

**VILLAGE OF BALD HEAD ISLAND
COUNCIL WORK SESSION**

January 13, 2011

River Pilot Café

COUNCILORS IN ATTENDANCE

Mayor Andrew Sayre
Mayor Pro Tempore John Fisher
Councilor Gene Douglas
Councilor Robert Helgesen
Councilor Art Morris

STAFF PRESENT:

Calvin R. Peck, Jr., Village Manager
Chris McCall, Asst. Manager/ Shoreline
Protection Manager
Deb Straub, Finance Director
Chief Chip Munna
Karen Ellison, HR/ Communications
David Cox, Systems Administrator
Charles Baldwin, Village Attorney
Debra Talbert, Village Clerk

1. Call to Order/ Approval of Agenda

Mayor Sayre called the January 13, 2012 Council Work Session to order at 9:30 a.m. Councilor Douglas asked for an addition to the work agenda concerning the deer management group to appoint a liaison. Mayor Sayre entertained a motion to approve the agenda as amended. Councilor Douglas made motion, with all in approval.

(MOTION CARRIED 5-0)

2. Review of Council Meeting Agenda

2. Consent Agenda-

2.2 Resolution to Adopt the Regular Council Meeting Schedule -Mayor Sayre reviewed the presented resolution to adopt the regular Council meeting schedule for 2012.

2.3 Resolution to Adopt a Policy for Mutual Aid for Law Enforcement Agencies - Calvin reviewed the presented resolution to adopt a policy for mutual aid for law enforcement agencies.

3.4 Parks & Recreation Committee Recommendations-

1- Councilor Douglas reviewed the recommendation to create a Greenway throughout the island for pedestrian traffic. The recommendation is to send the final report from Cape Fear Council of Government to the Public Works and Public Safety/Transportation committees for discussion.

2- Councilor Douglas reviewed the committee recommendation to purchase 2 covered grills for the creek access and the picnic area beside the Post Office. The committee also made recommendation is to purchase 4 trees to be placed at the Dog Park.

3- Councilor Douglas suggested staff to speak with property owners surrounding Beach Access 24 to give the owners information on the enlargement of the beach access and to receive feedback if there are any objections.

3. Update: Transportation & Parking Issues

Woody Fulton, with BHI Limited, spoke on the fuel surge charge application has been filed with a request of an increase of \$1.75. BHI Limited has asked for the effective date of surcharge to be February 1, 2012. The decision will be made by the Utilities Commission. Councilor Morris asked which tickets would be increased. Mr. Fulton stated all ticket prices would increase except one-way tickets, access baggage, and the annual pass. Tickets purchased prior to increase will not have a surcharge.

Mr. Fulton reviewed the discussed ferry schedules with Council. There are several proposals reviewed at prior meetings on the island. The next meeting will be January 27, 2012 at the Bald Head Association. There are 5 proposals being reviewed. The 1st proposal will shorten the summer schedule to add 2 months to the winter schedule. The 2nd proposal will eliminate the last run on the winter schedule, Sunday through Tuesday. The 3rd proposal will eliminate the first contractors run. The 4th proposal is to eliminate the winter contractors ferry run schedule. This would have the contractors ride the passenger ferry to begin at 6 a.m. The final proposal is to eliminate the noon break to run the ferry on Monday and Wednesdays with addition of running on Thursday, Friday, Saturday and Sunday. Tuesday will be the only day there will not be a noon run. The presented proposals would save BHI Limited with fuel and payroll cost over \$108k. Calvin reviewed the proposals with Mr. Fulton. Mr. Fulton stated the proposals have been discussed with other food distributors on the island to include, Maritime Market, BHI Club, Mojos and Limited. These entities had no real concerns with the proposed ferry schedules. Councilor Morris asked if there has been a change in contractors coming to the island. Mr. Fulton stated the average for 2011 has not improved. Calvin stated there is a coordination issue with the loss of the contractor ferry in the winter and the Fort Fisher Ferry. Calvin stated there are people who ride the Fort Fisher Ferry and the schedules would not work well with them. Mr. Fulton stated there would not be any coordination on the schedule with the Fort Fisher Ferry. Calvin stated there were rumors with the parking rights and asked for clarification. Mr. Fulton stated there are parking rights. The Village and Association parking rates have decreased by \$50. The rate decrease includes parking in the Contractors parking lot. The cost is in effect now and the transition will occur when the parking lot is completed with the paving and additional exit lane. The contractor parking for a contractor is up 5%, employee rates for Limited have increased. The rates for all parking are the same cost or have decreased for employees of the island. The definition for a contractor is a mainland based business doing business on Bald Head Island and an employee is a person who works at a Bald Head Island business not prohibited by Village ordinance.

