

**MINUTES OF THE REGULAR MEETING
OF THE TOWN COUNCIL
TOWN OF CAROLINA BEACH**

March 14, 2006

The Town Council of the Town of Carolina Beach met in regular session on March 14, 2006 at 7:30 p.m. in the Council Chambers at the Municipal Administration Building, 1121 N. Lake Park Blvd., Carolina Beach, North Carolina. The following were present: Mayor, Bill Clark; Mayor Pro Tem, Alan Gilbert; Councilwoman, Pat Efird; and Councilman, Jerry Johnson. Also present was Interim Town Manager, Robert Nicholl and Town Clerk, Lynn N. Prusa. Councilman Joel Macon was absent.

Mayor Clark called the meeting to order.

Councilwoman Efird made a motion to excuse Councilman Joel Macon from the meeting. Councilman Johnson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

INVOCATION BY PASTOR GRAHAM REYNOLDS, SEASIDE CHAPEL CHURCH

Pastor Reynolds led everyone in the invocation.

PLEDGE OF ALLEGIANCE

After the invocation, Mayor Clark led everyone in reciting the pledge of allegiance.

ADOPT THE AGENDA

Mayor Clark asked Council to consider adding Item #16 to the agenda. This item was to request to formerly approve by vote the request to the TDA for \$126,939 for lifeguard salaries and benefits for 1st half of FY 2005/2006.

Councilwoman Efird made a motion to adopt the agenda with the additional Item #16 as recommended by Mayor Clark. **MOTION CARRIED UNANIMOUSLY.**

RECOGNIZE SGT. DAVID BLODGETT AS 2006 NEW HANOVER COUNTY HUMAN RELATIONS AWARD RECIPIENT FOR COMMUNITY RELATIONS/LAW ENFORCEMENT

Police Chief, William Younginer recognized Sgt. Blodgett and said that he makes things happen here. He is a shift supervisor who is out all day and every night keeping everyone safe. He is also very active in the community. The human relations banquets, which have been going on since the 1960's, recognize law enforcement officers and this year Sgt. Blodgett was picked as the recipient. Chief Younginer said that he is the one who put together the Bike Rodeo, which was a great day for all the kids and their families and there was no cost to the town. Everyone applauded Sgt. Blodgett.

Sgt. Blodgett felt an award should have also been issued to Lieutenant Marcucilli. He appreciated the support he receives from Chief Younginer and Captain Bartley. He thanked all the local businesses who donated to the cause.

REQUEST BY PLEASURE ISLAND CHAMBER OF COMMERCE TO APPROVE SUMMER FIREWORKS AND MOVIES THROUGH ROOM OCCUPANCY TAX FUND

Mr. Duke Hagestrom presented a handout to Council. Ms. Donna Gurganous, Chairperson for the Pleasure Island Chamber of Commerce opened by stating that this was their second appearance before Council in reference to a request for room occupancy funds. She introduced Mr. Hagestrom, Treasurer for the Chamber, who has been working on the firework and movie programs.

Mr. Hagestrom read the letter he submitted to Council (*Exhibit 1*). After reading the letter, he said the money they are requesting to go to these programs is from the TDA (Tourism Development Authority) as room occupancy tax funds not from taxpayers. They want to use tax dollars that come in from people who stay at the motels, hotels, and lodging rental units on the island. The Chamber sees this as an investment. It is an opportunity to show people what a wonderful time they can have when they come to the beach. The more people come to the island and stay in our units the more we get from the room occupancy tax dollars so it is a snowball affect. The Chamber of Commerce represents different businesses and Mr. Hagestrom invited guests or business owners, hotel, motel, and rental unit owners who stand to benefit from this to stand up. Approximately 20 people stood in favor of this request. There were many who could not make it tonight so Mr. Hagestrom told Council they might receive a lot of e-mails on this topic. He ended by asking Council to vote in approval of their request for these funds.

Mayor Clark stated if money is approved for this request, part of it will come out of the existing budget. He asked Ms. Dawn Johnson, Finance Director, and

Interim Town Manager, Mr. Bob Nicholl, to give Council some of their research about this year's budget. Ms. Johnson said there are no additional monies in the budget this year from the room occupancy tax to be spent. If Council wishes to do that, they would have to take money out of the savings account. Council can look at this request for the upcoming budget year and make a decision on how they want to utilize the monies from the room occupancy tax. The tourism fund, which the room occupancy tax is, involves a lot of departments. The tourism department consist of lifeguards, marinas, parking lots, Freeman Park, and beach maintenance. She said when you are asking for monies, we have to consider all the other requests for all the other departments for the year. Mayor Clark said the tourism fund is a huge fund which encompasses everything in tourism. It is hard to take one slice out of it and not affect the other part of the budget.

Mr. Nicholl added the town gets involved as far as the police, fire, and operations departments with overtime. We still have March, April, May and June and we already exhausted our overtime budget line items in those departments. With seven events from July 1, 2005 to the present time, the police department has \$2,500 in overtime, the fire department has \$1,800, and operations have \$9,100. That basically totals to an excess of \$13,000 that the town itself is paying towards these events. I think we need to keep that in mind besides what comes from the TDA.

Mayor Pro Tem Gilbert said he's received some e-mails lately about the unrestrictive fund balance and the decrease in that over the last couple of years and the spending that has happened. He asked, when you talk about savings is that what we are talking about spending out of? Ms. Johnson said the tourism fund has its own fund balance. She explained that she isn't talking about the general fund, but yes you would be decreasing the percentage in there. Mayor Pro Tem Gilbert asked Ms. Johnson if part of the tourism fund balance is what you consider part of the unrestrictive fund balance. Ms. Johnson said it's not considered in the general fund; those are different numbers. She explained that when the audit report is issued, the auditor issues on the big money making areas, which is the general fund of the water and sewer fund and that is a completely separate area. Mayor Pro Tem Gilbert said right now all the money is budgeted out of the tourism fund and Ms. Johnson agreed. She said there is a fund balance in there and generally we do not make appropriations out of the fund balance unless it's a one time issue or an emergency comes up. She continued that is why I'm saying if you choose to do this you will have to appropriate the monies out of the fund balance of the tourism fund. Mayor Pro Tem Gilbert said it would be taking from Peter to pay Paul - the money is already spent on something or allocated somewhere. Ms. Johnson said the portion I'm speaking of is savings. Mayor Clark said the town makes a major investment in the fireworks also. Ms. Johnson and Mr. Nicholl both agreed. Mayor Pro Tem Gilbert asked, did you say the Operations Department spent \$9,100? Mr. Nicholl answered yes, sir. He went on to explain that the \$9,100 included the seven fireworks events - the Chowder Cook-Off and Seafood and

Blues Jazz Festival. We have exhausted our overtime budget. Also keep in mind, our employees basically volunteer to do this work. With the number of events taking place, it's hard to find volunteers because it starts to get old with them. Mayor Pro Tem Gilbert said they are volunteering to make themselves available but they are compensated with overtime. Mr. Nicholl said that's correct but we are still having to beg them to do it. Mayor Pro Tem Gilbert asked Ms. Johnson how much money is in the tourism fund balance. Although she didn't have the numbers in front of her, she knew if they made an appropriation for this request there is money in there to cover it. Mayor Clark reiterated it has to come out of the savings. He explained that in the tourism fund there is a quarter of a million dollars that is already appropriated just in capital expenses which comes right off the top before anything else is put in. It is a huge fund where a lot is coming out of it.

