

**VILLAGE OF BALD HEAD ISLAND
COUNCIL MEETING
March 20, 2009
3:00 P.M.
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 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: Various Other Public & Residents

1. **Call to Order/Approval of Agenda**- Mayor Lammert called the February 20, 2009 Council Meeting to order at 3:00 p.m. Mayor Lammert entertained a motion for the approval of the agenda. Councilor Douglas made the motion to approve the agenda as presented. With a voice vote, all in favor. **(Motion Carried 5-0)**
2. **Consent Agenda**
 - 2.1- **Approval of Minutes**
 - 2.2- **February 20, 2009 Council Work Session**
 - 2.3- **February 20, 2009 Council Meeting**
 - 2.4- **January 25-27, 2009 Council Retreat**
 - 2.5- **Declare Excess vin# 1GDM7D1G8HV533563**Mayor entertained a motion for approval of consent agenda as presented. Councilor Pitera made a motion to approve the consent agenda as presented. With a voice vote, all in favor. **(Motion Carried 5-0)**
3. **Old Business**
 - 3.1- **Utility Action Plan for 2009**-Calvin spoke in reference to meeting with Robert Norton and members with Limited with concerns with the utilities and build out on the island. There were three issues of discussion. One concern is build out calculation for the Island, second is with expansion of Waste Water Treatment Plant, and third is disposal of effluent on the Island. Calvin

stated an Aquifer Study is being done by the Conservancy and ARM to determine the water quantity and quality of the Aquifer on the Island. The preliminary results will be available midyear.

3.2- Shoreline Stabilization Project- Calvin spoke in reference to Governor Perdue's recently released capital budget for FY 2010. The Bald Head Island Water Resources Development Grant application has been received and is in the budget for 5(five) million dollars. The application for Dredge Permit is on a second inter agency review through the Division of Coastal Management. This application timeframe is on target for June 15 permit of issue.

Mayor Lammert stated to the public the concerns with the shoreline on East and West Beaches. He further stated the Council is working with the Conservancy, Dr. Paul Hearty, Attorneys, and Beach experts in the important issue with the beaches and action is being taken. The Mayor stated to the public he would keep everyone informed as the situation progresses. Mayor Lammert spoke to the public in reference to attending the Brunswick County Council Retreat. The discussion involved the issues that Brunswick County is dealing with for the budget process and the coming year. Mayor stated he spoke with Brunswick County Commissioners in reference to revenue funding for Bald Head Island. Mayor stated the Commissioners understood the urgency and are working on a solution.

4. New Business

4.1 February Financial Statement Report- Deb Straub stated there were Budget Amendments for General Fund and Utilities Fund due to reduction to realized revenues. Deb stated there were no major or unusual expenditures for February. Deb also stated there is a Budget Amendment for Council to decrease Allocated Administrative Overhead Salaries charged to Utility Fund and Water and Sewer Tap Fee Revenues. This would correspond with General Fund Administration salaries and General Fund Balance Appropriated is increased. The total would be \$90,169.00. There was an insurance claim made for loss of the ambulance due to fire and the proceeds went to the General Fund as replacement is not necessary. The Utilities Acquisition loan was re-financed at a lower rate and this is resulting in a saving of \$150k. Deb explained to Council the procedure of acquiring a GO Bond by the general statutes a general obligation bond order is being introduced authorizing \$17,000,000 of beach improvement bonds, the call for a public hearing, the filing of a debt statement with the Local Government Commission and the elimination of absentee voting for the bond referendum.

4.1a Budget Amendment- Mayor Lammert entertained a motion for approval of budget amendment as presented. Councilor Douglas made a motion to approve amendment as presented. With a voice vote, all in favor. **(Motion Carried 5-0)**

4.2 Introduce Bond Order and Statement of Debt-Calvin explained the process of issuance of bond order. Calvin stated the Statement of Debt of the Village of Bald Head Island has to be introduced at the meeting of the Governing Board of the Village, held on the 20th day of March 2009. The Resolution Authorizing Public Hearing on Bond Order has to be approved by Council. Calvin explained the General Bond referendum will be June 2, 2009 with the option of Council going with installment financing at that time. Calvin further stated April Council meeting needs to have the Public Hearing for the Bond Order.

