



TOWN COUNCIL MINUTES

REGULAR MEETING

October 18, 2016

The Kure Beach Town Council held their regular meeting on Tuesday, October 18, 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 – Mike Bowden
Finance Officer – Arlen Copenhaver
Town Clerk – Nancy Avery
Deputy Clerk – Nancy Hewitt

CALL TO ORDER

Mayor Swearingen called the meeting to order at 6:30 p.m., and Pastor Cathy Chester from Carolina Coastal Vineyard Church delivered the opening invocation and led everyone in the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA ITEMS

1. Adopt Resolution R16-14 approving financing terms with BB&T for Public Works backhoe
2. ~~Approve KBPD Policy Manual~~ (moved to Department Head Business)
3. Approve closing Town Hall at 12:00 p.m., for the remainder of the day on Wednesday, November 23rd for the annual employee luncheon
4. Renew five-year term for Kenneth Richardson on the Planning and Zoning Commission
5. Accept Ken and Paula Withrow's resignations from the Parks and Recreation Advisory Board (added)
6. Fire Department Report – September 2016
7. Building Inspections Report – September 2016
8. YTD Finance Report
9. Meeting Minutes:
 - September 20, 2016 public hearing
 - September 20, 2016 regular, continued on 9/21/16 & 9/22/16
 - September 20, 2016 closed, personnel and legal consultation (sealed)
 - September 21, 2016 closed, personnel (sealed)
 - September 22, 2016 closed, personnel (sealed)
 - October 6, 2016 emergency



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Mayor Swearingen asked that the resignation of Ken and Paula Withrow from the Parks and Recreation Advisory Board be added for approval under Consent Agenda Items. She said they've been fantastic volunteers for years, but they have decided to spend the majority of their time traveling the world.

Commissioner Dugan asked that the PD Policy Manual Approval be moved out from under Consent Agenda Items and placed under Old Business as Item 6.

MOTION – Commissioner Dugan moved to approve the Consent Agenda Items, as revised.

SECOND – Commissioner Heglar

VOTE – Unanimous

Said resolution is herein incorporated as part of these minutes.

ADOPTION OF THE AGENDA

MOTION – Commissioner Heglar moved to adopt the meeting agenda, as amended.

SECOND – Commissioner Whitley

VOTE – Unanimous

DISCUSSION AND CONSIDERATION OF PRESENTATIONS TO COUNCIL

1. Bernard Robinson & Co., Victor Blackburn, presentation of FY2015-2016 audit

Mr. Blackburn said the town received an unqualified opinion which is the cleanest opinion an audit can produce. He said he appreciates the hard work that Finance Officer Copenhaver put in to make the audit as smooth as possible for the auditors. He said the town's net position has grown over the last three years from a little over \$13 million to almost \$15 million and reviewed a breakdown of the Governmental and Business-type activities.

Commissioner Heglar commended Finance Officer Copenhaver for only being 2.5 percent off on the forecasted revenues. He also commended the department heads for being almost 10 percent under-spent on their budgets.

Mr. Blackburn also reviewed a detailed breakdown of the Water and Sewer Fund, which was a net increase of a little over \$200,000 this past year.

Commissioner Heglar asked the finance officer how close that amount is to what he forecasted.

Finance Officer Copenhaver said that he was a little conservative when he forecasted, so it was a little more in revenue, but that calculation includes the Sewer Expansion Reserve Fund without which the change in net position would have been about \$110,000.

MPT Bloszinsky asked the finance officer what percent the town has grown, year to year.



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The finance officer said that the trend has been about five percent increase in expenses and about two percent increase in revenue.

MPT Bloszinsky asked Mr. Blackburn if he saw any areas council should be concerned about.

Mr. Blackburn said that nothing came to their attention during the audit, there was adequate segregation of duties and everyone did what they were supposed to do as required by the policy manuals and state statutes. He said a lot of towns the size of Kure Beach don't have separate finance officers, but between the finance officer being a CPA and having received training at the School of Government, Kure Beach is in the top 10 percent due to the town's appropriate controls.

MPT Bloszinsky said that, as liaison to the finance officer, he is happy with what the finance officer has accomplished.

Mayor Swearingen thanked Mr. Blackburn and said she is glad that the finance officer is conservative in his approach to the town's finances.

DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Planning & Zoning (P&Z) Commission

a. Draft Ordinance for Chickens in Kure Beach

Chairman Ellen explained that council asked P&Z to work on detailed regulations regarding the subject of chickens in Kure Beach for the town's code. He presented council with language that P&Z is recommending to be added to the code as Section 4-5.-Specific Regulations for Hens. He said it's similar to the language that was enacted by Carolina Beach, but they added that no roosters would be allowed and they recommended structural requirements for the coop.

