

MINUTES
OAK ISLAND TOWN COUNCIL
PUBLIC HEARINGS & REGULAR MEETING
JUNE 13, 2017 – 6 P.M.
COUNCIL CHAMBERS - OAK ISLAND TOWN HALL

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 and Town Attorney Brian Edes.

Mayor Brochure called the meeting to order at 6 p.m. Councilor Jim Medlin gave the invocation and led the Pledge of Allegiance to the flag.

Mr. Edes said there were two quasi-judicial hearings tonight and one other Public Hearing. He asked everyone with comments to be patient and to be civil, refrain from profanity and to understand that the Public Comment period was not a time to engage Council.

PUBLIC HEARING 1: Mayor Brochure said the purpose of the Public Hearing was to receive citizens' comments on the proposed FY 2017-18 Budget.

Margaret Rudd Bishop, 47 Yaupon Way: Ms. Bishop said she had been coming here from the 1950s. She said that this place is what it is because of the beach. Even people who don't go to the beach like to see their children and grandchildren, and that they wouldn't come nearly as much if we didn't have the beach for them to see. She congratulated Council for having the grit to consider a 10-cent tax. She said she would be delighted to pay a tax.

Bob Germaine, 6610 Kings Lynn Drive: Mr. Germaine said we were at the point when we needed to do something to protect our town. He said the Town would go bankrupt if the first row were lost. He said a 10-cent tax would cost an extra \$100 for a \$100,000 home and \$1,000 for a \$1 million-home. He said that everyone would have to pay more to make up for the loss of the beach houses. He said he would rather pay the tax increase for the beach than make up for losing homes. There is also a cost for removing destroyed homes. Mr. Germaine said that these homeowners would walk away and leave the mess for the Town. He said the tax was actually an insurance policy.

Dara Royal, 216 NE 47th Street, written comments provided as follows: This morning I emailed to all of you a spreadsheet I developed from public documents showing the expenses anticipated and revenues available in 2017-18 for funding the Pier Rebuild Project, the M&N contract, DEC professional fees, the Wilmington Harbor Sand Management Plan, and the FEMA Emergency Dune Project. The bottom line is all on-going and proposed work to be completed in 2017-18 can be accomplished with over 5 million dollars to spare - without any additional ad valorem tax increase. While there may be additional financial obligations of which I am not aware, I cannot imagine them being in excess of 5 million. The question before you is how will you fund the completion of the FEMA Emergency Dune Project in 2017-18? A. Using funds from our public savings account (General Fund available Fund Balance) which will be reimbursed in the following budget year to that account, OR B. Using funds from an additional 10 cent ad valorem tax levied on individual private savings accounts which will never be reimbursed to those accounts. I encourage you to choose A. May I remind you that the primary purpose for General Fund available Fund Balance in the Town of Oak Island is to provide cash for storm related expenditures until the paperwork for FEMA reimbursement can be processed. And may I point out from the spreadsheet that using General Fund available Fund Balance to fund the completion of the FEMA Emergency Dune Project in 2017-18 will still leave more than 2.7 million dollars available in the event of another emergency over and above the 3 million dollars needed to maintain 25% of General Fund expenditures

per Town policy. I have shared this spreadsheet with David Kelly and Dave Hatten over the weekend, and I am confident they have been and will continue to provide you with a complete picture using the most up-to-date and accurate numbers for your consideration during your deliberations this evening. I offer these comments with highest regards, and I thank you for your consideration.

Glenn Baker, 110 NE 16th Street: Mr. Baker said that he understood the need for the beach, but he asked Council to consider the elderly citizens who are on a fixed income; even \$100 extra might put them under a severe economic strain. He said that there were people who would have to sell their homes if they had to pay more taxes.

Councilor Medlin made a motion to close the Public Hearing. Councilor Bell seconded and the motion passed unanimously. Action was taken later in the meeting.

