

MINUTES  
OAK ISLAND TOWN COUNCIL  
PUBLIC HEARINGS & REGULAR MEETING  
DECEMBER 11, 2018 – 6 P.M.  
COUNCIL CHAMBERS - OAK ISLAND TOWN HALL

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, Assistant Manager/Town Clerk Lisa P. Stites, MMC and Town Attorney Brian Edes.

Mayor Cin Brochure called the meeting to order at 6 p.m. Mayor Pro Tempore Scott gave the invocation and led the Pledge of Allegiance to the flag.

PUBLIC HEARING I: Mayor Brochure said the purpose of the public hearing was to receive citizens' comments on the System Development Fee Report prepared by McGill Associates (available on the Town's website at [www.oakislandnc.com](http://www.oakislandnc.com)). This report contains a calculation of the maximum fees that can be charged for Water and Wastewater for new developments in the Town. There were no public comments.

Jim Bourey, Director of Management Services for McGill Associates, gave a presentation on the System Development Fee the firm prepared for the Town. A copy of the report is attached and is hereby incorporated as part of these Minutes. Mr. Bourey said that he knew it would be a bit confusing as the System Development Fee has the same acronym as the Town's oft-referred to Sewer District Fee (SDF). Mr. Bourey said that preparation of the report was mandated by State law. The report analyzes the maximum fees the Town can charge to tie into the water and sewer systems. He said the report should be updated at least once every five years. Mike Ballard, also with McGill Associates, spoke about the methodology used to prepare the report. Mr. Ballard said that the Town had the capacity to meet the needs for the study time period, and would not have a lot of future capital needs. He also reviewed what the fees collected could not be used for. The fees are to be based on costs for the infrastructure itself. The existing water fee for a 3-bedroom residential unit is \$2,892, and the corresponding sewer fee is \$3,107, or a total of \$5,999. Mr. Bourey said that these numbers were based on what the Town could charge, not what the Town has to charge. Mayor Brochure reminded Council that the only action to take tonight was acceptance of the report, not changing the fees; Council will consider possible fee schedule amendments at a future meeting. Councilor Bach asked if the assumptions used were that we had more than enough capacity and that additional capacity was not needed; Mr. Ballard said that was correct. Councilor Bach asked if that did not take into account the building boom we're experiencing. Mr. Bourey said that they were not saying that's what all the houses would be, but that a 3-bedroom was standard use across the state. He said that the numbers were based on actual flow, however. Mr. Kelly said that the numbers we currently use account for additional bedrooms over the standard three bedrooms. **Councilor Bell made a motion to close the Public Hearing at 6:17 p.m. Councilor Blalock seconded the motion and it passed unanimously.**

PUBLIC HEARING I ACTION: **Councilor Bell made a motion to accept the System Development Report from McGill Associates. Councilor Blalock seconded the motion and it passed unanimously.**

PUBLIC HEARING II: Mayor Brochure said the purpose of the public hearing was to receive citizens' comments on a proposed amendment to modify the text in Section 10.104.1 and Section A.3 Definitions, to adjust the ordinance requirements for *Fill*, and to remove the image/illustration for the building height

definition. There were no Public Comments. **Councilor Bach made a motion to close the Public Hearing at 6:18 p.m. Councilor Bell seconded the motion and it passed unanimously.**

PUBLIC HEARING II ACTION: Answering a question from Councilor Bell, Development Services Director Steve Edwards this was an actual change, not just a clarification. **Councilor Winecoff made motion to approve text amendment in Section 10.104.1 and Section A.3 Definitions, to adjust the ordinance requirements for Fill, to remove the image/illustration for the building height definition, and to adopt the associated plan consistency statement. Mayor Pro Tempore Scott seconded the motion and it passed unanimously.**

PUBLIC HEARING III: Mayor Brochure said the purpose of the Public Hearing was to receive citizens' comments on proposed amendments to Section 5.3, to adjust the ordinance requirements for Minor Subdivisions, and to mandate a 2-year period before another minor subdivision can be applied for on the same tract/parcel. There were no Public Comments. **Councilor Bell made a motion to close the Public Hearing at 6:19 p.m. Councilor Bach seconded the motion and it passed unanimously.**

