



# TOWN COUNCIL AGENDA

**REGULAR MEETING**

**October 16, 2017 @ 6:30 p.m.**

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

Call to Order – Mayor Swearingen

Invocation & Pledge of Allegiance – Rev. Tommy Williams: Williams Gospel Ministries

## APPROVAL OF CONSENT AGENDA ITEMS

- \*Reappoint Bill Moore to another 5-year term on Planning and Zoning
- \*Accept resignation of Barbara Boal from the Community Center committee
- \*Change Linda Brett-Kell's membership from alternate to regular on Community Center committee
- \*Appoint Lisa Lepo as an alternate member of the Community Center committee
- Approve closing of Town Hall for the day at noon on Wednesday, November 22 for Employee Appreciation luncheon
- \*Fire Department Report for August and September
- \*Finance Report
- \*Building Inspector Report for September
- \*Minutes:
  - August 14, 2017 special meeting construction project
  - September 18, 2017 regular meeting
  - October 10, 2017 public hearing on financing

*Consent agenda items are voted on as one item. Discussion of an item requires a motion to remove the item from the consent agenda to the regular agenda.*

## ADOPTION OF THE AGENDA

### PUBLIC HEARING

\*Amendment to Section 80 (town buildings and facilities) of Chapter 19 (Zoning) of the Code of Ordinances to exempt the town from setback requirements. Notice of the hearing was posted at Town Hall and on the Town's website on September 22, 2017. It was advertised in the Star News on September 27 and October 4<sup>th</sup>.

### DISCUSSION AND CONSIDERATION OF PRESENTATIONS TO COUNCIL

1. Bernard Robinson & Co., Victor Blackburn, presentation of FY 2016-2017 audit
2. Jason Sutton of SP+ presentation on results of pilot paid parking program

### DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

Sign up at podium (3-minute limit)



# TOWN COUNCIL AGENDA

**REGULAR MEETING**

**October 16, 2017 @ 6:30 p.m.**

## 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. Finance Department

\*Consideration of approving financing terms with BB&T for the construction of a new fire station and expansion and renovation of the town hall complex in an amount not to exceed \$5.5 million:

- at an interest rate not to exceed 2.98% for a term to not exceed 20 years  
*Resolution R17-20A*
- at an interest rate not to exceed 2.58% for a term not to exceed 15 years  
*Resolution R17-20B*

Requires motion to either adopt version A or version B of Resolution R17-20

2. Administration and Recreation

\*Motion to enter into contract with Clean Water Management Trust Fund for planning grant to explore feasibility of installing storm water infiltration systems at beach accesses E to J Avenue at a cost of \$2,508 to be paid from the Storm Water fund

3. Building Department
4. Fire Department
5. Police Department
6. Public Works Department

## DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. \*Motion to amend Chapter 19 (Zoning), Section 80 (Town buildings and facilities) of the Code of Ordinances to exempt town buildings from setback requirements  
*Requires reading Consistency Statement into the minutes as part of the motion*

2. \*Paid parking and Ad Hoc parking committee (tabled from August and September meetings)

## DISCUSSION AND CONSIDERATION OF NEW BUSINESS

None

MAYOR UPDATES: N.C. League of Municipalities Meeting in New Bern, N.C. October 25-27, approximately \$85.00.



# TOWN COUNCIL AGENDA

**REGULAR MEETING**

**October 16, 2017 @ 6:30 p.m.**

COMMISSIONER ITEMS (no action required)

CLOSED SESSION, Attorney Client Privilege, as per N.C.G.S. § 143-318.11 (3)

ADJOURNMENT

# CONSENT AGENDA

## Nancy Avery

---

**From:** Billmoore622 <Billmoore622@charter.net>  
**Sent:** Monday, September 11, 2017 12:40 PM  
**To:** Nancy Avery  
**Subject:** Re: expiration of term

Yes please

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

**From:** Nancy Avery <n.avery@townofkurebeach.org>  
**Date:** 9/11/17 11:56 AM (GMT-05:00)  
**To:** billmoore622@charter.net  
**Cc:** Kathleen Zielinski <k.zielinski@townofkurebeach.org>  
**Subject:** expiration of term

Hi Bill – are records show your term on P&Z expires November 30, 2017. Would you like to be re-appointed for a 5 year term effective December 1<sup>st</sup>?