PUBLIC HEARING 2: Mr. Edes explained the quasi-judicial process. Mr. Edes asked Council if any of them had a financial interest in the project, if they had any ex parte communication with staff or the applicant about the application, if anyone had seen anything during a site visit that would affect their decision, or if any of them had any reason they couldn't be fair and impartial and base their decision only on the competent evidence heard here tonight; none indicated in the affirmative. Mayor Brochure said the purpose of the Public Hearing is to receive citizens' comment on a request for a Conditional Use Permit (CUP) for contractor office, outdoor storage and display at 4912 E. Oak Island Drive. Ms. Stites administered the oath to all those who wished to speak during the hearing.

Planning and Zoning Coordinator Jake Vares gave a review of the CUP request, which was for a contractor office, outdoor storage and display located at 4912 E. Oak Island Drive; tax parcel number 235MM005. The Planning Board recommended approval and Mr. Vares said that he that he would recommend approval as well. The application/agenda item was admitted as Exhibit A. Answering a question from Councilor Medlin, Mr. Purser said that he would prefer to install a different fence material.

Councilor Bell made a motion to close the Public Hearing at 6:17 p.m. Mayor Pro Tempore Scott seconded and the motion passed unanimously. Mr. Vares asked Council to also adopt the Findings of Fact as well.

PUBLIC HEARING 2 ACTION: **Councilor Medlin made a motion to adopt the Findings of Fact on page 2 and to approve the CUP. Mayor Pro Tempore Scott seconded and the motion passed unanimously.**

PUBLIC HEARING 3: Mayor Brochure said the purpose of the Public Hearing was to hear citizens' comments on a request for a Conditional Use Permit for a dwelling in a principal business at NE 54th Street and E. Oak Island Drive. Councilor Bell asked to be recused from voting on this issue. **Mayor Pro Tempore Scott made a motion to recuse Councilor Bell. Councilor Winecoff seconded the motion.** Mr. Edes asked Councilor Bell, for the record, if she had a direct financial conflict. Councilor Bell said that she did not know that she had a direct financial interest but the applicant was her nephew. Mr. Edes asked if she felt she could not be fair and impartial; Councilor Bell said that was the case. Mr. Edes recommended she be recused. **The motion passed 4-0.**

Mr. Edes said the same questions asked earlier would apply; no one indicated any reason they could not be fair and impartial. Ms. Stites administered the oath to all those who wished to speak during the hearing.

Mr. Vares gave a review of the CUP application (Parcel # 235MP001). The applicant currently has a business on one side of the street and wants to rebuild on the other side of the road. The CUP application/agenda item was accepted as Exhibit A. Councilor Medlin clarified that the zoning is already commercial; the reason for needing the CUP was the living space planned on the upper floor.

Councilor Winecoff made a motion to close the Public Hearing. Councilor Blalock seconded and the motion passed 4-0.

PUBLIC HEARING 3 ACTION: Mayor Pro Tempore Scott made a motion to approve the CUP and the associated Findings of Fact. Councilor Medlin seconded and the motion passed 4-0.

PUBLIC HEARING 4: The purpose of the Public Hearing was to receive citizens' comments on a proposed amendment to 18-117 and 18-118 to change the oceanfront rear setback. There were no comments. Councilor Medlin made a motion to close the Public Hearing. Councilor Blalock seconded and the motion passed unanimously.

Mr. Vares explained that this might help clarify some of the ordinance. Anything seaward of the Army Corps of Engineers line is public trust lands. This ordinance amendment would clarify that the line serves as the rear setback line. Mr. Edes said that it would not change the legal definition of what is public property versus what is private property; this would be for setback purposes only. Councilor Bell clarified that whichever is more restrictive, the Development Line or the Corps Line, that would determine where the setback is.

PUBLIC HEARING 4 ACTION: Councilor Medlin made a motion to approve the text amendment and the associated consistency statement as presented. Councilor Bell seconded and the motion passed unanimously.

PUBLIC HEARING 5: Mayor Brochure said the purpose of the Public Hearing was to receive citizens' comments on proposed ordinance amendments to Sec. 18-252, 18-255, 18-264 regarding A-frame or sandwich board signs and feather signs. There were no comments. Councilor Medlin made a motion to close the Public Hearing. Councilor Bell seconded and the motion carried unanimously.

