



CAROLINA BEACH
TOWN COUNCIL MEETING
MINUTES • JUNE 9, 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 at 6:30 p.m. Steve Wright led the Invocation 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	Present	
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

The following amendment was made to the original agenda packet:

Added Item: Discussion on healthcare for Town Council Item 8.d - added in the Public Hearing section as it is a budget item.

Mayor Wilcox made a motion to adopt the agenda with the change as stated. MOTION CARRIED UNANIMOUSLY.

3. SPECIAL PRESENTATIONS

- a. Recognize Fire Lt. Lane Britt for 5 years of service.

(Requested by Kim Ward, Town Clerk)

Chief Alan Griffin recognized Lt. Lane Britt for 5 years of service with the Fire Department.

- b. Presentation by Matthew Gilliland with All Things Jeep

(Requested by Kim Ward, Town Clerk)

Matthew Gilliland presented a check for \$3,100 to the Help Center. They also donated \$3,100 to a veterans' wounded warrior organization, Four-Wheel to Heal. This money was raised during the Carolina Beach Go Topless Jeep Event on May 16, 2015.

Clay Meadows asked Council if they would consider helping them out next year with logistical issues that they had this year, especially with accommodations.

Mayor Wilcox asked Mr. Cramer to work with the Jeep club next year to help accommodate their needs.

Mr. Cramer said he could bring it to Council a couple of months before the event takes place so they can approve it as a special event.

c. Brief the Special Events for June and July

(Requested by Brenda Butler, Planning & Development)

Ed Parvin gave an update on the events scheduled for May and June.

d. Project Updates by Gil DuBois

(Requested by Gil Dubois, Operations)

Gil DuBois gave an update on the current projects in the Town. He said they got the asphalt down last week on Cape Fear up to the Third Street intersection. The traffic control devices are in and striping all the way back to Harper and Canal. We still have some street lights that have to go up. We've still got a water line to put in that one block and hope by the end of this week that will be finished. We currently are pressure testing the water main on Fifth Street from Atlanta to Cape Fear. It passed it's test today and we'll be chlorinating it tomorrow and be able to pull the test off Thursday and Friday and hope to put the services on line sometime the latter part of this week/first of next week depending on how the test results are. We finished the force main connection going into the manifold assembly into the wastewater treatment plant and right now we've got the 16" force main completed all the way back to about 100' from Fifth Street. So we have 1 block of force main to run so it will be totally complete from pump station #1 to the wastewater treatment plant. Moving forward, we still have some issues to go back and touch up on Clarendon. We've encountered a lot of very poor condition 2" water lines on Fourth/Fifth, and we've made provisions to tap those onto the new line and move forward with that. We currently have a project going on Annie Drive where we're going to put in a new road system for the development there. We found some issues with the water/sewer line and we're straightening those out. We've got a 1.25" water line there that has to be replaced. We have to get that permitted through the State to move forward on that project. We are working in Phase B. Hopefully we will be presenting something to you all soon about additional projects. We've also worked real close with AT&T, Progress Energy, Duke Power and the cable company and right now there are conduits in and we've already looked at some stuff moving forward this fall to get the rest of the stuff on the boardwalk underground.

e. Town Manager's Update

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

Michael Cramer gave an update on the budget that he will be proposing later tonight. He said later on tonight during the public hearing section we will talk again about the budget and this will give an opportunity for members of the public to make comment and discuss the budget and also to have Council discuss the budget. In general, just so you have an idea of what we've gone through is over the last 6 months we have participated in 3 different workshops, one added on workshop, 4 total. During the process we have made quite a few revisions and adjustments to the budget and also planned for future expenditures dealing with infrastructure improvements. Just to give you a quick rundown, we have a few assumptions that are made during the budget process that I wanted to clue everybody in on. The first, there are various personnel and benefits changes that are taking place in this particular budget. The first is wages and in order to keep pace with other communities in the area we are recommending a 2% COLA and up to a 3% performance merit. We are also looking at and have completed this year, and you will also see that later on tonight, the pay study adjustments. We've had a couple of workshops on our pay study in trying to

make sure that we are compared very well with other communities in the 3 county area plus any communities that are on the oceanfront that have the same demographics that we do. This makes it so that we can go and obtain good employees and also recruit new employees to our community. Along with that we are converting 2 positions that are currently part-time. One fire inspector and one receptionist into a police records specialist with this budget and also adding two additional fire fighters who are part-time. Currently we have 2, this will add 2 more to that complement and make it so that we have 4 individuals on staff at all times so that if we do have an emergency, a structure fire specifically, that we are able to go and man the fire without waiting for reinforcements or volunteers to come in. Finally, healthcare, we have 1 change to our healthcare plan this year and that was to change our prescription benefit plan to include \$100 deductible for non-generic medicines. By making that change and consolidating some of our other ancillary benefits we were able to hold our healthcare costs flat. which is a huge thing for those of us who deal with healthcare insurance on a regular basis. You are always hearing about increases of 5%, 10%, and 15% in healthcare premiums. This year because of the things that we were able to do, we were able to keep that flat and I'm very proud of that. If you look down at the bottom of that sheet you will see that overall the budget increases by 10.73% over last year's budget. The majority of that is dealing with infrastructure projects; increases in our debt due to increases in financing for public improvements like water, sewer, storm water, those types of aspects; capital improvements dealing with our vehicles, our fleet maintenance aspects or our buildings; also maintenance and operations on many of our infrastructure components like our wastewater treatment plant, our wells, our pump stations and things like that. As you can see the majority of what we're looking at for increases this year really deal with the completion or continued work on our infrastructure in our asset management. Something that has been lacking in past years, this time we're able to go and make a concerted effort to keep improving those types of aspects. The last slide I want to show you regarding the budget is this general overview. In general, between the General Fund and the Utility Fund, our total budget will be approximately \$20.7M. That includes approximately \$7.5M worth of personnel and benefits, \$8.1M in maintenance and operations, \$1.4M worth of capital and rounding that out is our debt payments for issuance of bond debt which is \$3.6M. All very comparable to previous years. One of the things I did not show in this slide, we had talked about it previously in our workshops, is although you look at this and see basically a 10% increase in capital expenditures and debt and asset management, for the most part in our M&O if you take those expenditures out we actually have reduced our M&O from year over year. To me that is a positive trend where we are spending more money on trying to improve our existing infrastructure and our assets and less money on day to day operations. That gives you a general overview of the budget and we will have the public hearing later on this evening for that and also a discussion about the pay study.

Council Member Friede said with this budget, tell us what our Fund Balance will be if we adopt this budget proposed?

Mr. Cramer said currently the General Fund Balance will be in the neighborhood of 65% and the Utility Fund Balance will be moving down slightly but will still be in the 50% to 60% range.

Mayor Wilcox said so we've reduced our Reserve Fund a little primarily for capital improvement projects not just because the cost of government has gone up, right?

Mr. Cramer said that is correct. The other item that I had to discuss in my update tonight was an update for Council and the citizens regarding the arcade

development. One of the things that in the past couple of weeks I've had quite a few people ask me questions about is what is taking so long with the arcade project? What is the Town's role in that project and have we been working hand in hand with the owners and the contractors to try and facilitate the completion of that project in a timely manner. The answer to all those questions is yes, most definitely. We've basically had 6 different phases that we've gone through to date in that arcade project. The first one really deals with the fire event and the immediate post action plan that took place. When we had the fire on September 25th at 11:30 it took us until approximately 5:30 to get the fire pretty much out and subdued. After that point we followed the next day with our building inspector, Richard Lang, going out and reviewing the property itself making sure that there were components that were safe, that the building was secured as best we could and to just review the building itself and the condition. What came of that is the Town actually condemned the building. Typically when most people hear us say condemned that means you have to tear it down and you can't go back and that's not necessarily the case. Condemnation in this case is much more about making sure there is security for the building so that we don't have people entering and exiting the building at will and protecting those individuals that are around the building while we go through the permitting process and the reconstruction process for that facility. We ended up having the following day on September 27th a meeting between the owner, the contractor and our planning staff out on site to review many of these aspects of how to secure the building and what things needed to take place to move the project forward. One of the primary concerns was the structural integrity of the facility itself. By October 2nd we had received a letter from the owner's structural engineer determining that the structure was safe, however, there were some areas that could be improved and safeguarded. One of those being the western wall, which faces Shelby Jeans. That area was actually beefed up on the inside of the facility with 2'X4' bracing and other types of structures to make it so that it was secure for the next several months. The engineer basically stated that for the next 2 months the structure would be safe and secure at that point. This gave us time to move into our second phase which was determining the number of structures for that facility and why this issue becomes very important is that it relates back to our building codes, our fire codes, our CAMA permits, the coastal area management group, and also floodplain regulations. The property itself is 2 separate pieces of property and there are multiple structures that have been added on over time. Because of that we brought in experts from outside of the Town itself to determine whether or not this was 1 building, 2 buildings or 4 different buildings. Part of that was architects/engineers. Some of those were contractors who had utilized or been in the building previously. We had CAMA representatives and Department of Insurance representatives come look at the facility and also talk to us on the phone about the various conditions of the property. What ended up being the case is that the CAMA representatives and the Department of Insurance both agreed that this property was 1 building and thus that makes it so that if the building only sustained damage to less than 50% of the property or that the repair costs were 50% of the total tax value of the property that it could be rebuilt in its present location. In many of the areas, especially in downtown, when you are in a floodplain if you have damage that is over that 50% threshold you have to elevate the structures. In this case because the discussion was that it was 1 building and there was only a section of that building that was burnt and damaged where it needed to be repaired or replaced, it fell underneath that 50% threshold or at least it was our assumption that it would once we got cost analysis back. Because of that, that was good news for the owners who no longer had to go and think about raising this structure up on pilings. Once we got that information we moved into the next phase which was determining the value or the cost for the repairs for that facility. The contractor, their engineers and the owners worked on determining what types of changes needed to be made to bring it

back up to a state safe occupiable standard. We received on January 20th an evaluation report that detailed out each and everything that needed to be done on that facility and the estimated cost associated to that. That study did come back and show that the repair costs for the facility were less than 50% of the tax value for the properties. Because of that we could then start moving into making sure that building codes were met and what building codes applied. Because the property had been expanded over the years there were multiple different building codes. Typically you attempt in a repair or replacement like this to go and bring it back up to its previous condition as it was previously permitted which means we had to go back to 1936 building code and review those all the way up to the present to determine what parts of the buildings fell in what code and what things needed to be accomplished to bring that up to a standard that is safe and secure for today's activities. That actually took us through until about the beginning part of February to complete all of those analyses and to look at all the structural integrity of the facility itself. Some of the things that the Town required of the property owner to make sure that they had adequate facilities once the project is complete is that we had basically 4 conditions. One was to address life safety issues identified by the structural engineer. For instance, that western wall and making sure that it was either sound and could be reutilized or needed to come down and be completely replaced. The second item was to provide forensic testing on all masonry, steel, wood and foundation areas associated to the building, do an evaluation of the ADA requirements in compliance with today's codes and then get us detailed building plans so that we could go through the permitting process and make sure the construction is safe and sound and move the project through to fruition. As I said, those things take quite a bit of time to go through those regulatory hurdles. By the time we got to February the contractor started looking at specific life and safety evaluations and the Town became more engaged in trying to go and have the western wall either stabilized or removed. We did issue a demolition permit on May 18th and, as of right now, the demolition has been utilized and as you can see if you have gone out there that the debris and the majority of the damaged area have been removed from the facility. We also talked about could we go and reoccupy any of the structures to make it so that the businesses that were there in place could continue to do business during the tourist season. And what we ended up determining is that yes, for instance at the very end of the property, the t-shirt shop could reopen as long as they provided the same services that they had before. For instance, water, sewer, public bathrooms and things of that nature. They were able to do that so on May 20th we were able to go and issue a certificate of occupancy so that they could go and occupy that part of the building. All of which took quite a bit of time and effort so it has taken much longer than I'm sure the owners, the contractor or the citizens really wanted it to but what we are hopeful of is that the end product will be well worth the wait and it will be something that is an attraction and a positive aspect of our downtown going forward. The last phase of this is what we're in right now and that is the building permit phase. On June 2nd we did receive preliminary plans for the reconstruction of the eastern section of the arcade building which really was the section facing the ocean. That area will be separated with a firewall between the 2 property lines and will be rehabbed into what is envisioned to be 4 retail shops. All those retail shops would have ADA accommodations for the restrooms and meet all of the typical codes and requirements that you would see in any other retail operation. We are expecting it will take a couple of weeks before we get to the point where we've gone through our preliminary review and then we are hoping that soon thereafter the contractor and the owner will start rebuilding that section of it. We're anticipating that somewhere by the end of the summer, beginning of fall to see plans coming in for the complete rehab of the western side of the building which will take us into the fall where we have a new arcade completely built out with at least 5 retail shops and 1 smaller arcade space. That is basically what has been going on over the past 8

months and what the Town has been doing to try and facilitate moving the owners through the process and repairing that facility. He said in the area that was primarily burned and has been removed through the demolition process, it will all be replaced and put back into existence with up-to-date codes. In parts of the building where the only thing that was damaged was smoke or possible water damage those areas can be returned to their existing code for that facility and rehabbed in that manner. They don't necessarily have to be rehabbed up to today's standards.