Thanks!

Nancy Avery

Town of Kure Beach

117 Settlers Lane

Kure Beach, NC 28449

[www.townofkurebeach.org](http://www.townofkurebeach.org)

910-458-8216 office

910-707-2016 direct

910-443-0410 cell

n.avery@tokb.org

## **Nancy Avery**

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**From:** Nikki Keely  
**Sent:** Wednesday, October 11, 2017 2:45 PM  
**To:** Nancy Avery  
**Subject:** RE: Application  
**Attachments:** Lisa Leppo Application.pdf

Sorry -meant to send yesterday!

I told Barbara to send her resignation to me, but have yet to receive it. I'll send her a reminder message.

Linda Brett-Kell is moving from alternate to full member when Barbara's resignation is final.

The new applicant is Lisa Leppo, a scanned copy of her application is attached. (I have the original in my office if you need that.) The Committee already voted to approve her as an alternate. There is a vacant alternate space, even without moving Linda to regular member yet.

Nikki Keely  
Recreation Manager, CPRP

Town of Kure Beach  
117 Settlers Lane  
Kure Beach, NC 28449  
910.458.8216/Fax 910.458.7421  
[www.townofkurebeach.org](http://www.townofkurebeach.org)

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

**From:** Nancy Avery  
**Sent:** Wednesday, October 11, 2017 2:35 PM  
**To:** Nikki Keely <n.keely@townofkurebeach.org>  
**Subject:** Application

Can you send me the application for the CC person and who's taking what position. Do you know if Barbara turned in resignation? Should I call Robin? I need for agenda packet

Nancy Avery  
Town Clerk  
117 Settlers Lane  
Kure Beach, NC 28449  
910-458-8216 office  
910-458-7422 fax  
910-707-2016 direct  
910-443-0410 cell  
[n.avery@tokb.org](mailto:n.avery@tokb.org)  
[www.townofkurebeach.org](http://www.townofkurebeach.org)



# TOWN OF KURE BEACH REQUEST FOR APPOINTMENT

Board/Commission/Committees

MUST BE A FULL-TIME RESIDENT TO SERVE ON BOARD OF ADJUSTMENT,  
COMMUNITY CENTER COMMITTEE OR PLANNING AND ZONING COMMISSION

Request for Appointment to: Community Center

Name LISA LEPPO

KB Property Address 309 SETTLERS LN

Mailing Address "

Contact PH# 8046050833 Email leppolm@yahoo.com

(You will receive the majority of correspondence via email)

Length of full-time residency in Kure Beach 1 yr

Employment Retired

Job Title Forensic Anthropologist

Professional Activities Fellow, American Academy of Forensic Sciences;  
Diplomate - American Board of Forensic Anthropology

Volunteer Activities Island Women, Pleasure Island Sea  
Turtle Project, Education & Aquarology Depts - NCAFF

Other committee work, past or present \_\_\_\_\_

What is your understanding of the purpose of this committee?

PROMOTE THE KBCC and RELATED ACTIVITIES

Why are you interested in serving on this committee?

Community PRIDE

In what specific concerns or areas are you interested?

Promoting KB as eco & family friendly

What days and/or times between 8am-8pm, Monday through Friday, are you unable to attend meetings?

none

Any misrepresentation of fact on this application will subject the applicant to legal proceedings as prescribed by law.

Signature [Signature] Date 10 Oct 2017

Thank you for your interest in serving the Town of Kure Beach

**Please submit your application to:**

Town Clerk, Kure Beach Town Hall, 117 Settlers Lane, Kure Beach, NC 28449

**NOTE: All financial obligations to the town must be satisfied to be a Kure Beach committee member.**

### Town Use Only

Date Received \_\_\_\_\_ Initials \_\_\_\_\_ Financial Obligations Satisfied  YES  NO

