

VILLAGE OF BALD HEAD ISLAND
Regular Meeting
November 11, 2005

Councilmembers Present: Mayor Larry Lammert and Councilmembers Gene Douglas and Art Morris.

Councilmembers Absent: Mayor Pro Tempore Sayre and Councilor John Pitera.

Staff Present: Police Chief Richard Herring, Chief of Emergency Services Chip Munna, Public Works Director Ben Liddle, Village Attorney Charles Baldwin and Village Clerk Amy Candler recording the meeting.

Others Present: Bald Head Island Conservancy Director Suzanne Dorsey, Bald Head Island Limited Director of Communications Joyce Fulton, Hillary Snow with the State Port Pilot and Wayne Berry with the Broch, Padgett, and Chandler, PLLC.

Citizens Present: Beth Kapil, Bob & Judy Porter, Anne Boozell and Dick Johnston.

1. Call to Order/Approval of Agenda

Mayor Lammert called the November 11, 2005 Regular meeting to order at 3:00 p.m. Mayor Lammert asked for amendments to the regular meeting agenda. With no changes to the agenda, Councilor Douglas made a motion to approve the agenda as presented. In a voice vote, with Mayor Pro Tempore Sayre and Councilor Pitera being absent all voted in favor. **(Motion carried 3-0)**

2. Public Hearing

2.1 A Public Hearing in Connection with an Installment Financing for the Refinancing of Outstanding Installment Financing Obligations and the Acquisition of Water and Wastewater Systems

Mayor Lammert explained that BB&T brought forth the lowest bid in regard to the installment financing for the Utility Company. He further explained that BB&T bid a rate of 3.97% for a 15 year fixed rate. At this time Mayor Lammert opened the public hearing. With no comment from the citizens, Mayor Lammert closed the public hearing. The time was 3:02 p.m.

3. Consent Agenda

- 3.1 Approval of Minutes
 - October 21, 2005, Regular Meeting
 - October 21, 2005, Worksession Meeting
 - October 26, 2005, Special Meeting
 - November 4, 2005, Special Meeting
- 3.2 A Resolution Providing for Authorized Signatures on Behalf of the Village Bank of America Banking Account; and Providing for an Effective Date
- 3.3 A Resolution Accepting the Proposal of a Financial Institution in Connection with an Installment Financing for the Refinancing of Outstanding Installment Financing Obligations and the Acquisitions of Water and Wastewater Systems
- 3.4 Budget Transfer Request from Emergency Reserve and Manager's Contingency to Administration/FEMA Expense

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3.5 A Proclamation Honoring Military Veterans

Councilor Douglas made a motion to approve the consent agenda as presented. In a voice vote, with Mayor Pro Tempore Sayre and Councilor Pitera being absent, all voted in favor. **(Motion carried 3-0)**

Mayor Lammert explained that the consent agenda consisted of a resolution to add Mr. McCall and Ms. Candler to the bank signature card. A resolution to accept BB&T's bid for the installment financing for the utility company. A budget transfer to move money around for unanticipated expenses due to Hurricane Ophelia and Tropical Storm Tammy and a proclamation to honor Veteran's on the Veteran's Day Holiday.

4. Old Business

4.1 Update on the Purchase of the Utility Company

Mayor Lammert reported that as of Monday afternoon, the Village and Club reached an agreement regarding the intervention filed by the Club. He advised that the Village is continuing to move forward with the purchase of the Utility Company and we are currently awaiting approval from the Local Government Commission (LGC.) Mayor Lammert added that the Village Manager and Mr. Fulton are working on the transfer of permits and the Village Council will provide the final approval at the December 9th Council Meeting with a closing date set for December 15th.

5. New Business

5.1 Financial Statements—October, 2005

Ms. Boyd reported that the Village currently has \$7.5 million cash balance. She further reported that Finistar yielded a thirty day average of a 4.1% interest rate for the month of October. Ms. Boyd advised that there was a decrease of \$4,000 in the amount of accommodations taxes collected compared to October of 2004. She further advised that approximately \$25,000 was received in building permits and the Village received the last quarterly waterline payment from Bald Head Island Limited. Ms. Boyd reported that the Village expenses consisted of normal operating costs associated with various Village Departments.

5.2 Consideration and Approval of an Interlocal Agreement between the Village of Bald Head Island and Brunswick County for the purpose of allowing Waste Industries, Inc., to continue to collect residential waste through June 30, 2011.

Mayor Lammert explained that the Interlocal Agreement between the Village and Brunswick County is an agreement which allows Waste Industries to continue to collect household waste from the Island until 2011. Councilor Douglas made a motion to accept the agreement. In a voice vote, with Mayor Pro Tempore Sayre and Councilor Pitera being absent, all voted in favor. **(Motion carried 3-0)**

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5.3 Broch, Padgett, and Chandler, PLLC – Village Audit, Fiscal Year 2004–2005

Mayor Lammert introduced the Wayne Berry, the Village Auditor. Mr. Berry gave a brief overview of the fiscal year 2004-2005 annual budget. He advised that the Village had a net fund balance of \$4,123,774 at the end of the fiscal year. He further advised that the tax collection rate for the fiscal year was 99.92% which is outstanding for North Carolina. Mr. Berry wrapped things up commenting that the Village is in extremely good financial shape.

