

**VILLAGE OF BALD HEAD ISLAND
COUNCIL MEETING**

April 17, 2009

3:00 P.M.

BALD HEAD ISLAND ASSOCIATION BUILDING

COUNCILORS IN ATTENDANCE: Mayor Larry Lammert
Mayor Pro Tempore Andy Sayre
Councilor John Pitera

STAFF PRESENT: Calvin R. Peck, Jr., Village Manager
Chris McCall, Assistant Manager/ Director of Dev. Services
Deb Straub, Finance Manager
Police Chief Richard Herring
Fire Chief Chip Munna
Ben Liddle, Public Works Director
David Suther, Public Utilities WW Operator
David Cox, Systems Administrator
Charles Baldwin, Village Attorney
Dawn Reno, Interim Village Clerk (recording minutes)

1. **Call to Order/Approval of Agenda-** Mayor Lammert called the April 17, 2009 Council Meeting to order at 3:03 p.m. Mayor Lammert entertained a motion for the approval of the agenda. Mayor Pro Tempore Sayre made the motion to approve the agenda as presented. With all in favor. **(Motion Carried 3-0)**
2. **Public Hearing-**
 - 2.1 **GO Bond Order-** Calvin Peck gave a presentation regarding the General Obligation Bond process and installment financing. Calvin discussed the Projected Annual Ad Valorem and the Accommodation Tax Revenue. Calvin stated the referendum will be set for June 2, 2009 if bond is voted on. The voting has to pass 50% +1, Island wide plus districts. Calvin explained how the Local Government Commission reviews the process of a failed vote, stating if the General Obligation Bond does not pass; the Local Government Commission will not allow any type of financing for the proposed project until the voter approve an Obligation Bond. Calvin explained to Council the General Obligation (GO) Bond pledges taxing power of Government with no other collateral required. Calvin stated how the Collateralized Installment Financing process worked by needing \$4.0 million in Land and Projects to Fully Collateralize a \$10 million Loan. Calvin stated three Village properties were being surveyed for this project. The Creek Access issues required a Stormwater Permit which would be for parking and driveway, a 404 Wetlands Permit since the Boat Ramp would impact the Coastal Marsh, and a CAMA Major Permit. The timeframe would be approximately 75 days from completed application submittal. This timeframe would not be viable for the June 15th bid process. The second property project would be an addition to the Police/Fire Department expansion. The third property project would be Village Hall expansion. Calvin stated the decision of going forward on the General Obligation Bond or Installment Financing would be decided on April 21st by Village Council.

With no further discussion, Mayor Lammert opened the Public Hearing on the GO Bonds.

Public Comments:

- Barry Kane asked who the Bond underwriters the Village is speaking with were. Calvin replied that all municipal bonds in North Carolina are sold by the Local Government Commission or the USDA (United States Department of Agriculture).
 - Barry Kane asked what the cost estimate for the bonds. Calvin replied the General Obligation Bond Council, Ed Lucas, has been assisting with the estimated cost with the reply both General Obligation Bond and Installment Financing has no significant price amount difference.
 - Barry Kane asked what the investment bank rate is. Calvin replied that the Village is rated by the Carolina Municipal Rating Agency which has given us an 82 investment grade.
 - Richard Mesaris asked if it was necessary for the projects to have improvements on the Installment Financing or can the Village Hall, Police/ Fire Department, and Creek access be used without improvements as collateral. Calvin replied North Carolina municipalities must have projects on the property listed as collateral.
 - Tom Haden has concerns with the economy and financing the projects and supports the GO Bond.
 - Win Stevens has concerns with the cost of improvements with Village Hall and asked Calvin can site work be done instead of expansion of Village Hall and place the other estimates to other projects. Win stated he feels given the economic environment site preparation work and defray Village Hall.
- There was discussion between Win and Mayor Lammert concerning the expansion of Village Hall.
- Fran Stevens has concerns with the Web Cam not being used for Public meetings for persons who are not able to attend.

Mayor Lammert replied the Web Cam has been used and will continue.

Mayor Lammert asked the Public if there were any other comments in reference to the Public Hearing on the General Obligation Bond. With no reply, Mayor Lammert closed Public Hearing on the General Obligation Bond.

