

MINUTES
OAK ISLAND TOWN COUNCIL
REGULAR MEETING
JULY 10, 2018 – 6 P.M.
OAK ISLAND TOWN HALL – COUNCIL CHAMBERS

Present: Mayor Brochure, Mayor Pro Tempore Loman Scott, Council members John W. Bach, Sheila M. Bell, Charlie K. Blalock, and Jeff Winecoff, Town Manager David Kelly, Town Attorney Brian Edes and Assistant Manager/Town Clerk Lisa P. Stites, MMC.

Mayor Brochure called the meeting to order at 6 p.m. and explained the format of the meeting. Councilor Blalock gave the invocation and led the Pledge of Allegiance to the flag of the United States of America.

Rosanne Fortner, here for the Oak Island Beach Preservation Society, spoke about the weekly flash mob beach sweep and relayed the dates for Oak Island's flash sweeps. Everyone was encouraged to participate.

Presentation from Johnny Martin with Moffatt & Nichol on the recent FEMA Emergency Dune Project, the current Wilmington Harbor dredging/sand placement project by the Corps of Engineers, the Sea Turtle Habitat Restoration Project, and the work being done on the Master Plan: A copy of Mr. Martin's presentation is attached and is hereby incorporated as part of these Minutes. Temperature and color monitoring from the Dune Restoration Project will continue bi-weekly through September 1. The Wilmington Harbor Dredging/Sand Placement Project is putting a 125-foot berm on the beach; that project should finish up mid-July. From the Town line to SE 77th Street, approximately 200,000 cy has been placed; another 250,000 cy will be placed from 77th to 63rd East. The Sea Turtle Habitat Restoration Project was not able to be included with the Wilmington Harbor Project. The goal is to do that project in the winter of 2019, and it will cover approximately 63rd East to 19th East. It is an \$8 million project (FEMA reimbursement). Mr. Martin said that every smaller project the Town does will hopefully mean a smaller Town-financed project. For the work on the Master Plan, Mr. Martin said that the Town had begun discussions with Brunswick County and Holden Beach regarding sharing sand from the Lockwood Folly Inlet. He said that they were also investigating other sand sources as well, including the Yellow Banks (with more intensive testing for rocks), and Frying Pan and Jaybird Shoals. The next steps will be to concentrate on the Sea Turtle Habitat project slated for the winter of 2019 and work on the permitting for the overall nourishment project. There will be more specific numbers to review later this year.

Paid Parking: Mayor Brochure said that there was not a presentation for this, but that Council would be considering implementing paid parking.

Water/Sewer Rates: Mr. Kelly said that the Town has changed billing for the Sewer District Fee (SDF); it will be on the tax bill for all property owners without a credit for developed lots, and the monthly rates have been proportionately lowered. He said that the SDF will still go toward debt, not operations or maintenance. Mr. Edes added that the SDF revenue had always gone toward debt.

Mark Donovan, 5526 E. Beach Drive: Mr. Donovan said he understood the current sand project was supposed to stop at 63rd Street and at his access, the high tide is on the berm, and he asked if it would be going further down the beach. Mr. Martin explained that the project was a Corps of Engineers dredging project. He explained the 6-year cycle with sand going to Bald Head two times and sand going to Caswell Beach/Oak Island the other time. The Town pledged \$3 million to the Corps' project to be able to get sand in our town limits. Mayor Brochure also noted that the Town had no say in the timing of the project.

Lynn McDowell, 6407 Tortoiseshell Court: Ms. McDowell said that the last couple of projects did not seem successful as sand washed away rather quickly. She asked what would be different with the master nourishment project. Mr. Martin explained the limitations of the FEMA Emergency Dune Project, and

that the Town could only put out 6cy of sand per linear foot. One of Oak Island's problems is that there is really no berm. A full project would put both a berm and a dune. The berm pushes out the water so there is some recreational beach. The berm being built now is at a level 6, and our high tide is usually at a level of 1.1. The nourishment project will add berm so the dune is not attacked. Ms. McDowell asked if there was data on how quickly the berm washed away. Mr. Martin said the last large project was the harbor deepening in 2001, which added 250 feet of berm, 17 years ago. With the future nourishment project, the berm will be built so that it will hopefully be 6 years before needing maintenance. The Town will be given options for levels of protection, costs, etc.