Someone asked of the quarter of a million dollars allocated for capital expenses how much money will actually be used in any event promotion to bring people to the island to visit and stay. A lot of the money is being used for marinas, lifeguards, parking lots when people get here to enjoy their experience. He also asked what portion of that is being used to bring people here or used for any events at all. Mayor Pro Tem Gilbert said he thinks that is a good question. You are talking about advertising promotions. He asked what percentage of the \$52,000 will go to the promotion and advertising to promote your fireworks not just for the event but how much have you allocated for advertising say in Raleigh or West Virginia or wherever. Mr. Hagestrom said there are two parts. This part of the funds is to pay for some of the cost of the event. The Chamber and the businesses in the Chamber will be getting sponsors like they did last year. For example every fireworks show last year had between \$500 and \$1000 in sponsorship dollars from different businesses on the island that went toward promotion and advertising. Mayor Pro Tem Gilbert asked Mr. Hagestrom of the \$52,000 and what you raise, what is the total percentage amount you are using for promotion and advertising. Mr. Hagestrom said it probably would be 10% to 15% and the rest goes toward paying for the fireworks, movie, and projector equipment. Mr. Hagestrom said the second half is the other half of the 3% of room occupancy tax TDA dollars. The Tourism and Marketing Committee helps direct the spending of those funds. A part of our initiative within that group is to take the PR message, "Come enjoy a classic Carolina Beach summer" where we kick off the weekend with the fireworks on Thursdays, the movie on Sunday nights, and come down to see our businesses. This will get distributed through the other half of the 3% where we are spending about \$250,000 toward promoting what's going on in this island. Mayor Pro Tem Gilbert said so the room occupancy tax dollars are being spent on promotional advertising outside of the area. Mr. Hagestrom said yes, outside of our area; whereas this half of the 3% is to spend on things within our area to promote tourism on our island. Mr. Hagestrom said let's say there is \$52,000 and we end up raising \$80,000 for all the different things we are doing. The other part of that, the \$28,000, would go toward promotions and getting people to come down

and enjoy the events. He said that he appreciates Ms. Johnson's comments about all the different things that you need to spend the money on; however, there are some people here today and some people who weren't able to make it who work hard to collect the room occupancy tax dollars and to put more heads on their beds is a very responsible use of the room occupancy tax dollars. That was what the legislation was intended to do. It was intended to be an investment where you continue to grow the amount of people who come and stay at their facilities here on the island and grow tourism within the community. We are asking for 20% of the room occupancy tax dollars. The other 80% can go towards lifeguards and parking lot debts. He said lifeguards are very valuable and a part of the reason people love our beaches is they know they are safe. He continued by saying that lifeguards used to get funded by a county grant in combination of money from the town's general fund. When the grant went away, all the lifeguards were funded by the room occupancy tax dollars. The part the town used to use from the general fund disappeared. Ms. Johnson said it was the prior Council's decision as far as promoting tourism or for our tourists to invest those additional monies in parking lots, bathroom facilities, improvement of parking areas for the tourists, and improvements to the marina, so those monies have been absorbed in the tourism budget. This year we have two big requests for a park at the Boardwalk at around \$80,000 and then redoing the bathrooms on the Boardwalk for \$40,000. Mayor Pro Tem Gilbert said that is where he is torn. We have the brick and mortar things we are putting money into and then we have valuable celebrations at the lake, with the movies and the fireworks. I sat in on the Ad Hoc Tourism Committee and the discussion was the Boardwalk isn't a compelling destination so you have taken it off the maps as a shopping destination. What can we do to have a compelling destination? Do fireworks alone make it a compelling destination? Does that put heads on beds? Or is it a combination of sufficient parking and safe beaches? Are we making a decision tonight to say we take money out of savings to get them through and then we are doing something Tom Campbell asked us not to do, reduce our restrictive fund balance?

Councilwoman Efirm said if it has to come from savings we have to realize if we have a storm what problems we're going to have. Also, we spent \$13,000 last year to help these events. I don't want to take a lot of money out of our savings when we could have a catastrophe and then where are we going to come up with the money. Mr. Hagestrom said don't forget who brought you that money from the room occupancy tax. Don't forget the hotels, motels, and rental companies that made the \$500,000 that went towards the Tourism and Development Authority and the Town of Carolina Beach. Councilwoman Efirm wanted to know if the Chamber would be satisfied with some monies rather than the whole amount. Mr. Hagestrom said they reduced their requested number quite a bit. We think it's helpful when the message is we are going to have weekly fireworks and movies.

Mayor Pro Tem Gilbert asked if they had been able to track what the return on the investment is. Mr. Hagestrom said last year was a test and based on the tremendous response we're saying this is the right thing, this is what brings people here and let's them enjoy the community. Mayor Pro Tem Gilbert thinks we have to spend money to make money. He doesn't agree with \$52,000 right now if we don't have it. However, he thinks if we are going to give \$25,000 out of savings then we should challenge the Chamber to get matching funds. Then as room occupancy tax funds start building again then look at that so we are cash flow positive and not going into savings. Councilwoman Efird said we haven't finalized the budget. We have gone back to departments and asked them to cut as much as they can. We may be able to come up with a little more money at the end of the final budget. Mr. Hagestrom said all we need to get us started is \$20,000 and the remainder can come when you do the budgeting process to find the rest of the money. We are up to the challenge. Our membership has grown to 300 members and a lot of these businesses are willing to kick in.

Councilman Johnson asked the Chamber to consider a reduction in their fireworks to Memorial weekend, July 4th and Labor Day and have a better fireworks display. People talk about our employees who are paid by the taxpayer go to great lengths, yes there is overtime pay, but it's not just overtime pay, it's the strain that is puts on these employees. We are not fortunate enough to have extra employees to put in this extra time. So it puts a burden on the police, fire and operations department and those things have to be considered and the dollars that are being poured out by the taxpayer. I think we can appropriate some money here. I suggest tonight to appropriate \$25,000-\$26,000 toward this to insure the Independence Day fireworks and the events support are covered. Ms. Johnson said they would have to take the money out of savings.

Councilman Johnson said he doesn't want to read in the paper on Wednesday the Council getting blasted for taking monies out of savings to support events. We're trying to do something and our hands are tied. He asked, are a lot of residents going to be upset because we are going to take money out of savings? He said he knows he would be as a taxpayer. The savings are there for when we have a bad event. Councilman Johnson's suggestion is after the budget process is finished put the money back if we take it out of savings. Mayor Pro Tem Gilbert said he thinks it is reasonable that we pay ourselves back but he thinks somebody needs to look at the spending. The taxpayers know what the spending has been over the past 5 to 10 years and we need to get a handle on the spending. He feels as a Council, they need to make a decision on what they are going to use the room occupancy tax money for. Councilman Johnson feels they need to look at the priorities first, which is the marina, parking lots, improve our bathrooms, lifeguards. Mayor Pro Tem Gilbert thinks fireworks and movies accentuate what we have.

Councilwoman Efird said as of July 1st we will have \$25,000 available. She made a motion to take \$25,000 that will be available July 1st to promote the Chamber for their events. Then let's see when we get through the budget if we have any monies. Mayor Pro Tem Gilbert said July 1st is a little late because the season is starting Memorial Day and the Chamber doesn't have any funds to kick off. Councilman Johnson said if there is \$25,000 available on July 1st can we amend that motion to say we will approve \$25,000 tonight to be taken out of savings and July 1st the \$25,000 that is available will go back into savings. Councilwoman Efird agreed with the amendment. Mayor Clark asked for a vote on the original motion. **MOTION CARRIED UNANIMOUSLY.** Mayor Clark then called for a vote on the amendment as stated by Councilman Johnson. **MOTION CARRIED UNANIMOUSLY.**

PUBLIC DISCUSSION – (Five minute time limit per person.)

Terry Hamm of 111 Virginia Avenue appealed for help on an issue that has recently arisen. Based on the zoning map, there are three neighborhoods zoned R1B, single family dwellings: Carolina Sands, private community of Oceana, and the streets of Florida, Georgia, and Virginia Avenues on the north end. Oceana community and Carolina Sands have revisions in their homeowners association to prevent multi-family dwellings or duplexes in their neighborhood. The residents of Florida, Georgia, and Virginia Avenues petitioned the town in 1996 to provide the same protection to them. At that time, he believes the R1B zoning was established for those streets. It was the intent of the people that applied at that time and he believes the intent of the Planning and Zoning Board and Town Council members that implemented that rule to preserve the single family environment of those streets. In other words, he said, we believed that would block the building of duplex properties in our neighborhood, which is what we wanted. Until recently, we all felt that was still in effect until we learned about the special provision that was put in around 2001. With the conditional use permit you can build a PUD or a planned unit development in our neighborhood. He said they were not aware this was an option until just recently when such a request came in. He said he wouldn't go into specifics of that request because it is still pending before this board. However, in trying to oppose that and find out where we stood, I sent a petition letter to all property owners of that neighborhood specifically on Virginia Avenue. I have a 75% return rate of signed petitions from the property owners that we want you to honor and maintain the single family environment the previous administration established. I called Mr. Steve Harrell yesterday and asked him how residents can initiate a change to have that zoning restriction allowance removed from R1B. In other words, take out the specification that says with a conditional use permit you can build a PUD in our neighborhood. Mr. Harrell told me there is a petition that has to be filled out, forms to be signed and turned in. However, he also told me, there is a \$350 filing fee in order to do that. We as the residents don't feel we should have to pay \$350 to have you take out something we didn't

want you to put in there in the first place and we didn't think was there. According to Mr. Harrell if this type of request to revisit or re-look at the PUD allocation within the R1B Zoning neighborhood is initiated by Town Council the fee can be avoided. I am asking you to consider looking at it. We don't believe anybody maliciously intended to set a loop hole in the process to allow this to come about but that's what happened. We are looking to you for your help to try and resolve this. He thanked Council and said he would be happy to take any questions if they had any.