Commissioner Dugan asked about the restriction against using the hens or their eggs for commercial use.

Chairman Ellen said that people shouldn't be raising the hens to sell them or their eggs.

CONSENSUS – Council requested that P&Z's proposed new ordinance for Section 4-5. "Specific regulations for hens," be put on next month's council meeting agenda so that citizens know council is considering passing the ordinance.

b. Livestock and Exotic Animals

Chairman Ellen said that P&Z also drafted three pages of language regarding livestock and exotic animals. He said the draft states that people who own livestock and/or exotic animals in the town should be required to have a permit. He asked council if they wanted the commission to



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continue working on this. He said this draft is patterned after what was actually enacted by the Town of Belville.

CONSENSUS – Council requested P&Z’s chairman to email a copy of the language regarding livestock and exotic animals to the deputy clerk to forward to council and for the subject to be placed on next month’s council agenda.

6. Shoreline Access, Beach Protection and Parking Committee

a. Approval of five parking spaces to be re-marked by DOT

Dennis Panicali, member of the SLABPP Committee, asked council to approve a request to re-mark five parking spaces along Fort Fisher Boulevard (FFB) which the DOT forgot to line after they repaved the street. He said that there were actually six spaces that were missed, but it was determined by the DOT representative that one of them was illegal to begin with. He said that the DOT asked the committee to get council’s approval before they would repaint the spaces.

Mayor Swearingen instructed Mr. Panicali that he shouldn’t take anything she is about to say, personally. She said that DOT didn’t recommend repainting the spaces, but rather one or two of the committee members contacted the DOT themselves about it. She said the DOT didn’t identify those spaces as ones that were lined before but, instead, they were told to survey the town and find any spaces along FFB that could be used for parking. She said there would have been six spaces, but the owner of the home in front of one of the spaces got upset with the DOT representative, so he took it off his list.

Commissioner Heglar argued that the spaces were in those locations, previously.

Mayor Swearingen said they could have been there before, but she talked to the DOT representative, Stoney Mathis, who told her that he was asked to identify any spaces the town could have on FFB, not necessarily former spaces. She said that she was disappointed that the gentleman on the committee who started this didn’t get permission from council in advance and contacted the DOT, himself. She requested that no Kure Beach citizen or person on town staff, except department heads, contact any federal, state or county government official regarding town business without getting permission from council, first. She said the SLABPP member also didn’t talk to the police chief, public works director, or any other staff member to get their opinions on this. She said that she went to the police department and they requested that two of the spaces on South FFB (#4 & #5) be removed from the list. She requested that one or more of the committee members talk to the people who live in front and on each side of these spaces to see if the spaces would create a problem for them pulling out of their driveways onto FFB. She said a few of the parking spaces that were put back have made it extremely difficult for people to see in either direction onto FFB in order to pull out of their driveways safely.



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Commissioner Heglar asked if the five spaces listed are the spaces that the former chairperson of the committee, Tony Gonsalves, talked to council and the department heads about back in early 2016.

Mayor Swearingen said Mr. Gonsalves gave council the block the spaces were missing from, but he never gave council the actual addresses where they were located.

Commissioner Heglar said that Mr. Gonsalves actually brought a map to the council meeting and showed council the spaces.

MPT Bloszinsky agreed and said he recalls Mr. Gonsalves bringing this issue forward to council, and he even accompanied Mr. Gonsalves where he was shown the missing spaces. He said a DOT representative came to Town Hall to discuss the spaces, and he remembers that Dennis Cooper, the former police chief, came and looked at the spaces, too.

Mayor Swearingen said that council has lost the communication that council once had with the committee when Mr. Gonsalves was chairperson.

Mr. Panicali said that, before Mr. Gonsalves left the committee, he asked member Jim Smith to follow up on the parking spaces with the DOT. He said that the former DOT representative who was responsible for the parking spaces left the department and Mr. Mathis with the DOT is relatively new to this particular project.

MPT Bloszinsky said that Mr. Gonsalves was actually using DOT's guidelines to determine whether a space was acceptable or not. He said there was a lot of work done and there was a map produced that needs to be found, if council desires to have those parking spaces.

Commissioner Heglar said that council won't take action tonight. He said he wants to go back through the records to see what Mr. Gonsalves brought to council and then go back to the department heads to get their concerns. He said that the DOT doesn't want to wait forever for an answer from council, so they will discuss this further at the November council meeting.

Commissioner Dugan said that all of the town committees are under the restriction that they aren't allowed to contact anyone about town business without contacting council first.