PUBLIC HEARING III ACTION: Councilor Bell asked Planning and Zoning Administrator Jake Vares to explain the recommendation. Mr. Vares said that the previous zoning ordinance had included language for minor subdivisions that limited the number of times a minor subdivision could be done on a piece of property. **Councilor Bell made a motion to approve the proposed text amendment and to adopt the associated plan consistency statement. Councilor Winecoff second the motion and it passed unanimously.**

PUBLIC HEARING IV: Mayor Brochure said the purpose of the Public Hearing was to receive citizens' comments on a clarification of an amendment made to Sec. 32-76. - Tree and vegetation guidelines, to clarify the caliper of trees to be saved.

Lynn Gullede, 126 SW 5<sup>th</sup> Street: Ms. Gullede said that this clarification was needed. Ms. Gullede also thanked the Planning Board and the Environmental Advisory Board for recommending this as well. She said that balancing the setbacks, parking requirements, tree requirements, stormwater requirements, etc., mean additional costs for the consumer.

**Councilor Bach made a motion to close the Public Hearing at 6:22 p.m. Councilor Blalock seconded the motion and it passed unanimously.**

PUBLIC HEARING IV ACTION: **Councilor Bach made a motion to approve the proposed amendments to Secs. 32-31.1, 32-72, 32-76 as presented and to adopt the associated plan consistency statement. Councilor Blalock seconded the motion and it passed unanimously.**

Mr. Edes said regarding Public Hearing I, the motion Council made was to accept the report. He said the statute says the motion should be to "adopt" the report. **Councilor Bell made a motion to adopt the System Development Fees analysis from McGill Associates as presented. Councilor Winecoff seconded the motion and it passed unanimously.**

#### PRESENTATIONS, PROCLAMATIONS AND RECOGNITIONS

1. End of Season Wrap Up – Beach Ambassadors – Skip Cox gave an end-of-season report, a copy of which is attached and is hereby incorporated as part of these Minutes. Mr. Cox recommended adopting an ordinance limiting the size of holes dug on the beach; he said that Sunset Beach had a good example of such an ordinance. Regarding the Town's new program to use paid personnel on the beach, Mr. Cox said

that he was surprised to have heard about it accidentally. He reviewed some of the differences between the paid staff and volunteer Beach Ambassadors.

2. FY 2017-18 Audit – S. Preston Douglas & Associates: Matt McLean gave a presentation on the FY 2017-2018 audit; a copy of the presentation is attached and is hereby made a part of these Minutes. Mr. McLean said that he was glad to see the progress the Town had made in recent years. Mr. McLean said the Town had a good net position. Mr. McLean said it was the most positive set of financial statements they had seen for the Town in the few years they had been doing the audit. He said that the Town had 63 percent of the annual budget in reserves, which was good for a beach town. Councilor Bach asked what the typical beach town would hold in reserves; Mr. McLean said typically, it would be 50 percent. Mr. McLean also noted that that this was the first year there was a positive net income in the wastewater fund; the debt owed and the amount of interest being paid are being reduced. He also said that tax collection rate was 99.21 percent. Regarding internal controls, Mr. McLean said that “no one does it better.” Mayor Brochure asked how many other towns had the percentage in reserves that Oak Island does; Mr. McLean said he’d have to check. He said that the firm does the audit for another beach town in the area and that if they could get to that level, they probably would. He said he likes the idea of being conservative, especially with the way hurricanes have struck. Councilor Bell also said it was important especially since it can be touch-and-go following a storm depending on what FEMA money is available. Mayor Brochure thanked staff for all of their work to get us here. Councilor Bach asked if the Town could refund the sewer bonds again; Mr. Hatten said that it could not be done for another five years.