Next to speak was Bobby McConville representing the North End Ad Hoc Committee. He said the committee requests two additional police officers for the North End to be allocated from the non appropriated funds, which they requested last month. There was a discussion about where the money was and where the money was going. He said that the police chief came to the committee and requested that two new police officers come out of there. Mr. McConville said that he spoke to the chief and he would like to come up and comment quickly on what occurred this past weekend.

Chief Younginer said the first snap of good weather has come through and people have started coming. Freeman Park was a big challenge this weekend. They didn't know it was going to happen. It was very busy. All the stores sold out of the Freeman Park passes and the machine stopped taking money at the North End selling day passes. It was the influx of everybody coming who hadn't gotten passes yet. Most of the crowd was real good. There were a lot of Marines just back from Iraq and Army personnel coming down to celebrate. They heard you can come down, celebrate and have a good time and not end up in jail, which is what they did. They said we can hang out in bars and get in trouble or we can come out here, camp, have a good time and enjoy. That theme is being passed back at Camp Lejeune and some of the Army bases. For the most part, they are all being very good and enjoying their time.

Mr. McConville said he thinks the Council needs to consider this request. He thinks it is important for safety. He believes all those funds are going to the general tourist fund. I am trying not to be too sarcastic but the North End Committee recommends the Freeman Park money be isolated and appropriated back to the North End only after all departments have been paid back their initial start up costs. We feel that this year's Freeman Park money should be isolated to the park and not put into the general park fund, the general town budget fund or the tourism fund. The town never had this money before; it has it now and yet it's gone. Mayor Pro Tem Gilbert asked what fund he is talking about because you mentioned three funds. Is it just the tourism fund? Ms. Johnson said the Freeman Park monies go into the tourism fund. Mayor Pro Tem Gilbert said when Mr. McConville said non-appropriated funds he is talking about savings in the tourism fund. Mr. McConville said, we don't know how much is in savings right? Ms. Johnson said she can get a number but she doesn't have it right now.

He continued by saying that the Ad Hoc Committee feels this year's money that was just collected by the machine and by parking should be allocated to Freeman Park first. A Freeman Park fund should be created in its entirety and then after the park is self sufficient and gets what it needs to flourish and prosper, then those monies should be allocated outside of that. It should only be done after publicly noted. The committee feels most people going down there pay their \$40 to get into the park thinking the money is going back to the park. That has not occurred and it's not occurring now. I did not bring the exact figures with me tonight but the initial start up cost last year for Freeman Park was around \$200,000. Freeman Park collected over \$400,000. That is \$200,000 completely gone from the general tourism fund that the town never had before. Ms. Johnson said it's not gone; it's in the savings account. Mr. McConville said he is not trying to get into a battle about it but we don't know how much is in savings. The park needs two police officers and there are other areas that come out of the fund that obviously need money as well. He said that he is confused.

The last thing is we have one opening on the Ad Hoc Committee and after Thursday we will know whether we have more openings. We will present that next month.

Mayor Clark said this new Council is working with an existing budget and it's hard and he thanked Mr. McConville for his comments.

Leroy Franks, 908 Canal Drive, said FEMA is angry with the North Carolina Building Codes and the North Carolina CAMA Organization. Mr. Jim Long, North Carolina's Secretary of Insurance, has received a notice from FEMA stating hurricane recovery funds will be reduced unless North Carolina accepts the 2006 International Building Codes to replace the current North Carolina Building Codes. The 2006 IBC becomes effective in April. These new building codes do not resemble what is being constructed on this beach now. As we talk right now, the legislature is voting on amending these changes.

Wanda Barbour, 511 Clarendon Boulevard, said she has been the advisory chairperson for Parks and Recreation for a number of years. She said most of the people on the committee have been together for a lot of years. They have recommended to Council three appointments and she hopes they will consider their recommendations. She wanted them to know they are the advisory to the Parks and Recreation and they want to be part of the decisions that are made for the community of Carolina Beach. Please let us be here for you.

Scott Patton of 917 Carolina Beach Avenue said he was here to speak about the ground lease for the Arcadius project that was open for discussion but is now on the April agenda. He said he is a citizen here and also owns multiple businesses which include a hotel. They have to pay taxes on that and it (Surf Side) will reopen tomorrow.

Mr. Patton said that he respects the dialogue that took place in reference to questions that were asked and the decisions made when you are dealing with budgets. He said that he understands the impact and the importance of having that dialogue and the responsibility that you have but I have a couple of questions. A decision was based off of what funds can be allocated towards these great events the Chamber is sponsoring and our businesses will be a part of and have been a part in the past, but we do not know exactly what the surplus is within the budget. I heard Freeman Park mentioned. The question I have is based off of when Freeman Park was opened up and turned over to the town. What were the numbers that were originally forecasted as far as revenue and what was the actual revenue that was generated? The next question I have is in fiscal year 2005 budget, was there any monies carried over from fiscal year 2005 and the fiscal year 2006? What was that amount? I thought it was somewhere in the 40% range as far as budget from fiscal year 2005 that was carried over into 2006. Where was that money allocated? As far as the events that are taking place, I think we all realize there is a big initiative to have revitalization within the heart of this town being the Boardwalk. These events go directly towards what I think support that revitalization of Carolina Beach. What monies from the town are going towards helping that revitalization? I heard bathrooms mentioned but is there any other monies going towards the revitalization of the Boardwalk. I thought those were some important things and that having an open discussion in reference to how much money need to be allocated. One, what's the savings and if there is savings what's that going to. Mr. McConville said \$200,000 was in excess of what the forecasted revenues were for Freeman Park. That is a lot of money. On top of that how much more and then again the 40% that I believe was carried over from fiscal year 2005 to fiscal year 2006. What is that money being allocated towards? As Mayor Pro Tem Gilbert had spoken, the Chamber of Commerce and the town look at themselves in a partnership and in partnerships money does need to be spent on investments to generate more money and thus help the town. Also Councilman Johnson brought up money that needs to be spent for roads and infrastructure. We within our project, and I'm not going to get into this too much, are picking up the dime for the infrastructure improvements that are proposed within the Arcadius project to include an 8 to 12 inch and then also resurfacing. But as I understand it also, maybe you can correct me but there was also a grant. At this time, Mr. Patton's time ended.

Mayor Pro Tem Gilbert said the accounting for the North End Freeman Park is becoming a charged issue. I would like to ask staff to come up with something that is easy to read that can communicate those questions. Mr. McConville and Mr. Patton had some questions so maybe we can take notes of what those questions are and let's communicate back how these funds were spent. If it went to pay for \$40,000 worth of landscaping and a parking lot, at least we can account for where the money was spent if the money is not available. It is a personal request so we can make the accounting a little easier.

James Norment represented the Arcadius Group and spoke about their ground lease. He was at last month's meeting and asked Council to consider the ground lease with Arcadius for the retail and parking deck structure. They followed up with a letter and appreciate Councilman Gilbert's response to that letter. He knows they have all taken that into consideration. Arcadius also understands tonight they are going to consider calling a public hearing for sometime in April that will hopefully bring in the public input into what can go into the lease. Obviously we don't have a lease that's final. We want your input. We want to begin that process. I ask you to authorize your staff to work with us to develop a venue of options; whatever we need to do for that public hearing and after that public hearing hopefully it will go forward. I took about six minutes last month and I will take no more time this month.

CONSENT AGENDA

Mayor Clark read the consent agenda.