Interview Date \_\_\_\_\_ (If applicable) Appointment Date \_\_\_\_\_

Term Length \_\_\_\_\_ Term Expiration \_\_\_\_\_

# KURE BEACH FIRE DEPARTMENT

## FIRE CHIEF'S REPORT SEPTEMBER, 2017

DATE	PURPOSE
09/02/17	EMS
09/03/17	EMS
09/05/17	AUTO ACCIDENT
09/05/17	WATER RESCUE
09/09/17	OUTSIDE FIRE
09/09/17	2 WATER RESCUES
09/11/17	EMS
09/12/17	POWER WIRES ARCHING
09/15/17	EMS
09/16/17	MUTUAL AID Cbfd
09/17/17	ASSIST PUBLIC
09/17/17	EMS
09/18/17	DRILL
09/21/17	2 MUTUAL AID Cbfd
09/22/17	ASSIST PUBLIC
09/23/17	WATER RESCUE
09/24/17	2 WATER RESCUES
09/28/17	EMS
09/29/17	EMS
09/30/17	ASSIST PUBLIC

All equipment checked and found to be in working order

Harold Heglar  
Chief



# KURE BEACH FIRE DEPARTMENT

## FIRE CHIEF'S REPORT AUGUST, 2017

DATE	PURPOSE
08/02/17	EMS
08/03/17	FALSE ALARM
08/03/17	EMS
08/04/17	EMS
08/05/17	WATER RESCUE
08/07/17	EMS
08/07/17	WATER RESCUE
08/08/17	2 MUTUAL AID Cbfd
08/11/17	FALSE ALARM
08/11/17	FLARE SIGHTING
08/12/17	2 FALSE ALARMS
08/12/17	EMS
08/13/17	SMOKE SMELL
08/15/17	FALSE ALARM
08/16/17	EMS
08/17/17	EMS
08/19/17	EMS
08/19/17	AUTO ACCIDENT
08/20/17	EMS
08/21/17	EMS
08/22/17	DRILL
08/25/17	EMS
08/27/17	LOST PARENTS
08/28/17	MUTUAL AIS Cbfd
08/28/17	EMS
08/29/17	WATER RESCUE
08/29/17	FLARE SIGHTING
08/30/17	WIRE DOWN

All equipment checked and found to be in working order

Harold Heglar

Chief

**REVENUE AND EXPENDITURE SUMMARY  
JULY 1, 2017 TO OCTOBER 10, 2017**

**REVENUES**

	2018 Budget	Actual 10/10/2017	% Collected
<b>GENERAL FUND</b>			
Property Taxes (Cur. & PY)	\$ 2,491,300	\$ 351,437	14.1%
Local Option Sales Tax	\$ 850,075	\$ 222,629	26.2%
Garbage & Recycling	\$ 382,350	\$ 104,903	27.4%
Franchise & Utility Tax	\$ 234,500	\$ 46,630	19.9%
TDA Funds	\$ 205,650	\$ 26,917	13.1%
CAMA Grants - Beach Access Paving	\$ 89,332	\$ -	0.0%
Communication Tower Rent	\$ 79,125	\$ 26,254	33.2%
Bldg. Permit & Fire Inspect. Fees	\$ 59,300	\$ 28,535	48.1%
Sales Tax Refund	\$ 54,000	\$ 57,479	106.4%
Com Ctr/Parks & Rec/St Festival	\$ 20,500	\$ 5,004	24.4%
Motor Vehicle License Tax/Decals	\$ 15,000	\$ 9,510	63.4%
Town Facility Rentals	\$ 15,000	\$ 8,287	55.2%
ABC Revenue	\$ 14,600	\$ 8,190	56.1%
OPF - Bluefish Purchases	\$ 11,000	\$ 1,980	18.0%
Beer & Wine Tax	\$ 9,500	\$ -	0.0%
All Other Revenues	\$ 6,185	\$ 16,590	268.2%
Other Financing Sources	\$ 70,000	\$ -	0.0%
<b>Total Revenues</b>	<b>\$ 4,607,417</b>	<b>\$ 914,345</b>	<b>19.8%</b>