Council Member Friede said the representative from the Department of Insurance said she could support a finding that it was one structure if one of three conditions were met: a deed between the two properties restricting usage and ownership, deed restrictions on both properties being if one is sold, the buildings need to be independent and a raised wall constructed between or deed restructuring so that the two properties become one. Were any of those steps taken yet by the owners?

Mr. Cramer said as far as I know number two is what was planned but I can't tell you today that it has been completed yet.

Council Member Friede said so until those are done can we issue... what does that do to our ability to issue building permits if it's not one structure because the combination hasn't happened according to her findings?

Mr. Cramer said it really doesn't have an effect on it. The intent of that letter was to state that the way to go and go through this process was to do one of those three things. It didn't necessarily preclude us from moving forward with helping the owner do permitting and things like that to reestablish it as long as by the end of the project those things were controlled for. If requirements have not been complied the building inspector can withhold the CO for the facility. The incorrect address on the demolition permit can be adjusted. The property owner determined to use the tax value of the property.

Mayor Wilcox said it wasn't the tax value, it was cost vs depreciation which was within a couple of percentages of the tax value.

MPT Pierce asked who determined that it was within the guidelines of the 50-50?

Mr. Cramer said it was the building inspector Richard Lang, Jeremy Hardison who is our flood zone manager, Ed Parvin and myself. We also talked with Rob Mayers with Coastal Management Association and several different people from DOI.

MPT Pierce said and all of you are in agreement that it fits those requirements?

Mr. Cramer said yes.

Council Member Friede said we got a copy of an email in our packet that our building inspector sent to Ed and copied our fire chief and our manager on and it says that Joe Meyer, who is one of the principals in the LLC that owns the property, called back today and has plans to improve the property beyond just the repairs. He used the word blight to describe the condition of the arcade as it was even before the fire. Richard goes on to say that's the same word that I used yesterday when discussing the repairs. We're looking at complete removal of the west side of the arcade. The east side, obviously one of them is staying there. Some of the beams I know that were exposed are coming down. How did we get from the condition where the owner was calling it blighted to the point where we're saying it's less than 50% damage and it can be rebuilt?

MPT Pierce said I have shown a lot of property and one person's idea of blight and another person's are totally different.

Mr. Cramer said blighted is subjective and typically used in determining conditions of buildings or homes. In this case the term blight isn't used in any of the regulations associated to determining the 50% rule for either CAMA or for the building code. Basically the fact that one person or two people may see the property as blighted really doesn't have an impact on the tax value or the valuation in appreciation that was done by the owner and the contractor. I don't see that the difference between a couple of people saying that it was blighted that that would have a major impact on the tax value or the use of the value to create that calculation. We rely heavily on professional engineers and their seal and stamp to make these determinations whether it's safe or needs to come down.

Mayor Wilcox said as a point of clarification, you have said twice that the entire west side has come down and that is not accurate. One hundred percent of the foundation on the west side is intact, almost 70% of the walls are intact and 63% of the steel roof structure is intact.

MPT Pierce asked what is the tax value and what is the owner's investment is into this project?

Mr. Cramer said he does not have that information.

Mayor Wilcox said the county's appraised value of the buildings totals \$849,000.

Council Member Shuttleworth said I asked to have this put on the agenda because it is a very complicated process and has had multitudes of people come up and say how can you possibly tell me that's 50% or say it's one building. My answer to them has been, I can't. It's not up to me, I'm not an engineer or property evaluator. That's up to other people. So I asked you to go through that and I appreciate the summary. I did meet with the Mayor. It is a little more awkward and I appreciate the Mayor in his position because everyone has a right to make a living and just because he is the Mayor and he is in the construction business, people will always say what's going on? It's not the job of Council to know every private deal that is going on. All that being said, I was a little frustrated over that past number of months because, no offense Dan, but like all contractors, they seem to move slow. We had to get to the point where we issued condemnation action and said hurry up and I know that the Town issued some demo permits back in April and all I can say is, on this project or any other, as we see things happen at the boardwalk because there will be hopefully no other fires that cause remodeling, but there are going to be other opportunities for remodeling and redevelopment down there. We need to do everything that we can on the Town's staff, planning and management side, to keep the public informed and to get the work done before the start of the tourist season. For whatever reason that didn't happen on this one. We are now in the last week of May and the first week of June to actually have activity that we issued a permit 60 days ago. So for whatever reason that it took that long, I am asking that in the future those things be expedited or then they are told, no, you can't do the work until such and such a time. Because this was a fire, I get it. There is a big pile of debris down there and we have to get it out of there but we sure rode the heck out of staff and all the other contractors to finish Canal and the boardwalk and Cape Fear and utilities and get everything done we could before the start of the tourist season yet we have a cornerstone or middle of the block project that just seems to languish. I asked Michael to put all this together because I am not an engineer or

contractor. I haven't looked at the building plans and don't know what is coming down or what is included or what the values are. That is not the job of a Council person and I trust staff to do that but when the public keeps asking, I went to staff and asked them please do that. I met with the Mayor and said this is not a witch hunt against a contractor but it's something the public needs to understand.

Mayor Wilcox said I would be finished now if I could have started when I wanted to.

Council Member Shuttleworth said it is just the nature of the beast. All I am saying is the next time we have a building that wants to be remodeled down there let's look at our schedule as tight on that private project as we do on all the public projects because other people who are in business down there get affected when they are disrupted whether it's a private project or public project.

Mayor Wilcox said I'm not sure the Town can tell a private property owner when they can or can't repair their property. However, I do appreciate the difficulties and I can tell you, from a contractor's perspective, I would have much rather done this in the off season. It's a nightmare working down there during the season. It is extremely complicated and difficult.

MPT Pierce said so when is it going to be done?

Mayor Wilcox said I am still waiting on a permit, does that answer your question? There is a lot of work to be done down there yet and if any Council people or staff have a question about what is going on, the activity, why something is like this or not like that, you have my phone numbers, please call me. And if any of the citizens ask you please give them my phone number and I will be glad to meet them out there. I have done it on a regular basis and answered all their emails and messages and I will be glad to continue to do that.

4. OLD BUSINESS

There was none.

5. PUBLIC DISCUSSION

Patrick Boykin, 712 Glen Avenue, read the following: What the solid waste center means to me is a ruined natural view in my backyard. Before the solid waste center I had a very natural backyard with a large, beautiful cedar tree. This beautiful tree was ripped out of the ground and replaced with a concrete ramp and chain link fencing with some privacy vinyl inserted into the fencing. Yes, there were some trees planted but not enough to conceal the ugly, brown trash compactor. Since the May town council meeting it appears the ramp is now being used to store stop signs and other posts that are extending above the screening on the ramp. It would appear to me that there is some place, some space somewhere on that lot to store such items without having to store them on the ramp. Before the solid waste center I had a very natural backyard with a large, beautiful tree. That is all gone now. Also what the solid waste center means to me is the devaluation of my property. Now with the revaluation of real estate property in New Hanover County I anticipate, since the economy has recovered some from the financial crisis of previous years, property values will increase. The Town of Carolina Beach has a net revenue budget. My Town of Carolina Beach taxes should not go up but I do anticipate that the New Hanover County taxes will. I do not think that my taxes should be going up as long as I have the solid waste center in my backyard. I think the solid waste center has a negative impact on my property value and would make my property harder to sell placed on the open market. What the solid waste center means to me is more birds flying over my property. Since the solid waste center has opened there has been a tremendous increase in the number of birds in the area. These are black

crows, seagulls, and hawks circling in the air. With more birds constantly flying over there is more bird poop to contend with on cars, mailboxes, outdoor lawn furniture, and patios creating a health hazard to our community. I pity the postal worker that has to deliver mail to my mailbox. The solid waste center is nearly 2 years old in the current location on Bridge Barrier Road. I have seen little progress in getting closer to a resolution of moving the solid waste center or eliminating it. I beg and plead with you, the elected town officials of the Town of Carolina Beach, to move quickly on eliminating the solid waste center or moving it from the Bridge Barrier Road location. As we approach a new fiscal year, now is the time to do something to solve this problem.

Council Member Friede asked the Town Manager if our agreement with the Army allow us to store some of these materials that Mr. Boykin is talking about on the old operation site on Dow Road.

Mr. Cramer said it does not. The only things we are allowed to store on the MOTSU facility for our waste water treatment plant are items related to water or sewer infrastructure and there is a specific list that they include. Things like traffic signs, barrels, the other things that we store on Bridge Barrier Road are not included in that.

Council Member Friede asked if he would send them a letter and seeing if maybe we can run some of these items past them.

Mr. Cramer said we are in contact with them on a regular basis. I will definitely push it up the chain of command.

Mayor Wilcox said in the meantime can we limit the storage behind that screening to things that are less high than the screen?

Mr. Cramer said I will definitely take a look at it.

Lucy Sears, 716 Glen Avenue, said I agree with Patrick with everything. Something has got to be done. I had my property sold, almost sold, until the people came out and smelled it and they asked me what was that behind the house and I told them. They backed out of the deal. So now I can't sell and I want to get out. I want to leave Carolina Beach. I don't like it anymore. I don't like living here. This Town has ruined the way I felt about it and something has to be done.

Mayor Wilcox said as a follow-up, Council made a commitment some time ago to purchase a piece of property and move that facility. As far as where we are today that piece of property has become unavailable. We would I'm sure take action and start moving that facility tomorrow if we could find a piece of property. That's the second part of the equation. The commitment to move it has been made. The second part of the equation is where to move it to. We have yet to find a piece of property to put that facility on. We're still working on it. We have looked at a lot of options and will continue to work with that issue.

Mr. Boykin said everybody in the Town of Carolina Beach shares in the elimination of that solid waste, not just the people along Glenn Avenue or the surrounding properties. Everybody. So if you have to go up on taxes, then go up on taxes but everybody is sharing equally in that and not just the residents on or near the solid waste center.

Council Member Friede said Michael we had numbers on moving that... well, the problem is to find a location on the other side of the bridge to move it to also and we looked at properties over there but we had numbers at some point in time on some property that was off River Road. Wasn't there another piece of property we talked about and looked

at how much that was going to be?

Mr. Cramer said we did an extensive survey of properties not only on the beach but off the island looking for properties that might fit that use and came back with very little options but the options we did have we presented those to Council and walked through them at that time.

Mayor Wilcox said the consensus was made to move in a different direction when we thought there was a piece of property available. However, if that is not going to be available maybe we need to take up those discussions again.

Mr. Cramer said certainly.

Deb LeCompte, 307 Charlotte Avenue said she wanted to report a dangerous situation that she ran into on the beach. Last Monday. I went for a walk like she usually does and didn't take her phone with her so she wouldn't have any interruptions. As she approached the North End Pier the tide was coming in so the water was high and when she got close to the rock wall there was a large backhoe that was not roped off. No one else was around, just the operator of the backhoe who was moving sand. There were people laying on both sides of the beach and could have been a really dangerous situation. However, when she walked past and got to the edge of the rock wall she took one step and ended up five feet in the sand. I'm a pretty fit person and was able to get out but if it had been a small child, that child could have disappeared and no one would have known where it was at. It was like quicksand.

Council Member Friede said they're gone out there now, the walls have been shored up there I think.

Mr. Cramer said yes, it took us about three days with that backhoe and the contractor to stabilize or restack that section of wall. You're right, basically what we had to do was dig down several feet, ten feet in some places to find the rocks that had migrated and put them back up on top of the wall.