Approval of the Minutes

Regular Meeting February 14, 2006

Consider request for budget amendments and transfers:

Transfer- Legislative

The Town Clerk is asking that monies be transferred from Legislative account 104100.12-Printing & Publishing into Legislative account 104100.57-Miscellaneous in the amount of \$500. A second transfer is also needed in the amount of \$10,000 from account 104100.06-Group Insurance into account 104100.14-Travel & Training. Both of the transfers are needed to cover expenses through year-end.

Transfer-Human Resources

Additional monies are needed in account 104500.56-Preventative Maintenance for Hep B and Hep A/B vaccinations for the Police and Operations Departments through June 30, 2006. Therefore the Human Resource Officer has requested that \$6060 be transferred from account 104500.57-Incentive Program into the above account in the amount of \$6060.

Transfer-Executive

The Administrative Assistant in the Executive Department is in need of a new laser printer, therefore a request has been made to transfer \$1500 from executive account 104200.33-Supplies into account 104200.75-Capital Projects < \$10,000 .

Transfers-Environmental

The receptionist for Town Hall was recently out due to surgery. A temporary was brought in to cover her duties while out. The cost for this service was \$917.32. The Environmental Department is requesting that this money be transferred from account 105800.46-Professional Services into account 105800.02-Salaries.

Monies are needed to finish out the budget year in the Environmental Department Account 105800.33 in the amount of \$10,000. These monies are for purchasing cleaning or sanitary supplies for all the public buildings. The request is to transfer these monies from account 105800.02-Salaries.

Also, there is an additional \$10,000 needed in account 105800.33 for the purchase of ABC stone, these monies are also being transferred from account 105800.02.

Transfer-Stormwater

The Stormwater Department needs to purchase ABC Stone in the amount of \$29,784. They are requesting that these monies be transferred from account 309000.02-Salaries and placed into account 309000.33-Supplies.

Reclassification-Human Resources

In the current year's budget there was \$5000 placed into Human Resources account 104500.75 for the purchase of office furniture. The Human Resource officer is asking that \$750 of that money be designated for the purchase of a computer; therefore leaving a balance of \$4250 for office furniture.

Amendment-Water

In the 2005/2006 budget there was \$200,000 approved for the purchase of radio read meters. These monies have not been used in this budget year; therefore, the Director of Operations is requesting that these

monies be used for water main improvements on the north-end instead of radio read meters. The money will continue to stay into account 308120.74; however the listing will now show water main improvements for north-end instead of radio read meters.

Amendment-Stormwater

In conjunction with drainage improvements in the 2005/2006 budget the Town borrowed money in the amount of \$2,500,000 to improve the Carolina Sands Development. These monies were borrowed for 10 years with 2 payments being made within a year. The first payment was due on 2/16/2006. In reviewing the Stormwater budget I noticed that only \$100,000 had been placed into the budget to make the first payment on the loan; however, the actual payment amount was \$168,625, leaving a balance due in the amount of \$68,625. Therefore, the Director of Operations is asking that \$68,625 be appropriated from unappropriated fund balance account 303990.00 and be placed into account 309000.74.

Amendment-Parks and Recreation

The Chamber of Commerce has donated \$1500 to the Parks and Recreation Department from their proceeds from the Chowder Cook Off. The Parks and Recreation Director is asking that these monies be appropriated into our budget and be placed into account 106200.75-Capital Projects< \$10,000 for use towards the Dog Fence at Chapel Park.

The Mayor informed everyone also on the consent agenda were public hearings. We had to postpone 14 public hearings until the month of April. We apologize if you have come tonight to participate in a public hearing. There was a publication error so the public hearings could not be held tonight. It was on no part of the town.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request for a conditional use permit for a duplex at 104 Virginia Avenue.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request to amend Appendix A Zoning, Article 22 Zoning Ordinance Text and Map Amendments, Section 22.1 Authorization to Amend; Who May Initiate.

Set a public hearing date for April 11, 2006 at 7:30 pm. or soon thereafter to consider a request to amend Appendix A Zoning:

- Article 3 Zoning District Regulations;
- Article 7 Off Street Parking and Loading Requirements;
- Article 8 Landscaping and Development Specification Standards;
- Article 17 Site Plan Requirements and Approvals;
- Article 23 Definitions, to address “Single Family”, “Two Family”, and “Multi-Family” Developments;
- Appendix A Zoning, to include addressing townhouses.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request to amend Appendix A Zoning, Article 4 Overlay Districts and Other Special Districts.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request to amend Appendix A Zoning, Article 3 Zoning District Regulations, Section 3.9(6) Allowable Intrusions into Required Setbacks for Residential Zones.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request to enter a ground lease agreement with Arcadia Group, LLC for property located at the intersection of Carl Winner Street and Canal Drive.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request for a conditional use permit at 500 Spencer Farlow Drive for a planned unit development consisting of (7) 2-Unit Buildings.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request for a conditional use permit at 1303 Canal Drive for a triplex.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request for a conditional use permit for a triplex located at 613 Carolina Beach Avenue North.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request to amend Article 7 Off-Street Parking & Loading Requirements.

Set a public hearing date for April 11, 2006 at 7:30 pm. or soon thereafter to consider a request to amend Article 8.9 Design Specification Standards.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a text amendment to Section 22.7 Prohibition of Certain Testimony, under Article 22 Zoning Ordinance Text and Map Amendments.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request to amend Article 14.8 Action by Town Council.

Set a public hearing date for April 11, 2006 at 7:30 p.m. or soon thereafter to consider a request to amend Article 3.3 Every Lot Shall have Access to a Street.

Adopt Proclamation No. 06-864 which declares March 13-17, 2006 as "Multiple Sclerosis Awareness Week" (*Exhibit 2*).

Mayor Pro Tem Gilbert made a motion to approve the Consent Agenda.

MOTION CARRIED UNANIMOUSLY.

Mayor Clark mentioned that on the consent agenda Council is adopting a proclamation declaring March 13-17, 2006 as Multiple Sclerosis Awareness Week.

APPOINTMENTS TO THE PARKS AND RECREATION ADVISORY COMMITTEE

Mayor Clark stated that eight candidates applied for the Parks and Recreation Committee. He said he remembers years ago it was hard to get someone on this committee. He told Ms. Barbour this speaks well for her committee. It's a hard decision when you get eight super people who want to be a part of Parks and Recreation and you have to get it down to only three people.

Mayor Pro Tem Gilbert said he has considered all of these and thinks Scott Weber and Lonnie Lashley are good candidates. He has also looked over Bill Furjanic, who is the director for the area soccer league, which is one of the fastest growing soccer leagues in the country and the state. One of the marketing studies done recently said people are using their vacation to go to soccer tournaments. I think Bill Furjanic might be a good asset to help Carolina Beach become a soccer destination. I would like to make a motion to approve Scott Weber, Lonnie Lashley, and replace Bill Beasley with Bill Furjanic for the Parks and Recreation Committee.

Mayor Clark said there are three individuals here to serve. One expiration date is December 2007 and two individuals will serve for three years. It was decided Scott Weber would take the first position and Lonnie Lashley and Bill Furjanic for the last two positions.

Councilwoman Efird asked Ms. Barbour if the people who applied attended some of her meetings or functions. She said no, but customarily their committee has looked at the recommendations and recommends to Council because they are an advisory committee. She told Mayor Pro Tem Gilbert she respects the soccer; but when they looked at the applications, they look at people who will

benefit all aspects of recreation. They don't particularly look for a person whose expertise is in a certain field but who will look at the broad picture and can bring that to the committee. Mayor Pro Tem Gilbert said he reviewed all the applications and looking at the charge of the recreation committee and the social activities you are involved with. I considered these very strongly like we did for the other committees and appointments.

Mayor Clark said there is a motion on the floor and he called for a vote.

MOTION CARRIED UNANIMOUSLY.

Councilman Johnson asked that the dates be repeated. Mayor Pro Tem Gilbert said Scott Weber for the expiration of December 14, 2007. Bill Frujanic expiration date April 9, 2009 and Lonnie Lashley expiration date April 9, 2009.

