider I guess is the separation for your turn lanes and oncoming traffic - is that going to be an elevated divider?

Mr. Guy said the final design has not been laid out but my recommendation would be for it not to be because you have driveways on the other side of the street that you would be impacting.

Council Member Doetsch said my concern would be the road where the existing light is, if that is not an elevated divider, somebody is going to try to come out of there and make a left hand turn across two lanes of traffic at a very congested area there of a left turn into southbound lanes. Are there any plans to close that other road off?

Mr. Guy said that has not been discussed with DOT. We haven't come to the final roadway design plans for that, but that is something that we can note and discuss with them. Is there a preference from the council?

Council Member Doetsch said only in the fact that if you are going to have people coming out of that area, make it a right hand turn only and not go across traffic because if you don't I can see that's going to be a pretty confrontational situation possibly.

Mayor Wilcox said I understand your concern, but we have that same condition in three or four places down the road, next to the ABC store, where it comes out of the gas station, a number of businesses down there where people are coming across and turning left.

Council Member Doetsch said I agree but not one right there where the separation between the turn lane and the oncoming traffic is. That is just adding another feature there that you're going to have to be extremely careful of if you are going to make a left hand turn.

Mr. Guy said it's something we'll get into much greater detail as we get into the actual design.

Council Member Friede asked about background trips. It looks to me like people just driving up and down the road, ordinary traffic not necessarily destined for a particular site.

Mr. Guy said right.

Council Member Friede asked about site trips - people specifically on the road for the sole purpose of going to Harris Teeter or the gas station?

Mr. Guy said correct.

Council Member Friede asked about pass-by trips - people on the road, let's stop here and then we'll keep going?

Mr. Guy said yes. If you are driving along and either looking at your gas gauge, need to gas and you pull in or your spouse calls and says can you pick up milk on the way home and you divert your trip in and come back out and keep moving. So it wasn't a trip where I left my house saying I'm going to Harris Teeter and then I'm coming home. I'm going to work and I'm already traveling through there, oh, there's Harris Teeter, let me whip in here and then I'll head home or to work.

Council Member Friede said how do you get to model those numbers? I understand, obviously the traffic counts. You have an expectation of how much traffic will be going there. How do you begin to model those numbers because those add in to the total traffic accounts that we're looking at today?

Mr. Guy said there is a manual that we are required to use by the State of North Carolina, called The Trip Generation, which is put together by the Institute of Transportation Engineers and is published about every three years. It compiles different land uses all across the United States. Traffic engineers, such as me, will submit data to be included in these land uses and that's the basis for how we generate trips. Much like the two examples I spoke of about the fuel centers that we model, that information is being sent to ITE in Washington, DC for inclusion for a new category. We're seeing a lot of fuel stations pop up associated with grocery stores. There are rewards programs that occur with that so it has a completely different trip signature, if you will. In ITE, in the trip generation handbook and the trip generation manual that tell you how to calculate the pass by trips that are based off the size of the development, the type of development, the volumes that are out there and it generates that information and we move that into the study.

Mayor Wilcox asked are there any other traffic engineers in the room planning to



Speak tonight?

No one spoke.

Mayor Wilcox said so you are our sole traffic engineer. You are an expert witness tonight. Can you give the council more of a layperson's overview of what you feel the impacts, from a traffic engineer's perspective, will be on the town, on this area?

Mr. Guy said the thing to point out is that this development is actually going to better the situation than what it is out there today in the sense that we are improving N. Lake Park. Today there is significant congestion associated with left turning vehicles. All of you remember what it was like when Federal Point was generating trips and you had people trying to get in and get out of there. This development does not want to replicate that. It wants to move past that and is going to great lengths to actually create a left turn lane on a road that really should have a left turn lane. It should have had it for many, many years. And hopefully this will set the course for what will be future left turn lanes across this area to help accommodate the demand that is there. Not only from a vehicular standpoint but we're also connecting the notes that are out there from a pedestrian standpoint. Connection back over to St. Joseph, fixing the gap that's in the sidewalk that's out there today so those who do choose to walk, which in a community such as this you do have a lot of people who ride their bikes as well as walk. You are now going to be able to accommodate that in a safe manner and not walking off-road, if you will. I think your impact is going to be one that betters the situation than what is out there today, potentially reducing the number of crashes that occur at the existing signal because there is a left turn lane. Cars that are stopping or come flying in and you don't know that they are going to stop and turn left, now you have a left turn lane that is more predictive of what's going to happen so it's a better condition in my mind.

Council Member Friede said on page 29 of the traffic study, table 4, page 49 in our packet, shows N. Lake Park Blvd. At St. Joseph Street existing level of service, Saturday peak hour, looks like level of service F, average wait time of 73.5 seconds. 2016 build-out would basically triple that amount of time to 205 seconds. Where exactly is that?

