

**VILLAGE OF BALD HEAD ISLAND
COUNCIL WORK SESSION
FEBRUARY 20, 2009
Bald Head Association Center**

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

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

OTHERS PRESENT: Joyce Fulton, BHI Limited Director of Communications
Various Other Public & Residents

1. Call to Order & Approval of Agenda- Mayor Lammert called the February 20, 2009 Council Work Session to order. Mayor Lammert added to work session the Managers Report under 13A. Mayor asked for approval of agenda, with Councilor Morris making motion to approve as presented. In a voice vote, the motion was unanimous. **(MOTION CARRIED 5-0)**

1a- Oath of Office- Village Clerk- Mayor Lammert did the swearing in of Village Clerk, Debbie Talbert.

2. Review of Council Meeting Agenda- Mayor Lammert asked Council to review the January 30th minutes for amendments for the Work session and Council meeting. With no comment, Mayor Lammert moved to January financial statement report.

Council Item 4.1-January Financial Statement Report-Deb Straub discussed the short falls in revenues for the year and there is a budget amendment for this afternoon meeting to reduce revenues totaling \$356,850.00. This will offset expenditure appropriations for shortfall in 08-09 General Fund and Utility Fund Revenues. Deb stated a modification agreement on the Utilities acquisition with BB&T to refinance and reduce the rate of interest on the outstanding balance of the principal amount financed from 3.79% to an annual interest rate of 3.59%. This would be a savings of \$150,000.00 and would have to have approval from Council to go forward with re-finance. Deb further stated the Budget calendar for 2009-2010 has been included for Council to review.

Council Item 4.2- GO Bond- Bank Interest- Calvin explained the procedure and application for a GO Bond to Council. Calvin stated a Resolution would need to be in place to go forward with application. Calvin explained the Bond Authorization Timetable to Council. Council and Calvin discussed the voting procedure.

Council Item 4.3- Aquifer Study- Calvin discussed the Village of BHI agreement with BHI Club requiring the study of aquifer. The recommendation includes 3 components: Well Head Survey; Additional monitoring wells; Aquifer Study. The project will be paid for by transferring savings from Hole #14, RO Line and 3rd RO Unit project. The budget transfer request is \$150,000.

Council Item 4.4- Lagoon 3 Status Report- Mayor suggested not discussing this matter until legal review.

Council Item 5.1a- Beach Committee Recommendation- The Beach Committee made recommendation to install a 911 phone on beach access 39. Calvin and Chip agreed with the recommendation due to the considerable distance to the closet public access 42. Councilor Douglas made reference to the next recommendation from the Beach Committee to conduct a traffic census using appropriate methodology on the beaches. This study will allow the Village to verify which accesses are the most visited during peak season so that the Village may have suitable safety measures in place respectively. The committee has requested that Council direct staff to come up with an appropriate methodology that will be both cost effective and reliable.

Council Item 5.3- Public Safety Committee-Chip discussed with Council the Proposed EMS Access. Chip told the Council the two separate accesses and the proposed access. Council advised employees to research more on Silversides and unbuildable property. Proposal on Public Safety for EMS access will be looked into further and put on next month's agenda.

Item 5.3a- Public Safety Committee Appointment-Councilor Morris made a committee recommendation for the appointment of Brian Johnson.

Council Item 5.4a- Public Works Committee Appointment- Mayor Pro Tempore Sayre made a committee recommendation for the appointment of Vick Smith.

3. Council Mission Statement – Review and approval- Council reviewed statement and corrections were made and updated.

4. 2009 Council Priorities- Status Update- Council reviewed and updated the priorities. Corrections were made and updated.

5. Review action taken with Limited & Club about Lagoon 3- Attorney Baldwin stated this would be discussed in Close session. No further discussed.

6. Discuss status of Property Insurance Legal Actions- Attorney Baldwin discussed the formal appeal on the Insurance rate with increase and is awaiting a formal response from the North Carolina Department of Insurance. Calvin stated he would be talking to the new Insurance Commissioner in Raleigh next Thursday.

7. Integrated Shoreline Funding- Calvin explained to the Council the Land Management Group time frame is for the Beach Restoration Project Meeting w/ NC Wildlife Resource Commission. He also gave the EA status and update. Calvin has requested a meeting with the Division of Coastal Management. Calvin explained the importance of this issue being 4(four) Corp Beach nourishment projects for next year, 2009/2010.

