



# TOWN COUNCIL AGENDA

**REGULAR MEETING**

**August 17, 2017 @ 6:30 p.m.**

**\*Asterisks indicate documentation is included in agenda packet**

Call to Order – Mayor Swearingen

Invocation & Pledge of Allegiance – Pastor Cathy Chester, Carolina Coast Vineyard Church

## APPROVAL OF CONSENT AGENDA ITEMS

1. \*Adopt Resolution R17-17, approving financing terms with First Bank for 2018 Dodge Durango police vehicle, not to exceed \$36,100 at an annual rate of 1.95 percent for a four-year term; tax exempt.
2. \*Accept Deborah McKenna's resignation from the Cape Fear Disabilities Commission, as the town's liaison.
3. \*Building Inspections Report – July 2017
4. \*Fire Department Report – July 2017
5. \*YTD Finance Report Meeting
6. Minutes:
  - \*March 17, 2017 Beachtowns Breakfast
  - \*July 18 & July 25, 2017 regular meeting
  - \*July 21, 2017 special meeting
  - \*July 25, 2017 closed session (sealed)

*Consent agenda items are voted on as one item. If a member of Council wishes to discuss an individual item, a motion must be made and approved to move the item to the agenda.*

## ADOPTION OF THE AGENDA

## DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

Sign up at podium (3-minute limit)

## DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Board of Adjustment
2. Community Center Committee
3. Marketing Committee
4. Planning & Zoning Commission
5. Shoreline Access and Beach Protection Committee
6. Non-town Committee Reports

## DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration and Recreation
2. Finance Department
3. Building Department
4. Fire Department



# TOWN COUNCIL AGENDA

## REGULAR MEETING

August 17, 2017 @ 6:30 p.m.

5. Police Department
6. Public Works Department

## DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Ad Hoc Parking Committee (Swearingen)
2. \*Project management services for facility improvement project  
*Requesting motion to award the contract to Constructive Building Solutions, LLC for project management services for the facility improvement project at a cost not to exceed \$85,400 for a 12 month timeframe; with an hourly rate of \$125 for Council requested items over and above the scope of services included in the proposal (Dugan)*
3. \*Construction of new fire station (Dugan and Batson)
  - a. *Requesting motion to schedule public hearing as first order of business on September 19, 2017 to amend Section 80 (town buildings and facilities) of Chapter 19 on Zoning of the Code or Ordinances – amendment exempts town from setback requirements which is necessary for footprint of new fire station*
  - b. Explanation of encroachment into ROW of N 7<sup>th</sup> Avenue for construction of new fire station and attorney's opinion as to ownership
4. Results of water testing (Heglar)
5. Pilot paid parking update and decision on whether to continue or exercise 30 day out clause (Bloszinsky)
6. Facility improvement project status update and relocation of staff (Dugan)

## DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. ADA crosswalk at corner of K Avenue and Fort Fisher Boulevard (Swearingen & Dugan)
2. \*Amendments to Code of Ordinances on Privilege License Tax and Decals (Avery)  
*Requesting motion to:*
  - a. *Repeal Article II Registration; Display of Decal, Subsections 10-16 to 10-40 as presented*  
The decal as outlined in the Code is associated with the vehicle tax. The town authorized the State of NC Department of Motor Vehicles to begin collecting this tax in 2016; therefore, this section of the Code is no longer valid and should be repealed.
  - b. *Repeal Article II License Taxes, Subsections 16-16 to 16-34 and amend Article I In General to add subsections 16-1 and 16-2 as presented*  
The NC General Assembly repealed municipality authority to charge privilege licenses in 2016. This repeal and amendment brings the Code into compliance with state law. Amendment adds language stating Town is authorized by statute to levy vehicle tax and beer and wine license only.

MAYOR UPDATES (no action required)

COMMISSIONER ITEMS (no action required)



# TOWN COUNCIL AGENDA

**REGULAR MEETING**

**August 17, 2017 @ 6:30 p.m.**

CLOSED SESSION, if needed

ADJOURNMENT



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R17-17

**APPROVING FINANCING TERMS WITH FIRST BANK  
FOR 2018 DODGE DURANGO POLICE VEHICLE**

**WHEREAS**, The Town of Kure Beach (“Town”) has previously determined to undertake a project for a 2018 Dodge Durango Police Vehicle (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 August 8, 2017. The amount financed shall not exceed \$36,100.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.95% 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 R17-17

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 17<sup>th</sup> day of August, 2017.

\_\_\_\_\_  
Emilie Swearingen, Mayor

\_\_\_\_\_  
Attest: Nancy Avery, Town Clerk

August 8, 2017

Town of Kure Beach  
117 Settlers Lane  
Kure Beach, NC 28449

Dear Mr. Copenhaver:

Thank you for allowing First Bank the opportunity to submit a proposal for a loan of \$36,100 for the purpose of financing the cost of a 2018 Dodge Durango Police vehicle. The following terms and conditions for this loan are contingent upon final loan approval:

1. Amount: \$36,100.
2. Rate: One point nine five (1.95%) percent per annum; tax exempt. The stated interest rate is subject to this loan being qualified for tax-exempt financing. Borrower agrees to file Form 8038G (or 8038GC for loans less than \$100,000) each year with the Internal Revenue Service, with a copy of such filings also provided to First Bank. First Bank reserves the right to revoke this Commitment Letter or to negotiate a mutually acceptable interest rate if the financing is not a qualified tax-exempt financing.
3. Collateral: Security Agreement for the purchase a 2018 Dodge Durango Police vehicle.
4. Term: Four annual principal and accrued interest payments.
5. Loan Fee: None.
6. Other Fees: None.
7. Financials: Must provide most current year end audit.
8. Other: Must provide tax exempt qualification.

This is a proposal not a commitment. The commitment will be based on the bank's satisfactory review of current financials or above audit. This proposal letter will be Valid for sixty (60) days.

Thank you, again, for allowing First Bank this opportunity. I sincerely hope that you find these proposed terms and conditions to your satisfaction. If any questions, please feel free to call me. I know you will be happy with the relationship.

Sincerely,

First Bank



Donna Gurganus  
Business Development Officer

## Nancy Hewitt

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**From:** Dldinatale <dldinatale@aol.com>  
**Sent:** Monday, July 31, 2017 12:28 PM  
**To:** Nancy Hewitt  
**Subject:** Re: Draft August Council Meeting Agenda

Hi Nancy,

Please let Emily know that I received her letter and will not attend August's meeting. Also, while I will continue to attend the Cape Fear Disability Commission's meetings, I resign as the Kure Beach liaison. Recent activities and decisions made by the Town of Kure Beach have disappointed me to the extent, that for the time being, I am withdrawing from all town functions.

Respectively yours,  
Deborah McKenna

-----Original Message-----

From: Nancy Hewitt <n.hewitt@townofkurebeach.org>  
To: aa.canoutas <aa.canoutas@yahoo.com>; Craig Bloszinsky <c.bloszinsky@townofkurebeach.org>; David Heglar <heglardw@corning.com>; David Heglar <d.heglar@townofkurebeach.org>; Emilie Swearingen <e.swearingen@townofkurebeach.org>; Jim Dugan <j.dugan@townofkurebeach.org>; Joseph Whitley <j.whitley@townofkurebeach.org>; Arlen Copenhaver <a.copenhaver@townofkurebeach.org>; Harold Heglar <h.heglar@townofkurebeach.org>; John Batson <j.batson@townofkurebeach.org>; Mike Bowden <m.bowden@townofkurebeach.org>; Nancy Avery <n.avery@townofkurebeach.org>; Sonny Beeker <s.beeker@townofkurebeach.org>; Denise McVicker <d.mcvicker@townofkurebeach.org>; Karen Gilley <k.gilley@townofkurebeach.org>; Kathleen Zielinski <k.zielinski@townofkurebeach.org>; Mandy Sanders <m.sanders@townofkurebeach.org>; Nikki Keely <n.keely@townofkurebeach.org>; Allen Oliver <allenoliver56@gmail.com>; Anne Brodsky <rentals@palmairealtync.com>; Debbie Elliott <debbie@talkinc.com>; Deborah McKenna <dldinatale@aol.com>; Dennis Panicali <dpanicali@gmail.com>; John Ellen <67jellen@gmail.com>; Peter Boulter (peter@boulters.net) <peter@boulters.net>; Robin Sack <rldsack@aol.com>  
Sent: Mon, Jul 31, 2017 9:31 am  
Subject: Draft August Council Meeting Agenda

Below, is the draft August Council meeting agenda. Please submit any additions, along with your backup documentation by 12:00 pm next Wednesday, August 9<sup>th</sup>. Thanks!

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Call to Order – Mayor Swearingen  
Invocation & Pledge of Allegiance – Pastor Cathy Chester, Carolina Coast Vineyard Church

### APPROVAL OF CONSENT AGENDA ITEMS

1. YTD Finance Report Meeting
2. Minutes:
  - March 17, 2017 Beachtowns Breakfast
  - July 18 & July 25, 2017 regular meeting
  - July 21, 2017 special meeting

*Consent agenda items are voted on as one item. If a member of Council wishes to discuss an individual item, a motion must be made and approved to move the item to the agenda.*

### ADOPTION OF THE AGENDA

**Kure Beach Inspections Dept.-All Permits Issue Date: 7/1/2017 - 7/31/2017**

Permit Type / Occupancy - Use Group		Est Cos	Fee
<b>Building</b>			
R-3			
	<b>Total R-3 2</b>	\$905,000	\$12,245.00
U			
	<b>Total U 1</b>	\$0	\$0.00
	<b>Total Building 3</b>	\$905,000	\$12,245.00
<b>Demolition</b>			
R-3			
	<b>Total R-3 1</b>	\$0	\$100.00
	<b>Total Demolition 1</b>	\$0	\$100.00
<b>Landscape</b>			
R-3			
	<b>Total R-3 1</b>	\$0	\$25.00
	<b>Total Landscape 1</b>	\$0	\$25.00
<b>Total Permits: 5</b>		<b>\$905,000</b>	<b>\$12,370.00</b>



**Kure Beach Inspections Dept.-All Permits Issue Date: 7/1/2017 - 7/31/2017**

PermitNo	Issue Date	Applicant	Owner	Project Addr	Est Cost	Fee	Description	Final
<b>Building</b>								
<b>R-3</b>								
170065	7/17/2017	COMPHER, KENNETH A IRIS M	COMPHER, KENNETH A IRIS M	638 S FOURTH AVE	\$255,000	\$8,635.00	New SFD	
170066	7/21/2017	MAGUIRE, JOHN P WENDY L	MAGUIRE, JOHN P WENDY L	201 S FORT FISHER BLV	\$650,000	\$3,610.00	New SFD	
				<b>Total R-3 2</b>	<b>\$905,000</b>	<b>\$12,245.00</b>		
<b>U</b>								
170064	7/12/2017	KURE BEACH TOWN OF,	KURE BEACH TOWN OF,	400 FOURTH AVE S	\$0		New lift station	
				<b>Total U 1</b>	<b>\$0</b>	<b>\$0.00</b>		
				<b>Total Building 3</b>	<b>\$905,000</b>	<b>\$12,245.00</b>		
<b>Demolition</b>								
<b>R-3</b>								
170062	7/11/2017	SYMOMA LLC,	SYMOMA LLC,	201 S FORT FISHER BLV	\$0	\$100.00	Demo existing building	
				<b>Total R-3 1</b>	<b>\$0</b>	<b>\$100.00</b>		
				<b>Total Demolition 1</b>	<b>\$0</b>	<b>\$100.00</b>		
<b>Landscape</b>								
<b>R-3</b>								
170014	7/19/2017	MILLER, CRAIG VIVIAN S ETAL	MILLER, CRAIG VIVIAN S ETAL	314 FOURTH AVE S	\$0	\$25.00	Grading Permit	
				<b>Total R-3 1</b>	<b>\$0</b>	<b>\$25.00</b>		
				<b>Total Landscape 1</b>	<b>\$0</b>	<b>\$25.00</b>		
<b>Total Permits: 5</b>					<b>\$905,000</b>	<b>\$12,370.00</b>		