Mayor Clark asked the Parks and Recreation Committee to maybe come back and say we would like to expand this committee. He said he would like to take all eight of these people and put them to work for the kids out there. If you could, come back to us and we will certainly look at if you want to expand the committee. This is a working group here. Mayor Pro Tem Gilbert said maybe have some subcommittees or social committees. Ms. Barbour said the three people they nominated have been three people who have come out to all of their functions and volunteered their time without us calling and asking. They called and asked if we needed help. The other people who put in their applications never came and met any of us, never came to any of their functions, never offered to volunteer. Mayor Pro Tem Gilbert asked if they contacted these people and invited them to their events. Ms. Barbour said the people they chose have been helping them for years. He said what I'm asking is, you is have had these applications since December of last year, did you invite those people to your meetings. Ms. Barbour responded that they are public events and anybody can come to them. The three people we chose have been waiting for openings. They have been coming out of the kindness of their hearts helping the children and not looking for anything out of it, like soccer.

CONSIDER A REQUEST BY A RESTAURANT OWNER FOR OUTSIDE ALCOHOL SALES

Mr. Harrell stated Council had a memorandum in their packet that was sent by Mr. Brett Keeler who represents the Black Horn Bar & Kitchen Restaurant requesting Council to consider the allowance of alcoholic beverages to be served at a sidewalk café. The Zoning Ordinance for the town does allow for sidewalk seating at restaurants in a particular area in front of the restaurant. Preliminary investigation with the ALE and under ABC laws in North Carolina does allow for alcoholic beverages to be served at sidewalk cafes provided the town or the municipality pass ordinances that provide for total control of that public area to be under the restaurant, i.e., things such as identification agreements with the

town, proper liability insurance, and proper control of the area. Our sister municipality, the City of Wilmington, has had it in place for a number of years and some of their restaurants do have sidewalk cafes in areas that are public property but under the control of the restaurant. In order to be able to do this, it is going to require a number of activities on the part of the town. Before we ventured out and drafted ordinances and had legal expenses by our town attorney, etc., I am here tonight to see if Council wants us to pursue looking at this, drafting an ordinance, and seeing what steps you want to take. For example, this particular ordinance, if it was to be adopted, we would recommend it not be part of the Zoning Ordinance; that it be part of the license and business regulations section of the ordinance which is a standard practice of most municipalities. To include the successful implementation of such a program in the City of Wilmington, it is in their license and business regulations. In addition to that, there is a section under Offenses Article 10 in the ordinance that actually prohibits the consumption of alcohol on public streets, public rights of ways in the town of Carolina Beach. However there is a section that does allow for the town manager with at least ten days notice to allow for consumption of alcoholic beverages on public streets that have been blocked for traffic for special events. I couldn't find any requirements under that particular section that had anything to do with proper liability insurance, identification, etc. You might want to consider at least exploring that if we are going to continue to have that particular provision in the ordinance. One last thing to consider, and Mr. Clyburn please correct me if I am wrong, if you are to pursue this within Business License and Special Privileges Regulations Article 8 of the ordinance, this is a police power by this town and would not require a public hearing if you wanted to pursue it without the benefit of a public hearing. However, if you want to have the public hearing, we would need to know tonight as well so we could have the proper notices in the newspaper prior to your April meeting. He asked, would you like us to pursue and develop something for you to review at your April meeting and do you want to have that as a public hearing?

Councilman Johnson read from the Black Horn memo, "... by the town's Zoning Ordinances the businesses are allowed to have a roped off area outside of the building, as long as two feet of pedestrian walkway are left from the center of the Boardwalk." Councilman Johnson said he does not understand that. Mr. Harrell said the interpretation they made for the Black Horn Bar & Kitchen is the actual frontage of their business is on a section of the Boardwalk, so they could come no closer than two feet from the center. If the other side was developed as a restaurant and had the same thing, you would still have a pedestrian walkway. Mayor Pro Tem Gilbert clarified by adding which is directly across from it and Mr. Harrell agreed. Councilman Johnson said it would only be four feet wide. Mr. Harrell said if this was done on a sidewalk on another street for example, not this type of arrangement, where it was just a sidewalk that fronted on a full street, a minimum of four feet has to be left for a walkway. Councilman Johnson said he thinks when you are talking about the Boardwalk you are talking about a whole different element. To only have four

feet, the possibility of being able to walk down through there, first of all going toward center we have the lamppost and the landscaping, so I don't see how that would work. Mr. Harrell said that was a "for now" interpretation based on the premises there might be something across the street that would be a restaurant. If Council would like us to we could look at what would be the appropriate width if something like that were to happen across from the Black Horn Bar & Kitchen or any other restaurant. Mayor Pro Tem Gilbert said he thinks we need to be flexible because of the situation on the Boardwalk and our central business district. I think the Black Horn is definitely an asset as a food establishment and bar and we need all the help we can get down there. I would say looking at your ordinance I would support something like that as long as it's a restaurant and it had some kind of café seating outside and not a bunch of people milling around should-to-shoulder drinking beer, but if it is a café type atmosphere where you can sit outside and enjoy your drink and food. Mr. Harrell said that is exactly what we would be looking at; they would be sitting having drinks with their meal as if they were inside the restaurant. Councilman Johnson said when you are pursuing that I think you need to consider things like are you going to allow glass bottles and glasses outside on the concrete area like we have. You really need to look at that with actually allowing people to go out in front of their business because I can see that being a potential problem. It would be a great asset for a nice place; but at the same time, it can be potentially a big problem for us if we don't research it carefully.

Mayor Clark asked if he needed a motion from them. Mr. Harrell said no, he just needed some direction.

Chief Younginer said you were asking about public hearings. I would recommend we do that because we will get a lot of comments from the public. I get it already. Once you open that door and say you can have alcohol with your meals out here, remember I might not be eating a sandwich but I am going to walk outside for awhile with my beer. The only thing that concerns me is the width and how many people are going to be standing around. We are trying to change the reputation of being just a drinking place down on the Boardwalk. Mayor Pro Tem Gilbert said he thinks a restaurant is paramount. He thinks Mr. Harrell will have to look at what do you do ordinance wise. What does Wilmington do where you don't have a bunch of people milling around? Mr. Harrell said part of what they will do is talk to the police department. Mayor Pro Tem Gilbert felt that a public hearing was needed.

The town clerk asked for a motion to set the public hearing date. Councilman Johnson asked how much time they need. Mr. Harrell said as far as the public hearing is concerned they have to make sure it is advertised at least twice, no later than 25 days before and no sooner than 10 days before. Mayor Clark wanted to know what would give him time enough to do his groundwork. Mr. Harrell said he thinks they can do the groundwork in four weeks. If you set the public hearing, we have up to the week before you get your packets, so we have

three or three and a half weeks to do that. He said they have already done a lot of preliminary things. He hasn't gone through drafting an ordinance and those types of things.

Councilwoman Efirm made a motion to set the public hearing date for April 11th. Councilman Johnson said they just approved the consent agenda and it has 14 or 15 items on it. Since this is not a pressing thing, let's set the public hearing for May 9th. Mayor Pro Tem Gilbert said the memo is dated January 24, 2006 and we are coming into the season, so I think for him it might be pressing. Chief Younginer said he did get permission to have a one time event and he can do that with a ten day notice. He has one coming up where he is going to be able to serve alcohol outside. **MOTION CARRIED 3 TO 1 WITH COUNCILMAN JOHNSON OPPOSING.**

CONSIDER APPROVING AN EASEMENT TO ALLOW FOR PARKING AT CAROLINA BEACH ELEMENTARY SCHOOL

Mr. Harrell said the New Hanover School District was issued a Conditional Use Permit earlier this year. The permit included parking on an off site parking lot on the corner of Clarendon and Fifth which would accommodate 26 parking spaces. The CUP was to add five permanent classroom spaces as well as some bathroom additions and things of that nature to the site. The school has been using 46 on-site parking spaces located on Clarendon and Fourth Street for quite a few years. They were allowed to continue to use those under the CUP because the renovations under the CUP were going to be less than 50% of the value of the school property. If it is more than 50%, you have to meet all of the parking requirements. In this case, it would have required the on-street parking to go away and off-street parking would have to be provided for all the spaces they need; in this case, it would be 65 spaces to meet the requirements. The school has learned the off-site parking lot they were looking at, and is under school ownership, has been classified a wetland by the CORE. There is a pond at the back of the property that is obscured by brush and trees; you can't see it from the street. The school has been advised they would have to go through the process of getting a permit to be able to develop it as a parking lot. They understand this process could take as much as a year and may never be approved. They want to begin construction on the school this spring. They will be closed for a year and reopen fall 2007. According to them, they are not in a position to wait and find out whether this parking would be available. We discussed at length whether or not there was some ability to put this parking on-site. If you look at the enclosed site plan, it is tight. The ability to put 22 parking spaces is really hard to do. You might be able to put some on the front where the grassy areas are in front of the school on Fourth Street but in order to do that you will lose two 42" circumferences oak trees. I don't recommend cutting down 42" oak trees and the school would prefer not to do this.