MPT Bloszinsky said that Mr. Gonsalves brought this issue forward to council and council gave him permission to do this.

Mayor Swearingen said that was then, but these spaces have come out in the last three months, according to Mr. Mathis from the DOT.



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Mr. Panicali reiterated that the spaces are new to Mr. Mathis because he is new to the project, but they are not new to the committee which had the understanding they had permission to have the spaces remarked.

CONSENSUS – Council requested that the subject of marking five additional parking spaces on Fort Fisher Boulevard be put on next month's council agenda.

Mayor Swearingen asked Mr. Panicali to have the committee put it at the top of their list to have someone from the committee attend every regular council meeting to let council know what they are working on. She said there is a two-page list of items the committee is working on and it would be nice for council to know where the committee is on the list. She added that it would be nice for all of the town committees to come and talk to council each month. She asked Mr. Panicali to clarify the list of items the committee is working, reviewing them, as follows:

ITEM 1: Traffic Light and Pedestrian Crosswalk at K Avenue and Fort Fisher Boulevard (FFB)

Mayor Swearingen said that there is a state law that if there is a crosswalk at two major state roads, the municipality is required to have a push-button system to stop all the street lights to allow pedestrians to cross. She said that the DOT has a problem with the southwest corner of the intersection because of the pole that is there, so it would be impossible to put a crosswalk there. Mayor Swearingen asked if Mr. Panicali had any idea how much it would cost to do this.

Mr. Panicali said that he is new to the committee, but it is his understanding that the question of crosswalks has come up numerous times to the committee. He said that, while Mr. Smith was on the phone with the DOT about the parking spaces, he asked what the chances were of putting a crosswalk there to which Mr. Mathis responded that there was no reason why a crosswalk couldn't be put there and he would look into it and try and get an estimate of cost. Mr. Mathis told Mr. Smith that the town would be responsible for the cost, and Mr. Smith said to go ahead and look into it. He said he's not sure if DOT has done any assessment on it, yet.

Mayor Swearingen said that they haven't done an assessment yet and that it's not just a matter of looking at the cost of the light, but they also have to do surveys and onsite assessments. She said she has asked Mr. Mathis to put that off until she gets back to him. She said she would have liked Mr. Smith to talk to the police department about it and then come to council to see whether or not we want it or can afford to do it. She said she understands the expense is in the thousands of dollars. She said if the town has tourists all summer long pushing the buttons to stop the traffic to cross at that intersection, there could be traffic problems.

Chief Bowden agreed that it would cause traffic problems during the tourist season.



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Commissioner Heglar said that you can have a timed light and still have the crosswalk, it is just timed on its own and not on a push-button system. He said he would never advocate to let pedestrians have control of the town's only main traffic light and the DOT probably wouldn't allow it either.

Mr. Panicali said that a number of people have inquired about crosswalks at that intersection because people feel it's a dangerous intersection.

Mayor Swearingen said it would have been good if the committee had come to council to let them know they had received complaints from the citizens about the issue. She said there was also a citizen who suggested having crosswalks at all of the intersection along FFB, from K Avenue going south, noting that crosswalks give a false sense of security to pedestrians since most times motorists don't stop for pedestrians waiting to cross at them.

Chief Bowden said that crosswalks at every intersection would cause a traffic nightmare during the tourist season.

ITEM 2: Certificates for Adopt-a-Beach Volunteers

Mr. Panicali said that the committee will bring the certificates to the November council meeting for council approval, and then they would like to give them to the Adopt-a-Beach volunteers during the January council meeting.

Mayor Swearingen said she thinks it's wonderful they are going to do this but asked him to bring the certificates to the town clerks first, to be sure the certificates are consistent with ones that are normally given out.

ITEM 3: TDA Project

Mayor Swearingen asked Mr. Panicali if he knew what "TDA" project is on the list, because she can't imagine that anything the committee does has anything to do with the Tourism Development Authority.

Mr. Panicali said he doesn't know what the TDA stands for, but he knows that it is a long-standing activity for the committee.

Mayor Swearingen asked him to find out what it is and let her know.



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ITEM 4: E & I Beach Access

Mayor Swearingen asked Town Clerk Avery to tell Mr. Panicali about a letter the town received today from the state approving one of the town's grants.

Town Clerk Avery said the state approved a grant for paving the E and I Avenue beach access parking lots.

Commissioner Heglar said the committee's September minutes note that information and state that the projected time for the start of the project is November, and that John Batson will be overseeing the project.

Mayor Swearingen said that their October minutes state that they're waiting to hear when the grant is finalized. She said that it has now been finalized and it will probably start in November.