# KURE BEACH FIRE DEPARTMENT

## FIRE CHIEF'S REPORT JULY, 2017

DATE	PURPOSE
07/02/17	MUTUAL AID CBFD
07/02/17	2 EMS CALLS
07/03/17	TREE FIRE
07/04/17	2 WATER RESCUE
07/04/17	BRUSH FIRE
07/06/17	WATER RESCUE
07/06/17	FLARE SIGHTING
07/07/17	WATER RESCUE
07/08/17	FALSE ALARM
07/09/17	EMS
07/11/17	MUTUAL AID CBFD
07/12/17	WATER RESCUE
07/13/17	MUTUAL AID CBFD
07/13/17	WATER RESCUE
07/13/17	EMS
07/14/17	EMS
07/15/17	TRANSFORMER FIRE
07/15/17	AUTO ACCIDENT
07/15/17	EMS
07/17/17	EMS
07/19/17	2 EMS CALLS
07/20/17	BRUSH FIRE
07/20/17	EMS
07/22/17	EMS
07/26/17	EMS
07/27/17	EMS
07/27/17	FALSE ALARM
07/27/17	ASSIST PUBLIC
07/28/17	EMS

# KURE BEACH FIRE DEPARTMENT

07/29/17	EMS
07/30/17	EMS
07/30/17	WATER RESCUE
07/30/17	MUTUAL AID CBFD
07/30/17	EMS
07/31/17	EMS
07/31/17	OUTSIDE FIRE
07/31/17	FALSE ALARM

All equipment checked and found to be in working order

Harold Heglar  
Chief

**REVENUE AND EXPENDITURE SUMMARY  
JULY 1, 2017 TO AUGUST 8, 2017**

**REVENUES**

	2018 Budget	Actual 8/8/2017	% Collected
<b>GENERAL FUND</b>			
Property Taxes (Cur. & PY)	\$ 2,491,300	\$ 8,413	0.3%
Local Option Sales Tax	\$ 850,075	\$ 72,171	8.5%
Garbage & Recycling	\$ 382,350	\$ 36,263	9.5%
Franchise & Utility Tax	\$ 234,500	-	0.0%
TDA Funds	\$ 205,650	-	0.0%
CAMA Grants - Beach Access Paving	\$ 89,332	-	0.0%
Communication Tower Rent	\$ 79,125	\$ 13,097	16.6%
Bldg. Permit & Fire Inspect. Fees	\$ 59,300	\$ 7,860	13.3%
Sales Tax Refund	\$ 54,000	-	0.0%
Com Ctr/Parks & Rec/St Festival	\$ 20,500	\$ 810	4.0%
Motor Vehicle License Tax/Decals	\$ 15,000	\$ 1,690	11.3%
Town Facility Rentals	\$ 15,000	\$ 1,850	12.3%
ABC Revenue	\$ 14,600	\$ 5,884	40.3%
OFF - Bluefish Purchases	\$ 11,000	\$ 1,760	16.0%
Beer & Wine Tax	\$ 9,500	-	0.0%
All Other Revenues	\$ 6,185	\$ 12,228	197.7%
Other Financing Sources	\$ 70,000	-	0.0%
<b>Total Revenues</b>	<b>\$ 4,607,417</b>	<b>\$ 162,026</b>	<b>3.5%</b>

**EXPENDITURES**

	2018 Budget	Actual 8/8/2017	% Spent
<b>GENERAL FUND</b>			
Governing Body	\$ 38,505	\$ 20,363	52.9%
Committees	\$ 120,010	-	0.0%
Finance	\$ 150,786	\$ 22,988	15.2%
Administration	\$ 407,848	\$ 82,762	20.3%
Community Center	\$ 23,300	\$ 345	1.5%
Emergency Mgmt./Elections	\$ 3,100	-	0.0%
Tax Collections	\$ 27,000	\$ 202	0.7%
Legal	\$ 28,950	\$ 3,100	10.7%
Police Department	\$ 1,308,960	\$ 143,959	11.0%
Fire Department	\$ 701,867	\$ 66,419	9.5%
Lifeguards	\$ 196,850	\$ 59,483	30.2%
Parks & Recreation	\$ 146,027	\$ 17,205	11.8%
Bldg Inspection/Code Enforcement	\$ 135,201	\$ 13,470	10.0%
Streets & Sanitation	\$ 863,848	\$ 53,414	6.2%
Debt Service	\$ 360,615	\$ 40,758	11.3%
Transfer to Other Funds	\$ 46,450	-	0.0%
Contingency	\$ 48,100	-	0.0%
<b>Total Expenses</b>	<b>\$ 4,607,417</b>	<b>\$ 524,468</b>	<b>11.4%</b>

**WATER & SEWER FUND**

Water Charges	\$ 805,000	\$ 97,736	12.1%
Sewer Charges	\$ 1,155,000	\$ 131,369	11.4%
Tap, Connect & Reconnect Fees	\$ 37,200	\$ 7,120	19.1%
All Other Revenues	\$ 8,455	\$ 714	8.4%
Other Financing Sources	\$ 145,000	\$ 31,958	22.0%
<b>Total Revenues</b>	<b>\$ 2,150,655</b>	<b>\$ 268,897</b>	<b>12.5%</b>

**WATER & SEWER FUND**

Governing Body	\$ 17,505	\$ 3,863	22.1%
Legal	\$ 28,950	\$ 3,100	10.7%
Finance	\$ 186,200	\$ 23,656	12.7%
Administration	\$ 260,170	\$ 80,825	31.1%
Operations	\$ 1,657,830	\$ 177,048	10.7%
<b>Total Expenses</b>	<b>\$ 2,150,655</b>	<b>\$ 288,492</b>	<b>13.4%</b>

**STORM WATER FUND**

<b>Total Revenues</b>	\$ 630,094	\$ 58,962	9.4%
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**STORM WATER FUND**

<b>Total Expenses</b>	\$ 630,094	\$ 62,206	9.9%
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**POWELL BILL FUND**

<b>Total Revenues</b>	\$ 65,070	\$ 10	0.0%
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**POWELL BILL FUND**

<b>Total Expenses</b>	\$ 65,070	\$ -	0.0%
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**SEWER EXPANSION RESERVE FUND (SERF)**

<b>Total Revenues</b>	\$ 30,330	\$ 48	0.2%
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**SEWER EXPANSION RESERVE FUND (SERF)**

<b>Total Expenses</b>	\$ 30,330	\$ -	0.0%
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**BEACH PROTECTION FUND**

<b>Total Revenues</b>	\$ 47,090	\$ 91	0.2%
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**BEACH PROTECTION FUND**

<b>Total Expenses</b>	\$ 47,090	\$ -	0.0%
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**FEDERAL ASSET FORFEITURE FUND**

<b>Total Revenues</b>	\$ 50,000	\$ -	0.0%
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**FEDERAL ASSET FORFEITURE FUND**

<b>Total Expenses</b>	\$ 50,000	\$ 5,679	11.4%
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**TOWN OF KURE BEACH  
CASH AND INVESTMENTS  
AS OF JULY 31, 2017**

<u>FUND</u>	<u>CASH IN BANK</u>	<u>INVESTMENTS</u>	<u>TOTAL CASH &amp; INVESTMENTS</u>
General	\$2,274,349	\$343,319	\$2,617,668
Water/Sewer	\$1,281,982	\$587,402	\$1,869,384
Storm Water	\$215,568	\$241,359	\$456,927
SERF	\$55,386	\$91,656	\$147,042
Powell Bill	\$270,054	\$20,012	\$290,066
Beach Protection	\$111,640	\$176,085	\$287,725
Federal Asset Forfeiture	\$67,799	\$0	\$67,799
Capital Project Funds	\$724,125	\$0	\$724,125
TOTAL	\$5,000,903	\$1,459,833	\$6,460,736
<u>INSTITUTION</u>			
BB&T	\$5,000,903	\$0	
First Bank - Certificates of Deposit	\$0	\$911,279	
NCCMT Term Portfolio	\$0	\$539,175	
NCCMT Cash Portfolio	\$0	\$9,379	
TOTAL	\$5,000,903	\$1,459,833	

**TOWN OF KURE BEACH**  
**SUMMARY OF CONTINGENCY FUND AND COMMITTEE**  
**EXPENDITURE ACTIVITY**  
**07/01/2017 - 08/08/2017**

**CONTINGENCY FUND**

Fiscal Year 2018 Budget	\$48,100.00
Less:	
No activity	<u>\$0.00</u>
Remaining Budget as of 08/08/2017	<u><u>\$48,100.00</u></u>

**COMMITTEE (Shoreline Access and Beach Protection) EXPENDITURES**

Fiscal Year 2018 Budget	\$120,010.00
Less Expenditures:	
No activity	<u>                    </u>
Total Expenditures	\$0.00
Projects Approved By Council But Not Yet Expended:	
No activity	<u>                    </u>
Total Approved, Not Expended	<u>\$0.00</u>
Remaining Budget as of 08/08/2017	<u><u>\$120,010.00</u></u>

**TOWN OF KURE BEACH  
DEBT LISTING  
AUGUST 17, 2017**

LOAN PURPOSE/DESCRIPTION	FUND	LENDER	DATE OF LOAN	AMOUNT FINANCED	INTEREST RATE	LOAN TERM (YRS)	DATE PAID OFF	BALANCE AT 08/17/17	PAYMENT FREQUENCY	PAYMENT AMOUNT	NEXT PAY DATE	INT. EXPENSE LIFE OF LOAN
Sewer Rehabilitation Project (a)	W/S	Fed Gov	5/1/2010	\$432,660	0.00%	20	5/1/2030	\$137,224.32	Annual	\$10,555.72	5/1/2018	\$0.00
Ocean Front Park (development)	G	BB&T	7/12/2011	\$347,000	4.39%	17	7/12/2028	\$224,529.44	Annual	\$30,268.60	7/12/2018	\$137,099.64
Ocean Front Park (acquisition)	G	BB&T	12/19/2007	\$3,600,000	4.28%	20	12/19/2027	\$713,942.41	Annual	\$95,460.60	12/19/2017	\$690,135.16
Kure Beach Pump Station #1	W/S	1st Bank	6/28/2017	\$475,000	2.11%	10	6/28/2027	\$475,000.00	Semi-annual	\$26,507.64	12/28/2017	\$55,152.80
334 S. 4th, 402 H & 406 H Ave.	G	BB&T	3/12/2015	\$409,471	2.49%	10	3/12/2025	\$327,576.91	Annual	\$49,103.79	3/12/2018	\$56,077.07
Water Tower & Well House & Town Hall Expansion (b)	G, W/S	BB&T	4/11/2007	\$1,187,187	3.92%	15	5/7/2022	\$474,524.79	Semi-annual	\$52,716.71	11/7/2017	\$394,314.33
2016 John Deere Backhoe (c)	W/S, SW	BB&T	11/9/2016	\$105,273	1.87%	5	11/9/2021	\$105,273.00	Annual	\$22,250.35	11/9/2017	\$5,978.75
2017 Freightliner Garbage Truck	G	1st Bank	8/23/2016	\$179,756	1.70%	5	8/23/2021	\$145,006.54	Annual	\$37,805.31	8/23/2018	\$9,270.57
Compact Excavator (c)	W/S, SW	1st Bank	7/28/2017	\$63,915	1.80%	4	7/28/2021	\$63,915.00	Annual	\$16,704.21	7/28/2018	\$2,901.83
(2) 2016 Police Dodge Chargers	G	1st Bank	11/9/2016	\$63,500	1.60%	4	11/9/2020	\$63,500.00	Annual	\$16,515.04	11/9/2017	\$2,560.16
O'Brien 7065 Hydroletter (c)	W/S, SW	1st Bank	8/13/2015	\$81,485	1.70%	5	8/13/2020	\$49,712.69	Annual	\$17,149.28	8/13/2018	\$4,202.44
2016 Chevrolet Silverado	G	1st Bank	7/26/2016	\$36,867	1.60%	4	7/26/2020	\$27,868.52	Annual	\$9,593.55	7/26/2018	\$1,486.39
Cutter Court Drainage Project	SW	B of A	7/23/2005	\$875,000	4.40%	15	6/23/2020	\$212,901.77	Monthly	\$6,677.76	9/23/2017	\$326,995.49
FY 2016 Equipment & Vehicles (d)	G, W/S	BB&T	9/14/2015	\$186,000	2.01%	4	9/14/2019	\$140,878.73	Annual	\$48,859.87	9/14/2017	\$9,439.48
(2) 2015 Police Cars	G	BB&T	3/27/2015	\$48,359	2.19%	4	3/27/2019	\$24,703.23	Annual	\$12,758.83	3/27/2018	\$2,676.33
2015 Ford F-250 Utility Truck	W/S	BB&T	10/24/2014	\$32,216	2.19%	4	10/24/2018	\$16,456.90	Annual	\$8,499.73	10/24/2017	\$1,782.92
Downtown Improvement Project	G	BB&T	1/17/2014	\$117,000	1.93%	4.5	6/17/2018	\$48,308.45	Annual	\$24,719.00	1/17/2018	\$6,595.00
2013 Ford F-150 Police Truck	G	BB&T	1/15/2014	\$32,000	2.18%	4	1/15/2018	\$8,260.62	Annual	\$8,440.70	1/15/2018	\$1,762.80

**FUND CODES**

G - General Fund  
W/S - Water/Sewer Fund  
SW - Storm Water Fund

**TOTAL OUTSTANDING DEBT AT 08/17/2017:**

General Fund \$ 1,766,279.27  
Water/Sewer Fund \$ 1,170,951.94  
Storm Water Fund \$ 322,352.12  
Total \$ 3,259,583.32

**NOTES**

- (a) - Total amount borrowed was \$432,660. As part of ARRA, the unpaid balance was immediately reduced by one-half of the loan amount.
- (b) - 78% of loan is Water/Sewer Fund and 22% is General Fund.
- (c) - 50% of loan is Water/Sewer Fund and 50% is Storm Water Fund.
- (d) - 55.5% of loan is General Fund and 44.5% is Water/Sewer Fund.

