

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

May 11, 2010

The Town Council of the Town of Carolina Beach met in regular session on May 11, 2010 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 Efirm; Councilman Lashley; Councilman Wilcox and Councilman Lewis. Also present was the Town Manager Tim Owens, Town Clerk Lynn Prusa, Finance Director Dawn Johnson and Town Attorney Steve Coggins.

Mayor Macon called the meeting to order.

INVOCATION

Pastor Steve Hall of the St. Paul's United Methodist Church led the invocation.

PLEDGE OF ALLEGIANCE

Mayor Macon led everyone in reciting the Pledge of Allegiance.

ADOPT THE AGENDA

The town clerk presented the following changes to the agenda:

- Item #6 Written presentation from Jennifer Langley regarding a request to hold the Alzheimer's walk at Carolina Beach Lake on 11/13/10

- Item #8 Letter from Paige and Melissa Snow, Owner and Operators of Good Vibes Brewing Company, LLC concerning a request to hold a Beer Festival at the Carolina Beach Lake on July 31, 2010

- Item #17 &
Item #18 The cover memos for these two items are correct; however, the finance director's memos and resolutions were included incorrectly. Switch the contents of Item #17 to Item #18 and Item #18 to Item #17.

- Item #24(b) Application from Gayle "Lynette" Ashby for consideration of appointment to the Arts & Activities Committee

Councilman Wilcox made a motion to adopt the agenda with changes to Item #6, #8, #17, #18 and #24(b), as presented by the town clerk. MOTION CARRIED UNANIMOUSLY.

PRESENTATION BY DOUG MURRAY, SAFETY OFFICER OF CAPE FEAR SAIL & POWER SQUADRON, CONCERNING NATIONAL SAFE BOATING WEEK

Doug Murray said that this month, 22-28 of May, is National Safe Boating Week. It is our responsibility to be safe boaters and train and teach others to do likewise. This year's theme for National Safe Boating Week is "Wear It" which obviously has to do with life jackets and personal flotation devices. The 2008 statistics, the most recent he could find, showed over 2,000 boating accidents resulting in injury, 709 which resulted in death, 510 of which were from drowning and 90% of those were not wearing a life jacket or flotation device and would probably be alive today if they had been. They are hoping, through their efforts and the town's, to greatly reduce the numbers in the months and years to come. The state legislature has passed legislation that became effective the first of this month which says that if you are younger than 26 years of age, in order to operate a vessel with an engine of 10 HP, you must complete a satisfactory boat safety course approved by the National Association of State Boating Laws' Administrators. Coincidentally, in this community the Wildlife Commission is teaching a course on May 22nd. The power squadrons in the area, as well as the Coast Guard Auxiliary, will also be teaching these courses. They encourage everyone involved in boating to take courses and join groups such as power squadrons to become and remain current on all aspects of boating. He read the proclamation and invited those past/present members of power squadrons, Coast Guard Auxiliary and those who have taken a boating course to stand with him.

Councilman Wilcox made a motion to adopt Proclamation No. 10-1015 (Exhibit 1) proclaiming May 22-28, 2010 as National Safe Boating Week. MOTION CARRIED UNANIMOUSLY.

PRESENTATION BY JENNIFER LANGLEY REGARDING A REQUEST TO HOLD THE ALZHEIMER'S WALK AT THE CAROLINA BEACH LAKE ON NOVEMBER 13, 2010

Jennifer Langley made a presentation on behalf of the Alzheimer's Association of North Carolina, a non-profit group that provides educational programs, support groups and services to families in 51 counties of eastern North Carolina who are affected by this disease. Alzheimers North Carolina is incorporated in the State of North Carolina, governed by a local board of directors and founded almost 30 years ago. All staff time and donations focus on the needs of families in North Carolina, as well as research projects with no administrative overhead. Dr. Len Lecci, Professor of Psychology at UNCW and the Memory Assessment and Research Services program director and Susan Scurria, Director of the Area Agency on Aging/Albemarle Commission, serve on the board of directors. Alzheimers North Carolina has won national and international awards for their dementia training program and educational outreach which is being used

throughout the United States and in many other countries. She is chairing this year's Alzheimer's Walk because she lost her mother 3 years ago to Alzheimer's and hopes to make a difference. Funds raised from this year's walk will help provide services to the local community and help sustain a branch office being planned for Wilmington. The walk is scheduled for November 13th and are requesting the use of the lake amphitheatre and surrounding area. An attached map shows the proposed walk path. They are also asking that the Town of Carolina Beach provide extra port-a-johns, trash and recycling containers and parking areas for the 300 participants. They will try to secure a bounce house for the event with the understanding that they will need to have a \$1 million dollar insurance policy, which they carry. The only vending they will have on site will be the selling of goods to support Alzheimers North Carolina, a raffle and potentially a local restaurant selling BBQ plates as a fundraiser. She hopes to see all of them there if they approve the request.

The town manager said he doesn't see a problem with the date and asked that Ms. Langley get with him to work out the details a little later on in the fall as well as to get some PR and maybe get on TV if she wants to.

Councilman Lewis made a motion to approve the request to hold the Alzheimer's Walk at Carolina Beach Lake on November 13, 2010. MOTION CARRIED UNANIMOUSLY.