Ms. LeCompte said my concern was it was not roped off and there were people laying within several feet of this backhoe.

Bob Lewis, 102 Sugar Loaf Court, wanted to have Jerry Bigley recognized by proclaiming July 28th as Jerry Bigley Day for all his contributions to the business community and to the Town over the years.

Mayor Wilcox read Proclamation #15-2096. Council agreed.

Council Member Shuttleworth made a motion to adopt Proclamation #15-2096 Proclaiming July 28th as Jerry Bigley Day. MOTION CARRIED UNANIMOUSLY.

6. PUBLIC HEARINGS

- a. Conditional Use Permit: For a Planned Unit Development that will consist of 3 single-family dwellings located at 513 Spencer Farlow Dr. Applicant: Jimmy Bridges

(Requested by Jeremy Hardison, Planning & Development)

Jeremy Hardison made the presentation.

The following were sworn in by the Town Clerk: Ed Parvin, Jeremy Hardison, Johnnie Davis, James Long and Jimmie Bridges.

Mr. Hardison said this is a conditional use permit (CUP) for a planned unit development (PUD) located at 513 Spencer Farlow Drive for three single-family dwellings. The previous property had a 1951 single-family home on it (shown on the overhead). Since then they have filed for a demo permit and a grading permit for the lot. He showed the current condition on overhead. The CUP is allowed in the R-2 zoning district under a PUD. The density is 6.2 units per acre or 3.1 units for this site. The site is just under .5 acre. He showed the single-family home with garage fronting Spencer Farlow, then showed the site plan where the three dwellings will be located with one centralized driveway. The lot coverage is 27% as proposed. The ordinance maximum is 40%. They meet all the setbacks. Parking will be three spaces per unit. They are providing a five foot landscaping buffer that for every fifty feet of linear one canopy tree, two understory trees and three shrubs. Open space is 38% and storm water will be handled on site through infiltration system. Curb, gutter and sidewalk will be determined by town Council if needed and it's based off of three criteria which is there a central pedestrian access, does it provide safe pedestrian movement and does it tie into an existing sidewalk. In our bike/pedestrian plan does not call for sidewalks in this area, just along the path adjacent to Snow's Cut. There are, however, sidewalks that were approved back in 2005 for Bimini Townes and that is across the street. Those are the only sidewalks in the area. Staff recommends approval, it is consistent with the Land Use Plan, density is low to moderate in this area which they do meet with the three units vs the square footage of the lot. P&Z recommended approval as well. TRZ and P&Z decided that based on the criteria that sidewalks, curb and gutter would not be required or needed and the applicant is not proposing any.

Council Member Friede said the packet information they got says the plan actually doesn't recommend sidewalks along Spencer Farlow. Sidewalks are currently piecemeal on the northern side of the street extensions of the sidewalks are recommended on the side. What do you mean when you say extensions of sidewalks are recommended on the side even though the plan doesn't recommend sidewalks?

Mr. Hardison said if there were sidewalks on that side of the street that they could tie into, that is something we would look at and see if sidewalks would be needed for this project. There are no sidewalks on this side of the street.

Council Member Friede said we've had numerous people come in over the last couple of years say that vehicles, especially large vehicles with boats in tow barreling down Spencer Farlow at greater rates of speed than we might like to see. How long ago was the bicycle/pedestrian plan put into place? Obviously we can't go back in time on that tonight. Do we need to readdress the issue of sidewalks on Spencer Farlow and would we recommend them on this side or do we need to keep on with what we've got and the bicycle/pedestrian plan is up to speed enough with the increased traffic on Spencer Farlow over the last couple of years.

Mr. Hardison said we are starting to implement some portions of our sidewalk plan within this plan now. There is a section of sidewalk on the northern side so if a project came on the northern side that is something we would look at if we needed sidewalks.

Mayor Wilcox opened the public hearing.

Johnnie Davis, 310 Wilson Avenue, applicant and general contractor. I am a member of the Planning and Zoning Council and when this came up I recused myself. The property that was there was a single-family house as well as a garage. The garage had a backroom with a bed in it so apparently at some time it had been

inhabited as a residence, too. Both structures were built back in the fifties, both had asbestos siding covered. When we got the demolition permit and the grading permit we hired a certified asbestos removal company to come in and package everything up and take it out of the county. Our design is to build three single-family, two bedroom, two bath homes that would appeal to a retirement market. They're going to be on a raised slab, no high elevation, 1,200 square feet plus a 1.5 size carport. There is an existing privacy fence that surrounds the property now, not on our property line but just off of it. The only complaint we've had through this process is a couple of neighbors who were disappointed by the amount of trees that were removed from the site. To develop and go in with a straight in road to get the water and sewer in as required we had to do that. There are still a lot of trees around the perimeter and of course when we build we plan on landscaping as I do on any house that I've built on the island. (He gave pictures to Council) As I said the only complaint I've had is from a neighbor to the west who has a rather lengthy driveway and was disappointed in the removal of the trees and a lady who lives behind us who has a large storage building who said she was against anything with a high elevation looking down into her backyard which we're not planning on doing anyway. And then there was a lady to the left who lives in a similar project that has five or six houses on it that said she was a bird watcher and missed watching the birds but other than that we have had nothing but good comments from people about the property that was actually an eyesore. I'm not sure what all the use was. There's some tennis shoes hanging over the street lines out there and I've been told a lot of times identifies a drug place. I think we're improving it. I think what we're asking for is if it is zoned for it.

Council Member Doetsch said he rode by there a couple of days ago and it looks like all the grading is done and looks like it kind of conforms to a lot of the other types of structures that are there, too.

Mr. Davis said there is not vacant property on either side that sidewalks could be extended to but across the street in front of Bimini Townes there is a sidewalk plus vacant property on either side that at some time a sidewalk could be extended on. We don't propose sidewalks or curb and gutter and this is out of the floodplain. I am presenting on behalf of Mr. Bridges as well.

Jimmie Bridges, 513 Spencer Farlow, was sworn in and said Johnnie Davis is speaking on his behalf. He has bought several pieces of property around town and have improved every one of them.

James Long, 519 Spencer Farlow, said he is right beside the lot they are planning on building the three houses at. I don't have a problem with them building a house. One house that was there before like when I bought my house but right here at Spencer Farlow there's not a lot of tourists over there, it's all local people who live there all year round and there are a lot of kids in the neighborhood. I have kids myself, most people on that road have kids and it's not like a tourist area down by the boardwalk and the beach so we try to keep it that way and for him to buy the property, there was just one house there with lots of beautiful oak trees, magnolia trees and the first thing they did was come in and tear the house down and skin the whole property. There are a couple of trees left on the property but the majority of the ones that are left are on my property because the fence that goes by the property is not on the property line. The fence is here, the property line is here and the trees are here so they're mostly on my property. As far as putting three houses there and bringing that much more traffic on Spencer Farlow from the time March starts until the end of October. We have boats coming 5:00 in the morning until 10:00 at night down that road left and right all day long and I understand that and

knew that when I bought my house and I live on the road with the boat ramp on it. That's fine but to now add more traffic on there I just don't see that. He got a half acre of property there with one house on it before he tore it down. I live right beside him behind the two houses there where he's planning on building and then the one in the very back. My house sits back off the side of the road so my house will be behind that house right there (pointing to the overhead picture). So when he builds that last house right there that will be overlooking my front yard, within fifteen feet of my front yard, that back house right there. For them to come in there and build them all up like that I just don't see it. It's a really good neighborhood and everything and I don't think he should be able to come in there and do that. I don't have a problem with just one house being there but to come in there and build three like that, I don't think we need the traffic - it's more of a neighborhood for kids and stuff and I'm there for my family and my neighborhood. Mr. Bridges and Mr. Davis is there for the money thing of it to go and build a bunch of houses. Neither one of them is going to live there all they are going to do is sell it and make a bunch of money of it and we'll deal with all the traffic and all the people and all that kind of stuff. He has a half acre of property there. I live behind him and own an acre of property. So if he can build three there does that mean I could build six on my property? I don't think that Spencer Farlow needs to be built up that way, we have enough traffic there with all the boats coming up and down. There's kids walking out in the street going to the bus stop and everything. The last thing we need is more houses on that road than we have already. I understand it's his property. To build one like was already there, that's fine, but to come in and build three of them up high like that looking over everybody else's yards I just don't think that's fair to the rest of the people in the neighborhood.

Mayor Wilcox said I appreciate your comments and I understand your concerns. I think what I need you to understand is that this particular type of hearing Council is very limited in what they can do. If the applicant meets his burden and part of that is that he meets the zoning requirements as far as the density and things of that nature, we literally can't refuse.

Mr. Long said so why do we have people here to oppose it?

Mayor Wilcox said based on material and competent evidence, for instance, if you had a traffic expert in here...

Mr. Long said I already felt like when I went against the Planning and Zoning, Mr. Davis was on the board which he stepped down. He was up there at the beginning and then he found out that I showed up and he recused himself and brought himself down. I already know I wasn't going to have any luck on that one because he was on the Planning and Zoning Board.

Mayor Wilcox said Mr. Long I'm trying to explain to you if you will just give me a second. By law we have to follow the law and if he meets the burden of the application which it appears he does as far as the density, the right to build on that property, the right to tear trees down. We as a Council can't subjectively or arbitrarily tell him he can't do it. We have to follow the law. The reason for these hearings is if somebody presents some material and competent evidence, if you had a real estate appraiser or expert that said there would be some diminution in value to your property, if you had a traffic expert that came in and did a traffic study and said it was going to create a safety issue with regard to traffic - those are things that we can consider. I don't know that they would change the output but are certainly things we could consider. That you don't feel that three buildings on the lot is appropriate or fair is not something that we can consider because the zoning

ordinance allows that. I know that is not what you want to hear but that is how we have to do business on a conditional use hearing.

Mr. Long said I feel that it is going to devalue my property because I went from having one house on that property that was 60 feet up in front of my house compared to now having three and one of them is right in the back double story overlooking my front yard. When you have that house that's right in the back there, the last one, behind that, that's my front yard not my backyard so they will be overlooking my front yard there.

Mayor Wilcox asked how long he has lived there.

Mr. Long said he has lived there for five years.

Mayor Wilcox said when you bought that property it was zoning like it is now and everything that this owner is able to do to this property was able to be done back then so there is nothing he is asking for that wasn't available to him when you purchased your property. You purchased a piece of property in a neighborhood where these allowances exist, this zoning ordinance exists for him to do this.

Mr. Long so I can tear my house down and hire you to build me six houses there, right? I have an acre of land there.

Mayor Wilcox said if you have an acre according to staff's presentation you could build six homes there.

Mr. Long said I wouldn't want to be doing that to my neighbors like he's doing that to me. That's not my style.

Noel Fox, town attorney, said in further explanation to what the mayor just explained there is a specific statute that states Council may not rely on lay witness testimony as to traffic increase and the diminution of value on real property.

Mayor Wilcox closed the public hearing.

Council Member Doetsch made a motion to approve the conditional use permit for the three single-family dwellings located at 513 Spencer Farlow Drive, that it meets the specific standards 1-7 and general conditions 1-4, that it conforms to the 2007 Land Use Plan and recommend adopting the grant order as presented by staff. MOTION CARRIED UNANIMOUSLY.

Mayor Wilcox called for a 5 minute break.

- b. Land Use Plan Amendment: Consider amending the 2007 CAMA Land Use Plan to modify the Future Characteristics of the Marina Mixed Use to eliminate specific density characteristics. Applicant: Wells Construction Corp

(Requested by Jeremy Hardison, Planning & Development)

Jeremy Hardison presented. He said the applicant, Wells Construction Corp., has applied for an amendment to our CAMA Land Use Plan to eliminate density characteristics in our Marina Mixed Use. On the screen is kind of the pyramid of decision making. You start off with public meetings and what the community values and goals are with the Land Use Plan then you base your zoning off of that and review CUPs and text amendments. Then you create your site plan review off of that and then at the final you have a permit in hand based off all those requirements. In the Marina Mixed Use area it's the same as our Marina Business zoning district. It's

east of St. Joseph Street adjacent to Myrtle Grove Sound. It does pick back up to Waterfront Villas at the end of Spencer Farlow and also Joyner Marina is also in the Marina Mixed Use land classification. Here is the actual amendment (shown on overhead) to strike out the units per acre requirement in the Land Use Plan. It does speak to height land uses and lot coverage. CAMA just reviewed their policies for land use plan and they are okay with this amendment in discussions with them because they are going to more or less a broader land use plan approach. You don't have to label the specific requirements within your plan. Those things should be addressed with your zoning ordinance. The zoning in this area currently there are no density requirements. The minimum lot size is 10,000 square feet. It does allow for single-family, two family planned unit developments, commercial uses but does allow for multi-family. There is a 50 foot building height limit and 40% lot coverage. Staff recommends the limit for the density requirements and that should be addressed through the zoning ordinance based on the values of the community. P&Z also recommended removing it out from the Land Use Plan and that it should be addressed through the zoning ordinance. That was passed 7-0. The applicant is not here but they do have representation.