#### ADJUSTMENT/APPROVAL OF THE AGENDA

**Councilor Bach made a motion to approve the Agenda as presented. Councilor Winecoff seconded the motion and it passed unanimously.**

#### PUBLIC COMMENTS - GENERAL TOPICS & AGENDA ITEMS

Joe Stanton, 110 E. Beach Drive: Mr. Stanton said that Oak Island Drive, Middleton and East and West Beach Drive are State highways. He said that on Oak Island Drive at 40<sup>th</sup> Streets, there are nice directional signs. He said that at one time, there was a sign at the intersection of Middleton and Beach Drive, but that now the sign is gone. Mr. Stanton said that the State should put a blinker at that intersection because people are missing any signs or anything to make that turn. He said that many end up turning around in his driveway; during the summer he sees about 100 people a day use his driveway. He encouraged the Town to at least put signs up and to ask the State for a blinker.

Gerry Hardee, 134 NE 11<sup>th</sup> Street, here for the Beach Preservation Trust Fund Advisory Board: Mr. Hardee said the Society reached more than 1,500 people in 32 events. He said they logged 9,900 volunteer hours. Mr. Hardee also thanked all those who responded to the recent survey. The wine tasting fundraiser will be in April 2019.

Helen Cashwell, 3407 E. Yacht Drive: Ms. Cashwell gave congratulations on the audit report. Ms. Cashwell said that Hurricane Florence showed that the Town had not been spending money appropriately on infrastructure. She said that on NE 38<sup>th</sup> Street, there was a big fountain after the latest rain. Ms. Cashwell asked why the Town had been saving the Powell Bill money and hadn’t done any paving. She also said that the Town needed more people working on infrastructure. She said the Town should be spending the money it had been saving, fix the hot spots that need attention and fix the stormwater infrastructure. She asked Council to start working on the infrastructure.

#### COUNCIL REPORTS (MAYOR AND COUNCIL)

Councilor Winecoff said there was a great turnout for the tree lighting and that people still turned out for the parade even in the rain. He said that he had attended a meeting for beach towns, and that all of the

beach towns are facing the same issues because of the record amount of rain seen this year. He said the Town was working to address issues, but that it would take time.

Councilor Blalock said that the Town is identifying the problems and moving forward, and also said that it would take time. We would take care of the hot spots first and then move on. He wished everyone a Merry Christmas and a Happy New Year.

Mayor Pro Tempore Scott said that he attended taser training with the Police Department, though he declined the Department's offer to be tased.

Councilor Bell said that she did attend the parade, and even though the weather was messy, it was a lot of fun and she thanked everyone who worked to make it happen.

Councilor Bach said that the Strategic Plan Council had adopted is laser focused on the large-scale projects we need to focus on -- protection of the environment, infrastructure development and economic development. He said that he thinks the strategic direction Council has taken is correct. Councilor Bach also thanked all the citizens who volunteered and helped others since the storm. He also wished everyone a Merry Christmas and a joyful season.

Mayor Brochure said that Council would have its annual retreat on January 22 at 9 a.m., and that all were invited to attend. The January 8 regular meeting would be a Town Hall meeting. She also wished everyone a Merry Christmas and a Happy New Year.

#### REGULAR MEETING:

##### I. CONSENT AGENDA

1. Approval of Minutes
  - a. November 13, 2018 (Public Hearings & Regular Meeting)
  - b. November 16, 2018 (Special Meeting)

**Councilor Bell made a motion to approve the Consent Agenda as presented. Councilor Winecoff seconded the motion and it passed unanimously.**

##### II. COMMITTEE APPOINTMENTS

1. ABC Board (one term ending Dec. 2020): **Mayor Pro Tempore Scott and Council members Bach, Blalock and Winecoff voted for Jack Moore and he was appointed.** Councilor Bell voted for Everett Norton; he and applicants Alice Coe and William (Rick) Fuller were not appointed. Ms. Stites noted for the record that since the Town's policy was to allow citizens to serve on one board at a time, and that Mr. Moore would have to come off the Board of Adjustment.

