

VILLAGE OF BALD HEAD ISLAND  
PUBLIC HEARING ON MAYORAL ELECTION AND COUNCIL SESSION  
October 17, 2008  
3:00 a.m.  
Bald Head Association Center

**Council Present:** Mayor Larry Lammert, Mayor Pro Tempore Andrew Sayre, Councilor Gene Douglas, Councilor Art Morris. (Councilor John Pitera was not in attendance.)

**Staff Present:** Village Manager, Calvin Peck; Assistant Village Manager/Director of Development Services, Chris McCall; Finance Director, Deb Straub; Human Resource Administrative Officer, Dawn Reno; Police Chief, Richard Herring; Chief Chip Munna; Public Works Director, Ben Liddle; Utilities Director, Ken Bowling; Systems Administrator, David Cox; Charles Baldwin, Village Attorney; Jason Kesler, Legal Assistant to Charles Baldwin; Village Clerk, Joy Davis (recording minutes).

**Others Present:** Joyce Fulton, BHI Limited Director of Communications and various members of the Public.

1. **Call to Order / Approval of Agenda** - Mayor Lammert called the October 17, 2008 Council Session to order at 3:00 p.m. Councilor Douglas made a motion to approve the agenda as presented. In a voice vote, all voted in favor.  
**(Motion carried 4 – 0)**

2. **Public Hearing / Amendment of Village Charter Allowing Direct Public Election of Mayor**  
Mayor Lammert opened the Public Hearing and invited Public comments regarding the amendment of the Village Charter which would allow for the direct, general public election of the mayoral seat.

Charles Baldwin, Esq. explained specifics of the current and proposed selection of the mayoral seat and stated that subsequent to Public Comments today, the Council will consider the amendment at its November 14<sup>th</sup> Council meeting.

There were no Public Comments and Mayor Lammert closed the Public Hearing.

3. **Consent Agenda** -
  - 3.1 Approval of Minutes
    - September 22, 2008 Special Meeting
    - September 26, 2008 Council Work Session
    - September 26, 2008 Council Meeting
  - 3.2 Beach Committee Appointment – Mr. Brooke Williams
  - 3.3 Consideration / Adoption of Identity Theft Program as Required by FTC
  - 3.4 Consideration / Task Order 2008 – 02 Olsen & Associates
  - 3.5 Consideration / Task Order 2008 – 03 Olsen & Associates
  - 3.6 Consideration / Relinquish Phase I Drought Condition

Subsequent to Mr. Peck's brief synopsis regarding Items 3.3 thru 3.6, Councilor Morris made a motion to approve the Consent Agenda as presented and in a voice vote, all voted in favor.  
**(Motion carried 4 – 0)**

4. **Old Business** –

**4.1 Integrated Shoreline Project** - Mr. Peck began his discussion with an invitation to all property owners who have not already done so to complete the Integrated Shoreline Financing survey on the Village website, explaining that this informal public opinion poll allows people to share their own perspective on how to best structure the ad valorem tax plan related to the project. He further explained that the State and the Village will be contributing approximately \$10M with the other \$7.5M collected through the ad valorem taxes over a period of 5 years. He also reminded the audience that Mr. Ravella will be presenting his final Public presentation on October 28<sup>th</sup> whereupon he will be making his recommendations on the financing issue.

Mr. Peck reported that the Corps of Engineers will be opening bids on December 2<sup>nd</sup> for this year's channel dredging, with the sand allotted to Oak Island and Caswell Beach.

**4.2 Utilities / RO Projects / Pond 5-A; Availability Fees & Other Items** –

Mr. Peck stated that the Village has just received the CAMA minor permit for the RO line to the Marina and is awaiting the obligatory authorization to construct. He thanked BHI Limited for their assistance in getting the existing CAMA permit modified so as to allow the bulkhead penetration.

Regarding the 3<sup>rd</sup> RO unit, Mr. Peck reported that the Village has submitted a revised application subsequent to comments and questions received from DENR upon review of the original permit application, and that he expects installation of the unit around the 1<sup>st</sup> of next year. He stated that if the RO line is in place before the 3<sup>rd</sup> RO unit has been installed the Village can implement the 2 existing units with no problems.

Mr. Peck informed the audience that the Village and Robert Norton met with the Division of Water Quality on October 10<sup>th</sup> and it was determined that the original design plan for one larger pond was not going to be able to infiltrate the required 400,000gpd without a de-watering process, thus requiring a major permit modification, which in turn is not allowable until the Village is in compliance. However, Mr. Peck stated that he had received word today that Tim Cates has produced an alternate plan which will be submitted to Jim Cornette for his review.

Regarding the Pond 5-A drainage evaluation, Mr. Peck reported that McKim & Creed have recommended the installation of a bio-retention area (rain garden) at an approximate cost of \$20,000.

Mr. Peck reported it had been determined that the Village is not authorized to charge an availability fee although BHI Limited had received authorization from the Utilities Commission to do so when it was owner of the Utilities Department.

Subsequently, Council will be approving the rate structure revisions under *New Business* whereby the fee will be annulled. He explained that all customers have been notified and refunds have been issued.

5. **New Business** –

**5.1 September Financial Statements** – Reporting for Ms. Deb Straub who was not in attendance due to a foot injury, Mr. Peck explained that pursuant to the removal of the availability fee a \$274K revenue shortfall will be created.

He further stated that the Village Finance Committee has analyzed the situation and created a plan that will revise utility fees and decrease \$998K in expenditures so as to realize a \$664K shortfall recovery through the following measures: (i) revised utilities rate structure & policy (upon Council approval) whereas tap fees will be increased; (ii) reduction in Utility and General Funds expenditures whereby projects such as paving, the completion of the upgrade of water meters, chlorination of the wastewater treatment plant, monorail at the utilities building, and storm water management enhancements will be delayed for this fiscal year; and (iii) a refund of approximately \$400K in RO expenditures as costs came in lower than anticipated.

