

MINUTES  
OAK ISLAND TOWN COUNCIL  
ANNUAL RETREAT  
JANUARY 23, 2017 – 9 A.M.  
POLICE DEPARTMENT TRAINING ROOM

Present: Mayor Cin Brochure, Mayor Pro Tempore Loman Scott, Council members Sheila M. Bell, Charlie K. Blalock, Jim Medlin and Jeff Winecoff, Town Manager David Kelly, Assistant Manager/Town Clerk Lisa P. Stites, CMC, Finance Director Dave Hatten and Chris May, Cape Fear Council of Governments Director.

Mayor Brochure called the meeting to order at 9 a.m.

Mr. Kelly reviewed the agenda, and asked Mr. Hatten to review the 2<sup>nd</sup> quarter Financial Report, a copy of which is attached and is hereby made a part of these Minutes. Mr. Hatten discussed revenue collected thus far this fiscal year and projected revenues. The group also discussed the possibility of sales tax revenue distribution changes from the state legislature and the need to keep an eye on it. Increased building activity has caused an increase in fees collected; accommodations tax collection is also higher than projected. Mr. Hatten reviewed the Accommodations Tax and Beach Tax Fund; cash on hand in those funds is \$2.8 million in Accommodations Tax and \$993,000 in the Beach Tax Fund. Most of the capital outlay approved in the current budget has been spent; the truck for Development Services is the last item. There was \$437,000 previously approved that will carry forward for a/c units for the sewer system vacuum stations. There is also money accumulating for the membranes for the SWRF and other replacement items. Staff had a conference call with Standard and Poors Friday, and all is in place for the bond sale; the Town could save \$2.1 million by refinancing these bonds or an average of \$160,000 annual savings.

Mr. Kelly reviewed the capital items being requested in the 2017-18 budget, including new lights for the ball fields behind Town Hall, a redesign on the park property behind Town Hall, reorganization of the tennis courts, update of the Parks and Rec Master Plan, a greens mower for the golf course, tablets for Development Services staff, replacing one vehicle in Development Services (and then 2 in the following years), a new small SUV for Admin staff (and transfer the Admin SUV to the FD), repairs to Station 1 (Council discussed using money set aside to General Fund this year for those repairs if necessary) and two replacement police vehicles. Council had further discussion on the requested Fire Department vehicle and how many miles are generally logged per year.

Council took a brief recess from 9:41 a.m. to 10:02 a.m.

Mr. May worked with Council to generate a list of long-term goals. The following items were suggested:

1. annual assessment of all Town facilities
2. cameras on both bridges
3. live stream Town Council meetings
4. 'report a problem' software
5. beautification of island
6. food and beverage tax
7. fob for after hours' entry at the Rec Center
8. concert stage at Middleton park
9. inform Council of hot topics prior to agenda, committees not issuing press releases/reports

10. review street schedule maintenance process-more aggressive program (Mr. Medlin said there are some streets that are falling apart)
11. salary study
12. code enforcement issues, junk cars, dumpsters in right-of-way, etc.
13. crosswalks on Beach Drive
14. beach nourishment issues
15. paid parking
16. committee policy
17. narcotics taskforce position
18. tax district costs evaluation process regarding beach nourishment (members of the Beach & Inlet Committee interjected that a funding recommendation would be forthcoming)
19. better use of social media

Mr. Kelly said he would ensure Council is better informed of upcoming issues, and Item 9 is considered resolved.

Council combined Items 6, 8, 14, 15, 18 into #20, Beach Nourishment Revenue, combined 3 and 19 together into #19, and combined 4, 5, and 12 into #21, Code Enforcement Issues.