6. Committee Reports

6.1 Beach

Anne Kane

In the absence of Ms. Kane, Councilor Douglas reported that the Beach Committee reviewed routine information.

6.2 Finance

John Knott

In the absence of Mr. Knott, Mayor Lammert reported that the Finance Committee reviewed the financing of the Utility Company.

6.3 Public Safety

Bob Liesegang

There was nothing to report from the Public Safety Committee at this time.

6.4 Public Works

Joe Ridgeway

In the absence of Mr. Ridgeway, Mr. Liddle reported that the Public Works Committee discussed turn outs for construction vehicles.

6.5 Transportation

Wayne Lambert

In the absence of Mr. Lambert, Mayor Lammert reported that the Transportation Committee met and discussed the purchase of mobile pumps for the purpose of pumping flood waters from the Island.

7. Monthly Reports

7.1 Manager's Report

Manager Middleton

In the absence of Mr. Middleton, Mayor Lammert reported that the foundation has been poured for the Public Works Expansion and the metal structure is scheduled to be delivered next week. A February completion date is expected.

Mayor Lammert reported that the Village is continuing to move forward with the Creek Dredging project. He advised that at the morning meeting the Village Council agreed that the original permit should be modified to allow the Village to place the sand on West Beach verses the original permit, which allowed the Village to place the sand on South Beach. He advised that the Council authorized Mr. Middleton to move forward with a fast-track permit rather than the modification to the original permit which could take up to ninety (90) days.

Mayor Lammert reported that the Village monitors the beach with aerial photography every 6 months. He advised that the Corps also monitors the beach on a six (6) month basis. He further advised that the Corps monitoring takes place on the off months of the Village. Mayor Lammert emphasized that the Corps supposed to share

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their data with the Village to ensure that a close watch on any changes that are occurring on the beach.

Mayor Lammert reported that Westervelt and Associates have completed the infrared deer camera study. The Village has not yet received the report from Westervelt. He advised that the Conservancy is compiling a fall count and the information should be available from the Conservancy in a few weeks.

Mayor Lammert reported that the bids for the eradication of beach vitex will be opened the second week of December. He explained that the process will be a three (3) phase process. The first process is the eradication process, then the restoration of the dunes and the last phase is the replanting the dunes with plants native to the Island.

Mayor Lammert reported that the Village is also working on extending the jetty on the south side of the entrance to the marina to help keep sand out of the mouth of the harbor. He advised that the Village is also currently working with Erik Olsen on a plan which will hopefully allow the Village to widen the channel which will give the Bald Head Beaches some much needed relief. On the same note, Mayor Lammert reported that that Congress has approved funding \$41 million for North Carolina beaches. In this \$41 million, it includes the deepening of the channel in the Wilmington Harbor area.

7.2 Police Department

Chief Herring

Chief Herring reported that activities on the Island have begun to slow. He advised that several officers have been in training, which is mandated by Raleigh. Chief Herring emphasized that golf cart registration will begin on Monday.

7.3 Fire/EMS Department

Chief Munna

Chief Munna reported that Captain Kiser sends his thanks for all of the thoughts and prayers he received from everyone during the death of his mother. He further reported that the Village is out of flu shot and the Department has been referring everyone to the Brunswick County Health Department. Chief Munna reported that the Fire Department has hired two (2) new employees, one (1) fulltime and one (1) part-time.

8. Comments, Reports and Questions

8.1 Citizens

Ms. Boozell congratulated the Council on the work preformed to work out the conflict with the Club. She asked what the cost was to the Village in legal fees. Mayor Lammert responded that it has cost the Village approximately \$25,000 plus a lot of extra time. He advised that everything is back on track and the Village has secured the interest rate.

8.2 Bald Head Island Association—Bob Porter President

Mr. Porter advised that he is happy to represent the Stage I Association and emphasized their support for the Village to purchase the Utility Company.

8.3 Bald Head Island, Ltd.—Joyce Fulton

Ms. Fulton had no comments to make on behalf of Bald Head Island at this time.

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Ms. Dorsey reported that the Conservancy is working on providing community information on environmental issues regarding the proposed bridge, beach vitex, and the Brunswick County Nuclear Plant. She advised that the deer study from North Carolina State University should be delivered to the Conservancy by Dr. Doehr within the next month.

8.4 Mayor and Council

There were no additional comments from the Mayor and Council at this time.

9. Adjourn

With no additional items of discussion, Mayor Lammert entertained a motion to adjourn the November 11, 2005 Village Council Regular Meeting. Councilor Douglas made the motion to adjourn. In a voice vote, with Mayor Pro Tempore Sayre and Councilor Pitera being absent, all voted in favor. **(Motion carried 3-0)**

The meeting adjourned at 3:43 p.m.

Approved:

Larry Lammert, Mayor

Attest:

Amy R. Candler, Village Clerk