

VILLAGE OF BALD HEAD ISLAND
COUNCIL MEETING
May 13, 2011
Bald Head Association

COUNCILORS IN ATTENDANCE: Mayor Andrew Sayre
Councilor Gene Douglas
Councilor Art Morris
Councilor John Pitera

STAFF PRESENT: Calvin R. Peck, Jr., Village Manager
Chris McCall, Asst. Manager/ Shoreline
Protection Manager
Deb Straub, Finance Director
Chip Munna, Public Safety Chief
Charles Baldwin, Village Attorney
Debra Talbert, Village Clerk

1. Call to Order / Approval of Agenda

Mayor Sayre called the May 13, 2011 Council meeting to order at 3:00 p.m. Mayor Sayre entertained a motion to approve the agenda. Councilor Pitera made the motion, with all in approval.

(MOTION CARRIED 4-0)

2. Consent Agenda

2.1 Approval of Minutes

April 15, 2011 - Work Session

April 15, 2011 - Council Session

2.2 Resolution for adoption of the National Incident Management System

***WHEREAS**, the President of the United States in Homeland Security Directive (HSPD)-5, directed the Secretary of the Department of Homeland Security to develop and administer a National Incident Management System (NIMS), which would provide a consistent nationwide approach for Federal, State, local, and tribal governments to work together more effectively and efficiently to prevent, prepare for, respond to and recover from domestic incidents, regardless of cause, size or complexity, and;*

***WHEREAS**, the collective input and guidance from all Federal, State, local, and tribal homeland security partners has been, and will continue to be, vital to the development, effective implementation and utilization of a comprehensive NIMS, and;*

***WHEREAS**, it is necessary and desirable that all Federal, State, local and tribal emergency agencies and personnel coordinate their efforts to effectively and efficiently provide the highest levels of incident management, and;*

***WHEREAS**, to facilitate the most efficient and effective incident management it is critical that Federal, State, local, and tribal organizations utilize standardized terminology, standardized organizational structures, interoperable communications, consolidated action plans, unified command structures, uniform personnel qualification standards, uniform standards for planning, training, and exercising, comprehensive resource management, and designated incident facilities during emergencies or disasters, and;*

***WHEREAS**, the NIMS standardized procedures for managing personnel, communications, facilities and resources will improve the Village's ability to utilize federal funding to enhance local and state agency readiness, maintain first responder safety, and streamline incident management processes, and;*

***WHEREAS**, the Incident Command System components of NIMS are already an integral part of various incident management activities throughout the County as required by the Brunswick County Emergency Operations Plan, and;*

***WHEREAS**, the National Commission on Terrorist Attacks (9-11 Commission) recommended adoption of a standardized Incident Command System;*

***NOW THEREFORE**, the Bald Head Island Village Council, on May 13, 2011 does hereby establish the National Incident Management System as the local standard for the management of routine and catastrophic emergencies on Bald Head Island.*

Chief Munna stated the purpose of this request is to show the Village's intent to support and utilize the National Incident Management System. This can be of benefit when requesting grant funding and when showing procedural functions to the state and EFMA post hurricanes/ disasters.

Mayor Sayre asked for approval of the Consent Agenda and Resolution as presented. Councilor Douglas made the motion, with all in approval.
(MOTION CARRIED 4-0)

3. Old Business

3.1 Approval of Harbor Timber Groins Restoration Project Agreements

Mayor Sayre reviewed the signed agreements for the restoration of the Harbor Timber Groins.