REQUEST BY THE ARTS AND ACTIVITIES COMMITTEE TO ASSIST WITH FUNDING FOR A TROLLEY ON MEMORIAL DAY WEEKEND TO TRANSPORT PATRONS FROM TOWN HALL TO THE FARMER'S MARKET

The town manager said he will present this item tonight on behalf of Elaine Stewart. She was planning on being here but something came up. The Arts and Activities Committee are requesting to be able to run a trolley in conjunction with the Farmer's Market. They are not requesting any funds at this point. They do have some funding they have taken in from their vendors. They will probably run the trolley from the town hall to the farmer's market at the lake with maybe a stop or two at the boardwalk and other areas. They will have some kind of signage at the town hall. They will charge about \$2 to ride it all day long. They would like to try it on Memorial Day weekend to see if it will help alleviate some of the parking burdens. They are also requesting the town set up a budget for them. They have taken in roughly \$3,900 in funding. In order for the town to process their bills and checks, they have to create a budget and he is requesting Council to consider allowing the finance director to set up a budget of \$3,000 for revenue and expenditures.

Mayor Macon made a motion to set up a budget for the Arts and Activities Committee in the amount of \$3,000 and allow the trolley to run on Memorial Day weekend.

The town manager said he would work with them to figure out the logistics. He said there is also a FEMA lot they could potentially use for that event. The police will also watch to keep the traffic clear.

MOTION CARRIED UNANIMOUSLY.

REQUEST BY MAYOR MACON FOR GOOD VIBES, LLC TO HOLD A BEER FESTIVAL AT THE CAROLINA BEACH LAKE

Mayor Macon said they have a new brewing company that is starting in Wilmington and they would like to have a Brewer's Festival at the lake on July 31st. It would be a new thing for Carolina Beach. It would include the microbreweries from a three state region and are asking for Council's support for this festival. It would be held from 2:00 p.m. to 7:p.m. He said there is a conflict with the timeframe that would have to be worked around because of the transition with the farmer's market ending at 1:00 p.m. The event will benefit the Pleasure Island Sea Turtle Project as well as the Brewer's Guild, which is also a non-profit organization. He is also having a discussion with a local wine shop that would like to start a Pleasure Island Wine Festival on Carolina Beach as well. He feels these would be great festivals for the island.

The town manager said they would have to follow all ALE laws and would be similar to what the Beach Music Festival/Chowder Cook-Off does.

Mayor Macon said it would be fenced in, have a band, port-a-johns, hire security and the microbreweries would be set up similar to the Chowder Cook-Off.

Due to an unexpected emergency, **Mayor Macon made a motion to excuse MPT Efirid from the meeting. MOTION CARRIED UNANIMOUSLY.**

Councilman Wilcox made a motion to approve the Beer Festival for July 31, 2010 at the Carolina Beach Lake based on the requirement that charitable funds raised would go towards Carolina Beach charities and applicant get together with the town manager and Arts and Activities Committee to figure out how to stage it and the timing. MOTION CARRIED 3 TO 1 WITH COUNCILMAN LEWIS VOTING NO.

RECOGNIZE EMPLOYEES FOR YEARS OF SERVICE

Mayor Macon and Gene Gurganius recognized Richard Bedgood, Utility Maintenance Crew Leader, for 10 years of service.

Mayor Macon and Police Chief Younginer recognized Wray Lefler, Police Officer II, for 5 years of service.

CAROLINA BEACH COMMITTEE REPORTS

Fred Crouch, 404 Sumter Avenue, Operations Advisory Committee Chairman, presented and read letter to Council stating the committee's opinion of the new traffic pattern on Lake Park Blvd. which said they agreed with it and feel it is a benefit to the town and tourist traffic. They recognize there are minor issues that need to be addressed such as

signage and marking of the bike lane to successfully complete the project. They would like to see it stay that way.

PUBLIC DISCUSSION

Marla Sorrells, 933 Tidewater Lane, said she and her husband moved here almost 4 years ago and plan to stay here. First she wanted to talk about the idea of routing traffic around on Dow Road. She works at the Visitor's Center with the Convention and Visitor's Bureau and has the opportunity to talk to a lot of people who come here as visitors as well as people who live here. She has heard a lot of talk about the road diet. It isn't what the committee agrees with - it's mostly the other side of the issue. And when she heard about routing the traffic to Dow Road, her first thought was that she lived in an area that did that and it nearly killed the town and it was never the same. They were thinking about truck traffic but everyone thought it would be faster and businesses closed. Then she thought it might not be a bad idea because the new road diet has created a dangerous bikeway. Maybe they can avoid having someone hurt, or worse, because they have routed traffic around. What you are doing is kicking the can down the road. You have a traffic jam now because you jammed it all over to one side. You have diagonal parking and then this zone between that one, jammed up lane of traffic and those people trying to pull out and have put the most vulnerable people in between that. Her conscience is what brought her here to speak and would have regretted not doing so if someone gets killed. She is asking Council to reconsider what they have done. Before, everyone who was in the left lane knew they could turn left or go straight through. You could take paint and put a straight arrow with a left turn arrow and take some of that pressure off that right-hand lane. She and her husband are bicycle riders and ride around town all the time and she feels they should eliminate the bike lane. Let people who want to ride bikes ride with traffic they way the law allows if they want to ride in the middle of traffic. She and her husband have seen where people are pulling out, there's a bigger vehicle like a van or truck next to them, into the bike lane and can't see and someone who is riding their bike can't see them either. They are just waiting for some tragedy to happen. It is very dangerous. The other thing is, in front of the Fat Pelican, it might be Danny's truck which is a big extended truck that extends into the bike lane and she has seen people going down the bike lane and going into the traffic to get around it. Wait until we get our summer traffic. How are those people going to back out into that traffic with the bike lane? Please think about this. If you route the traffic out of town, all the businesses in town are going to suffer. They don't even know it is happening. She mentioned it to Domino's, the Ocean Grill and they didn't realize it. She knows they have been talking about it for a long time and were advised by experts to go this way. She thinks they are the best experts for the town. Council has to make the final decision based on what they know about the town and she is sick with the idea that someone might get hurt.

