

**VILLAGE OF BALD HEAD ISLAND
COUNCIL WORK SESSION
March 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 March 20, 2009 Council Work Session to order at 9:32 a.m. Mayor asked for approval of agenda, with Councilor Pitera making motion to approve as presented. In a voice vote, the motion was unanimous.

(MOTION CARRIED 5-0)
2. **Review of Council Meeting Agenda**-
Mayor Lammert asked Council to review the minutes as presented for amendments. With no comment, Mayor moved to next item on the agenda.
Council Item 2.5- Declare Excess vin# 1GDM7D1G8HV533563-Calvin proceeded to explain the declare excess to Council. Calvin stated this was an old fire truck that was declared salvaged. Final documentation was needed by Council to declare excess.
3. **No Discharge Zone Resolution**- Calvin stated this information was discussed at the Beach Committee and brought to the attention for consideration. This resolution would petition the NC Department of Environment and Natural Resources to petition the US Environmental Protection Agency to support the designation of the coastal waters in Brunswick County as a no discharge zone. The discharge of sewage from boats can contribute to the degradation of the coastal marine environment.

4. **Tax Code- Beach Club Resolution**-Calvin discussed this resolution seeking amendments to the NC General Statutes 105-277.8 concerning property tax exemptions for certain homeowner association property creates inequities and unfairness in the assessment and administration of the local property tax system.
5. **Zoning Ordinance Section 32-126**- Chris stated BHI Limited submitted a request to amend the current 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 the 1st Reading would be this afternoon and would need to have a Public Hearing in April Council meeting.
6. **Zoning Ordinance Section 32-43**- Chris stated 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. The requirement of as-built surveys would ensure that structures are being built in full compliance with Village ordinances and in the preconstruction approved locations. Mayor Pro Tempore Sayre stated his concerns with this revision and asked staff to research the surveys and the cost. Chris agreed staff would do so. Chris stated the 1st Reading would be this afternoon and would need to have a Public Hearing in April Council meeting.
7. **Zoning Ordinance Section 10-83(c)**- Chris stated BHI Limited 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 i.e. Maritime Way. Chris stated the 1st reading would be this afternoon and would need to have a Public Hearing in April Council meeting.
8. **Financial Report**- Deb Straub discussed the General Fund. Deb brought to Council a budget amendment to decreases administrative overhead salary allocation and water and sewer tap fee revenues in the Utility Fund. Offset with corresponding increases in Administration salaries and Fund Balance appropriated in the General Fund. Deb stated investment earnings were well below last year. There were no major or unusual expenditures for February. There was an insurance claim made for loss of ambulance due to fire and the proceeds went to General Fund as replacement is not necessary. Deb discussed the Utilities Fund stating total revenues and expenditures are in line with budget and last year. The Utilities Acquisition loan was re-financed at a lower rate resulting in a savings of \$150k over life of loan. Deb discussed the Capital Projects Fund. She stated the Infiltration Pond/Lagoons project has expended \$815k YTD (includes RO Line and 3rd RO Unit); anticipate another \$275k expended for RO Line and Aquifer study. The Beach Fund has expended \$844k YTD for engineering, attorney, funding consultant and groin repair.
9. **Integrated Shoreline funding**- Calvin spoke to Council 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. Calvin discussed with Council the budget for the State and how it is in short fall. Calvin discussed with Council the updated floor plan for sleeping arrangements for Fire personnel and improvements for the Police Department. Calvin stated he is waiting on the tax value of the property for collateral for a \$10m loan. Calvin stated the Creek Access needs a CAMA permit which there has to be an interagency review and this is scheduled for April 14. Deb discussed the GO Bond process to Council. The application was sent to LGC on March 17th, with the Bond Order authorizing issuance of \$17m bonds which has to be accepted and authorized by Council. Deb stated there is a resolution authorizing a Public Hearing to be set, and a

Notice of Public Hearing should be done on April 17th Council Meeting. Deb stated the Statement of Debt in packets needs to be acknowledged by Council with a net debt of \$22,731,013 which is 1.15% of assessed property value of Bald Head Island. Deb stated to Council the Draft Ballot for bond election referendum is June 2, 2009. Calvin and Council discussed the Absentee Ballot procedure. Calvin explained to Council the voting has to be done in Bolivia with early voting an option. Council suggested to Calvin to remove the provision and allow absentee voting.