Mayor Wilcox said CAMA is going to be revising their standards to eliminate density and things of that nature within their plan.

Mr. Hardison said yes, you do not have to address density within a plan.

Council Member Friede said when you say density requirements; you don't mean minimum density, right? You mean density caps. Or do you mean minimum?

Mr. Hardison said it would be the maximum of how many units you could have for that lot.

Mayor Wilcox opened the public hearing.

No one spoke.

Mayor Wilcox closed the public hearing.

Council Member Shuttleworth said Ed asked me and we talked a little about this and I'm kind of a market driven person which is I think the market is going to determine what can happen. I know that we've talked about the marina district and revisiting some land uses over there that in the past have not been allowed which are a little more intense, commercial uses which is probably appropriate for marina use. So philosophically when I look at that land use for me the transition between a commercial or industrial or marina type use to a residential is more appropriate if you have a transition of some kind of density, multi-family whether it's apartments or condos or whatever it is, it's a little more than a single-family or a duplex. So when Ed asked me how would you look at this density and for me the market will correct density with a couple of things we already have in place without a cap on a number of units. We have a height restriction; we're not asking to change that. We have a maximum lot coverage, we're not going to ask to change that. We have setback requirements and parking requirements and those things dictate how much you can fit on a lot. So whether it's fifty 500 square foot units or six 5,000 square foot units, the market is going to dictate it. I'm okay with this, I'm just saying that at some point I'm not sure density is what we need to be focusing on when we have the other restricting parameters. If you can't go over a certain height and you have to have this much parking then the market is not going to figure out how to get more than X number of units on a particular piece of property whether it's a 10,000

square foot lot or a three acre lot.

Mayor Wilcox said not only that, Steve, density is relative to what? For instance, density for the unit, density for the number of cars impact that it has. So, for instance, if you had a property that had 23 bedroom homes on it, the parking standards for that but might be much higher than for something that has 40 efficiency units or something. So impacts I think have to be looked at differently.

Council Member Friede said I'm not one to take the Land Use Plan lightly but when we have recent guidance that says moving away from this type of definition that we've had and looking to address it in the building ordinance and we do in fact have it in the zoning ordinance it makes it easier for me to swallow.

Mayor Wilcox said I think it is a good thing because it has been a source of confusion forever.

Mayor Wilcox made a motion to adopt Resolution No. 15-2095 in support of the amendment to the 2007 Town of Carolina Beach CAMA Land Use Plan. MOTION CARRIED UNANIMOUSLY.

- c. Text Amendment: Amend Article 7, Section 7.1(d) off-street parking space schedule to reduce parking requirements for multi-family units. Applicant: Wells Construction Corp.

(Requested by Jeremy Hardison, Planning & Development)

Ed Parvin, Assistant Town Manager presented. He said this is a text amendment to look at parking requirements for multi-family development. Currently our standard is equal to our standard for single-family homes which is two per dwelling unit, .5 per bedroom over two. What we're looking at is making accommodations for smaller units where you have a multi-family development is typical if you have something that is 650 square feet of indoor gross floor area basically the indoor footprint of the unit or less, you only have one parking place required. If you go over that, you bump back to our normal standard of two per unit and .5 per bedroom over two. That's what we looked at. We also put another option at the bottom here just to make it a flat one per 650 square feet of indoor gross floor area and then you don't bump back to the two per unit and .5 per bedroom over two. We have two options there. Looking at the analysis that we did, we looked at over 80 homes in Carolina Beach. They averaged 3.3 bedrooms and 2.96 parking spaces and they also averaged 1,969 square feet so if you base it just on the 650 square feet you are actually a little bit more restrictive. Over here (on overhead) you require three parking places, we don't do percent parking places so over here you would bump up to four parking places. So it's a little bit more if you are over 650 square feet by itself but it is pretty much the same. It comes out very similarly as a standard. That was something staff looked at, was comfortable with but we didn't have a lot of discussion at P&Z. P&Z made a motion to recommend approval of one per 650 square feet and if it goes over that it reverts back to our typical standard. It passed 4-3. I think a lot of the concern from some of the P&Z members was looking at some of our older developments in Town, a lot of the 80's parking was not of primary concern and a lot of them were extremely inadequate. We don't believe this is the case with this amendment. That was a concern that those folks were worried about but you can't make up for those projects as we move forward with new projects.

Council Member Friede said I would like to get a little more information about those developments from the 1980's that were of concern to the P&Z members. Where did they fall short? Were they bigger units that just had less parking and now we're finding in the age we're living in that it's not enough based on the size? Applying the

same standard that we're looking at now to some of those 1980's developments to some of those 1980 developments where we can look back and say we should have had more parking. Would we be doing the same thing to ourselves or is this a different situation? Could you walk us through it?

Mr. Parvin said if you look at the north end there are a lot of the six packs up there with different size units. It doesn't look like there was an allocated parking requirement, they just basically said you're going to have the parking that is created underneath the building. There wasn't a standard per se followed for a lot of those or there was a very minimal standard. This is the actual standard we are looking at (on overhead) to accommodate the units that are in place so we are much more comfortable today establishing those standards.

Council Member Doetsch said in some cases it wasn't the amount of parking but the configuration of it. You might can stick enough cars in there to support the whole building but then if you had to leave early in the morning there were two cars behind yours to get out.

Mr. Parvin said that's a good point and I'll go back to, you see how we duplicated this standard here (on overhead) the triple asterisks here for five or more units, you can't stack parking. That's what that references. So that was probably added in sometime after that issue occurred.

Mayor Wilcox said that was a significant part of the problem.

Mayor Wilcox opened the public hearing.

Charles Poindexter said I have an interest in this situation. The only thing I would point out in working with Ed and Jeremy on this before, the Town recently passed a parking situation in the CBD that was 1,000 feet to what is being put out there at 650. 650 is even more penal and restrictive than what was already recently passed. I just wanted to make sure that you knew that.

Mayor Wilcox closed the public hearing.

Mayor Wilcox said, going back to your slides showing the breakdown, first of all, the way I understand this would be used goes to Steve's market driven situation. I feel that there is a product that is needed in our Town that we don't have a lot of which is a very small unit, an efficiency, a one bedroom apartment that is in the 650 square foot area which would serve our community in a number of ways. It would let people who would otherwise, with the cost of real estate, can't live on the island that work here, allow them to do that because the cost of the units would be lower. It would help elderly people. It would make it much more feasible for a family that lives in Raleigh and such to have a beach home that they don't have to rent out because the cost of the home is not so great that they have to worry about creating a rental unit to be able to afford it. I like the idea of a product that would fall into this category. I like the top formulas better because the bottom formula would basically penalize someone who wants to build a three bedroom home but wants really nice, large spacious bedrooms. The square foot thing doesn't work for me there. I certainly am in favor of it and I like the top proposal for the calculation, the two tier method of one space per 650 square feet and then go back to our normal and that is what you're proposing, right? The normal 2.5?

Mr. Parvin said yes.

Council Member Friede said I like that option, too. I agree with Dan. This has been an under-served market. It seems houses get bigger and bigger and that is great when you want to have a family reunion or event or get a couple of families together but there are some places where they are so big that one person couldn't make that kind of investment.

Mayor Wilcox said I don't think they particularly lend themselves to vacation rentals which is what I like about them.

Council Member Friede made a motion to adopt the proposed text amendment regarding the parking for multi-family dwellings to one space when unit levels are 650 square feet or less in accordance with the provisions of the NCGS 160A-383 and that it is consistent with the goals and objectives of the adopted Land Use Plan and other long range plans and in the public interest. MOTION CARRIED UNANIMOUSLY.

- d. Text Amendment: Amend Appendix A Zoning, Article 3 Table 3.8-1. Permissible uses to allow multi-family dwellings in the Marina Business (MB-1) by Conditional Use Permit. Applicant: Wells Construction Corp

(Requested by Jeremy Hardison, Planning & Development)

Ed Parvin presented. He said this is very similar to what you looked at with the Land Use Plan amendment. This is actually looking at our zoning allowance for multi-family development in Marina Business. A little bit of the history, before 2007 Residential Planned Unit development and at one time Performance Residential, another development tool that was available in Carolina Beach allowed you to do multi-family in not only Marina Business but in almost any zone in Carolina Beach. A big one being what we were just talking about in R-1, there were a lot of multi-family. When you looked at the underlying uses in those zones as you look at Marina Business the allowable uses are single-family or two family. In '07 we said you can't allow a Planned Unit Development for a use that's not allowed in your table of permitted uses. That's how the uses that you see in the table here were permitted in Marina Business - Forest by the Sea, Harbor Oaks, Sound View, Carolina Bay, Inland Harbor and Waterfront Villas being the multi-family units in existence in Marina Business. So in 2008 we came back and said we prevented multi-family in a lot of our residential zones but what about Marina Business? Do we need to go back and look at that again? So planning staff at the time brought that to a Technical Review Committee meeting and the manager at the time said good thoughts staff but let's wait until we go through a UDO or some other development plan process to tackle that one. That's where we are today. We never brought that back so as it is today multi-family is not allowed in Marina Business although that's how you got...

Mayor Wilcox said I think multi-family in Marina Business was a victim of doing away with Performance Residential which used to allow development standards.

Council Member Friede said that's the way I read the material, that it was just an accident that it was eliminated as a use. Right?

Mr. Parvin said potentially. We never went that far. It was allowed in R-1 but the use was never in the table of permitted uses for Marina Business. Was it in the original vision to allow that? I don't know.

Mayor Wilcox said but there's some density allowed under Performance Residential at the time and perhaps one of the unintended consequences when we did away with Performance Residential...

Mr. Parvin said exactly. You can look at Marina Business regulations now and the biggest thing I want to point out here is there is not a density standard now but then you go to underlying uses and you have single-family and two family. Some of our other densities and some of our areas that do allow for multi-family - T-1 is 29, MF and MX are 17. These are some of the properties that have limited or no development in Marina Business. There is not a lot left in that zone. What they would look like at 29 units, what they would look like at 17 units (on overhead).

Council Member Shuttleworth said explain what you mean by that chart.

Mr. Parvin said Joyner Marina is the first one on here so I will use that one, you are familiar with that. That is the only Marina Business parcel that's on the east side of Myrtle Grove Sound. If you redevelop that property with multi-family you get 15 units at 29 units per acre. If you redevelop that property at 17 units you can get 9 units. That's all that chart is telling you.

Mayor Wilcox said there was a proposed project to go there 5 or 6 years ago that was I think 30 some units.

Mr. Parvin said it was a significant number, I can't remember how many. There's no density now. That was back before we did our 2007 amendment. Some options we looked at, like we discussed a little bit a few minutes ago we just did with the Land Use Plan is just not have a density standard in Marina Business and it would be limited by other things that you mentioned - your setback, lot coverage, height, parking regulations. All those things would limit how many units you could put on a lot. Another option would be to set the cap what you Land Use Plan says would be the maximum which is 17 units per acre and then look at some density bonuses for multi-family dwellings and I will go through some of those, what we're talking about density bonuses. So if you had 17 units per acre, what we thought is you would get a bonus if you provided surplus parking. So if you provided ten parking places over a minimum you could get a 50% increase in units per acre equating to additional 8.5 units per acre or 25.5.

Council Member Shuttleworth said how does that jive with 650 or under that we just approved a minute ago? Why would we do this if we just approved 650 square feet as one parking space?

Mr. Parvin said this would, if you approved 650 for one parking space, this would give you surplus ability for somebody who had a larger lot and provided the parking for that, they could do the surplus parking and give them more flexibility with their property.

Mayor Wilcox said but this would only be a factor if you picked a specific density which you were sticking to.