Steve Shuttleworth, 808 Carolina Beach Avenue N., said he wants to talk about the budget. He spoke a couple of months ago and attended the meeting last week, at the workshop. The town manager gave him a copy of the proposed 2010/2011 original shortfall showing, just in the general fund \$763,000 short. Then he looked at what the town manager suggested they should accomplish in that first meeting and they got it

down to about \$168,000. Unfortunately you did it by slashing the Wilmington Beach project, which is an obligation the town has made with residents of Wilmington Beach to pave those streets. You did it by increasing the withdraw from the reserve of the tourist fund by 240%, \$241,000 more than the previous year according to the budget numbers he was given and another \$100,000, 50%, of the water and sewer fund. He thinks the finance director mentioned at the time that current, reserve funds are down to 37 ½% where last year at this time, he believes she said, they were at 51%. So they are down 13% from a year in the reserves. There's an old adage that says when you find yourself in a hole, quit digging. These are hard things to go over in a short amount of time. The town manager, who he thinks has given Council some strong advice, basically said on the first one, come up with a sales tax increase to close the gap or you're going to have to slash a bunch of stuff. Unless something is done this year or the economy drastically improves, we will only be prolonging difficult choices until next budget year and damaging our reserve fund. You guys cut capital items out of the budget and then you came back in the final budget, or the last proposed budget, does not cover any of the costs associated with the portion of the Wilmington Beach street project that the town agreed to fund, proposed sales tax revenue projections may be overstated, increased privilege license fees is an unstable revenue source - that is how they closed the budget. You took stuff out of the reserves, cut a capital project that they agreed with the residents they would do, and you are going to increase funds on an unstable revenue source. He would suggest they have one more meeting because when they do away with capital improvements, like the roof repairs of this building, which this budget said you're not going to do, that seems to be not the direction that Council should be taking. Instead, you left in the pier. He likes the pier idea but he doesn't like that Council has not come up with a way to pay for it other than to raise his taxes. They just had a sales tax increase in the county and they day after that it sounds like they are going to raise property taxes. He believes the state is short \$3 or \$4 billion dollars on their budget so, thinking that the state is going to come through and fund the pier project in the near future is really kind of Pollyanna. It took them almost 12 years to get Nags Head funded. At \$400,000+ a year in just mortgage payments, no real principal reduction, just in interest payments - 10 years, \$4 million dollars. Your manager has told you the town will run out of reserves. He believes Mr. Lewis had some comments at the meeting on how to cut some costs and your comment was that Mr. Gilbert and Mr. Clark at least gave the town their medicine in one lump sum which got them a tax raise, which he doesn't agree with, that lasted 4 years. Now you guys are saying you'll just inch it along until Mr. Owens tells you, again, you are going to be short next year. The budget is up 10% from costs last year, half of the increase is the pier cost that you have no way to pay for except for reaching in the resident's pockets. That isn't right. You are raising costs on everything else: recreation fees - 30%, water and sewer - 28%, etc. He is glad to hear all this talk about diets and he did see in the budget, he likes Mr. Coggins and feels he is a competent attorney, very expensive, the town manager recommended they reduce that legal fee to \$40,000. Then it went back and forth and there was talk at the last meeting of \$100,000. That's still a lot of money. They have one more meeting before the public meeting in June, which he feels his experience with Council here and other places has shown, you're going to hear the public comments and you're going to vote it. He is asking them to spend one more meeting and look at those costs. You don't have to buy the pier project

and he is asking them not to fund it and re-look at the budget. His Plan B is to maybe to make enough of a stink that other people will show up at some of these meetings and tell you that it is probably not a good idea. Plan C is that he gave the town manager some ideas on how you could fund it because he would like to come up with a solution. Where you can go to get some money, what you can do, what you can do with the bank but, please, just raising taxes, not doing the capital improvements that you have already agreed to do - this is just one more capital improvement. When are you going to quit agreeing to do stuff? Your manager told you, you are depleting the reserves and you are raising all the other fees. When you're in the hole, quit digging.

Mayor Macon said they are not eliminating the Wilmington Beach project.

The town manager said it is back in the budget, and that is one of the directions he got. It was an interest only payment and they were not going to have to pay that payment and capitalize the interest only. Right now there is \$231,000+ in the budget he will be giving Council on Friday for that project. The meeting is at 9:00 a.m. on Friday.

ADOPT THE CONSENT AGENDA

Mayor Macon made a motion to approve the consent agenda as follows:

Approval of the minutes:

Regular Meeting Con't	March 23, 2010
Regular Meeting	April 13, 2010

Requests for budget transfers and amendments:

Amend the FY09/10 Budget to add \$65,000 to cover all legal fees for FY09/10.

Increase revenue line item #103570.00, CBP3 Loan Proceeds, and increase the expenditure line item #104100.74 in the amount of \$13,017.30.

Increase revenue line item #253870.00, Grant NCDOT, and increase expenditure line item #256300.77, NCDOT Entryway, in the amount of \$150,263.94.

Increase revenue line item #303990.10, Stormwater Reserve, and increase expenditure line item #309000.74 in the amount of \$8,700.

FIRE DEPARTMENT

Transfer \$8,500 from line item #530-010 to line item #530-045.

Transfer \$2,000 from line item #530-007 to line item #530-045.

Transfer \$1,300 from line item #530-009 to line item #530-045.

Transfer \$2,700 from line item #530-009 to line item #530-008.

PUBLIC WORKS

Transfer \$8,000 from line item #105800.02 to line item #105800.57.

Transfer \$11,000 from line item #105800.02 to line item #105800.57.

Transfer \$103.01 from line item #105800.11 to line item #105800.15.

Transfer \$6.35 from line item #105800.11 to line item #105800.16.

Transfer \$61 from line item #105800.11 to line item #105800.25.

Transfer \$158.74 from line item #105650.15 to line item #105650.03.