Lynn Gullidge, 126 SW 5th Street, asked about the credit not being applied to improved properties on the tax bill and the cost on the water bill being reduced. She also asked if it was a fee, an assessment, or a tax. Mr. Edes said that the SDF is a fee, by statute. Mr. Kelly said that the rates had been lowered by 35%. The SDF was always established to pay debt. He agreed with Ms. Gullidge's statement that it was essentially a bookkeeping change. Ms. Gullidge asked when the debt for the sewer system would be paid in full; Finance Director David Hatten said he thought it would be 2032. Mr. Hatten also said that the average sewer system user would save approximately \$20 over the course of the year. Councilor Bell said that instead of paying it every month with the water bill, owners of improved property would pay the SDF on the tax bill.

Cheryl Cook, 4803 E. Yacht Drive, asked when the Town would start making significant changes to fund the beach nourishment, which we all know we have to have. She said she didn't see anything happening as fast as the need for nourishment. Councilor Winecoff said that the Town has been working to get money, from FEMA, from the State, toward projects as much as possible. He said they continue to look at other revenue sources, such as considering paid parking and looking for revenue from the Pier complex businesses. He said that they could possibly do a Municipal Service District set up next year. When asked if that would raise enough funds, Councilor Winecoff said he hoped they would raise \$10 million annually.

Bob Carpenter, 126 NE 36th Street, asked about the rate decreases, saying that the \$20/year savings don't outweigh the extra \$50/month for the annual SDF. Councilor Bell explained how the billing would work. Mr. Edes said that the SDF had already been part of the sewer rates.

Pam Johnson, 101 NE 28th Street, said the beach was going to erode and there was nothing we could do to stop it. She asked when we would look at the building on the beach and not allow someone to rebuild if they lose their house. Mr. Edes said the 5th Amendment to the U.S. Constitution prevents a taking of property. No entity can take property without just compensation. He said there can't be a blanket rule that houses can't be rebuild following a storm unless the Town wants to write a bunch of checks to property owners. Councilor Winecoff asked if the Town's dune protection ordinances weren't some of the strictest in the State. Development Services Director Steve Edwards said that the Town did have a strict set of rules for protecting the secondary dunes. Mr. Edes said that again, that still allowed for a reasonable use of the property.

Jim Hambacher, 3702 E. Dolphin Dr., asked where the sand goes that we lose. Mr. Martin said that they can tell that the material generally moves from east to west, and also onshore to offshore. Depending on the day, it could go any direction, but the net is from east to west. As sand starved as the island is, there is not a lot of recovery of sand in the summer right now. Mr. Hambacher asked about the municipal service districts that would be set up for funding beach nourishment, saying that property owners on the beachfront already paid a higher premium for taxes due to the location. Councilor Bach said that he is impatient with the lack of urgency for tackling this issue. He said the financing is yet to be determined and there are competing opinions. Councilor Bell said that, as a former tax collector, she could say that a \$600,000 house on the waterway and a \$600,000 house on the beachfront pay the same tax rate.

Ted Bodenschatz, 201 Ocean Drive, complimented Council for at least taking another look at paid parking. He said that last year, he did a survey about paid parking. Less than 25% of the respondents from the town were opposed to paid parking. He said that more than 80% felt it was unfair to make Oak Island residents pay for beach nourishment without sharing the burden with people who come and use the beach on a fairly regular basis. He encouraged Council to move forward to implement it as quickly as possible.

Mary Ann Fox, 101 NE 51st Street, asked how paid parking would be set up. She also said that a long time ago, when houses were washed away by storms, she thought Oak Island would not let people rebuild. Mr. Edes said that there has never been a blanket rule that houses can't be rebuilt. There is a FEMA program that would allow relocation of a house. There are a lot of other factors that constrict building. Mr. Edwards said that the storm was likely Hurricane Floyd in 1999. Following the storm, the State rule for rebuilding was that there needed to be 60 feet of property from the stable natural vegetation, and at the time, it just wasn't there. There was renourishment in 2000 and 2001. In 2016, there was a State rule change that allowed the Town to implement a development line; there still has to be 60 feet of land from the stable natural vegetation. Regarding paid parking, Councilor Winecoff said that no one wants to see meters all along the beach and that he believed residents would still be able to park for free. Councilor Bach said that he believed paid parking was inevitable and necessary and that Council was taking another look at it.