Council voted on the top 5 priorities, which are as follows:

1. Beach Nourishment Revenue
2. Code Enforcement Issues
3. Street schedule review
4. Committee policy review
5. Narcotics taskforce position

Committee charges: Ms. Stites explained what had been provided for Council. There are two proposed changes for Council consideration. One is a proposed charge for making the golf course committee a standing committee and the other is to revise the charge for the Environmental Advisory Board. Ms. Stites explained that when the Green Initiative, Tree City USA and Stormwater Advisory Boards were combined, it was to allow committees working on environmental issues to work together. She also noted that instead of reducing the number of meetings, the combination resulted in four meetings a month instead of three. Ms. Stites also said that the 'working group' concept of the Environmental Advisory Board made it impossible to ensure the Town complied with open meeting law. Since people could serve on the working group without being on the overall committee, there was no way to figure the quorum. Also, she noted that meant there could be people working on a committee without being appointed by Council, which seemed contradictory to the purpose of having advisory boards. Ms. Stites also said the proposed change was not intended to discourage anyone from helping the committee; there would still be opportunities to volunteer with the tree giveaway, etc.

**Councilor Medlin made a motion to approve the golf course committee charge as presented, Councilor Bell seconded and it passed unanimously.** Ms. Stites clarified that the motion included the terms as positions as indicated in the memo; Council agreed that it did.

**Councilor Bell made a motion to approve the revised Committee charge for the Environmental Advisory Board.** Councilor Medlin said he would like to see it pared down to 5 members over the next 3 years. **Councilor Bell amended her motion to include that provision. Councilor Blalock seconded and the motion passed unanimously.**

Mr. Kelly gave an update on our ongoing work with FEMA. We have a new contact person. All of our paperwork was turned in; Brunswick County's kickoff meeting was last week. FEMA has now agreed with our sand numbers and rounded up to 100,000 cy of sand for a project expected to cost approximately \$4 million. We will get that project ready to go out for bid and ask CAMA for an extension beyond May 1 so we can put sand on the beach prior to summer. Regarding the Pier, the insurance company will send an engineer to do an inspection. The Pier is closed for the season. Our engineer will do another inspection next week. We will continue to work with FEMA on potentially replacing the Pier; that would not include the Pierhouse or restaurant, but we will seek grant money for that. We have Johnny Martin working on the quantities etc. for a mitigation for the Sea Turtle Habitat project and are seeking that project through FEMA as well; we already have the letter from the Corps of Engineers that we needed to provide to FEMA. Tub grinding of debris is in the works and the material should be hauled off next week. We continue to stockpile sand and Mr. Martin is looking into having that sand cleaned; if we are delayed in the larger project because of the sea turtle season, Mr. Martin will look into whether we could put the stockpiled sand out on the beach in the worst areas. We are also already applying for the major CAMA permit for the Pier.

**Paid Parking:** Mr. Kelly said he reached out to one of the companies that had provided us a bid and they did not indicate there would be any major changes to the numbers they already provided. Mayor Brochure said that it didn't sound to her that there was enough money to be made. Councilor Scott asked who was willing to move forward on paid parking; he and Councilor Blalock are not in favor of pursuing it. Mayor Brochure noted that Council had researched the bids, looked at the numbers and done its "due diligence." Councilor Bell said that she is not in favor of it until it could bring in enough revenue. Councilor Winecoff said that if we can't make \$500,000 or more, the hassle is not worth it. Councilor Medlin said that considering the right-of-way parking issue was another factor. He was not willing to kill it at this point as there may be some other option to consider. Consensus was to not pursue it at this time.

**A-frame:** Mr. Kelly referenced plans provided for improvements/repairs that would need to be made to the building to make it usable. It would cost approximately \$325,000 - \$350,000 to make the repairs and build the addition. To build a new building, it would cost between \$250,000 and \$300,000. Mr. Kelly said that staff could request formal bids if Council wants them. Council discussed what the building could be used for and whether it was worth pursuing. Mayor Brochure said the A-frame had no historic value. Councilor Blalock said that he felt it would be better to tear it down it and possibly design something in the future.