Mr. Guy said that would be the ocean side trying to turn left towards town.

Council Member Friede said so it would take three minutes.

Mr. Guy said potentially, but what is going to happen, and you can already see this if you go back to the existing counts. Remember that this is a worst case scenario, and the majority of people who live up at St. Joseph know the area and they travel completely different. They want to make a left at a PM Peak hour on a Saturday you know exactly where they are going to go. They're going to turn into the development, go up to the traffic light and turn at a very safe location. But modeling worst case, this is what it would be.

Council Member Friede said so that would be a significant difference, but there would be a more accessible light at the Harris Teeter.

Mr. Guy said a much better connection for a turn for those that are using that in both developments.

MPT Pierce said did I hear you say there was a connective sidewalk from Lake Park

through the property to St. Joseph?

Mr. Guy said yes. If you can see the screen you are actually going to follow, come down, cross over beside the building, cross over and then there is this five foot sidewalk that runs all the way up.

MPT Pierce said currently the sidewalk is on the west side of Lake Park, not on the east side. I know a lot of people who use their bikes and walk to the grocery store so they would actually have to go down to the traffic light and there will be a button on the light?

Mr. Guy said that will be the safest place for them to cross.

MPT Pierce said and so they will cross over there to get to that.

Mr. Guy said correct.

Mr. Lee said I think this is probably a pretty good time to address one of the recommendations that came out of the Planning Commission and it really relates to interconnectivity. As I mentioned earlier the property owner and adjacent property owner have gone to great lengths to create interconnectivity within the two projects not just from the perspective of traffic but pedestrian access ways. In addition what Jeremy said were some grading issues and also some parking count issues, I really would like for Jonathan since he has been up here for a little while to go ahead and finish up and kind of explain the interconnectivity issues and the safety concerns that we have with that particular recommendation.

Mr. Guy said one of the things that was brought up by the Planning Commission was the potential for connectivity from the vacant Brew Thru to our property and it was in this location over here (shown on overhead) where you would come in and then turn in to the parking lot. Our biggest concerns associated with that are the fact that we've worked very diligently to create a singular point of access that is controlled and safe for patrons not only to this facility but also to the existing facility back here at a location that can be controlled with a traffic light. Creating this movement through here, if you are coming up to here that is going to be the first place you are going to jump in. It is also very shallow from a standpoint of trying to turn in and then ultimately making another left turn. If I've got traffic coming out this way and trying to do this and dart across, we've really created a pretty strong safety concern. I completely understand the benefits of connectivity and a lot of cases really push for that but where it's being proposed in this location and what it would do it's really going to create a real problem with traffic and congestion. If you were to move this back here and try to make a connection over here (shown on overhead), it compounds the issue as well. Now what's happening is, you see the crosswalks that are marked through here, you've got all the traffic that is going to circulate through here, it's going to be interacting with the pedestrians that are trying to go back and forth with a loaded buggy, kids walking, a lot of visitors through here. Our biggest fear is that, because this provides access to a signal, you are going to create a raceway as this tries to develop out and that really diminishes the value of the store huge safety concern for the owner as well as the patrons who are visiting there. Potentially in the future, maybe as this property develops, maybe there's another way to make some connectivity but without knowing what that is or what that would look like, it is very hard for us to support that in this manner.

Mayor Wilcox said are there elevation change problems over there as well?

Mr. Guy said yes there are some significant grade changes and now trying to make sure that you've got ADA compliance. Before, you could go out and put down pavement and everything was great, but with changes in elevation, accommodating the stormwater pond...

Mayor Wilcox said one in 48 and one in 24 and all that...

Mr. Guy said it really creates some problems through there.

Mr. Lee said (pointing to the overhead) if you will look to the top right, one of the other concerns really was the landscaping that occurs behind the pond. This is currently what it looks like today. (He went back to the other site plan) The real issue was in the back of the pond, which a lot of folks had an issue with. Planning Commission also echoed that. So what we did was, and I'm asking Alan to come up and talk about it, is we're going to try and beef up the landscaping here. Mr. Maness can tell you kind of what we are planning and what our real challenges are for landscaping.

Alan Maness, with BBM Associates out of Raleigh, said we're preparing the site plans for the store. In reaction to the Planning and Zoning Commission's request we did have the landscape plan revised. There is a limited area to plant back there, but we were able to add three large shaped trees around the pond and a series of shrubs as well. We are limited in that we do have to run a waterline back there from St. Joseph's Street and connect back there and of course cannot plant on top of that. We also have to maintain and access that pond and can't have landscaping in the way of those. We do think it will enhance the view from back there, soften that view somewhat for those people coming in and out of St. Joseph's.