Mayor Lammert entertained a motion to approve Resolution to Introduce Bond Order. Mayor Pro Tempore Sayre made a motion to approve the Resolution as presented. With a voice vote, all in favor. **(Motion Carried 5-0)**

Mayor Lammert entertained a motion to approve the Statement of Debt of the Village of Bald Head Island as follows:

Statement of Debt of the Village of Bald Head Island, NC made a filed pursuant to section 159-55 of the Local Government Finance Act, after the introduction of the bond order introduced at a meeting of the Governing Board of the Village, held on the 20th day of March 2009.

Mayor Pro Tempore Sayre made a motion to approve the Statement of Debt as presented. With a voice vote, all in favor. **(Motion Carried 5-0)**

4.3 Set Public Hearing- Mayor Lammert entertained a motion to set the Bond Order Authorizing the Issuance of \$17,000,000 Beach Improvement Bonds of the Bald Head Island on April 17, 2009 beginning at 3:00 p.m.

Mayor Pro Tempore made a motion to approve the set date for Public Hearing. With a voice vote, all in favor. **(Motion Carried 5-0)**

4.4 No Discharge Zone Resolution- Mayor Lammert entertained a motion to approve Resolution to petition the North Carolina Department of Environment and Natural Resources to petition the United States Environmental Protection Agency to support the designation of the Coastal Waters in Brunswick Counties as a No Discharge Zone.

Mayor Pro Tempore Sayre made a motion to approve the Resolution. With a voice vote, all in favor. **(Motion Carried 5-0)**

4.5 Tax Code- Beach Club Resolution- Mayor Lammert entertained a motion to approve Resolution to seek amendments to the NC General Statutes concerning Property Tax Exemptions for certain Homeowner Association Property.

Mayor Pro Tempore Sayre made a motion to approve the Resolution. With a voice vote, all in favor. **(Motion Carried 5-0)**

4.6 1ST Reading & Set Public Hearing- Zoning Ordinance Section 32-126- Chris spoke in reference to BHI Limited has submitted a request to amend text to amend the permitted and conditional uses table to include the permitted use of a Clinic, Medical Services within the major commercial zones on the island to include the PD-2C and PD-3C Zoning Districts. Chris stated this recommendation needed to have 1st reading and set Public Hearing for April 2009 Council Meeting. Mayor Lammert entertained a motion to set Public Hearing for April 2009 Council Meeting. Mayor Pro Tempore Sayre made a motion to approve. With a voice vote, all in favor.

(Motion Carried 5-0)

4.7 1st Reading & Set Public Hearing- Zoning Ordinance Section 32-43- Chris spoke in reference to Development Services is requesting the requirement of an as-built survey as a step that would ensure that structures are in fact being constructed where approved in preconstruction documents. Chris stated this recommendation needed to have 1st reading and set Public Hearing for April 2009 Council Meeting. Mayor Lammert entertained a motion to set Public Hearing for April 2009 Council Meeting. Councilor Douglas made a motion to approve. With a voice vote, all in favor.

(Motion Carried 5-0)

4.8 1st Reading & Set Public Hearing- Artificial Lighting Ordinance Section 10-83(c)- Chris spoke in reference to BHI Limited has submitted a request to amend the current text to provide for the use of soft, indirect ambient light for use as "up-lighting" to landscaped areas for increased safety within designated commercial areas. Chris stated this recommendation needed to have a 1st reading and set Public Hearing for April 2009 Council Meeting. Mayor Lammert

entertained a motion to set Public Hearing for April 2009 Council Meeting. Councilor Douglas made a motion to approve. With a voice vote, all in favor. **(Motion Carried 5-0)**

5. Committee Reports

5.1 Beach- Anne Kane stated the committee has nothing new to report; however the request of the 911 phone access and Chip confirmed it was in the process.

