

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

May 8, 2007

The Town Council of the Town of Carolina Beach met in regular session on May 8, 2007 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, Bill Clark; Mayor Pro Tem (MPT), Alan Gilbert; Councilwoman, Pat Efid; and Councilman Joel Macon. Also present was Town Manager, Tim Owens and Town Clerk, Lynn N. Prusa. Councilman Johnson was absent.

Mayor Clark called the meeting to order.

INVOCATION

Before giving the invocation, the town's Public Information Officer, Valita Quattlebaum, asked for a moment of silence in honor of Mrs. Gertrude Hare who recently passed away. She was the town's oldest living resident.

PLEDGE OF ALLEGIANCE

Mayor Clark led everyone in the pledge of allegiance.

ADOPT THE AGENDA

The following were changes to the agenda:

Item #11 – Consider Amending the Zoning Ordinance, Article 16 Planned Unit Development (PUD), to Require a Minimum of 2 Acres and Delete Allowance For 10% Commercial Use in Residential Zones – table to July 10, 2007 at 7:30 p.m. or soon thereafter

Item #12 – Consider Request to Amend the Zoning Ordinance, Article 3.9 Dimensional Standards for the Various Zoning Districts – (9) Exceptions to Height Requirements – table to July 10, 2007 at 7:30 p.m. or soon thereafter (originally scheduled to be tabled to June 12, 2007; item will be tabled at P&Z on Thursday, May 10, 2007)

Item #13 – Consider Request to Amend the Zoning Ordinance, Article 3 Zoning District Regulations, Article 12 Development of Standards for Particular Uses, Article 11 Sign & Handbill Regulations and Article 23

Definitions for Regulation of Parking Lots for Profit – table to June 12, 2007 at 7:30 p.m. or soon thereafter

Item #15 – Consider Reduction of Stormwater Fees for Sea Grove Development – Request to table this item to the regular meeting on June 12, 2007 at 6:30 p.m. or soon thereafter.

Item #15(a) for Old Business – Set a public hearing date for the Land Use Plan

Item #16, Item #20, and Item #21 – All Requests for Vending – Include the attached letter from the Pleasure Island Chamber of Commerce in your agenda packet

Item #24 – Consider Adopting a Resolution Concerning Economic Impacts and Benefits of Carolina Beach Inlet –Replace the draft letter in your packet with the attached revised letter for your consideration this evening

Add Item #28(A) – Access Grant Final Applications – This item will be presented by the town manager and/or public information officer. Information is attached for your consideration

Add Item #28(B) Island Women’s Proposal for Department of Transportation Funds to Beautify the DOT Right of Way on Lake Park Blvd. – This item will be presented by the town manager. Information is attached for your consideration

Mr. Clyburn suggested to Mayor Clark that he entertain a motion to excuse Mr. Johnson based on his situation.

Councilwoman Efird made a motion to excuse Councilman Johnson because he is sick tonight. MOTION CARRIED UNANIMOUSLY.

Mayor Clark made a motion to adopt the agenda with the changes. MOTION CARRIED UNANIMOUSLY.

RECOGNIZE LOCAL CHAMPION ANTHONY “TONY” SILVAGNI FOR ACHIEVEMENT IN SURFING

Mayor Clark said on the agenda is a time for special recognition of our local pro surfer Tony Silvagni. At this time Tony was not present.

Mayor Pro Tem Gilbert said we were going to commend Tony tonight. He has been published in a lot of local magazines. Last month’s Surfer magazine ranked him No. 5 of the top 100 long boarders, which was before he beat Colin McPhillips and other world

class longborders down in Coco Beach. Mayor Pro Tem Gilbert then read the article about Tony in Surfer Magazine. It mentioned that Tony waits tables, attends school, and referees in addition to being one of the most talented young long boarders the East Coast has ever produced. He is from the Cape Fear region and represents us well. He is one of the most gracious individuals that I have ever met.

Mayor Clark said those of you who know Tony thank him for representing our island well. At this time, Tony arrived. Mayor Clark said we pulled some old photos out of the archives and have a Silvagni collection here.

Tony said he just got back from France along with his mom and brother where he surfed in the Oxbow Pro World Long Board Championship. It consists of the best long boarders in the world. I was very blessed to go there and compete for our country. I was one of four from the U.S. to go over and compete. I equaled 49th overall. I learned about their culture which was a big culture shock. Thank you for inviting me to come out here. This is pretty cool.

REQUEST BY FISHERMAN'S POST TO HOLD A FISHING TOURNAMENT IN CAROLINA BEACH ON OCTOBER 5-7, 2007

Mr. Hargrove asked for the date of October 26-28, 2007 to hold a fishing tournament in Carolina Beach. We looked on the website to make sure there wasn't a conflict with the Chamber of Commerce events. We are asking Town Council to waive the fee for Freeman Park that weekend for the surf fishermen who would be in the tournament.