**LOAN PAYMENTS DUE (Next 12 Months):**

08/18/2017 - 09/30/2017 \$ 55,537.63  
10/01/2017 - 12/31/2017 \$ 241,983.35  
01/01/2018 - 03/31/2018 \$ 115,055.60  
04/01/2018 - 08/17/2018 \$ 259,408.82  
Total \$ 671,985.40

**TOWN OF KURE BEACH  
TOWN HALL RENOVATION AND NEW FIRE STATION  
CAPITAL PROJECT FUND SUMMARY  
AS OF 08/08/2017**

	<u>APPROVED BUDGET</u>	<u>ACTUAL AS OF 08/08/17</u>
<b><u>EXPENDITURES</u></b>		
<b><u>OAKLEY COLLIER ARCHITECTS</u></b>		
Feasibility Study	\$28,500	\$28,500.00
Schematic Design	\$74,407	\$74,407.40
Design Development	\$55,806	\$55,805.55
Construction Documents	\$148,815	\$0.00
Bidding & Negotiation	\$18,602	\$0.00
Contract Administration	\$74,407	\$0.00
Reimbursable Expenses	\$14,720	\$6,913.84
Retainer	\$0	\$7,000.00
Total Oakley Collier Architects	<u>\$415,257</u>	<u>\$172,626.79</u>
<b><u>OTHER PROJECT COSTS</u></b>		
Preliminary Survey	\$3,250	\$3,250.00
Legal Fees	\$25,000	\$12,171.80
LGC Loan Application Fee	\$1,250	\$0.00
Other	\$500	\$0.00
Total Other Project Costs	<u>\$30,000</u>	<u>\$15,421.80</u>
<b><u>CONSTRUCTION</u></b>		
Construction	<u>\$4,554,743</u>	<u>\$0.00</u>
<b><u>GRAND TOTAL EXPENDITURES</u></b>	<u><u>\$5,000,000</u></u>	<u><u>\$188,048.59</u></u>
<b><u>PROJECT REVENUE SOURCES</u></b>		
Transfer From General Fund	\$250,000	\$250,000.00
Installment Financing	<u>\$4,750,000</u>	<u>\$0.00</u>
<b><u>GRAND TOTAL PROJECT REVENUE SOURCES</u></b>	<u><u>\$5,000,000</u></u>	<u><u>\$250,000.00</u></u>



**TOWN OF KURE BEACH  
KURE BEACH PUMP STATION #1  
CAPITAL PROJECT FUND SUMMARY  
AS OF 08/08/2017**

	<u>APPROVED BUDGET</u>	<u>ACTUAL AS OF 08/08/17</u>
<b><u>EXPENDITURES</u></b>		
<b><u>ENGINEERING SERVICES, PA</u></b>		
Land Surveying Fees	\$4,000	\$4,000.00
Engineering Planning	\$5,000	\$0.00
Engineering Design	\$47,000	\$47,000.00
Bidding Assistance	\$6,500	\$6,500.00
Construction Administration	\$25,000	\$3,750.00
Construction Inspection	<u>\$28,500</u>	<u>\$4,275.00</u>
Total Engineering Services, PA	<u>\$116,000</u>	<u>\$65,525.00</u>
<b><u>OTHER PROJECT COSTS</u></b>		
Legal Fees	\$4,750	\$0.00
LGC Loan Application Fee	<u>\$1,250</u>	<u>\$1,250.00</u>
Total Other Costs	<u>\$6,000</u>	<u>\$1,250.00</u>
<b><u>T&amp;H CONSTRUCTION OF HAMPSTEAD, NC</u></b>		
Construction	<u>\$689,731</u>	<u>\$82,782.48</u>
<b><u>GRAND TOTAL EXPENDITURES</u></b>	<b><u>\$811,731</u></b>	<b><u>\$149,557.48</u></b>
 <b><u>PROJECT REVENUE SOURCES</u></b>		
Transfer From Water/Sewer Fund to Pump Station #1 Capital Project Fund	\$186,731	\$186,731.00
Transfer From Sewer Expansion Reserve Fund (SERF) to Pump Station #1 Capital Project Fund	\$150,000	\$150,000.00
Installment Financing	<u>\$475,000</u>	<u>\$475,000.00</u>
<b><u>GRAND TOTAL PROJECT REVENUE SOURCES</u></b>	<b><u>\$811,731</u></b>	<b><u>\$811,731.00</u></b>



NEW HANOVER COUNTY, NC  
**BEACH TOWNS MEETING MINUTES**

**SPECIAL MEETING**

**March 17, 2017**

**TOWN OF KURE BEACH (KB)**

Mayor Emilie Swearingen  
 Mayor Pro Tem Craig Bloszinsky  
 Commissioner David Heglar  
 Commissioner Joseph Whitley

Commissioner Jim Dugan  
 Town Clerk Nancy Avery  
 Deputy Clerk Nancy Hewitt  
 Town Attorney Andy Canoutas

**CAROLINA BEACH (CB)**

Mayor Dan Wilcox  
 Mayor Pro Tem LeAnn Pierce  
 Commissioner Steve Shuttleworth  
 Commissioner Tom Bridges

Commissioner Gary Doetsch  
 Town Manager Michael Cramer  
 Asst. Town Manager Ed Parvin  
 Town Attorney Noel Fox

**TOWN OF WRIGHTSVILLE BEACH (WB)**

Mayor Bill Blair  
 Mayor Pro Tem Darryl Mills  
 Alderman Elizabeth King

Alderman Hank Miller  
 Town Attorney John Wessell

**CITY OF WILMINGTON**

Mayor Bill Saffo  
 Mayor Pro Tem Margaret Haynes  
 Council Member Kevin O'Grady  
 Council Member Paul Lawler

Council Member Charlie Rivenbark  
 City Manager Sterling Cheatham  
 City Clerk Penny Spicer-Sidbury  
 Chamber of Commerce: Natalie English

**NEW HANOVER COUNTY (NHC)**

Chairman Woody White  
 Vice Chairman Skip Watkins  
 Commissioner Rob Zapple  
 Commissioner Patricia Kusek  
 County Manager Chris Coudriet  
 Assistant County Manager Tim Burgess  
 CFO Lisa Wurtzbacher

CCO Ruth Ravitz-Smith  
 Shore Protection Layton Bedsole  
 Federal Lobbyist Keith Smith  
 County Lobbyist Tom Fetzer  
 County Attorney Wanda Copley  
 County Attorney Kemp Burpeau

**FEDERAL AND STATE**

US Sen Thom Tillis, NC Sen Michael Lee, NC Rep Ted Davis Jr., NC Rep Holly Grange, Austen Shearer (Tillis), Luke Blanchat (Tillis), Janet Bradbury (Burr), Chance Lambeth (Rouzer)

Kure Beach Town Council hosted a special meeting at the Kure Beach Community Center on Friday, March 17, 2017 to discuss items of common interest to the county and its municipalities. Public notice of the meeting was posted on February 15, 2017.



NEW HANOVER COUNTY  
**BEACH TOWNS MEETING MINUTES**  
Kure Beach Community Center

**SPECIAL MEETING**

**March 17, 2017**

CALL TO ORDER

KB Mayor Swearingen called the meeting to order at 8:30 a.m.

SPEAKER POINTS

US Senator Thom Tillis

- Aside from working on immigration reform, he supports increased boater registration fees to help fund beach nourishment.
- The federal government has things they can do to support funding for beach nourishment, and he will do everything he can to support it.
- He encouraged regional areas to come together to create stronger alliances.

State Lobbyist Keith Smith

- Addressed the progress of federal beach nourishment funding, and stated they are waiting for the President's budget to come out in May to enable further planning.

County Lobbyist Tom Fetzer

- A spending bill is being developed by state legislature.
- The message to legislators is that the beaches are the most valuable natural resource asset in the state.
- They are moving forward to put a line item in the senate budget to create a sustainable, recurring source of funding for beach nourishment.

NC Senator Michael Lee

- Talked about the bill to allocate tax dollars to poorer areas in NC and workforce development through educational programs for youths and adults.
- It is important for the legislators to receive supporting data to help fight for beach nourishment funding.

NC Representative Ted Davis, Jr.

- It is important to educate the state legislature on beach nourishment through face-to-face visits by local officials and citizens. It would also be good for them to attend the legislative sessions.
- Increased boating fees as an idea for raising money for beach nourishment got a lot of the legislators' attention. Even if they don't live on the coast, a lot of them own boats.

Discussion ensued about decision-making being increasingly taken away from local government by the state legislature on things like the use of plastic bags in their communities, the charging of



NEW HANOVER COUNTY  
**BEACH TOWNS MEETING MINUTES**  
Kure Beach Community Center

**SPECIAL MEETING**

**March 17, 2017**

impact fees, etc. It was also stated that it is important for the state to consider the school calendar as something that affects beach tourism; that children starting back to school early to mid-August could have a negative impact on tourist dollars from families.

NHC Chairman, Woody White

- He addressed the opioid epidemic in the area, including how it's being dealt with.

NHC Manager, Chris Coudriet

- He gave an update on the issue of Room Occupancy Tax tracking and distribution, beach nourishment, inlet dredging and the 2017 tax revaluation.

NHC CFO, Lisa Wurtzbacher

- She discussed a software program that the county is thinking of contracting to track the ROT payment by short-term rental properties and the legalities of tracking them.

**MAYOR UPDATES**

The mayors from the four NHC municipalities shared a brief update on their key concerns.

- KB Mayor Swearingen – Residential growth and expansion in the county, and day-trippers who create additional work for the police and public works departments at the expense of the property owners.
- CB Mayor Wilcox and Town Manager Cramer– NC Supreme Court ruling on municipalities charging Impact Fees.
- WB Mayor Blair – Legislation that may enable Wi-Fi companies to put their antennas on poles without town approval.
- Wilmington Mayor Saffo – Increased tourism, VRBOs, traffic, and the importance of working together.

There being no further business to discuss, the meeting adjourned at 10:15 a.m.

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Emilie Swearingen, Mayor

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ATTEST: Nancy Hewitt, Deputy Town Clerk



# TOWN COUNCIL MINUTES

## REGULAR MEETING

July 18 & 25, 2017 @ 6:30 p.m.

The Kure Beach Town Council held their regular meeting on Tuesday, July 18, 2017 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 (via phone 7/25)

### STAFF PRESENT

Building Inspector – John Batson  
Finance Officer – Arlen Copenhaver (attended 7/18 & 7/25)  
PW Crew Leader – Jimmy Mesimer  
Town Clerk – Nancy Avery (attended 7/18 & 7/25)  
Deputy Clerk – Nancy Hewitt

### CALL TO ORDER

Mayor Swearingen called the meeting to order at 6:30 p.m., and Rev. Tommy Williams of Williams Gospel Ministries delivered the opening invocation and led everyone in the Pledge of Allegiance.

### APPROVAL OF CONSENT AGENDA ITEMS

1. Fire Department Report – June 2017
2. Building Inspections Report – June 2017
3. YTD Finance Report Meeting
4. Minutes:
  - June 20, 2017 Special Meeting
  - June 20, 2017 Closed Session (sealed)
  - June 26, 2017 Special Meeting

MOTION – Commissioner Heglar moved to approve the Consent Agenda Items, as presented.