Mr. Parvin said another density bonus we looked at was if you are not taking advantage of the full 40% lot coverage then you get a density bonus of 5% for every percent below 40. Again, we use the example of, if you are 10% or you're at 30% lot coverage then you get a 50% density bonus. I tried to keep it even here. So now say we did 10 extra parking places and we did 30% lot coverage we're now at 34 units per acre. So you are able to increase your density.

Council Member Friede said I guess I'm not seeing a practical application of some of these.

Mr. Parvin said the last one was public space and this is instead of an equation just 2 points if you're providing a public access point. One thing if you're on Myrtle Grove Sound on the east side, there are a pretty significant amount of access points. We've got every street in that ends on Myrtle Grove Sound and they're either ability to view or they are improved where the public can go and have access whether it's a gazebo or pier or whatever you have there. On the west side it's a different story. There's not a lot of opportunity for folks in Carolina Beach or visitors to access Myrtle Grove Sound on the west side. So this would give you an additional 2 points, two units per acre if you provided some kind of easement on your property where you have that access to the water. If you improved it to have recreational such as a path, bike racks, kayak launch, picnic shelter, that type of thing you would get an additional 2. And then if you want to link it, more of a perpendicular access easement that could potentially connect into a boardwalk in our downtown or other area then that would get an additional 4 points. So you could have a walkway or future walkway. With this mindset you would go from a 34 up to 42 units per acre. To take advantage of what I just showed you, you would have to have a bigger lot, I just threw in 35,000. At 17 units per acre you would have 14 units. At 42 units per acre you would have 34 units on a 35,000 square foot lot. Those are the impacts of putting those protections in place and bonuses would do for you in one example.

Council Member Friede said that's twice the density of the most dense project that you listed for us. That's a lot of density.

Mr. Parvin said it is. There are two options, one is just not have the density standard and one is put some protections in place.

Council Member Shuttleworth said P&Z recommended one and staff recommended the other.

Mr. Parvin said right. Some of our thought process and I think you've already covered this with Steve and the mayor's comments, if you lower your lot coverage one of two things happen. You get a lower number of units and they're larger or you get a higher number of units and they're smaller but the impact of the two is the same which is basically what the mayor was saying earlier. By having the smaller units and more of them in a smaller footprint you are still having basically the same impact which was our thought process behind giving the density bonuses. The parking was more of a, okay, that's a community value of having more flexibility for a surplus of parking. It's not a commodity that is...

Council Member Shuttleworth said surplus parking; the extra parking is going to be on that project so the likelihood that the public can go use that...

Mr. Parvin said the public wouldn't be able to use it, it would be just more flexibility for that individual property.

Council Member Shuttleworth said of all the things you brought up, accessing the sound from the west side as a public benefit is very intriguing. I don't know how you force that on a private property owner but if the Town is looking for access or if we're looking to enhance our ability to access the sound from the west side then the Town ought to look at some other incentive, in my opinion. Some other incentive to the private sector to offer that access to the public because simply putting in a dock for their own residents use, that's not going to benefit... it benefits those owners but it's not getting what the Town wants so if there is some other incentive that we can come up with long term that allows people to have public access to the west side of the sound then that is something I would encourage us as council to maybe look at

in a future discussion.

Council Member Doetsch if you think about what we have done at previous Council meetings on dry stack storage that kind of does that in a way. It offers you the ability to have your boat stored and your access to it. Again, I'm like you, I'm not sure how we can push this across private property.

Mayor Wilcox opened the public hearing.

Charles Poindexter said the only thing that comes to mind in having this discussion, and we are involved in the discussion, a couple of things came to mind. Even though, and I appreciate your comment about a tax amendment, you shouldn't take it lightly because it's a tax amendment. The good news is it's not 1925 and we don't have the whole island in front of us to develop. There are very few parcels left that are going to be affected by something like this. The actual question at hand is purely one of how you get to that density factor and the P&Z recommendation, every one of you spoke to that, from what I heard, that was pretty much covered. There is a whole lot of discussion going on and I appreciate all that discussion. I just want to make sure I was on the right page.

Mayor Wilcox said staff never knows quite what to do. If they don't bring us enough we complain. If they bring us too much we complain.

Mayor Wilcox closed the public hearing.

Council Member Friede asked Ed if he would go back to the slide where you showed the development bonuses that specifically related to water access. By points do you mean two units per acre, is that what you mean by points?

Mr. Parvin said yes.

Council Member Friede said that is a very intriguing proposal and I like that. If it's very clearly public. I'm not wild about getting our density up that high.

Mayor Wilcox said I would say like the gentleman said there are very, very few parcels this applies to. I think the ship has sailed on most of those Marina Business properties. If we wanted to do something different we probably should have done something a long time ago. I would say from a market perspective I think Planning and Zoning's recommendation is the one I prefer. Not to go against staff's recommendation but I just think we're setting ourselves up for a lot of math and a lot of complicated formulas that later on you might thank us for not having messed with that stuff. Plus it is hard for the citizens to understand that as well.

Council Member Shuttleworth said that's my biggest thing, we have so much complication trying to interpret zones right now that I'm fine with P&Z but I would throw out there somewhere whether we've used up all the parcels on the west side or they come into future development if we could just get some creative thinking on how we would entice a private property owner to allow public access through their property. There ought to be some incentive in the future whether we participate, whether there is a reduction in fees, whether there is an outright purchase. If there is anything we can do to help increase access to the west side of the basin we ought to look at that as developments come along. I don't think we can mandate it through zoning, give density credits. I think that's a little complicated but we ought to be able to figure out a way to offer some kind of incentive whether is a reduction of fees, shared expense in development of that access, something, because we are

pretty limited over there. Otherwise you are trespassing.

Council Member Friede said while most of the properties are developed and there are very, very few vacant properties that this would apply to, when we make a broad change any property that's in this zone has the right to do this so they could raise whatever is there, I don't mean elevate, I mean eliminate what is there and build the fullest density possible. So right now we may say we think this only applies to a couple of properties, we should consider everything in Marina Business could be developed this way. Is that our vision for the Town, is it consistent with the Land Use Plan if we look at everything in the Marina Business district development.

Council Member Doetsch said I am trying to put myself in somebody's place that would be living on the west side of the marina and there is no way that you could convince me to open a parcel of my land up for public use when I have control of it like it is. Let's think realistically instead of thinking out of the box. I don't know of too many people that would be different than me on that.

Council Member Friede said again, that's up to them. If they wanted to develop it and we went with staff's recommendation to allow these bonus points they may consider the tradeoff worth it because we're not forcing it on them.

Mayor Wilcox said I think we could come up with some incentives that are different than this.

Mayor Wilcox made a motion to approve the text amendment based on Planning and Zoning's recommendation and that it is consistent with the Land Use Plan and in the public interest. MOTION CARRIED UNANIMOUSLY.

- e. Consider adopting the 2015/2016 Town budget.

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

Michael Cramer made the presentation. He said earlier in the agenda tonight I explained the general parameters of the budget and how we stepped through the process and the general budget being both General Fund and the Utility Fund being approximately \$20.7M. It is a balanced budget. In your packet you have the budget ordinance which speaks to very specifically taxes and rates. We are able to proceed with this budget with no tax increase so the taxes would be \$.235 on \$100 that the major rate summary - water, sewer and storm water, all of those rates stay the same. We do have recommendations embedded in the budget to change minor rate fees, things such as inspections for fire code and things of that nature since have also embedded in the budget that increase of the fire inspector from a part-time to a full-time position trying to recoup those costs. Those are associated to that but all other fees basically stay the same. One of the changes in the rate and fee schedule that we've continued to make each year is trying to pull more and more of the ordinance fines and fees from our general code ordinance and put them into the rate and fee schedule. So you will see we've gone through since we're doing the Municode update we have gone through and found many that had not been placed into the rate and fee schedule before and those have all been applied to that rate and fee schedule but nothing has changed from a monetary value. The revenues and expenses that are in this document and shall be available and appropriated for the fiscal year which is July 1, 2015 through June 30, 2016.

Mayor Wilcox asked if there is anything before we open the hearing or take a vote on this, the item we added 8.d with regard to Town Council medical benefits if some decision came from that discussion it's not going to affect this.

Mr. Cramer said no, it won't.

Mayor Wilcox opened the public hearing.

Patrick Boykin, 712 Glenn Avenue, said I would ask that the Town Council consider for the upcoming budget to include monies in there for the elimination of the solid waste center and by doing that I mean moving it off the island and having money in the budget to take care of eliminating that solid waste center altogether.

Mayor Wilcox said at this point in time we are probably not going to be able to make that adjustment but it's an adjustment we can make easily at a later time after we have the discussion on what options might exist so we know exactly what we're dealing with.

Mr. Cramer said just so council and the public understand something of that significance what we would typically do is a project budget which we would do separately from the general budget anyway to make sure that we had good cost accounting for that particular project.

Mayor Wilcox closed the public hearing.

Council Member Shuttleworth said it was a solid budget. I am still disappointed that we can't reduce taxes when we could and I understand that would cause us a sales tax reduction from the county so I am really hoping that council in the future will work hard with our state legislators because that's where it's going to have to come to figure out a way to get and offset from the county. Sara spent the day up in Raleigh today talking about sales tax, reallocation at the state level. I know that MPT Pierce and the mayor have both commented to our county commissioners - it is unreasonable to be in a position where we could reduce our property tax for our citizens yet if we do that it's punitive. We get penalized because we lose sales tax. I think we should continue to push hard on that. The rest of the budget, Michael did a fine job. We worked on it over the last 3 1/2 months. The most significant thing I saw was the totals for Personnel and Benefits came down over previous years. which is the one area that we could really affect. The capital or projects that we're spending money on, the debt totals go to capital items that we're purchasing but the P and B totals is what it actually costs the Town to operate for our employees, keeping the lights and they have actually reduced that and that's pretty significant when the government can come down in costs because there are not many local and state governments that seem to be doing that. I was very pleased to see that Michael and congratulations to staff.

Council Member Fried said I would add to that I think it is a testament to Michael and to the department heads that we have proposed cost of living and merit based increases for our employees without raising that portion of our budget. That really means to me that we've got a streamlined operation and well trained and efficient employees where they need to be and we certainly know that after the pay study - their pay-wise, their certifications and their salary levels they are lined up. This is a really good budget.

MPT Pierce said this is not the first time we've seen it. We have had 4 workshops, we have picked through Michael's budget and we heard from every department head so we have definitely gone through the numbers over and over again. We appreciate the hard work.

Mayor Wilcox said as I mentioned before we did use some Fund Reserve for capital

projects but that is a commitment that Council has made on numerous infrastructure projects and there is a cost to that. Our Fund Reserves, fortunately we worked hard on through the years to put us in a position where we could do that. That's what they're there for.

Council Member Doetsch to adopt the Ordinance No. 15-979 for Operating Budget FY 15/16. MOTION CARRIED UNANIMOUSLY.

7. CONSENT AGENDA

Mayor Wilcox made a motion to approve the consent agenda. MOTION CARRIED UNANIMOUSLY.

The following items were approved under the Consent Agenda:

Kure Beach/Ft. Fisher Aquarium Sewer Rates - The Kure Beach Sewer Authority met on March 19, 2015. A motion was made to accept the proposed rates contingent on the Town Manager providing answers to three questions that were asked. All questions have been answered and the new rates are ready to be adopted by Council (\$9,705.17 Fixed rate; \$3,746.25 Capital Recovery rate; .7887 Variable rate). In adjusting the rates, it was determined that the Town of Kure Beach owes the Town of Carolina Beach \$42,750.78 for underpayment based on the new audited rates which have an effective date of July 1, 2014.

The audited numbers used for Kure Beach are also used to set the sewer rate for the Fort Fisher Aquarium. The new rate for the Aquarium is \$423.70 per month. It was also determined that the Town of Carolina Beach owed the Fort Fisher Aquarium a refund of \$13,990.26. The Aquariums rate was not reduced a couple of years ago when the Capital Recovery cost was adjusted for Kure Beach.

FEMA Elevation Grant Project Budget - See attached Ordinance #15-980

Budget amendments as presented by the Finance Director.

Contract for auditing service - Bernard, Robinson & Company L.L.P. was selected as the new auditing company.

Setting a public hearing on July 14, 2015 at 7:00 pm to consider amending Appendix A Zoning, Article 3 Table 3.8-1 Permissible Uses, Article 12 and Article 23 to address allowance for guest lodging.