Mayor Clark said when the Freeman Park rules were originally written, I put in a stipulation for the fishing tournament people that the town manager at his discretion would have the option to waive the fees for any organized events that take part.

Mr. Owens suggested that Mr. Hargrove get in touch with him a little closer to the event and he could give him hangers for the vehicles. This request was approved.

RECOGNIZE EMPLOYEES FOR YEARS OF SERVICE

Mayor Clark recognized Sgt. Cliff Matthews for his five years of service with the police department and Buddy Kinley for five years of service with the operations department.

INTRODUCE NEW EMPLOYEES

Ted Lashley, Director of Parks and Recreation, introduced Alison Searles who is our new recreation leader.

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

Bobby McConville, 110 Sugarloaf Court, is Chairman of the Ad-Hoc Committee for Freeman Park. He said we had a meeting last month and one of the items on our agenda was in reference to Item #23 on your agenda, which is reimbursing the merchants for the park passes. It seems they are having some difficulty recovering some losses from the sales. Our original theory that they would be getting foot traffic and making sales during the sale of the pass has not come to fruition. One of the merchants came in and presented his case and I have some of those talking points. He said sales of the passes do not generate related sales to offset the costs as perceived by many, meaning people coming in aren't necessarily spending money on other things other than getting the pass. Credit card transaction costs are escalating. A 75%+ of all sales are now on credit and debit cards. There are only two businesses still selling the passes due to the inconvenience and cost of processing. If it was generating more business, they feel that there would be other businesses selling these passes as well instead of just being down to two.

The time required to process a pass is approximately eight minutes. Not accepting credit cards as an alternative is not acceptable to customers who rely on credit cards. They sell lottery tickets at most of these stores as well and the education lottery of North Carolina and the fishing passes pay the businesses a service fee, a percentage to cover the costs of selling those tickets. They're looking to get the same and I believe their looking to get the passes instead of for \$40 for the town to sell them for \$38. They feel that \$2 will cover their time and money. They also feel that if something can't be worked out and if they stop selling the passes, then the town will have to hire additional people to sell those passes and incur the costs, which wouldn't be good for the town. It was voted on and unanimously the committee would ask the Council to consider that proposal for the local merchants.

Mayor Clark asked about the committee; you have some new members. Mr. McConville said there are some new members but there's really not that much going on at this point. In fact as part of the next item I wanted to speak to you about as me not as speaking for the committee but just speaking as the committee head, we're meeting this coming Thursday to go over what happens here tonight and just have our monthly meeting. I was going to ask Valita to put on our agenda to start the process of ending the ad-hoc committee or rearranging it to become a permanent committee of the town and/or absorb it into the Parks and Rec. The reason I say that is that our original charter I feel has been accomplished. We were asked to have the park open 24 hours a day, 7 days a week, create a management plan with the protection of private property, and make it safe. At this point, that's all been done. I feel that the charter has been satisfied and I am going to go ahead and ask the committee to make recommendations. I will be asking for the Council to make that committee again permanent, disbanding it, or absorbing it into Parks and Rec only because...Mayor Clark said ad-hoc is a temporary committee...Mr. McConville repeated ad-hoc is a temporary committee. I think the people that are on it, and were on it, have done a great job and spent a lot of time. I think what's going on out there is very good. At this point, I don't know what else the committee can do to make it any better.

Mayor Clark said thank you very much and we'll be looking for a recommendation from the committee.

Dan Denston, 100 N. Lake Park Blvd., said he is a board member of the Pleasure Island Chamber of Commerce and Chairman of the Government and Community Affairs Committee for the Chamber. The Council members should have received a memo from the Chamber earlier this week and I would like to read this memo for the record.

He read, the agenda for today's Town Council meeting includes a number of items regarding vending permits along the beach and in the town. The Chamber encourages the Council to follow the town's ordinances designed to provide these special permits, but also to protect the "brick and mortar" businesses that have made a substantial time and financial investment into the community.

In the past month, several Chamber Board members received concerns from the area businesses, both members and non-members of the Chamber, on permits that have recently been granted. In one case, we believe that an official complaint was filed with the Carolina Beach Police Department.

The concerns focused all aspects of the ordinances from the financial investment requirements, liability insurance, and location of the vendors. Past permits granted have been required to meet these and other ordinances and it is important for consistency in the permit granting process to continue.

The Pleasure Island Chamber of Commerce encourages the Town Council to follow the ordinances established to allow for free and fair enterprise to be conducted. The business community plays an important role to the overall health and vitality of the town.