- 3.1a- Tri-Party Agreement (Village, BHI Limited, & Harbour Association)**
- 3.1b- Memorandum of Understanding (Village, BHI Limited, & Harbour Association)**
- 3.1c- Atlantic Diving Marine Contract w/ Village (w/o attachments)**
- 3.1d- Village/ Limited Groins Agreement/ North Channel Wall Rip-Rap**
- 3.1e- Olsen & Associates Task Order 2010-06 (revised)**

Mayor Sayre asked for approval of the presented task order for Olsen & Associates. Councilor Morris made the motion, with all in approval.
(MOTION CARRIED 4-0)

3.2 4th Addendum- Agreement of Daily Vehicle Permits

Mayor Sayre stated the 4th addendum will extend the agreement to delegate authority for the sale of Daily Permit Vehicle permits between BHI Limited and the Village of BHI. Mayor Sayre asked for approval for the agreement as presented. Councilor Douglas made the motion, with all in approval.

(MOTION CARRIED 4-0)

4. New Business

4.1 1st Reading/ set Public Hearing for adoption FY 2011/12 Budget

Calvin Peck reviewed the proposed FY 2011/ 12 Budget Recommendation. The revenue neutral rate is 51 cents. There has been an 19% increase in health care cost, an increase to the Village Retirement contribution, no employee COLA, 12 months new ferry rates, a decrease in GO Bond interest rebate. Calvin reviewed the employee benefit reductions. The total benefit reduction is \$59,200. Employee benefits retained included no positions eliminated, all employees are eligible for merit pay raise of an average of 1.5%, longevity pay is retained and the 401k contribution will be 5% for all employees.

Calvin reviewed the General Fund. There are no changes in the governing body. There is an unemployment expense of \$12,600. There is a reduction of \$12,000 for the Johnson Environmental contract. There will be no tuition assistance for employees.

The final recommendation for the environmental contracts is the Director of Conservation to be funded \$76,000 for one year. The total funding for the Conservancy will be \$118,000.

Development Services department will be completing a Community Rating System by working with a surveyor on the completion of missing elevation certificates.

Public Works has a \$35,000 increase to Waste Industries due to a COLA and increase in count of serviced homes. Public Safety department has increased fire protection. There are 3 Village employees who are certified with BHI to assist with firefighting. A recommendation is to replace the Ford Escape Hybrid with a conventional 4wd SUV. Calvin reviewed the Capital Outlay for the Bald Head Creek access expansion. There will be minimal road construction for the island due to minimal ICE permits. There will be a transfer to the Beach Fund of \$340,000 which is ½ of the room occupancy tax collection.

The debt service payment will be \$2.893 million for 6 years. The mortgage will increase the principal and decrease the interest. The final payment will be September 2016.

The Shoreline Protection departments 2011-12 projects will total \$1.06 million. This does not include the Bald Head Creek dredging or the groin project.

Calvin reviewed the concerns of the Finance Committee on the history of unreserved fund balances.

The Utility department will have an increase to the re-connect charge of \$50. This will be a bare bones budget with possibly 5 new connections. There is an unemployment expense of \$20,000. The capital outlay recommendation for \$10,000 to purchase a Sewer Line Jetter.

Calvin stated this is not a public hearing, however he will answer questions from the public.

Larry Lammert reviewed the cost of the funding for lobbying and stated “there is no funding from the State or Federal Government for the next fiscal year”. Calvin stated “this year’s Governors and House budget there is \$250,000 to fund the feasibility study for the re-orientation of the channel. Our lobbyist in DC is following the FY11 budget and lobbying for future monies. This is not to justify the lobbying effort, this is just an example.” Larry Lammert confirmed the lobbying is for this fiscal year budget thru June 2011. Mr. Lammert stated his concerns with lobbying with State and Federal for the following fiscal year with no monies in the budget. Mr. Lammert stated there is access to funding issues and attending Washington by supporting Congressman McIntyre and working with Harry Simmons. Mr. Lammert suggested to Council to place the lobbying funds towards the Shoreline or other emergencies that may occur.

Larry Lammert stated the Deer Culling has not been funded prior for \$10,000- \$15,000. Mr. Lammert stated the cost has been \$30,000- \$45,000 for prior years. Calvin agreed. Mr. Lammert stated the estimated monies for the lobbying should be reserved for un expected expenses.

