

**VILLAGE OF BALD HEAD ISLAND  
COUNCIL WORK SESSION  
November 14, 2008  
9:30 A.M.  
Bald Head Association Center**

**COUNCILORS IN ATTENDANCE:** Mayor Larry Lammert  
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  
Deb Straub, Finance Director  
Police Chief Richard Herring  
Captain Danny Kiser  
Ben Liddle, Public Works Director  
Ken Bowling, Public Utilities Director  
David Cox, Systems Administrator  
Charles Baldwin, Village Attorney  
Jason Kesler, Legal Assistant to Charles Baldwin

**OTHERS PRESENT:** Mark Pages, Brunswick County Planner  
Peter Ravella, Ravella Consulting  
Joyce Fulton, BHI Limited Director of Communications  
Various Other Public & Residents

**1. Call to Order & Approval of Agenda** - Mayor Lammert called the November 14<sup>th</sup> 2008 Council Work Session to order. Councilor Morris made a motion to approve the Work Session Agenda as presented. In a voice vote, the motion was unanimously approved 4 – 0.

**2. Review of Afternoon Public Hearing & Council Meeting Agenda Content** -

**Council Item # 2** - Mayor Lammert stated that Mark Pages, Brunswick County Planner would be presenting information on the Brunswick County Comprehensive Transportation Plan subsequent to the review of the afternoon agenda.

**Council Item # 3** - There were no concerns or questions regarding afternoon Agenda Item #3

**Council Item # 4** - There were no concerns or questions regarding afternoon Agenda Item #4

**Council Item # 5** - Mayor Lammert informed Council that the architect for the Village had not had time to adequately review the November 12<sup>th</sup> bid results for the Village Hall expansion project and Council unanimously agreed to postpone consideration of the bid results until the December 12<sup>th</sup> Council meeting.

**Council Item # 6** - There were no concerns or questions regarding afternoon Agenda Item # 6.

**Council Item # 7.1** - There were no concerns or questions regarding Agenda Item # 7.1.

**Council Item # 7.2** - There were no concerns or questions regarding Agenda Item # 7.2.

**Council Item # 7.3** - There were no concerns or questions regarding Agenda Item # 7.3.

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**Council Item # 7.4** - Due to Mayor Pro Tempore Sayre's absence due to a family member's death, and per his telephone request to Mayor Lammert, Council agreed to postpone consideration of the mayoral election item.

**Council Item # 7.5** - There were no concerns or questions regarding Agenda Item # 7.5.

**Council Item # 8** - There were no concerns or questions regarding information on committees.

**3. Brunswick County Comprehensive Transportation Plan** - Regarding the Public Hearing on the Brunswick County Comprehensive Transportation Plan, Mayor Lammert introduced Mr. Mark Pages, Brunswick County Planner, and asked him to brief the audience on the proposed plan.

Subsequent to Mr. Pages' overview of the plan, Mayor Lammert stated that it does not address safety concerns such as the dangerous "Michigan Left Turns", the 87 flood-prone roadway areas, or traffic flow issues as relating to the proposed NC Port, the new Oak Island Bridge, summer beach traffic, as well as an increase in traffic along Highway 211 where hundreds of homes are planned.

The Mayor asked him why Council should approve the plan when the Brunswick County Commissioners turned it down at their October meeting, due in part to issues such as the "Michigan Left Turn", with Mr. Pages replying that it is a broad 30-year plan meant to show basic road improvement and widening plans and that specifics will be provided at a later time..

Mr. Peck asked about funding of the proposed plan to which Mr. Pages answered that at this time there is no funding but it is under review.

Councilor Douglas stated that the County has to adopt the plan and suggested that Council approve the plan, but with the stipulation that matters of flooding, safety, and traffic flow be addressed.

As discussion ended, Council agreed that the plan is flawed, inadequate, and, foremost, does not meet the basic needs of Brunswick County.

**4. Mayoral Election** - No discussion as matter will be considered at December monthly meeting.

**5. Financial Report** - Ms. Deb Straub reported that General Fund revenues are approximately 22% higher than last year this time, due primarily to the early billing and collection of property taxes by Brunswick County. Regarding expenditures, Ms. Straub stated that these were in line with last year.