Resolution of Support to NC Division of Marine Fisheries - see attached.

Adopt a resolution to designate Carolina Beach officials Ed Parvin, Jeremy Hardison and Abby Lorenzo to become Review Officers - see attached Resolution 15-2094.

Adopt a utility refund policy - see attached policy.

Write off list and resolution - see attached Resolution 15-2093

Consider debris removal contracts. The following contracts were executed:
Phase II C&D and Vegetative Debris Removal-
Primary - TFR Enterprises, Leander, TX
Secondary - Santee Modular Homes, Inc. Santee, SC

Sand Removal:

Primary - DRC Emergency Services, Mobile Alabama
Secondary - TFR Enterprises, Leander, TX

Council meeting minutes from May 7, and May 26, 2015.

8. NEW BUSINESS

- a. Consider Approving the Marketing Advisory Committee 2015/2016 Proposed Budget

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

Steve Wright presented. A package with the figures for the upcoming proposed draft FY15/16 marketing budget was given to council prior to meeting. He said they are looking at a FY budget total of \$304,882.40 that will be allocated to marketing initiatives to bring tourism to Carolina Beach. The committee started looking at a strategy back in February. They did set aside \$26,511.60 for anything that might come up in the future requiring funds. The actual budget was \$331,395.00. They are looking for approval to allocate the \$304,882.40 which is a 4% increase over last year's budget. They are recommending an 8.1% increase in the media area. Last year a larger portion was dedicated to the website side. This year the money is shifting over to the media side where they think it should be needed.

Mayor Wilcox asked about the agency fees increase of 4%.

Mr. Wright said it is a 4% increase over last year, not a rate increase. By switching the 8% to the media side it requires more work by a team of individuals to manage the media aspects compared to just managing one online project.

MPT Pierce said the hold back was not approved by TDA.

Mayor Wilcox said to the Town Manager that is a discussion they will need to have at a workshop, what took place at TDA on the proposed fund balance structure. That particular proposal was not approved.

Mr. Wright while the TDA did not authorize a blanket 8% of the budget to be withheld, what the committee that you have appointed recommends to you today is saying we were recommending a hold back of \$26,000.00.

Council Member Shuttleworth said the amount that you budgeted here, other than the \$26,000 that represents everything that was collected from the ROT that available. Again, we've spent the entire budget except for the \$26,000. You recommended that. I have no problem with the budget. We would like a little more self-determination and I think the committee has been doing a tremendous job. Last year we met as a joint committee and council and we encouraged you to come up with some self-directed ideas from the committee to the TDA or to whoever is allocating the dollars on the budget some ideas that were more Carolina Beach direct initiatives and I just want to know are you getting the inroads that we asked and hoped that you were getting with TDA and the ROT folks. Are you getting heard better than perhaps we were in that past?

Mr. Wright said yes. We are working more initiatives, especially trying to tackle the social media aspect, recommendations to move into Instagram. We are not in that area now because we want to start bridging the gap to try to reach women 34-65 in age.

Council Member Shuttleworth said I think we talked more about seeing if you guys could figure out a way to explore Beach TV or utilizing our FM radio band and things

that we could do on a local through our marketing dollars to make sure that we were exposing the public to the changes at Freeman Park or other events that are happening. Some of those other out of the box things that are not necessarily internet based marketing whether it's Instagram or Facebook, etc.

Mayor Wilcox said we missed last year welcome videos and informational videos that needed to be in place before the beginning of the season. It looks like we're not there again this year. We were at a point at one time just before Dawn left that there was some structure set up to do some of those videos and it kind of went away. We got into the season and nothing happened. Between you and staff or someone we need to get those done for the season. I know we have some credit for them as well.

Mr. Wright said my understanding is there is going to be some filming coming up.

Mayor Wilcox said that is different from what we're talking about. We're talking about videos that are produced by Beach TV or someone in the Town.

Council Member Shuttleworth said Steve was at the joint meeting last year where we talked about exploring some options outside of the standard print media and 76% of our money going towards some kind of internet based marketing and figuring out how to do a Beach TV type use. The folks who came down and talked to us from the Visitor's Bureau said each of the hotels tend to do a loop video and they get stagnant. People come here and turn on the TV and it would be nice for them to flip through and see the new rules for Freeman Park, hurricane warnings, rip tide things, public service announcements, movies at the lake, music. We didn't see that and I still don't see it in the budget so let's get there at some point.

Mayor Wilcox said we could pretty quickly get some of those videos out. We've got some old ones that were done a few years ago that we could build off of and put some quick dialogue together. It may be just a function of talking to the folks at Beach TV and set up an appointment with MAC committee and break up the Council to do some videos and welcomes and figure out from staff what informational ones they would like to do.

Mr. Wright said they still have the \$26,000 set aside.

Mayor Wilcox said and funds from year before last, \$17,000 or \$18,000. He asked Mr. Wright to invite Beach TV to their committee meeting along with Council to the meeting on June 23rd at 2:30 pm. There is also a Council workshop at 6:00 that evening.

MPT Pierce made a motion to approve the MAC proposed budget for FY 2015/2016 for \$304,882.40. MOTION CARRIED UNANIMOUSLY.

- b. Consider Authorizing the Town Manager to extend the Interlocal Agreement for the New Hanover County Coastal Storm Damage Reduction Program

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

Michael Cramer presented. He said we have been talking about the redistribution or renegotiation of the ILA for some time now with the other beach communities. Back in October I was directed by you to send a letter to the county stating that we were not interested in continuing our participation at the current rates that were in the agreement. This agreement is based on the future costs and who bears those future costs for storm damage reduction program if the federal funds dry up and go away. We didn't receive a lot of comments back but starting in May the county started

taking notice that we had put in our withdrawal package. At the workshop for council on the 26th we discussed going and extending that agreement for at least 6 months and during that 6 month period planning on doing negotiations with the Ports and Waterways Board or a board set up by the county and the beach communities to discuss how to go and create a more sustainable fund for the long term beach nourishment on all New Hanover County beaches. That's what this recommendation is all about, authorizing me to enter into negotiations and extend that contract for another 6 months and setting up a plan for moving forward.

Mayor Wilcox said there is no financial downside to extending the agreement as the funding is already secured for this period. This sets a 6 month trigger for the county to work towards a more equitable agreement with the beach towns and I think that's what we're shooting for.

MPT Pierce said it has already expired one time and we can't just extend it and not do anything so we really need to press the issue to do something or we are going to be in the same situation again in December.

Mayor Wilcox said the request has been put in for the county to establish an ad hoc committee to move forward on this as quickly as possible.

Mr. Cramer said there is a letter he drafted in their packet that sets up a template for that body and supports the Ports and Waterways recommendation.

Mayor Wilcox made a motion to authorize the Town Manager to enter into an agreement that would extend the Interlocal Agreement for 6 months while we negotiate a more permanent agreement for coastal storm damage reduction. MOTION CARRIED UNANIMOUSLY.

- c. Appointment to Coastal Task Force

(Requested by Kim Ward, Town Clerk)

Mayor Wilcox made a motion to appoint Council Member Shuttleworth to the Coastal Task Force as proposed by Mayor Ronald Watts of Sunset Beach. MOTION CARRIED UNANIMOUSLY.

- d. Consider adopting elected officials insurance policy - *Add-On*

(Requested by Kim Ward, Town Clerk)

Mayor Wilcox said there was considerable discussion at the last budget cycle about medical coverage for the Council members. At that time it was Council's majority vote to reduce it to 80% at the last budget cycle and Council's majority stated intent to reduce it again this budget cycle to 50%. I understand the consensus has changed on that and my goal in asking for this discussion was I didn't want it to seem like it was being swept under the carpet. It was a commitment that was made by Council majority and I think it's important that we handle it separate from the budget agreement. We don't have three people who want to make that change any longer.

Council Member Doetsch said I'm one of those three people who initially thought that we should reduce those benefits and I have changed my mind after seeing how much time is spent by each member on Council with the different organizations and committees they serve on. I am fine with it like it is.

Mayor Wilcox said that commitment was made and I didn't want it to seem like we just made it go away and forgot about it. The situation has changed and therefore no action is taken on that and I think it is part of the budget, correct?

Michael Cramer said it is part of the budget.

e. Consider Adoption of the Revised Pay Classification Plan for 2015/2016

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

Michael Cramer presented. He said at our previous Council workshop on May 26th I gave a presentation regarding how we started with the pay study, what we went through, what organizations we compared ourselves against and where we believe we needed to make changes. Our consultant was very helpful in that regard in doing a lot of the leg work and pulling together the information. Once we got that information Holly Brooks, HR Director, and I sat down and looked at several of the positions to see if they were in keeping with the culture of our organization, that it was equitable across the board. There were approximately 12 recommended changes to individual positions and believe we have come to the conclusion that the recommended pay plan before you tonight will help structure our pay policies and our salary policies going forward to help us continue to recruit good employees at a fair wage and retain employees that have served with us. This pay plan adjustment was paid for out of the budget resolution passed earlier and was included in that at approximately \$33,000 worth of changes to individual's salaries and adjustments. The only thing added since the workshop is now that we have a police records specialist position that would be added into this roster. No one has lost any pay and employees can still move within their pay grade. It does include the changing of the organizational structure for the public works and the public utilities area and consolidates them underneath an operations director and assistant operations director. Job descriptions have been rewritten for those positions.

MPT Pierce said she is fine with the pay study but would prefer to continue further discussion on changes at a workshop.

Mayor Wilcox asked how you make the determination of the pay grade for the fire chief at 27, police chief at 28 and director of operations at 28.

Mr. Cramer said it is based on comparisons to other communities. The number is for sequencing purposes, not a reflection on status or importance.

Council Member Doetsch made a motion to adopt the revised pay classification plan for 2015/16. MOTION CARRIED UNANIMOUSLY.

f. Committee Appointments for expiring terms.

(Requested by Kim Ward, Town Clerk)

The following committee appointments were made with a term ending 6/30/2018.

Police Advisory Committee: Larry Powell and Barry Henline were reappointed.

Parks and Recreation: Heather Kenny, Charlie Thomas and Carolyn Thomas were all reappointed.

Freeman Park Committee: Rick Rogge was reappointed and Steve Casey was newly appointed.

Board of Adjustment: Jerry Kennedy and Rob Pomeranz were reappointed.

Arts and Activities: Steve Wright was reappointed.

Written ballot results were as follows:

Police Advisory Committee:

Mayor Wilcox - Larry Powell, Barry Henline; MPT Pierce - Larry Powell, Barry Henline; Council Member Friede - Larry Powell, Barry Henline; Council Member Shuttleworth - Barry Henline, Deb LeCompte; Council Member Doetsch - Barry Henline, Deb LeCompte

Parks and Recreation:

All five Council Members voted unanimously for Heather Kenny, Charlie Thomas and Carolyn Thomas.

Freeman Park Committee:

Mayor Wilcox - Rick Rogge, Steve Casey; MPT Pierce - Rick Rogge, Steve Casey; Council Member Friede - Steve Casey, Wayne Gunter; Council Member Shuttleworth - Rick Rogge, Steve Casey; Council Member Doetsch - Rick Rogge, Steve Casey

Board of Adjustment:

All five Council Members voted unanimously to reappoint Jerry Kennedy and Rob Pomeranz.

Arts and Activities:

Mayor Wilcox - Steve Wright; MPT Pierce - Steve Wright; Council Member Friede - Steve Wright; Council Member Shuttleworth - Megan Anderson; Council Member Doetsch - Megan Anderson.