Mr. Lee gave council a layout of the landscaping given some of those challenges.

Council Member Friede said Michael you said you got the easements worked out along the northwestern line through the Federal Point Shopping Center?

Mr. Lee said we are working with the adjacent property owners on that since that will be a condition of this development. We'll have to get that in place as we move forward. I believe there is a representative from the adjacent property here this evening as well. One thing I wanted to address is the question on the waiver that was brought up a little earlier on the 15 consecutive parks. As you heard, the real intent of that is to make sure you don't have a sea of parking, especially as you're coming up along the frontage. I don't have the landscaping plan up, I think Jeremy had that, where you saw that that's not what you get in this area. The real exception is really coming in along the side, so that's really the gist of the landscaping exception as far as breaking up that parking area. I think we meet the intent of the ordinance.

Mayor Wilcox said along the eastside?

Mr. Lee said south side.

Council Member Friede said is there landscaping along there behind the parking on the south side?

Mr. Lee said in this area here?

Council Member Friede said either there or that parking that's further back.

Mr. Lee said right here there is not.

Council Member Friede said that's where the sidewalk is, right?

Mr. Lee said yes.

Council Member Friede said but what about where you go back, that jut out there, is there any landscaping between the parking lot and the boundary?

Mr. Lee said yes.

Council Member Friede said was there any discussion of a sidewalk along St. Joseph?

Mr. Lee said I'm not sure if there was or not.

Mr. Maness said we didn't receive comments from staff asking for that. We have a limited frontage on St. Joseph with this parcel. There's also storm drainage back there that could potentially be impacted. The town is also trying to undertake a stormwater project back that might need additional easement area from us and we're trying to work with the town on that. There are a lot of things back there that might preclude, on our side of the street at least, for that.

Mr. Lee said to kind of wrap up. Will it materially endanger public health and safety? I think you have seen from the evidence tonight and also from staff report and the lengthy traffic report that it will not and will actually improve the general area for public health and safety. Does it meet all the required conditions and specifications? It does with the exception of the one waiver we're requesting. Staff has gone through this with the applicant. Will it injure the value of adjoining or abutting properties? It's going to be a catalyst. We've got a vacant parcel here and an empty shopping center adjacent to it. It's really going to be a catalyst for growth in this particular area in developing and increasing values which I think is acknowledged by some of our adjacent landowners in particular with Wings allowing us to work with them on the additional right-of-way that's being provided. Location, character and use in harmony? This is essentially what this zoning classification is for. It complies and is consistent with the land use plan, the various land use plans that are out there and is also articulated in the staff report.

Mayor Wilcox opened the public hearing.

Randy Simon said I am speaking on behalf of not only myself but the owners of Mona Black Marina. Miss Mona Faye Black unfortunately left us about two weeks ago when she passed away and her daughter has taken sole property owner of that property. I now speak for the daughter which carries the same name of Mona Faye Black Jones.

Mayor Wilcox said Randy we can hear your comments about the owner's daughter but if she is not here to testify and can't be cross examined we really can't consider that. That's one of our limitations.

Mr. Simon said okay, I apologize for that. I didn't have the knowledge. My concerns are the intersection at the rear of the project for Harris Teeter. I did attend the Planning and Zoning meeting. The landscaping and the storm drain issue was brought to attention by myself to make sure that both the town and the people of Harris Teeter knew we're in favor of the project by all means. We welcome Harris

Teeter to our neighborhood. Our concerns are that they are going to use the same exit as we have now at Maxway, the largest business located in that area. The movie theater is closed down, the grocery store is closed down but we all know what the traffic was when Food Lion was there and there was a lot of exit traffic utilizing that rear exit. The storm drain comes in conjunction of our issue because that is pipe no. 26 for storm drain issue which exits underneath the area of the exit we're speaking of and it's always been a problem. It has cost Miss Black a lot of money. It has cost the town thousands of dollars in revenues that were spent because we had to do extra dredging beyond the normal use. The town did step up to the plate and helped us with the dredging operation at Mona Black Marina. Pipe no. 26 flows from that area all the way across Lake Park Blvd. To the Microtel before it begins. There are over 30 veins that feed into that same artery that outflows at that exit of Harris Teeter and goes underneath the property of Mona Black Marina and exits at pipe no. 26 into Myrtle Grove Sound. I am happy to see that has been addressed somewhat at the retention pond but my question is utilizing the best management practices of the study that was made, is the town - I guess I want to make the question to staff at the time, is the town going to implement a BMB practice at that location?

Council Member Doetsch said Randy, the drawing that Michael Lee just gave us, looks like there is a catch basin there. Is that correct?

Mr. Cramer said I believe you are correct.

