

**MINUTES OF THE RECESSED MEETING  
OF JUNE 13, 2006 OF THE TOWN COUNCIL  
TOWN OF CAROLINA BEACH**

**June 15, 2006**

The Town Council of the Town of Carolina Beach met in regular session on June 15, 2006 at 6:30 p.m. in the Council Chambers at the Municipal Administration Building, 1121 N. Lake Park Blvd., Carolina Beach, North Carolina. This was a continued meeting from June 13, 2006. The following were present: Mayor, Bill Clark; Mayor Pro Tem, Alan Gilbert; Councilwoman, Pat Efird; Councilman, Jerry Johnson; and Councilman, Joel Macon. Also present was Town Manager, Tim Owens and Town Clerk, Lynn N. Prusa.

Mayor Clark called the meeting to order and stated that we are out of recess and back into our regular meeting that was held on June 13, 2006. Councilman Macon arrived at 6:40 p.m.

**CONSIDER AMENDING CHAPTER 9 MOTOR VEHICLES AND TRAFFIC,  
ARTICLE VI SCHEDULE C PUBLIC PARKING, TO INCLUDE "NO PARKING"  
ON N. LAKE PARK BLVD., WEST SIDE FROM RALEIGH AVE INTERSECTON  
SOUTH TO BB&T BANK DRIVE THRU EXIT**

Chief Younginer said BB&T Bank asked us to look at the parking in front of their bank. There are three angled parking spaces. He presented photographs. He said with the traffic coming out of the bank, you have only a few feet from the parked vehicles so you have to pull all the way out into the traffic to see. He said BB&T is asking us to do away with those three parking spaces which will make it safer to come out.

There are a couple of options which you asked me to look at:

1. Take all three of the parking places out. That is hard I know because you lose parking and there isn't a lot down there already.
2. Have no parking there until the evening. The only problem with that is that is also there ATM entrance. The ATM traffic is always coming through there. If there were vehicles there you would still have some of the same problem but probably not as much.
3. Put one parallel parking there. We tried to see if two would fit but I don't believe two will fit. There is a telephone pole there. You could really get one parallel parking place in there and still have room for people to come out pass that and see.

Councilman Johnson asked have we had any accidents since BB&T has been open and these parking spaces have been there. Chief Younginer said I can't remember any directly attributed to that; but coming out of there myself, I know it is pretty tight. I don't know why we haven't had any. A lot of people complain when they come through there. They just can't see and you have to keep easing out until you just stop the traffic so you can come out. Councilman Johnson said we have three spaces there. If you deleted the space farthest to the south, would it help as far as view point? Chief Younginer said it would still be a problem. Mayor Clark said would it still be a problem with a right turn only. Chief Younginer said even making a right turn out of there it is a problem. People don't drive little cars anymore. If there were three little Volkswagens there you could see. But people drive Yukons and trucks so generally there is a big vehicle there. Chief Younginer said we can make it a "no parking" in the day time but that is going to be hard because everyone has been used to parking there all the time. They will pull in and park there anyway and they will get lots of parking tickets. We don't control parking tickets here. Councilman Johnson asked if BB&T originated the request. Chief Younginer said they did because of all of their customers' complaints.

Mayor Clark made a motion to open the public hearing. **MOTION CARRIED UNANIMOUSLY.**

Since there were no public comments, Mayor Clark made a motion to close the public hearing. **MOTION CARRIED UNANIMOUSLY.**

Mayor Pro Tem Gilbert said I like the idea of one parallel space. I think the parallel space would still give you a site line and an opportunity to get out. I know with the restaurant right there, they use a lot of those spaces for parking. At least, you would have one left there and you would be losing two.

Mr. Owens said this is one of those items that we don't technically have to advertise but it has been our policy to advertise for these items. We advertised for no parking and we are presenting three different options. If we choose a no parking option, we are fine. If we choose one of the other options, I believe we will have to go back and amend the ordinance and go through the advertising process again to be consistent with our policy.

Councilman Johnson asked if BB&T offering any compensation for closing these three spaces. Harry Oakes, Assistant Director of Operations, said BB&T were the individuals that requested the parking initially in the early 1990's because they didn't have sufficient parking in that area. Those are the individuals who requested they be removed for the public safety factor of coming out of that drive that was mentioned. It's not a matter of one, two, or three parking places, their request was no parking as the manager had described. A public safety issue is what they and their clientele are concerned about. I don't know if one car length or half a car length is going to prevent that public safety issue from still existing. They created the parking and they are the same individuals that want to do away with the parking because of public safety factors.

Councilman Johnson asked, has there been any discussion with BB&T if we do away with these three spaces allowing three spaces in their parking lot, or one or two, for people who are going into the restaurant? Mr. Oakes said no. You have to bear in mind that this parking is not for BB&T. This is public parking for any commercial entity on that street. Councilman Johnson agreed. Mr. Oakes continued they have offered no compensation for doing away with the parking spaces.

Mayor Clark said I know in Wilmington there is a lot of parking after certain hours, but in Carolina Beach considering only these three spaces would probably be tough.

Mayor Pro Tem Gilbert said you have the ATM traffic which stays pretty constant so it is still problematic with people there. I would like one parallel space to be preserved.

Councilman Johnson said I would like to recommend that the police chief talk to BB&T. If we close these three spaces are they willing to allow two to three spaces within their parking lot for people to park? Chief Younginer asked, during the day? Councilman Johnson replied yes. They do it at night after hours but during the day would they designate two to three spaces within their parking lot to resolve this safety issue since it is their request.

Mayor Clark asked do you want to make a recommendation to table the issue. We have to readvertise unless we accept the “no parking”. Mr. Owens agreed with Mayor Clark. He said we can rethink the situation, advertise for the August meeting. It was brought up that they have a new manager and the request was made by the former manager, although it is the consensus of the entire bank. Chief Younginer agreed to talk to the new manager.

Councilman Macon asked, who measured it for parallel parking? The police chief said he went down and parked his Explorer by the telephone pole. He said you can put one there but it wouldn't be the greatest idea although you wouldn't lose all three places. Mr. Owens said just before that is an area designated “no parking” right on the corner. You would be able to pull in there and parallel if you are heading south.

Councilman Johnson made a motion to table this until the chief can meet with the new manager and present some new options. **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER AMENDING ARTICLE 3 ZONING DISTRICT REGULATIONS, 3.8-1 TABLE OF PERMISSIBLE USES FOR USES ALLOWED IN GENERAL ZONING DISTRICT NEIGHBORHOOD BUSINESS (NB)***

Jeremy Hardison, Zoning Administrator, said this item is to amend neighborhood business to allow for single family dwellings and related residential uses, retail and service stations. Currently there is one parcel within the neighborhood business zoning classification and it is located at 901 Carolina Beach Avenue as the location of the Cupboard Grocery and there is a single family home also on that parcel. He showed

some slides with the use of the overhead projector. The staff also proposes eliminating mixed use planned development as a conditional use within NB and other zoning districts since Article 16 of the zoning ordinance does not address mixed-use planned development.

Mr. Hardison said, before you is the purpose of the neighborhood business district as described in Section 3.7 of the zoning district and current permitted uses. Planning staff believes that a functional, responsible zoning district will be created by allowing single-family detached homes and related residential uses in NB. This classification would prohibit duplexes, multi-family dwellings and planned unit developments. Related residential uses would include in-home offices, swimming pools and accessory structures such as garages. These related uses would be permitted by right, while bed and breakfast inns and public pools would be allowed with a conditional use permit. These changes would bring NB in line with other residential and mixed-use zones.

Staff believes that permitting retail in NB makes the district a viable choice when exploring mixed-use options. Residents living in the NB area and the rest of town will also be given a number of consumer choices by allowing retail.

Staff believes service stations, which accommodate the needs of neighborhood residents should also be allowed.

The lots in the NB zone would be required to meet the following dimensional standards that you have attached in the permitted use table. You can see what was permitted before and the changes you have before you:

- Min lot size: 5,000 sq. ft.
- Min lot width: 50 ft.
- Min front yd: 20 ft.
- Min rear yd: 10 ft.
- Min side yd (Corner lot – Min 12.5 ft.): 7.5
- Residential max density: 8.7 Units/acre
- Max height: 50 ft.
- Max lot coverage: 40%

Also going through Article 3, the following additions and modifications to the zoning ordinance 3.7 we added the sentence: “The purpose of the Neighborhood Business District, this district also provides for single-family detached homes and related residential uses.”

Also at 3.9 Dimensional Standards for the Various Zoning Districts for corner lots there was an exception for the Neighborhood Business District. We crossed that out and that you will have to meet the 12½ foot setback on corner lots for Neighborhood Business District.

Going through the permitted use tables when we came across the mixed use planned development, it is a conditionally allowed use within neighborhood and several other zoning districts. For this reason and the fact that mixed use is sufficiently addressed in other ways in the zoning ordinance, staff proposes eliminating “mixed-use planned development” as a use of land within the zoning ordinance.

Planning and Zoning heard this request at their May meeting and they approved this request.

Mayor Clark asked was the Planning and Zoning vote unanimous, and Mr. Hardison replied yes sir.

Mayor Pro Tem Gilbert asked is this going to make anything non-conforming in those areas or does it help to make things more conforming? Mr. Hardison said currently neighborhood business grocery stores are permitted and also single families that are currently in the zone. Mayor Pro Tem Gilbert said in the changes we are looking at, it will make the service stations conforming. Mr. Hardison said that would be the next item. Mayor Pro Tem Gilbert asked, in the table right? Mr. Hardison said yes.

Councilman Johnson asked about the exiting Cupboard Grocery and is it still covered by the grandfather clause that if it is damaged it can be built back in the same footprint. Mr. Hardison said the use currently is conforming but it does not meet current setbacks nor will it meet the proposed setbacks. The non-conforming clause would affect it.