4. Citizen Management Group Liaison

Councilor Douglas presented a proposal to appoint a Councilperson to take the lead in fact finding deer management options and to act as Liaison to monitor activities of the Citizen' Group on Deer Management (The Group). Councilor Douglas presented a handout to Council which follows:

It is the responsible of Local Government (BHI Village Council) to manage the deer herd on BHI. There are currently four known methods for deer management:

- 1. Introduction of predators to BHI. This is not considered a viable option.*
- 2. Intensive hunting that would include pre-hunting season black powder and bow hunting. This is not a viable option on BHI.*
- 3. Culling. This is the method used in the past and proposed for the immediate future. This is a viable option but requires a deprivation permit form NC Wildlife Recourses Commission.*

4. *Immuno-contraceptive using GonaCon, developed and manufactured by USDA's Wildlife Service's National Wildlife Research Center. This may be an option for future consideration.*

The specific function of this Councilperson would be to meet with the appropriate permitting agency(s) to collect factual information on management of deer herds and to engage the Group in this activity. It is expected that BHI Conservancy would be actively involved in this process also.

It is clearly understood that this appointment is in no way to be considered an endorsement by BHI Village Council of immune contraception as a management option. This Councilperson will report to the BHI Village Council on a regularly bases and is not authorized to make any commitment for the Council. That is, this is a fact finding and monitoring effort only.

Council discussed the presented proposal and the island property owners concerns with deer management. Councilor Morris recommended no other surveys should be sent to tax payers. Council agreed. Mayor Sayre stated concerns with the immune-contraceptive and the quality of the herd.

Councilor Douglas reiterated the Citizen Group will continue to operate and he feels he should attend these meetings and monitor the outcome. Mayor Pro Tempore Fisher stated there are several issues that should be monitored. The approach should be to contact the State and ask for direction on research and studies. Councilor Helgesen stated there is a message the Village sends to the various groups on the island and suggested Councilor Douglas should be involved with this group. Mayor Sayre stated there was a gentleman's agreement when survey was done, this issue would be put to rest for a certain period of time. This has been ignored.

Councilor Douglas stated he would make the motion for this to be approved. Mayor Sayre stated there was a motion on the table.

(MOTION CARRIED 3-2)

Mayor Pro Tempore Fisher declined voting. Mayor Sayre and Councilor Morris - oppose

5. Timber Bridge and Intersection Agreement

Attorney Baldwin reviewed the proposed agreement between BHI Limited and the Village. Attorney Baldwin stated this agreement is suitable for Council approval. Mayor Sayre directed the Timber Bridge and Intersection Agreement to be placed on the Council Meeting Agenda for January 13, 2012.

6. Creek Dredging Project

Chris McCall updated the Council on the dredging project. Cottrell Contracting is in the process of mobilizing and the Dredge Marion should arrive on Sunday. Erik Olsen is working on a "Before Dredge Survey" with the contractor to have information presented to Erik for the update of the fill template. Groin 16 at the Point is forming a natural occurrence with sand filling in the west side. The fill template will have the survey data to maximize the 140k cubic yards from the borrowed sites on East and South Beach. Mayor Sayre stated on both sides of the revetment wall there is erosion on both the east and west side. Mayor asked for Chris to review this with Erik Olsen.

All equipment from the contractor will be arriving and placed on shoreline from the river at the point. There will be an 18in. line submerged underwater, weighted down in front of the marina

entrance. The contractor will work 24/7 and estimate 3500-4000 cubic yards per day. The estimated time for the project is 35- 45 days.

Chris stated the Corps of Engineers routine monitoring of the inlet will be on the island January 19- 20 with the L.A.R.K. (Amphibious vessel).

Calvin reviewed the financing of the dredging project. Calvin stated the Local Government Commission approved the application for the bond. This will be a one year bond at 1.88% interest to be repaid with reimbursement funding from FEMA and the State. Council and staff discussed the funding process and timeframe.

7. Update on Creek Access

Calvin gave an update on the creek access project. The creek access is 90% complete. There will be picnic tables and grills at the access. There are 275 canoe/kayak rack spaces. Councilor Morris asked if the project is within budget. Calvin stated the project has stayed within budget. Mayor Pro Tempore Fisher asked if the creek access would be publicly advertised of the recently added amenities. Calvin agreed this would be done.

Calvin reviewed the concerns with boat length and horsepower. The Village staff has met with the permit holder, Limited. The original permit was closed out in 2011. The permit conditions remain in effect, to include boat length and horsepower description for water quality of the creek. The recommendation is to discuss with Division of Coastal Management for possible adjusting the limits to leave 16 foot/ 25 horsepower for a 2 stroke engine and allow a 40 horsepower/ 4 stroke engines. Councilor Helgesen asked how the Village would enforce this adjustment. Calvin stated the Village would not issue a permit for storage for watercraft over 16 feet/ 25 horsepower.