Transfer \$152.75 from line item #308130.17 to line item #308130.03.

Transfer \$8,700 from the stormwater reserve funds \$8,700 to the stormwater .74 account for the dredging of Carolina Beach Lake

PUBLIC UTILITIES

Transfer \$11,519 from line item #308120.32 to line item #308000.11.

Transfer \$554 from line item #308120.32 to line item #308000.45.

Transfer \$200 from line item #308120.32 to line item #308130.03.

PARKS AND RECREATION

Transfer \$6,000 from line item #10-620-045 to line item #10-620-13.

Transfer \$500 from line item #10-620-045 to line item #10-620-020.

Transfer \$500 from line item #10-620-045 to line item #10-620-016.

Set a public hearing date for June 8, 2010 at 6:30 p.m., or soon thereafter, for a request to expand the existing Presbyterian Church and associated parking lot located at 1209 N. Lake Park Blvd.

MOTION CARRIED UNANIMOUSLY.

Councilman Wilcox made a motion to hear Item #15 before Item #14. MOTION CARRIED UNANIMOUSLY.

***PUBLIC HEARING - REQUEST TO CLOSE A PORTION OF CROAKER LANE
LOCATED IN THE SEAGROVE NEIGHBORHOOD FROM OCEAN BLVD.,
NORTH TO THE TERMINUS OF CROAKER LANE***

Ed Parvin made presentation. He said this is a request by Jim Wallace, who created the Seagrove neighborhood, which is essentially closing out a part of his conditional use permit that was approved to close 20' portions on Croaker Lane. This is the official process that you go through as required by the North Carolina General Statutes. This is from Ocean Blvd. to the terminus of Croaker Lane where there are a couple of 20' portions and it is consistent with his original CUP. He showed overviews of all the closures and the new road that is going in. There is a portion that will be dedicated to the town which is a new road that will be going in to connect to what was 11th Avenue and will now be the terminus of Croaker. This is already in place and has been for a couple of years. There is a non-municipal easement for cable, telephone, and those types of things. One of staff's concerns that have not been answered to date is if there are there public utilities in that area such as water/sewer lines, that type of thing. He showed pictures of the road. There are several areas where the topcoat has not been put in place on the roads in the Seagrove neighborhood. That was another concern they have. Staff's recommendation is that if this is approved that it be approved conditionally and upon these two conditions: (1) Verify that those utilities, water and sewer lines, are not in the right-of-way that is going to be closed. (2) The final topcoat is put on all the streets north of North Carolina going towards Carolina Sands and down Pinfish. This needs to be completed or bonded.

Councilman Wilcox made a motion to open the public hearing. MOTION CARRIED UNANIMOUSLY.

Councilman Wilcox made a motion to close the public hearing. MOTION CARRIED UNANIMOUSLY.

The planning director said that most of the roads in Wilmington Beach are typically 50' wide rights-of-ways. This is one of those strange roads that is a 90' right-of-way and that is why he thinks Mr. Wallace just simply wants to make all the roads uniform in their right-of-way width. The pavement width and everything is the same.

Councilman Wilcox made a motion to adopt the road closing order, Ordinance No. 10-834 (Exhibit 2), consistent with the conditional use permit issued for the project and before we sign off on it the remaining streets need to be bonded and the water and sewer final as built. MOTION CARRIED UNANIMOUSLY.

REQUEST BY THE TOWN OF CAROLINA BEACH TO THE NC DEPARTMENT OF TRANSPORTATION REQUESTING THAT THE DEPARTMENT CONSIDER INSTALLING SIGNAGE PRIOR TO THE DOW ROAD/LAKE PARK BLVD. INTERSECTION IN CAROLINA BEACH THAT DIRECTS TRAFFIC AS AN ALTERNATE ROUTE DOWN DOW ROAD TO KURE BEACH, FT. FISHER AQUARIUM AND FT. FISHER FERRY

The town manager presented this item and said we did talk a while back, when we were talking about the road diet, about asking DOT to consider placing some additional signage that would divert some of the traffic on Dow Road that may consider going through town otherwise. If you look at the signage now as you come onto the island there is one arrow pointing travelers to Carolina/Kure Beach. They could consider asking DOT to try to route traffic that is primarily going to go to Kure Beach, the NC Aquarium or the Ft. Fisher Ferry to try to use Dow Road for that purpose. Also, there are some other recommendations for consideration, if you wanted to do that. If we decide to route additional traffic over to Dow Road, he is not sure we would get the tens of thousands of cars that are going to be diverted to Dow Road. The average daily traffic on Dow Road is somewhere between 4,000 and 6,000 cars a day. There may be a noticeable difference in folks going that way but he is not sure it is going to divert all the traffic folks think it is going to divert. We could also consider right around Ocean Blvd. to have some other kind of signage that would say “Kure Beach x number of miles”, “NC Aquarium x number of miles”, so folks wouldn’t get down that far and turn around and come back. They also could consider directing folks down Ocean into Carolina Beach, the middle part of our island. With that said we would likely maybe consider lowering the speed limit on Ocean Blvd. It is 55 mph through the buffer zone up until you get to the development, and then it is 35 mph. In doing this, staff would like for Council to consider changing that to 45 mph. Currently it is 45 mph up to Harper. You have heard concerns from the fire department about backing in and if we are going to divert another 1,000 or so cars to Dow Road, they ask Council to ask DOT to extend that area to just past the park, and then it can become 55 mph again on through K Avenue on Kure Beach. Coming back through Kure Beach, maybe as you get off the ferry and coming back through Ft. Fisher, staff believes there needs to be signage that would say “Carolina Beach x number of miles”, “Wilmington take a left at maybe K Avenue”, those types of signage that would kind of get the people who are going to Carolina Beach or going to Dow Road to get to Wilmington and also coming back on Dow Road as you are heading towards Lake Park coming through from Kure Beach into Carolina Beach and beyond. Once you get to the CVS intersection you probably would need some signage that may direct traffic to Wilmington and back into Carolina Beach there. If they decide to do this, he would propose they get the Town of Kure Beach together along with the aquarium, DOT and some other parties that may want to be involved and sit down and talk about what the signage would say, what the mileage would say, how it would be placed and what it would look like. He has provided a copy of Resolution No. 10-1016. They did not necessarily have to have a public hearing but he recommends that they do that because it has been a controversial issue in the past. There are pros and cons for doing this. The cons you will hear are that you are directing folks away from the business district and people might not stop. Another potential negative impact could be additional