Mayor Clark made a motion to open the public hearing. **MOTION CARRIED UNANIMOUSLY.**

Since there were no comments, Mayor Clark made a motion to close the public hearing. **MOTION CARRIED UNANIMOUSLY.**

Councilwoman Efird made a motion to adopt Ordinance No. 06-643 (*Exhibit 1*). **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER AMENDING THE ZONING MAP IN THE HIGHWAY BUSINESS DISTRICT (HB) ALONG S. LAKE PARK BLVD. TO NEIGHBORHOOD BUSINESS (NB)***

Mr. Hardison stated this is a request to rezone properties zoned HB (Highway Business) to NB (Neighborhood Business) located from Carolina Beach Lake to Carolina Sands and pointed to a slide on the overhead projector. It proposes considering rezoning 30 parcels from HB to NB. The properties to be rezoned begin at the terminus of Carolina Beach Lake to the south and the west side of Lake Park Blvd. to the end of the Carolina Sands Subdivision. The rezoning extends at the southeast corner of Second Street and Sumter Avenue and Second Street and Lake Drive. There have been several zoning amendments to this area since the initial adoption of the zoning map in February of 2000. On a slide

he showed an area and said you can see areas where it has eaten away at. One section was zone R1 along Sumter Avenue and Second Street and another section was zoned mixed used. He showed an area that was completed HB and a block that was zoned R1 in 2002 and another area zoned mixed use. We felt the HB area was being eaten away was HB and another that was zoned. There have been several other requests to rezone properties in this area. Staff looked at this area and we took it upon ourselves to move this forward.

According to the 1996 CAMA Land Classification Map, the parcels facing Lake Park Blvd. are classified as The South End. The policy emphasis is to allow for the retention and development of traditional single family beach cottages at a scale compatible with the original homes, modest lot sizes and narrow street right-of-way in the area. Development of commercially zoned properties along Lake Park Blvd should be oriented toward community and neighborhood services. The HB parcels located along Second Street are classified as the main residential area with a policy emphasis to protect the viability of this area for single-family residences with an appropriate mix of community and institutional uses.

Planning staff believes that NB zoning (with the changes proposed below) would keep the residential areas in tact – without duplexes or multifamily residences – while allowing commercial uses that support neighborhood character as outlined in the 1996 CAMA Land Use Plan.

Existing land uses in the area include restaurants, service stations, a repair shop, offices, single-family dwellings, a duplex, retail establishments and a laundry mat. The single-family dwellings, restaurants, offices, retail, service stations and laundry mat would all be conforming under NB (with changes). The nonconforming uses would be the repair shop and the single duplex. Planning staff does not foresee a proper planning solution that would allow all of the existing uses to conform, therefore we propose the NB rezoning is proper with the two nonconformities.

Planning and Zoning probably looked at this for 3½ months. After many meetings, they recommend this area to be rezoned to NB from HB. Originally staff proposed the area to be rezoned to MX but the P & Z commission felt that there would still be too many non-conformities in the area and did not agree with some of the uses that would be permitted in the MX zoning district.

Mr. Hardison said it originally came because there are a lot of single family residences there and highway business doesn't permit any single family or residence.

Mayor Pro Tem Gilbert said under neighborhood business you can do mixed use, commercial-residential. Mr. Hardison said that's correct with a conditional use permit.

Mayor Clark made a motion to open the public hearing. **MOTION CARRIED UNANIMOUSLY.**

Since there were no public comments, Mayor Clark made a motion to close the public hearing. **MOTION CARRIED UNANIMOUSLY.**

Mayor Pro Tem Gilbert made a motion to approve Ordinance No. 06-644 (*Exhibit 2*).  
**MOTION CARRIED UNANIMOUSLY.**

***CONSIDER AMENDING PLANNED UNIT DEVELOPMENT REGULATIONS  
AND ARTICLE 3 ZONING DISTRICT REGULATIONS, 3.8-1 TABLE OF  
PERMITTED USES***

Mr. Harrell said we would recommend tonight that this item be tabled based on a conversation with the town attorney with regards to some notice requirements that might have been needed to be made to Sunny Point. We are not sure at this point so we recommend that this be tabled until next month.

Mayor Pro Tem Gilbert asked can somebody detail the notices that would be required to Sunny Point. Mr. Harrell said a 2005 legislative amendment indicates that any zoning map change or changes in permitted land uses requires a notification to any military installation that is within five miles of the boundaries of the town. There is a question as to whether or not a change in the PUD which is dealing with permitted uses would apply. Although the Institute of Government is somewhat okay with it, Mr. Clyburn would like to review it further before we go forward. The recommendation is to table.

Mayor Pro Tem Gilbert asked if the Institute of Government said they don't have a problem with it. Mr. Harrell said their report is it is a close call. They would not give us a solid answer. Mr. Clyburn said Mr. Harrell talked to Mr. David Owens with the Institute of Government. My conversation with the town manager was that the Institute took the position that the only part that could complain would be the government. If we went ahead and heard this without providing notice to the government, i.e., the folks over at Sunny Point, they are the only ones who could later be heard to complain. I'm not so sure because I think if you went ahead and heard the matter tonight and someone had a problem with your decision and they wanted to challenge your decision to amend that would be argument number one that we did not comply with the state statute with regard to notice which requires apparently us to notify Sunny Point. That was really the gist of what I understood David Owens from the Institute to say. Mr. Harrell said Mr. Owens was okay with the permitted use part of it but he also felt that the only aggrieved party would be the military.

Mr. Owens said we would like the Council to consider allowing us to go ahead and re-advertise this if needed and also to notify Sunny Point and place it on the July agenda. Mr. Clyburn said I prefer to eliminate any question about the procedure.

Councilman Johnson said I thought on all rezoning issues we were notifying Sunny Point. Mr. Harrell said we have been notifying them on rezoning issues; but in this particular case, there is a question about the permitted use of it as well as whether or not they are an

aggrieved party. Mayor Pro Tem Gilbert said so you are saying you notified Sunny Point on this issue. Mr. Harrell said no sir we did not because it was not a zoning issue. Councilman Johnson said I thought that was the only requirement we had. Mr. Owens said actually Mr. Harrell is saying that this is new legislation that became effective January 1, 2006. We have a copy of that legislation right here so Mr. Clyburn or I could read you that portion. It is 160A-364 Procedure for Adopting, Amending, or Appealing Ordinances under Article. Under B it reads: If the adoption or modification of the ordinance would result in changes to the zoning map or change or affect the permitted uses of land located 5 miles or less from the perimeter boundary of a military base, the governing body of the local government shall provide written notice of proposed changes by certified mail return receipt requested from the commander of the military base not less than 10 days and no more than 25 days before the public hearing. I think the argument by David Owens with the Institute of Government was we are not adding another permitted use, a skyscraper, another use that we typically don't have. We are taking a use away from two zoning districts. That was why he was somewhat okay with it. I have to agree with the attorney that we just need to be careful and table it until the next meeting. Mayor Pro Tem Gilbert said I know that ordinance was brought to the attention of the former Council last year. Mr. Owens said if you are changing a zoning map, I think we have always done that. The use part of it I think maybe is the new part.

Mayor Clark made a motion to table the issue and ask our town manager to advertise again for the July meeting. **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER A REQUEST FOR A CONDITIONAL USE PERMIT FOR A PLANNED UNIT DEVELOPMENT FOR A DUPLEX AT 104 VIRGINIA AVENUE***

Mr. Harrell said we are recommending that this item be tabled until July. We had a request within 14 days of Council's meeting. We did get the advertisement in time but I did not remind our new administrative support specialist that we needed to send the notices out. That was my fault, so the notices did not go out to the property owners. That is a requirement of the ordinance so we do need to table until next month. We will re-advertise and make sure we send the notices out.

Mr. Owens said the other element is typically we require a sign be posted on the property which is also a part of the ordinance. Mr. Harrell said there is a 15 day requirement minimum before the Council meeting and it could not have been posted any sooner than 14 days based on the request from the applicant.

Mayor Pro Tem Gilbert made a motion to table considering a request for a conditional use permit for a planned unit development for a duplex at 104 Virginia Avenue. **MOTION CARRIED UNANIMOUSLY.**

There was some discussion about whether the item would be tabled until the next meeting or indefinitely and the decision was to put it on the July agenda.

Mayor Pro Tem Gilbert made a second motion to authorize staff to go back and do all the advertising needed to have the public hearing on July 11, 2006. **MOTION CARRIED UNANIMOUSLY.**

***REQUEST TO CONSIDER AMENDING APPENDIX A ZONING, ARTICLE 4 OVERLAY DISTRICTS & OTHER SPECIAL DISTRICTS (CANCEL THIS ITEM)***

Mayor Clark announced the request to consider amending Appendix A Zoning, Article 4 Overlay Districts & Other Special Districts has been cancelled.

***CONSIDER AMENDING APPENDIX A ZONING, ARTICLE 3 ZONING DISTRICT REGULATIONS, SECTION 3.9(6) ALLOWABLE INTRUSIONS INTO REQUIRED SETBACKS FOR RESIDENTIAL ZONES (TABLE TO JULY 11, 2006)***

Mayor Pro Tem Gilbert made a motion to table the request to consider amending Appendix A Zoning, Article 3 Zoning District Regulations, Section 3.9(6) Allowable Intrusions into Required Setbacks for Residential Zones to July 11, 2006. **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER AMENDING ARTICLE 14.8 ACTION BY TOWN COUNCIL (CANCEL THIS ITEM)***

Mayor Clark announced the request to consider amending Article 14.8 Action by Town Council has been cancelled.

***CONSIDER APPROVING PROPOSED WATER ASSURANCE PLAN/PROGRESS REPORT ON WATER***

Mayor Clark stated the water assurance plan I have before you started back in March when I started gathering numbers for this. Our Engineering Service group had an issue with our water so we have numbers that were put together by Engineering Services and the Planning Department.

This is an 8 step plan. It first says for us to insure to all citizens and businesses that to the best of our abilities water and sewer will be available to all customers. The second priority is that water and sewer will be available for developers. We need this because of accountability. The citizens are looking to the Council to provide them with water and sewer. The Council is looking to the manager to make this happen. This plan is going to require citizens and business input to make the necessary changes. The solutions to changes are necessary for responsible government to provide water and sewer to its citizens.

1. Have staff calculate, design, investigate finances, and lay out a reasonable timetable to supply water and sewer to meet the demands of the community and development projects. We are looking at a short term, 2010, and long term, 2025.