Pam Johnson, 101 NE 28th Street, encouraged Council to pursue paid parking as a revenue source. Ms. Johnson also said that there were major drug dealers in Oak Island and that law enforcement officers know who they are and don't do anything about it. She said that foreign drug cartels were here. She said that there is a problem if the Town's police force has been told that we don't have the resources to address it.

Jim Aroner, 122 NE 34th Street, asked if there were other beach solutions considered for the beach, such as jetties, etc. Mr. Martin said that in North Carolina, the only structure that was allowed was a terminal groin, which is essentially a short jetty. One of the components of the Master Plan will be a study as to whether a terminal groin would be effective at the west end of the island.

Approval of the Agenda: Councilor Bach removed Item 2 from the Consent Agenda. Councilor Bell added Final Plat for the Lucas Cove subdivision to the agenda for discussion. **Councilor Bach made a motion to approve the agenda as amended. Councilor Blalock seconded the motion and it passed unanimously.**

Consent Agenda:

1. Approval of Minutes
 - a. June 12, 2018 (Public Hearings & Regular Meeting)
 - b. June 15, 2018 (Special Meeting)
2. ~~Approval of Amendments to Sec. 1-7(e), 28-10.1, 28-10.2, 28-10.3, 28-39 (parking ordinances)~~ – removed from Consent Agenda
3. Approval of Amendments to Fee Schedule
4. Authorize Participation in Brunswick County's RFP Process for Debris Collection and Monitoring Contracts
5. Authorization to Request an Amendment to the Development Line
6. Approval of Easement for AT&T

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

Approval of Amendments to Sec. 1-7(e), 28-10.1, 28-10.2, 28-10.3, 28-39 (parking ordinances): Councilor Bach asked about 28-10.1(e), and how that would be enforced. Councilor Bach said that he has seen examples on his own street of where damage to the street was not corrected following construction. He asked if there was an inspection process following construction. Mr. Edwards said that contractors are

expected to report any damage prior to construction; they are held responsible for any damage following construction and there is an inspection done. Councilor Bach said he would rest easier if staff took those pre-construction measurements. **Councilor Bell motion to approve the amendments to Sec. 1-7(e), 28-10.1, 28-10.2, 28-10.3, 28-39. Councilor Blalock seconded the motion and it passed unanimously.**

Final Plat for Lucas Cove: Planning and Zoning Coordinator Jake Vares said that the developers of Lucas Cove have presented a final plat for approval. Mr. Vares said the as-built surveys for the infrastructure have been provided. Once the final plat is approved, it must be recorded at the Register of Deeds within 90 days. Councilor Bach asked if the final plat was consistent with the preliminary plat; Mr. Vares said it was. **Councilor Bach motion to place the final plat on the Consent Agenda for the August meeting of the Town Council. Councilor Bell seconded the motion and it passed unanimously.**

Administrative reports: Mr. Kelly said the Pier project continues as does the Pierhouse remodeling. At the 801 Ocean Drive property, he has had the heating, plumbing etc. checked. He is working on the RFP for the Pier restaurant.

Councilor Bach made a motion to go into Closed Session at 7:24 p.m. to Consult with the Town Attorney on Pending Litigation and to discuss Land Acquisition pursuant to N.C.G.S. 143-318.11(a)(3) and (5). Councilor Bell seconded the motion and it passed unanimously.

Council returned to open session at 7:52 p.m. Mayor Brochure said that no action had been taken in Closed Session.

Mayor Pro Tempore Scott made a motion to authorize the Town Manager to make an offer to purchase 604 Ocean Drive for \$710,000. Councilor Bell seconded the motion and it passed unanimously.

Councilor Bell made a motion to adjourn at 7:52 p.m. Councilor Bach seconded the motion and it passed unanimously.

Cin Brochure, Mayor

Attested: _____
Lisa P. Stites, MMC
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.