Mayor Sayre entertained a motion to set a Public Hearing for June 24, 2011. Councilor Morris made the motion, all voted in favor.
(MOTION CARRIED 4-0)

4.2 Renewal of Village Health Insurance

Deb Straub reviewed the proposed health insurance benefits. The employee will pay approximately pre-tax \$10 bi-monthly. The monthly medical insurance deductible will be \$2500/5000. After reviewing the proposal, Council agreed to vote. Mayor Sayre entertained a motion to approve the medical plan renewal. Councilor Morris made the motion, all voted in favor.
(MOTION CARRIED 4-0)

4.3 April Financial Statement Report

Deb Straub reviewed the April financial report with Council. The Ad Valorem taxes collections are at 99% of budget. The Accommodation tax is 14% ahead of prior years. The sales tax distributions continue to be two months behind from the state; anticipate a shortfall of about \$3,000 at year-end. The ICE permit fees and building permit fees are lower than the last several years due to the decrease in construction on the island. The total operating revenues are within budget. Deb stated the Beach fund balance at end of April is \$501,000, Stormwater Management is \$76,000, and the Infiltration Pond System is \$210,000. Deb updated the County revaluations. As of May 6, 2011, a 34.50% reduction in total taxable valuation for the island. The revenue neutral tax rate for FY 11-12 budget is 51 cents base plus 4.78 cents for Zone B and 7.55 cents for Zone A. Chad Paul stated BHI Limited Occupancy tax has increased over 4% and made suggestion to review the increase of occupancy taxes while completing the budget. Mr. Paul stated he would be happy to work with Deb on these issues. Deb stated the Finance Committee has completed the research and has made recommendation for the increase, yet would be discussed at the next finance committee meeting.

4.4 Doshier Hospital Resolution

Mayor Sayre and Council discussed the resolution. Councilor Douglas reviewed the capital improvements needed for the hospital to met current handicap accessibility, fire safety, patient privacy and security requirements. The Brunswick County Commissioners required Doshier Hospital to have support from surrounding communities. Councilor Douglas stated the county cannot continue to support two hospitals, without the population or revenues. There is discussions with the hospitals with a possible merge at later dates. Councilor Douglas has made a motion to support the Resolution for the capital improvements needed for the hospital, with future discussion of merger to avoid duplicate medical services.

Mayor Sayre entertained a motion to approve the presented Resolution. Councilor Douglas made motion, all voted in favor.
(MOTION CARRIED 4-0)

Whereas, in a widely publicized election conducted in May, 2000, the Smithville Township voters approved a tax for the exclusive benefit of Doshier Hospital of 4 cents per \$100 property valuation through tax year 2031, and,
Whereas, in 2007, Doshier Hospital entered into an agreement with Brunswick County to voluntarily reduce the approved 4 cent tax rate to 2.25 cents to provide tax relief associated with the extraordinary increase in Smithville Township property values documented by the 2006 property revaluation and,
Whereas, the 2010 revaluation resulted in dramatic reductions to Smithville Township property values and,
Whereas, the 2007 agreement calls for budget neutral adjustments to the tax rate to coincide with each additional revaluation and,

Whereas, the estimated budget neutral adjustment required by the 2010 valuation is approximately .75 cents and, Whereas, the 2007 agreement further allows Doshier Hospital to request additional tax funding for specific capital improvements provided the funding does not require a tax rate exceeding the 4 cent per \$100 rate authorized by the Smithville Township voters and,

Whereas, the Brunswick County Board of Commissioners promised in the 2007 agreement to seriously consider such a request and,

Whereas, Doshier Hospital's inpatient rooms were constructed in the late 1970s and do not meet current handicap accessibility, fire safety, patient privacy, and security requirements and,

Whereas, amortization of the estimated cost to renovate Doshier Hospital inpatient care wing requires and approximate 1 cent increase to the Doshier Tax rate.