cars on Dow Road and that is the route most locals use so that could be a concern with folks too. Positives are that those folks who never intended on stopping anyway will take Dow Road and continue on to their destination and then, at some point, maybe come back to Carolina Beach and shop, etc. The main positives are getting folks quicker to their destination. He has talked to DOT and they would be in favor of some additional signage it appears.

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

Tom Savarese, 101 Lighthouse Drive, said, with respect to the sign at Dow Road, he would ask that they consider adding the words Ocean and Lake Park Blvd. to it since that is the center of the island and between Sea Colony and Pelican Watch, you're talking over 200 cars that you could take off the main drag and reduce the bottleneck. With respect to the main drag, just before you approach Winner there is a sign that says left turn must turn left. What should be up there to enhance the traffic flow is a backwards F with a sign that says next to lefts to the north-end which would direct what you were talking about coming Dow Road and crossing over. If you can direct the traffic to keep moving south and make those 2 lefts at Harper and Cape Fear, they have an option. At Harper you have the option of either going up Canal or Carolina Beach Avenue N. and the same thing with Cape Fear. People who are renting, etc., just want to get to their destination and then later go shopping, eat, etc. He gave a copy of a map he drew to the town manager earlier with a lot of detail. He likes trying to help with the situation and see if it works.

Next to speak was Dean Lambeth, 226 N. 4th Avenue, Mayor of Kure Beach. He thanked the town manager for sending the proposal to Kure Beach. About 2 months ago he and the mayor pro-tem talked to DOT about what Carolina Beach is proposing. On their agenda for next Tuesday night they will be discussing this. The survey they have was put on the list serve two days ago. So far it is running about 2 to 1 against the signage bringing traffic down Dow Road. He will leave the comments they received as part of survey with the town manager. A lot of the people who are opposed is because of the safety issues of not having a bike lane down K Avenue. He thinks if the towns work together, which they have done for the last several years, they might be able to go to DOT and move from 15th on their list of improvements in 2035 to speed it up to where we can get some of this done. The people who support it are all the B-1 people, the aquarium, the state park, and the Air Force Base and the Ft. Fisher Museum would like to be included. He would strongly recommend the signage, instead of doing something similar to what DOT usually does, they might upgrade that a little bit. He and the town manager were in discussions about the signs down at the ferry. The stats say we have over 900,000 visitors a year going to the aquarium and that end of the beach. He thinks both towns would benefit by the visitors who have not been here before, when they come off the ferry, letting them know how far it would be to get to the aquarium or a restaurant, making sure both towns are represented. He suggested that the Kure Beach oceanfront park and the Carolina Beach municipal marina could be mentioned for right now until the pier project comes to pass. Commissioner Nelder is also present. Most of the people

who oppose it are because of bike safety on Dow Road.

Mayor Macon made a motion to close the public hearing. MOTION CARRIED UNANIMOUSLY.

Councilman Lewis made a motion to adopt Resolution No. 10-1016 (Exhibit 3) with the inclusion of the recommendations by staff. MOTION CARRIED UNANIMOUSLY.

CONSIDER AMENDING THE CODE OF ORDINANCES, CHAPTER 8 LICENSES AND BUSINESS REGULATIONS, ARTICLE III PEDDLING AND SOLICITING, SECTION 8-47(M) CONCERNING VENDING AT FREEMAN PARK

Police Chief Younginer presented this item. He said they had originally put some hours in from 6:00 p.m. until 11:00 p.m. because they didn't know what kind of problems they were going to have with vending out at Freeman Park. In the meantime, they haven't had any problems there. They have controlled that through numbers of vendors and the type of vendors that we have. He is asking to take that time limit out. People out there run around all night long. The vendors do kind of keep them down by bringing firewood, ice cream, ice, things like that. Not beer or wine or anything like that. It does help control some of the traffic. They haven't had any trouble with the vendors. When people start dying down, they start to leave but, if they have to leave at 11:00 p.m., one of the vendors will have to start on the north end and work their way for the last 30 minutes and be gone. He doesn't think they will have a problem with vending and they would probably finish up about 1:00 to 1:30 a.m. He also said he met with the two wrecker companies this past week and talked about how they would work the entrance and said they would pull them both ways, hook them up and get them out of the way or hook them up and take them to the north a little ways and drop them off.

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

Rick Rogge, resident on Spartanburg Avenue and a member of the Freeman Park Committee, said the committee considered this item and unanimously agreed to extending the hours to the vendors.

Mayor Macon made a motion to close the public hearing. MOTION CARRIED UNANIMOUSLY.

Mayor Macon made a motion to adopt Ordinance No. 10-833 (Exhibit 4). MOTION CARRIED UNANIMOUSLY.