Council Member Doetsch said so what that catch basin would do is any sand that would head your way is actually going to fall in that catch basin and then you take a back truck into there and you pump that catch basin out, if you want to look at this (drawing).

Mr. Simon said a catch basin is nothing but a burlap bag.

Council Member Doetsch said it is a concrete box is what they have here.

Mr. Simon said the box has no filtration whatsoever.

Mayor Wilcox said Randy, here's what we'll do. Go ahead and give us your question and we're going to get the applicant to address it.

Mr. Simon said that's my strongest point. What we have now is a burlap bag that catches basically leaves. It's a culvert that's cut out but unfortunately all it does is catch surface leaves and it actually floods St. Joseph Street because when the leaves come to that area, like a thunderstorm burst, that heavy water flow brings all the debris - beer cans, paper plates, leaves, branches and sand and it plugs up that one burlap which is only about three feet by three feet, it may be much smaller than that. But it's nothing but a piece of burlap, plastic lining, and it just catches the surface material and when it does it plugs up and floods that whole area. There is no filtration. The town did implement a stone wall beyond that location you're talking about, beyond that creek from where that catch basin is right at the outflow that flows into Myrtle Grove Sound. That's a 36" in diameter pipe that handles all that water and it's fully contained when we have our summer thunderstorms and there's nothing that can be put there to catch that debris. The volume, that wall stops it, but then that water goes right over the top of the wall and flows out. There is no filtration there at all.

Mayor Wilcox said Randy, you're talking about the town's side. So for those of us

who are familiar with that there's an ongoing situation there. Do you want the applicant to address what they're going to do on the development side?

Mr. Simon said my interest is would the town please maybe take a study and look at that retention pond because that pond is so important and it should be all Harris Teeter's responsibility. That part of the storm drain is going to be utilized by Harris Teeter. I'm not saying it should be all put on the burden of Harris Teeter but the town, at this stage, it's so important to look at the study of that retention pond and have a joint venture, hopefully, with the builders of the Harris Teeter and the town staff to utilize that and implement it in the structure of that full study of all the veins that flow into it. Over 30 some veins that flow into that one storm drain system and we can utilize that retention pond, not just at the pond, but extra infiltration whether it's the town's doing or a joint venture to look into that and review the different studies and find out what we can do at this stage at the very beginning to address a serious problem because everything that flows from that vein goes into our Myrtle Grove Sound and what goes in there stays there because there's no current to flush it out.

Mayor Wilcox said Randy, I have to bring it to a close. Those of us who have been working on that for a while understand. There are some issues over there and we can ask staff to take a look at that as this project is added to the system, so to speak, what they're providing and problems we have and taking an overview of that.

Mr. Simon thanked Harris Teeter for the three big trees there and I want to compliment them on that. The town just needs to look at a sidewalk. All the pedestrian and bicycle paths lead out to that one exit but then it's dead. There's no plan made for the pedestrians and the bicycle riders once they hit St. Joseph Street. We need to kind of jump in there and address some sidewalks that would be advantageous for all the work that Harris Teeter is doing, but it ends right there at St. Joseph Street. We need to get in a joint venture and address the bicycle and pedestrian accesses.

John Lennon, long-time resident of New Hanover County and owner's representative of the Federal Point Shopping Center. I have served in that capacity for about eight years. I am here in ardent support of this project. We think that it will benefit not only our property but also for the whole Lake Park corridor. We have been working, as Mr. Lee and others have alluded to, diligently. I've been working on it for eight years and working hard with this group for about two years to improve traffic patterns within both properties both with the developer and with the town. There were several questions about some of the things on the adjacent property and I'm happy to address those. We are in support of this project.

Mr. Lee said we need to address briefly the stormwater quality/quantities, those issues, and also the interaction with the town on how we're trying to help.

Mr. Maness said I can't speak specifically to the town's project other than I know that they have hired a consultant to begin design of that and I have had a conversation with them. We have agreed to help that in any way we can and might possibly dedicate some additional easement or right-of-way for the stormwater. In terms of the runoff from our property, the pond will capture all the runoff from the impervious surface. It will be designed to settle the sediment and other trash that might be collected will be collected in that pond and we will maintain that and clean that up before it enters the right-of-ways of St. Joseph Street. We'll also be slowing down the flow of that from the ten year storm so that the flow rate in those pipes downstream is no greater than before construction. We will be handling our flow and

we're going to work with the town to accommodate some of the project they intend to undertake on St. Joseph as well.

Mayor Wilcox closed the public hearing.

Council Member Doetsch said I am ready to make a motion at this point.