**EXPENDITURES**

	2018 Budget	Actual 10/10/2017	% Spent
<b>GENERAL FUND</b>			
Governing Body	\$ 38,505	\$ 22,391	58.2%
Committees	\$ 120,010	\$ 719	0.6%
Finance	\$ 150,786	\$ 45,640	30.3%
Administration	\$ 407,848	\$ 133,901	32.8%
Community Center	\$ 23,300	\$ 4,749	20.4%
Emergency Mgmt./Elections	\$ 3,100	\$ 40	1.3%
Tax Collections	\$ 27,000	\$ 442	1.6%
Legal	\$ 28,950	\$ 10,543	36.4%
Police Department	\$ 1,308,960	\$ 323,971	24.8%
Fire Department	\$ 701,867	\$ 151,133	21.5%
Lifeguards	\$ 196,850	\$ 82,872	42.1%
Parks & Recreation	\$ 146,027	\$ 37,059	25.4%
Bldg Inspection/Code Enforcement	\$ 135,201	\$ 30,878	22.8%
Streets & Sanitation	\$ 863,848	\$ 218,120	25.2%
Debt Service	\$ 360,615	\$ 106,179	29.4%
Transfer to Other Funds	\$ 46,450	\$ 46,450	100.0%
Contingency	\$ 48,100	\$ -	0.0%
<b>Total Expenses</b>	<b>\$ 4,607,417</b>	<b>\$ 1,215,087</b>	<b>26.4%</b>
<b>WATER &amp; SEWER FUND</b>			
Governing Body	\$ 17,505	\$ 5,891	33.7%
Legal	\$ 28,950	\$ 10,543	36.4%
Finance	\$ 186,200	\$ 47,182	25.3%
Administration	\$ 260,170	\$ 106,789	41.0%
Operations	\$ 1,657,830	\$ 399,877	24.1%
<b>Total Expenses</b>	<b>\$ 2,150,655</b>	<b>\$ 570,282</b>	<b>26.5%</b>
<b>STORM WATER FUND</b>			
<b>Total Expenses</b>	<b>\$ 630,094</b>	<b>\$ 120,324</b>	<b>19.1%</b>
<b>POWELL BILL FUND</b>			
<b>Total Expenses</b>	<b>\$ 65,070</b>	<b>\$ 1,174</b>	<b>1.8%</b>
<b>SEWER EXPANSION RESERVE FUND (SERF)</b>			
<b>Total Expenses</b>	<b>\$ 30,330</b>	<b>\$ -</b>	<b>0.0%</b>
<b>BEACH PROTECTION FUND</b>			
<b>Total Expenses</b>	<b>\$ 47,090</b>	<b>\$ -</b>	<b>0.0%</b>
<b>FEDERAL ASSET FORFEITURE FUND</b>			
<b>Total Expenses</b>	<b>\$ 50,000</b>	<b>\$ 8,595</b>	<b>17.2%</b>

**TOWN OF KURE BEACH**  
**SUMMARY OF CONTINGENCY FUND AND COMMITTEE**  
**EXPENDITURE ACTIVITY**  
**07/01/2017 - 10/10/2017**

**CONTINGENCY FUND**

Fiscal Year 2018 Budget	\$48,100.00
Less:	
No activity	<u>\$0.00</u>
Remaining Budget as of 10/10/2017	<u><u>\$48,100.00</u></u>

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

Fiscal Year 2018 Budget	\$120,010.00
Less Expenditures:	
Dune Signage	<u>\$718.60</u>
Total Expenditures	\$718.60
Projects Approved By Council But Not Yet Expended:	
No activity	<u>                    </u>
Total Approved, Not Expended	<u>\$0.00</u>
Remaining Budget as of 10/10/2017	<u><u>\$119,291.40</u></u>

**TOWN OF KURE BEACH  
CASH AND INVESTMENTS  
AS OF SEPTEMBER 30, 2017**

<u>FUND</u>	<u>CASH IN BANK</u>	<u>INVESTMENTS</u>	<u>TOTAL CASH &amp; INVESTMENTS</u>
General	\$2,051,744	\$343,704	\$2,395,448
Water/Sewer	\$1,403,422	\$588,060	\$1,991,482
Storm Water	\$203,442	\$241,630	\$445,072
SERF	\$55,386	\$91,758	\$147,144
Powell Bill	\$301,514	\$20,035	\$321,549
Beach Protection	\$158,090	\$176,282	\$334,372
Federal Asset Forfeiture	\$64,884	\$0	\$64,884
Capital Project Funds	\$252,022	\$0	\$252,022
<b>TOTAL</b>	<b>\$4,490,504</b>	<b>\$1,461,469</b>	<b>\$5,951,973</b>
	<u>INSTITUTION</u>		
BB&T	\$4,490,504	\$0	
First Bank - Certificates of Deposit	\$0	\$911,869	
NCCMT Term Portfolio	\$0	\$540,207	
NCCMT Cash Portfolio	\$0	\$9,393	
<b>TOTAL</b>	<b>\$4,490,504</b>	<b>\$1,461,469</b>	