Mayor Lammert spoke to Council in reference to the Brunswick County Council Retreat. The discussion involved the issues that Brunswick County Commissioners are dealing with for the coming budget 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.

10. **Inlet Hazard Area-** Attorney Baldwin stated the meeting with Science Panel and Division of Coastal Management was postponed and being rescheduled. Charles stated he would follow up with Dr. Cleary with the Science Panel with the status of the meeting. Charles stated further discussion would be done in Closed Session with Council.
11. **Beach 911 Access-** Chip discussed the 911 Beach Access on Muscadine. Council suggested to Chris to send letters out to homeowners in surrounding area before moving forward with project. Calvin stated if there is no negative feedback the project would go forward. Council agreed.
12. **Coastal Insurance-** Calvin stated there was a meeting with the Coastal officials concerning the coastal insurance. With the Village entering into a Law suit, rates could not be discussed. There has been an appeal to the Commissioner with the ruling of the rates. The investigation is still pending.
13. **Status of Harbor Jetty, groins and permits-** Charles stated he was meeting with Mr. Webb the following Wednesday and will discuss with Council the issues after the meeting.
14. **Village Hall expansion-** Calvin stated this will be discussed during Closed Session.
15. **Post Office with address change-** Mayor discussed the post office agreement to change the file to include the physical address of each house instead of just the PO Box number. He plans to send a letter to the Postal Service asking when the change will be effective.
16. **Discussion of Mayors meeting-** Mayor discussed the Mayors meeting with Council stating that a presentation by the No Port Southport people was the total agenda for the meeting.
17. **Manager's Report-** Calvin discussed with Council the existing and current construction on the Ft. Holmes Battery Trail System. Calvin discussed the crossing over NBHW. There was further discussion on what type of warning signage for pedestrians. Chris asked for recommendation from Council to clear trees and brush on NBHW at the crossing for safety issues. Calvin stated the staff has concerns with the cross walk. Council further discussed how to make the crossing safe yet keep the environment natural.

The suggestion from Council was to mulch the center area between the two lanes and place post on each side of the mulch area to keep carts from using the area as a parking lot.

Calvin discussed the Action Plan to remove lagoon three from the Utility system with the Club and Limited and all agreed to go forward. There were discussion with build-out and the study would be done with the Planning Department for the future operations and Operations for the present. The Village has authorized McKim and Creed to evaluate the Waste Water Treatment Plant to evaluate the capacity of wastewater treatment plant. There was an agreement in principal for the dewatering of the lagoons 4 & 5 to gain additional capacity. Calvin told Council that Jim Cornette has started the Aquifer study.

Calvin stated that Chief Richard Herring will be retiring June 30 and Captain Danny Kiser will be retiring June 16. With both retiring, Calvin discussed with Council a new department called Public Safety and Emergency Services which would combine Police and Fire. Calvin discussed how the Public Safety would operate and discussed the cross training of officers and fire personnel. He stated additional training could be done on shift. Council stated they would like to discuss further in closed session.

18. **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 11:05 a.m., with Councilor Pitera making the motion. In a voice vote, all voted in favor.

(MOTION CARRIED 5-0)

Mayor Lammert entertained a motion to come out of Closed Session at 12:05 p.m., with Councilor Douglas making the motion. In a voice vote, all voted in favor. **(MOTION CARRIED 5-0)**

Adjournment- Mayor Lammert entertained a motion for adjournment at 12:07 p.m., with Councilor Pitera making the motion. In a voice vote, all voted in favor. **(MOTION CARRIED 5-0)**

Larry Lammert
Mayor

ATTEST:

Debra C. Talbert
Village Clerk