5.2 Finance- No Comment

5.3 Public Safety- Bob Porter welcomed Brian Johnston to the committee. Bob stated the committee has been working on a Nuisance Pet Ordinance and will be discussed in the next committee meeting. During last meeting, Suzanne Dorsey spoke with committee in reference to Rabid Animals and the dangers of domesticating wild animals.

5.4 Public Works- No Comment

5.5 Transportation- No Comment

6. Monthly Reports

6.1 Manager's Report- Calvin announced to Council and Public the retirement of Police Chief Richard Herring as of June 30, 2009. Calvin stated George House, Village Attorney will be on the Island April 2nd to discuss with staff and the Conservancy the issues with Beach Erosion. Calvin stated Hole 14 project is completed and the Village is producing RO water.

6.2 Police Report- Chief Herring announced there will be a Community Watch Pep Rally in May and will be announcing date. Dr. Dorsey will be educating the public with the hazards of feeding wildlife during the Community Watch meeting, along with Officers from other agencies being speakers.

6.3 Fire/EMS Report- Chief Munna discussed the liquid mercury chemical spill has been cleaned up. Chip announced the retirement of Captain Danny Kiser will be June 16th with a retirement party June 12th at the Fire Department.

7. Comments, Reports and Questions

7.1 Citizens- Anne Kane had concerns with the GO Bond Order in comparison to a bank loan for the beach financing. Calvin explained the difference between each is the collateral. The Bond Order in voted debt is the full faith and tax in power of the governmental body. This could mean the Village would be forced to raise taxes to pay for the bond. Calvin stated with standard bank financing, it requires collateral with a building project. Calvin explained with a sand project the banks do not recognize as a permanent improvement. Calvin stated the Department of Agriculture is working with the Village to insure stimulus monies to purchase the Bond of debt. Calvin stated the Village is looking at financing options for beach re-nourishment. Win Stevens voiced his concerns with a GO Bond and asked for further information. Calvin stated the GO Bond order authorizes up to \$17(seventeen) million in bonds to be sold. Further discussion was on the bank financing and three separate pieces of property to be used as collateral. Win Stevens asked what three properties were being looked at. Calvin stated the Village Hall, two parcels that make the creek access, and Police & Fire property. Fran Stevens stated concerns with the landscape on the roads with post and ropes around the plantings, blocks on the sides of roads and what the purpose is. Calvin replied plantings of live oaks were done where drive thru medians were before and the fencing was placed there to protect the new growth. The sand fencing on South Beach was placed for accumulating sand and

will be removed when natural dunes are established. Calvin finished saying the blocks on the sides of roads is for erosion control.

7.2 Bald Head Island Association- Anne Boozell gave support to the Council and asked how the Association could help with informing citizens better. Mayor explained the urgency of this past week and the discussion today was to inform the citizens. Mayor suggested to email blast breakdown within certain districts of the state would be beneficial and would allow the public know when meetings are being held in their area.

7.3 BHI Limited- No Comment

7.4 BHI Conservancy- Suzanne stated all interns have been chosen and are ready to begin. Suzanne stated the Board and Conservancy supports the Village on the beach efforts. Paul Hearty stated the ARM crew is on the island and are drilling and collecting samples of the geology on the island. Studies of the aquifer are being done and studies on the levels to be able to produce quality water. Paul stated the damage to the beaches is very unstable due to the channel dredging and with the Conservancy working with the Village and community to find a solution.

7.5 Bald Head Island Club- No Comment

7.6 Mayor and Council- Mayor Lammert spoke in reference to Stop Hunger for Brunswick County. Diane Mesaris stated the donations would consist of non-perishable foods and the bins would be set up at the Association Building and the Fire Department. Mayor Lammert stated the Wounded Warriors would be April 23- 27th. Pot Luck will be held at the Association Building.

8. Adjournment- Mayor Lammert entertained a motion for adjournment at 4:05 p.m., with Mayor Pro Tempore Sayre making the motion. In a voice vote, all voted in favor.

(Motion Carried 5-0)

Larry Lammert
Mayor

ATTEST:

Debra C. Talbert
Village Clerk

