



TOWN COUNCIL MINUTES

PUBLIC HEARING

June 9, 2016 @ 6:30 PM

The Kure Beach Town Council held a public hearing on Thursday, June 9, 2016 at 6:30 p.m. The Town Attorney was present and there was a quorum of Council members.

COUNCIL MEMBERS PRESENT

Mayor Emilie Swearingen
Mayor Pro Tem (MPT) Craig Bloszinsky
Commissioner David Heglar
Commissioner Joseph Whitley
Commissioner Jim Dugan

STAFF PRESENT

Police Chief – Dennis Cooper
Police Lieutenant – Mike Bowden
Public Works Director – Sonny Beeker
Finance Officer – Arlen Copenhaver
Town Clerk – Nancy Avery
Deputy Town Clerk – Nancy Hewitt

OPENING AND PURPOSE OF HEARING

Mayor Swearingen called the meeting to order and stated that the purpose of the public hearing is to receive comments from the public on the proposed Fiscal Year 16-17 budget which includes the following highlights:

- 1) Increase property tax rate by 2.35 cents over the prior year's tax rate, for a total property tax rate of 28.5 cents (per \$100 of property valuation), due to the proposed addition of five full-time employees, the desire to maintain existing town-provided services at current levels and the need to maintain reserve funds for potential beach nourishment costs
- 2) New rate tier for residential water and sewer usage over 7,000 gallons, as follows, to provide for sufficient accumulation of reserves for future infrastructure repairs and replacements:
 - Water: 67.5 cents per 100 gallons
 - Sewer: 87 cents per 100 gallons
- 3) Four additional full-time employees for the Fire Department due to a decreasing volunteer base and the need to handle multiple day and night emergency calls with properly trained personnel
- 4) One additional full-time employee for the Police Department due to an increase in the town's full-time population and an increase in tourist traffic
- 5) Cost of Living adjustment of two percent for all full-time employees
- 6) Merit increase of two percent to reward employees who are performing above expectation



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Official notice of this public hearing was posted on the town's website, town hall bulletin board and in the Island Gazette on May 25, 2016, to meet with public notification requirements per N.C.G.S. 159-12.

PUBLIC COMMENTS

1. Tom Winant, 7421 Fern Valley Drive, Wilmington

Mr. Winant said he owns property in Kure Beach. He said he believes in limited government and, although he knows the additional fire and police department employees are needed for safety purposes, he feels the addition is an increase in government, which will require an increase in taxes. He asked council for their comments.

Commissioner Heglar said that the taxes for fire and police in Wilmington are more than Kure Beach, and Kure Beach is the last town in the county to add full time, 24/7 staffing to their fire department. He said if the town closes its fire department and lets the county cover the town, the fire tax would be 7 cents per \$100 of property value versus 4.5 cents for Kure Beach. He said he appreciates Mr. Winant's "small town government" comments but, compared to the county's tax rate for the service levels they provide, the town's tax rate is less.

Mayor Swearingen said that, years ago, the town was able to obtain a Level 5 fire rating; and, as a result, the homeowner's insurance rate decreased for Kure Beach homeowners. She said that her house was valued at about \$360,000 at the time of the new fire rating, and she saved about \$800 on her homeowner's insurance. She explained that, if the town doesn't go to 24/7 fire coverage, we could lose that fire rating.

Mr. Winant said he has owned property in the town for five years and has only seen increases in his homeowner's insurance, not decreases. He added that he just discovered that he has been paying for two garbage carts per month, but he only has one cart and he has owned his property since 2010. He said the utility bill only shows the total amount of the garbage pickup charge instead of showing how many containers he is being billed for. He suggested that the town show the itemized amount, per garbage cart, on the utility bill.

Director Beeker said it wouldn't be any trouble for his driver to be able to say how many carts are being collected at Mr. Winant's property, and they can confirm it with the utility department.

Mr. Winant said that when he asked the utility representative about the charge, she asked him how the town would know if he had one or two carts. He said the only way to find that out, if the town doesn't believe he only has one cart, is for his house to be searched.

2. Marsha Cox, 2205-C Surftrider Circle (Ocean Dunes)

Ms. Cox said she represents Ocean Dunes condo complex which has 196 units divided into 24 buildings. She said they are being billed the base unit, per building, plus an overage on



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everything else the building is using. She said she uses the base water consumption every month, but she can't control the water usage of her neighbors. She said she would like the town to figure out a way to bill each customer, per unit.