**Council Member Doetsch made a motion that we approve the conditional use permit and waive the landscaping in the parking lot that they have asked consistent with the grant order, the four general and seven specific conditions were met and that it is consistent with the Land Use Plan.**

Council Member Friede said everyone on council received some emails and I'm sure people got calls like I did with people expressing opinions on both sides of this issue. This is a significant development to come to Carolina Beach. I think a lot of people are in favor of it and some who are not in favor of it. I know the mayor said this at the beginning of the hearing, this is quasi-judicial proceeding that we conduct. The statutes are very clear about what our required findings are and whatever our decisions are tonight are not based on whether we like it, don't like it, want another grocery store, don't want another grocery store, we can't take those things into consideration. We can only make decisions based the factors that the statutes provide and the information provided by the applicant and the way that it was all worked through with staff and Planning and Zoning. We are all very closely connected with the community and people tend to take our votes to mean we really love something or really hate something and that's not necessarily it. No personal feelings about this. I don't want anybody to think I am making this statement, that I personally feel differently than I am going to vote. That has nothing to do with it. I just wanted to make that statement because these are very strained hearings and we can't take into consideration what we got from friends and neighbors about we like it, we don't like it, vote for it, vote against it.

Council Member Doetsch said, Sarah, I think in those statements that came to us, I think Ed was pretty clear in what we could do. Thank you, Ed.

Council Member Friede said as council members, once something is on the agenda to come to us as a conditional use permit we can't discuss it with anybody and so Ed was great about fielding the emails that came in and responding to people by saying, sorry, council can't respond to these.

MPT Pierce said I like the project and think it's a great improvement to Carolina Beach and I thank you for bringing it here. It's a great improvement to the property for our town. Just because there's one grocery store here doesn't mean someone else can't build another one, just like the hotel, and it's your property and the market will decide what it can bear.

Council Member Doetsch said actually there's three now or will be three.

Council Member Friede said I appreciate very much how much time you spent answering my questions on the traffic study. We all lived through the road diet some years back. Some of us may have a little scarring. Thank you for all that because that is a significant portion of the project. It's not just a store and a gas station that we're voting on. For me it was also what it's going to do to the traffic on the island.

Mayor Wilcox said with regard to P&Z, I want to thank them for the work they did. They made two good recommendations. Landscaping you guys were able to

Dan Wilcox  
Mayor

Sarah Friede  
Council Member

Steve Shuttleworth  
Council Member



LeAnn Pierce  
Mayor Pro Tem

Gary Doetsch  
Council Member

Michael Cramer  
Town Manager

**TOWN OF CAROLINA BEACH**  
1121 N. Lake Park Boulevard  
Carolina Beach, North Carolina 28428  
910 458 2996  
FAX 910 458 2997

## ORDER GRANTING A CONDITIONAL USE PERMIT

Applicant:               BBM Associates, Inc  
Location:                1000 & 1010 Lake Park Blvd N.  
Tax Parcel Number:   313006.48.3405.000 & 313006.48.4244.000

The Town Council of the Town of Carolina Beach, having held a public hearing on August 11, 2015 to consider approving a Conditional Use Permit for a retail/big box store and where sworn testimony was heard from the following persons: Senior Planner Jeremy Hardison, Applicant's Attorney Michael Lee, Applicant's Engineer Alan Maness, Traffic Engineer Jonathan Guy, Randy Simon, and John Lennon. The following uncontested facts were presented:

### **Specific Standards**

1. Ingress and egress to property and proposed *structures* thereon with particular reference to automotive and pedestrian safety and convenience, traffic flow and control, and access in case of fire or catastrophe;
2. Off-street parking and loading areas where required, with particular attention to the items in (1) above and the economic, noise, glare, or odor effects of the conditional use on adjoining properties and properties generally in the district;
3. Refuse and service area, with particular reference to the items in (1) and (2) above;
4. Utilities, with reference to locations, availability, and compatibility;
5. Screening and buffering with reference to type, dimensions, and character;
6. Signs, if any, and proposed exterior lighting with reference to glare, traffic safety, economic effect, and compatibility and harmony with properties in the district;
7. Required yards and other open space and preservation of existing trees and other attractive natural features of the land;



### **General conditions**

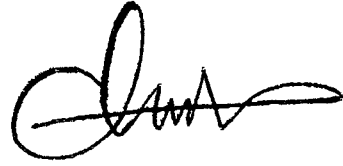
1. That the use will not materially endanger the public health or safety if located where proposed and developed according to the plan as submitted and approved by the issuance of the C.U.P.;
2. That the use meets all required conditions and specifications;
3. That the use will not substantially injure the value of adjoining or abutting property, or that the use is a public necessity; and
4. That the location and character of the use if developed according to the plan as submitted and approved will be in harmony with the area in which it is to be located and in general conformity with the Town Land Use Plan and Policies.