Calvin handed a document to the Council from Moody's U.S. Public Finance. In the document, he pointed out in the packet the statement "The federal stimulus package also includes a provision that increases the eligibility limit for bank qualified (BQ) bonds to \$30 million from \$10 million." Calvin stated this is beneficial for the Village. Council and Calvin discussed the process and the types of collateral required. Calvin gave handouts to the Council with a project estimate summary for a Police Department addition. This would give additional sleeping quarters for the Fire personnel. Also, the loan would cover the Creek access addition. This process would be considered collateral for Sand placement. Calvin asked direction from Council on this project. Calvin stated that to go with financing from the Local Government Commission, there has to be bids, plans and specifications in hand. Council requested Calvin to have the plans updated and would be further discussed in the March meeting.

8. Inlet Meeting with CRC- Attorney Baldwin discussed and stated there would be a formal report completed with the chart. The CRC did listen to staff comments on the Inlet Hazard Area. Charles stated that no Inlet Hazard area size has been adopted or new rules have been posted. Mayor Pro Tempore Sayre spoke in reference to the meeting with the Coastal Resource Commission with IHA and OEA. Mayor Pro Tempore Sayre has concerns and thinks the public needs to know the issues. Further discussions having Chris do research on the lots that are involved. Charles stated the draft rules should be completed with the CRC in April and could possibly be enacted in 2010. The next CRC meeting will be held at Sunset Beach in April with a large amount of time set aside for this subject.

9. Status of Current Dredging of Channel- Calvin stated the dredging is being done now, with two reaches and the outer bar is finished with this going to the old channel alignment.

10. Status of Lagoon 4 & 5 Improvement- Calvin stated Lagoons 4 & 5 are done as built with Engineers approval with report being submitted to Division of Water Quality.

11. RO Line to marina & RO Unit- Ken Bowling stated the RO line should be completed by Wednesday with penetration to the bulkhead the following week. The Public Water supply is scheduled for visit on Tuesday.

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 with Councilor Morris making the motion. In a voice vote, all voted in favor. **(MOTION CARRIED 5-0)**

Council came out of Closed Session at 1:45

12. Interlocal agreement between Brunswick County and Bald Head- Mayor Lammert discussed his meetings with The Brunswick Commissioners. The Mayor stated he reviewed Bald Head Island and the County insurance cost on real property, beach maintenance, terminal groins, beach financing and tourism advertising. The Mayor stated he is trying to work with the Commissioners in getting a local agreement to have the funding of 1 (one) million per year over the next 5(five) years.

Calvin spoke to Council in reference to an Agreement for Interlocal Undertaking. This would affect changes to current policy as it pertains to beach sediment management at ocean inlets. The Undertaking will be responsible for compliance with NCGS Chapter 138A and Chapter 120C rules.

Mayor entertained for a motion, with Councilor Morris making the motion. In a voice vote, all voted in favor. **(MOTION CARRIED 5-0)**

Calvin stated the Resolution Extending Term of Brunswick Beaches Consortium needed to be adopted by the Governing body prior to the April BBC meeting, which is scheduled for April 16 in Ocean Isle Beach.

Mayor entertained a motion with Councilor Morris making the motion. In a voice vote, all voted in favor. **(MOTION CARRIED 5-0)**

13. Status of Harbor Jetty, Groins, permits- Calvin spoke on the NC Coastal Resources Commission and NC Coastal Resources. After discussion, Mayor Lammert asked Attorney Baldwin to have documents ready for the March 2009 meeting.

The Mayor spoke in reference to the Postal zip code request for Bald Head Island. The Mayor stated Bald Head Island has been denied a separate zip code.

Calvin spoke in reference to the drought newsletter and stated it requires a separate meter for irrigation systems. He stated further this is a state law. Calvin stated this will be included in the budget process and will be an additional service and cost to new customers.

Adjournment- Mayor Lammert entertained a motion for adjournment at 2:10 p.m., with Councilor Douglas making the motion. In a voice vote, all voted in favor. **(MOTION CARRIED 5-0)**

Larry Lammert
Mayor

ATTEST:

Debra C Talbert
Village Clerk