PUBLIC HEARING 5 ACTION: Councilor Medlin asked if there had been complaints or if we were just trying to keep from having complaints; Mr. Vares said it was the latter. Councilor Bell suggested changing the language to be more specific to how the signs would be measured. The language could be adjusted to say that it was no more than 12 square feet total combined. Councilor Bell said that her concern was that signs would be measured differently. Council and Mr. Vares discussed various options for the wording and what signs businesses could use. Councilor Blalock made a motion to adopt the ordinance amendment to Secs. 18-252, 18-255, 18-264 as written. Mayor Pro Tempore Scott seconded and the motion passed unanimously.

PRESENTATIONS, PROCLAMATIONS AND RECOGNITIONS (none)

ADJUSTMENT/APPROVAL OF THE AGENDA: Mayor Pro Tempore Scott made a motion to suspend the rules to move Old Business 2, Consideration of Action Regarding the Par 3 at South Harbour Golf Course, to immediately following the Consent Agenda. Councilor Medlin seconded and the motion passed unanimously. Ms. Stites asked Council to add an application from Thomas Craddock for the Emergency Services Advisory Board to the Committee Appointments. Councilor Bell made a motion to approve the agenda as amended. Councilor Winecoff seconded and the motion passed unanimously.

PUBLIC COMMENTS - GENERAL TOPICS & AGENDA ITEMS

Jim Cross, chairman of Par 3 Golf Course Committee and currently serving as greenskeeper in the absence of one: Mr. Cross said that he wanted to speak about operations and maintenance of the golf course. He had offered his services to help in this area and said a detailed study could help find ways to cut expenses. He said that there is a courteous Pro Shop staff, a small maintenance team and various volunteers and rangers. Turning the course over to another entity would be a recipe for failure. On the marketing side, he said he and the Committee wholeheartedly believed with Councilor Blalock's statement that additional marketing was needed. He said he hoped there would not be a motion to close the course operations down without additional study and review. The summer months are when the bulk of the revenue comes in.

Jean Brown, 5243 Minnesota Drive: Ms. Brown said that she hoped a proposal to defer action for 120 days would be passed. The property owners and residents of South Harbour sincerely hope to arrive at a mutually agreeable solution with the Town of Oak Island.

Vance Hamilton, 5094 Glen Cove Drive: Mr. Hamilton said that it had been about 10 years since he served on Council. He said he had sent Council and the Mayor an email and he hoped that Council would delay action. Mr. Hamilton said that South Harbour Village is a part of Oak Island, and that the residents there pay taxes to the Town. He said he also supported a beach tax and agreed the beach was needed. He said that the Town had a good deal with South Harbour because the residents there paid for a lot of the community's amenities. Mr. Hamilton said that South Harbour was offered the golf course, actually pressured to take the golf course, and the Association refused. The Town was offered the course and it was accepted with a Deed. He asked Council to remember those points when making a decision.

Adam Berkowitz, 5239 Minnesota Drive: Mr. Berkowitz said that he was pleased to buy a home on the golf course. He said that before buying his home he asked who owned the golf course and was told that the Town owned and operated it. Mr. Berkowitz said that to learn that the Town might break its promise is beyond disappointing. He said that he felt betrayed and deceived to know that he paid a premium on a home and that premium is now in jeopardy. By breaking the Town's promise, he said this Council is executing a bait and switch on all residents of South Harbour. He said that the proposed motion was "fraud and theft" of the South Harbour Village owners equal to approximately \$13 million. He asked Council to consider delaying action on the motion.

George Bryant, 5183 Minnesota Drive: Mr. Bryant said that he supported a delay of taking action on the proposed motion. He said that he believed it was the desire of the South Harbour residents to work with the Town to keep the course open and operating much as it is now. However, the residents will need time to consider changing their POA rules. He said that would also give the Town time to consider the true financial picture. He said that one example was the Pro Shop; this year's expenses for the Pro Shop were \$98,000 and the income was projected to be \$150,000. If the golf course were to be operated as such, why would Council want to give away \$52,000 in profit? He said there were areas where savings could be found. He said it appeared the motion was thrown on the table with very little thought or due diligence and that it needed careful review.