The question is what are the demands? Two point four million gallons a day is the maximum production that we can get out of the wells that we have now. If we lose well #3, it drops down to 1.96. My question to the Planning Department was if that's our max production that we can make out of our wells with our growth rate when are we going to cross that line. In July 2006, the demand for water is going to be about 1.8 million gallons a day. This July we are going to under that need. Growth is still happening. We are still approving projects. People are still building. In July 2007, we start getting closer to our max production limit. According to the growth we are doing right now, in July 2008 we are going to be well above the max production line. That is an alarm that should go off to everybody. We have to do something to get some more water to meet these demands.

2. Building approvals or permits may take up to 45 days.

This gives the staff time to look at that project and see what effects it has on the water/sewer demands. I'm not saying it will take 45 days; I'm saying it may take 45 days.

3. Develop criteria to analyze the impact of new projects and their effect on existing water/sewer system.

I'm asking staff to look at what impact is that project going to have.

4. Expand the equipment and reliability improvement program on existing wells and Lift Station #1.

We have 13 wells that are operating. We have 14 wells but one has an issue. Six of these wells are 50 years or older. To me, a 50 year well is a reliability problem. I am asking to look at the reliability of these issues. Do we have the parts? Do we have a process in place to make quick repairs? Lift Station #1 is 28 years old. There are three pumps there. It's the heartbeat of the sewer system. There are 10 lift stations that are pumping to Lift Station #1. The whole capacity of Lift Station #1 is minimal, probably 30 minutes. If we lose one or more of those pumps, we have a mess. I am asking to look at the reliability. Do we have all the monitoring? Do we have all of the vibration system in place? We need to be able to be ready to react on Lift Station #1. Councilman Johnson said we have two existing pumps there is that correct. Mayor Clark said there are three pumps on Life Station #1. One may only run. As the load picks up, the second one will run. As the load picks up more, the third one will run. That is what you call over the 48 hour limit. When that third one kicks, that is when you better have all three of them running at the same time and none go off. There have been some trips on them that go

off at different times. You don't want them to go off after you have picked up a 48 hour running time with the other two.

5. Begin the development of a water conservation program, education of citizens and information needed for citizens and visitors to conserve water during the critical summer months.

This program has been started already. The Cape Fear River Watch is going to present a stormwater and water conservation program to us.

6. Prepare and emergency contingency plan for water and sewer.

I am asking what the options are if we get into a critical state before the summer of 2008. There are several options out there.

7. Expand the existing program to locate water losses.

There is a program going on now to locate our water losses. I am asking staff what are some other means. We want citizen input. We have a hotline for when you find a water leak.

8. Well site #3 off of Georgia Avenue will not be shut down until a sustainable production of a new water supply is online.

We have talked to the developer of that property and he is in agreement to leave that well operating until summer of 2008.

I presented this to you in May and I am presenting it again to ask the Council to pass it.

Councilman Macon asked, did we check in the ordinance how many days we have to issue building permits? Mr. Harrell said there is no time frame for us to issue a permit. We generally do it in a week or two but there are no requirements that we have to put out a permit in a certain amount of time. Councilwoman Efirm said I would think it would be less than 45 days. That is a pretty long time. We have had so many complaints in the past about people coming for things and they wait, wait, and wait. That's the thing I have a problem with. Mayor Pro Tem Gilbert asked can we identify areas of the town where we already know that the water and sewer is an issue and let the people know up front that the potential is that it could be 45 days for a building approval or permit. If you are going to be building in an area that is not designated as a problematic area, then they would expect the normal process. Mr. Harrell replied I think up to 45 days review process is something that Operations is concerned with and probably Mr. Pagley can address that better than I can. Mr. Pagley said the only concern about giving us some time is because of Lift Station #1. Ten of the fourteen lift stations pump directly to #1. I just want to make sure that I calculate the impact to that lift station. As Mayor Clark said there are several days during the year where Lift Station #1 runs 54 hours when you do the total run time on all three pumps. If one of those pumps go down, we will have what

we had seven years ago, sewage on the street on Canal Drive and CBA North, like we used to have every weekend. That's the main concern of giving us time to see where that building or impact is going. If it is going to go to #1, then when it comes to TRC it might be a condition of their permit that they provide some sort of compensation to the town to upgrade Lift Station #1. I don't think I've held anything longer than seven days. Mayor Pro Tem Gilbert asked how many lift stations does the town have. Mr. Pagley answered 14 sewer lift stations. There are two on Canal Drive, one on Winner Avenue, Pleasure Cay, Otter Creek. Mayor Pro Tem Gilbert said that only leaves us four lift stations outside of that area. Mayor Pro Tem Gilbert said instead of talking about updating Lift Station #1 is there going to be an opportunity to diversify a little and cut down more than 85-90% of our lift stations going through #1. Mr. Pagley stated I don't think we can at this time because it would laying new sewer force mains in another direction. Mr. Owens said I asked that question to Mr. Cox our engineer whether we could diversify. I asked him is that a typical situation and he said yes. Raleigh treats a lot of people's waste outside of Cary or Garner and a lot of them flow through that one lift station. Mr. Owens said starting July 1st when the money is appropriated we are going to begin planning on that item. We were looking at alternatives to go next to the existing lift station and make sure we have some redundancy in the system if one or two of the pumps go down. Right now the holding capacity is the biggest concern. Mayor Pro Tem Gilbert said would it be reasonable to look at these 10 lift stations and make that a special area. Instead of looking at each project and saying at the TRC you have to give us this much money, would it be reasonable to levy fees if you are building in that area you can put it as part of your CIP. Basically you have an extra fee for those ten areas. You have some big projects in that area and you would be hitting those guys but maybe the smaller projects need to pay also. Mr. Pagley answered aren't you creating a special tax district for those ten areas. Mr. Owens said that is a little bit different. You could say everything east of Route 421 or however you want to do it would pay an extra \$100 per bedroom. We could look and see if that is legal. Mayor Pro Tem Gilbert said to me that would be a little more equitable than signaling out individual projects that might have a higher impact and making them pay more. If you make it more uniform, then everyone is paying their share. Mayor Clark said there are a lot of details that could be worked out on each step of this plan. My hope tonight is to get something in place. The timetable was the biggest thing I wanted to get out.

Mr. Owens said I would like to touch on a couple of other things briefly. I have given you a copy of something our engineers produced for us. Basically, we are going to be looking at additional sources of water supply. We are looking at two different wells. The main one is the one off of Dow Road in the Park Service. We have an agreement to look at that and test drill that one. We have gotten approvals and I'm not sure where we are on construction for some water line extensions. It doesn't have anything to do with supply but that is pressure related and fire protection related. We have also briefly discussed creating a three million gallon ground storage tank to help us go from the two million gallons that we currently produce to about 2.5 or 2.7. It's different than the normal concept. They talked to the state and are fairly comfortable with the state's response. It would allow us to not have to put many treatment plants and many wells in. We would fill the tank up Monday, Tuesday, and Wednesday during the summer time and on the

weekends when we deplete it we will fill it back up again the beginning of the week. I think this concept is unique. It wouldn't cost the town as much money. Councilman Macon had a concern about what are we doing for the long term. There is a hydro geologist that is going to look at the long term impact and we will talk about it a little more. They are looking at the wells that we have now and we are reworking those wells to gain more gallons per minute. We are looking at how much it is going to cost to do that and is it worthwhile to do that. It may not be worthwhile to rehab a 50 year old well for another ten gallons a minute. Finally, we have the contingency plan. We have a couple of ideas in mind for an emergency situation. We will continue to look at that as well.

Mayor Clark said I would like to get approval on the plan and then Mr. Pagley will have some follow up. Mayor Pro Tem Gilbert said I want to make sure in this outline that we have an off island contingency if the wells go bad. I know by 2030, the projection is that North Carolina is suppose to be the seventh largest state. That is going from 11 to 7. Seven we become a swing state. There are a lot of people coming here and a lot of those people are going to be east of I-95. I would like to see some discussions with the county on the ability to connect in and look at some contingencies because that would give the southern part of the county an opportunity to be more developed if they do connect the water. In the outline of your plan, I would like to see some direction towards that. Mr. Owens said we have talked about those other alternatives and the cost. We are going to look at them and see if they are cost prohibitive or not. We have a large recharge area because of the Sunny Point buffer and they felt comfortable with that recharge area that we may not be as endangered as maybe Raleigh that may not have that recharge area.

Councilman Johnson said on this possible ground storage tank is there a location being considered for this? Mr. Pagley said we have talked to Sunny Point about that and they didn't have any problems with that because the storage would be an unmanned facility.

Mayor Clark said let's try to approve the plan and then Mr. Pagley has a presentation. Mr. Pagley said Mr. Owens took care of that for me.

Councilman Macon made a motion to approve the water and sewer assurance plan changing line item #2 to 15 days.

Mayor Pro Tem Gilbert said I would like to get some input from Mr. Pagley about that. Mr. Pagley said that is not a problem; I can handle that. Councilman Macon said we are talking about 15 days to make a decision as to whether or not we have supply. If we don't have supply, we can't write the permit. Mr. Pagley said I am talking about the capacity of the well. Theoretically, three pumps that is 72 hours; I haven't reached 72 hours yet but we are in a zone of 70% failure. We can still be pumping sewerage into that lift station. Councilman Macon said I don't think it takes 45 days for you to make a decision on whether or not you can do something. You can either write a permit or you can't. If you can't write the permit, then they will have to wait until the ability to do whatever is there. Mr. Owens said if it takes 16 or 17 days, I see this as a policy primarily. It is not an ordinance or a law. It is a guideline policy. Obviously, if there is

enough capacity, there is no issue. Councilman Macon said I would also like to direct staff to looking at recommending a policy for us to adopt in relation to a timeline. If you say, we have 15 days to write a permit, then that is the policy and everyone knows what it is. Then you can't be questioned. Mr. Pagley said 15 days is plenty of time for duplexes, triplexes, and single family. When you get someone bringing me a high rise with 78 bedrooms and office space, it does take a little time to calculate all the figures. It took us three weeks to do the Marriott. Councilman Macon said let's say 15 days for anything under a certain amount of units and then anything over a certain amount of units will be 45 days. You are talking about people having construction loans, so 45 days is a long time because points can change and it will cost people thousands of dollars in interest. It is a realistic concern that I have.