ADOPT THE CONSENT AGENDA

Mayor Clark said one item in the consent agenda is an application for a grant. He asked Valita Quattlebaum to speak about this grant.

Ms. Quattlebaum said this is a CAMA grant. We received an invitation to submit a final application for renovating the restrooms at the boardwalk. It is in the amount of \$20,000

Councilwoman Efirm made a motion to approve the items on the consent agenda, as follows:

Approval of the Minutes

Regular Meeting

March 13, 2007

Requests for the following budget amendments and transfers:

Executive

Additional monies in the amount of \$2500 are needed for wellness programs such as the Health Fair and Employee Picnic. The Town Manager is asking that the \$2500 be transferred from his account 104200.45-Contract Services into the Human Resources account 104500.55-Wellness Grant.

Beach Maintenance

Additional monies are needed in the Beach Maintenance account number 256300.56-Beach Maintenance in the amount of \$2715.27. These funds are needed to cover a current account deficit. The request is to transfer \$2715.27 from account 256300.16-Maintenance and Repair of Equipment into account 256300.56-Beach Maintenance.

Set a public hearing date for June 12, 2007 at 7:30 p.m. or soon thereafter to consider amending the Zoning Ordinance, Article 18 Non-Conforming Uses & Structures by defining when and how such uses and structures can be repaired and/or replaced.

Set a public hearing date for June 13, 2007 at 7:30 p.m. or soon thereafter to consider a conditional use request for a branded resort hotel located at 200 Carolina Beach Avenue North.

Set a public hearing date for June 13, 2007 at 7:30 p.m. or soon thereafter for a request to rezone a portion of 215 Winner Avenue from R-1 to HB, a 30,424 sq ft parcel described at 3130 10 47 4006 Deed Book 1814, Page 0152.

Set a public hearing date for June 13, 2007 at 7:30 p.m. or soon thereafter for a request to amend the Zoning Ordinance, Article 3.9 Dimensional Standards for the Various Zoning Districts to Prohibit Cantilevering Over the Carolina Beach Building Line.

Set a public hearing date for June 13, 2007 at 7:30 p.m. or soon thereafter for a request to amend the Zoning Ordinance, Definition(s) and/or Designation(s) of What Constitutes the "Start Of" or What is "Actual" Construction to Include Consideration of Construction of Infrastructure as well as Buildings and Structures.

Set a public hearing date for June 13, 2007 at 7:30 p.m. or soon thereafter for a request to amend the Zoning Ordinance, Article 11 Sign and Handbill Regulations to Address the Use of Off-Premise Directional Signs

Approve the adoption of Proclamation No. 07-893 (*Exhibit 1*) proclaiming National Beach Safety Week, May 21-28, 2007.

Set a public hearing date for June 12, 2007 at 7:30 p.m. or soon thereafter to Consider Adoption of the Budget for FY 2007/2008.

Set a public hearing date for June 12, 2007 at 7:30 p.m. or soon thereafter to Consider Adopting a Water Conservation Ordinance.

MOTION CARRIED UNANIMOUSLY

CONSIDER AMENDING THE ZONING ORDINANCE, ARTICLE 16 PLANNED UNIT DEVELOPMENT (PUD), TO REQUIRE A MINIMUM OF 2 ACRES AND DELETE ALLOWANCE FOR 10% COMMERCIAL USE IN RESIDENTIAL ZONES

Consider amending the Zoning Ordinance, Article 16 Planned Unit Development (PUD), to require a minimum of 2 acres and delete allowance for 10% commercial use in residential zones has been tabled to July 10, 2007 at 7:30 p.m. or soon thereafter.

CONSIDER REQUEST TO AMEND THE ZONING ORDINANCE, ARTICLE 3.9 DIMENSIONAL STANDARDS FOR THE VARIOUS ZONING DISTRICTS – (9) EXCEPTIONS TO HEIGHT REQUIREMENTS

Consider a request to amend the Zoning Ordinance, Article 3.9 Dimensional Standards for the Various Zoning Districts – (9) Exceptions to Height Requirements has been tabled to July 10, 2007 at 7:30 p.m. or soon thereafter.

CONSIDER REQUEST TO AMEND THE ZONING ORDINANCE, ARTICLE 3 ZONING DISTRICT REGULATIONS, ARTICLE 12 DEVELOPMENT OF STANDARDS FOR PARTICULAR USES, ARTICLE 11 SIGN & HANDBILL REGULATIONS AND ARTICLE 23 DEFINITIONS FOR REGULATION OF PARKING LOTS FOR PROFIT

Consider a request to amend the Zoning Ordinance, Article 13 Zoning District Regulations, Article 12 Development of Standards for Particular Uses, Article 11 Sign & Handbill Regulations and Article 23 Definitions for Regulation of Parking Lots for Profit has been tabled to June 12, 2007 at 7:30 p.m. or soon thereafter.