Whereas, the Village of Bald Head Island Council request Doshier Hospital Board of Trustees and the Brunswick County Board of Commissioners to consider the following,

Engage in the negotiations to expedite, merger of Brunswick Community Hospital and Doshier Hospital in order to avoid duplicate medical services,

and to include all of the St. James and Boiling Spring Lakes communities in the increased 4 cents tax rate.

Therefore, be it resolved, that the Village of Bald Head Island Council request that the Brunswick County Board of Commissioners set the Doshier Hospital tax rate at 4 cents per \$100 valuation beginning in the 2011-2012 tax year.

4.5 Debris Contracts

Calvin reviewed the Johnson Environmental & Consulting Services contractor recommendations for 2011-2013 Phase II- C&D Debris removal and Vegetive debris removal/ disposal contract to Bamaco, Inc. and secondary to Byrd Brothers Emergency Services, 2011-2013 Phase II- Sand debris, removal, sifting & placement contract to Byrd Brothers Emergency Services and secondary to Bamaco, Inc., and the 2011-2013 Dangerous tree and hanging limbs removal and disposal contract to Byrd Brothers Emergency Services and secondary to Bamaco, Inc.

Mayor Sayre entertained a motion to approve the Debris contracts as presented. Councilor Douglas made motion, all voted in favor.

(MOTION CARRIED 4-0)

5. Committee Reports

5.1 Shoreline Protection- No Report

5.2 Finance- No Report

5.3 Public Safety & Transportation- No Report

5.4 Public Works & Utilities- No Report

5.5 Communication- Mayor Sayre stated the Deer survey has been mailed to property owners.

5.6 Parks & Recreation – Councilor Douglas reviewed the Dog Agility classes to be held at the dog park.

6. Monthly Reports

6.1 Manager's Report

Calvin stated ATMC Wireless will be increasing wireless coverage on the island. This project is scheduled for completion by September 2011. Brunswick and New Hanover County are at a moderate drought condition and does not require action to be taken by the Village. This will be monitored for any updates.

6.2 Department of Public Safety Report

Chief Chip Munna reviewed the monthly report for Public Safety.

6.3 Development Services Monthly Report

Chris McCall reviewed the monthly report for Development Services.

6.4 Shoreline Protection Manager Report

Chris McCall spoke on the Harbor Groins Renovation Project. All agreements have been signed. All interested parties met with Atlantic Diving Marine on site to review the job duties and timeframe of completion. Chris spoke on attending Coastal Resource Commission meeting. The Division of Coastal Management staff is in the process of updating the erosion rates for North Carolina. Bald Head Island erosion rates have reduced except for the area of the point. Council and staff discussed the erosion issues and rates.

Chris spoke on an attended meeting with the Wilmington Stake Holder meeting on the Wilmington Harbour O&M. The meeting involved the current channel conditions and proposed funding. The priorities have been set for the proposed maintenance.

Chris reviewed the 2006 Creek dredging project cost. The cost for the dredging was \$529,000 for 60,000 cubic yards.

Chris reviewed the map from the Stake Holders meeting on the channel with the map of the Shoals and the size and depth for ships to travel through.

7. Comments, Reports and Questions

7.1 Bald Head Association - None

7.2 Bald Head Island, LTD- Joyce Fulton stated she appreciated the efforts from the Village to bring all the parties together to complete the groins agreement.

7.3 Bald Head Island Conservancy- None

7.4 Bald Head Island Club- None

7.5 Citizens- Larry Lammert asked for verification on how property owners are to vote with the deer survey. Calvin stated the one vote is for unique property owner.

Chad Paul stated the Hammocks have placed all the votes and submitted and will placed as one vote.

7.6 Mayor and Council- None

8. Adjournment -

Mayor Sayre entertained a motion to adjourn at 3:50 p.m., with Councilor Douglas made the motion with all in favor. **(MOTION CARRIED 4-0)**

Mayor Andrew Sayre

ATTEST:

Debra C. Talbert, Village Clerk