2.2 Amending the Code of Ordinances Section 32-43, Certificate of Occupancy/ Compliance

Mayor Lammert opened the Public Hearing for the Amending the Code of Ordinances Section 32-43, Certificate of Occupancy/ Compliance.

Chris McCall explained the requirement to require a foundation survey be submitted to the Development Services Department showing the floor plan of the structure is located within the required setbacks for the lot the structure is being built on.

Public Comments:

- Bob Liesgang asked what instances brought this up to be revised. Chris replied not to his knowledge.

Mayor Lammert asked the Public if there were any other comments in reference to the Public Hearing on the amendment of the code of ordinances section 32-43. With no reply, Mayor Lammert closed Public Hearing.

2.3 Amending the Code of Ordinances Section 10-83(c), Beaches; New Developments; Exterior Lighting

Mayor Lammert opened the Public Hearing for the amendment of the Code of Ordinances Section 10-83(c), Beaches; New Developments; Exterior Lighting. Chris explained the amendment proposal stating permit the use of low, soft, ambient lighting within commercial areas, lighthouses, fire stations, the public right-of-way and multi-family areas located more than six hundred (600') feet landward of the stable line of vegetation along beach and turtle habitats.

With no public comment, Mayor Lammert closed Public Hearing on Code of Ordinances Section 10-83(c).

2.4 Amending the Code of Ordinances Section 32-126, Permitted & Conditional Uses Table; Clinic, Medical Services

Mayor Lammert opened the Public Hearing for the amendment of the Code of Ordinances Section 32-126, Permitted & Conditional Uses Table; Clinic, Medical Services.

Chris explained the proposed text amendment will add the Clinics, Medical Services as a "Permitted Uses" in the PD-2C and PD-3C Zoning Districts.

With no public comment, Mayor Lammert closed Public Hearing on Code of Ordinances Section 32-126.

2.5 Amending the Code of Ordinances Section 32.11, Definition; Clinics, Medical Services

Mayor Lammert opened the Public Hearing for the amendment of the Code of Ordinances Section 32.11, Definition; Clinics, Medical Services.

Chris explained the proposed text amendment will state: A facility operated by one or more physicians or other licensed practitioners of the healing arts for examination and treatment of persons solely on an outpatient basis.

Public Comments

- Fran Stevens asked if the definition pertaining to disposal of hazardous waste, blood, chemicals for the use of the medical field.

Chief Munna stated that any medical facility has to operate under State and Federal Laws and is their responsibility.

- Joe Brawner suggested the definition should address the amount of services allowed.

Mayor Lammert stated this would be reviewed.

With no further comment, Mayor Lammert closed Public Hearing on Code of Ordinances, Section 32-11, Definitions.

3. Consent Agenda

3.1 Approval of Minutes

3.2 March 20, 2009, Council Work Session

3.3 March 20, 2009, Council Meeting

3.4 March 11, 2009, Special Meeting

Mayor Lammert entertained a motion for approval of consent agenda as presented.

Councilor Pitera made a motion to approve the consent agenda as presented. In a voice vote, all voted in favor.

(Motion Carried 3-0)

4. Old Business

4.1 Letter to BHI Property Owners/ Beach Erosion/ Nourishment Issues

Attorney Baldwin spoke in reference to the letter that was sent to the Bald Head Island property owners. Attorney Baldwin stated Attorney George House has prepared a letter to be sent to Colonel Ryscavage with the Corp of Engineers, and Tom Reader with the Division of Water Resources that states the legal grounds of the Village of Bald Head Island that the contract has been breached. Attorney Baldwin stated the Council will keep the public informed and how the meeting went.

Mayor Lammert stated the Council has prepared a Council Action Steps for the public to review. Mayor Lammert stated these are the short term, midterm and long term steps the Council is taking.

5. New Business

5.1 Consideration/ Adoption of GO Bond Order

Mayor Lammert stated this action would not be taken today and would be deferred until April 21, 2009.

5.2 Consideration/ Adoption of Amending the Code of Ordinances Section 32-43, Certificate of Occupancy/ Compliance

No Action taken, has been deferred to May 15, 2009 Council Meeting.

5.3 Consideration/ Adoption of Amending the Code of Ordinances Section 10-83(c), Beaches; New Developments; Exterior Lighting

No Action taken, has been deferred to May 15, 2009 Council Meeting.