SECOND – Commissioner Dugan

VOTE – Unanimous

### ADOPTION OF THE AGENDA

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

SECOND – MPT Bloszinsky

VOTE – Unanimous



# TOWN COUNCIL MINUTES

**REGULAR MEETING**

**July 18 & 25, 2017 @ 6:30 p.m.**

## DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

1. Debbie Elliott – 290 Seawatch Way

Ms. Elliott stated the following:

- She is attending on behalf of the Seawatch HOA as they have been trying to find a more affordable way to irrigate their landscaping.
- She learned that the town can install an irrigation meter, but it costs \$4K as opposed to the much lower cost of the same type of meter in Carolina Beach and the county.
- She heard council set the rate high in order to help the town conserve water, which she doesn't understand because, if she had an irrigation meter, she doesn't think she would use any more water to irrigate her property than she already uses.
- She doesn't have a big yard but pays over \$400/month for water during the summer months and about \$70/month in winter.

Commissioner Heglar said the position he has encouraged council to take is that people shouldn't be using the town's limited water supply for irrigation. He said he is against increased water usage for lawn irrigation because 1) the treated, chlorinated water is going on the ground, so there are runoff issues; 2) sooner or later the East Coast is going to have the same problem with water that California is having; and 3) the Wrightsville Beach well aquifer now has Gen-X in it because they're pumping so much water out of it that, hydraulically, it's pulling in water from CFPUA's aquifer. He said council should be encouraging conservation any way it can. He said Carolina Beach is irresponsible for pricing their irrigation meters so low because they are hitting people who use water and sewer services for regular use the hardest and encouraging people to use it for irrigation.

Ms. Elliott asked if council is going on the record that none of the town's 2,000 citizens should have the opportunity to irrigate their lawns.

Commissioner Heglar said council hasn't said no to irrigation meters, and anyone is welcome to pay to have one installed; but council is shifting the cost of water/sewer away from the people who use it for regular things to the people who are spraying it on their lawns.

Ms. Elliott said she feels she is being unfairly burdened, financially, and she has invested a lot of money into the landscape that council is discouraging her from irrigating.

MPT Bloszinsky said council wants the people who use the most water to pay the most for it.

Ms. Elliott said she not only pays for the water that goes on her lawn, but she pays for the sewer portion, as well. She wants to have the opportunity like everyone in the county to be able to purchase an irrigation meter that is priced reasonably.



# TOWN COUNCIL MINUTES

## REGULAR MEETING

July 18 & 25, 2017 @ 6:30 p.m.

Commissioner Heglar asked her if she sees what is happening in southeastern NC and other parts of the country with water, specifically California where people not only stopped irrigating but also actually removed their irrigation lines because of water shortage issues.

Ms. Elliott said she feels Commissioner Heglar has an agenda he is promoting.

Commissioner Heglar said his personal position is that water across the globe is a limited resource that continues to be stressed, and anyone who is in a position to help reduce that stress should do so.

Ms. Elliott said that she does everything she can to reduce the amount of water she uses to irrigate her lawn but, dollar-for-dollar, every study she has ever read says that landscaping is going to improve her property value. She said many people in the community have invested in landscaping and now they are footing the bill on water.

Mayor Swearingen said she is the strongest environmentalist on council and did a study in college that showed an overwhelming issue among leaders in the state was water quality and quantity. She said conservation of natural resources should be one of the number one concerns of this country, and she will always vote on the side of conservation. She said that sod isn't indigenous to the town nor southeastern NC, and there are people who have found other ways to make their lawns look beautiful without it.

Ms. Elliott said she gets the feeling that, because she has put in a landscape that brings her joy, she is not considered an environmentalist.

Commissioner Heglar denied inferring that and said he supports the citizens of the town in doing whatever they want, but he believes, as the Public Works commissioner, that council should enact a financial policy and rate structure that encourages conservation of water. He explained the history of water/sewer rates and tier increases in the town.

Ms. Elliott said that council has made it so that she has to pay a \$4K lump sum for the meter, with no opportunity to pay for it over time. She said it is out of the reach of most people in the town to pay for it.

Commissioner Heglar said a \$4K cost is not out of the reach of anyone in Kure Beach.

Ms. Elliott said she didn't have \$4K in her bank account for an irrigation meter, to which Commissioner Heglar repeated, "For an irrigation meter." He added that he is pretty sure she and most of the people who live in the town could get financing for it, if they wanted. He said that the people he has talked with in town are pleased that council is looking after fixed-income citizens and is focused on the long-term implications of over usage of the town's water supply.



# TOWN COUNCIL MINUTES

## REGULAR MEETING

July 18 & 25, 2017 @ 6:30 p.m.

MPT Bloszinsky said that the town's water supply is most stressed during this time of year with full motels and people irrigating their vegetation, so opening up the gates will lead to problems.

Ms. Elliott reiterated that her water usage wouldn't change if she got an irrigation meter.

Commissioner Heglar said he would email information to her to forward to those who want it.

## DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

### 1. Marketing Committee

Mayor Swearingen said she asked Shawn Braden from the Tourism Development Authority (TDA) to see if the TDA can do a study to determine how many visitors come to Kure Beach during the tourist season from April to October. She said it may cost about \$75K-\$100K, but the results could help council go to its legislators to show why the town can't support sharing its sales tax dollars with other towns. She said it would show that our small amount of citizens are supporting a huge amount of tourists each year through their own tax dollars.

### 2. Planning & Zoning (P&Z) Commission

Chairman Ellen said he read the highlights of the recent community survey and identified five issues on which P&Z can work.

Mayor Swearingen asked Mr. Ellen to check with council to see what they think about the ones he wants P&Z to work on, since he wasn't at the council meeting to hear what was said when the highlights were reviewed.

### 2. Shoreline Access and Beach Protection Committee

Chairman Panicali shared the following about his committee:

- They now have a full committee membership and can get back to being fully engaged on topics they were working on previously.
- All of the beach access points have been adopted under the Adopt-a-Beach program, and the beaches are in better shape for it.
- A number of people keep bringing up the possibility of having more crosswalks, especially at the corner of K Avenue and Fort Fisher (421) Boulevard. The committee would like council to spend more time looking into this possibility.

Mayor Swearingen asked Commissioner Dugan to check with the police chief to see how he feels about the crosswalk and to ask him why the lines weren't painted at some of the crosswalks along 421.

Commissioner Whitley said the police chief told him that one of the phone poles at the intersection would have to be moved, and having a crosswalk button there could cause traffic backups on 421 during the tourist season.





# TOWN COUNCIL MINUTES

**REGULAR MEETING**

**July 18 & 25, 2017 @ 6:30 p.m.**

Commissioner Dugan said the police have noticed a significant increase in people trying to cross at crosswalks and cars not stopping for them.

MPT Bloszinsky said Carolina Beach now has some solar-lighted crosswalks, to which the mayor added they cost a huge amount of money.

Mr. Panicali said he thinks it's important for council to consider its liability and study the effectiveness and cost of a crosswalk at the corner of K Avenue and 421 before there is a serious accident. He said a push-button system would be more effective than just having crosswalk lines painted across the intersection.

### 3. Non-town Committee Reports

Mayor Swearingen requested that the deputy clerk prepare a letter for her to sign, formally requesting that Deborah McKenna, the Cape Fear Disabilities Commission liaison, attend the council meeting, as she hasn't responded to previous requests to attend.

## DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

### 1. Administration and Recreation

Town Clerk Avery announced that Deputy Clerk Hewitt has notified the town that she will be retiring and her last day will be August 18, 2017. She thanked Ms. Hewitt for "her 10+ years of exemplary service to the town."

### 2. Building Department

Inspector Batson said he went to the Coastal Resources Commission (CRC) meeting this past Wednesday to present the map of the town's proposed Development Line, but the CRC would like three areas on the map to be revised before they approve it. He said they would pass it unanimously, if council agrees to revise these areas. He reviewed the areas in question and asked council to give him permission to have the surveyor redraw these areas before presenting it to the CRC again.

Bill Moore, a board member on with Ocean Dunes HOA, said the board has already talked with Inspector Batson on how the revised line near their community will affect things, so they are aware of the issues.

**MOTION** – Commissioner Heglar moved to approve the revisions and give permission to Inspector Batson to have another survey drawing showing the three revised areas in order to satisfy the request made by the CRC during their July 12, 2017 meeting.

**SECOND** – Commissioner Whitley

**VOTE** – Unanimous



# TOWN COUNCIL MINUTES

## REGULAR MEETING

July 18 & 25, 2017 @ 6:30 p.m.

### 3. Fire Department

Commissioner Dugan reported that the lifeguards successfully rescued a 17-year old boy from drowning. He said the boy was hanging onto pilings under the pier before the lifeguards rescued and revived him. He said the boy was sent to the hospital in critical condition but is okay now.

MPT Bloszinsky said that this rescue should be considered a very significant action.

Commissioner Heglar said Assistant Chief Kennedy will attend the August council meeting to address the rescue.

### 4. Police Department

Commissioner Dugan said new surveillance cameras have been installed in the downtown area in a number of different locations.

### 5. Public Works Department

Crew Leader Mesimer said the water sample from the town's aquifer, to see if GenX is in the water, has been taken and Public Works is waiting on results that should be here in about a week.

Shifting subjects, Mayor Swearingen asked Inspector Batson if he inspects motels and other large buildings in town for structural/safety issues, in light of the recent condominium condemnation in Carolina Beach. Inspector Batson said public areas and larger structures get fire inspections, at which time these issues would be reported, as well as staircase and egress issues.

Commissioner Heglar said that buildings owners also have a responsibility to have safety inspections performed on their buildings.

## DISCUSSION AND CONSIDERATION OF OLD BUSINESS

### 1. Interview of firms submitting Request for Qualifications (RFQs) for a project manager for the town facility expansion and new construction project

Commissioner Dugan welcomed the five firms that submitted RFQs, stating council will interview them one at a time. He asked the firms not being interviewed to wait their turn outside of the council room so as not to have an unfair advantage over firms being interviewed first.

Commissioner Heglar said this project will be the biggest expenditure the town has ever made, so council is going to move very slowly and carefully with the process.

As each firm was interviewed, council explained to them that they want to hire a project manager in about three weeks to help the architectural firm choose a construction contractor for the job.

#### a. George Keenan, Keenan Construction & Consulting

- The company consists of him and his son, and they are currently working on several small jobs.



# TOWN COUNCIL MINUTES

## REGULAR MEETING

July 18 & 25, 2017 @ 6:30 p.m.

- He worked with the City of Whiteville for 13 years, so he understands the budgets of small towns.
  - He already sees problems with the laydown area being a few blocks from this project.
  - Hasn't had a job that they didn't finish, even if he lost money.
  - Plans to be on the job daily at first to see how the people work together, the workmanship and to learn to trust them.
- b. William Noland, Noland Construction Consulting
- He worked on \$70M project that began in 2012 for a government center that went well, so they asked him to oversee construction of a vehicle maintenance building.
  - The first thing he would do is see the contracts and the projected timeframe, and look close at the job site to compare it to the architectural plans.
  - About 60 percent of the responsibility of a project is the architect's, and 40 percent is the general contractors.
  - He will be on the job once or twice a week, but not on a regular schedule.
  - He doesn't like having to attend meetings where reports and minutes are made.
- c. Chris Lumpkin and Drew Brown, Constructive Building Solutions, LLC
- They have been working together for 15 years in construction management, project management and providing expert testimony for construction litigation.
  - Early on, they will set up management tools to take project meeting minutes, develop a master project schedule and manage Request for Information (RFI) reports; all important to keep future problems at bay.
  - Mr. Lumpkin is not an engineer, but he has real world experiences with construction project phases and dealing with people.
  - They will manage quality and bring the full team together very early in the process.
  - They will be onsite heavily during the pre-construction phase and at the beginning of the project but, once the systems are in place and the process is running smoothly, they won't need to be onsite as often.
- d. Ethan Crouch, Construction Interface Services
- He has a Master's degree in construction management and works as a project manager on these types of jobs.
  - The role of the project manager is to be the owner's representative, fill the communication gaps and look out for the interest of the town.
  - He will keep track of the quality of work with onsite inspections, and he will review the plans and specs, including an execution component where problems can arise.
  - He said there are three phases of quality control: preparation meetings that produce signed minutes before a specific job is performed, an initial inspection of the job and a follow-up of the completed job, afterwards.