Mayor Clark said there is a motion on the floor. Councilman Macon said I amend my motion to 15 days up to a quadraplex and anything over that up to 45 days (*Exhibit 3*). **MOTION CARRIED UNANIMOUSLY.**

### ***DISCUSSION CONCERNING LOCATION OF SKATEBOARD PARK***

Ted Lashley, Director of Parks and Recreation, said the manager and I are seeking guidance. Originally, our skate park was going to be here by 7th Avenue. Zoning concerns forced us to look for an alternate location. We found a place at Chappell Park. We approached Sunny Point since part of the park was under a MOTSU Buffer Zone. We have received permission from Sunny Point to put it where the sand volleyball court is. The committee voted and said they still like the original location. Although it isn't a location issue; it is more of a safety and monitoring issue. We have a new staff person that was requested in the budget. That person will be in the park and be able to keep an eye on the location over there. We are also talking about installing a camera system for after hours monitoring. The manager and I are looking for guidance if you want to go ahead and perceive this project at that location. In the meantime, we approached UNCW, Professor Hurststein, to put together a comprehensive parks master plan. If you want to go ahead with the project, would you rather wait and have this included in the master plan maybe to look at alternate land acquisition locations. Mayor Pro Tem Gilbert said I think we ought to move forward with it. Councilman Johnson asked, if we go forward with this, what is the time table you are looking at? Mr. Lashley said he has to get back with Lumina Builders who was awarded the contract and see what his timetable is to start construction. I am sure we are going to have to renegotiate some costs with him since it has been awhile. The camera system will also be an added cost. If we want to include fencing so we can lock it up at night, then that would be added cost on the contract. Mayor Clark asked, if you did wait for a total island master plan, how long are you looking at? Mr. Owens said his time frame from start to finish would be 12 months and it would take about three months to get him under contract. We haven't presented this to Council yet so we don't know if Council wants to go with a master plan. We have some bond money and we could use the bond money to seek grants. When you seek grants, they look for master plans. The total cost was under \$10,000 to do a master plan. I think

it would be worthy to do. It would include parking areas and beach access sites. We are seeking guidance on whether we want to proceed forward.

Councilman Macon made a motion to proceed forward to put the skateboard park at Mike Chappell Park.

Mayor Pro Tem Gilbert said I think this is a great opportunity to staff Mike Chappell Park and have your staff not so exclusive to the skate park but to provide tennis rackets, balls, golf clubs, bats and things like that. Mr. Lashley said that is exactly where we are headed. He continued we will be at the park, have clean bathrooms, and hand out volleyballs, soccer balls, footballs, and baseballs. We could also run to the lake and monitor the restrooms because it is not far. Mayor Pro Tem Gilbert said I think if people know that it's monitored, they will start using it a little more. I will be more comfortable sending my guys down there so I think it is a great opportunity. Mr. Lashley said we have minor vandalism there and it will cut it down. Mayor Pro Tem Gilbert said I know we don't have seconds but I second Councilman Macon's motion. Mayor Clark said you can do monitoring on a website. You can pull it up and see if your kid is there. Mayor Pro Tem Gilbert said I would love to watch my kids down there. Mr. Lashley said if it is an issue with vandalism, I know the new digital systems record.

Mayor Clark said there is a motion on the floor with a second. **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER APPOINTMENTS TO THE FOLLOWING COMMITTEES: AD-HOC TOURISM MARKETING COMMITTEE, BOARD OF ADJUSTMENT, OPERATIONS ADVISORY COMMITTEE, PARKS AND RECREATION COMMITTEE, AD-HOC STEERING COMMITTEE FOR PLANNING***

Mayor Clark said the first appointment is to the Ad-Hoc Tourism Marketing Committee. I received a memo from the Cape Fear Visitors Bureau. They were at the North Carolina Association Convention Bureau's Annual Meeting and the Cape Fear coast was presented with five marketing achievement awards. One of the awards was given to Carolina Beach for Treasures. This committee received the gold award and was recognized for their work. The Tourism and Marketing Committee is doing a great job. They have two vacancies. Mayor Pro Tem Gilbert made a motion to appoint Margaret Crouch and Charma McKnight to the Ad-Hoc Tourism and Marketing Committee. It was noted that Councilman Macon briefly left the room. Right after it was noted, he re-entered the room and a vote was taken. **MOTION CARRIED UNANIMOUSLY.**

Mayor Clark said the Board of Adjustment has one vacancy and one applicant Charles Bailey. Mayor Pro Tem Gilbert made a motion to appoint Charles Bailey to the Board of Adjustment. **MOTION CARRIED UNANIMOUSLY.**

Mayor Clark said the Operations Advisory Committee has two vacancies for three year terms. There were two applicants Gilbert DeBois and John McQuade. Mayor Pro Tem Gilbert made a motion to reappoint Gilbert DeBois and John McQuade to the Operations Advisory Committee. **MOTION CARRIED UNANIMOUSLY.**

Mayor Clark stated that Parks and Recreation Committee has six vacancies, five to consider for reappointment and one to replace Judy Cheffings. Councilwoman Efirid made a motion to reappoint Nancy Gunter, Heather Kenny, Charles Thomas, Carolyn Thomas, Cheri McNeil, and appoint Billy Beasley. **MOTION CARRIED UNANIMOUSLY.**

Mayor Clark said the next committee is the newly formed Ad-Hoc Steering Committee for Planning. Mayor Pro Tem Gilbert said he spoke with a number of steering committees with the Land Use Plan and they include their entire planning board and specific citizens. It might be renters, second home owners and it is a big board. What I would like to do is table these appointments until we have our joint meeting with Planning and Zoning and come up with a criteria looking at what the other people have done. We should keep these individuals on file; and when we actually define the responsibilities and what we are going to do, we will fill the individual positions so we can have a very well-rounded group. He continued he was going from the recommendation of other steering committees and the mistakes they made and I just want to make sure we don't make the same mistakes. Mayor Pro Tem Gilbert made a motion to table the appointments to the Ad-Hoc Steering Committee until July. **MOTION CARRIED UNANIMOUSLY.**

### ***CONSIDER RENEWAL OF VENDING LICENSE FOR PLEASURE ISLAND RENTALS***

Sean Cook of Pleasure Island Rentals said he is requesting renewal for his beach vending license. He said that over the past five years, we have built a strong cliental with many locals, many tourists, hotels, and motels. We have a couple contracts with some different motels and a couple of locals who have lived on the island for years where they call us, we provide them with the service, and they come in and take care of their bill later in the season. We have had it since 2001, so this is our fifth season. Over five years, we have had one complaint. As a matter of fact, the one person who complained happens to be in here this evening just by chance.

He explained that they use the license from April to September, basically about six months. Each year, not knowing the outcome of whether or not we are going to be able to hold the license for the following season, it is tough to make a capital investment to purchase new chairs and umbrellas. Industrial chairs and umbrellas are not cheap by any means. Mr. Cooks said that as a business owner he wants to provide the safest, newest, and cleanest inventory available and that is tough to do not knowing whether he is going to be able to provide this service. If he lost the vending license then everything would

have to be done by foot and truck. It probably wouldn't be worth it in this day and age with gas prices.

He asked Council to consider a multiyear vending license for Pleasure Island Rentals granted that he meet the criteria each year. He said this saves us time in the future and it allows his business to serve their customers and the island's tourists better. He thanked Council for their consideration.

Councilman Johnson asked, did you say your have been in business for five years? Mr. Cook said actually Pleasure Island Rentals has been in business for ten years. Mayor Pro Tem Gilbert asked is there anything in an ordinance or policy that precludes a multiyear vending license. Mr. Owens said to my knowledge there's not. Mayor Pro Tem Gilbert said, so you operate functionally six months and what you are looking at is to be able to project into the future. He asked, if we did 18 months, that's three seasons, that would probably give you enough time to project in the future? Mr. Cook replied by saying, absolutely.

Mr. Owens said criteria was adopted by Council many, many years ago. It says a vending license shall be valid for a period of one year at the end of which the license shall become null and void unless reevaluated by the Town Council at the applicant's request. It is a policy. A lot of times we have evaluated these things on a case by case basis. Councilman Macon said I can provide some background on that. Because we were attempting something new, we wanted to be able to reevaluate it and that really is the reason for that. It's just policy. I don't mind having a criteria that after the second year of vending based on a clean record they don't have to come before us. They can go to the town manager. I don't know how Mr. Owens feels about that. Mr. Owens said once they are approved and they have a good track record, I don't have a problem with approving it. I will have to look at our ordinance to see if I have that ability and we may have to amend the ordinance to give me that ability. Councilman Macon asked, as a policy, do you think we can definitely grant more time to a vendor who has a good track record? Mr. Owens replied I don't believe I have a problem with that. I wouldn't go too long, maybe two years. I could write a letter that if he comes out of compliance, we could take the vending license away. Councilman Johnson said for example, we could approve this to December 31, 2007, which would take him through two seasons. Mr. Owens said yes, sir. Councilman Johnson asked Mayor Pro Tem Gilbert if that was what he was saying. Mayor Pro Tem Gilbert said I was looking at his months of operation. He is only functioning six months, so it works out to 18 months, which is three seasons. As a business operator, I look at it as he can project capital expenses. It would be hard for me to look at just two years. I think three years would give him the opportunity to say I am here for three years and I can look at more risks in a capital expense in that you could buy more equipment.

Mayor Pro Tem Gilbert made a motion to approve the application for a vending license for Pleasure Island Rentals for three years. Councilman Johnson asked, three years from what date? Mr. Cook said in the past it was a fiscal year. At one point, when Mr. Peck was Town Manager, we had a problem with that. I was told that it actually ran through

June 30th. Later I was told it was through December 31st. That's a problem for me because I wasn't sure if I was allowed on the beach until June or should I come before the town beforehand. Mr. Owens said if we do it for two years or ten years, each year they have to reapply for a privilege license so we can review it again at that time. If they are out of compliance maybe we don't renew their license. Mr. Cook expressed that his major concern is there are many businesses coming into Carolina Beach and there are only three available vending licenses on the beach. He stated Pleasure Island Rentals was one of the main businesses who fought for this license to begin with. Even though they fit the criteria every year, there are ten people wanting three licenses and that scares him.