**TOWN OF KURE BEACH  
DEBT LISTING  
OCTOBER 16, 2017**

LOAN PURPOSE/DESCRIPTION	FUND	LENDER	DATE OF LOAN	AMOUNT FINANCED	INTEREST RATE	LOAN TERM (YRS)	DATE PAID OFF	BALANCE AT 10/16/17	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. Water Tower & Well House & Town Hall Expansion (b)	G, W/S	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
2016 John Deere Backhoe (c)	W/S, SW	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
2017 Freightliner Garbage Truck	G	1st Bank	11/9/2016	\$105,273	1.87%	5	11/9/2021	\$105,273.00	Annual	\$22,250.35	11/9/2017	\$5,978.75
Compact Excavator (c)	W/S, SW	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
(2) 2016 Police Dodge Chargers	G	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
O'Brien 7065 Hydroletter (c)	W/S, SW	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
2016 Chevrolet Silverado	G	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
Cutter Court Drainage Project	SW	B of A	7/26/2016	\$36,867	1.60%	4	7/26/2020	\$27,868.52	Annual	\$9,593.55	7/26/2018	\$1,486.39
PY 2016 Equipment & Vehicles (d)	G, W/S	BB&T	7/23/2005	\$875,000	4.40%	15	6/23/2020	\$201,112.02	Monthly	\$6,677.76	11/23/2017	\$326,995.49
(2) 2015 Police Cars	G	BB&T	9/14/2015	\$48,359	2.01%	4	9/14/2019	\$94,850.52	Annual	\$48,859.87	9/14/2018	\$9,439.48
2015 Ford F-250 Utility Truck	W/S	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
Downtown Improvement Project	G	BB&T	10/24/2014	\$32,216	2.19%	4	10/24/2018	\$8,317.58	Annual	\$8,499.73	10/24/2018	\$1,782.92
2013 Ford F-150 Police Truck	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
			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 10/16/2017:**

General Fund	\$ 1,740,733.61
Water/Sewer Fund	\$ 1,142,330.06
Storm Water Fund	\$ 310,562.37
<b>Total</b>	<b>\$ 3,193,626.04</b>

**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):**

10/17/2017 - 12/31/2017	\$ 226,805.86
01/01/2018 - 03/31/2018	\$ 115,055.60
04/01/2018 - 06/30/2018	\$ 134,532.35
07/01/2018 - 10/16/2018	\$ 195,591.59
<b>Total</b>	<b>\$ 671,985.40</b>

**TOWN OF KURE BEACH  
KURE BEACH PUMP STATION #1  
CAPITAL PROJECT FUND SUMMARY  
AS OF 10/10/2017**

	<u>APPROVED BUDGET</u>	<u>ACTUAL AS OF 10/10/17</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	\$12,500.00
Construction Inspection	<u>\$28,500</u>	<u>\$14,250.00</u>
Total Engineering Services, PA	<u>\$116,000</u>	<u>\$84,250.00</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>CONSTRUCTION</u></b>		
T&H CONSTRUCTION OF HAMPSTEAD, NC	\$632,514	\$306,368.38
AVRETT PLUMBING CO., INC.	<u>\$57,217</u>	<u>\$67,217.00</u>
Total Construction Costs	<u>\$689,731</u>	<u>\$373,585.38</u>
<b><u>GRAND TOTAL EXPENDITURES</u></b>	<u><u>\$811,731</u></u>	<u><u>\$459,085.38</u></u>
<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>	<u><u>\$811,731</u></u>	<u><u>\$811,731.00</u></u>

**TOWN OF KURE BEACH  
TOWN HALL RENOVATION AND NEW FIRE STATION  
CAPITAL PROJECT FUND SUMMARY  
AS OF 10/10/2017**

	<u>APPROVED BUDGET</u>	<u>ACTUAL AS OF 10/10/17</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	\$148,814.80
Bidding & Negotiation	\$18,602	\$0.00
Contract Administration	\$74,407	\$0.00
Reimbursable Expenses	\$14,720	\$10,147.04
Retainer	\$0	\$7,000.00
Total Oakley Collier Architects	<u>\$415,257</u>	<u>\$324,674.79</u>
<b><u>OTHER PROJECT COSTS</u></b>		
Preliminary Survey	\$3,250	\$3,250.00
Legal Fees	\$25,000	\$12,698.65
LGC Loan Application Fee	\$1,250	\$0.00
Other	\$500	\$0.00
Total Other Project Costs	<u>\$30,000</u>	<u>\$15,948.65</u>
<b><u>PROJECT MANAGEMENT COSTS</u></b>		
Constructive Building Solutions	\$0	\$15,000.00
<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>\$355,623.44</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>