Renee Walters, 5130 Malinda Court: Ms. Walters said that she lived on Tee Box 3 and loved watching the golfers. She said the course was a perfect place to learn to play. She said that First Tee gives lessons there, and we need something for the children to do. This course offers a perfect opportunity for children to learn and grow.

Bob Gonzales: He said he agreed with what the last 3 people said.

Keith Mills, 5198 Minnesota Drive SE: Mr. Mills said that he had been coming here since 1994. When the Par 3 opened, he said he loved it even more. He said he is a ranger on the course, and he loved to help people golf. Mr. Mills said that having no control over access would make it a public safety hazard. One time, when a couple was playing golf, they almost hit some children playing soccer on the fairway. He also said the motion showed a lack of thought.

Steven Byrd, 5135 Malinda Court: Mr. Byrd said that he lived on a fairway, and that he saw families every day enjoying golf on a reasonably-priced course. He said that if it were promoted that it could at least break even. The closing of the course would bring down home values. Mr. Byrd said that the golf course had not been given a fair chance and it would be unwise to let it become a “weed field.” He said that he didn’t want to see politics interfere or a developer build houses on the land. Mr. Byrd said that he had spoken to people all day on the course and they were vacationing here from other areas and other states.

Jim Grever: Mr. Grever declined to speak.

Billie LeTendre, 132 NE 11th Street: Ms. LeTendre said the new Beach Preservation newsletter was out and she encouraged everyone to pick up a copy. The first aquarium program for the summer was last week, and it was a big hit. The next program is July 13th on shells. The group will set up at the Farmers Market a few Mondays as well.

Rosanne Fortner, 113 Paula Circle, written comments provided as follows: The Town has a lot of issues before it tonight, but I’m asking us to stop for a moment and look at the bigger picture of what is happening around us in the country. 1) There is an “emerging contaminant” called GenX in the Cape Fear River, courtesy of an unregulated chemical discharge upstream of the drinking water supply for Cape Fear Public Utility Authority. What goes into the Cape Fear comes out at Southport. Human health risks are not known, but early studies show tumors and death among test animals, and water uses are being carefully observed for signs of impact. a. Congressman Rouzer’s message to his constituents on June 12 says “My office has been in contact with the EPA in Washington to make sure they are on top of this...” Yet the Federal Budget request cuts 31% from EPA’s budget. Clean and safe water accounts for nearly half of EPA’s expenditures. b. The EPA is responsible for protecting human health and the environment, in that order. Protecting people from harmful chemicals in the environment requires STRENGTHENING the EPA rather than gutting it. 2) Sea Turtles are coming onshore for nesting. The hatchlings we send out to sea this summer will not come back to nest for 20-30 years, but some adults will be ready to lay their eggs next summer. UNLESS the reopening of leases for gas and oil exploration makes our waters and beaches unfit for, maybe deadly to, sea turtles. Clean energy sources are growing the number of jobs and the economic values of our region – more oil and gas exploration offshore will increase the risk of spills and loss of economic viability of our shoreline. TODAY there are 108 new jobs in renewable energy in NC. Stop drilling, protect turtles, increase 21st century jobs! 3) The Federal budget cuts about 17% from Commerce, primarily NOAA. The cuts would eliminate \$ 250 million in coastal research programs that prepare communities for rising seas and worsening storms, including the popular \$73 million Sea Grant program, which works with universities in 33 states. Sea Grant is the organization that sent us our erosion guest speaker Spencer Rogers, educates about rip currents, assists in oyster research and marketing, promotes coastal community resilience, does research on plastic contamination and sea turtles, and produces a \$570M impact nationally. Everyone is part of the environment and impacted by it. The president’s budget document asserts that these programs “primarily benefit State and local stakeholders,” making them a “lower priority.” 4) The President’s budget would cut roughly \$380 million and nearly 1,250 full-time positions from the Park Service’s current budget. The NC Coastal Federation reported this