8. Retreat Discussion

Mayor Sayre stated the retreat will be February 15- 16, 2012. Calvin introduced Karen Ellison, Director of Human Resource and Communications. There has been discussions of the purpose and design of the retreat. Staff has reviewed the Mission Statement which was adopted several years ago, along with the vision, values and Council Priorities. Calvin stated it is time for an update. Calvin stated with direction from Council, this discussion will give staff the ability to work on the budget for this year. Calvin stated there should be a Council meeting for this month and should be scheduled in. Council and staff discussed in greater detail what should be involved with the retreat.

9. Discussion of Lobbyist

Mayor Sayre reviewed a discussion with Ackerman Sinterfitt lobbyist. Mayor Sayre stated he warned Ackerman Sinterfitt their services would possibly not be needed after January 2012. Ackerman questioned the timing with dealing with the allocation of monies with the Corps of Engineers. Calvin stated the contract is a month to month basis with no long term commitment. Mayor Sayre reviewed several persons who are lobbyist. Mayor Sayre stated Erik Olsen has suggested Buddy Jacobs a lobbyist. Mr. Jacobs will lobby for \$60k given upfront for one year. Mayor suggested discussing the contracts in Closed Session. Councilor Douglas stated Ackerman is not needed at this point and suggest working with Buddy Jacobs. Councilor Morris agreed. Mayor Sayre stated he is open to suggestions and ideas on the lobbying for Bald Head Island.

10. Manager's Report

Calvin introduced Jim Henry with Limited to speak on the road conditions at the construction area. Mr. Henry reviewed the concerns for reduction of dust. He reviewed several options with the decision to use Mountain Grout.

Calvin stated Limited has supplied paperwork on the stormwater plan. The paperwork has been submitted to Coastal Land Design for their review.

Council and staff discussed the issues and options with the dust on the roads. Mr. Henry stated the backfill on the roads would be addressed. The landscaping will be completed when job is finished.

Calvin stated the North Carolina Local Government Annual Meeting will be held March 26 & 27, 2012 in Nags Head, NC. Last year, the Village sponsored \$1250.00 and Calvin suggested sponsorship for this year. Councilor Douglas suggested sponsoring the same amount as last year.

Calvin stated the depredation permit has been received and the deer cull will begin Monday, January 23, 2012 and should last approximately 2 weeks. The Village will be using the BHA common areas, right-a- ways, and the forest properties. There will be an email blast and information release posted on the upcoming deer culling activities. (*Handout will be with approved minutes*) Councilor Helgesen asked if the deer culling would be done by one person. Calvin stated the culling will be done with one team.

Calvin stated Building Inspections information and permit request is on the Village web-site. The site will be expanded to benefit the Village entities and assist property owners with request.

Deb Straub, Finance Director reviewed the financial statements and report for December 2011. The general fund revenues are slightly ahead of budget. Deb stated FEMA payment has been received 3 of the small projects with 9 total projects submitted to FEMA.

The general fund expenditures are slightly over budget due to the legal fees paid. The utility fund expenditures are within budget and the utility revenues are ahead of the prior year. The capital projects Beach Fund balance is \$360k. The Stormwater Management fund balance is \$63k and the Intiltration Pond System fund balance is \$107k.

Deb reviewed the Capital Project Ordinance amendment to pay for the preliminary cost for the anticipated expenditures for the terminal groin. The cost for the terminal groins is approximately \$700k. The amendment is to transfer \$475k from the general fund to the Shoreline Beach Renourishment Fund for the terminal groin.

Deb reviewed the fund balances with Council. Deb stated the concerns of the balances decreasing to the recommended balances. Council and staff discussed and agreed to have the discussion continued at the Council Retreat. Councilor Helgesen asked on the concerns of the recommended balances for the general fund. Calvin replied 2 years prior the Finance Committee raised to Council the fund balance was a concern. The balance is below the comfort level not the state mandated level of 8% available of fund balance in the expenditures.

11. Closed Session Pursuant to N.C. General Statutes 143-318.11 (a)(1),(3), and(6)

❖ **Village of Bald Head Island vs. US Army Corps of Engineers Lawsuit**

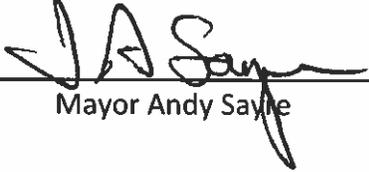
Pursuant to N.C. General Statutes 143.318.11(a) (1), (3), and (6), Mayor Sayre entertained a motion to enter into Closed Session at 11:02 a.m., with Councilor Helgesen made the motion with all in favor.
(MOTION CARRIED 5-0)

Mayor Sayre entertained a motion to come out of Closed Session at 12:09 p.m., with Councilor Morris made the motion with all in favor.

(MOTION CARRIED 5-0)

12. Adjournment

Mayor Sayre entertained a motion to adjourn at 12:10 p.m., with Councilor Douglas made the motion with all in favor.
(MOTION CARRIED 5-0)



Mayor Andy Sayre

ATTEST:



Debra C. Talbert, Village Clerk