##### III. ADMINISTRATIVE REPORTS

1. Town Manager: Mr. Kelly said that January's Town Hall meeting would include an update on beach projects from Moffatt & Nichol. Staff continued to work with FEMA representatives on Hurricane Florence damage. The Citizens Academy will be held in February. Mr. Kelly asked Council members to offer feedback on the draft RFP for paid parking by the end of this week. Mr. Kelly said there had also been requests to make a 4-way stop at the intersection of 55<sup>th</sup> and East Yacht Drive; staff does recommend this as well. Councilor Bach asked if the Police Department also endorsed the stop sign there; the Department does. Consensus of Council concurred. Mr. Kelly said that staff would speak with NCDOT staff about signage for the intersection at Middleton and Beach Drive.

- a. Department Reports are included as an attachment and are hereby incorporated as part of these Minutes.
2. Town Attorney: no report.

#### IV. OLD BUSINESS

1. Consideration for Contract for Purchase and Installation of Splash Pad Equipment: Parks and Recreation Director Rebecca Squires and Jim Hartman with Vortex gave a brief presentation on a proposal to purchase and install splash pad equipment. A copy of the presentation is attached and is hereby incorporated as a part of these Minutes. Ms. Squires spoke about the advantages to having a splash pad and some of the features we were looking at for ours. The splash pad will be located in the field behind Town Hall. Mr. Hartman explained how the water recirculation system works. Mr. Hartman said that on its opening day, the splash pad in Fuquay-Varina had 3,000 kids in line. Answering a question from Councilor Winecoff, Mr. Hartman said the tank would be warranted for 25 years. Ms. Squires said that the pad can be built so that additional features can be added over time as the budget allows. Councilor Bach asked if there was any data on return of investment and if it would it draw people to the town. Mr. Hartman said that it wouldn't likely draw additional people here, but it would provide another place for families to enjoy. Mayor Brochure disagreed, and said that she expected it would give Oak Island an edge over other beach towns. Ms. Squires said that the rental companies were already asking when this would be finished so they can use it in their marketing. Mr. Kelly explained that if the Town adds apparatus to the existing playground at Middleton Park instead of building a new one, it would satisfy the grant terms and allow more to be spent on the splash pad itself. Mr. Hartman said that the splash pad would be set on timers, so people can't use it when it is not in operation. Mr. Kelly said that BEMC can install lights around the perimeter. Finance Director David Hatten said that the PARTF grant was \$200,000, and the Town would match it. Of that amount, \$25,000 will be used to add some handicapped-accessible equipment to the existing playground. There are funds available in capital reserves in the Recreation Department for the Town's portion. Mr. Hatten said that there would be a wall around the splash pad, as it would cut down on the amount of debris getting onto the splash pad. Materials for the wall, and a building to house the equipment would also be Town expenses. **Mayor Pro Tempore Scott made a motion to approve an amount not to exceed \$290,000 for purchase and installation of the splash pad materials, and authorize the Town Manager to sign the contract, following review by the Town attorney. Councilor Winecoff seconded and the motion passed unanimously. Councilor Bach abstained which counted as a vote in favor.**

#### V. NEW BUSINESS

1. Selection of a Mayor Pro Tempore: **Mayor Pro Tempore Scott nominated Councilor Winecoff for Mayor Pro Tempore, Councilor Bell seconded the nomination and it was approved unanimously.**
2. Approval of 2019 Town Council Meeting Schedule: **Councilor Bell made a motion to approve the meeting schedule as presented.** Councilor Bach said that he would not be available February 12. Consensus was to move the February regular meeting to the 19<sup>th</sup>. **Councilor Bell withdrew her motion. Councilor Scott made a motion to approve the meeting schedule as amended. Councilor Bach seconded the motion and it passed unanimously.**

#### VI. CLOSED SESSION:

**Councilor Bell made a motion to go into Closed Session at 7:40 p.m. to discuss Specific Personnel and to Consult with the Town Attorney on Pending and Potential Litigation pursuant to N.C.G.S. 143-318.11(a)(3) and (6). Councilor Bach seconded the motion and it passed unanimously.**

Council returned to open session at 8:24 p.m. **Councilor Bell made a motion increase the Town manager’s salary by 3 percent and to also give him a \$2,000 bonus. Councilor Bach seconded and the motion passed unanimously.**

**Councilor Bach made a motion to adjourn at 8:24 p.m. Councilor Winecoff seconded and the motion passed unanimously.**

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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.*