SKATEBOARD PARK RECOMMENDATIONS

The town manager presented this item on behalf of the parks and recreation director who is sick this evening. He said he met in a joint workshop with the police chief and some

other folks and there were some recommendations that came forward which they would like to implement. One is the police department and the recreation department need to start logging it in when they go out there and educate folks on what they need to be doing when they are out there - wearing helmets, knee and elbow pads. They are going to step that up and it has helped a little bit. Education is another thing they are trying to work on. Random safety checks will be done by the police department and recreation department. The committee talked about fees and whether it wanted to implement fees. The concerns with fees are that these are kids and they don't necessarily have ID's so you don't know if they are from in town or not. They could charge a fee. Some of the things they talked about were having a non-resident youth fee of \$20 and a non-resident adult fee of \$40. They would have to consider the passes at this point which they would probably change with one color for residents and one color for non-residents. At this point they only have one option as far as the helmet stickers go and that is a red one. So we would have to change that program a little bit. Then you could also have a tourist pass, \$20 a week and \$10 a week for an individual. A concern there is that it is not manned so you would have to randomly catch folks who didn't have their stickers or money. Summer program, our recreation department has agreed to take 2 mornings out of the week during the summertime to allow for kids 12 and under to skate and not have older kids out there and hopefully do some education out there as well, to follow the rules or risk having the skate park closed down. They also talked about potentially hiring some part-time folks. The way Wilmington runs their program is to have less time open than we do, roughly about 80 hours. They have about 4 or 5 part-time employees and charge fees which are roughly what we are looking at here - \$20 youth resident pass, \$40 adult resident pass, \$40 youth non-resident and \$60 adult non-resident. You could also continue to do a \$2 day pass for a resident of Carolina Beach and a \$5 non-resident fee. That would enable some money to come back towards the program and pay for some of those part-time folks. There is no guarantee that you would pay for those part-time folks. To his knowledge they are the only one who does not charge. Maybe that is creating folks coming over here and using our park. If we don't want to go it alone and do it ourselves, we could consider sending out an RFP for somebody to run concessions and the program out there. They would charge and man the program, have the liability insurance, etc. Those are some options. Ted Lashley pulled together the Grind's example in Wilmington showing hours of operation, how they staff it, and fees. The revenue they are generating through fees, vending and programs is about \$27,000 and their payroll is somewhere around that. He doesn't know how ours will do. They are a little more centrally located there and probably have a lot more density. If they want to charge, then they can and make it very similar to what Wilmington does. Some of the things we are doing now are random safety checks to further compliance. If those don't work and people continue to not wear safety equipment, we will close the park down for a period of time and let folks know why. Summary of discussion included: if you are a member of the recreation center and are a resident, then you may not have to pay but if you are not, then you may or may not have to pay a fee; vending; hiring someone to run the park; summer program for kids; continue to check on people using the park; possible RFP for someone to run the park from mid May to mid September with possible, additional weekends.

CONSIDER THE ADOPTION OF A RESOLUTION OF NECESSARY FINDINGS FOR THE WILMINGTON BEACH STREET PAVING AND DRAINAGE PROJECT

The town manager presented this item. He said they are trying to move forward with the Wilmington Beach street and paving project. They are going to meet with BB&T this week to discuss financing. He is still trying to pursue the USDA route to possibly extend the payments a little longer which will allow them to pay it off quicker but it doesn't appear as promising as he originally thought. The total project cost is going to be around \$4.5 million dollars. The actual construction, along with engineering permitting, environmental consulting, etc., is around \$4 million dollars. It would be another \$200,000 to \$250,000 to do water and sewer. Staff will bring an assessment role back to Council and hold that in abeyance for about 25 properties. Staff is asking Council to consider allowing them to move forward with RFP's for financing and approve Resolution No. 10-1013 which allows them to move forward with the LGC application.

Mayor Macon made a motion to adopt Resolution No. 10-1013 (Exhibit 5) and move forward with this project. MOTION CARRIED UNANIMOUSLY.

CONSIDER THE ADOPTION OF A RESOLUTION OF NECESSARY FINDINGS LIFT STATION #1 RECONSTRUCTION AND REHAB OF THE WWTP EQUALIZATION BASIN

The town manager presented this item. He stated this is a very similar process. Staff anticipates the cost of lift station #1 to be approximately \$1.5 million dollars, maybe a little less. They are going to roll in another project with this. The State has put them on notice that they have to rehab the equalization basin so the total project will be closer to \$2 million dollars. Staff is asking Council to consider adopting Resolution No. 10-1014 allowing them to set the capital budget and move forward with RFP's for financing. All of this will have to go to LGC. This project is probably a little bit more important, timeline wise, because they need to get it started right after summertime so they can get it done before the summertime next year or get as much done as possible. They are pushing more on this one and will bid it out soon and hopefully have it under construction right after Labor Day.

Mayor Macon made a motion to adopt Resolution No. 10-1014 (Exhibit 6) and move forward with this project. MOTION CARRIED UNANIMOUSLY.

SET A PUBLIC HEARING DATE FOR JUNE 8, 2010 TO RECEIVE PUBLIC COMMENT ON THE PROPOSED FY 10/11 BUDGET AND TO CONSIDER THE ADOPTION OF THE PROPOSED BUDGET FOR FY 2010/2011

The town manager presented. There was a budget workshop on May 5th and he has moved forward on some of the things he heard Council wanted in trying to put together a budget package. They are also going to have a budget workshop on May 14th at 9:00 a.m. He is running out of time and they need to get things wrapped up. On about May 21st staff will send it out to the news media with an ad that states when the public hearing

will be. The law requires a draft copy of the proposed budget in their hands by June 1st. He will give Council a copy on May 26th. He proposes that a public hearing be set for June 8th for the proposed 2010/2011 budget. The budget has to be adopted by June 30th.

Mayor Macon made a motion to set the public hearing date for June 8, 2010 to receive public comment on the proposed budget. MOTION CARRIED UNANIMOUSLY.