9. NON-AGENDA ITEMS

Council Member Friede said Tony McEwen who is a lobbyist for the City of Wilmington made appointments for the local municipality to go today and address key House members on the proposed sales tax redistribution. As far as we know there are three versions of the bill. The initial version of the bill, and again these are in the Senate. It is not exactly clear yet how the Senate is going to pass. It will probably be in the Senate budget. It may be in an appropriations bill. Senator Harry Brown has proposed the most drastic complete redistribution from instead of point of sale, sales tax, to a per capita distribution. That would result in an increase to his county of 94%. New Hanover County would be the second hardest hit in the state with 25% reduction. That would be \$10.5M for the City of Wilmington, \$15M for the County, hundreds of thousands for each of the beach communities. Onslow County is the hardest hit with 52% reduction. All of the Counties hit are either tourist Counties or Urban or both. Charlotte is hard hit. Wake County is very hard hit. Asheville is very hard hit. Some counties would see a tremendous spike and others like us who have made a substantial investments in infrastructure would see a huge chunk of that money go away. There was a bill that was put out by someone who shares an office with Senator Brown that would be less hard hitting for us, more of a phase in. It would also involve, however, a cut in the sales tax refunds that non-profits get so a big concern is that the New Hanover Regional Medical Center, who is the largest employer in the area, would lose \$8M in that version. That version is thought to be pretty dead because there's not that much of a help to the Counties. Senator Berger is pushing a compromise and the thought is this is what will happen. He is proposing 80% sales tax be distributed per capita and 20% be distributed to point of sale. The hit to us would not be as bad but it would still be millions of dollars lost to the county and City of Wilmington. So today our agenda, we started pretty early, Bill Brawley, Rick Catlin, Frank Iler from Brunswick County, Nelson Dollar from Wake County, Representative Ted Davis, Senator Michael Lee. We were slated to see Chuck McGrady and Diane Lambeth. They went into session early to we didn't get to see them. We ended up stopping in to see Linda Johnson, whose son works for the City of Wilmington. She is from Cabarrus County and she is very interested in the bill. They

saw a number of people and feels we have support from all of the representatives they saw. It is going to go through the Senate, but the House, I think there are enough members who don't like it. I think that from the work we did today, the worst version of it won't be the one that hits.

Council Member Doetsch said when you consolidate these two organizations were going to sell. Does the debris alongside the road go away?

Michael Cramer said we're working on that now. We hope to have the backlog handled in the next two weeks.

Ed Parvin said on June 25th 4:00 to 6:00 pm a meeting at the New Hanover County Government Center with the state to look at the new flood maps. We've also asked them to have a meeting on the south end of the county which they have done and we will have a meeting here in this room on July 15th 5:30 to 7:30 pm where folks on the south end of the county can come here and meet with the state to look at the new flood maps. There is not a firm timeline on adoption but they are saying near the new year. Also, the Town just got notification on 7 new homes we're working on this year to be elevated and we're working on 6 more homes for the following year. We will have to do a project budget for it but will be reimbursed.

10. CLOSED SESSION

Mayor Wilcox made a motion to go into closed session to discuss an attorney/client matter in accordance to NCGS 143-318.11(a)(3) to discuss the case of Snow's Cut Internet, LLC vs. Town of Carolina Beach. Motion carried unanimously.

Mayor Wilcox made a motion to return to open session. MOTION CARRIED UNANIMOUSLY.

Council Member Friede made a motion to approve a settlement in Snow's Cut Internet, LLC vs. Town of Carolina Beach (14 CVS 607) in the amount of \$50,000.00 upon receipt of an executed release of all claims against the Town of Carolina Beach, its officers, directors, present and former Council members, present and former employees, agents, insurance companies or risk pools, successors and assigns and conditioned on a voluntary dismissal with prejudice being filed in 14 CVS 607.

MOTION CARRIED UNANIMOUSLY.

11. ADJOURNMENT

Mayor Wilcox made a motion to adjourn at 10:30 p.m. MOTION CARRIED UNANIMOUSLY.



Kimberlee Ward, Town Clerk



Date Approved

Amendment for Multi-family in the MB-1 District

PARKING AMENDMENT



ORDINANCE NO. 15-981

(d) *Off-street parking space schedule.*

TABLE INSET

Types of Uses	Number of Required Parking Spaces
RESIDENTIAL USES	
Multi-family (triplex & quadraplex)**	2 per dwelling unit + *0.5 per bedroom over 2
Multi-family (5 or more units)***	2 per dwelling unit + *0.5 per bedroom over 2

Adopted this 9th day of June 2015.

Dan Wilcox, Mayor



Attest: Kimberlee Ward
Kimberlee Ward, Town Clerk

Proclamation

Town of Carolina Beach
Town Council



PROCLAMATION NO. 15-2096

A Proclamation naming July 28th Jerry Bigley Day
In Recognition of His Outstanding Community Service
To the Town of Carolina Beach

WHEREAS, Gerald "Jerry" P. Bigley has been a long time resident, business owner and investor in Carolina Beach with businesses on the boardwalk, central business district as well as the highway business district; and

WHEREAS, he has always been a person who has made financial donations to our local charitable organizations including funding the concession and restroom facilities at Mike Chapel Park;

WHEREAS, he has served as a member of the Police Advisory Committee, providing experience and sound judgement in the decisions for the Police Department and the betterment of the community;

WHEREAS, he has been a huge supporter of our local law enforcement having made significant contributions for the Police Bicycle Rodeo and other law enforcement events, and

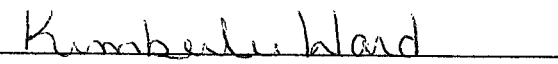
WHEREAS, he has been an active citizen at the Town Council meetings making contributions with his recommendations in support of both the residential and business community in Carolina Beach

NOW THEREFORE, by the authority vested in me as Mayor of Carolina Beach and speaking on behalf of the entire Town Council and our citizens, do hereby proclaim July 28th as Jerry Bigley Day in honor of his love and dedication to the Town of Carolina Beach and its citizens.

Adopted this 9th day of June, 2015.



Dan Wilcox, Mayor



Attest: Kimberlee Ward, Town Clerk



6-9-2015

Date Signed

Town of Carolina Beach
Proclamation No. 15-2096

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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: Jimmy Bridges
Location: 513 Spencer Farlow
Tax Parcel Number: 313118.32.8482.000

The Town Council of the Town of Carolina Beach, having held a public hearing on June 9, 2015 to consider approving a Conditional Use Permit for a Planned Unit Development and where sworn testimony was heard from the following persons: Senior Planner, Jeremy Hardison and Applicant, Jimmy Bridges. 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;

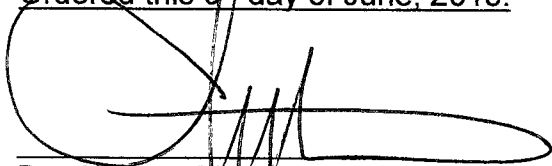
General conditions:

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 **Jimmy Bridges** be granted, subject to the following conditions:

- 1) The site plan corresponding to this approval was designed by Progressive Land Development dated April 14, 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 A 5' landscaping buffer is required along the perimeter of the property.

Ordered this 9th day of June, 2015.



Dan Wilcox, Mayor



ATTEST:

Kimberlee Ward
Kimberlee Ward, Town Clerk

6-9-2015
Date Approved

Resolution Number: 15-2095



RESOLUTION IN SUPPORT OF THE AMENDMENT OF THE 2007 TOWN OF CAROLINA BEACH CAMA LAND USE PLAN

WHEREAS, the 2007 Land Use Plan amendment is entirely consistent with the Harbor Management Plan which included input and work by the public, elected officials, appointed officials, volunteers, staff and others who participated in the preparation of the plan, and

WHEREAS, the Town Council realizes the importance of the amendment in guiding the future growth and development of the Town, and

WHEREAS, the Town of Carolina Beach has met the intent and requirements as set forth in the North Carolina General Statutes and the North Carolina Administrative Code, and

WHEREAS, the Town Council certifies that the Town has followed the process as required in GS 113A-110 and notices as referred to in 15A NCAC 07B.0802 (b)(3), and

WHEREAS, the Town Council hereby finds that the amended policy statement has been evaluated with other existing policies and the Future Land Use Plan Map, and it has been determined that no internal inconsistencies exist, and

WHEREAS, the Town Council hereby finds that the six management topics including (1) Public Access, (2) Land Use Compatibility, (3) Infrastructure Carrying Capacity, (4) Natural Hazard Areas, (5) Water Quality, and (6) Local Concerns have been evaluated and it has been determined that no internal inconsistencies exist.

NOW, THEREFORE BE IT RESOLVED, THAT the Town Council of the Town of Carolina Beach hereby adopts this amendment as reviewed for public hearing on June 9, 2015 and hereby requests that the amendment and it's supporting documentation be sent forward to the Coastal Resources Commission for their review at the July 15-16, 2015 meeting.

AMENDED TO:

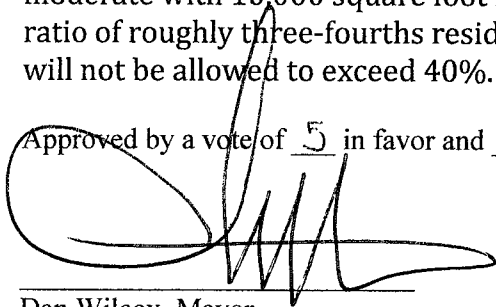
4.4 Future Land Use and Classification Map

4.4.2 Description of Existing and Future Development Characteristics in Land Classification Areas

Future Characteristics of Marina Mixed Use:

The desired Future Land Use of the Marina Mixed Use area includes a future predominance of single-family and duplex units. Commercial uses shall include low intensity water-oriented restaurants and services which provide additional public access opportunity. Building height will not exceed a 60' height maximum and shall be consistent with Section 4.3, II. Management Topic: Land Use Compatibility Policies, 31 (A). Density will be moderate with 10,000 square foot lot minimums ~~maximum lot area of 10,000 square feet~~. A ratio of roughly three-fourths residential to one-fourth commercial is desired. Lot coverage will not be allowed to exceed 40%.

Approved by a vote of 5 in favor and 0 opposed on this 9TH day of June, 2015.



Dan Wilcox, Mayor

ATTEST:

Kimberlee Ward
Kimberlee Ward, Town Clerk



PARKING AMENDMENT



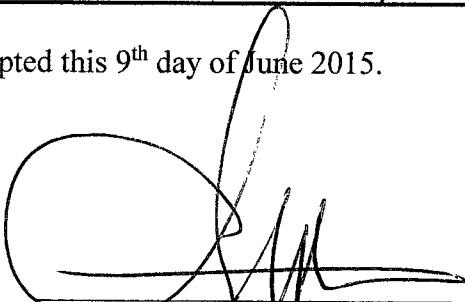
ORDINANCE NO. 15-981

(d) *Off-street parking space schedule.*

TABLE INSET


Types of Uses	Number of Required Parking Spaces
RESIDENTIAL USES	
Detached dwelling, single family	2 per dwelling unit + *0.5 per bedroom over 2
Two-family dwelling	2 per dwelling unit + *0.5 per bedroom over 2
Residential dwelling units in conjunction with mixed use commercial-residential	1 per 1,000 sq. ft. of residential space
Life care communities (independent living units)	*0.5 per resident
Multi-family (triplex & quadraplex)**	2 per dwelling unit + *0.5 per bedroom over 2
Multi-family (5 or more units)***	2 per dwelling unit + *0.5 per bedroom over 2

Adopted this 9th day of June 2015.


 Dan Wilcox, Mayor



ATTEST:


 Kimberlee Ward, Town Clerk

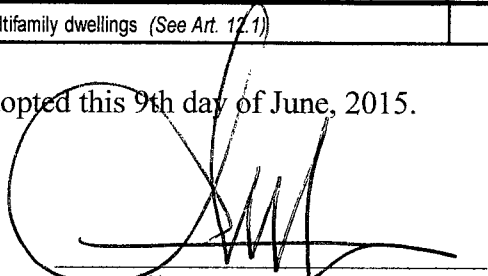
MULTI-FAMILY AMENDMENT



ORDINANCE NO. 15-977

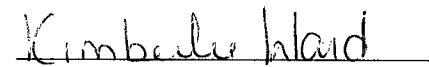
3.8-1. Table of Permissible Uses														
TABLE INSET: P = Permitted C = May be permitted with Conditions														
TABLE INSET:														
USES OF LAND	R-1	R-1B	R-2	R-3	C	MH	MF	MX	CBD	NB	HB	MB-1	T-1	I-1
Multifamily dwellings (See Art. 12.1)							P	C					C	

Adopted this 9th day of June, 2015.