Mayor Clark said there is a motion on the floor for a three year vending license. Councilman Johnson asked, what is the date of termination?. Mayor Pro Tem Gilbert asked if there was a recommendation from the attorney or staff. Mr. Clyburn recommended June 30, 2009 and Mayor Pro Tem Gilbert agreed to include that in his motion. **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER APPROVAL OF VENDING LICENSE FOR MOBILE VENDING SERVICES AT FREEMAN PARK***

Mr. Owens said upon riding out to the Freeman Park area, we noticed there were several vendors. I questioned whether the ice cream truck had a vending license or not. He came in and presented a vending license from New Hanover County. You will see that attached in your package. According to them, the same vehicle has been going out for over 10 years to the North End. They also added two other vehicles and you will see those when you go out on large weekends. The existing business, the Cupboard, has a privilege license and they are affiliated somehow with the Cupboard. They currently have a privilege license through New Hanover County that expires June 30th. We are still somewhat uncertain as to who would issue the privilege license. In my opinion, New Hanover County would issue the privilege license and approve the vending for the majority of Freeman Park. We would solely be responsible for the first 1000 feet. That is based on some discussion I have had with the Institute of Government on whose ordinances are we enforcing.

The request is to apply for a vending license from the town for the entire Freeman Park. In my opinion, we only have the authority for the first 1000 feet. Mayor Pro Tem Gilbert referred Council to an e-mail that he received and shared with Council today from Mr. Owens and he believed that he supported that. Mayor Pro Tem Gilbert asked if private property owners have a problem with somebody vending out there and those private property owners are in the county then they need to address it with the county. Mr. Owens reply was yes, but he believes the county wants us to have total authority to enforce all ordinances. He is still uncertain as to how we need to proceed with that.

Councilman Macon made a motion to approve a vending license for Mobile Vending Services at Freeman Park as presented. Councilman Johnson questioned if this will be through June 30, 2007. Mr. Owens said yes, sir. **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER A REQUEST BY BRETT KEELER FOR ADDITIONAL VENDING CARTS***

Brett Keeler, Black Horn Bar & Kitchen, stated that last month we applied for a vending permit to vend food products, beverages, and merchandise. The Council approved the vending permit but referred it to the town manager for the two of us to come to an agreement on the semantics of the vending permit. Mr. Owens was only comfortable with giving one vending cart license. With the narratives I submitted, I didn't put the number of vending carts that I wanted because I wasn't sure how many places I was going to be allowed to serve. I was given permission for 36 beach accesses, all the town parking lots, and two private properties, one that we own and one where we have a lease. We would like the ability to have a total of four carts. Nothing in the ordinance limits the amount of carts we can have. The privilege license fees fluctuate depending upon your gross receipts, so the town does better if we are doing better. All our carts have to be up to Health Department code and it is linked to our restaurant. This is also a privilege and a permit so it can be revoked at any time.

Councilman Macon said my impression was there were going to be multiple carts. Mayor Pro Tem Gilbert agreed and said he thought from Alabama all the way to whatever you would be potentially putting carts. He asked, is four carts enough? Mr. Keeler said I am just asking for four because I think that is an okay number and not pushing it too far. I don't want to over saturate the market and I don't want to spend that kind of money on carts. Mr. Owens apologized because his interpretation was it was for one cart. Mr. Keeler said we haven't started because I didn't know how many carts I could get. Councilman Macon said I didn't have a limit. Mayor Pro Tem Gilbert asked do you need a motion on this and Mr. Owens said yes, if you are just limiting it to four or whatever you want to limit it to.

Councilman Johnson made a motion to approve three additional vending carts to the one vending cart previously approved for a total of four carts. **MOTION CARRIED UNANIMOUSLY.**

***REQUEST BY BLACK HORN BAR & KITCHEN TO CONSTRUCT PATIO ON BOARDWALK FOR OUTDOOR SEATING***

Brett Keeler represented the Black Horn Bar & Kitchen. He stated two months ago we were awarded the right to sell alcohol beverages at our sidewalk café. When that was approved, Mr. Harrell made a comment that we could upgrade the sidewalk in front of our building per the approval of the Operations Department. Mr. Pagley and Mr. Owens

came to the restaurant and we discussed constructing a temporary wooden patio, which would be raised three inches on the closest flush with the building and six inches at the end of the patio, which would equate to an even grade. Our insurance currently covers the area outside while the sidewalk café is in function so there is no liability on the town's part. We are responsible for any damage or injury that is caused by what is outside. We feel that it is in the best interest to make this an even grade area. For security and policing reasons, it creates a distinct area for our seating area that is temporarily anchored to the building: 1) to keep it for safety issues so it doesn't slide away from the building and 2) our labor force doesn't screw it up when they put it out there. Mayor Pro Tem Gilbert said this is portable so it will come in and out. Mr. Keeler said yes, there are going to be 5 x 6 foot planks about 40 pounds in weight so we can take it in around 10:30 or 11:00 when our balusters and tables are taken in.

Mayor Pro Tem Gilbert asked if it is going to be permeable. Mr. Keeler said yes, it is going to be a wood plank.

Mayor Pro Tem Gilbert questioned if it is going to protrude six feet. Mr. Keeler said six feet and that is what the ordinance is. Councilman Johnson said I thought you could only go four feet from your building. Mr. Harrell said the sidewalk café ordinance was written such that he could come out from the side of the building up to a point that we would establish and we talked that it could be as little as four feet out from the building. I can't imagine a platform going out six feet. That was not envisioned when the sidewalk café ordinance was adopted. Mayor Pro Tem Gilbert pointed to a picture and said this chain out to here, how far is that? Mr. Keeler said that is eight feet. Mayor Pro Tem Gilbert said what I have heard from people walking around is that is too far. What happens is people get funneled on this side. I have an issue with eight feet and six feet - I don't know. I would be more comfortable if some people went down there and looked at it at four feet and looked at the pattern of people walking through there. Mr. Harrell said the way the sidewalk café ordinance was written was to leave it discretionary as to the space out there. Councilman Macon said I don't have a problem with six feet. If you are going to allow outdoor dining, you are going to need enough room to outdoor dine. The eight feet might be pushing the limit. Mayor Pro Tem Gilbert asked, will your planks come out six feet and Mr. Keeler replied correct. Mr. Owens said we talked with the fire chief and the building inspector and the primary concern was it needed to be fire retardant wood and I think that has been resolved.

The other issue was liability and that is something we can resolve; we need to talk to our insurance carrier. The other concern is can we get an emergency vehicle down that area. With that awning there, we probably wouldn't be able to do it on the other side if there is a patio there. I'm not sure how to address that. Mr. Keeler said it also says if police or emergency vehicles need to come through, whatever we have constructed out there, they are not liable for any damage. It would be up to our due diligence to get rid of it.

Councilman Macon made a motion to approve the six foot wood construction of the patio on the boardwalk for outdoor seating. Councilman Johnson said I think you are opening a can of worms because when you do this you are opening it up for everybody up there. There is nobody you can disapprove then and we are making a terrible mistake placing things out here on this existing sidewalk. I'm just telling you as a matter of record. Mayor Pro Tem Gilbert said Mr. Keeler has a permit for outside dining and if this is tied to the outside dining permit, then it is discretionary. I feel pretty comfortable. How does staff feel if somebody asks to build some kind of deck outside in the public space and they don't have a permit for outside dining, then is that under the discretion of staff? Mr. Owens said it can be. I think we can get with Mr. Keeler here shortly and come up with an adequate location and size. Councilman Macon said it is not a permanent structure so it goes in and out whenever the outdoor seating is in hours of operation. Mr. Keeler said if it is not functional for us, we are not going to use it. If it becomes an issue, it can always be revoked by the police or fire chief. Mayor Clark called for a vote. **MOTION CARRIED 4-1 WITH COUNCILMAN JOHNSON VOTING NO.**

***REQUEST BY BLACK HORN BAR & KITCHEN FOR SUMMER CONCERT SERIES AT THE BOARDWALK***

Mr. Keeler said this is not requested by Black Horn Bar & Kitchen; it is by Paradise Island 10, LLC, which is a nonprofit with the same principles by a separate entity from Paradise Island 7, PPA.

Mr. Keeler stated Paradise Island 10, LLC is a nonprofit entity that we formed to take out an event liability insurance, which I passed out to you, at a million dollars, two million aggregate with Eastern Underwriters. We are asking to put on an entertainment event on Thursday nights from about 6:00 p.m. to 10:00 p.m. that would precede the fireworks sponsored by the Chamber of Commerce. Thank you very much for approving the monies that were given to the Chamber of Commerce for the fireworks as well as the movie series. We are a member of the chamber. Last Sunday, the movie was a great success; there were over 400 people. At this entertainment event, we would have bands, clowns, face painting, and different things to make it more of a spectacle than just a singular event. PIMA previously put on entertainment before they disbanded and right now no one has taken that back up.

As well as asking for permission to use the gazebo on the end of Cape Fear Blvd., we are asking for ROT money to help fund this civic operation. We would bill it as Island Thursdays. It would be an event bringing people down either on Wednesday night or Thursday afternoon because there were more than the normal things that are here. It greatly benefits the local economy if you pull people down here for four days or three and a half rather than two or three. The long term goals of the area should be to make this a tourist destination, not just a tourist stop. A destination where there are things to do and events going on. Arts and entertainment are also the basis of a thriving and successful community. It is a family beach and we should center it on families. We should have family fun and family safe events. The effects of the monies would be huge locally if

done wisely and advertised correctly as the Chamber of Commerce is doing with the fireworks and movies. When you have events at 6:00 p.m. to 10:00 p.m. with the fireworks, you bring people from Wilmington and Monkey Junction prior to the 8:45 p.m. fireworks. If you bring them down at 4:00 p.m. or 5:00 p.m., they are here for four or five hours so they have to eat here and go into a couple of stores. What I passed out to the Council is a visual business survey that I took the other day just walking around the properties that surround the gazebo. From my count, there are 32 occupied stores out of 46 store fronts with one being remodeled right now between Britt's and Snowballs. Mr. Keeler discussed how all these merchants could benefit from this event. He stated there is also the gazebo and the pavilion that are highly underutilized by the town and that need to be utilized. The pavilion was used for the Beach Fest and it was awesome and a huge success. There were over 1000 people on the island for that day. You have the Marriott and the Seaside that is currently on the other side of the boardwalk. It has a 70% occupancy rate from what I see. I believe last summer it was 35% from a visual stand that I took before we opened. The effects would be to provide an exciting, clean fun place for families to come down from Raleigh a day earlier. It is also a big positive for the community to prove to the outlining communities that this isn't the same old Carolina Beach. We are promoting things. We are doing things. There are things to do besides come down here and get wasted.

