

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

December 6, 2011

The Town Council of the Town of Carolina Beach met in a special meeting on December 6, 2011 at 6:30 p.m. in the Council Chambers at the Municipal Administration Building, 1121 N. Lake Park Blvd., Carolina Beach, North Carolina. The following were present: Mayor Joel Macon; Mayor Pro Tem (MPT) Pat Efird; Councilman Dan Wilcox; Councilman Bob Lewis and Councilman Lonnie Lashley. Also present was the Town Manager Tim Owens; Assistant to the Town Clerk Sara Hartman; and Finance Director Dawn Johnson.

Mayor Macon called the meeting to order

ADJOURN MEETING OF NOVEMBER 15, 2011 (CONTINUED TO NOVEMBER 18, 2011)

**Councilman Wilcox made a motion to adjourn the November 15, 2011 Town Council meeting.
MOTION CARRIED UNANIMOUSLY.**

REVIEW AND CONSIDER APPROVING LANIER PARKING MANAGEMENT CONTRACT

Mr. Owens reported that upon Council's request he negotiated Lanier's original proposal. Below are those items that were negotiated:

1. The total estimated cost of the service will be \$235,175.
2. A flat rate yearly management fee of \$29,004 which is roughly \$20,000 less than the current arrangement with Lanier. This is also the lowest management fee of all of the proposals. This would lower Lanier's proposed management fee (as presented in the RFP) from an estimated \$33,321.79 to \$29,004.
3. The management fee is approximately \$3,811 less than the management agreement that was originally estimated. Given that the original management incentive was based on a percentage, the flat rate management fee could be a win if revenue for parking trends upward. If revenue trends downward, the opposite would occur.
4. The terms will be 2 years with 2 extensions of 1 year each possible.
5. There is a 3% increase following each lease termination period (3% adjustment in year three and 3% adjustment in year four if the contract is extended).
6. The proposed management contract is based on cost + management fee. The actual cost of the service could change with changes to services by the Town (less if the Town chooses less enforcement and more if the Town chooses more enforcement.)

Councilman Lashley recommended that Lanier Parking consider a 1% management fee. Lanier Parking was not agreeable to those terms. A 1% fee would result in a management fee of roughly \$18,000 if revenue estimates were reached per their proposal estimates.

Councilman Lewis said he wants to make sure the parking pay stations are operational on busy weekends such as Memorial Day, Fourth of July, and Labor Day. He said there was at least one complaint that there

was a parking lot where the machine was down for three or four days. Councilman Lewis was concerned that the Town loss revenue during that time. He was told that people were directed to other lots. Lanier informed Council they waiting for replacement parts and said they have enough parts now to pull from other locations in Wilmington and Wrightsville Beach. Mr. Owens suggested adding the three holiday weekends into Summary Scope of Services. Lanier said they will be happy to have that in there. He continued that employees know they will not have off during those weekends.

Councilman Lewis inquired about Lanier recommendation about extending hours during the summer months. Mr. Owens said they did. However with the increase in extended hours, there would be an increase in fees. Mr. Owens didn't think we were ready for that at this time.

Mayor Macon made a motion to approve the contract with Lanier Parking, with the addition of the three holiday weekends as discussed and pending review by the town attorney. MOTION CARRIED UNANIMOUSLY.

REVIEW OF CONTRACT WITH SURFSIDE MANAGEMENT, LLC TO MANAGE HOTELS OWNED BY CBP3

Councilman Wilcox gave a quick overview of CBP3's afternoon meeting. Mr. Coggins continued by saying negotiations were moving forward. He presented a base agreement to Surfside Management, LLC. They are putting together a specific schedule for operation of the hotel and the hotel will operate while making improvements. Surfside Management came with their concerns and the two parties are trying to come up with a way to make things work. If CBP3 needs to terminate the agreement, Surfside Management has an opportunity to recoup their investment. Great progress was made today. Mr. Coggins will come back with a draft aligned to what both sides were thinking. He anticipates a document to be executed.

Mayor Macon made a motion under N.C.G.S. §§ 143-318.11 (1), (3) and (5) to go into closed session to discuss attorney client privileged matters, acquisition of real estate and to discuss that civil action Town of Carolina Beach v. THinc Management, Inc. pending in New Hanover Superior Court. MOTION CARRIED UNANIMOUSLY.

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

Mayor Macon announced that no action was taken in closed session.

Mayor Pro Tem Efird made a motion to adjourn. **MOTION CARRIED UNANIMOUSLY.**

Respectfully submitted,

Sara Hartman
Assistant to the Town Clerk

Approved: _____