DISCUSSION OF MASTER DEVELOPMENT PLAN AND TIMELINE

Mr. Owens said before you is a plan of action for our upcoming Master Development Plan. I have broken it down to two scenarios:

- Plan A would allow us to get the ball rolling on September 1st
- Plan B would allow us to get the ball rolling around August 1st

I am recommending Plan B. With a little harder work, we might be able to shorten that timeline if we really wanted to. I am asking that Council to take some time to review these plans - there are 21 of them. I have ranked my top six and have summarized all of them. I would like to possibly talk about this on May 31st which is when I'll present the draft budget to you. At that time, we could possibly go ahead and select anywhere from four to five vendors. I can call them on the phone and we'll line up meetings at a later date.

Somewhere in this process, we'll have to consider the Unified Development Ordinance and whether we want to continue to pursue and also who we want to pursue. There are 2 firms we are looking at: 1) Holland Consulting Planners, and 2) the Lawrence Group.

Mayor Clark said Plan B gives a little more time to do it right. Mr. Owens said Plan B gets you started a little quicker and gives you some more time with regard to the time limit we have. There are numerous copies of these plans so we could work out a way to check them out if you wanted to do that as well. I think we have three copies of each one.

If May 31st works for you and everybody can get a chance to look at that, then at that meeting we will select the four or five vendors that we want to interview and we will move along starting with three and four. Interviews will be set up during two days in June, probably towards the end of June and with our final selection coming in at the July Town Council meeting and a notice to proceed on August 1st.

Mayor Pro Tem Gilbert made a motion to approve Plan B per Mr. Owens recommendation. MOTION CARRIED UNANIMOUSLY.

CONSIDER REDUCTION OF STORMWATER FEES FOR SEA GROVE DEVELOPMENT

Consider reduction of stormwater fees for Sea Grove development has been tabled to June 12, 2007 at 7:30 p.m. or soon thereafter.

SET A PUBLIC HEARING FOR THE LAND USE PLAN

Ms. Prusa said Council will be calling a special meeting to hold a public hearing on the Land Use Plan.

Mayor Clark said we are looking at Monday, June 4th and Monday June 18th. Ms. Prusa asked, do you want to hold public hearings on both days? Mayor Clark said I think it would be good. We need as much public input as we can get. Mr. Owens said that is the intent of scheduling the two different meetings. We will present a synopsis of the process and the plan at both meetings but it will allow folks to come to one or both meetings. We

will probably have it at the gym because we might have a big turnout and we welcome a big turnout.

Mr. Owens said we need a motion to set those two public hearing dates at 7:30 p.m. and we will advertise accordingly.

Mayor Pro Tem Gilbert made a motion to set a public hearing for June 4, 2007 and June 18, 2007 for 7:30 p.m. for a public hearing on the Land Use Plan. MOTION CARRIED UNANIMOUSLY.

REQUEST BY PARADISE ISLAND VII FOR RENEWAL OF VENDING PERMIT

Mr. Owens said I don't see the applicant here but this is a request to use a push cart. Last year you approved one push cart and they came back at a meeting later and asked for more so now they have three or four. They are looking to renew their request from last year for the vending license which is up on May 26th. They are requesting to vend at several areas along town, the CBD area, the public beach access points, Freeman Park, and also several private lots. Right now our ordinance says that private property is not allowed for vending. You have a copy of their application, a copy of our ordinance, and a copy of the policy that was adopted in 1996. They are probably in line with all of those with the exception of private property so I would say not to consider the private property portion of it.

I am concerned, as well as the Chamber, about the number of vending permits that we're receiving. I feel at times they can be in joint conflict or in competition with businesses that set up shop and spend a lot of money to run those shops.

Ed Parvin, our senior planner, and our intern did some research for us. It is up and down how folks handle vending from just saying no to severely limiting vendors to an open situation. There are a lot of ordinances out there. In my mind, our ordinance is a little vague at times. I think the policy is dated. The policy seemed to be directed at a certain type of vending activity along the Boardwalk area for beach rentals, chairs, and what have you.

Yesterday, I had another request to do tattoos and toe rings at Freeman Park.

Mayor Pro Tem Gilbert made a motion to table this item until the June meeting. MOTION CARRIED 3-1 WITH COUNCILMAN MACON VOTING NO.

READDRESSING FOR 911 EMERGENCY SYSTEM

Mr. Parvin updated Council that we are in the process of doing some readdressing throughout the town. We brought this to you last April. The problem was we had a

history of issuing inconsistent addresses and 911 had difficulty finding some addresses in Carolina Beach.