He said that we tried to come up with something that would be flexible, creative, and still keep within our Zoning Ordinance. Our staff has determined this to be a minor modification. We are asking Town Council to consider granting an easement along Fifth Street which would allow for 22 parking spaces and has been reviewed by our Department of Operations. What you see on the site plan is an actual overlay as to what would be required. After consultation with the town attorney having it in the form of an easement would place the parking on school property. Therefore, you would accomplish what was accomplished with the off-site parking lot. According to the Operations Department, it would also allow for additional public parking for some of the events that occur in the lake area as well. From what I understand, people park there anyway to get over to the lake area. Mr. Harrell said that we recommend to Council that you grant an easement to the school to be drawn up by the town attorney which meets all contingencies on any legal requirements as may be required by state. Once that is done, we ask the Mayor to execute the easement for the school district. He said that representatives from the school are here tonight to answer any questions. Our recommendation is based on this being a minor modification on the premise it does not increase parking spaces, density, does not change any internal traffic patterns within the site of the school, and it was a physical requirement that was unknown and unexpected when the CUP was given. That is specific language from the zoning ordinance with regard to minor modifications.

Mayor Pro Tem Gilbert asked, is the sidewalk on here part of your overlay or was that part of the original plan? Mr. Harrell answered that it was part of the original plan. Mayor Pro Tem Gilbert asked, was there any consideration for making this any kind of conservation area so it's not going to be sold off and filled at some other point? Mr. Harrell said that is something we are in preliminary conversation with the school. They did say something to us about whether the town might be interested in it for maybe a conservation area so that we have it and keep it as a conservation area. If you want to direct us in that direction we could definitely do that. But we have had that preliminary discussion with the school.

Mayor Pro Tem Gilbert made a motion to approve the easement with consideration to making the wetlands a conservation area that would not be developed at any point and the Mayor sign the easement once it is completed.
MOTION APPROVED UNANIMOUSLY.

Mayor Clark called for a 5 minute recess.

Following the recess, Mayor Clark reconvened the meeting.

CONSIDER PRELIMINARY PLAT APPROVAL FOR 500 SPENCER FARLOW DRIVE

Mr. Parvin, Senior Planner, made a presentation.

BACKGROUND

The applicant is requesting preliminary plat approval for Snowbird Acres Subdivision located on the north side of Spencer-Farlow Drive and south of the USA Army Corps of Engineers tract. Snowbird Acres has a total area of approximately 1.84 acres and will consist of 5 lots. Access to the subdivision will be provided by Spencer-Farlow Drive and will consist of a 36' right-of-way.

ANALYSIS

Zoning

Single-family/duplex dwellings are permitted by right in the R-1 zoning district. The minimum lot size is 5,000 square feet and setbacks for structures in this district are 20 feet from the front, 10 feet off the rear, and 7.5 feet from the side yard except on corner lots where 12.5 feet will be required. Maximum height for unsprinklered structures is 50 feet for this district. The maximum lot coverage per lot will not exceed 40% and is within the allowable density for the R-1 zone.

Road and Utilities

The proposed road Jacobs Lane will be 22 feet of pavement (26' including curb and gutter and 36 feet of private right-of-way). Utilities will be run down the center of Snowbird Acre Drive with water extending through the property on the east and connecting back to Spencer-Farlow Drive. Street lighting, sewage disposal facilities, storm water drainage facilities and other utilities shall be constructed that meet the minimum requirements of the Town of Carolina Beach Subdivision Regulations.

Landscaping

The subdivision will be required to provide a 6-foot wide street yard with street trees every 50' on Jacobs Lane and Spencer-Farlow Drive. A Type "B" buffer will be provided on all sides of the subdivision not adjacent to a street. Existing vegetation can be used and is encouraged.

The Planning and Zoning Commission heard this proposal at its February 09, 2005 regularly scheduled meeting. The Planning and Zoning Commission unanimously recommends approval of the request subject to the staffs 15 conditions.

Mr. Parvin showed a 2002 aerial and then showed some pictures of what it looked like today.

Mayor Clark asked if this is near the waterway. Mr. Parvin replied this parcel backs up to the Army Corps of Engineers property; and on the other side of the Army Corps of Engineers, you have Snow's Cut. Mayor Clark wanted to know how deep the Army Corps of Engineers property is. Mr. Parvin said it is a fairly large tract. Someone else said it is 100 feet.

Councilwoman Efird said there have been several complaints this week about the drainage up there close to these projects and she hopes it is going to be addressed. Mr. Parvin said they have the curb and gutter on their road and they will have a planned unit development at the next meeting. They have a stormwater retention proposed for the site to the east. It will be engineered to hold 100% on-site.

Mayor Clark asked Mr. Parvin if staff recommends approval, and Mr. Parvin said yes with the 15 conditions.

Councilman Johnson asked, is this for the five blocks? Mr. Parvin said it is for five blocks - one on the east and four on the west. Councilman Johnson asked where is the one on the east? Mr. Parvin explained that it is the large parcel where all the duplexes are going. Councilman Johnson said on the map on the east side of the property, you show a proposed six foot wood fence. On the west side of the property, you show a four foot wood fence. Is that correct? Mr. Parvin said they were going to do a six foot fence on that side and on the Army Corps side they are doing a four foot fence. Councilman Johnson said I am talking about east and west, not north and south. I was curious as to the difference. Mr. Parvin said they are required to have the Type B buffer. They don't necessarily have to have the fence. The fence is required if it is adjacent to a single family residence. It would be six feet for both sides. Councilman Johnson said at the Spencer Farlow Drive on the west side of Jacob's Lane entrance, it doesn't show a sidewalk running along the property line. Does it not require a sidewalk there as it does on the east side? The east side shows it. Mr. Parvin said that is right.

Mayor Clark asked the applicant if he would like to speak on the project and he did not.

Councilwoman Efird made a motion to approve the preliminary plat plan with the 15 staff conditions as follows:

1. Before the preliminary is signed for approval the following items must be included on the plat:
 - a. Show existing vegetation on site to be removed that is 4" in caliper and/or 10' in height. Include landscape plan for the Type "B" buffer yard.
 - b. Show the name of the proposed road (Jacobs Lane).
2. A storm water plan must be submitted and approved prior to approval of the preliminary plat. The storm water system must be installed according to approved plans and a letter signed and sealed by a licensed engineer must be

provided verifying that the system is properly installed and functioning prior to recordation of the final plat.

3. Approval letter from the Division of Water Quality for storm water.
4. Approval letter from the Division of Land Quality for Sedimentation and Erosion Control.
5. Approval letter from the Division of Water Quality-Public Water Supply Section.
6. Fill permit and approval letter from the Army Corps of Engineers.
7. Street trees and buffer yard landscaping shall be installed according to preliminary plat submittal. Existing vegetation can be used for this requirement.
8. A drainage plan that will include all portions of the development shall be submitted. This plan shall be prepared and sealed by a registered surveyor or engineer. The plan shall provide for a drainage system for these areas that will accommodate a storm event without flooding or substantial ponding of water in the areas included in the plan. The plan must also accommodate any discharge from properties in upland portions of the drainage basin that flows through the property for the same storm event for the type development for which that property is zoned. The boundary of any drainage area on a portion of the site and/or upland from the site shall be shown on a map. The location, size and/or capacity of all structures included in the drainage system shall be shown on the plan and calculations used in designing the drainage system shall be submitted in a legible format. This plan may be included in the street and drainage plan, storm water management plan or on the preliminary plat, as long as the design professional certifies that the specific drainage plan submitted complies with these requirements and the information required is shown or submitted as noted.
9. Sidewalks, curb and gutter shall meet the requirements of Article 8 Landscape and Development Specification Standards.
10. Lot coverage for any lot located within the subdivision shall not exceed 40% maximum lot coverage.
11. Road names must be in compliance with the New Hanover County listing of road names.
12. Designate ownership of all open space. Include note on preliminary and final plat that all infrastructure that is not dedicated to the Town shall be owned and maintained by a Home Owner's Association or other approved method-
Maintenance of permanent open space, parking, streets, drainage systems, utilities, and other such facilities-
All common facilities shall be maintained for their intended purpose as expressed in the approved final site plan. The method of providing for such maintenance shall be submitted prior to Certificate of Occupancy by one (1) or more of the following:
 - a. Establishments of an association or nonprofit corporation of all individuals or corporations owning property within the subdivision for the purpose of ensuring maintenance of common facilities.
 - b. Retention of ownership, control, and maintenance of common facilities by the developer or Home Owner's Association.
13. No structures or fencing shall be placed within any easements located within the subdivision.