Ms. Straub reported that revenues are under budget for the Utility Fund due to rescinding the availability fees, as well as a decrease in building permit applications, but that the January 1, 2009 tap fee increase will help offset loss of revenue.

Pertaining to cost containment measures, Ms. Straub attributed cited the use of radio meters, the hiring of a maintenance mechanic, collection of ICE permits by Bald Head Island Limited, billing and collection of Bald Head Island taxes by Brunswick County, implementation of Village office space to house the Development Services and Information Technology offices and the approval of the virtual private network system.

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Ending her reporting, Ms. Straub announced that the Village will be receiving approximately \$60K reimbursement from FEMA for expenses incurred during Tropical Storm Hanna.

Mr. Peck referenced a question posed at a previous meeting regarding re-valuation and taxes, informing the audience that upon review he had found that 472 property owners experienced no change in their tax bills, with 791 properties actually realizing a decrease. He further reported that 740 property owners saw their rates increase. Mayor Lammert stated that although the assessed value of his property increased by 47%, his tax bill actually decreased by 18% and he pointed out that Council and staff continue work to keep rates for property owners reasonable.

**5.1 Tap Fee Policy Discussion** – Builder, Steve Hinson spoke to Council about the sewer and water tap fee policy which will go into effect 01-01-2009, whereby people will be required to pay sewer and water tap fees at the time of making application for a building permit.

Explaining that per this new policy, builders on the Island will be required to pay approximately \$30,000 upfront before construction of a home begins. He also indicated that it is difficult to get your construction bank draws for the expenditure early in the process. Mr. Hinson asked that Council consider collecting said fees further into the process such as at the time of the framing inspection.

Councilor Morris asked why the policy was changed, with Mr. Peck answering that, aside from the collection of revenue for the Village, the policy will prevent people from hooking onto the sewer system prior to grinder pump installation.

Mr. Peck recommended to Council that, per the Village Building Inspector, Stephen Boyette's suggestion, the fees could be collected at the time of the sheathing inspection request which occurs about the time that water is needed to adequately continue the building process.

Subsequent to discussion, Mayor Lammert asked the clerk to add the tap fee policy revision to the afternoon agenda under *New Business*.

**5.2 Onslow County General Assembly Sales Tax Proposal** - Mayor Lammert stated that one of the objectives of the Liaison Committee is to find ways to generate more revenue and to that end they have reviewed a local agreement between Onslow County and 7 municipalities whereas for Fiscal Year 08 – 09 sales tax revenue will be distributed via a “60% - 40% methodology. He explained that prior to the agreement the County's methodology was solely ad valorem, which resulted in a loss of revenue for entities that would benefit from the per capita method.

Additionally, Onslow County has drafted a resolution requesting that the North Carolina General Assembly amend General Statute 105 – 472 so as to provide the County authority to distribute local sales tax revenues not only by the current methods of ad valorem or per capita, but via a proposed 3<sup>rd</sup> method comprised of a combination of ad valorem and per capita on a basis of no less than 40% and no more than 60%.

Mayor Lammert stated that if the Village received sales tax revenue distribution based on ad valorem it would realize between \$1.2M and \$1.4M rather than the \$59K it now receives under the per capita method. Per the combined route, he explained, the Village would receive \$700K or \$800K.

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Council agreed, at the Mayor's request, for the committee to move forward with the thought process so as to determine how to approach the County and the General Assembly.

Ending his report, Mayor Lammert stated other areas of work the committee is concentrating its efforts on, with those being County assistance with costs of Island paramedic services and twice-weekly summer trash pick-up costs, as well as basing a medical helicopter at the Brunswick County Airport.

**6. Ravella Consulting Report on Integrated Shoreline Funding Options** - Mr. Peter Ravella presented a PowerPoint presentation and explained his recommendation to create 2 municipal service districts and 3 ad valorem tax zones. Mr. Ravella explained that although his plan is basically the same as presented at his October 24<sup>th</sup> charrettes, he suggested to Council that it consider allowing him to revise his recommendation thereby omitting the professional lobbying services line item and allocating the \$145K into the East Beach portion, with the Village absorbing the cost for lobbying administratively. Subsequent to Mr. Ravella's presentation, Council complimented him on his work and agreed to the revised recommendation as presented.