Last year we adopted the Addressing Standards & Procedures Manual for New Hanover County and Wilmington. We are looking at creating maps and directories representing the new street numbers, which I am going to show you. This shows you four different sections of the town that we are looking at readdressing. Starting with Carolina Sands to Alabama, Wilmington Beach area will be the first section, then the main residential area, next the North End and R-2 area, and finally the commercial areas, marina business, highway business, and central business district.

For Area 1, we will be advertising on the town's website, Town Hall, Carolina Beach Library, and the Recreation Center will have advertisements, and there will be a news story in the Island Gazette. We are also going to put notes on the water bills that if homeowners are disabled or physically unable to change the house number this service will be provided by the town.

There are 77 parcels in the Wilmington Beach area with 174 owners that will be affected. Mr. Owens added we did eliminate the people who could go one way or another to keep their address the same. Mr. Parvin continued we are looking at sending letters out May 15th and have a deadline of July 15th for having those addresses changed. Phase 2, 3, and 4 are listed in Ms. Butler's April 27th memo. Mr. Harrell said we purposely chose the commercial areas as the last area to change addresses so it will be beyond the summer season.

Mr. Parvin said we will send out notices to Carolina Beach Public Utilities, New Hanover County Planning Department, New Hanover County 911, New Hanover County Land Records, GIS, Inspections, Post Master at Carolina Beach, and the property owner. That is everybody who needs the address change. They will physically change the address.

Mayor Clark clarified this is a safety issue.

CONSIDER APPROVAL OF ANNUAL CONTRACT FOR LANDSCAPING SERVICES

Barry Johnson with Johnson Environmental & Disaster Consulting Services said first I have the annual landscaping and maintenance contract recommendation. We went through a process of public notice and request for proposals. This was on the website under public notice for approximately 25 days. Contractors were given the opportunity through a pre-bid conference to discuss any concerns. As far as the annual landscaping contract, we contacted 32 local contractors. Six immediately responded that they wouldn't be putting in proposals.

Twenty-one days later we received only two. We went through these and recommend Paradise Lawn and Landscaping. They came in at the exact same bidding that they had

worked under during the previous season. Another bidder on the original look through the documentation definitely seemed significantly in access of Paradise. We received a call about three or four days after the event saying they made a mistake and explained that it should have been something else. All of sudden he was lower than the other contractor. This was a closed bid situation. In the contract documents, 4.07 negligence or error on the part of the bidder in preparing his bid confers no right of withdrawal or modification of his bid after time has been called. Basically that is what we are trying to say, even though we understand an error can be made if he wants to withdrawal his bid maybe we can recommend that because he was significantly lower than what he could accomplish the project for but to come and reduce his bid at that point in my opinion we have to go with the other contractor in play. Even under the evaluation, it was about a 4% savings. You have a contractor here that is doing a good job. Staff said the current contractor Paradise Landscaping did some extras for them through the year, additional spraying of fertilization, weed control, pruning, etc. which wasn't part of their original contract. That is part of our recommendation process as well. To staff and Council, we recommend that Paradise Lawn and Landscaping remain the contractor for those services.

Mayor Clark made a motion to approve Paradise Lawn and Landscaping to do our lawn maintenance for the following year. MOTION CARRIED UNANIMOUSLY.

CONSIDER APPROVAL OF ANNUAL CONTRACT FOR PAVING SERVICES

Mr. Johnson gave the annual paving contract recommendation. Again, we tried diligently to contact local contractors that waved the banner of asphalt and concrete paving services in the Wilmington, New Hanover, and Carolina Beach areas. Seventeen of these contractors were specifically called along with 21 days of review period for the public notice. Lots of people received the bidding documents but only two made it to the bid close. Those two are Surface Max, the current contractor and who has held the contract for approximately four years, and Southern Asphalt.

Southern Asphalt's bid came in on an average of 800% greater than Surface Max. Surface Max bid the same as last year⁴. There was a fair and equity question at that point which we did evaluate last year. In the asphalt business not only do they fuel their equipment they use a lot of oil in all base products, even down to the rock that comes in and costs more in that particular element. They had a significant raise in price last year but it was equitable and in line with the percentage of their materials cost. This year they seem to feel they have the correction in place and it will be the same rate for services again. Staff also discussed with them the productivity of that contractor and feels confident with them. They have done a good job and they would like to continue to utilize that particular contractor.

Councilwoman Efirm made a motion to award the annual contract to Surface Max. MOTION CARRIED UNANIMOUSLY.