14. Grading, surfacing, curb and gutters, sidewalks, street lighting, street trees, sewage disposal facilities, storm water drainage facilities, and other utilities shall be installed and certified by a surveyor and/or engineer or Performance Guarantee provided prior to recordation of the final plat.

15. Street lights and street signs must be installed prior to issuance of a Certificate of Occupancy. All conditions of approval must be satisfied prior to Certificate of Occupancy.

MOTION CARRIED UNANIMOUSLY.

CONSIDER RENEWING THE ANNUAL TURTLE MONITORING CONTRACT

Ms. Nancy Busovne from the Pleasure Island Sea Turtle Project made a presentation. She stated she is the volunteer coordinator for Carolina Beach and she has been issued the State Endangered Species Permit for 2006. She said we are here for renewal of their annual contract. The contract is for the amount of \$1100 every month for the extension of the turtle season, which includes patrolling every morning in our own vehicle, marking and monitoring nests until they hatch, aiding in the hatching, and working with stranded turtles. It includes anything on the island dealing with this endangered species. We would love the opportunity to serve the town again in 2006.

Councilwoman Efird said, you are asking for another \$100 more per month, and Ms. Busovne said that is correct. Mayor Pro Tem Gilbert asked if the contract was from May to August. Ms. Busovne said it starts May 1st and extends through when the last nest is hatched. Last year we ended on August 31st. She said that it could extend into September or October - it depends on how the nests are laid. Mayor Pro Tem Gilbert said the contract terms are four months, \$4400, and Ms. Busovne agreed. She said it could potentially go until October but they haven't had it go that far.

Mayor Clark stated this is a requirement of beach renourishment. Ms. Busovne said it is tied in with beach renourishment. The Mayor continued we have to have a turtle monitoring program. She added that it also includes Freeman Park. Mayor Clark asked, do you supply your own vehicle and gas? Ms Busovne said yes they do and all of their own nesting supplies. Mayor Clark mentioned that he is personally a part of this program. I drive the whole beach on Thursday mornings at 6:00 a.m.

Mayor Clark made a motion to approve the sea turtle monitoring contract for \$100 more per month from last year's contract. **MOTION CARRIED UNANIMOUSLY.**

CONSIDER ADOPTING A RESOLUTION URGING THE NEW HANOVER COUNTY COMMISSIONERS TO FORMERLY TAKE A PUBLIC

POSITION TO ACQUIRE THE LORAN STATION, IF IT BECOMES AVAILABLE, AND CONVERT IT TO A COUNTY PARK

Mayor Clark recognized Mr. Richard Mandel who has come with a proclamation. Mr. Mandel said the State Port made an announcement in October 2005 stating they were interested in the Loran Station site as a storage place for metal containers. A large part of the community in this part of the county formed a committee to fight this. Shortly after the committee was formed, the Port was no longer interested in the property. They bought 94 acres south of the present Port property. Since they put it into play and since we all watched what happened in Southport earlier this year, the committee decided we would go forth and gather citizens support for a proposal asking the New Hanover County Board to acquire this property when it becomes available. The Coast Guard is still using the property. It is under consideration for ending the Loran Station at that location. We have pursued all the homeowners associations between the Port and Snow's Cut Bridge. We have 12 homeowners associations that represent over 3600 households. We have appeared before the Park and Recreation Advisory Board several times. On March 2nd, they passed a resolution backing our proposal. County Commissioner Bobby Greer is a member of that panel and so is Don Hayes who is on the school board. We are encouraged now. We have gone before the school board and asked them for the same kind of consideration. We are hopeful they will support us. This master plan which came out in January 2006 has a section that says there will be a need for several hundred of additional acres of park area in the county in the next ten years. This particular sight represents 200 acres of virgin property and would be ideal to be used as a park. The director of parks had talked about this property being the ideal segment of the southern part of the county. They will be looking for an equivalent amount in the northern side of the county. The plan would be to convert this into a passive park. It would not have football fields and baseball diamonds. It probably would have a lake and hiking trails. There aren't very many 200 acre sites that are virgin and available in this county. We think it is an ideal time. It dovetails with the county board's plan. We have enormous support from the citizens in our part of the county. We ask you today to pass a resolution supporting the acquisition of the Loran Station property when it becomes available for the sole use as a county park.

Councilwoman Efird said it sounds like a good idea. Mr. Mandel said we are going to ask them when they consider this to make it a part of their master plan so when it becomes available that will be its intended use. Mayor Pro Tem Gilbert asked, does the State Port still have any designs on this property to your knowledge? Mr. Mandel said they say no. From a manufacturing or industrial proposition, it really doesn't make sense for them. It is 10 ½ miles from the Port and they could only take one container at a time. It is right in the middle of lovely residential areas and we think that is the way it should stay. A park would be the ideal use.

Councilwoman Efird made a motion to adopt Resolution No. 06-865 (*Exhibit 3*), a resolution in support of Loran Station as a county park. **MOTION CARRIED UNANIMOUSLY.**

CONSIDER ESTABLISHING A POLICY FOR USE OF THE COUNCIL ROOM AND TRAINING ROOM BY OUTSIDE GROUPS/AGENCIES

Ms. Lynn Prusa, Town Clerk, said before you is a draft policy for the Town Hall meeting room. This draft was designed after viewing the Town of Wrightsville Beach's policy, which I found to be very broad and restrictive. The one I have before you is not quite so broad and restrictive. She explained that when governmental agencies have overflow in their current court rooms, they call other nearby public facilities to hold their hearings. For a number of years, the Town of Carolina Beach has allowed the Department of Administrative Hearings in Raleigh to use the Council Room to conduct their hearings. Lately we have received calls from other governmental agencies such as the Industrial Commission, who has recently used our facility. I need to know if you would like to continue to let outside agencies use our facilities and if you would like to set some fees. I am recommending if Council would like to continue to let outside agencies use the Council Room that you consider adopting this policy. The short version is to allow outside government agencies to use the Council Room only. It may be reserved Monday through Friday, 8:00 a.m. to 5:00 p.m. seven days prior to the event. We would require a \$50 deposit per event or \$50 annual fee for a reoccurring use. We will have a \$50 per day charge and this fee is taking into consideration custodial hourly pay, electric and administrative costs. The proposed policy addresses designating the responsible party, addressing a designated parking area, rules and regulations for the Council Room, such as not eating or drinking, rules and regulations for the municipal building, such as not disturbing the staff, no secretarial assistance, no furnishing of equipment or supplies. It also states the conference room is reserved for the Town Council, staff, boards, and committees of the town only. There is a brief paragraph about the training room. It may be reserved with the approval of the town manager for governmental agencies, non-profit or for profit groups as needed with special fees as deemed appropriate by the town manager. Ms. Prusa restated that she felt the Wrightsville Beach policy was very broad. They go as far as allowing use of their facility seven days a week from 8:00 a.m. to 11:00 p.m. Their fees are much higher. It seemed it would be more than what I felt we would want to get into.

Mayor Clark said up until now we haven't had a policy. This is a start to getting a policy in place. It may have to be revised as we go along. Ms. Prusa said it gives me something I can pass on to those agencies saying these are our rules and regulations and to start collecting some fees which we can use for this room for providing future seating and to maintain this room. Mayor Pro Tem Gilbert and other Council members felt this was a good idea.

Mayor Clark made a motion to approve the policy for use of the Council Room and Training Room by outside groups/agencies. **MOTION CARRIED UNANIMOUSLY.**

ITEMS NOT ON THE AGENDA

Mayor Clark said there is a request we need to approve. The request has already been put in for the Tourism and Development Authority. It is for \$126,939 for lifeguard salaries and benefits for the first half of last year. This money has already been spent. We are trying to recoup it from the Tourism Development Authority.