**Mayor Pro Tempore Scott made a motion to tear down the A-frame. Councilor Blalock seconded and the motion passed 4-1 with Mayor Pro Tempore Scott and Councilors Bell, Blalock and Winecoff in favor and Councilor Medlin opposed.**

Mayor Brochure called the meeting back to order at 1:03 p.m. following a 1-hour lunch break.

Mayor Brochure and Councilor Winecoff will be the champions for Beach Nourishment Revenue. Councilors Bell and Blalock will be the champions for Committee Policy Review. Mayor Pro Tempore Scott and Councilor Medlin will be the champions for the narcotics taskforce. Mayor Brochure and Councilor Blalock will be the champions for Code Enforcement Issues and Councilors Medlin and Winecoff will be the champions for the street schedule review.

**Engineered beach funding:** The Beach & Inlet Committee meets Thursday and will make a recommendation. We should soon have numbers from Moffatt & Nichol so we know how much to plan for. Nags Head and Duck charged one amount to the whole town with additional amounts charged to the first row, second row, etc. Mr. Kelly said staff was working on some numbers, and would also put some

information on the new website, like a FAQ. Mayor Brochure said that in the new NC Beach & Inlet Management Plan, it seems the State is entertaining the idea of participating in funding beach nourishment. Mr. Kelly said that we would also meet with Holden Beach and start talking about sand sharing, etc. There was additional discussion about possible funding methods included in the new BIMP. Mayor Brochure also explained what the City of Southport recently adopted for a food tax. It would be a tax that everyone would pay, residents and visitors. Councilor Medlin said that his problem with it was that we would already be raising taxes, and the residents will see this as yet another tax increase on them. Mayor Brochure said that the tourists would pay the bulk of the money for a tax such as this. Councilor Winecoff said that he sees it as a long-term revenue source.

Authorization of the Issuance of Enterprise Revenue Bonds Series 2017: Mr. Hatten said this was the last step Council needed to take to sell the bonds. **Councilor Medlin made a motion to authorize the issuance and sale of Enterprise System Revenue Bonds-Series 2017 not to exceed \$37,000,000 and to authorize the execution and delivery of certain documents in connection within. Councilor Bell seconded and the motion passed unanimously.**

Budget calendar: **Councilor Scott made a motion to approve the budget calendar as presented, Councilor Bell seconded and the motion passed unanimously.**

Budget Ordinance Amendment: Mr. Hatten explained that this is for the HVAC at the Recreation Department, which is completely down. Money was moved out of Capital Reserve for the Recreation Center and for some fencing at the Skate Park. Councilor Medlin asked if anything was being done to find out who was putting holes in the fence. Staff will look into it. **Councilor Medlin made a motion to approve the Budget Ordinance Amendment as presented. Councilor Bell seconded and the motion passed unanimously.**

Councilor Medlin asked if the Ocean Education Center was truly utilized and wondered if it wouldn't make more sense to sell that property.

**Councilor Winecoff made a motion to adjourn at 1:36 p.m. Councilor Bell seconded and the motion passed unanimously.**

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Cin Brochure, Mayor

ATTESTED: \_\_\_\_\_  
Lisa P. Stites, CMC  
Assistant Manager/Town Clerk

*Clerk's Statement: Minutes are in compliance with the open meetings laws. The purpose of minutes per the open meetings laws is to provide a record of the actions taken by a Council or a Board and evidence that the actions were taken according to proper procedures. All actions of the Council are recorded in the official minutes. Not all portions of Town of Oak Island meetings are recorded verbatim in the official minutes, with general discussion items, reports, presentations, and public comments being paraphrased or summarized in many instances. Public comments in writing should be submitted to the clerk via hard copy, electronic mail, or other means so as to ensure an exact verbatim account. The Town of Oak Island provides full coverage of meetings on Government Channel 8 so that the Citizens and the Public may view and listen to the meetings in their entirety.*