week on research about the importance of NC's coastal national parks. The report from the National Park Service finds that national parks in the state's coastal counties contributed more than \$215 million in visitor spending to the state in 2016, supporting more than 3,400 local jobs. Cuts in NPS funding could damage the NC coastal economy. In 2015, the Town developed a Letter of Concern about the potential impacts on our economy of offshore seismic exploration and drilling. With other coastal towns we stood for the environment and the economy it supports. As a group of people with the common goal of protecting our coast and the way of life it offers us, it is time to speak out in an official capacity again, and the stakes are even higher. I call on Council to submit a Letter of Concern to our Congressman and Senators, opposing the Federal budget cuts that will impact our coastal economy and threaten our health and safety. Request that the EPA, NOAA and Sea Grant, and our National Parks be fully funded in the budget, rather than being cut or eliminated. The island's collective voice needs to be heard.

Kelley Germaine, 6610 Kings Lynn Drive, written comments provided as follows: Mayor and Town Council, two subjects tonight – 69th Place West Parking and Beach Nourishment. Regarding the 69th parking: • Before you add parking to 69th, you should first monitor the parking that is done in the West Beach and Kings Lynn parking lots. • There are spaces that could have parking bumpers and too often vehicles are parked taking up 2 spaces. • Evaluate the efficiency of the present configurations – both can be improved! • West Beach Parking Lot is capable of being expanded, too. • Importantly, before the “no parking signs” were placed, vehicles were parked all over. One of the last homes on West Beach on fire...fire engine came down Kings Lynn and could not get through. Had to go back to fork and back down West Beach to the burning house! Regarding the Beach Nourishment, I have 3 facts to state • A “new water inlet” was created by Hurricane Hazel in 1954, effectively cutting off the west end of Long Beach between 51st and 54th Place West. Today, that would be devastating to the utility and sewer infrastructures along the entire beachfront. Time and effort was spent on developing the new Land Use Plan...•The 2,000+ surveys returned considered our “BEACH” as the top asset. •The approved – by you – #1 Goal of the Plan is “In all decisions/actions, Oak Island will address the impact on its quality of life and maintenance of a ‘family beach’ atmosphere.” If there's no beach left...guess we don't have to worry about this anymore! You need to represent all property owners that pay taxes to the Town of Oak Island, not just some. Thank you and I hope you do the right thing.

Steve Foster, 6634 Kings Lynn Drive: Mr. Foster said that there had been two major fires at the west end; parking does cause a problem for emergency vehicles to get through. Due to the public safety issue, he said it would not be a good idea to put parking on 69th Place West as it was the last place to cross from Beach Drive to Kings Lynn. He also said the Town needed a policy on parking to look at the overall parking issues. Mr. Foster said this was closest beach for 30,000-40,000 people in the surrounding communities. Mr. Foster also said that just adding more spaces would not fix the problem. He said the answer would be to come up with a credible parking plan. He asked Council not to turn 69th Place into parking.

Bettie Thorne, 2501 E. Beach Drive: Ms. Thorne urged Council to take the first step tonight to fund beach nourishment by either implementing a 10-cent tax or appropriating money from the General Fund. She didn't think it could wait any longer.

Barry Golub, 6615 West Beach Drive: Mr. Golub said Council had two main functions – to protect the health, life and liberty of citizens and to protect property. The only way to protect the property for all the citizens is beach nourishment and the only way to get beach nourishment is to pay for it ourselves. He said we're a year later now and we are no closer to getting any additional funding. The only way to pay for it is to tax. Without the beach, the property values will be in the toilet, or in the ocean. He said that all services would suffer and cost more, even trash collection. He said we need to take action. He said this

was a difficult decision but it needed to be made. He said we need beach nourishment and we need to pay for it.

Council Reports:

Councilor Winecoff spoke about the latest trip to Raleigh. He said that the conversations we had with legislators went very well and that we were being heard. He also thanked everyone for coming to the meeting tonight and sharing their opinions.

Mayor Brochure said that the State Senate did start a fund for shoreline protection and mitigation and now it has gone to the House to be funded.

Council took a brief recess from 7:14 to 7:28 p.m.