# TOWN COUNCIL MINUTES

## REGULAR MEETING

July 18 & 25, 2017 @ 6:30 p.m.

- It should be a written requirement in the general contractor's contract that they have to have written components (reports/documentation) included in the building process.
- e. Chris McLuckie and Justin Jacobson, MBP
  - They are an agency construction management firm whose job it is to assist an owner to manage construction work and document the project.
  - Their responsibility is to protect the town by operating on the set budget to manage the project, keeping it on schedule and getting the job done.
  - They manage RFI responses, pay attention to change orders and make sure schedules are kept.
  - There should be a thorough constructability review where they look at the full set of plans to make sure they coordinate with all other drawings so they can make sure the project is economically feasible to be constructed the way the architect has drawn it.
  - They will make constructive, meaningful comments about the architectural plans to see if there may be more cost-effective ways to do something.

With interviews complete, Commissioner Heglar suggested finishing the rest of the agenda items and then continuing the council meeting to next week to allow council time to process the firms' information and decide what to do next.

Mayor Swearingen asked Attorney Canoutas if it would be all right for council to discuss, in closed session, the contract and the individual qualifications of the project manager candidates, to which he responded it would be all right to do this in closed session.

## 2. Paid Parking Update

MPT Bloszinsky said the three pay-parking lots brought in \$1,060, gross, during their first 12 hours of service. He said they will get another report at the end of the month.

Mayor Swearingen said she'd like council to put together an ad hoc parking committee to review all aspects of parking in the town and provide council information they need to decide on a course of action for paid parking.

Discussion ensued whether appointing a temporary committee was necessary, or if council should be responsible for deciding themselves on the course of action.

Commissioner Dugan said the police chief is already evaluating any ordinances that need to be changed for parking.

MPT Bloszinsky said that council should take Mr. Powell's study that he did for the town and add the test parking program's data to it for review.



# TOWN COUNCIL MINUTES

## REGULAR MEETING

July 18 & 25, 2017 @ 6:30 p.m.

After further discussion, Mayor Swearingen asked council to think about who and what process, would be involved in putting parking information together for council and asked the clerk to put the topic on the August council meeting agenda.

## DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Adoption of Resolution R17-14 and amendment to Chapter 3 on Alcoholic Beverages in the Code of Ordinances to allow sale of alcoholic beverages before noon on Sundays at licensed premises

Commissioner Whitley said he talked with the managers of Jack Mackerel's and Big Daddy's who are both in favor of council allowing alcohol to be served on Sundays, beginning at 10:00 a.m., as it would be good for business. He said they are worried their customers will go to Carolina Beach's restaurants to enjoy this freedom, otherwise.

MPT Bloszinsky said he hasn't talked to the owner of the Island Kwik Mart yet, but he would conclude that he would like the opportunity to sell alcohol before noon on Sunday, too.

Commissioner Heglar said that the people he drinks with at Jack Mackerel's are in favor of it, the business owners are in favor of it, the churchgoers aren't in favor of it and the majority of people in town don't care either way. He said the Kure Beach "brand" that has been built over the years is that the town is a family beach and the town should stand out by not approving it.

Commissioner Dugan said the majority of feedback he has gotten from people is they don't care. He said he is in favor of doing it because the town shouldn't be in the business of trying to regulate two hours out of a seven-day week that allows alcohol consumption every other day of the week during that time of day.

Council was reminded that a two-thirds majority vote is needed to pass an ordinance on its first reading, but only a simple majority is needed to pass it on its second reading.

MOTION – Commissioner Whitley moved to adopt Resolution R17-14 to allow the sale of alcoholic beverages before noon on Sundays at licensed premises and to adopt a new ordinance in the town's code as Section 3-4, Regulating hours of certain alcohol sales within the town limits.

SECOND – Commissioner Dugan

VOTE – FAILED, as follows: Mayor Swearingen and Commissioners Whitley and Dugan FOR, and MPT Bloszinsky and Commissioner Heglar AGAINST.

Discussion ensued on whether the ordinance could be read a second time and a vote taken again at the continued portion of the council meeting next week. Council asked the clerk to research this and let them know.



# TOWN COUNCIL MINUTES

## REGULAR MEETING

July 18 & 25, 2017 @ 6:30 p.m.

MOTION – Commissioner Heglar moved to continue the regular council meeting until Tuesday, July 25, 2017 at 6:30 p.m., to discuss the qualifications of the project manager candidates. Council will also have a second reading and vote on the proposed resolution and new ordinance regarding alcohol consumption on Sundays, if it can be done at the same meeting on a different day.

SECOND – Commissioner Dugan

VOTE – Unanimous

Mayor Swearingen asked council to read the information she provided them from the Wilmington MPO and asked them to approve travel for her to attend a meeting in Atlantic Beach with the governor and coastal mayors regarding seismic testing and oil drilling in the ocean.

COUNCIL CONSENSUS – Council directed the mayor to proceed with her government-related travel and submit her expenses for reimbursement.

This portion of the meeting ended at 9:56 p.m.

## OPENING OF CONTINUED MEETING

Mayor Swearingen brought the continued meeting back to order at 6:30 p.m. on Tuesday, July 25, 2017. There was a quorum of council and the attorney was present.

Council held a special meeting on July 21<sup>st</sup> to have a second reading and vote on the resolution and ordinance amendment regarding the service of alcohol at 10:00 a.m. on Sundays.

## DISCUSSION AND CONSIDERATION OF FINANCE DEPARTMENT BUSINESS

Finance Officer Copenhaver requested adoption of Resolution R17-15, and reviewed the financing terms of the compact excavator for Public Works.

MOTION – Commissioner Heglar moved to adopt Resolution R17-15, approving financing terms with First Bank for the purchase of a compact excavator for the Public Works Department at a cost not to exceed \$63,915, an interest rate of 1.8% and a four (4) year term

SECOND – MPT Bloszinsky

VOTE – Unanimous

Said resolution is herein incorporated as part of these minutes.

MOTION – At 6:31 p.m., MPT Bloszinsky moved to go into closed session per N.C.G.S. 143-318.11(3), attorney-client privilege.

SECOND – Commissioner Heglar

VOTE – Unanimous



# TOWN COUNCIL MINUTES

## REGULAR MEETING

July 18 & 25, 2017 @ 6:30 p.m.

MOTION – Commissioner Heglar made the motion to return to open session at 7:09 p.m.  
SECOND – Commissioner Whitley  
VOTE – Unanimous

### DISCUSSION AND CONSIDERATION OF PROJECT MANAGER RFQs

Commissioner Heglar stated council feels there are numerous excellent candidates for a project manager for the town's facilities project, which is good.

After reviewing the five firms' qualifications, council's consensus is that Constructive Building Solutions is the top candidate, and they directed Commissioner Dugan and Town Clerk Avery to enter into negotiations with that firm to provide more information, including references and a financial quote for the project. Council said they would review the quote to determine if it is acceptable or decide if they should move on to the next most qualified firm.

MOTION – Commissioner Heglar made the motion to direct Commissioner Dugan and Town Clerk Avery, with assistance from Finance Officer Copenhaver, to enter into negotiations with Constructive Building Solutions for the town's facilities project.  
SECOND – MPT Bloszinsky  
VOTE – Unanimous

### ADJOURNMENT

MOTION – MPT Bloszinsky moved to adjourn.  
SECOND – Commissioner Heglar  
VOTE – Unanimous

The meeting adjourned at 7:12 p.m.

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Emilie Swearingen, Mayor

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ATTEST: 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.



# TOWN COUNCIL MINUTES

## SPECIAL MEETING

**July 21, 2017 @ 5:00 p.m.**

The Kure Beach Town Council held a special meeting on Friday, July 21, 2017 at 5 p.m. The town attorney was present and there was a quorum of council members.

### COUNCIL MEMBERS PRESENT

Mayor Emilie Swearingen, Mayor Pro Tem Craig Bloszinsky, Commissioner David Heglar (via telephone) Commissioner Jim Dugan (via telephone) and Commissioner Joseph Whitley.

### STAFF PRESENT

Town Clerk Nancy Avery

### CALL TO ORDER

Mayor Swearingen called the meeting to order at 5 p.m., stating the purpose of the special meeting is to consider Resolution R17-14 to allow sale of alcoholic beverages before noon on Sundays at licensed premises, and to consider amending Chapter 3 (Alcoholic Beverages) to add a new section 3-4 (Regulating hours of Certain Alcohol Sales within the Town Limits).

Notice of Special Meeting was posted on the Town Hall bulletin board and town website on July 19, 2017 at 1:30 p.m. and required notification given in accordance with N.C.G.S. 1430-318.12.

### CONSIDERATION OF PROPOSED RESOLUTION AND NEW ORDINANCE (Second Reading)

1. Resolution R17-14 to allow sale of alcoholic beverages before noon on Sundays at licensed premises. Draft resolution includes wording on proposed amendment to Code of Ordinances, Chapter 3 (Alcoholic Beverages), to add a new section, as follows:
  - Section 3-4. Regulating hours of certain alcohol sales within the town limits  
The sale of malt beverages, unfortified wine, fortified wine and mixed beverages shall be allowed within the Town limits at any premises having a valid and current premises' permit issued under NCGS 18B-1001 on Sundays beginning at 10:00 a.m.

Commissioner Heglar stated that in his town email and on Facebook, he only had one person that contacted council on this issue. He asked if other council members had received comments.

Mayor Swearingen stated she had received about thirty plus she had three more verbal agreements.

Commissioner Whitley stated he received several and they had a sheet of paper in front of them with 28 in favor and two neutral, referencing a sheet of names and votes.

Mayor Pro Bloszinsky asked if these were randomly received comments or if there was a survey and if so, how did it go out?

Mayor Swearingen said she sent the survey to her email address list.

Mayor Pro Tem Bloszinsky said there is more at stake here than just the sale of alcohol. We can already sell alcohol for 156 hours. It does have something to do with the time of day, the place and the activity from my perspective. In the downtown of this small town with one stoplight that grows to more than 10,000 in season, we have six hotels. There is access to the beach, to the pool, and to the Ocean Front





# TOWN COUNCIL MINUTES

## SPECIAL MEETING

July 21, 2017 @ 5:00 p.m.

Park. There is also traffic from Fort Fisher, the aquarium, and the ferry. He said within three blocks there are two churches and with all that related activity, he does not think it is smart to add potential alcohol traffic.

Commissioner Whitley said did he want them to go to Carolina Beach and then drive back down to Kure Beach, rather than stay here and walk to the restaurants in Kure Beach to do this.

Mayor Swearingen stated that those same two locations in that area already serve alcohol from noon to midnight, seven days a week. The churches have choir practice, Sunday school and meetings during those same times.

Mayor Pro Tem Bloszinsky said there is not the Sunday dance of the rental turnover and he is just stating his view.

Commissioner Heglar said the vote they (council) took Tuesday night and the vote they are getting ready to take will represent the fairly and honestly the majority view of the town without trying to influence each other. He thinks the town is probably 60 to 40 represents what the citizens expect from their representatives.

MOTION – Commissioner Heglar made the motion to take a vote.

SECOND – Commissioner Whitley

VOTE – Unanimous

MOTION – Commissioner Whitley made the motion to adopt Resolution R17-14 to allow sale of alcoholic beverages before noon on Sundays at licensed premises that amends the Code of Ordinances, Chapter 3 (Alcoholic Beverages), to add a new section, as follows:

Section 3-4. Regulating hours of certain alcohol sales within the town limits

The sale of malt beverages, unfortified wine, fortified wine and mixed beverages shall be allowed within the Town limits at any premises having a valid and current premises' permit issued under NCGS 18B-1001 on Sundays beginning at 10:00 a.m.

SECOND – Commissioner Dugan

VOTE – The motion passes three to two with Commissioners Heglar and Bloszinsky against

## ADJOURNMENT

MOTION – Mayor Pro Tem Bloszinsky made the motion to adjourn at 5:08 p.m.

SECOND – Commissioner Whitley

VOTE – Unanimous

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Emilie Swearingen, Mayor

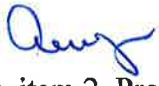
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ATTEST: Nancy Avery, Town Clerk

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



# MEMO

TO: Town Council  
FROM: Nancy Avery, Town Clerk   
RE: Agenda item, Old Business, item 2, Project management services  
DATE: 8/7/17

## *Background*

Council solicited Request for Qualifications for project management services for the town facility improvements project and interviewed five firms in July 2017. Constructive Building Solutions, LLC (CBS), was selected for contract negotiation.