Commissioner Heglar said he felt that was a reasonable request and that he, Director Beeker and Finance Officer Copenhagen will look at the data and see if there's some sort of solution. He asked her to return to the June 21st regular council meeting when it will be put on the agenda for further discussion.

Director Beeker said that Ocean Dunes has a two inch meter that feeds the entire building and, if each unit has to be equipped with a separate meter, the building will have to be re-plumbed which will be expensive for the condo owners.

Ocean Dunes' HOA Community Manager said that the board doesn't mind the one meter, but their proposal is to increase the base amount to accommodate the multi-family units.

3. Mary Beth Whitton, 422 Settlers Lane

Ms. Whitton said she understands the need to increase the water rate for increased consumption, but it's not fair that some people who use their well water to irrigate their property don't have to pay for the sewer portion, even though the water flows into the street down to the sewer system.

Commissioner Heglar clarified that the water that goes into the street flows into the storm water system, not into the sewer system.

Ms. Whitton said people are confused by that in her neighborhood. She said that the only reason she could think that her sewer charge went up is because she was watering her lawn.

Mayor Swearingen said the 7,000 gallon rate tier doesn't start until July 1st, and her bill probably increased because she was watering her lawn which increases the water and sewer bill.

Commissioner Heglar said that the town can provide information to her on her usage and, if she doesn't understand it, he would be happy to sit down with her and explain it.

Ms. Whitton said that a few of her neighbors have had an increase in their water/sewer bill this month. When questioned by council about possible reasons for this, she said that she helps her neighbor by watering his lawn three times a week for ten minutes at a time, and another neighbor whose utility bill was very high this month waters his plants more often than that.

4. Jim Gaffney, 282 Seawatch Way

Mr. Gaffney asked council how much the rate would increase in dollars and cents, over the current rates, if council adopts the new rate tier.

Budget

PUBLIC HEARING SIGN-UP SHEET	DATE OF PUBLIC HEARING
NAME	June 9, 2016
Tom Winn	7421 Fern Valley Dr, Wilmington
Marsha Cox	2205C Surfside Circle KB (Ocean Dunes)
Mary Beth Whifton	422 Sellers Lane
Jim Gaffney?	282 Seawatchwy
	Build by unit then by building



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Finance Officer Copenhaver said the water would go up 22.5 cents per 100 gallons of usage over 7,000 gallons and sewer would go up 29 cents per 100 gallons of usage over 7,000 gallons.

Mr. Gaffney asked why council chose the 7,000 gallons for a new tier amount.

Commissioner Heglar said that council had to decide if they wanted to raise the rate for everyone or just those people who are using the most water. He said that they looked at the numbers presented to them by the finance officer and decided the 7,000 tier would be the most reasonable choice. He said that adding a new rate tier for heavy usage would allow residents to decide how to regulate their usage to save money.

CLOSING OF PUBLIC HEARING

As no one else indicated the desire to address council, Mayor Swearingen asked for a motion to close the public hearing.

MOTION – At 6:55 p.m., Commissioner Heglar moved to close the public hearing.

SECOND – MPT Bloszinsky

VOTE – Unanimous

COUNCIL DISCUSSION OF PROPOSED BUDGET AND POSSIBLE DIRECTION TO FINANCE OFFICER

Council Consensus - The impact of the proposed water/sewer tiers on Ocean Dunes and The Riggings needs to be examined, but council is on track with the proposed budget and no changes to the proposed budget need to be made.

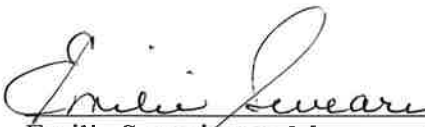
ADJOURNMENT

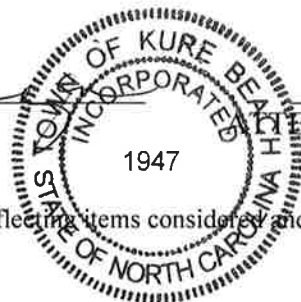
MOTION – Commissioner Heglar moved to adjourn the meeting.

SECOND – Commissioner Dugan

VOTE – Unanimous

The meeting adjourned at 6:57 p.m.


Emilie Swearingen, Mayor




Nancy Hewitt, CMC, Deputy Clerk

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting.