

**Village of Bald Head Island**  
**Council Work Session**  
**September 26, 2008**  
**Location: 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; Finance Director, Deb Straub; Human Resource Administrative Officer, Dawn Reno; Police Chief, Richard Herring; Chief Chip Munna; Captain Danny Kiser; Public Works Director, Ben Liddle; Utilities Director, Ken Bowling; Systems Administrator, David Cox; Jason Kesler, Legal Assistant to Charles Baldwin; Village Clerk, Joy Davis (recording minutes).

**Others Present Per Meeting Sign-In Sheet:** Joyce Fulton, BHI Limited Director of Communications; Jim Powell & Keith Carlyon of ADW Architectural Firm.

1. **Call to Order/ Approval of Agenda**- Mayor Lammert called the September 26, 2008 Council Work Session to order at approximately 9:30 a.m. The Mayor asked that Item # 10 of the agenda be revised and presented as Item # 1 (a) and entertained a motion for approval. Councilor Morris made a motion for approval of the agenda. With all in approval, voice vote. **(Motion Carried 4 – 0)**

**1 (a) Public Safety Presentation -**

Mr. Jim Powell and Mr. Keith Carlyon, representatives of ADW Architectural Firm, provided a PowerPoint presentation based on their Project Development Study for the proposed Village of Bald Head Island Public Safety Center and thus provided detailed information on the research strategies they implemented in order to offer the Village 4 (four) master site plan options designated as A; B; C; and D.

Members of Council posed questions regarding the average \$500 per square foot cost with the representatives informing them that such public safety centers require rebar (rather than less expensive wire mesh) in order to adequately house the fire trucks and other vehicles and apparatus, as is evidenced in PowerPoint photos of cracks in the current fire department bays. They also cited the escalating cost of concrete, rebar, steel, and other highly-durable, storm resistant materials necessary for buildings designed and constructed to last 50 years.

Referring to Plan “D” which would essentially be a renovation of both the fire and police departments, Mr. Powell pointed out that (i) the plan does not allow for future needs of the fire department; (ii) there is no really good way to expand the bay areas; (iii) maintenance issues and additional costs would be realized in order to bring the prior older construction to code; and (iv) the fire and police departments would have to relocate during the project.

Councilor Douglas commented that there is not a significant difference in cost between the 4 (four) plans and Mayor Pro Tempore stated that the needs of the fire department should be foremost.

Mayor Pro Tempore Sayre and Councilor Morris asked about the feasibility of a pre-fabricated building plan as an additional option, with Mr. Powell replying that such a plan could be presented, but it would not offer much in the way of design choices as these structures are typically rectangular in shape, and the “life expectancy” of the building would be less than the options presented.

Subsequent to Mayor Pro Tempore Sayre’s request that ADW explore other structural options, Council thanked Mr. Powell and Mr. Carlyon for their presentation.

**2. Review of Agenda / September 26 2008 Public Hearing & Regular Meeting**  
**Agenda Item #3**

Regarding Item 3.2, *Assignment of Check-Signing Privileges to the Village Clerk*, Mayor Lammert asked Mr. Peck to verify that the names listed on the Bank of America check-signing agreement are compliant as each person, inclusive of the village clerk, reports directly to him.

Regarding Item 3.4, *Liaison Committee Appointments*, Mayor Lammert distributed Liaison Committee informational packets to Council and reported that members interested in the Liaison Committee had met on September 19<sup>th</sup>.

He explained that certain members are planning to attend the Brunswick County Commissioners’ meeting on October 6<sup>th</sup>.

**Agenda Item #5**

Regarding Item 5.4, *Flood Damage Prevention Ordinance Amendment*, errors were noted in the Flood Damage Prevention Ordinance Amendment with those being a typographical error on page 14 of the document and the incorrect adoption date. Mayor Lammert directed staff to revise prior to the afternoon Council meeting.

***Items 5.5 through 5.8 discussed in the following Manager’s Report***

**3. Manager’s Update on Village Projects & Other Items**

***Hole 14 & Modification Permit***

Mr. Peck reported that finding a solution to the 14<sup>th</sup> Hole and lagoon issue has become somewhat more complicated than first thought, with there being a need for a visit from storm water representatives and a more detailed look at elevations. He stated that McKim & Creed will be making a recommendation early next week and that this will in no way affect the September 30<sup>th</sup> permit modification submittal to DWQ. In reference to the modification application, Mr. Peck invited Council to sit in on a tentatively set 1:30 p.m. meeting to discuss the submittal with Club staff and two of their board members on September 29<sup>th</sup>.