5.4 Consideration/ Adoption of Amending the Code of Ordinances Section 32-126, Permitted & Conditional Uses Table; Clinic, Medical Services

No Action taken, has been deferred to May 15, 2009 Council Meeting.

5.5 Consideration/ Adoption of Amending the Code of Ordinances Section 32.11, Definitions; Clinic, Medical Services

No Action taken, has been deferred to May 15, 2009 Council Meeting.

5.6 First Reading- Ordinance Adopting and Enacting the Definition of Nuisance Pets

Mayor Lammert stated this would be the first reading of adoption and enacting the definition of Nuisance Pets. Attorney Baldwin stated the Public Safety Committee has been working with Chief Herring on a Nuisance Pet Ordinance with the goal of an informal procedure.

Mayor Lammert entertained a motion to set a Public Hearing for May 15 Council Meeting. Councilor Pitera made motion. In a voice vote, all in voted favor.

(Motion carried 3-0)

5.7 Resolution Water Intake/ Inter Basin Transfer H 1333

Calvin Peck discussed the Resolution of the Village of Bald Head Island supporting House Bill 1333 defining Cape Fear River Basin.

Mayor Lammert entertained a motion to approve Resolution Water Intake/ Inter Basin Transfer H 1333. Mayor Pro Tempore Sayre made motion. In a voice vote, all voted in favor.

(Motion carried 3-0)

5.8 March Financial Statement Report

Deb Straub discussed the financial report for March 2009. Deb stated the General Fund Ad Valorem tax revenues are at 98% of budget. Deb stated there were no major or unusual expenditures in March. Deb stated there were no major or unusual expenditures in the Utilities Fund for March. Deb stated FEMA check for Tropical Storm Hanna has been received totally \$64k.

6. Committee Reports

6.1 Beach – Anne Kane stated the Beach Committee met on Monday and discussed the concerns with the Beach Erosion.

6.2 Finance – Mayor Lammert stated the Finance Committee will be meeting on April 20th.

6.3 Public Safety – Joe Hawkins discussed the Nuisance Pet Ordinance.

6.4 Public Works - No Comment

6.5 Transportation – No Comment

7. Monthly Reports

7.1 Manager's Report- Calvin Peck stated the Village hosted Senator Burr's assistant, Chris Wall, was on the Island April 16th and was given a tour to show the damage to the beaches due to the erosion. Calvin stated the 3rd RO Unit is operational and producing quality drinking water.

Barry Kane asked if there a concern that too much water will be taken out of the aquifer and discharging less concentrate.

Calvin stated there is an aquifer study with test wells to monitor the aquifer.

7.2 Police Department- Chief Herring introduced Julie Piner as the Administrative Assistant to the Police Department and will be assisting the Fire Department when Captain Kiser retires. Chief Herring stated May 14th will be the Community Watch meeting held at the Association Building at 10:00.

7.3 Fire/EMS – Chief Munna reported two fires on the Island from cigarettes. Chief Munna stated if anyone notices someone discarding cigarettes to please contact the Fire Department. Chief Munna stated there is a new 911 phone at Station House Way Access 39.

8. Comments, Reports and Questions

8.1 Citizens-

- Win Stevens asked if the report given to Attorney George House cover the area where the water breached the last time.

Attorney Baldwin replied the paperwork from Eric Olsen engineering was broader in scope.

- Win Stevens asked if Attorney Baldwin attended the meeting April 1 when Robert Norton gave his presentation.

Attorney Baldwin replied no.

- Win Stevens requested a supplement to be sent to George House including the presentation from Robert Norton.

Calvin stated the letter from George House covers all the beaches eroding with Eric Olsen's report covering all erosion on the beach.

- Diane Hayden asked if the Village plans to monitor the RO discharge at the Marina entrance and the affects to the Harbor and activity.

Calvin replied the Federal Permit with the Division of Water Quality requires monitoring to be done.

- A female property owner has concerns with the Corp of Engineers and questions if perusal should have been done with Corp in 2005.

Mayor Lammert stated the Village has been pursuing the Corp since 2000. Mayor Lammert explained the discussions and actions taken by the Council and Attorneys with the Corp.