REGULAR MEETING:

I. CONSENT AGENDA

1. Approval of Minutes
 - a. April 26, 2017 (Special Meeting)
 - b. May 9, 2017 (Public Hearings & Regular Meeting Meeting)
 - c. May 23, 2017 (Special Meeting)
2. Acceptance of Christopher Reeve Foundation Quality of Life grant (for purchase of beach wheelchairs with no matching funds required)
3. Authorize Staff to Apply for Grant for dog park (no matching funds would be required)

Councilor Blalock made a motion to approve the Consent Agenda. Councilor Medlin seconded the motion and it passed unanimously.

Consideration of Action Regarding the Par 3 at South Harbour Golf Course: Mayor Brochure said that she wanted to make clear that the motion did not state that the golf course would not be maintained; the motion in fact called for staff to continue to maintain it or for maintenance to be outsourced. The Mayor encouraged anyone who had questions about what was actually being considered to call her or the Council members. Ms. Stites noted that the motion was originally made at the May 23 meeting, was tabled to the June 5 meeting and was on the agenda tonight for Council's consideration. Councilor Bell said that she understood there was a meeting with elected officials and representatives of the Property Owners Association (POA). Mayor Brochure said she and Mayor Pro Tempore Scott had met with them. She said she thought it was a productive meeting and she hoped that a solution would be found. Councilor Bell said she didn't know how much the memberships cost, but she learned that there were 18 memberships held by South Harbour residents, and that of all the people who spoke this evening, none of them were members. Councilor Bell said she wanted to amend her motion to add an effective date 120 days from tonight. The Mayor and Mr. Edes asked the audience to come to order. Mr. Edes said that there are a few things the POA is willing to look at or other options to consider that might be palatable to the Town and that according to their notice rules, they need 120 days to make that happen. Mr. Edes said his recommendation would be to table the motion for 120 days. **Councilor Bell made a motion to table the motion for 120 days from tonight. Councilor Winecoff seconded the motion and it passed unanimously.**

II. COMMITTEE APPOINTMENTS

1. Emergency Services Advisory Board (two terms ending June 2020): **Council re-appointed Reece Simmons and Tommy Craddock to the Board.** Applicant Chris Becker was not appointed.

2. Par 3 Golf Course Committee: **With votes from Mayor Pro Tempore Scott and Councilors Bell, Medlin and Winecoff, John Bach was appointed to a term.**

III. ADMINISTRATIVE REPORTS

1. Town Manager: Mr. Kelly said that the Town had received \$391,000 from FEMA to date. There is also a project in the amount of \$759,000 for the Pier from FEMA. We are appealing that for more as that covered just the end that was lost. We are applying for \$1.3 million in grants. The FEMA Emergency Dune Restoration Project was increased by \$1.8 million.
 - a. Department Reports: Department reports are attached and are hereby made a part of these Minutes.
2. Town Attorney: Mr. Edes said that the Nies vs. Emerald Isle case; the U.S. Supreme Court had invited Emerald Isle to file a response, so that Court may take the case. He said he would keep Council informed.

IV. OLD BUSINESS

1. Consideration of Contract with McAdams (stormwater): Mr. Edes suggested changing the insurance and indemnification clauses. He said that he would work that out with their attorney. **Councilor Medlin made a motion to approve the contract with McAdams Environmental Construction in the amount of \$428,538 for installing a new stormwater system for the Town Hall and Police Department complex, to include the corrections to be made by our attorney. Councilor Bell seconded the motion and it passed unanimously.**
2. Consideration of Action Regarding the Par 3 at South Harbour Golf Course: this item was handled earlier in the meeting.
3. Consideration of a Contract with Moffatt & Nichol for Engineering Services to Provide a Beach Plan: **Councilor Winecoff made a motion to approve the contract with Moffatt & Nichol. Councilor Medlin seconded and the motion passed unanimously.** Ms. Stites clarified that the contract would come in two separate pieces but that the overall amount would be the same, and that the Manager would have the authority to sign those; Council consensus was in favor.