**5.2 Consideration / Revision to Sewer & Water Rates and Associated Payment Policy** – Mr. Peck summarized the proposed Village Sewer & Water Rate fee structure, emphasizing that the main change is the \$6,000 increase in tap fees which will be collected at the time a building permit is issued. He reported that per Council's request this would become effective January 1, 2009 so people or businesses that have projects already underway may pay under the current structure.

Mayor Lammert entertained a motion regarding Item 5.2 with Councilor Douglas making a motion for approval and in a voice vote, all voted in favor.

**(Motion Carried 4 – 0)**

**5.3 Consideration of FEMA Designation of Applicant's Agent** – Mr. Peck reported that Brunswick County is one of a few counties receiving Presidential declarations of disaster areas due to Tropical Storm Hanna, therefore allowing for the Village's eligibility for FEMA reimbursement of certain expenses up to approximately \$85K, with those being \$50K for the groin damage as well as costs associated with equipment, personnel, and overtime.

He further explained that he had attended the FEMA applicant briefing the day before and pursuant to information received he would like to recommend that Council approve Item 5.3 so that Ms. Deb Straub and Mr. Chris McCall may sign obligatory paperwork associated with reimbursement.

Mayor Lammert entertained a motion, with Mayor Pro Tempore Sayre making a motion for approval and in a voice, all voted in favor.

**(Motion Carried 4 – 0)**

**5.4 Consideration / Set Public Hearing for Adoption of Brunswick County Transportation Plan** – Mr. Chris McCall reported that this plan has been developed by Brunswick County, municipalities and the DOT as directed by North Carolina General Statutes 136-66.2 in order to reach an agreement for a transportation system that will serve present and anticipated volumes of traffic in and around the County.

Mayor Lammert entertained a motion, with Councilor Douglas making a motion for approval of a Public Hearing to be held at the November 14<sup>th</sup> Council meeting and in a voice vote, all voted in favor.

**(Motion Carried 4 – 0)**

6. **Committee Reports**

**Beach Committee** - Ms. Ann Kane stated that the committee has been working with Public Works to replace, and make more visible, old life rings and rope. She also reported that new “No Lifeguard” signs have been installed in certain areas. She expressed concern regarding Beach Accesses # 8 and # 41 (damaged during Tropical Storm Hanna) which are still closed and stated that this might be of interest to Brunswick County Commissioners planning to visit the area.

**Finance Committee** - Mayor Lammert stated that Mr. John Knott was not in attendance but that the audience had heard Mr. Peck’s summary of the committee’s recommendations to provide a shortfall recovery of approximately \$664K.

**Public Safety Committee** - Mr. Bob Porter reported that the committee did not meet in September for lack of a quorum, but that it plans to meet on Monday, October 20<sup>th</sup> with one item of discussion being “pet behavior”.

**Public Works Committee** - Mr. Richard Mesaris summarized the median maintenance recommendations as presented to Council in the morning work session and reported the Committee’s recommendation to delay maintenance at the western S. Bald Head Wynd median area.

**Transportation Committee** - A member reported that the committee is involved in updating business service providers and is considering posting them in more accessible places on the Island. She also stated that the possibility of Island wide delivery system is being explored and investigated.

**Liaison Committee** - Mayor Lammert reported that the committee has held its first meeting with 5 members in attendance and that they had attended the October 6<sup>th</sup> Brunswick County Board of Commissioners’ meeting. He stated since the time of that meeting the he has hosted Chairman Bill Sue for a tour of the Island, with Commissioner Marty Cooke planning a visit on Thursday, October 23<sup>rd</sup>. Mayor Lammert invited the audience to join members planning to attend the commissioners’ second monthly meeting to be held on October 20<sup>th</sup>.

7. **Monthly Reports** –

**7.1 Manager’s Report** - Mr. Peck reported that repairs have been made to the South Beach groin tear as well as 2 others and that the \$50K cost should be reimbursable via the FEMA Tropical Storm Hanna application.

He further informed the audience that the Village, subsequent to erosion caused by the recent nor’easter, has received an emergency sand push permit so as to place a protective berm on East Beach, with Mr. Wayne Krahn submitting the low bid of approximately \$37K to perform the work.

He explained that sand fence and poles for this area (purchased at a good price from BHI Limited's surplus supply) will be installed subsequent to completion of the sand push.

**7.2 Police Report** - Police Chief Richard Herring reported a slow down in activity on the Island and invited the audience to attend the Community Watch informational session on Wednesday, October 22<sup>nd</sup> at the BHA Center at 10:00 a.m. Chief Herring explained that this session will provide an opportunity to exchange information between the police department and members of the community, therefore opening the lines of communication so that it can improve its service to the Island, as well as the department offering helpful tips to residents and others in attendance.

Ending his report, Chief Herring introduced the newest member of his force, Donald Russell, and asked the audience to welcome him to the Island.

**7.3 Fire / EMS Report** - Chief Chip Munna reported that his department has given approximately 100 flu shots and that 30 more units have been ordered so that others (resident, visitor, etc.) may take advantage of the \$20 preventive measure available on a 1<sup>st</sup> come, 1<sup>st</sup> serve basis.

8. **Comments, Reports and Questions** -

There were no comments, reports or questions.

9. Mayor Lammert entertained a motion for adjournment, with Mayor Pro Tempore Sayre making the motion and in a voice vote, all voted in favor.

**(Motion Carried 4 – 0)**

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**Larry Lammert, Mayor**

**Attest:**

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**Joy Barrow Davis, Village Clerk**