Mr. Peck stated that a response to the September 6, 2008 letter from the Club will also be discussed at the September 29<sup>th</sup> meeting.

### ***Harbor Groins / Creek Access***

Mr. Peck reported that subsequent to the meeting of minds between Dr. Hearty and Eric Olsen, the Conservancy has declined to sponsor the Bald Head Creek Dredging project based mainly on the issue of hardened structures at Bald Head Creek and the Marina.

Subsequently, Mr. Peck asked Mr. Olsen how best to respond should there be an emergency situation at South Beach prior to construction of the Integrated Shoreline, with Mr. Olsen submitting a proposal whereby the Village may work on an ongoing dredging permit for Bald Head Creek with the idea that the fill would be provided to West Beach, but redirected to South Beach should an emergency arise regarding areas of South Beach.

Mayor Pro Tempore Sayre suggested that Mr. Peck provide Limited with a copy of Mr. Olsen's plan, and then asked where the Village stands with perfecting the permit and beginning rehabilitation of the groins. Mr. Peck answered that the Village has received a proposal from Limited and that it has been found that the jetty extension is a modification of the original permit which allowed for the groins and the bypass dredging, thus covering all facets within one permit.

Mr. Peck went on to say that the proposal from Limited is for the Village to take the permit under certain conditions, with Ms. Joyce Fulton adding that factors such as whom will bear the expenses relating to the permit transfer as well as liability issues must be discussed, clarified and agreed upon before finalizing the transfer.

Mayor Pro Tempore Sayre asked if, reading between the lines, Limited is suggesting that in order to take over the permit the Village will not only have to bear the expense of the groin rehabilitation, but also the jetty extension and the bypass dredging. Mr. Peck stated that Limited will pay for the bypass dredging for a certain amount of time.

Mayor Pro Tempore Sayre asked if there was any way the Village could proceed with the rehabilitation of the groins during ongoing negotiations, with Mayor Lammert answering that such discussion should occur in Closed Session.

Mayor Pro Tempore Sayre then asked if the Village is any closer to beginning work on the groins than it was 6 months ago, with Mayor Lammert and Mr. Peck answering in the affirmative.

Mr. Peck informed Council that surveys of the Creek entrance need to begin very soon and will not be a simple project as it was last time, explaining that the idea is to try and deal with the most pressing issue of South Beach erosion by beginning the permit process and while working with them, should a situation arise, an emergency permit will be much easier to obtain, rather than the Village attempting to receive one encompassing permit for construction of the Integrated Shoreline

Mayor Pro Tempore Sayre asked who the permit applicant would be, with Mr. Peck replying that it would be the Village.

Councilor Douglas commented that the Conservancy Board has not made a definite decision on sponsoring the Bald Head Creek dredging project, with Mr. Peck agreeing but stating that the Board will render its decision based on Dr. Hearty's recommendation which does not appear to be favorable.

Ending, and per Mr. Peck's recommendation, Mayor Lammert directed the village clerk to add Item #5.9, *Authorizing Calvin Peck to Proceed with the Bald Head Creek Project*, to the afternoon agenda.

### ***Integrated Shoreline Project Financing***

With regards to the Manager's Report, Mayor Pro Tempore Sayre asked about the Local Government Commission's advice on how to proceed with financing the estimated \$10M proposed Integrated Shoreline Project.

Mr. Peck explained 3 varied options with those being (i) instead of seeking financing, use money already in the bank; or (ii) pledge the full faith and taxing power of the municipality via general obligation bonds and a referendum; or (iii) tie another project in with the Integrated Shoreline Project such as Village Hall, whereby, for example, you request \$20,000 for minor modifications and then pledge as collateral Village Hall (current structure and improvements), then if this collateral is valued at 40 to 60% of the total loan amount for the project, then that can fully collateralize the loan, with Mr. Peck stating that the LGC actually suggested this last approach.

Mayor Lammert also explained that 3 banks are interested in financing the project on a tax-exempt basis and at a very good interest rate of 3.25% for a 5-year period, with those being BB&T, Bank of America, and RBC Centura.

Mr. Peck further explained that the repayment of the 5-year note, as proposed by Peter Ravella and in addition to the room occupancy tax could be attained by a 2-Zone assessment system whereby there would be .06 cents for all areas and an additional .06 for oceanfront.