**7. Integrated Shoreline** - Mr. Peck versed the audience on municipal service districts as defined in North Carolina General Statute 160A-536 and further explained that although Mr. Ravella's recommendation calls for a 3-Zone tax rate plan, the Beachfront and Dune Ridge/East Beach zones will be assessed respectively \$.04 and \$.02 cents due to the higher level of protection needed for the areas and therefore necessitating the need for 2 (two) service districts which will become effective with the approval of the Fiscal Year 2008 – 2009 Budget. Mr. Peck stated that the required public notices will be mailed and published approximately 4 weeks prior to the January public hearing.

Pertaining to the associated permit, Mr. Peck reported that a "voluminous response" had been received from the National Marine Fisheries whereby it has conveyed to the Corps of Engineers the need for a time-consuming EIS (Environmental Impact Statement) in response to potential harm to essential fish habitat in the area of the Jay Bird Shoals borrow site.

Additionally, National Marine Fisheries stated that the Village had not taken into consideration, and should provide comments and a response, regarding the cumulative effects of all current and potential future projects which may impact the area with some of those being the proposed NC Port and the potential Brunswick Beaches Federal Project.

Charles Baldwin informed Council that a response to these items had been submitted to the Corps on November 6th and clarified that the Corps, indeed, may override determinations made by National Marine Fisheries. Mr. Peck informed the audience that a meeting with the Corps concerning the matter is scheduled for November 20<sup>th</sup> in Wilmington.

Mr. Peck reported that in relation to the Integrated Shoreline Project he will be signing a task order from Olsen Associates to begin developing documentation of the existence of the Village's engineered beach in order to receive FEMA funding in the event of a natural disaster. He further explained that this documentation will also provide information to the State so as to qualify for the important Static Line Exception.

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Mr. Peck informed the audience that surveying and monitoring of East Beach has been authorized so as to gather important data in order to determine future needs.

Mr. Chris McCall reported that the East Beach push has begun, encompassing a 1 foot in depth push at normal low tide to the escarpment and extending from 234 Station House Way to 31 East Beach Drive, and that Simmons Agriculture will be planting American Beach Grass so as to further stabilize the dune. Mr. McCall stated that West Beach has been scrutinized and that a similar push may be feasible for the area.

**8. Bald Head Creek Project** - Mr. Peck reported that an incomplete permit application will be submitted to the Division of Coastal Management by December 30<sup>th</sup> with the reasoning being that if said application is in process it will make possible the approval of an emergency permit should a breakthrough or significant erosion occur on South Beach.

**9. R.O. & Utilities Project** - Regarding the R.O. line to the Marina, Mr. Peck reported that the Village is awaiting approval of the CAMA Minor Permit modification which is expected within days and that once received construction will begin. Pertaining to the 3<sup>rd</sup> R.O. Unit, Mr. Peck informed the audience that Public Water made a site visit to Village facilities the prior Wednesday and once it has provided the required response the equipment will be ordered from Siemens.

**10. Westervelt Report** - Mr. Peck summarized Westervelt's recommendation to cull approximately 70 deer, with 60% of those being does. He explained that the Conservancy's summer count is due today (11-14-08) and that contractor David Richardson has provided an estimate and is available as soon as the Village notifies him.

**11. 2009 Council Retreat** - Mayor Lammert asked Council to review information regarding the 2009 Retreat and asked members to review dates and contact the clerk as to their availability.

Regarding the January 16<sup>th</sup> Council meeting Mr. Peck stated that he will not be able to attend per his daughter's nuptials, with Mayor Lammert asking Council to consider this when reviewing January's calendar.

**12. Closed Session** - 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 Douglas making the motion. In a voice vote, all voted in favor. (Motion Carried 4 – 0)

13. Upon return to Open Session and with no reporting or action taken, Mayor Lammert entertained a motion for adjournment, with Councilor Pitera making the motion. In a voice vote, all voted in favor. (Motion Carried 4 – 0)

ATTEST:

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Joy B. Davis, Village Clerk

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Larry Lammert  
Mayor