I'm asking Council to allow us to use these funds that were generated by the tourists based businesses to create more tourists business by creating a min-festival. Let's turn the fireworks from an event into a spectacle. Right now the insurance is set up in Paradise Island 10. I handed out a projected cost of putting on a 12 week event series, which the fireworks start tonight on the 12 week series. Since Mr. Keeler could not start his series tonight, he figured the extra week could be held for the Fourth of July fireworks and he could schedule a couple of bands. Since family fun entertainment hits multi-demographics, he researched his options for bands that could be advertised from the Raleigh area and the cost would be around \$600. Staffing for bouncers, people to clean up and set up as well as volunteers would be around \$175. The pricing that I got for two clowns would be \$350. I can get two local artists for two hours at roughly \$100. Mayor Pro Tem Gilbert said you mentioned bouncers. This is nonalcoholic? Mr. Keeler said there is no alcohol served in that area. Bouncers are for security. It comes out to around \$15,000 for a 12 week summer series. Advertisement would be \$400. I used 30% of what the other expenditures were going to be because that is usually the formula that you use. If there is any left over monies, those could be used for other events. The insurance that we have covers all year. We don't have a limited amount of events that we can put on as long as they are nonalcoholic and nonprofit.

Mayor Clark said there is \$150,000 plus for advertising for tourism and development. Right now there is \$49,000 ready for advertising and it is growing every month. In June and July, it will have grown another \$50,000.

Mr. Keeler said the total I am asking from the Town Council from the ROT Fund is \$20,387.50. If this were to be approved, I would like a Council person to be an overseer. Councilman Johnson said your cover memo says a request for \$12,000. Mr. Keeler said that was done with Mr. Owens prior to getting all of the information. It was established that PIMA used to sponsor concerts and the town would make a one time donation of \$6,000.

Mayor Pro Tem Gilbert said the ad-hoc tourism committee meeting has taken any mention of the boardwalk as a compelling destination off of their literature and so has the Marriott because people were being discouraged. They would look at the advertising regarding great shopping at the boardwalk and they would come to the boardwalk. The feedback to the Marriott and the tourism committee was you got our expectations up and you really let us down. The only event we had this year at the boardwalk was the Beach Music Festival which seemed to be successful.

Mayor Pro Tem Gilbert said I think the festival you referenced is a good idea to have from 6:00 p.m. to 9:00 p.m. although I don't like the idea of writing you a check for \$20,000. I would rather have invoices submitted. In the absence of PIMA who seemed to be really focused on the boardwalk, I would like to see somebody like the recreation committee partnering with you and the chamber and getting together on that and doing the advertising for it. You will be advertising for the fireworks and for this event, so make sure that advertisement is heard and seen in Wilmington. Mr. Keeler said that's fine with us. It was agreed that Mr. Lashley would be the administrator of this partnership and he was in agreement with Mayor Pro Tem Gilbert to have invoices submitted. Mayor Clark said following the Beach Music Festival, I was in one of the businesses and the owner said they would be willing to donate if we could have more events like that. She said it was the best Saturday she has had in years. Mayor Pro Tem Gilbert said it would be great to focus on the boardwalk and maybe you can be the liaisons to go out to these businesses and say this is what we want to do and initiate some fundraising. See if you can collect a few thousand dollars and we will start looking at matching. Mr. Keeler said there are so many things you can do once you get the ball rolling. Councilman Macon liked the idea also. He said if the town is going to partner with this, we have police officers and people who can pick up and clean up. I think you are on to something.

Mr. Owens said the only thing we really hadn't addressed is some of the staff issues. We do have a lot of events and it requires a lot of overtime and requires a lot of time in general. Mr. Keeler said the biggest benefit we have currently and why I teamed it up with the fireworks was that the police are already staffed, the fireman are already down there and the Chamber of Commerce is already there setting up and getting ready for the fireworks. People were down there when I left the Black Horn at 4:00 this afternoon, starting to secure the beach. Mayor Pro Tem Gilbert agreed that was a good plan. Mr. Keeler said I figured there wouldn't be the issue of the police and fire having to staff up because there is already going to be a presence down there. Other than the cost of the actual event, it really didn't add to the expenditures on the town's behalf. Mayor Clark said I think it is a good promotion for the boardwalk. We need it.

Ms. Prusa asked who would be responsible for the insurance. Mr. Owens replied I think he is taking care of that. Mr. Keeler said the insurance policy covers volunteers or any staff that we may pay as long as we come up with a zero sum at the end for the fiscal year. Mr. Owens said the only concern I could see would be do we attach our name to it and then it would come under our policy as well. Right now we are partnering and helping and we are going to probably be held liable for whatever happens anyway. We will talk to our insurance company about that.

Councilman Macon questioned what needs to be done next. Mr. Owens said we have to recommend where the funds are coming from and where they are going to. After some discussion, Mr. Owens said we will have to appropriate some this year and do a budget adjustment with your approval. We can take \$10,000 from the tourism fund and then next year we would have to do another budget adjustment because it is not in this year's budget. We can handle it administratively if that is what the board wishes. Councilman Johnson asked who is Mr. Keeler going to contact to get the funds

Mayor Pro Tem Gilbert made a motion to make a budget adjustment for \$10,000 to fund the events on the boardwalk inclusive of checking out the insurance and making sure that the liability is covered. **MOTION CARRIED UNANIMOUSLY.**

***DISCUSSION CONCERNING REDUCTION OF FREEMAN PARK FEES FOR CAROLINA BEACH RESIDENTS AND ALLOWING RESIDENTS WITH PARKING DECALS TO PARK IN 3 HOUR METERED SPACES***

Mr. Owens stated I was asked at one of our workshops to take a look at two issues: 1) the ocean front parking and the availability of space; and 2) the Freeman Park and revenue generated by Freeman Park and whether it would be acceptable to reduce fees from \$40 to \$20 for residential stickers.

Mr. Owens continued that most parking spaces directly adjacent to the ocean front are small lots of two or three spaces with three hour metered parking spaces at the end of street right-of-ways. That is the majority of our parking. Exceptions to this are the Hamlet Beach access, approximately 42 spaces, Alabama, 45 spaces, but approximately 25 of them are across the road, Sandpiper, 28 spaces, North End parking 32 spaces, which has limited beach access, and those near the boardwalk, which have a long walk to the beach. Current parking practices include residents who have their cars registered in Carolina Beach can receive a parking sticker that will allow them to park in any pay station parking area for any amount of time for free. Anyone can purchase the same decal for \$50 and receive the same privileges as a resident. The town has several types of parking facilities, 2 hour parking meters, 3 hour parking meters, and pay stations. Current parking procedures and standards have been in place for many years.

Mr. Owens said one of the things we were asked to look at is to allow those with residential stickers to park in 3 hour metered parking. I, along with Central Parking, discussed with the Police Chief several options. The first option [Option A] would be to take the metered spaces at Alabama, which is approximately 16, and at Ocean Avenue, which is approximately 21, and install a pay station at each which would give more residential parking permits and is directly adjacent to the ocean front. The actual cost to install those two boxes would be between \$1000 and \$1500. The negative side to this is that it limits the number of people who may want to pay \$1 and stay an hour or \$2 and stay two hours. It reduces the amount of transient traffic.

The other option [Option B] would be to take approximately 149 spaces, which are now 3 hour metered parking spaces, and change the way we do business with Central Parking. We would allow the residential parking permits to be used to park in those spots. The downside to this is that we are deviating from what our policy and procedures have been over the years. It might create some confusion. We are also limiting the people who may want to go an hour and pay \$1.

At this point to me, Option A is a better option. It would increase the number of spaces to 37 and it is close to those residential neighborhoods where people may live year round and would probably frequently go. This could be done for a limited amount of money without really change the way we operate. We can address and discuss that matter before we get to Freeman Park if you wish.

Mayor Clark said in Option A you are saying make three parking lots. Mr. Owens said there is a parking lot at Alabama, which is on the Kure/Carolina Beach line. The ones on the Oceanside are currently are metered parking spaces. Take those and put in a pay box at that location. The other one would be the 21 spaces on Ocean Avenue which are currently metered spots. Take those meters out and install a pay box. You can use those meters in other areas of the town in places where the meters might be broken or damaged. Mayor Pro Tem Gilbert asked if the boxes are the automated boxes. Mr. Owens replied they are the honor boxes. Councilman Macon said he like Option A. He said at the beach accesses there is only two or three spots and we want to leave those metered because basically it is overflow parking for the condos. A lot of people were using those parking spaces so they didn't have to move their car. Mayor Pro Tem Gilbert said they will still stay metered for Option A. Councilman Macon said Option A is the two parking lots in Wilmington Beach. Those are good size parking lots and they probably should be boxed.

Mayor Pro Tem Gilbert said he likes Option B because you get the 149 spaces. There are a lot of smaller lots in there for three hours. He also stated there are no upfront costs. You also get ocean front parking where you don't have to walk across the street and 149 potential spaces all the way down. You are not talking about a few lots. You could monitor what your lost is over a year. If it is a great impact, you can go to Option A. I see a cost on Option A. He pointed out for Option B the only change you are making is telling your enforcement people not to enforce the decals at three hour lots and then getting the word out to the residence which you could do with the paper.