Another proposal which Mr. Ravella is working on is a 3-Zone assessment system based on the new Inlet Hazard Area Map which will allow the interior Island to remain at .06 cents, the oceanfront at .12 cents and the dune ridge assessment would be .08 cents.

Mr. Peck reported that a meeting is planned with Land Management and Marine Fisheries on October 6<sup>th</sup> whereas it will be determined if only an environmental assessment is needed, rather than more extensive studies as related to marine life. He further explained that if this goes well the Village will be able to move forward with permitting.

Mr. Peck reminded the audience of Mr. Ravella's upcoming workshops on October 3<sup>rd</sup> and 4<sup>th</sup>.

### ***Reverse Osmosis & Plant Expansion***

Regarding Agenda Item #5.6, Mr. Ken Bowling and Mr. Peck explained the engineer's recommendation for Council to award an \$127K sole source bid pursuant to N.C. General Statute 143-129(e) (6) to Siemens based on standardization and compatibility.

With regards to the Reject Force Main project, Agenda Item #5.7, Mr. Bowling and Mr. Peck explained that the Village is awaiting permit approval which is expected soon, stating that CAMA, DENR, and the Corps of Engineers are involved and that wetlands and bulkhead matters must be analyzed and approved. Mr. Peck explained that this will involve running 2,500 feet of force main to the Marina and that an easement has been acquired from the Club.

He also explained that in order to begin construction a permit is needed from Public Water Supply which has been basically pre-approved and that Council's award of the bid will be pending this approval.

Mr. Bowling discussed Agenda Item #5.8 and the approval of the RO Plant Expansion and SCADA upgrade stating that this is being done so as to fully integrate the water and wastewater systems and concurrently update the SCADA system.

#### **4. Creek Access**

Mr. Peck reported that Village staff has met with CAMA to discuss the required CAMA major permit for the Creek Access expansion, explaining that such a permit is necessary due to wetlands impact since there will either be a dock expansion or the addition of a concrete dock.

He also reported that the Village has been working with Limited on the sketch plan in order to submit an application for a parks and recreation grant.

#### **5. Village Hall Expansion Bids**

Mr. Peck reported that there will be a pre-bid conference on October 16<sup>th</sup> at the BHA Association Center and the bid opening will be held there as well on October 31<sup>st</sup>.

Mayor Pro Tempore Sayre asked if parties who have inquired have been made aware that this will be a bonded project, to which Mr. Peck replied in the affirmative, adding that an unlimited general contracting license is also required. Mr. Peck went on to explain that ultimately the Village pays the bond, but the contractor must be bondable.

#### **6. Liaison Committee - *No further discussion on the Liaison Committee.***

#### **7. General Election of Mayor**

Regarding the proposed resolution of intent to consider an ordinance amending the Charter so as to allow the direct general election of the Mayor, Mayor Pro Tempore Sayre stated that he feels the proper way to address the matter is through a

referendum rather than Council's adoption of the resolution and he asked how this will be implemented in the next election should it be approved by the Public.

Mr. Jason Kesler explained that if adopted now, then beginning with the 2009 election every other election would involve a mayor and 1 (one) Councilor, with the 2011 election having 3 (three) councilors up for a seat.

Mr. Kesler also stated that this Council could merely pass a resolution urging future Councils to consider the proposal, with Councilor Douglas commenting that this was an unacceptable suggestion.

When asked by Mayor Lammert and Mr. Peck if the approval of the amendment to the Charter could be made now, but become effective in the 2011 election therefore allowing for 2 open Council seats and election of a mayor, to which Mr. Kesler answered in the affirmative.

Hence, Council decided that it would go forward with approval of the resolution during the afternoon meeting, therefore scheduling the Public Hearing in October and should the Public express their approval, then Council will consider the Charter amendment in November after Mr. Kesler and Charles Baldwin have related specific requirements and how to proceed effectively.

8. **Closed Session Pursuant to N.C. General Statutes 143-318.11 (a) (1), (3), and (5)**  
Subsequent to Mayor Lammert entertaining a motion to enter into Closed Session, Councilor Douglas so moved. In a voice vote, all in favor. **(Motion Carried 4 – 0)**
  
9. Upon return to Open Session, with there being no reporting or action taken, Mayor Lammert entertained a motion for adjournment, which was made by Councilor Douglas. In a voice vote, all voted in favor. **(Motion Carried 4 – 0)**

**Approved:**

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**Larry Lammert, Mayor**

**Attest:**

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**Joy Barrow Davis, Village Clerk**