Town Clerk Avery said that the town has to get the contracts, then they have to be brought before council, and then council has to approve the funding.

ITEM 5: Signage at the Beach

Mr. Panicali said that he talked to Director Beeker about adding more signs on the beach. He said that the committee did a survey of the current signs to make sure that they were consistent and were still in their location. He said that a few signs were missing and some signs were not placed in the best position. He said there was no signage on the beach access walkways about dogs, which people are complaining about. He said he asked Director Beeker about making the signage similar to Carolina Beach's signage to see if that had ever been considered and Director Beeker told him the committee could make a proposal to council to consider. He said they talked with Carolina Beach to obtain their information and were told the signs were about \$350 each, they measure about 4'x4' and contain all of their beach regulations, and they have worked out well for the town. He said that Director Beeker informed him that there is a fair amount of maintenance on the Kure Beach signs, making sure they haven't been knocked over or stolen, but Carolina Beach told them that they have had no vandalism, theft or need for repairs to their large signs.

MPT Bloszinsky asked Mr. Panicali what Carolina Beach does if they have to make a change to the signs if there are changes to their rules.

Mr. Panicali said they have a five-piece sign that has sections that can be changed out.



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Mayor Swearingen said it would be nice if council could see a sample of this sign. She note that 23 signs at \$350 apiece comes to \$8,000. She asked Mr. Panicali if he knew how much was in their committee budget.

Mr. Panicali said they are not proposing to do this, they are simply researching the issue and, when they have the information, they thought it would be worthwhile to bring to the council.

Mayor Swearingen said that the committee has \$775 in their budget until July 1, 2017. She said most of it has been spent on the parking lots. She said that only 60 percent of the crossovers have been paid for and there's another 40 percent to go, making the committee way over budget if it considers this. She said if the committee is really serious about this, they need to bring one of the signs to council for further discussion. She said if council likes it, then they'll discuss it further during the budget meetings whether or not to put more money in the committee budget next year. She said that, even if the committee has really good ideas, they need to prepare the information to be ready for the budget sessions so they can have the money put in their budget at the beginning of the fiscal year.

Mr. Panicali said that is what they are attempting to do. He said they are in the discovery process to see if any of this is feasible before bringing it to council. He said they know it's not in their budget and didn't anticipate it coming out of their budget.

Commissioner Whitley asked Mr. Panicali to get a photo of someone standing in front of one of the Carolina Beach signs to give council an idea of the size and design.

MPT Bloszinsky said that the point is not to stop being creative or stop thinking of things that could add value to the town or improve the beach or parking; but, if the committee gets to the point of execution, they need to bring council whatever information they have so council can have a heads up. He said that the committee is an inventive group of people and he wouldn't want to see them stop inventing. He said that sometimes council says no to a project because the town doesn't have the money for it; it doesn't mean their ideas aren't worthy.

Mayor Swearingen said that council has had difficulty in the past getting this committee to bring a budget for the whole year with all of their ideas included; but, rather, the committee starts asking council for things after the budget year starts causing council to have to find other places from which to get the money. She asked Mr. Panicali to help the committee understand that.

ITEM 6: Sea Oats

Mayor Swearingen read the item that stated member Mike Bledsoe recommended reviewing the beach after the storm to ascertain what needs to be done to repair damage. She said this item is Inspector Batson's job to work with Layton Bedsole, Spencer Rodgers and the Corps of Engineers. She said that, if Mr. Bledsoe would talk to Inspector Batson, he wouldn't have to



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review the beach for damage and Inspector Batson could tell Mr. Bledsoe if and when the town needs to plant sea oats.

Mr. Panicali said that Mr. Bledsoe speaks with Inspector Batson on a regular basis.

ITEM 7: Storm Water

Mayor Swearingen asked Mr. Panicali what their ideas were on storm water.

Mr. Panicali said that some of the older committee members remembered when there was a study done about 10-15 years ago researching the possibility of having the storm water pumped over to the Cape Fear River side of the island. He said that he asked Director Beeker about it and was informed of the difficulties and huge expense of this endeavor.

Commissioner Heglar said that it will be a huge expense for the town to repair the outfalls that are currently sitting exposed on the beach as a result of the recent storm. He explained that the only way to get the storm water from Fort Fisher Boulevard to the Cape Fear River is to pump it, and the town doesn't own the property for those pumping stations nor can the town really afford to pump the storm water to the river. He said that turning the storm water in a different direction would require doubling or tripling the storm water fees for the citizens. He said that council has put money in the budget to maintain and improve the storm water system and multiple storm water drains have been put in the old part of town where there are low-lying properties. He said that he and Director Beeker would be glad to talk to the committee about storm water.