CONSIDER ADOPTING A RESOLUTION IN SUPPORT OF AN APPLICATION TO PARTICIPATE IN THE NC SMALL TOWN MAIN STREET PROGRAM 2010/2011

Ed Parvin presented this item. He said staff is requesting Council to consider adopting Resolution No. 10-1012. This is a program that North Carolina Division of Community Assistance offers, giving staff support to help market our downtown area and organize our boards working towards revitalization with things like façade improvements. This is something they have applied for in the past and haven't received. They usually pick 3 small towns in the eastern part of the state. There is a potential for the share of some \$3,000 to \$5,000 contribution by the town to have this support. This is something that was new the last couple of years and may or may not be required. He feels it would be good to have the chance to work with them. They might have some good ideas or paths that have not been looked at, some different methods for getting money or marketing our downtown.

Mayor Macon made a motion to adopt Resolution No. 10-1012 (Exhibit 7) and move forward in applying for the Small Town Main Street Program. MOTION CARRIED UNANIMOUSLY.

DISCUSSION CONCERNING A REQUEST TO DIRECT STAFF TO CREATE A TEXT AMENDMENT TO THE TOWN'S ZONING CODE TO ALLOW TEMPORARY COMMERCIAL USES OF UP TO 180 DAYS ON VACANT COMMERCIAL ZONED PROPERTIES WITHIN THE TOWN

Councilman Lewis said this is a proposed text amendment. They have taken a look at what the City of Wilmington is doing in the Town of Wrightsville Beach as it relates to outdoor performance and events on private property which is totally different than on public property. They have put together a text amendment and would like for the planning department to consider it and send it to Planning and Zoning Commission to review and give comments. It opens up the opportunity for a private property owner to utilize his property for something other than just building a building if he can't do that right now. It would limit the number of performances and events that you could have on that property. In Wilmington, for example, you can have an event and there are no fees associated with it. It's your private property. You just have to apply for an application to do it. Wrightsville Beach has a nominal type fee. Each one has a little different flavor as to how they go about allowing that to happen and that is why he is bringing this forward.

Terry Russell, 403 Fern Creek Lane, asked what types of businesses are they talking about and asked for examples.

Councilman Lewis said they already have an outdoor performance and event ordinance and this would be basically taking that ordinance and making some minor changes to that. We are allowing people to do it, almost, now in a different format. Without going through the CUP process, we are allowing people, through a CUP, to take a property they were going to build a building on that might be multi-use and then allowing them to put some other use to that in a temporary situation until the economy changes or something changes economically that they can actually put the building up. One person came here recently and asked if they could put an NCAA event on for volleyball. He was looking for a lot to use, didn't know where it was going to be but, let's just say it was one of the lots along 421 that is big and said they would like to use that, cover it and, even though it has been set up for a CUP for a multi-condominium unit but, because it is not being used today, could they use it for 7 volleyball courts and have a tournament for NCAA or for pre-Olympic type trials. This would be a little bit different than that in maybe allowing a person to have 6, 8 or 10 events on a particular piece of property.

Ms. Russell said that in downtown Wilmington there is someone who is having an issue right now with the City of Wilmington regarding charging a fee for hosting weddings at their home. Her only concern is that she wouldn't want to be creating a loophole, unintentionally, for someone to they already own this property and I have a CUP but I cannot use it at this time so I am willing to set up something else and are circumventing say, if they want to have a sweepstakes café but they are not licensed in that place at this time, that they could use the property that they previously owned.

Councilman Lewis said these are recommendations that planning would have to go through to review before making them formal and bring it back to Council for their review.

Councilman Lewis made a motion to request staff and the Planning and Zoning Commission to review the text amendment and come back to Council with a recommendation. MOTION CARRIED UNANIMOUSLY.

DISCUSSION AND DIRECTION OF SETTING THE SEWER RATE FOR SEWER BEING TREATED BY THE CAROLINA/KURE BEACH SEWER AUTHORITY FOR THE TOWN OF KURE BEACH AND CONSIDER ACTION ON CLOSING OUT FY 08/09 OF THE AUTHORITY AND APPLYING THE NEW RATE TO FY 09/10 AND BEYOND

The town manager said that every year, after completing the audit, they have to close out the prior year with our Kure Beach and Carolina Beach Sewer Authority. They are looking to close out the 08/09 budget year because they finished the 09/10 audit. They set the original rate, they pay the prior year's rate of \$.6319. All the numbers were crunched by our engineers and auditors and, after staff looked it over, the rate turned out to be \$.611. Staff is recommending a total reimbursement for all of 08/09 and portions of

09/10 be given back to the Town of Kure Beach in the amount of \$5,721.14 as they overpaid based on our formula. Some of the things they might end up doing is to strip these numbers out and give a better, general description of what the numbers are. You have treatment operations and that is really specific to the wastewater treatment plant and all its expenditures associated with it. Then you have administration and that is where you get into things that are kind of shared such as a portion of the town hall that is paid by the contract here and then some salaries for himself, the town clerk, the finance director, etc. Staff is recommending to close out 08/09 and set the rate for 09/10 and reimburse the Town of Kure Beach \$5,721.14.

The finance director said they probably paid for this month also that wasn't included that spreadsheet and recommended that the additional overpayment for this month be included.

Mayor Macon made a motion to reimburse \$5,721.14 to the Town of Kure Beach and include the portion of this month that they overpaid. MOTION CARRIED UNANIMOUSLY.

CONSIDER SENDING OUT RFPs FOR AN ATTORNEY TO REPRESENT THE CAROLINA BEACH BOARD OF ADJUSTMENT

Gary Ferguson, planning director, presented. He said the Board of Adjustment lost their attorney, Amy Ezzell, who has not been with them for several months now. They have not had a BOA case come up and are asking for a RFP to be put out so they can go ahead and advertise for an attorney for the BOA. They do have a meeting coming up this Monday evening. They have retained Robert Calder who will be sitting with them to hear a variance request they sent to him today. They did also go through an exercise with the BOA members just to try to get them reacquainted with their responsibilities when considering variance requests so that they are a little more knowledgeable since they haven't sat collectively as a group for 6-8 months.