## *Action requested by staff*

Requesting motion to award the contract to Constructive Building Solutions, LLC for project management services for the facility improvement project at a cost not to exceed \$85,400 for a 12 month timeframe; with an hourly rate of \$125 for Council requested items over and above the scope of services included in the proposal and in the event the project runs longer.

## *Funding required*

Revised Capital Project Budget adopted May 30, 2017

## *Comments for consideration*

References were excellent and cost met the parameters. Commissioner Dugan and I met with them for two hours and were impressed. Additionally, they voluntarily attended a four hour meeting with the architects and department heads. Again, Commissioner Dugan and I were both impressed with their breadth of knowledge, how they conducted themselves, and how both staff and the architects responded to them.



July 28, 2017

Nancy Avery  
Town Clerk  
Town of Kure Beach  
117 Settlers Lane  
Kure Beach, NC 28449

**Re: Project Manager Proposal for The Town of Kure Beach Fire Station and Expansion and Renovation of Town Hall**

Dear Mrs. Avery,

Constructive Building Solutions, LLC ("CBS") is pleased to provide the following proposal to provide project management services for the upcoming Fire Station and Town Hall expansion Project ("Project") for the Town of Kure Beach ("Owner").

CBS proposes the following scope of services to provide project management services for the project.

**Preconstruction Phase Services**

*Preconstruction Design Phase*

- Analyze current design documents.
- Meet with Owner and Design Team.
- Meet with Owner and analyze the anticipated operations within the existing town hall building during construction, develop project/construction phasing and identify laydown areas for the general contractor during construction.
- Prepare Project Schedule to include design activities, construction activities, permitting, owner coordination items, milestone dates, and other critical project dates from input.
- Assist Owner in developing overall Project Budget.
- Review construction documents and provide comment to Owner and Design Team.
- Coordinate permit acquisition.

www.constructivebuildingsolutions.com  
4032 Masonboro Loop Road, Suite 101 Post Office Box 16106  
Wilmington, North Carolina 28409 Wilmington, North Carolina 28408  
Telephone: 910.799.9225 Fax: 910.799.9056



### Preconstruction Bid Phase

- Review bid package and provide comment to Owner.
- Attend pre-bid meeting and assist Owner with instructions to bidders.
- Monitor requests for information during bid process and designer issued addenda.
- Analyze bids, consult with Owner and make recommendations for award of construction contract.
- Assist Owner with Value Engineering as required.
- Review contractor submittal information (i.e. bonds, insurance, material data, schedule, schedule of values, etc.) and provide comment to Owner and Design Team.
- Assist owner in developing a project quality control program to include third party material testing and special inspections as required.

CBS anticipates the cost of the *Preconstruction Phase Services* to be \$30,000.

### Construction Phase Services

- Conduct an on-site preconstruction meeting with contractor to discuss the scope and details of the work, meeting schedule, submission requirements, pay procedures, quality control program, and site specific requirements.
- Review contractor submittals for adherence with job specifications and to become familiar with installation instructions.
- Conduct an on-site meeting with the contractor and owner to review mock up panels and other submitted samples as required.
- Review Contractor's schedule for compliance with overall Project Schedule.
- Review construction for compliance with design documents and industry standard during site visits coordinated with contractor during weekly site visits.
- Prepare and distribute meeting minutes documenting site visits.
- Coordinate design professional's activities including contractor request for information as needed.
- Monitor implementation of quality control program.
- Review pay applications and provide recommendations to the Owner for payment to the contractor once per month.
- Update overall Project Budget and provide report to Owner.
- Coordinate owner supplied and owner performed work.
- Work with the contractor to develop and complete the final punch list of repairs.

[www.constructivebuildingsolutions.com](http://www.constructivebuildingsolutions.com)

4032 Masonboro Loop Road, Suite 101  
Wilmington, North Carolina 28409

Post Office Box 16106  
Wilmington, North Carolina 28408

Telephone: 910.799.9225 Fax: 910.799.9056



From the summary of *Construction Phase Services* outlined above, CBS proposes the following schedule for site and progress meetings with a not to exceed without prior approval by Owner \$50,400:

- Weekly on site meetings to review the progress and quality of work (\$700 each)
- Monthly meetings to review progress and contractor's pay application (\$700 each)
- Attend Council meetings to advise and update Council as required (\$700 each)

### **Post Construction Services**

- Work with designer and contractor on final commissioning owner training and as-built drawings.
- Review project close out documents (i.e. final lien waivers, warranty and care documents, etc.) for completeness and coordinate close out with the contractor and Owner.

CBS anticipates the cost of the *Post Construction Phase Services* to be \$5000.

### **Deliverables**

CBS anticipates the following deliverables for the project:

- Project Schedule
- Weekly Progress Reports to include meeting minutes, attendance, schedule compliance, requests for information, inspections, issues observed or raised, and instructions to contractor.
- Monthly Progress Reports to include meeting minutes, analysis of pay requests and recommendation for payment, updated project schedule and analysis, project budget report and analysis.
- Inspection Reports to include deficiencies observed and documentation of corrective action taken.
- Final Report to include analysis of contract closeout documentation, punch list completion, and recommendation to the Owner for final payment and acceptance of the project.

### **Terms and Conditions of the Contract**

The cost of laboratory and/or third party inspections is not included. No copying or document production is included in the above scope of services. Hourly rates for additional work (requested and approved by owner) outside the scope of this proposal are as follows:

Project Manager-\$125.00 per hour

www.constructivebuildingsolutions.com  
4032 Masonboro Loop Road, Suite 101 Post Office Box 16106  
Wilmington, North Carolina 28409 Wilmington, North Carolina 28408  
Telephone: 910.799.9225 Fax: 910.799.9056



Thank you again for the opportunity to submit this proposal and if you have any questions please do not hesitate to call.

Sincerely,

**CONSTRUCTIVE BUILDING SOLUTIONS, LLC**

Drew Brown  
Principal

[www.constructivebuildingsolutions.com](http://www.constructivebuildingsolutions.com)

4032 Masonboro Loop Road, Suite 101

Wilmington, North Carolina 28409

Post Office Box 16106

Wilmington, North Carolina 28408

Telephone: 910.799.9225 Fax: 910.799.9056

Late payment charges at the rate of one and one half percent (1.50%) per month (eighteen percent (18.0%) per year) will be added to the balance due on amounts, which remain unpaid thirty (30) days or more.

**Indemnity**

The Client agrees to indemnify and hold harmless CBS from any damages/liabilities associated with the performance of services on behalf of Client except the intentional and fraudulent acts of CBS.

**Dispute Resolution**

To avoid unnecessary litigation, the Client and CBS agree that should there be any disagreement about any matter covered by this agreement, they will submit the matter to binding and final arbitration. The organization conducting arbitration shall be chosen by CBS from the following choices: North Carolina State Bar, Duke University Private Adjudication Center, or the American Arbitration Association. If Client and CBS cannot agree upon the rules under which the arbitration shall be conducted, the director or his or her designee of the organization selected shall determine the rules and the person or persons to serve as arbitrators. The laws of the State of North Carolina shall be binding upon this agreement.

**Retainer**

The Client agrees to pay a retainer in the sum of five thousand dollars (\$5,000.00) to CBS before commencement of Services. The retainer will be applied to the last invoice upon the completion of Services

This agreement is agreed to by:

Constructive Building Solutions, Inc.

The Town of Kure Beach

By:   
Principal

By: \_\_\_\_\_

8/1/17  
Date

\_\_\_\_\_  
Date

## CONSULTING AGREEMENT

The Town of Kure Beach agrees to hire and engage Constructive Building Solutions, Inc. ("CBS") on the following terms for Services to perform Project Manager Services for The Kure Beach Fire Station and Town Hall Renovation Project located in Kure Beach, North Carolina. The following scope of service will be provided:

1. CBS will perform Preconstruction Phase Services, Construction Phase Services and Post Construction Phase Services as detailed in the July 28, 2017 CBS proposal letter.

### Payment

In consideration for performance of the Services the Client shall pay CBS a fee of

- Preconstruction Phase Services: \$30,000 lump sum.
- Construction Phase Services: \$700 ea. cost per site visit for the following schedule of meeting types:
  - Weekly progress meetings and quality control review.
  - Monthly progress review and pay application approval.
  - Attend Council meeting and provide project update.Construction Phase Services not to exceed \$50,400 without Owner approval.
- Post Construction Services \$5000 lump sum.

The Client shall pay CBS within thirty days of receipt of CBS invoices for cost of Services.

Payment will be made to:

Constructive Building Solutions, Inc.  
4032 Masonboro Loop Rd  
Suite 101  
Wilmington, NC 28409





## Kure Beach Inspections Department

117 Settlers Lane · Kure Beach, NC 28449

Office (910) 458-6535 · Fax (910) 458-4269

John Batson, Inspector

To: Town Council

From: John Batson

Date: August 9, 2017

Re: New Fire Department

Commissioners,

Due to the design of the new Fire Station, and the lack of open space for it, we are unable to comply with our own Zoning Ordinance.

Two different issues concern me:

First, Sec. 19-80 says that Town/Governmental facilities are allowed in any district, and shall not be considered nonconforming. What it does not say is that these facilities are allowed to disregard setbacks.

After consultation with the Town Attorney, we believe that this can be mitigated by amending the ordinance to include the following provision (or some variation of) **in red:**

**Sec. 19-80. - Town buildings and facilities**

Town buildings and facilities shall be permitted in all zoning districts and shall not be considered to be nonconforming to the area in which they are located **or to setbacks required**. These include, but are not limited to, the town hall, town fire station, town garage, various lift stations, well sites, water storage tanks.

Second, the new Fire Station crosses property lines into the Right-of-Way of Seventh Ave. The Town Attorney has provided a letter stating, "the Town can use this street however it wishes since it does not affect any citizen living in the proximity of this street section."

If this is the case, it is my recommendation to investigate combining the "Corral" and the Right-of-Way of Seventh Ave into one parcel. The Town Clerk and I have been looking into this with Atty. Ned Barnes. He was the original real estate attorney that filed the deed of record from Beachwalk in 1997. With your permission, we'd like to continue pursuing this.

**A.A. Canoutas**  
**Attorney-At-Law**  
**4506 W. Cascade Rd.**  
**Wilmington, NC 28412**  
**910-233-1919**

To: John Batson, Code Enforcement Officer  
Jim Dugan, Council Member  
Nancy Avery, Town Clerk of Town of Kure Beach, NC

From: A.A. Canoutas, Town Attorney *AA*

Subject: Title to real estate concerning location of Fire Department

Date: August 3, 2017

Regarding the issue of ownership of Seventh Avenue entrance to the Kure Beach Fire Department: this is owned by the Town of Kure Beach, NC as shown on the official map of the Town of Kure Beach, recorded in the New Hanover County Registry at Book 4 Pages 90-91 in 1947.

The rest of this street is located in the Deed, Book 2142 at Page 0173 from BEACHWALK DEVELOPMENT, INC. to the Town of Kure Beach which included the balance of Seventh Avenue; therefore, the Town can use this street however it wishes since it does not affect any citizen living in the proximity of this street section.

Should you need further information, please call.

That the Code of Ordinances for the Town of Kure Beach shall be amended as follows:

Part II Code

Chapter 19 Zoning

Article III District Regulations

Division I Generally

Section 80 Town buildings and facilities

Currently reads:

Town buildings and facilities shall be permitted in all zoning districts and shall not be considered to be nonconforming to the area in which they are located. These include, but are not limited to, the town hall, town fire station, town garage, various lift stations, well sites, water storage tanks.

Amendment adds this language to end of the current section:

“Town buildings and facilities shall not be subject to setback requirements”

Amended section:

Town buildings and facilities shall be permitted in all zoning districts and shall not be considered to be nonconforming to the area in which they are located. These include, but are not limited to, the town hall, town fire station, town garage, various lift stations, well sites, water storage tanks. Town buildings and facilities shall not be subject to setback requirements.

Amendment effective September 19, 2017.