It is ordered that the application for the issuance of a Conditional Use Permit by **BBM Associates, Inc** be granted, subject to the following conditions:

- 1) The site plan corresponding to this approval was designed by BBM associates, INC dated June 1, 2015 and amended on June 22, 2015. The plan was stamped received by the Town of Carolina Beach on July 27, 2015.
- 2) Prior to issuance of building permit, all approval letters and final site plan shall be submitted and items mentioned above shall be submitted and approved by the Town of Carolina Beach Technical Review Committee that includes the Town Manager, Planning and Development, Building Inspections, Operations/Stormwater/Public Works and Fire. All plans will be reviewed to ensure building fire and town codes have been met.
- 3) Major changes to approved plans and conditions of development may be authorized only by the town council after review and recommendation by the planning and zoning commission in the same manner as outlined in this article for original submission.
- 4) A Type B 10' landscaping buffer as shown on the site plan dated 6/1/2015, amended on 6/22/2015 and approved by Town Council.
- 5) Outdoor artificial lighting fixtures shall be designed and positioned so that the point source of light from a light fixture is not directly visible from adjacent properties and/or right-of-ways.
- 6) Sidewalk curb and gutter is required.
- 7) Recombination plat will be required before issuance of a building permit.
- 8) The storm water system must be installed according to approved plans and a letter signed and sealed by a licensed engineer must be provided verifying that the system is properly installed and functioning.
- 9) All permits and approval letters required by all Federal, State, and Local Agencies shall be submitted.
- 10) A plan that includes a grading schedule and construction schedule shall be approved by the Technical Review Committee.

- 11) Infrastructure and site plan as-builts shall be provided/approved.
- 12) Bicycle racks shall be provided and be designed with inverted U's as described in the 2011 Bicycle Multiuse Transportation Plan.
- 13) Additional parking requirements would have to be met prior to the issuance a building permit for the 5,480 sq. ft. addition.

Ordered this 11<sup>th</sup> day of August, 2015



\_\_\_\_\_  
Dan Wilcox, Mayor

August 11, 2015  
Date

**ATTEST:**

Kimberlee Ward  
Kimberlee Ward, Town Clerk

August 11, 2015  
Date

accommodate. Interconnectivity, we all understand that, you are working with the other properties on the interconnectivity where it's feasible and it doesn't negatively affect the traffic. We're not traffic engineers so we have to follow that plus we can't impose that on private property owners if they don't want to play.

**MOTION WAS CARRIED UNANIMOUSLY.**

**7. CONSENT AGENDA**

**Mayor Wilcox made a motion to approve the consent agenda that included:  
Budget Transfers and Amendments as presented by the Finance Director  
Minutes of July 14, 2015  
Minutes of July 27, 2015**

**MOTION CARRIED UNANIMOUSLY.**

**8. NEW BUSINESS**

- a. Phase 1 A Infrastructure Budget Ordinance Amendment

*(Requested by Michael Cramer, Town Manager's Office)*

Michael Cramer presented. He said at the last council meeting he updated the council on the Phase 1A construction project and one of the items that we discussed at that time was the addition of some stormwater infrastructure to the tune of about \$500,000. This ordinance codifies that and puts that into our project budget. Any monies left over will go back.

**Mayor Wilcox made a motion to approve Ordinance No. 15-982 to amend the utility and fund budget to fund the change order to fund Phase 1A utility project. MOTION CARRIED UNANIMOUSLY.**

- b. Phase 1 A Infrastructure Financing Resolution

*(Requested by Michael Cramer, Town Manager's Office)*

Michael Cramer presented. He said the reason they separated these two items, one is the ordinance to adopt the budget and transfer the funds and this resolution authorizes us to go back and receive financing from the LGC to finance that \$500,000 and reimburse ourselves at a later date.

**Mayor Wilcox made a motion to approve Resolution No. 15-2102 reimbursement resolution for construction of stormwater infrastructure improvements associated with Phase 1A infrastructure improvement project. MOTION CARRIED UNANIMOUSLY.**

- c. Requesting Council adopt resolution #15-2100 approving the financing terms with BB&T for purchase of a Hi-Vac Combination Jet/Vac Truck, a Caterpillar 430E backhoe and a Caterpillar 420E backhoe.

*(Requested by Debbie Hall, Finance)*

Debbie Hall presented. She said she sent out the request to several banks to finance the pieces of equipment that were approved in the budget. One was a back truck and we had some backhoes for the water and sewer department for a total of \$553,953. I only received two responses, one from BB&T and one from SunTrust. BB&T's interest rate was 1.64% and SunTrust was 2.27% for a five year period and my recommendation is to go with BB&T because of the better interest rate.

Mayor Wilcox said these were items that were approved and balanced in the budget and are needed to keep providing critical services to the citizens.