Kure Beach Inspections Dept.-All Permits Issue Date: 9/1/2017 - 9/30/2017

Permit Type / Occupancy - Use Group		Est Cos	Fee
<b>Building</b>			
R-3			
	<b>Total R-3 13</b>	\$2,410,085	\$43,000.00
	<b>Total Building 13</b>	\$2,410,085	\$43,000.00
<b>CAMA</b>			
	<b>Total 1</b>	\$0	\$100.00
	<b>Total CAMA 1</b>	\$0	\$100.00
<b>Demolition</b>			
R-3			
	<b>Total R-3 1</b>	\$0	\$150.00
	<b>Total Demolition 1</b>	\$0	\$150.00
<b>Fence</b>			
R-3			
	<b>Total R-3 2</b>	\$0	\$50.00
	<b>Total Fence 2</b>	\$0	\$50.00
<b>Landscape</b>			
R-3			
	<b>Total R-3 4</b>	\$0	\$100.00
	<b>Total Landscape 4</b>	\$0	\$100.00
<b>Total Permits: 21</b>		<b>\$2,410,085</b>	<b>\$43,400.00</b>



**Kure Beach Inspections Dept.-All Permits Issue Date: 9/1/2017 - 9/30/2017**

PermitNo	Issue Date	Applicant	Owner	Project Addr	Est Cost	Fee	Description	Final
<b>Building</b>								
<b>R-3</b>								
170073	9/1/2017	HILL, DEREK K PHOEBE B	HILL, DEREK K PHOEBE B	107 ALABAMA AVE	\$509,000	\$9,905.00	New SFD	
170078	9/1/2017	BERMEL, MARCUS ALEXANDRA	BERMEL, MARCUS ALEXANDRA	410 N FORT FISHER BLV	\$675,770	\$3,735.00	New SFD	
170079	9/1/2017	SNIDER, DARRELL E JEAN Z	SNIDER, DARRELL E JEAN Z	118 S THIRD AVE	\$1,000	\$50.00	General Renovations	
170080	9/11/2017	EAH HOLDINGS LLC,	EAH HOLDINGS LLC,	911 FORT FISHER BLV S	\$26,000	\$250.00	Elevator shaft	
170081	9/12/2017	SEYMOUR, THOMAS E ROBIN J	SEYMOUR, THOMAS E ROBIN J	531 FORT FISHER BLV S	\$26,820	\$250.00	Addition	
170082	9/15/2017	BRANNIN, RICHARD J JR SANDRA S	BRANNIN, RICHARD J JR SANDRA S	111 HANBY AVE	\$1,000	\$50.00	New stairway	
170083	9/15/2017	SMITH, LARRY H CAROLINE B	SMITH, LARRY H CAROLINE B	1106 N FORT FISHER BLV	\$35,000	\$300.00	Repair rot/ Kitchen remo	
170084	9/18/2017	KNOPF, RICHARD	KNOPF, RICHARD	123 DOW AVE	\$343,044	\$9,075.00	New SFD	
170085	9/19/2017	PHILLIPS, JAMES M JR JESSICA M	PHILLIPS, JAMES M JR JESSICA M	306 FIFTH AVE N	\$1,000	\$50.00	Rot Repair	
170086	9/20/2017	ALTIERI, DAN N KOVETTE	ALTIERI, DAN N KOVETTE	114 S THIRD AVE	\$282,500	\$8,770.00	New SFD	
170087	9/20/2017	CHRISTNER, JEFFREY M BRINLEY B	CHRISTNER, JEFFREY M BRINLEY B	742 SLOOP POINTE LN	\$311,500	\$9,315.00	New SFD	
170088	9/27/2017	GERHAT, GEORGE LAUREL ETAL	GERHAT, GEORGE LAUREL ETAL	504 SANDMAN DR	\$17,000	\$200.00	Bathroom remodeling	
170089	9/29/2017	HOFFMANN, PATRICK L VALERIE	HOFFMANN, PATRICK L VALERIE	317 SEALANE WAY	\$180,451	\$1,050.00	New 16x27" addition	
				<b>Total R-3 13</b>	<b>\$2,410,085</b>	<b>\$43,000.00</b>		
<b>CAMA</b>								
170009	9/6/2017	EAH HOLDINGS LLC,	EAH HOLDINGS LLC,	911 FORT FISHER BLV S	\$0	\$100.00	Elevator shaft	
				<b>Total 1</b>	<b>\$0</b>	<b>\$100.00</b>		
				<b>Total CAMA 1</b>	<b>\$0</b>	<b>\$100.00</b>		
<b>Demolition</b>								
<b>R-3</b>								
170077	9/1/2017	BERMEL, MARCUS ALEXANDRA	BERMEL, MARCUS ALEXANDRA	410 N FORT FISHER BLV	\$0	\$150.00	Demo building	
				<b>Total R-3 1</b>	<b>\$0</b>	<b>\$150.00</b>		
				<b>Total Demolition 1</b>	<b>\$0</b>	<b>\$150.00</b>		
<b>Fence</b>								
<b>R-3</b>								
170013	9/5/2017	BAILES, MELVIN E DORIS	BAILES, MELVIN E DORIS	410 FORT FISHER BLV S	\$0	\$25.00	New 5' fence	
170015	9/7/2017	RUSSELL, DAVID P	RUSSELL, DAVID P	1705 SPOT LN	\$0	\$25.00	New 4' fence	
				<b>Total R-3 2</b>	<b>\$0</b>	<b>\$50.00</b>		
				<b>Total Fence 2</b>	<b>\$0</b>	<b>\$50.00</b>		
<b>Landscape</b>								
<b>R-3</b>								
170015	9/14/2017	COOIL, ROBERT G KAREN F	COOIL, ROBERT G KAREN F	826 CUTTER CT	\$0	\$25.00	New walkways and patio	
170016	9/22/2017	PROLEIKA, RONALD J JR CARRIE	PROLEIKA, RONALD J JR CARRIE	813 S FORT FISHER BLV	\$0	\$25.00	Driveway	