V. NEW BUSINESS

1. Consideration of the FY 2017-2018 Budget
 - a. Consideration of the FY 2017-2018 Budget Ordinance (including the tax rate): Councilor Medlin said that we had hired two financial consultants and they offered similar advice. He said that Doug Carter has advised Council not to take money from reserves. He said that Hurricane Matthew caused only mild damage, and there was no damage to our infrastructure. He said we would need money in fund balance in the event there is another storm. **Councilor Medlin made a motion to follow Doug Carter's suggestion to raise taxes 10 cents in the FY 2017-2018 budget and earmark that money for beach nourishment and go into a beach fund. The motion died for a lack of second.** Mayor Pro Tempore Scott said that he had a plan to consider. He suggested starting with a 2-cent tax this year. That would generate \$484,000 and change. We could use that money to get the project going immediately. We could use money in the General Fund Reserves for the Wilmington Harbor Project and that would still leave us with \$6,523,000 and change. He said they could direct staff to begin the assessment process, spreading the assessment over 4 years, which would ease the burden a little on taxpayers. In 4 years, we will have paid off the General Fund debt on capital projects, which would give us \$1.6 million extra a year that we can then roll into the sand fund, and in the meantime, we can continue to look for possible funding through the County, State, and Federal governments. **Mayor Pro Tempore Scott made a motion to approve the FY 2017-18 budget as amended with a 29-cent ad valorem tax for the General Fund budget and a 2-cent ad valorem tax with that money to be transferred to the sand fund for a total ad valorem tax rate of 31 cents. Councilor Winecoff seconded the motion for the purpose of discussion.** Councilor Bell asked Finance Director Dave Hatten if those numbers were correct; he said they were. Councilor Winecoff said

that one of DEC's recommendations was the 10-cent tax increase, but that the money could be raised another way. He said that staff had done an "outstanding job" trying to put together a \$40 million project with the least impact on the taxpayers, and he commended them for the work they were doing. He said that he thinks we're on our way to doing the project. Councilor Blalock said that he agreed with Councilor Winecoff and that what Mayor Pro Tempore Scott suggested was a good start. Councilor Winecoff said that we were also looking at how to maintain the beach after the initial project. He said there would be a 4-cent tax for 6 years and a very small assessment for the \$23 million needed for maintenance. He said he thinks that everything that has been put in place. Councilor Medlin said that he thinks this is the wrong way to go. He said there would be assessments on top of assessments and he thought it made better sense to increase the tax and let everyone get adjusted to it; people would either pay now or pay later. **The motion passed 4-1 with Mayor Pro Tempore Scott and Councilors Bell, Blalock and Winecoff in favor and Councilor Medlin opposed.**

b. Consideration of the Pay Classification Scale: **Councilor Winecoff made a motion to approve the Pay Classification Scale as presented. Councilor Bell seconded the motion and it passed unanimously.**

c. Consideration of the FY 2017-2018 Fee Schedule (including the Sewer District Fee): **Councilor Medlin made a motion to approve the FY 2017-2018 Fee Schedule (including the Sewer District Fee). Councilor Winecoff seconded and the motion passed unanimously.**

2. Consideration of Changing the July Regular Meeting Date: **Councilor Winecoff made a motion to amend the list of regular meeting dates by changing the date for the July meeting to July 13 (Thursday). Councilor Blalock seconded and the motion passed unanimously.**

3. Consideration of Parking on 69th Place West: Mayor Brochure said over Memorial Day weekend, there were numerous complaints about parking issues on the west end. Councilor Blalock said that we need an overall assessment of our parking. He asked staff to provide an in-depth parking assessment. Councilor Medlin said that there are other things we can do to help alleviate some of the problem; pulling the parking signs at 69th Place West or at Yaupon Dunes was a knee-jerk reaction. There were places that we could add spaces. He also asked how many more years Council was going to talk about this and said that one of the pieces of the pie was going to have to be paid parking.

Closed Session: Councilor Bell made a motion to Consult with the Town Attorney on Pending and Potential Litigation and to Discuss Specific Personnel at 7:53 p.m. pursuant to N.C.G.S. 143-318.11(a)(3) and (6). Councilor Blalock seconded the motion and it passed unanimously.

Council returned to open session at 8:09 p.m. Mayor Brochure said that no action had been taken in Closed Session. **Councilor Bell made a motion to adjourn. Councilor Blalock seconded and the motion passed unanimously.**

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.