ITEM 8: Problems with enforcing the ordinances regarding the beach (dogs, dunes).

Mayor Swearingen read from their recent minutes that stated the committee should invite the police chief to a spring meeting, prior to the start of the season. She suggested that the committee also ask Assistant Fire Chief Kennedy to come to their meeting, since the lifeguards help watch the dunes and tent situation. She said the town has an extremely small police department and there may be only one or two police officers on duty at a time. She asked if the committee would rather have the police look for dog poop and tell people to take their cigarette butts and plastic bags home with them, or would they rather them watch after their life and property. She said that, in the six years she has been on council, the biggest complaints she hears are against the people who live in Kure Beach during the off-season who walk their dogs on the beach and make no attempt to clean up after them. She said that it's more of an issue of educating the town's own residents on why they should be cleaning up after their dogs and it would be good if the committee could come up with a suggestion on how to educate them on this issue.



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Police Chief Bowden said his officers try to patrol the beach when they get the opportunity and the lifeguards try to help them out. He said it has been difficult but is something they continue to work on.

Mayor Swearingen said that one of the focus groups has been talking about having ambassadors in the town to educate tourists on regulations or answer their questions. She said that Commissioner Whitley is the liaison to the SLABPP Committee, but he works full time and doesn't get to attend every meeting. She asked the committee to talk with him to see what they can do to help him make it to the meetings, even if that means changing the date and time of their meetings. She thanked Mr. Panicali for attending the meeting and said she looks forward to seeing the chairman or co-chairman at the council meeting next month.

There was a brief discussion on parking and the legality of parking in unmarked spaces, and Chief Bowden said that the way Kure Beach's ordinance is written, the vehicle would have to be parked within a marked space to not be ticketed.

Mayor Swearingen said the Parking Focus Group will attend next month's council meeting to give a presentation on paid parking. She told Mr. Panicali that someone from the SLABPP Committee may want to hear what is said.

Mr. Panicali said that he believed some of the committee members are in the focus group.

DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration and Recreation

Town Clerk Avery announced that there will be a flu clinic on Thursday, October 20th, from 2:30-6:30 p.m. in the council room. She added that there is also a Toys-for-Tots collection box in the lobby for anyone interested in donating toys to the charity.

a. Medical Insurance

Town Clerk Avery said the State Health Plan (SHP) the town participates in for employee health insurance has made some changes. She said that the General Assembly recently mandated that anyone participating in the SHP must charge employees a portion of the monthly premium if they choose not to do their wellness credits. She said the three wellness credits required from an employee are 1) to choose a primary care physician, 2) to complete an online health assessment and 3) to participate in a smoking cessation program or give attestation that he/she is not a tobacco user. She said, if an employee doesn't complete these, he/she will have to pay a certain amount out-of-pocket, per month, depending on how many and which credits aren't completed. She said this impacts full-time employees and gave an overview of the employees this could affect stating that the biggest hit of \$40 goes to those who are tobacco users. She said that council has always paid 100 percent of the employee's health plan and several employees who



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may not comply will take a hit to their paycheck, beginning January 1, 2017, if council decides not to do anything.

MPT Bloszinsky asked if the town has offered employees the option of not taking the insurance, to which the town clerk said the town hasn't offered it in the past but can do that with this plan; however, employees can't be paid to opt-out.

Commissioner Heglar said he can't, in good conscience, pay for someone's increased health insurance because they won't try to quit tobacco. He said the town shouldn't pay for someone who isn't willing to sign-up online to find out how to quit.

Discussion ensued about the options of employees opting out of town-paid insurance and all of the options that are available to them, as well as how that could affect the budget.

MPT Bloszinsky said that council shouldn't reward an employee for doing bad things, but maybe they can do something that would be equitable to all employees. He said it would help pay the penalty for the tobacco-users while it would be extra money, a kind of reward, for those who complete the credits.

Finance Officer Copenhaver said the budget can absorb about \$75 per person/per month, if council were to do this, but it would be considered compensation. He said it can be given pre-tax so that it's not subject to social security and Medicare taxes, but it will have to be factored into the 401K and retirement calculation.

Discussion ensued about tobacco users and what would be required of them to not be assessed the non-participation fee. It was stated that tobacco users would have to go through the program in order to not be penalized, but that doesn't necessarily mean they would quit smoking.

MOTION – Commissioner Heglar moved to pay a net of \$20, per employee/month, grossed up, to help full-time employees pay for their health insurance, effective January 1, 2017.