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Emilie Swearingen, Mayor

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Nancy Avery, Town Clerk



# MEMO

TO: Town Council  
FROM: Nancy Avery, Town Clerk   
RE: Agenda items, New Business, 2a and b – Repeal of Chapter 10, subsections 10-16 to 10-40 and Chapter 16, subsections 16-16 to 16-34 and amendment to Article I of Chapter 16  
DATE: August 7, 2017

## *Background*

In 2016, the Town authorized the NC Department of Motor Vehicles to collect the vehicle tax that is allowed by the state. The Town also changed the association of a decal with that vehicle tax and began selling a “re-entry” decal that is separate. The Code of Ordinances outlines the association of the decal with the vehicle tax and was never updated to reflect the change. Repealing this section makes us compliant with our policy. The proposed amendment to subsection 16-1 in Chapter 16 on taxation reflects the Town’s authority to levy a vehicle tax.

In 2016, the NC General Assembly repealed the right of municipalities to charge privilege (business) licenses. Repealing this section of the Code brings us into compliance with that change in law. The proposed amendment to subsection 16-2 reflects a small beer and wine retail license that the General Assembly does allow us to charge.

## *Action requested by staff*

Motions to:

- a. Repeal Article II Registration; Display of Decal, Subsections 10-16 to 10-40 as presented
- b. Repeal Article II License Taxes, Subsections 16-16 to 16-34 and amend Article I In General to add subsections 16-1 and 16-2 as presented

## *Funding required*

None

## *Comments for consideration*

These amendments and repeals do not require a public hearing by statute, though you may schedule one, if that is the preference.

That the Code of Ordinances of the Town of Kure Beach shall be amended as follows:

Part II Code

Chapter 10 Motor Vehicles and Traffic

Article II Registration; Display of Decal

Subsections 10-16 to 10-40

**REPEAL ENTIRE ARTICLE II. - REGISTRATION: DISPLAY OF DECAL – SUBSECTIONS 10-16 TO 10-40**

**Sec. 10-16. - License tax imposed.**

(a)

Subject to subsection (b) of this section, each owner of a motor vehicle that displays a current North Carolina license plate and resides within the town shall pay an annual license tax for each such vehicle in the amount set forth in section 10-19. For purposes of this section, the owner of a motor vehicle shall be that person owning the motor vehicle on January 1 of each year.

(b)

The requirements of subsection (a) of this section shall not apply to:

(1)

Motor vehicles owned by the town, New Hanover County, the State of North Carolina, or the United States of America or its Armed Forces on duty within the town.

(2)

Trailers.

(3)

Current active members of the Kure Beach Department which shall be issued by the chief of the volunteer fire department.

(4)

Transient or temporary construction workers.

(c)

The term "resides within the town" when referring to motor vehicles, includes but is not limited to the following:

(1)

Those vehicles owned or principally used by a person who establishes a residence within the town, temporarily or permanently, for a period of (30) days, and which vehicle is used in the town, or normally stored in the town when not in use.

(2)

Those vehicles used and maintained and normally stored within the town in connection with a business located in the town. It shall be a rebuttal presumption that

when a vehicle is registered by the North Carolina Department of Motor Vehicles at an address with the town, such address is a place of residence for the vehicle.

**Sec. 10-17. - Display of decal.**

Each motor vehicle subject to the annual license tax as described in section 10-16 shall display an identification decal inside the lower left-hand corner of the windshield of such motor vehicle. Each decal shall contain an identification number which shall be registered with the owner's name and address and this record shall be maintained by the town.

**Sec. 10-18. - Payment of tax.**

The annual license tax imposed in accordance with section 10-16 shall be paid annually on or before the 31st day of March each year. The decal hereinabove referred to shall be issued for a period beginning January 1 and ending December 31 of each year and shall not be prorated. Payment shall be made at the finance office at the Town Hall of Kure Beach, North Carolina. At the time payment is made, a decal as described in section 10-17 shall be issued for each vehicle subject to the tax.

**Sec. 10-19. - Amount of tax.**

The annual license tax as required in section 10-16 shall be five dollars (\$5.00) if paid on or before the 31st day of March of each year; thereafter, the annual license tax shall be five dollars (\$5.00) plus a penalty of ten dollars (\$10.00) for a total of fifteen dollars (\$15.00).

**Sec. 10-20. - Transfer of decal to another vehicle.**

The issuance of a decal by the town under section 10-17 shall be assigned to the designated vehicle of the owner acquiring said decal and shall not thereafter be transferred to another vehicle of the individual to which issued or to another owner whether by sale of the vehicle or otherwise.

**Sec. 10-21. - Nonresident owners.**

Payment of the annual license tax and display as described in section 10-17 shall not apply for motor vehicles owned by nonresident property owners but they may purchase a decal as hereinafter described.

**Sec. 10-22. - Identification aid in emergencies.**

(a)

In as much as the Town of Kure Beach is subject to times of natural disasters from cyclonic events and other events and other emergencies from time to time, the decal as described above and below shall be used as an aid only to identify the property owners for them to be allowed to regain entry into the Town of Kure Beach proper and its extraterritorial jurisdiction during such allowable entries during a curfew event imposed by the town.

(b)

Nonresident property owners may purchase a decal which shall be subject to section 10-17 and section 10-19.

**Sec. 10-23. - Violation.**

Any person who shall violate this article shall be subject to a civil citation in the amount of twenty-five dollars (\$25.00) for this first offense; second offense, shall subject the offender to a misdemeanor charge as by law prescribed.

**Secs. 10-24—10-40. - Reserved.**

DRAFT

That the Code of Ordinances of the Town of Kure Beach shall be amended as follows:

Part II Code

Chapter 16 Taxation

Article I In General

Article II License Taxes

**Amendment adds the following language to Article I (In General)**

**Subsection 16-1 MUNICIPAL VEHICLE TAX**

**Authority to levy vehicle tax as prescribed by NC General Statute 20-97**

**Subsection 16-2 CITY BEER AND WINE RETAIL LICENSES**

**Authority to levy beer and wine retail licenses within the corporate limits as prescribed by NC General Statute 105-113.77.**

**REPEAL SUBSECTIONS 16-16 THROUGH 16-34**

Chapter 16 – TAXATION

ARTICLE I. - IN GENERAL

Secs. 16-1—16-15. - Reserved.

ARTICLE II. - LICENSE TAXES

Sec. 16-16. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

**Agent.** The term agent shall mean person having the agency for the manufacturer, producer or distributor.

**Business.** The term business means any trade, occupation, profession, business, franchise, or calling of any kind, subject by the provisions of this article to a license tax.



of such business, by maintaining a business location within the town; by soliciting business within the town; or by picking up or delivering merchandise or performing services within the town.

Fiscal year. The period beginning with the 1st day of June and ending May 31st next following shall be the fiscal year.

**Sec. 16-17. - License tax levied.**

A license tax is hereby levied on the privilege of engaging in every business within this town which is listed in the schedule of taxes contained in [section 16-31](#). Any person so engaged in business shall be responsible for making certain that the applicable license tax is paid.

**Sec. 16-18. - Duties of tax collector.**

(a)

The town finance director, acting as tax collector, is hereby designated as the proper town official to collect license taxes and to issue privilege licenses.

(b)

The tax collector shall make any investigation necessary to determine the tax liability of persons engaged in business within the town. If necessary, the tax collector is authorized to enter upon the premises of any such business during normal business hours for the purpose of determining whether this article has been complied with.

**Sec. 16-19. - License; due date.**

(a)

Unless otherwise provided in the schedule of taxes in [section 16-31](#) et seq., each privilege license issued shall cover the twelve-month period beginning June 1st of each calendar year and ending May 31st of the subsequent calendar year.

(b)

The privilege license tax is due on June 1st of each year. If, however, a person begins a business after June 1st, the tax for that year must be paid before the business is begun.

**Sec. 16-20. - Application; false statements.**

(a)

Every person desiring to obtain a license for the privilege of engaging in a business within this town shall make application in writing to the tax collector. The application shall be made on a form provided by the tax collector. It shall contain the following information:

(1)

Name and nature of the business for which the license is sought;

(2)

The address where the business is conducted, and a mailing address for the business, if different;

(3)

The name and address of the person filling out the application and his relationship to the business;

(4)

The gross receipts of the business for the most recently completed tax year, if applicable; and

(5)

Any other information which the tax collector determines to be necessary.

(b)

It shall be unlawful for any person to willfully make a false statement on a license application.

#### Sec. 16-21. - Proration of tax.

Except when a tax is based on gross receipts, if a business is begun after December 31st but before June 1st, the tax shall be one-half of the amount otherwise due.

#### Sec. 16-22. - Multiple businesses.

If a person is engaged in more than one (1) business made subject to a license tax under this article, such person shall pay the license tax prescribed in the tax schedule in [section 16-31 et seq.](#), for each such business, even if the businesses are conducted at the same business location.

#### Sec. 16-23. - Separate places of business.

Unless otherwise provided by state law or by the tax schedule in section 16-31 et seq., if a person engages in a business in two (2) or more separate places, a separate license tax shall be required for each such place of business. For purposes of this section, if a person engages in the same business at two (2) or more locations within the town, which locations are contiguous, communicate with and open directly into each other, and are operated as a unit, the person is liable for only one (1) license tax.

#### Sec. 16-24. - Display of license.

Each person issued a license shall post the license in a conspicuous place in his regular place of business. If there is no regular place of business, the license shall be kept where it may be inspected at appropriate times by the town tax collector. If a machine or other item of personal property is licensed, the license shall be affixed to such machine or item.

#### Sec. 16-25. - Change in place of business.

If a person who has obtained a license for a business desires to move from one (1) business location to another within the town, the license which has been issued shall be valid for the remainder of the license year at this new location, and no additional tax need be paid. Within a reasonable time after the change in location, however, such person shall inform the tax collector of the change in address.

**Sec. 16-26. - No abatement of tax.**

If a license discontinues a business before the end of the period for which the license was issued, the license tax shall not be abated nor shall a refund of any part of the license tax be made.

**Sec. 16-27. - Effect of license.**

The issuance of a license does not authorize the carrying on of a business for which additional licenses or qualifications are required by state or local law, nor does the issuance of a license prevent the town from enacting additional regulations applicable to the licensee.

**Sec. 16-28. - Exemptions.**

(a)

Any person who engages in business within this town for religious, educational or charitable purposes shall be exempt from paying any privilege license tax levied by this article.

(b)

Any blind person engaging in business within this town shall be exempt from paying any privilege license tax levied by this article.

**Sec. 16-29. - Unlawful to conduct business without a license.**

(a)

It shall be unlawful for any person to engage in a business within this town upon which a privilege license tax is imposed by this article, without having paid the license tax specified in [section 16-31](#) et seq.

(b)

The town may seek an injunction against any person engaging in business in violation of this section.

(c)

A conviction under this section does not relieve a person of his liability for the license tax or taxes imposed by this article.

**Sec. 16-30. - Collection of unpaid tax.**

(a)

If a person begins or continues to engage in a business taxed under this article without payment of the required privilege license tax, the tax collector may use either of the following methods to collect the unpaid tax:

(1)

The remedy of levy and sale or attachment and garnishment, in accordance with G.S. section 160A-207; or

(2)

The remedy of levy and sale of real and personal property of the tax payer in accordance with G.S. section 105-109(d).

(b)

Any person who begins or continues to engage in a business taxed under this article without payment of such tax is liable for an additional tax of five (5) percent of the original tax due for each thirty (30) days or portion thereof that the tax is delinquent.

(c)

The minimum tax provided in this section shall be applied to the same business or privilege when conducted or exercised within one (1) mile of the corporate limits.

Sec. 16-31. - Schedule of license taxes.

An annual license tax shall be levied and collected for the privilege of engaging in the following businesses. The annual license tax amounts are on file in the town clerk's office.

**Advertising.** Every person engaged in the business of outdoor advertising by placing, erecting or maintaining advertising signs, structures, or devices of any nature. This tax does not apply to motor picture theaters taxed under G.S. section 105-37. See listing under Amusements, motion picture shows.

**Amusements.**

(1)

Motion picture shows, theatres, and opera houses:

a.

Every person engaged in the business of operating a motion picture show, theatre, or opera house where public exhibitions or performances are given for compensation.

b.

Theatres in resort towns operated for less than six (6) months each year or theatres open three (3) days or less each week.

(2)

Amusements not otherwise taxed. Every person engaged in the business of giving or offering or managing any form of entertainment or amusement not otherwise taxed or specifically exempted under schedule "B" for which an admission is charged for each room, hall, tent or other place where admission is charged.

Barber shops and beauty shops. For each barber, manicurist, cosmetologist, beautician, or other operator employed in such barber shop or beauty shop or parlor.

Bicycle dealers. Any person engaged in the business of buying or selling bicycles, bicycle supplies or accessories. If a dealer pays the tax imposed under the section governing motorcycle dealers, no additional tax may be levied for handling bicycles or bicycle supplies.