CONSIDER A REQUEST FOR A VENDING PERMIT BY PAPA JOHN'S PIZZA TO VEND AT FREEMAN PARK

Mr. Parvin placed on the screen the criteria for vending. He said #5 is inventory must consist of items used for enjoyment of the beach subject to approval by the Town Council. All food products or beverages must be pre-packaged. Papa John's will be delivering pizzas to Freeman Park. I know Domino's was looking at doing something like this in past years. The only concern from the Health Department was that they were not going out there trying to sell additional pizzas while they were delivering pizzas. Another concern was #8 licensee must be able to demonstrate a capital investment associated with the vending operation in an amount not less than \$100,000. Papa John's does have a franchise on Carolina Beach Road but they do not have an operation here on the island. Number 9 they were asking for one license. Number 10 is the policy that they should be limited to three and we are over the three with Wheel Fun Rentals, Just Beachy Art Knowles, and Pleasure Island Rentals so it is inconsistent with that policy. Number 15 is they wanted to consider the hours of 11 a.m. to 1:30 a.m. but they also have in their application that they would be in agreement with their workday hours. Mr. Owens clarified that anybody who delivers or works in the town has to have a privilege license in Carolina Beach. He said I don't have a problem with deliveries per se but maybe I would with soliciting pizzas. They may need a New Hanover County privilege license as opposed to a town one but they would probably be wise to get on for the town in case they are within the first 1000 feet.

The direction was to handle this at staff level and say you are not allowed to vend pizzas out there but you can deliver with a privilege license.

CONSIDER A REQUEST FOR A VENDING PERMIT BY LALA'S SNOWBALLS TO VEND AT FREEMAN PARK

Mr. Parvin said the applicant is requesting to do vending on Freeman Park for shaved ice with specialty syrup sold from a 4 x 4 vehicle on the beach. Currently they do not have a capital investment here of \$100,000, which is the only criteria out of the policies that they do not meet. There have been over three licenses issued for vending. They want to operate from 12:00 p.m. to 7:30 p.m.

Councilman Macon made a motion to approve the vending permit for Lala's Snowballs. MOTION CARRIED UNANIMOUSLY.

REQUEST TO THE NEW HANOVER COUNTY COMMISSIONERS FOR FUNDING ASSISTANCE FOR LIFESAVING AND WATER RESCUE

Mayor Clark said that during the Tourism Development Authority meeting that was held in April, we unanimously voted for the Mayors to take a funding request to the New Hanover County Commissioners for lifesaving and water rescue funding assistance.

The funding for lifeguards previously came from the state through the county to the beaches as it was told to me. When the room occupancy tax (ROT) bill was passed, some saw that as the opportunity to fund lifesaving and lifeguards. The problem is we have been dipping into the activity fund of the room occupancy tax; which is designed to put heads on beds. There is the portion for promotions and advertising. The activity from Carolina Beach's side has been to fund the fireworks, movies, and a lot of money has been given to the Chamber to put on their different programs so the room occupancy tax fund is really going down.

On May 21st, we plan to take this to the county commissioners and we wanted a vote of confidence. Our lifeguards and water rescue are typically spending \$368,000. Room occupancy tax takes in \$257,000, so it doesn't even come close to funding the complete amount.

Mayor Clark said this is going to be a hard sell because I have talked to the commissioners about this before and they don't feel it is their position to fund lifeguards. They feel that is the beaches' position to fund lifeguards. We are going to tell them on our re-evaluation we are going to pay \$3.6 million dollars more than we paid last year. That equals 51% of our total general fund that we are going to pay to the county and we feel that we are not getting a fair share of what we are giving the county. You either rewrite the legislator rules on how property evaluations go or you ask for more services and we are going to ask for more services.

The expense for funding Carolina Beach lifeguards in 05/06 was \$368,000. We are going to ask for 25% of that amount. The 25% came about because there was a survey done by UNCW on where the visitors come from when they come to the beaches. It showed that approximately 28% come from New Hanover County, so that is where we came up with the 25% amount to ask for. We are going to ask for \$100,000 from the county commissioners to put in their budget to help fund our lifeguard and rescue program.

This came from the TDA. Each time I take a request for lifeguard money from the room occupancy tax funds, the hotel and motel owners say we really need to go to the county. We need to use this money for activity to put more heads on beds. I'm not saying they don't want lifeguards out there but they feel the county should help fund the lifeguard program.

We are doing Freeman Park rescues on an on-call basis and that is part of their program.

DISCUSSION CONCERNING ALLOWING MERCHANTS TO RECOUP COSTS ASSOCIATED WITH THE SELL OF EACH FREEMAN PARK BEACH PASS

Mayor Pro Tem Gilbert made a motion to allow local merchants to make 5% on the sale of each Freeman Park pass. MOTION CARRIED UNANIMOUSLY.