SECOND – Commissioner Whitley

VOTE – PASSED FOUR TO ONE, as follows: Mayor Swearingen, MPT Bloszinsky and Commissioners Heglar and Whitley FOR; and Commissioner Dugan AGAINST.

The town clerk said the town has four retirees who are not eligible yet for Medicare so they are still on the town's plan. She said that the policy says the town will pay for 100 percent of their health benefits, but there's no way to pay them the extra \$20. She said she will try to come up with language to tell them they must comply with the three requirements. She said that she thinks the town will have to pay the lower percentage if they don't comply, and they will have to pay the difference in order to be in compliance with the SHP.



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MOTION – Commissioner Heglar moved to approve moving the 70th Anniversary Celebration update to the next item of business on the meeting agenda.

SECOND – Commissioner Whitley

VOTE – Unanimous

b. 70th Anniversary Celebration

Lisa Lowery, Chairman of the celebration planning group, said they put together the sponsorship packet in hopes that council would approve it so they can start work on gaining funds for the event in order to finalize their budget and begin advertising their plans and getting volunteers. She said the group plans to meet once a month until January 2017 and they want to get started on the commercial and arts & crafts vendor lists. She said they are requesting local beer and wine vendors for tasting and are preparing to present a fun, safe and well thought-out event. She said they would like to bring 1947 back to Kure Beach by having classic car and bike clubs display their vehicles from the 40's, they may have the Cape Fear Roller Derby Girls attend, they would like to have local, strolling models wearing 40's beach attire, they would like to have sports tournaments and would also do some things at the KB Community Center. She said they would like to use the trolley and do a historical "circle tour" with the driver sharing the town's history.

1. Sponsorship Packet to solicit Event Sponsors on Town's behalf

MOTION – Commissioner Heglar moved to approve the Sponsorship Packet to solicit event sponsors on the Town's behalf.

SECOND – MPT Bloszinsky

VOTE – Unanimous

2. Close K Avenue (east of FFB) and Atlantic Avenue (between K and L Avenues) to vehicle traffic from the early morning hours through 7:00 p.m. on Saturday, April 29, 2017

MOTION – Commissioner Heglar moved to approve closing K Avenue (east of FFB) and Atlantic Avenue (between K and L Avenues) to vehicle traffic from the early morning hours through 7:00 p.m. on Saturday, April 29, 2017.

SECOND – Commissioner Dugan

VOTE – Unanimous

3. Allow participation of commercial vendors at event sites as follows:

- Food Truck/Vendors
- Beer/Wine Vendors (sampling product and selling closed containers for offsite consumption – only at Ocean Front Park event area)
- Arts/Crafts Vendors (only at Ocean Front Park event area)
- Local Nonprofit Organizations



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Commissioner Heglar said that council has previously approved beer and wine for other events in the past and he likes the sampling idea.

Commissioner Whitley asked if it was samples or sales of alcohol, to which Commissioner Heglar said it is for onsite sampling, with sales for offsite consumption.

Ms. Lowery said that, if Good Hops offers something like a commemorative sampler tumbler, they may ask for a donation which they always pass along to a current charity. She added that all of the beer and wine servers are “Safe Certified” and it would be a very “by the book” event in accordance with the ABC.

MOTION – Commissioner Heglar moved to approve the participation of commercial vendors at the event, as presented, and for the event planning committee to come back to council in the next three months for approval of a detailed plan.

SECOND – Commissioner Dugan

VOTE – Unanimous

2. Finance Department

- a. Finance Officer Copenhaver explained the need for council to adopt Resolution R16-15 for two police vehicles, adding that this was already budgeted but this is just the financing part of it. He said the interest rate on the loan is 1.6 percent for four years.

MOTION – Commissioner Heglar moved to adopt Resolution R16-15 to approve financing terms with First Bank for Two 2016 Dodge Chargers.

SECOND – Commissioner Whitley

VOTE – Unanimous

Said resolution is herein incorporated as part of these minutes.

MOTION – Commissioner Dugan moved to approve moving the KBPD Policy Manual Approval out from under Old Business to the next item of business on the agenda under Police Department.

SECOND – Commissioner Heglar

VOTE – Unanimous

3. Police Department

- a. Approve KBPD Policy Manual

Chief Bowden said former Police Chief Cooper began working on the policy over the last two years. He said it goes along with the state laws and constitution. He said the town attorney reviewed and approved it and asked for council to approve the policy so they can start



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implementing it. He said the policy manual is a good insurance policy for the town, and it deals with body and car cameras, use of force, how the police are to dress, etc.

Mayor Swearingen said that she understands that, as of October 1st, the town doesn't have to release body camera film, to which Chief Bowden said the town doesn't have to release any film unless it is subpoenaed.