Councilman Johnson agreed with the town manager. He thinks on Option B we are going to lose a lot of parking revenue. Councilman Johnson said we have already lost a lot of parking revenue due to the lost of parking lots. If we cut this, we keep cutting our parking revenue. I think we need to try Option A and go from there. Mayor Pro Tem Gilbert was looking at the best option for the citizens who live here year round to have accessibility to the beach and thinks Option B gives them that option. The idea is how can we make the beach more accessible and safer for people. Councilman Macon has always advocated that the citizens who live here shouldn't pay for parking anywhere but they should be limited to the hours. Mayor Pro Tem Gilbert did think that in the CBD you do need the turn over. Mr. Owens said his thought was Option A would be the easiest to deal with as far as Central Parking. Councilman Johnson said he thought the only place our parking was free was in the public parking lot. If there is a meter, we don't park free even with the decal. Ms. Johnson said citizens have always been allowed to park free in the parking boxed areas not the meters.

Mayor Pro Tem Gilbert made a motion to approve Mr. Owen's June 4, 2006 memorandum using Option B. Councilman Macon said I don't have a problem with the motion if you are going to limit it to three hours. Mayor Pro Tem Gilbert amended his motion. He made a motion to approve Option B for residential permits and maintain the three hour time limit. **MOTION CARRIED 3-2 WITH MAYOR CLARK AND COUNCILMAN JOHNSON VOTING NO.**

Mr. Owens said the next item I was asked to take a look at was whether we need to reduce residential parking passes from \$40 to \$20 at Freeman Park for the people who live and have their vehicles registered in Carolina Beach. Mr. Owens did an analysis of where the revenue comes from with the numbers given by Central Parking from March 2005 to December 2005. The number of passes for Carolina Beach residents was 664 and the revenue generated was \$26,560; Kure Beach residents, 89, revenue generated, \$3,560; Wrightsville Beach residents, 12, revenue generated, \$480; Wilmington/New Hanover County residents, 2760, revenue generated \$110,400; other North Carolina areas, 2590, revenue generated \$103,600; other areas in the US, 175, with \$7,000 in revenue. The revenue generated between March 2005 and December 2005 is \$251,600 with approximately 6300 passes distributed. With the same dates, daily passes equated to \$175,793 in revenue. The combined total for these dates was \$427,393.

Mr. Owens also looked into January 2006 to April 2006. Yearly permits equated to \$108,060 and pay stations equated to \$30,227. Between January and April of 2006, \$138,287 was received in revenue. The estimated revenue from May 2006 to December 2006 is \$358,000. Approximately \$500,000 will be generated this year from Freeman Park daily and yearly passes.

If there was a reduction of local resident parking passes from \$40 to \$20, Mr. Owens felt we would lose approximately \$15,000 in revenue. Mr. Owens said in theory, Freeman Park and the continual maintenance of Freeman Park is operated in the Tourism Fund. The fund acts as an Enterprise Fund so that charges for service pay for the burdens

associated with tourism related activities. The Tourism Fund was created so that the General Fund and the taxes associated with the General Fund would not be impacted by the increased levels associated with a tourism driven economy. Theoretically the fees for service don't affect our ad valorem tax.

He continued by saying the majority of expenditures associated with Freeman Park are funded through the Tourism Fund. The Tourism Fund expenditures for the upcoming fiscal year are \$1,375,415. This year, we conservatively budgeted revenue estimates of \$356,000. We might see about \$500,000 in revenue. I think that's important because we are talking about a lot of TDA Funds and how are we going to get the funds to pay for the lifeguards. That may be how we pay for the lifeguards. We over projected the TDA Funds and it is probably my fault this year in our current budget.

Items funded in the Tourism Fund are: one police officer for oversight of the fund, all lifeguards, ½ salary for one officer to oversee the lifeguards, two beach maintenance workers, four police officers, and any of the vehicles in capital requests and also the contract with Central Parking.

Expenses for Freeman Park that may not be captured by the Tourism Fund and Freeman Park Funds, which is part of the Tourism Fund are: administrative time spent issuing permits, daily trash collection costs, response by the Fire Department for mutual aid, other staff and department head time spent on Freeman Park activities, staff time spent planting sea oats and repairing sand fence, and officer assistance.

Mr. Owens said based on the above analysis, I recommend that the current fee structure for Freeman Park remain constant for the next fiscal year. The town's involvement in Freeman Park is relatively new. I believe that this involvement and the management of this area will have to evolve over time so that all can enjoy the park safely.

Mayor Clark made the comment that someone has previously said Freeman Park has been the cash cow to cover other expenses. I think with dipping into our TDA Funds for Chamber money, we have to come up with some money. Mr. Owens said the room occupancy tax is going to generate around \$300,000 at most; Freeman Park around \$500,000 and a lot of the remainder is from the parking, which I am not sure what the fiscal impact of what we approved tonight is going to be.

Mayor Pro Tem Gilbert said I will not support a policy that dips into the revenues that Freeman Park is generating before Freeman Park is paid attention to. That may be the cash cow but I won't agree that we have to fund everything else and then neglect Freeman Park. The feedback I'm getting is there aren't enough bathrooms, garbage cans, and camping needs to be regulated if it is going to be maintained at a level that citizens expect. I will go with your recommendation and I will concede that taxpayers of Carolina Beach pay \$40 if they get what they are paying for and they aren't. If somebody parks at 911 designation 11, there is no short walk to a bathroom. The shortest walk is to the dune and people are still using the dunes. I'm down there every weekend and I camp down there, so if my seven year old says why do we park here, it's too far from the

bathroom, I have to tell him I didn't park next to the bathroom because you have to walk through the fires. I have to get into my truck and drive to a bathroom, which is problematic. I don't mind paying \$40 but the people I talk to just want better services. If we are going to manage it, let's put the funds back into it now when there is a reserve. When you have everything there, and then pay the lifeguards with it.

Councilman Macon said I think it should be for free but I agree with Mayor Pro Tem Gilbert right now it is a mess and it does need better enforcement. We need to take better care of it. I don't mind paying the \$40, although I do want it to be free for the citizens.

### ***CONSIDER APPROVAL OF ANNUAL CONTRACT FOR LANDSCAPING***

Mr. Oakes said every year I appear before Council to present you with a four bid contract that we have on an annual basis. For all the bids we advertise appropriately per law. On landscaping, we got a minimum amount of response, so we readvertised and increased that interest and response. Of those, only two firms actually submitted bids (*Exhibit 4*). Paradise Lawn and Landscape submitted a bid for the essential services. We tally the essential items to give you an estimate of what the annual bid is going to be from these companies. The second lowest bid was from Port City, which was almost twice as much at \$282,100. Obviously, we are recommending Paradise Lawn and Landscape as the lowest recommended qualified bidder.

Mayor Pro Tem Gilbert asked, how many people submitted bids? Mr. Oakes replied six potential contractors were notified of the first bid, which is a mandatory bid. We readvertised and increased that number by two. Of those, only two companies actually submitted a bid. Mayor Pro Tem Gilbert asked where they advertised. The reply was the Star-News and the website. Councilwoman Efird asked Mr. Oakes if he was comfortable with this and he replied yes, we are looking for the lowest qualified bidder. We look at the paperwork, financial records, and references which are done by us and a private consultant. Mayor Clark commented that the work has been expanded which Mr. Oakes said yes and we also have specialty items that we have incorporated in our specifications.

Councilwoman Efird made a motion to award the bid to Paradise Lawn and Landscaping in the amount of \$145,500.

Mayor Pro Tem Gilbert wanted to know if they are going to start cutting our ditches. Mr. Owens said Mr. Pagley and I have talked about this and I am in agreement with you that we are going to mow right-of-ways at this time of year if not sooner and then towards the end of the growing season. They won't be manicured like yours or mine. Councilman Macon asked who is cutting back the trees and the bushes. Mr. Owens said that is not part of this contract. If we called them, they would charge us an hourly rate and I think they charge \$25 per person per hour. Mayor Pro Tem Gilbert asked who maintains the growth around the sidewalks in front of undeveloped lots. Mr. Owens said if there is a problem area and somebody brings it to our attention we will take a look at it and we will have to maintain it.

Mayor Clark called for a vote. **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER APPROVAL OF ANNUAL CONTRACT FOR ASPHALT***

Mr. Oakes said this includes asphalt and concrete work. We advertised accordingly. We had one primary bidder who actually provided us a bid (*Exhibit 5*). It showed an increase of 33.72%. We asked for the paperwork to substantiate that increase with that company from various subcontractors and suppliers. We received and analyzed the paperwork and actually determined that they were receiving a 41.74% increase and didn't pass on to us the full increase as they have done in previous years. We are recommending that Surface Max be awarded the contract for this coming year.

Councilwoman Efirm made a motion to award the contract to Surface Max, Inc. Mayor Pro Tem Gilbert questioned that this was the only bidder. Mr. Oakes said after all the contacts, this is the only person who submitted a bid. **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER APPROVAL OF ANNUAL CONTRACT FOR C&D REMOVAL***

Mr. Oakes said we received five bids (*Exhibit 6*). We based it on the actual vegetation and C&D accumulated during Hurricane Floyd. Crowder-Gulf Joint Venture, Inc. the total contract under this scenario would be \$77,132.88. The second lowest would be Philips and Jordan at \$82,000 and the other three would be substantially higher. We recommend Crowder-Gulf Joint Venture, Inc.

Mayor Clark asked how far is Crowder-Gulf and Mr. Oakes replied Alabama. Every year that general area, Florida and Alabama, always apply. Councilman Johnson asked what is their response time and Mr. Owens said it is usually in the contract and is 72 hours.

Councilwoman Efirm made a motion to award the bid for C&D Removal to Crowder-Gulf Joint Venture, Inc. **MOTION CARRIED UNANIMOUSLY.**

***CONSIDER A RESOLUTION ADOPTING AN AGREEMENT TO PARTICIPATE IN THE NC SMALL TOWN MAIN STREET PROGRAM***

Mr. Parvin said that he and Neil Brooks, our research fellow, along with the town's Public Information Officer, Valita Quattlebaum, have been working on this application for the North Carolina Small Town Main Street Program. A small town constitutes all communities under 7500 population. Before submitting our application, there is a requirement that the town adopt a resolution that outlines how the division of community assistance is going to help the town if we are chosen.