**Mayor Wilcox made a motion to approve Resolution 15-2100 approving financing terms with BB&T for these three pieces of equipment. MOTION CARRIED UNANIMOUSLY.**

**9. NON-AGENDA ITEMS**

Mayor Wilcox said I've had some requests and I've talked to a couple of people in passing about the benches and swings on the boardwalk. I've had some requests from citizens to put a program together where we provide those around the lake as well. I think particularly the switchback benches would be really nice down there where you could sit and look at the lake or switchback and look at the events that are going on, etc. What I would like to do and staff can find out if that's workable or not, if not we can find another avenue, is maybe ask the Boardwalk Committee since they worked together on the benches and swings at the boardwalk. Maybe they could take that extra item on and come up with a program that you can bring to us and make that available to the public.

MPT Pierce said I like that, we sold them so quickly and at no cost to us.

Michael Cramer said I could see us easily going and expanding to the lake with those items. This could easily standardize the benches that we go and have sponsored.

Mayor Wilcox said I would like to ask and appoint MPT Pierce, she is no longer needed on the Arts and Activities Committee and I would like to ask her to serve on the Police Advisory Committee since we are without a liaison.

MPT Pierce said she is fine with that.

**Council Member Doetsch made a motion to appoint MPT Pierce as liaison with the Police Advisory Committee. MOTION CARRIED UNANIMOUSLY.**

Council Member Doetsch said he wanted to thank the operations department for doing the right-of-way clearing and the corners and intersections. I know they haven't gotten completely through the town yet. I have had a lot of good comments on that and I just want to say it's going good and I appreciate it.

**10. ADJOURNMENT**

**Council Member Friede made a motion to adjourn at 8:45 p.m. Motion carried unanimously.**

Kimberlee Ward  
Kimberlee Ward, Town Clerk

9.8.2015  
Date Approved

**ORDINANCE NO. 15-982**  
**AN ORDINANCE TO AMEND THE UTILITY FUND BUDGET TO FUND A CHANGE**  
**ORDER TO THE PHASE 1A UTILITY PROJECT**

The Town Council of the Town of Carolina Beach, North Carolina, doth ordain:

**SECTION ONE:**

That the Fiscal Year 2015-2016 Budget for the Town of Carolina Beach is hereby amended to include the additional expenditures associated with the Phase 1A Project by adopting the following Utility Fund Budget Ordinance:

<u>Account Code</u>	<u>Description</u>	<u>Previous</u>	<u>Amended</u>	<u>Changed</u>
14-001-075	Phase 1 A Infrastructure	\$ 6,374,488	\$ 500,000	+ \$500,000
<b>TOTAL</b>			<b>\$500,000</b>	

**SECTION TWO:**

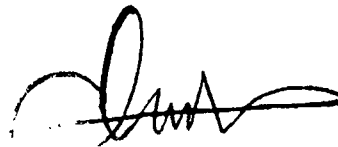
That the Fiscal Year 2015-2016 Budget for the Town of Carolina Beach is hereby amended to include the revenue associated with a Utility Fund Phase 1A Project by adopting the following Utility Fund Budget Ordinance:

<u>Account Code</u>	<u>Description</u>	<u>Previous</u>	<u>Amended</u>	<u>Changed</u>
14-350-000	Transfer from General Fund	\$ 1,174,603	\$ 500,000	+ \$ 500,000
<b>TOTAL:</b>			<b>\$ 500,000</b>	

**SECTION THREE:**


A copy of this Ordinance shall be furnished to the Finance Officer for direction in disbursement of Town funds and for public inspection.

Duly adopted this 11th day of August 2015.



\_\_\_\_\_  
DAN WILCOX, MAYOR

ATTEST:

  
\_\_\_\_\_  
Kimberlee Ward, Town Clerk



# Resolution



Town of Carolina Beach  
Town Council

## RESOLUTION NO. 15-2102

### **Reimbursement Resolution for Construction of Storm water Infrastructure Improvements associated with the Phase 1 A Infrastructure Improvement Project.**

WHEREAS, The Finance Director has described to the Board the desirability of adopting a resolution as provided under federal tax law to facilitate the unit's using financing proceeds to restore the unit's funds when the unit makes capital expenditures prior to closing on financing.

**BE IT THEREFORE RESOLVED** by the Town of Carolina Beach, a follows:

1. The Town Hereby determines the Project to include the construction of Storm water Infrastructure Improvements associated with the Phase 1 A Infrastructure Improvement Project.
2. The Project is to be financed. The insurer intends to finance the costs of the Project with the proceeds of debt to be issued by the issuer (The "Borrowing") the interest on which is to be excluded from gross income for federal income tax purposes. The currently expected maximum amount of bonds or other obligations to be issued or contracted for this project is \$500,000.
3. Funds have been advanced or may be advanced from the Capital Project Fund for the project costs are intended to be reimbursed form the financing proceeds
4. The adoption of this resolution is intended as a declaration of the unit's official intent to reimburse project expenditures from financing proceeds.