 Dan Wilcox, Mayor



ATTEST:


 Kimberlee Ward, Town Clerk



Town of Carolina Beach, North Carolina Fiscal Year 2015/2016 Budget Ordinance

Whereas, the Town of Carolina Beach is directed by the North Carolina General Statutes to prepare, adopt and operate by a fiscal budget, and

Whereas, the Town of Carolina Beach endeavors to operate responsibly and efficiently in order to maximize the benefit of all revenues and comply with Federal, State and Local guidelines regarding operation and expenditures of public funds, and

Whereas, the Town of Carolina Beach recognizes the benefits and returns enjoyed by sound financial planning and management of resources,

Be It Therefore Resolved by the Town Council of the Town of Carolina Beach, North Carolina, That;

Authorization

In a regular Town Council Meeting on this the 9th day of June, 2015, a quorum being present, that the following Budget, for Fiscal Year 2015/2016, including Revenues, Unappropriated Surplus, Investment Instruments, Debt Payments, Departmental Expenditures, and Capital Expenditures, be adopted in accordance with the Generally Accepted Governmental Accounting Principles of this State and the Nation, the North Carolina Budget and Fiscal Control Act, and the requisite restrictions and authorizations required by the same.

Planning and Fiscal Management

The Revenues, Expenditures and Message included in this Budget, in conjunction with the Benefit Plan, and Salary Increases constitute the plans and intentions of the Town for sound fiscal management in FY 15/16. The policies of the Town of Carolina Beach, the actions of this Board, and Staff will carry out the plans and fiscal transactions contained within this Budget in order to meet the goals and objectives of the Town with respect to daily operations, development, and provision of services to the residents of this municipality.

The Finance Officer shall administer this Budget document, and shall insure that all officials and the administration are provided appropriate and timely information regarding the status of the Town's finances. Further, the Finance Officer shall provide to the Elected Officials all such pertinent information and guidance as is necessary for the daily operation, implementation of this Budget, and advice on handling the financial endeavors (current and future) of the Town.

Rate Summary (Taxes)

In accordance with the Budget documents attached, there shall be levied a tax on such taxable property which exists within the municipality. The rate for said tax shall be, as follows, for each one hundred dollars (\$100.00) of valuation of property:

General Fund – For general expenses incident to the operation of all General Fund departments, capital projects and for the payment of interest and principal on outstanding debts. - **\$.235 per \$100**

Rate Summary (Water, Sewer & Stormwater Charges)

In accordance with the Budget documents attached, there shall be levied a charge for the use of water and sewer services. The water and sewer rates for said services shall be, as follows, for each one thousand (1,000) gallons of water used after the first 3,000 gallons.

Water – For general expenses incident to the operation of all Enterprise Fund departments, capital projects and for the payment of interest and principal on outstanding debt - **\$3.89 per 1,000 gallons. A water flat rate charge for the first 3000 gallons as identified in the attached schedule of fees.**

Sewer – For general expenses incident to the operation of all Enterprise Fund departments, capital projects and for the payment of interest and principal on outstanding debts - **\$6.62 per 1,000 gallons. A sewer flat rate charge for the first 3000 gallons as identified in the attached schedule of fees.**

Stormwater – For general expenses incident to the operation of all Enterprise Fund departments, capital projects and for the payment of interest and principal on outstanding debts - **\$9.00 per Equivalent Residential Unit (ERU).**

Other Rates and Fees

Other Rates and Fees will be charged for services as listed and periodically amended in this Budget Document and as included in the Town's Rate and Fee Schedule.

Fiscal Calendar for Revenues and Expenditures/Appropriations

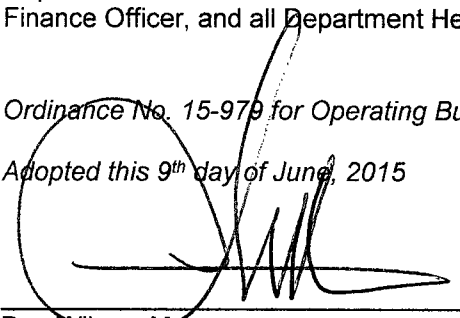
The Revenues and Expenditures detailed in this document shall be available and appropriated for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016.

Distribution


Copies of this ordinance shall be furnished to the members of the Town Council, the Town Manager, the Finance Officer, and all Department Heads.

Ordinance No. 15-979 for Operating Budget FY 15/16

Adopted this 9th day of June, 2015



Dan Wilcox, Mayor



Attest: Kimberlee Ward, Town Clerk



ORDINANCE 15-980
AN ORDINANCE TO AMEND THE GENERAL FUND BUDGET CREATING A
CAPITAL PROJECT ORDINANCE FOR THE FEMA FLOOD MITIGATION
ASSISTANCE 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 expenditures associated a General Fund Capital Project by adopting the following General Fund Capital Project Ordinance:

<u>Account Code</u>	<u>Description</u>	<u>Previous</u>	<u>Amended</u>	<u>Changed</u>
19-000-074	Capital Projects Over \$10,000	\$ 0.00	\$1,074,899	+ \$1,074,899
TOTAL			\$ 1,074,899	

SECTION TWO:

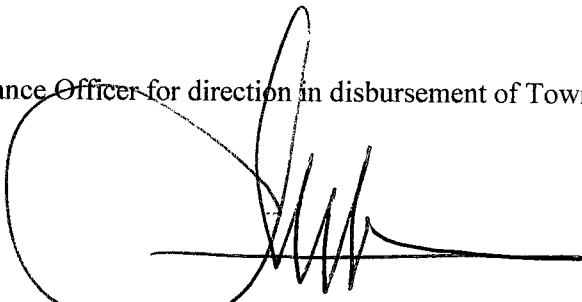
That the Fiscal Year 2015-2016 Budget for the Town of Carolina Beach is hereby amended to include the revenue associated with a General Fund Capital Project by adopting the following General Fund Capital Project Ordinance:

<u>Account Code</u>	<u>Description</u>	<u>Previous</u>	<u>Amended</u>	<u>Changed</u>
19-370-000	FEMA-FMA Grant	\$ 0.00	\$ 1,074,899	+ \$1,074,899
TOTAL			\$ 1,074,899	

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 9th day of June 2015.



DAN WILCOX, MAYOR

ATTEST:

Kimberlee Ward
Kimberlee Ward, Town Clerk



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

RESOLUTION REQUESTING THE NORTH CAROLINA MARINE FISHERIES COMMISSION TO SUPPORT THE NORTH CAROLINA DIVISION OF MARINE FISHERIES (NCDMF) USE OF THE SUPPLEMENT PROCESS TO IMPLEMENT REDUCTIONS ON SOUTHERN FLOUNDER HARVESTS

WHEREAS, all marine creatures are public trust resources owned equally by all citizens of North Carolina regardless of residency; and

WHEREAS, the southern flounder fishery is a traditional recreational target of the citizens of the Town of Carolina Beach; and

WHEREAS, the southern flounder population stocks in North Carolina are classified as "depleted"; and

WHEREAS, a recent North Carolina Division of Marine Fisheries assessment, as well as peer reviewers, agreed that the stocks are showing no signs of improvement, and the harvest of juvenile fish within the population is alarming; and

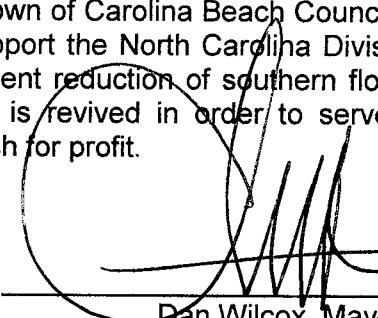
WHEREAS, the citizens of the Town of Carolina Beach have no representation except through the North Carolina Marine Fisheries Commission to manage these public trust resources conservatively and for all citizens; and


WHEREAS, many Town of Carolina Beach businesses provide goods and services to local citizens as well as visiting fishermen in the pursuit of southern flounder; and

WHEREAS, there is need for absolute and focused management of these fish to attain and then maintain a viable stock of not only southern flounder, but all traditional estuarine fish stocks for our citizenry to enjoy in perpetuity as required by the North Carolina Fishery Reform Act of 1997.


NOW, THEREFORE, BE IT RESOVLED, that the Town of Carolina Beach Council requests the North Carolina Marine Fisheries Commission to support the North Carolina Division of Marine Fisheries use of the supplement process to implement reduction of southern flounder harvest and that such reductions be made so the fishery is revived in order to serve all of North Carolina's citizen fishermen and not just ones who fish for profit.

Adopted this 9th day of June, 2015.


Dan Wilcox, Mayor



Attest:


Kimberlee Ward, Town Clerk



Resolution No. 15-2094

RESOLUTION DESIGNATING STAFF AS MAP REVIEW OFFICERS

WHEREAS, General Statute 47-30.2 requires that every County appoint one or more Map Review Officers to examine and approve plats and maps prior to recordation at the Registry of Deeds; and

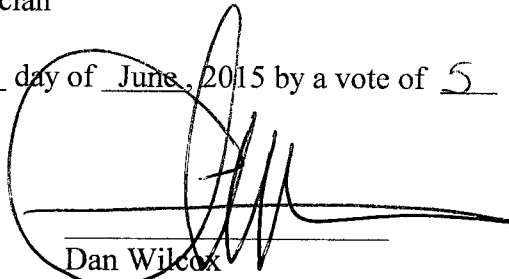
WHEREAS, a Review Officer must examine and approve plats and maps to ascertain mapping accuracy and consistency; and

WHEREAS, the Town of Carolina Beach has requested that the staff listed below be designated Map Review Officers.

NOW, THEREFORE, BE IT RESOLVED THAT the following staff be designated as Map Review Officers:


- Ed Parvin, Assistant Town Manager
- Jeremy Hardison, Senior Planner
- Abby Lorenzo, Planning Technician

Adopted by the Town Council this 9th day of June, 2015 by a vote of 5 in favor and 0 against.



Dan Wilcox
Mayor

Attest:



Kimberlee Ward
Town Clerk



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 Policy for Refund of Utility Account Credit Balances

Purpose:

The purpose of this policy is to establish uniform guidelines for the issuance of utility customer refunds resulting from over payments of utility bills or refund of account deposits.

Scope:

This policy applies to all utility customer credit balances.

Criteria:

Application of deposit upon account termination.

To establish a utility account with the Town of Carolina Beach, a deposit must be made ("initial deposit"). All initial deposits for the establishment of utility service shall be in cash or cash equivalent. When utility service is terminated by, either by the customer or the Town for nonpayment and there is an unpaid balance owed to the Town, the balance of the deposit shall be applied against any unpaid utility account balance. Any remaining balance of the amount of the initial deposit will be refunded to the customer after 30 days of the final bill for all said unpaid utility charges.

Refund of Deposits and/or Overpayments

Deposits and/or Overpayments shall be refunded to any utility customers whose service addresses have received utility service and all balances on the account are paid in full. Credits on accounts(s) will be processed 30 days preceding the final bill or account closure as follows:

1. Credits over \$5.00 will be refunded to the customer 30 days after the final bill has been proceeded by the Billing office and mailed to the last known address on file;
2. Balances under \$5.00 will only be refunded upon request by the utility customer;
3. Returned utility refund checks that are unclaimed after (1) year will be submitted to the North Carolina Department of State Treasurer Unclaimed Property Division;
4. Any credit balances under \$5.00 left on the account that are unclaimed or the Town is unsuccessful in locating the owners after (1) year; will be submitted to the North Carolina Department of State Treasurer Unclaimed Property Division.

Kimberlee Hladik 6-9-2015

Clerk

Mayor



Resolution #15-2093

*Town of Carolina Beach to Write-Off
Certain Uncollectible Utility Accounts*

WHEREAS, The Town of Carolina Beach has adopted a policy to review and write off uncollectible accounts; and

WHEREAS, The Finance Officer has determined that a list of utility accounts totaling \$274,677.32 which is attached hereto and made a part hereof by reference should be written off as bad debt; and

WHEREAS, diligent efforts have already been made to collect the amounts shown on the attached list; however, said accounts are uncollected and further efforts at collect are not possible either due to statutory limits or not being cost effective and

WHEREAS, the Finance Director and Town Manager met and reviewed the listing and recommends writing off said accounts as bad debt; and

WHEREAS, continuing to include such amounts in the financial records of the Town could result in a distorted balance sheet;

NOW THEREFORE, BE IT HEREBY RESOLVED THAT:

The Town of Carolina Beach direct the Finance Director to write off the accounts shown on the attached list totaling \$274,677.32 as uncollectible bad debts in the financial records of the Town of Carolina Beach.

The Town does not waive any rights it may have to collect any of the attached accounts receivable in the future.

Adopted by the Town of Carolina Beach Town Council on the 9th day of June 2015.

Kimberleekland
Clerk


Mayor