CONSIDER ADOPTING A RESOLUTION CONCERNING ECONOMIC IMPACTS AND BENEFITS OF CAROLINA BEACH INLET

Mayor Clark drafted a resolution to send to our Washington legislators looking for long term funding for our inlet. The Corps of Engineers reported that they need \$400,000 to complete two dredgings for our Carolina Beach Inlet.

I don't know if you received the e-mails from the fishermen out there but they are really concerned. At low tide you have a white cap all the way across the inlet. Some boats have turned back and some boats will only go out the inlet at low tide. The resolution I have drafted is to request a more sustainable way to fund the inlet from the Washington side. Normally dredging of the inlet is federally funded but this year Congress did not approve the budget so they are working on a continual resolution and operating on the '06 budget. The resolution is looking for the '08 budget.

The State of North Carolina said they are going to fund 75% of the cost to dredging the Carolina Beach Inlet. They would like the local portion of it to come from the county or the towns. We are short \$100,000. The Beach, Ports, and Inlet Commission is going to take the issue to the county commissioners on May 21st asking for the \$100,000.

A lot of the fishermen are putting pressure on the county commissioners to make this happen. Tonight I am asking you to approve the letter, which is looking for federal government help.

The letter is good timing because this week I received an e-mail from Howard Marlow our lobbyist in Washington. Right now in the proposed '08 budget from the House Appropriations Sub-Committee on Energy and Water Development, Carolina Beach is listed for \$1.3 million as a high priority for funding.

**Councilwoman Efird made a motion to adopt Resolution No. 07-894 (Exhibit 2).
MOTION CARRIED UNANIMOUSLY.**

DISCUSSION ON LOCATING ADDITIONAL WELL SITES AND BUDGET AMENDMENT FOR WELL TESTING

Mr. Pagley said there are three sites that have been approved for public water supply. I have the letter for the site behind the Food Lion at the State Park and I am waiting for the approval from the State Park. We promised them we wouldn't do a hundred foot of radius of clearing around there. We would do just enough to put the building and the well head in if there is good quantity and quality there. Our contractor has given us a break down of the cost to drill the three test wells. I am requesting Council to do a budget amendment from the Water/Sewer Fund into the Water, Professional Services Account of \$85,000.

Councilwoman Efird made a motion to approve the budget amendment of \$85,000 for the well testing. MOTION CARRIED UNANIMOUSLY.

CONSIDERATION OF A WATER CONSERVATION ORDINANCE

Mr. Pagley reported that with the help of the Operations Advisory Committee we put together a draft for Council to look at. Mr. Owens added that we would like for you to set a public hearing on this. It is typical of other communities; it's probably even modeled after another community. Public Water Supply likes to have these in place in case you had mechanical failure, a terrorism attack, or a need to conserve based on no rainfall. There are three different phases. We will go over this more at the public hearing in June.

Councilwoman Efird made a motion to set a public hearing for June 12, 2007 at 7:30 p.m. or soon thereafter. MOTION CARRIED UNANIMOUSLY.

DISCUSSION CONCERNING ROAD AND SIDEWALK MAINTENANCE PROJECTS

Mr. Pagley stated at the last Council meeting, Councilman Johnson requested that we look at some of the sidewalk improvements and cracks that occurred along Carolina Beach Avenue North and some ADA accessibility on Lake Park Blvd. I had the contractor break down and give prices for each of the intersections and so forth. The request is going to be for \$99,959 to do all the work. If you do not want to do all the work, you can do none of it or pick some of it.

Mr. Owens said his recommendation was to move forward on the repairs as soon as possible and we pursue the sidewalk improvement on 3rd Street. The other handicap accessible issues I think are very, very important but I think we might be able to pursue some funds through DOT possibly and through our legislators to split or assist in the cost. I talked to Councilman Gilbert about maybe pursuing a little harder to try to get some additional funds to help that process. Recently DOT did some work and I think they're not closed to doing some additional work.

MPT Gilbert said the hazardous areas need a priority. He thinks the ADA, and he has been lobbying for some discretionary DOT funds, and we can probably do some ADA and new sidewalk extensions where they end at one point, but the hazardous areas most definitely.

Mr. Pagley recommended that Council move forward with this even though we go to DOT because it is usually reimbursable.

Councilman Macon said he has been complaining about those ADA requirements in front of Hardees's and McDonald's for six years.

Councilman Macon made a motion to do all of the work in the amount of \$99,959 as presented by Mr. Pagley. MOTION CARRIED UNANIMOUSLY.