Mayor Pro Tem Gilbert said lets be clear to say the first half of our fiscal year starting July 1st, which was last summer. We still have to make another appropriation that will cover between December 31st and July 31st. Mayor Clark said that is correct. He said when we pull this money out of the TDA funds it only leaves \$4000. Mayor Pro Tem Gilbert said I think this is what people don't hear and see. Mr. McConville said you brought in all this money this past weekend. Mayor Pro Tem Gilbert continued that is this fiscal year and he is talking about appropriating that money. There is \$4000 there and people have their desires on these monies. I think it is good to see this and understand what is going on here. There is no money basically to pay the lifeguards until the room occupancy tax gets pumped up and we figure out where the lifeguards are going to get paid from.

Mayor Pro Tem Gilbert made a motion to approve the request from the room occupancy tax funds to pay for the lifeguards from July 1, 2005 to December 31, 2005 in the amount of \$126, 939. **MOTION CARRIED UNANIMOUSLY.**

Mayor Clark made a motion to go into a closed session to discuss a personnel matter according to GS143-318.11(a)16. He requested that the Town Clerk, the Human Resources Officer, and the town attorney to join Council in the meeting. **MOTION CARRIED UNANIMOUSLY.**

Councilwoman Efirid made a motion to go back into public session. **MOTION CARRIED UNANIMOUSLY.**

Councilwoman Efirid made a motion to vote to approve an employment agreement with the town manager pending the town attorney's review of the agreement. **MOTION CARRIED UNANIMOUSLY.**

Captain Kurt Bartley informed Council that he teaches the DARE Program at Carolina Beach Elementary School and they will be having their graduation next

Wednesday. He invited Council members to attend. The Mayor will be out of town and will be unable to attend. Captain Bartley said it will be held on Wednesday, March 22nd at 1:00 p.m. at the Carolina Beach School cafeteria and it usually lasts an hour. Between 80 and 100 students will graduate from this program. Some members of Council said they will try to attend. Mayor Clark said he and Captain Bartley were going to do a video message tomorrow from the Council for graduation. They will thank them for being a part of the program and graduating from the Drug Awareness Program.

Ms. Prusa said she wanted Council to think about how they would like to recognize outgoing committee members who have served on committees. Sometimes committee members serve for more than one term. In the past, we have done plaques, resolutions and paper certificates. She said you might want to consider a certificate to a restaurant. I would like to know if you want me to start putting on the agenda either monthly, quarterly, or annually some sort of recognition to outgoing committee members as a thank you for their public service.

Councilwoman Efirm said she knows in Parks and Recreation one of the girls have been there since they were formed and she just resigned. She was a big part of that committee. We should recognize those people. Mayor Pro Tem Gilbert suggested a letter of appreciation with a restaurant gift certificate. Ms. Prusa asked Councilman Johnson his thoughts on recognition since he previously served on the Planning and Zoning Commission. He said probably a gift certificate; it could be to a restaurant. I think if you do a restaurant we have to be careful that you spread it around. Councilwoman Efirm suggested a plaque. Councilman Johnson said you need to come up with a simple format because this is going to be on-going and can be a lot of people as time goes on. Mayor Clark said you don't want to miss anybody so I think we should ask the committees to do it rather than the Town Clerk. Councilman Johnson said he thinks you might do recognition certificates like the Chief does for years of service. The committees can come up with their own certificates and they can be recognized here. They could do the presentation along with the Mayor. Ms. Prusa asked if it should be a paper certificate. Mayor Pro Tem Gilbert said a certificate that's embellished. Ms. Prusa said like we do for 5, 15, 20 years of service and invite them to a Council meeting to be recognized publicly. Councilman Johnson suggested getting their picture taken and putting it in the newspaper.

Mr. Al Clyburn, Town Attorney, asked if Council has seen the new lease Arcadius has proposed. The consensus was yes. Mr. Clyburn said one of the major complaints last time was Council did not have enough time to review, study, and ask questions about it. There has been a request on the part of both sides that this not be repeated. He said Attorney Ken Shanklin has been working with me on that issue. We were under the impression we would have a chance to address the Council on the new lease at a workshop prior to the April meeting. He asked, if we don't have a scheduled workshop will we have an

opportunity or does Council want an opportunity to meet with us before you consider the lease at the April meeting? Councilman Johnson said it might save a lot of time as far as the night of the actual public hearing to get a lot of questions out just like we did before in our workshops. Councilwoman Efirid said you are going to have the same thing at the public hearing. Mayor Clark stated this wouldn't be a public hearing; it would be a workshop to review the list. Ms. Prusa said the public hearing would be April 11th. She stated Mr. Clyburn was suggesting a workshop meeting so the attorneys can present the draft to you and give you a chance to ask questions so everything will be in order for April 11th. Mayor Clark said the other concern is stacking the April meeting. The ground lease is going to be a big issue which took several hours in December and we only had that one issue. Mayor Pro Tem Gilbert suggested using the April meeting for Mr. Clyburn's and Mr. Shanklin's presentation to us and move the Arcadius ground lease to a public hearing in May. They are putting revenues to open a hotel and their attorney had said this dialogue could go on for months. This may be reasonable for you and Mr. Shanklin to present it to us and in May we would have the public hearing and vote. Councilman Johnson said we approved the agenda which said we would hear this on April 11th. Mayor Clark responded we will table the public hearing and Councilman Johnson response was we need to notify them. Mr. Clyburn said he could notify them but he thinks they are going to want to be here in April to respond to questions. However, they need to understand we are not taking any action on it until the May meeting. April is the time to generate conversation, dialogue, and to ask and answer questions. Mayor Pro Tem Gilbert said we need enough time for the public to listen to what you and Mr. Shanklin are going to be telling us and then let them digest it for the next month's meeting. Mr. Clyburn said they will have a month to express their opinions and issues with all of you before you are voting on the issue. Ms. Prusa said it will also allow time to go back and make changes to it if necessary. Mayor Pro Tem Gilbert said it seemed they were pretty inviting for this dialogue.

Councilman Johnson said to Mr. Clyburn the one he has is transmitted by James Norment on January 24th. I have the parking lease and I assume that is the latest. Mr. Clyburn said yes. Councilman Johnson said in the lease agreement, Item 1 states the Town Council and the Finance Director has reviewed economic development data and projections related to the parking project and related condominium project including but not limited to studies and other pertinent information provided by the tenant. It goes on to say job creation, appropriate investment levels and construction costs. Nobody has seen it. That is one of the things I would like for us to have before the April 11th meeting to digest if possible. Mayor Pro Tem Gilbert said if that exists. Councilman Johnson said they say it exists so it shouldn't be a problem for them to provide. Mr. Clyburn asked what section is that. He said Section I, the second page of the lease agreement I have. Mr. Clyburn said who it says has reviewed that information. It says the Consulting Firm of Hughes, Pittman and Gupton. Mr. Clyburn said it says somebody from the town has reviewed it. Councilman Johnson said it says

the Town Council and the Finance Director has reviewed the economic development data. It says studies and other pertinent information provided by tenant to the town's staff review of the parking project and condominium project. An economic feasibility study conducted by the Consulting Firm of Hughes, Pittman and Gupton which collectively provided information related to development opportunities, job creation, appropriate investment levels and construction costs. There are people from the public who have requested this information and nobody has it. Mr. Clyburn said clearly those things have not been done. Councilman Johnson said if this would have come before us this is a false statement. He continued I want to make sure we are looking at the projection of costs, especially construction costs, of the parking deck itself. Mayor Clark said I think if we find any questions on this we need to get them to Mr. Clyburn through Ms. Prusa or ourselves so we can get those out of the way before the meeting.

Councilman Johnson said in the Star-News on Monday, March 13th, the cover story was the shuttering controversy about the wind shutters. In the article, it says at the start of this year 2006, a new state building code requires shutters on all new homes built within 1500 feet of the ocean. Builders have the choice of providing precut sheets of 7/16" plywood or impact resistant shutters of metal or plastic or installing windows made of special hard glass. My question for the Planning Department is how are we verifying this since it went into effect January 1st.

ADJOURNMENT

Councilwoman Efirid made a motion to adjourn. **MOTION CARRIED UNANIMOUSLY.**

The meeting adjourned at 10:21 p.m.

Respectfully submitted,

Lynn N. Prusa
Town Clerk

Approved: _____