The beginning of the resolution gives an outline of the type of assistance they are going to provide. They provide their professional expertise, technical assistance in downtown revitalization to implement their main street four point approach. Their four point approach includes the organization, design, promotion, and economic restructuring. In exchange for their support if we are chosen, there are eight points that the town shall agree to: 1) we are to participate for 12 months, 2) designation of a contact person, 3) assist in organizing a volunteer committee, 4) provide support for the committee, 5) help with technical assistance, 6) the town will implement a plan of action, 7) the town will participate in local and regional partnerships, and 8) the town agrees to consider reimbursement for a travel related expenses for division of community assistance.

In your packet is a power point presentation. It gives you an overview of the goals and objectives of this program, some of their accomplishments in the past, and some statistics on their successes.

This application is due on June 30, 2006. I have a rough draft that we have been working on this week. It is not complete but I was going to give you a copy and see if you have any comments or concerns. We plan to have it completed by next week. They will make a decision by the end of July.

Mayor Pro Tem Gilbert asked Mr. Parvin how they came up with your vision and mission statement. Mr. Parvin mentioned there is an outline of what they need to include in the application and that they focused on those four points which he previously mentioned. He said they researched the revitalization committees in the past. There was one in 1987 that had some success, another one in the mid 1990's, and the most recent one was in 2000. Each time the, one thing that was lacking was technical assistance, which is somebody to guide us through the process. Committees were formed and they did make some accomplishments; but in the end, they dissipated over time. Hopefully, this will bring us to a point where we will have that technical assistance where we can have more success.

Mayor Clark said you need the resolution to move forward with the application and Mr. Parvin replied that is correct.

Mayor Pro Tem Gilbert made a motion to approve Resolution No. 06-870 (*Exhibit 7*).  
**MOTION CARRIED UNANIMOUSLY.**

### ***CONSIDER APPROVAL OF ANNUAL CONTRACT FOR SAND REMOVAL***

Mr. Oakes said we received four bids (*Exhibit 8*). We put a scenario together similar to the one we did for vegetation C&D. Secof Construction Co., Inc. was the lowest qualified bidder. It is a local firm and it is the second year in a row that they were the lowest qualified bidder. We recommend Secof as the contractor for sand removal.

Councilman Johnson made a motion to award the bid for annual sand removal to Secof Construction Co., Inc. Mayor Clark asked if the price went up. Mr. Oakes said I don't have a comparable on this. Mr. Owens said it would only be FEMA related and it would come out of the fund balance and we would reimburse it. **MOTION CARRIED UNANIMOUSLY.**

Mr. Oakes said we will give the proper paperwork to the town clerk showing evidence of the proper insurance and liability for each company.

#### ***CONSIDER A REQUEST FOR A DONATION TO ISLAND OF LIGHTS***

Mr. Owens stated he was supposed to look into whether the Island of Lights was asking for an additional \$5,000 to the already approved \$3,000 in the budget. After some discussion, Mayor Pro Tem Gilbert made a motion to table consider a request for a donation to Island of Lights to qualify if they need an additional \$2,000. **MOTION CARRIED UNANIMOUSLY.**

#### ***UPDATE ON ROOM OCCUPANCY TAX AUDIT***

Mayor Clark said the TDA is going to hire an auditor to look at businesses that may not be paying the room occupancy tax. Mayor Clark made a motion for Council to approve the New Hanover County agreement to hire an outside audit firm to audit TDA operations. **MOTION CARRIED UNANIMOUSLY.**

#### ***DISCUSSION CONCERNING STORMWATER REQUEST FOR PROJECT AT 103 CHARLOTTE AVENUE***

Mr. Owens presented a site plan and explained the original plan. In summary, the town has a major stormwater pipe that cuts across both the 103 Charlotte site and the proposed Park Place site. The drainage feature, at one point, was a ditch and extended back to the lake, which the town still uses. The original plan required the developer to tie into the existing pipe and reroute it around the property. The 103 Charlotte Avenue developer would then tie into the one parking space located on the Marriott property. The Marriott will grant us an easement in that area for a stormwater junction box. Mr. Owens expressed concerns about the original proposal and the ability of the town to maintain and repair the stormwater line once installed. The pipe is located along the property line of a 16 story building and a 60 foot structure (with only approximately four feet of space to repair the pipe in the event that it fails). We could probably work this out with Mr. Manning. If Plantation decides to do this scenario, they have agreed to go up to the retaining wall at the corner which is in that one parking space. What hasn't been worked out is Park Place wants to install a new box now. They aren't under construction and Mr. Owens doesn't want to disturb the parking area of the Marriott. If this alternative is done, than Mr. Owens is going back to Park Place and say they will stop at the retaining wall.

If Park Place doesn't agree, then this can't happen. Plantation will have to dig on their property. Councilman Macon wanted to know if there was reasonable concern on behalf of Park Place as to why this pipe shouldn't be there. Mr. Owens said not to my knowledge.

Mr. Owens said the other alternative is the current pipe goes across a property and heads up toward Laney Real Estate. If the second alternative is approved, Park Place would come around that piece of property around Charlotte Avenue and allow both projects to construct their projects.

Mr. Owens stated he doesn't like either alternative but the second one is a little more palpable to him. They are proposing to place the pipe under the building as opposed to in between the two buildings.

David Spetrino, the applicant/developer, said he knows it sounds a little scary. He gave the background of this six unit project. It was discovered after the fact that the town doesn't have an easement for this pipe. The line connects the lake to the marina so it is an important line. Wherever the pipe was going to be put in it was going to be challenging to design and maintain it. When and if Park Place property is developed, it is likely the existing line is going to be relocated. They are currently in the process of designing the connection and turning the existing pipe under the carport of the building. If it fails here, it probably will do very little damage. He asked for Council's help so he can proceed with his project.

The comment was made by Mr. Pagley that he hasn't been comfortable with any of the solutions we could come up with.

Mayor Clark asked Mr. Oakes if he is comfortable with the joints being outside underneath the building because that is usually the critical failure part. Mr. Pagley said he is going to double wrap the joints. The town manager said there will also be engineering stamping and he is sure he going to over engineer it. Mr. Spetrino said we all have liabilities and he has a lot to lose if he does something really dumb.

After more questions and discussions, Councilman Macon made a motion to approve Option 2, with the condition that the town is indemnified to the satisfaction of the town attorney and that on a yearly basis we are named by the homeowners association as additional insured and that there is an inspection process for that camera that is performed by the homeowners association. **MOTION CARRIED UNANIMOUSLY.**

Councilman Johnson said we need to get the drawing showing and identifying Option 2 as what we approved. The town manager that is correct and engineer will bring one and we will have to have that plan prior to installation.

## ***DISCUSSION CONCERNING STORMWATER FEES***

Mr. Pagley said several months ago Council put together a Stormwater Advisory Committee to review and consider stormwater fees. Their recommendation was an increase in the total recommended monthly user fee for residential from \$5.25 to \$10.00 per month. They also felt vacant lots are getting a benefit from stormwater and we should charge \$6.00 per month per vacant lot, which at this time we do not charge anything. They felt altogether eventually that our development fee would dwindle away, which to me it has in the last two months alone. We have seen three permits for building. They thought there should be other ways for the stormwater department to capture revenues. It greatly depends on the entire water/sewer fund to support its shortcomings. We estimated about 145 100% retention systems on the island on different homeowner lots. They recommended a \$50 per year annual inspection. They also recommended a \$50 permit fee for driveway inspections before they get a CO. They decided to change the formula for the development fee. They changed it to \$275 per percent of developed lot coverage. If the developer could retain any %, we would give him 20% credit.

After discussion, there was concern about the stormwater program and being able to pay for the fees. Mr. Owens said if he could have one month to look at it, he would bring it back for recommendation. Mayor Clark made a motion to table this for the town manager to review and report back in July and that it also be reviewed with the committee. **MOTION CARRIED UNANIMOUSLY.**

## ***CONSIDER A JOINT WORKSHOP MEETING WITH THE PLANNING AND ZONING COMMISSION***

Mr. Harrell said the dates chosen are July 17th, 18th or 20th. There was discussion by all the parties involved regarding dates and time. Mayor Clark made a motion to call a special meeting on July 10th starting at 6:00 p.m. for purpose of holding a joint workshop meeting with the Planning and Zoning Commission to discuss various land issues. **MOTION CARRIED UNANIMOUSLY.**

## ***ITEMS NOT ON THE AGENDA***

### ***Request for Overlay Map Identifying District for Height Reduction***

Councilman Johnson requested that the planning staff bring forward to the Planning and Zoning Commission a map identifying an area for possible height reduction from 50' to 40' until the overall review is created.

Mr. Owens said you would have to create an overlay district in those areas that you specifically want to limit the height. We would have to look at the legalities of doing that and run it through the Institute of Government.

Mayor Pro Tem Gilbert made a motion that Councilman Johnson's request for an overlay ordinance go forward to staff and Planning and Zoning for the designated area that is going to be reviewed for a possible reduction of height from 50' to 40' only. **MOTION CARRIED UNANIMOUSLY.**

*Parking Lot Behind Boardwalk*

Councilman Macon asked about the parking lot the town lost behind the boardwalk. Mr. Owens said I contacted the property owner and left a message for him. Mr. Owens wanted to explore options with him and will attempt to contact him again.

***REQUEST FOR CLOSED SESSION TO DISCUSS ATTORNEY/CLIENT PRIVILEGED INFORMATION [G.S. 143-318.11(A)(3)]***

Mayor Clark made a motion to go into closed session to discuss attorney/client privileged information in conformance with G.S. 143-318.11(a)(3). **MOTION CARRIED UNANIMOUSLY.**

***ADJOURNMENT***

Councilwoman Efirm made a motion to adjourn. **MOTION CARRIED UNANIMOUSLY.** The meeting adjourned at 10:32 p.m.

Respectfully submitted,

Lynn N. Prusa  
Town Clerk

Approved: \_\_\_\_\_