MOTION – Commissioner Dugan moved to approve the Kure Beach Police Department Policy Manual, as presented.

SECOND – Commissioner Heglar

VOTE – Unanimous

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Letter and notice regarding ROT rentals to Island Gazette and Property Owners

Commissioner Heglar asked for council to approve the notice and the letter regarding ROT short rentals and recommended that the notice be put on the town website to go out to the email distribution list, and that it also be placed in the Island Gazette. He recommended that the letter be mailed to all property owners, with the letter from New Hanover County attached to it.

MPT Bloszinsky said that the letter is consistent with everything they have done and he likes the explanation.

MOTION – Commissioner Heglar moved to approve the letter and public notice regarding ROT rentals, as presented, and directed staff to mail a letter to all Kure Beach homeowners and to post the notice on the town's website and in the Island Gazette.

SECOND – MPT Bloszinsky

VOTE – Unanimous

1. Discussion of Hurricane Matthew by Emergency Manager

Commissioner Heglar said that Hurricane Matthew wasn't really a hurricane by the time it got to our area and asked council to make sure they tell people this if they get complimented on how well the town handled the storm. He said the town is very fortunate that the rainfall measurement wasn't the 12 inches that was predicted. He said that the actual cost of labor and rental of equipment came close to \$35,000 and said there is an outstanding \$63,000 estimate to fix all the outfalls. He said there were 15 outfalls that were impacted at \$4,200 each and, by the time the town gets everything back to where it was before the storm, the town will probably have spent about \$110,000, most of it from the Public Works budget.

Mayor Swearingen asked if they planned on asking the DOT to help the town with it because of DOT's involvement at the beginning when the outfalls were first put on the beach.



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Commissioner Heglar said he would ask Director Beeker and the finance officer to check with the DOT, but part of the deal with them was that the outfalls are ours to maintain with the beach renourishment.

Mayor Swearingen asked if they will ask FEMA for reimbursement on the town's damages.

Commissioner Heglar said he shared the information with New Hanover County, but they haven't done anything with it, and we'll follow their guidance.

2. Emergency Operations Plan proposed strategy for sewage spills

Commissioner Heglar asked council to review and provide feedback to him regarding his proposed addition to the town's Emergency Operations Plan which he will put under Annex B-Appendix 6, titled Significant Sewage/Storm Water System Issue. He said the plan is for a sewage or storm water spill that is bigger than Public Works can handle. He said it names Public Works as the responsible department, and then moves forward with other departmental responsibilities. He said, with the bypass that council approved at the last meeting and the new pipe to cross-connect the system and send the water to the lagoon, there were no problems with overflow during the storm. He asked council to review it and it will be put on next month's council agenda for approval.

3. NCLM Biennium Advocacy Goals 2017-2018

Mayor Swearingen asked council to review the goals in their agenda packets and let her know within the next few days if there are any that they would like her to vote "no" on.

Commissioner Heglar said he liked Goal #3, "to seek legislation to allow room occupancy tax revenues to be used to fund municipal service and infrastructure costs in order to support travel and tourism," and said she should vote "yes" on that.

MPT Bloszinsky said he didn't see anything in the goals that he didn't agree with.

Mayor Swearingen said that the league's committees did a good job going through the goals in detail and testing them. She said that Goal #23, "to seek legislation to increase state-level funding for municipal infrastructure needs," was originally for beach nourishment and inlet dredging, but the committee thought some municipalities may have other needs.

MAYOR UPDATES

1. Entertainment Venue Proposal

Mayor Swearingen said that several years ago, a Mr. Blocher came to Carolina Beach officials wanting approval to do some sort of entertainment business, but their council voted it down. She said that Mr. Blocher was supposed to meet recently with Carolina Beach's mayor, but the meeting was canceled due to the storm. She said Mr. Blocher just met with her and discussed his



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idea about building a huge entertainment center somewhere on Pleasure Island, similar to a Disney or Universal Studios park. When she asked him on what land he proposed to build the center, he replied that he has been in negotiations with Sunny Point and they are willing to talk to him about what land he would like to have.

Commissioner Dugan suggested waiting until Carolina Beach approves his idea.

MPT Bloszinsky said he'd like to see a traffic study done before he would consider supporting anything like that.

Mayor Swearingen said Mr. Blocher wouldn't leave any of the information with her but he had beautiful drawings of a whole indoor water complex with restaurants and venues. She said he told her that the design work is being done by David Lisle with Lisle Architects.