Billiard and pool tables. Every firm, person or corporation renting, maintaining or owning a building where there is a table or tables at which billiards or pool is played, whether operated by slot or otherwise except fraternal organizations having a national charter or to the American Legion, YMCA or YWCA.

Cafes and cafeterias. See Restaurants.

Campgrounds, trailer parks, tent camping areas. Every person engaged in the business of operating any campground, trailer park, or tent camping area.

Carnival companies. See Amusements.

Chain stores. Every person engaged in the business of operating, under the same general management, supervision or ownership, two (2) or more stores where goods, wares or merchandise is sold is deemed to be a branch or chain store operator, except for the particular store which is designated as the principal office in the chain. This tax does not apply to retail and wholesale dealers in motor vehicles and automotive equipment; retail stores of nonprofit organizations engaged exclusively in the sale of merchandise processed by handicapped persons employed by a nonprofit organization; and manufactures, retail or wholesale sellers of fertilizers, farm chemicals, soil preparants or seeds.

Circuses. See Amusements.

Clairvoyants. See Fortunetellers.

Cleaners. See Dry cleaners.

Construction companies. See Contractors.

Contractors and construction companies. Every person which for a fixed price, commission, fee, or wage offers or bids to construct any building, street, sidewalk, bridge, sewer or water system, grading or other improvement or structure. This tax does not apply to plumbers, electricians, or heating contractors who are taxed under G.S. section 105-91. See also listing under heading of plumbers.

Dances. See Amusements.

Drive-in theatres. See Amusements.

Dry cleaners, pressing clubs and hat blockers. The town may not collect a license tax under this section unless the state license tax, if due, has first been paid.

Electricians. See Plumbers, heating contractors and electricians.

Elevators and automatic sprinkler systems. Selling and installing. Every person engaged in the business of selling or installing elevators or automatic sprinkler systems, provided the principal office or a branch office of such business is located within the municipality. This tax does not apply to plumbers, electricians or heating contractors who are taxed under G.S. section 105-91. See also listing under the heading of plumbers.

Emigrant employment agents. Every person operating a business of securing employment for another for a fee or commission.

Employment agents. Every person operating a business of securing employment for another for a fee or commission.

Express companies. (from schedule C. franchise tax). Every express company doing business in the corporate limits.

Finance companies. See Loan companies.

Fortunetellers, clairvoyants and gypsies. Every fortuneteller, gypsy, clairvoyant or person practicing similar trades.

Funeral directors. See Undertakers.

Garages. See Automobile service stations.

Gasoline, benzine, grease and lubricating oil dealers. Every person, firm or corporation selling illuminating or lubricating oil, or greases, or benzine, naphtha, gasoline or other similar products. This section does not apply to businesses taxed as automobile service stations. See also listing under Automobile service stations.

Gravestones. See Monuments.

Gun dealers. See Pistol, knife and weapon dealers.

Gypsies. See Fortunetellers.

Hat blockers. See Dry cleaners.

Heating contractors. See Plumbers.

Hotels, motels, tourist courts and tourist homes. Every person engaged in the business of operating a hotel, motel, tourist court or tourist home.

Intoxicating beverages. See Section 16-32.

Itinerant merchants and salesmen. Every itinerant salesman or merchant selling goods, wares or merchandise, either on the streets or in a building, not being a regular merchant of a municipality. Any salesman or merchant offering for sale goods, wares or merchandise, other

than fruits and farm products, shall be deemed an itinerant within the meaning of this section, if he conducts business within a municipality for less than six (6) consecutive months. When any salesman or merchant does not pay the tax herein levied due to a stated intention to become a regular merchant, the municipal tax collector may require him to post a cash deposit in the sum of one hundred dollars (\$100.00) which bond shall be forfeited for the payment of the tax herein levied in the event such person discontinues the business within six (6) months for any reason other than death, disability, insolvency, or destruction of stock by fire or other catastrophe. This tax shall not apply to persons who sell books, periodicals, printed music, ice, wood for fuel, fish, beef, mutton, pork, bread, cakes, pies, dairy products, poultry, eggs, livestock or articles produced by the individual offering them for sale, but shall apply to medicines, drugs or articles assembled. See also peddlers.

Knives. See Pistols, knives and weapon dealers.

Laundries:

- (1) Out-of-town laundries. Every person engaged in the business of laundry work or supplying or renting clean linens, towels, and wearing apparel, if the work is performed outside the municipality, or if linen, towels or wearing apparel are supplied by a business outside the municipality.
- (2) Soliciting laundry work. Every person engaged in the business of soliciting laundry work to be done by a laundry or plant which has not paid the license tax set forth in paragraph (1) above for each vehicle used in carrying the laundry work.
- (3) Laundries located in town. Every person engaged in the business of laundry work, or supplying or renting clean linen, towels or wearing apparel who is not subject to (1) or (2) above.  
Cities and town may not collect a license tax under this section unless the state license tax, if due, has been paid first.

Mind readers. See Fortunetellers.

Motels. See Hotels.

Motion picture shows. See Amusements.

Motor advertising. See Advertising.

Motorcycle dealers. Every person engaged in the business of buying, selling or distributing motorcycles or motorcycle supplies. Motorcycle dealers taxed under this section are not liable for any additional tax as bicycle dealers if they also handle bicycles and bicycle supplies.

Motor vehicle dealers:

(1) Every person, firm or corporation engaged in the business of buying, selling, distributing, servicing, or storing motor vehicles, trailers, semi-trailers, tires, tools, and other automotive supplies or accessories.

(2) Persons dealing in used motor vehicles exclusively are liable for the tax set out above. If, however, the business is of a temporary, seasonal, or transient nature, the tax for each location.

(3) Licensed motor vehicle dealers may operate multiple places of business under one (1) license. No additional tax may be collected from any salesman or employee of an employer who has paid the tax under this section.

Music machines. Every person engaged in the business of operating, maintaining or placing on location any machine which plays records or produces music, per machine.

Musical instruments and equipment:

(1) Every person, firm or corporation engaged in the business of selling or offering for sale pianos, organs, records or record players, radios or radio accessories, television sets or accessories, and repair parts thereto.

(2) Agents selling these commodities when the dealer is located outside of the municipality.

State Law reference— Similar provisions, G.S. § 105-82.

Opera houses. See Amusements.

Palmists. See Fortunetellers.

Pawnbrokers. Every person engaged in the business of lending or advancing money or other thing of value for profit and taking as a pledge for such loan specific articles of personal property to be forfeited if payment is not made within a definite time.

Peddlers. (See also Itinerant merchants and salesmen). Any person who shall carry from place to place any goods, wares or merchandise and sell, or barter the same shall be deemed a peddler, except wholesale dealers with established warehouses selling only to merchants for resale:

(1) Peddlers on foot.

(2) Peddlers with horse or other animal, and with or without vehicle.

(3) Peddlers with vehicle propelled by motor or other power, for each vehicle.

(4)



Peddlers with vehicle of one-half ton capacity or less.

This section is not applicable to the sale of books, periodicals, printed music, ice, wood or fuel, fish, beef, mutton, pork, bread, cakes, pies, dairy products, poultry, eggs, livestock or other articles produced by the vendor offering them for sale, but shall apply to medicines, drugs or articles assembled. In addition, disabled veterans of wars, and blind persons are exempted from this provision.

Photographers. See Itinerant photographers.

Pianos. See Musical instruments.

Pistol, knife and weapon dealers. Every person, firm or corporation engaged in the business of selling pistols, knives or blank cartridge pistols.

Plumbers, heating contractors and electricians. Every person engaged in the business of a plumber, of a steam or gas fitter, or of installing heating systems or electrical equipment. When an individual required to be licensed under this section employs only one additional person, the tax shall be one-half of the above amount. Businesses licensed under this section shall not be taxed as a contractor, or as an elevator or automatic sprinkler salesman or repairman. (See also headings of Contractors and elevators and automatic sprinkler systems.)

Pool tables. See Billiard and pool tables.

Radios. See Musical instruments.

Restaurants, cafes and cafeterias. Every person engaged in the business of operating a restaurant, cafe, cafeteria, hotel with dining service or other place where prepared food is sold.

Sandwiches made only of crackers, or cookies with food filling are not subject to the tax. Sales of any commodity through vending machines are also exempt from the tax.

Riding devices. See Amusements.

Salesmen. See Peddlers and itinerant merchants.

Sandwich stands. See Sundries license tax.

Service stations. See Automobile service stations.

Shooting galleries. See Amusements.

Signs. See Advertising.

Skating rink. See Amusements.

Sprinkler systems. See Elevators.

Stocks and bonds. See Security dealers.

Swimming pools. See Amusements.

Taxicabs.

Telegraph companies.

Television. See Musical instruments.

Theatres and shows. See Amusements.

Tobacco dealers. See Cigar and cigarette retailers and wholesalers.

Tobacco warehouses. Every person engaged in the business of operating a warehouse for the sale of leaf tobacco upon commission.

Tombstones. See Monuments.

Tourist courts and homes. See Motels.

Trading stamp dealers. Every person engaged in the business of trading, selling or delivering trading stamps, checks, receipts, certificates or tokens to persons engaged in trade or business with the understanding that the same shall be presented by the latter to their patrons as a discount, bonus or premium to secure patronage and that the same may be redeemed for money or other thing of value. This section does not apply to manufacturers or merchants who offer to present to their purchasers a gift of value as an inducement to purchase their merchandise.

Trailer parks. See Campgrounds.

Traveling theatrical companies. See Amusements.

Undertakers and coffin retailers. Every person engaged in the business of burying the dead or in the retail sale of coffins. This tax is not applicable to a cabinet maker who is not an undertaker but who makes coffins to order.

Vending machines. Vending machines for cigarettes, tobacco, soft drinks, food or other merchandise. See Sundries license tax.

Weapons. See Pistols.

Weighing machines. See Sundries license tax.

Wine. See Section 16-32.

Sec. 16-32. - Alcoholic beverage taxes levied.

The following taxes are levied on the alcoholic beverage businesses listed herein:

(1)

Wine and beer:

a.

Beer -retail: (G.S. § 105-113.79)  
On-premises, per year ..... \$15.00  
Off-premises, per year ..... 5.00

b.

Wine -retail: (G.S. § 105-113.79)  
On-premises, per year ..... 15.00  
Off-premises, per year ..... 10.00

c.

Wholesale dealers:\* (G.S. § 105-113.73)  
Beer, per year ..... 37.50  
Wine, per year ..... 37.50  
Both wine and beer under same license ..... 62.50

\* Only if dealer has a place of business in the town. Deliveries only are not taxed.

(2)

The annual license fee started in (1) above is the fee for the first license issued to a person. The fee for each additional license issued to a person. The fee for each additional license issued to that person for the same year is ten (10) percent of the base license fee, that increase to apply progressively for each additional license.

**Sec. 16-33. - Miscellaneous.**

The schedule of miscellaneous taxes levied by the town are on file in the town clerk's office.

**Sec. 16-34. - Privilege license tax for electronic gaming operations.**

(a)

For the purposes of this section, the term "electronic gaming operation" means the following: Any business enterprise, whether as a principal or accessory use, where persons utilize electronic machines, including, but not limited to, computers and gaming terminals (collectively the "machines"), to conduct games of chance, including sweepstakes, and where cash, merchandise or other items of value are redeemed or otherwise distributed, whether or not the value of such distribution is determined by electronic games played or by predetermined odds. Electronic gaming operations may include, but are not limited to, internet cafes, internet sweepstakes, electronic gaming machines/operations, or cybercafes. This does not include any lottery approved by the

State of North Carolina or any nonprofit operation that is otherwise lawful under state law (for example, church or civic organization fundraisers).

(b)

The fee schedule is hereby amended to include a two thousand dollar (\$2,000.00) annual privilege license tax for each electronic gaming operation.

(c)

In addition to the amount levied in subsection (b), each electronic gaming operation shall pay an additional annual privilege license tax of two thousand five hundred dollars (\$2,500.00) for each electronic gaming machine used or stored as part of the electronic gaming operations. For example, an electronic gaming operation having one machine shall pay an annual privilege license tax of four thousand five hundred dollars (\$4,500.00), an operation having two (2) machines shall pay an annual privilege license tax of seven thousand dollars (\$7,000.00), and so forth.

(d)

All provisions of any town ordinance or resolution in conflict with this ordinance are repealed.

(e)

This section shall become effective upon adoption.