REQUEST TO TOURISM DEVELOPMENT AUTHORITY FOR TDA FUNDING FOR 2006/2007

Mr. Owens said before you is a request to consider sending to the TDA reimbursement for numerous items: 1) lifeguard salaries; 2) marina landscaping; and 3) personnel time for the Seafood Chowder Cook Off. Mayor Clark stated that is \$78,183 and Mr. Owens replied yes, sir.

MPT Gilbert made a motion to go forward with the TDA reimbursement for \$78,183 from the Tourism Development Fund. MOTION CARRIED UNANIMOUSLY.

ACCESS GRANT FINAL APPLICATIONS

Mayor Clark said Ms. Quattlebaum presented this under the consent agenda and it was approved at that time.

ISLAND WOMEN'S PROPOSAL FOR DEPARTMENT OF TRANSPORTATION FUNDS TO BEAUTIFY THE DOT RIGHT OF WAY ON LAKE PARK BLVD.

Mr. Owens said the Island Women have been promised \$50,000 for landscape improvements. In order to receive the \$50,000, they had to come up with a plan and a cost estimate that goes to DOT in June.

I want to get your endorsement because the town is going to be the pass through agency. These things aren't cut in stone. We are also looking at a project so we may combine our efforts. They have given their game plan and pictures of the areas that they want to improve. This will be total DOT funds. We are seeking your endorsement to move forward.

Mr. Owens said it is his understanding that they will do the majority of the work sometimes with our assistance but we will have to maintain it after it's done.

Mayor Pro Tem Gilbert made a motion to support the initiative as presented in this plan for beautification and the application of the DOT funds. MOTION CARRIED UNANIMOUSLY.

NON-AGENDA ITEMS

Mr. Owens said we have experienced some significant erosion during the last storm. Valita has taken some pictures. We have some before and afters of when we did the nourishment and how the beach looks today. We will probably take some more photographs tomorrow. I have forwarded them to the Council and the Corps of Engineers. I talked to Glen MacIntosh and he was interested in the pictures and he will forward them to his folks to give an update.

Each summer we need to do a beach profile and survey our beach. We're going to be doing that pretty soon. We will do a time line or snapshot of what the beach looks like in case there is a major event. Freeman Park was in bad shape this morning. One of the Mayor's friends got stuck out there and soon after that some of our employees got stuck out there too. We rode out there and looked at it and found it was a bad situation. We had some over wash up to the vegetation line. Hopefully that will resolve itself over the night and not be a problem in the morning. We will probably open it up again in the morning.

Mayor Pro Tem Gilbert added that he also went out there and he would say there is a catastrophic loss on the entire beach not just where we renourished. We're going to have easterly winds through the night and have somewhere between 7 and 12 foot seas. With our next two high tides, we're probably going to have more significant erosion. Some of our property owners are exposed right now. I think we really need to start talking about a contingency for funding this and getting this beach renourished. We did a partial renourishment. We have great sandbars and they protect us but we're losing that dune through this event and we're exposed with the coming hurricane season. We've gone seven years without thinking about the entirety.

Mayor Pro Tem Gilbert said there is an opportunity to bring some carnival entertainment to the Central Business District that could start from June to Labor Day. I would like to make sure that staff extends a hand to shepherd this through. What we don't have on the Boardwalk is a lot of those amusements that people miss. This is an opportunity to have a carnival down there. I hate to think that it is going to take months to approve something like this. Mr. Owens said we are meeting on that item tomorrow with the folks you have in mind. I have pursued it as well to see if there is a vendor out there to do the same thing. I got a positive response from the location and from the vendor as well. If someone from the public sector would rather do it, that's fine. Mayor Pro Tem Gilbert said I shopped this idea to a bunch of people and I would like to applaud the folks at the Blackhorn, Brett, Adam, and John for picking up this ball.

Mayor Clark said he was asked to write a letter of support for a Certificate of Need and Application from Luthern Service of the Aging to develop a nursing home in New Hanover County. Recently we lost our Neilson Nursing Home and they are asking Carolina Beach to support their efforts to build a nursing home in New Hanover County. There was no opposition to the mayor writing this letter so he said he would do that.

REQUEST FOR CLOSED SESSION TO DISCUSS REAL ESTATE OFFERS [NCGS 143-318.11(a)]

Mayor Clark made a motion to go into closed session to discuss real estate offers [NCGS 143-318.11(a)5]. MOTION CARRIED UNANIMOUSLY.

A motion was made by Councilwoman Efird to return to open session. **MOTION CARRIED UNANIMOUSLY.**

RECESS

Councilwoman Efird made a motion to recess to May 31, 2007 at 6:00 p.m. to present the draft budget for FY 2007/2008. MOTION CARRIED UNANIMOUSLY.

Respectfully submitted,

Lynn N. Prusa
Town Clerk

APPROVED: _____