2. Fort Fisher Letter

Mayor Swearingen said she got a letter from Fort Fisher that said they had 872,000 visitors this past year, which doesn't include the people who went to the aquarium without stopping by Fort Fisher. She said that means close to one million people came through Kure Beach's stop light intersection this past year.

COMMISSIONER ITEMS

Commissioner Dugan commended all of the town departments for all the work they did during the storm. He said the storm was a good reminder of what can potentially happen but, fortunately, everyone did their due diligence and we weren't really put to the test.

CLOSED SESSION

MOTION – At 8:28 p.m., Commissioner Heglar moved to go into Closed Session for the purpose of discussing personnel matters per N.C.G.S. 143-318.1(a)(6), and for MPO legal matters that concern the town per N.C.G.S. 143-318.1(a)(3)

SECOND – Commissioner Whitley

VOTE – Unanimous

RETURN TO OPEN SESSION

MOTION – MPT Bloszinsky moved to return to open session at 9:17 p.m.

SECOND – Commissioner Heglar

VOTE – Unanimous

MOTION – MPT Bloszinsky moved to approve hiring Michael Heglar for the Public Works department.

SECOND – Commissioner Whitley

The mayor called for a vote, to which Commissioner Heglar said he abstained from voting.



TOWN COUNCIL
TOWN OF KURE BEACH, NC

RESOLUTION R16-14

**APPROVING FINANCING TERMS WITH BRANCH BANKING
AND TRUST (BB&T) FOR BACKHOE**

WHEREAS, The Town of Kure Beach (“Town”) has previously determined to undertake a project for a backhoe (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The Town hereby determines to finance the Project through Branch Banking and Trust (“BB&T”), in accordance with the proposal dated October 3, 2016. The amount financed shall not exceed \$105,273.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.87% and the financing term shall not exceed five (5) years from closing.
2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.
4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment



TOWN COUNCIL
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*R*ESOLUTION R16-14

obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

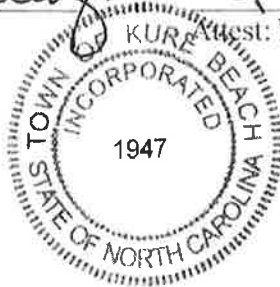
5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The Town intends that funds that have been advanced, or that may be advanced from the Town's general fund, or any other Town fund related to the project for project costs, may be reimbursed from the financing proceeds.

6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Adopted by the Kure Beach Town Council this 18th day of October, 2016.


Emilie Swearingen, Mayor


Guest: Nancy Avery, Town Clerk





TOWN COUNCIL
TOWN OF KURE BEACH, NC

RESOLUTION R16-15

**APPROVING FINANCING TERMS WITH FIRST BANK
FOR TWO 2016 DODGE CHARGERS**

WHEREAS, The Town of Kure Beach (“Town”) has previously determined to undertake a project for two 2016 Dodge Chargers (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The Town hereby determines to finance the Project through First Bank, in accordance with the proposal dated October 18, 2016. The amount financed shall not exceed \$63,500.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.6% and the financing term shall not exceed four (4) years from closing.
2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary, or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.
4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment



TOWN COUNCIL
TOWN OF KURE BEACH, NC

*R*ESOLUTION R16-15

obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the First Bank financing described above. The Town intends that funds that have been advanced, or that may be advanced from the Town's general fund, or any other Town fund related to the project for project costs, may be reimbursed from the financing proceeds.

6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Adopted by the Kure Beach Town Council this 18th day of October, 2016.


Emilie Swearingen, Mayor


Attest: Nancy Avery, Town Clerk





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Attorney Canoutas advised council that there needs to be a vote from council approving Commissioner Heglar's abstinence from voting, before they can vote.

MOTION – Commissioner Heglar moved for council to excuse him from voting on the hiring of his brother.

SECOND – MPT Bloszinsky

VOTE – Unanimous

MOTION – MPT Bloszinsky moved to approve the hiring of Michael Heglar for the Public Works department.

SECOND – Commissioner Whitley

VOTE – Unanimous, with Commissioner Heglar excused from voting.

MOTION – Commissioner Heglar moved to direct the personnel officer to review a climate study for all of the departments in the town.

SECOND – Commissioner Dugan

VOTE – Unanimous

MOTION – MPT Bloszinsky moved to have council take a look at the personnel policy regarding department liaisons.

SECOND – Commissioner Whitley

VOTE – Unanimous

ADJOURNMENT

MOTION – Commissioner Heglar moved to adjourn the meeting.


SECOND – MPT Bloszinsky

VOTE – Unanimous

The meeting adjourned at 9:19 p.m.


Emilie Swearingen, Mayor




Nancy Hewitt, CMC, NCCMC
Deputy Clerk

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