Mayor Lammert explained the Council Action Steps covers what the Council must complete the process for an Engineered Beach, and change to the Sand Management Plan. When the engineered beach id completed will file with FEMA to include our beach to be covered if a natural disaster happens for replenishing the beaches. Mayor Pro Tempore Sayre stated the Council has been concentrating on the Sand Management Plan with the 6(six) year cycle, prior to the damage to the beaches being destroyed with the dredging being done, the Council did not realize the dredging would destroy the beaches.

- A property owner asked if the Island would be getting less water from Brunswick County and would there be a reduction in water surcharge.

Calvin stated eventually the reduction take place; however, Brunswick County requires a minimum amount of water purchased. The Village is saving money on the purchase of Brunswick County water.

- Fran Stevens questioned voting on the GO Bond or Installment Financing and concerns with the Council's decision. Councilor Pitera stated there are five Councilmembers who urges feedback from residents and property owners on their ideas.

- Hiller Osborne stated his frustration with the Corp of Engineers. Mayor Lammert stated the importance of contacting Legislation through the General Assembly of North Carolina. There was further discussion between Council and public concerning the Corp and dredging.

Attorney Baldwin explained to the public how the litigation operates and the process of filing for permits. Attorney Baldwin expressed that Council has procedures they have to do. Mayor Pro Tempore Sayre stated the letter from George House should give the Village Council the answers they need from the Corp.

8.2 Bald Head Association- No comment

8.3 Bald Head Island Limited- No comment

8.4 Bald Head Island Conservancy- Suzanne Dorsey stated the Conservancy supports the Village in what action is being taken. Due to the dredging, Suzanne stated there has been 25% loss of sea turtle nesting. Suzanne stated the aquifer study will be completed next week. Suzanne reminded everyone the threat of Rabies on the Island and stated to call 911 with unusual behavior activity.

8.5 Bald Head Island Club- No comment

8.6 Mayor and Council- At 4:27p.m., Mayor Lammert stated the meeting will be recessed until April 21st at 8:30 and held at the Association Building.

**VILLAGE OF BALD HEAD ISLAND
RECESSED MEETING OF APRIL 17, 2009
APRIL 21, 2009
8:30 AM
BALD HEAD ISLAND ASSOCIATION BUILDING**

COUNCILORS IN ATTENDANCE: Mayor Larry Lammert
Mayor Pro Tempore Andy Sayre
Councilor Gene Douglas
Councilor John Pitera

STAFF PRESENT: Calvin R. Peck, Jr., Village Manager
Chris McCall, Asst. Manager/ Director of Dev. Services
Deb Straub, Finance Manager
Dawn Reno, Tax Administrator/HR Officer
Police Chief Richard Herring
Fire Chief Chip Munna
Ben Liddle, Public Works Director
David Suther, Public Utilities WW Operator
David Cox, Systems Administrator
Charles Baldwin, Village Attorney
Debra Talbert, Village Clerk (recording minutes)

Call to Order- Mayor Lammert called the April 21, 2009 Recessed Meeting to order at 8:35 a.m.

5.1- Consideration/ Adoption of GO Bond Order- Mayor Lammert stated April 17th meeting was recessed until today to vote on the Special Bond Election General Obligation Bond Order. Council discussed the issues and process of the Special Bond Election of the General Obligation Bond. The discussion included the voting, election and how the process works.

Mayor Lammert entertained a motion for adoption of the Special Bond Election for the GO Bond Order. Councilor Douglas made motion to approve the Special Bond Election. In a voice vote, all voted in favor. **(Motion Carried 4-0)**

Closed Session Pursuant to N.C. General Statutes 143-318.11 (a), (3), and (5)- Pursuant to N.C. General Statutes 143.318.11 (a)(1),(3) and (5), Mayor Lammert entertained a motion to enter into Closed Session at 8:45 a.m., with Councilor Pitera making the motion. In a voice vote, all voted in favor. **(MOTION CARRIED 4-0)**

Mayor Lammert entertained a motion to come out of Closed Session at 11:05 a.m., with Councilor Pitera making the motion. In a voice vote, all voted in favor.

(MOTION CARRIED 4-0)

Adjournment- Mayor Lammert entertained a motion for adjournment at 11:07 a.m., with Councilor Pitera making the motion. In a voice vote, all voted in favor.

(MOTION CARRIED 4-0)

Larry Lammert
Mayor

ATTEST:

Debra C Talbert, Village Clerk