Handwritten signature of Dan Wilcox in black ink.

Dan Wilcox, Mayor

Handwritten signature of Kimberlee Ward in black ink.

Attest: Kimberlee Ward, Town Clerk

August 11, 2015

Date Approved

Town of Carolina Beach  
Resolution No. 15-2102

**Resolution Approving Financing Terms**

**WHEREAS:** The Town of Carolina Beach ("Town") has previously determined to undertake a project for the financing of equipment, (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated July 24, 2015. The amount financed shall not exceed \$553,953.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.64%, and the financing term shall not exceed five (5) 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.
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.
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.

Approved this 11th day of August, 2015.

By: Kimberlee Ward  
(Clerk)

By: [Signature]  
(Mayor)





**BB&T Governmental Finance**

5130 Parkway Plaza Boulevard  
Charlotte, North Carolina 28217  
(704) 954-1700  
Fax (704) 954-1799

July 24, 2015

Ms. Debbie Hall  
Finance Director  
Town of Carolina Beach  
1121 N. Lake Park Blvd  
Carolina Beach, North Carolina 28428

Dear Ms. Hall:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing of Equipment, as requested by the Town of Carolina Beach (the "Town").

- (1) **Project:** Jet/Vac, Backhoes
- (2) **Amount To Be Financed:** \$553,953.00
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

<b>Term</b>	<b>Rate</b>
5 years	1.64%

Payments shall be annual in arrears for five (5) years, or as requested. See the attached amortization schedule(s) for information on payments.

The financing proceeds shall be deposited on behalf of the Town in a project fund account with Branch Banking & Trust. Earnings on the project fund shall accrue to the benefit of the Town for use on Project costs or interest payments.

The interest rate stated above is valid for a closing not later than 45 days after today. A convenient date and time shall be mutually agreed upon for closing. Closing is contingent upon completing documentation acceptable to BB&T and upon the condition of the equipment acceptable to BB&T. BB&T shall provide a list of required documentation for closing should we be the successful proposer. Additionally, we shall review your most recent financial statements before funding this transaction and the closing shall be in person with the Town determined by BB&T and its counsel.

All applicable taxes, permits, costs of counsel for the Town and any other costs shall be the Town's responsibility and separately payable by the Town. The financing documents shall allow prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.



The stated interest rate assumes that the Town expects to borrow less than \$10,000,000 in calendar year 2015 and that the Town shall comply with IRS Code Sections 141, 148, 149(e) and Section 265(b)(3). BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not a qualified tax-exempt financing.

**(4) Financing Documents:**

BB&T and its counsel shall prepare all documentation for the Town. We shall provide a sample of those documents to you should BB&T be the successful proposer. This financing shall be secured by a first lien security interest in all personal property acquired with proceeds.

\* \* \* \* \*

BB&T appreciates the opportunity to provide this financing proposal and requests to be notified within ten days of this proposal should BB&T be the successful proposer.

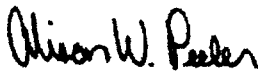
BB&T shall have the right to cancel this offer by notifying the Town of its election to do so (whether or not this offer has previously been accepted by the Town) if at any time prior to the closing there is a material adverse change in the Town's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the Town or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Should we become the successful proposer, we have attached the form of a resolution that your governing board can use to award the financing to BB&T. If your board adopts this resolution, then BB&T shall not require any further board action prior to closing the transaction.

Please call me at (336) 376-0254 or with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY



Alison W. Peeler  
Senior Vice President

Enclosure

**Carolina Beach, NC Equipment**

**Compound Period: Annual**

**Nominal Annual Rate: 1.640%**

**CASH FLOW DATA**

	<b>Event</b>	<b>Date</b>	<b>Amount</b>	<b>Number</b>	<b>Period</b>
1	Loan	7/24/2015	553,953.00	1	
2	Payment	6/1/2016	116,033.26	5	Annual

**AMORTIZATION SCHEDULE - Normal Amortization**

	<b>Date</b>	<b>Payment</b>	<b>Interest</b>	<b>Principal</b>	<b>Balance</b>
Loan	7/24/2015				553,953.00
1	6/1/2016	116,033.26	7,790.55	108,242.71	445,710.29
2	6/1/2017	116,033.26	7,309.65	108,723.61	336,986.68
3	6/1/2018	116,033.26	5,526.58	110,506.68	226,480.00
4	6/1/2019	116,033.26	3,714.27	112,318.99	114,161.01
5	6/1/2020	116,033.26	1,872.25	114,161.01	0.00
Grand Totals		580,166.30	26,213.30	553,953.00	