Mayor Macon made a motion to direct the planning director to send out an RFP to firms in New Hanover County and accept resumes for the attorney to the Board of Adjustment. MOTION CARRIED UNANIMOUSLY.

COMMITTEE APPOINTMENTS

Operations and Advisory Committee:

Mayor Macon made a motion to appoint Louise Colvert to the Operations Advisory Board. MOTION CARRIED UNANIMOUSLY.

Freeman Park Committee:

Councilman Wilcox made a motion to appoint Frederick Grady to the Freeman Park Committee. MOTION CARRIED UNANIMOUSLY.

Councilman Lewis made a motion to appoint Mike Bridges to the Freeman Park Committee.

The town clerk said only one more member was needed.

Councilman Lashley suggested that we appoint all 3 applicants to the committee.

Rick Rogge said he believed they had a few openings. When he was appointed last summer, along with another person, she was able to make it to one meeting and none since. He believes she is now employed by the town. He has been to every meeting and a lot of times it's the chief, himself and maybe 1 or 2 other people.

The town manager recommended tabling this until staff contacts everybody and brings it back. He will make sure this is done.

The town clerk said there is a problem with various staff people representing that committee and there has not been any consistency with that. She has not had a lot of communication about the committee and, at one time, someone requested Council to dissolve the committee. They have had some problems running the committee and maybe a little more staff influence might help. They have only had one written resignation.

Councilman Wilcox would like to see some monthly meetings, send a notice to everyone on the committee to respond to by a certain date. The ones who respond and want to be on need to start attending the meetings and the ones who don't respond or who don't want to be on it any longer they can vote at the next meeting to remove them and appoint new people. There is a rule on missing 3 consecutive meetings. The committee needs to pull the mission statement and decide what the purpose of that committee can be going forward in that capacity. The chairperson needs to have some communication with the town. He knows some of the Freeman's are on the committee and he thinks that is important but if they don't have time to serve in a chair capacity then maybe the town should talk to them about participating as advisors whenever they can.

Councilman Lewis withdrew his motion.

Arts and Activities Committee:

Councilman Lewis made a motion to appoint Gayle Ashby to the Arts and Activities Committee. MOTION CARRIED UNANIMOUSLY.

NON-AGENDA ITEMS

The town manager said there is a letter seeking names for CRC members which is due back by June 1st. Last year they nominated Dennis Barbour and staff didn't get it to them on time so they may want to nominate Dennis Barbour. Mack Montgomery has also expressed interest as well.

Mayor Macon made a motion to recommend Mack Montgomery as a CRC applicant. MOTION CARRIED UNANIMOUSLY.

The planning director reminded Council of the joint meeting with Planning and Zoning Commission Thursday evening at 7:00 p.m. for a roundtable discussion.

The town manager said there was one item they did not resolve. There are some people in town that never got privilege licenses for their machines. Some folks got them under video games and paid \$5. Some folks came in and paid \$1,500 for 2 machines, some folks said they're not paying \$1,500 because they already had them in town. That is something they probably need to address now or at that meeting. Do I give people's money back and get everybody in here to pay \$5 until they decide what the fee is or how do they address it? The concern is they never came in and did what they were supposed to do which was to get a privilege license. They're not licensed at all. What he is hearing Council's recommendation is, if it was in town prior to action taken by Council setting the fee at \$3,000, have them come in and get a \$5 license.

Councilman Wilcox said if they come in and get a privilege license, it is \$5. If they don't, then they have to pay the bigger fee.

The town manager said on July 1 they will decide what the fee is when they determine what the ordinance is and reimburse anyone should be.

Councilman Wilcox said it is pretty easy to identify who had machines before Council took their last action, he motioned to charge \$5 per machine if prior to Council's last action and they get a privilege license. And anyone after Council's action should be subject to the new fee. The Mayor asked if that is a motion and Councilman Wilcox said he can make it a motion.

The manager said the concern was they never came in and did what they were supposed to do and that is come in and get a privilege license, but what he is hearing if it was in town prior to the action of Council it will be \$5. Councilman Wilcox said if they come in and get the privilege license and if not then it is the bigger fee.

Mayor Macon asked if we need a motion on that and Dan said he already made a motion.

MOTION CARRIED UNANIMOUSLY.

Councilman Lashley asked if we have someone who goes around to these establishments looking for machines. I see signs on a couple of places identifying they have sweepstakes but he doesn't see them on the list he received from the staff. Mr. Ferguson said various members of staff go out and look for sweepstakes and all privilege licenses. Mr. Owens said we could do a lot better job at it and that is one of things that he wanted to work on and be a little more pro-active on it and look at the newspapers, etc.

Councilman Lewis asked if there is an automatic renewal process and the finance director said yes.

The town attorney said they will be submitting the proposed local act for the harbor in the next 2 days.

Mayor Macon made a motion to go into closed session to discuss attorney/client matters in compliance with NCGS 143-318.11(a). MOTION CARRIED UNANIMOUSLY.

Mayor Macon made a motion to go back into open session. MOTION CARRIED UNANIMOUSLY.

Mayor Macon made a motion to excuse Councilman Lewis. MOTION CARRIED UNANIMOUSLY.

Mayor Macon said there was no action taken in closed session.

ADJOURNMENT

Mayor Macon made a motion to adjourn. MOTION CARRIED UNANIMOUSLY.

Respectfully submitted,

Lynn N. Prusa
Town Clerk

Approved: _____