PermitNo	Issue Date	Applicant	Owner	Project Addr	Est Cost	Fee	Description	Final
<b>Landscaping</b>								
<b>R-3</b>								
170017	9/26/2017	KENNEDY, ELIZABETH E	KENNEDY, ELIZABETH E	310 H AVE	\$0	\$25.00	Fence	
170018	9/26/2017	MILLER, CRAIG VIVIAN S ETAL	MILLER, CRAIG VIVIAN S ETAL	314 FOURTH AVE S	\$0	\$25.00	New driveway	
				<b>Total R-3 4</b>	<b>\$0</b>	<b>\$100.00</b>		
				<b>Total Landscape 4</b>	<b>\$0</b>	<b>\$100.00</b>		
<b>Total Permits: 21</b>					<b>\$2,410,085</b>	<b>\$43,400.00</b>		



# TOWN COUNCIL MINUTES

## SPECIAL MEETING

August 14, 2017 @ 6:30 p.m.

The Kure Beach Town Council held a special meeting on Monday, August 14, 2017 at 6:30 p.m. The town attorney was present and there was a quorum of council members.

### COUNCIL MEMBERS PRESENT

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

### COUNCIL MEMBERS ABSENT

Mayor Emilie Swearingen

### STAFF PRESENT

Finance Officer, Arlen Copenhaver  
Police Chief, Mike Bowden  
Fire Chief, Harold Heglar  
Building Inspector, John Batson  
Personnel and Facilities Manager, Mandy Sanders  
Town Clerk, Nancy Avery  
Administrative Assistant, Kathleen Zielinski

### CALL TO ORDER

MPT Craig Bloszinsky called the meeting to order at 6:30 p.m., stating the purpose of the meeting is to provide an informational session about the upcoming expansion and renovation of the Town Hall, Police and Fire buildings and construction of a new fire station. Notice of the Special Meeting was posted at Town Hall and on the town website on August 7, 2017.

MPT Bloszinsky requested a motion to excuse Mayor Swearingen.

MOTION: Commissioner Heglar moved to excuse Mayor Swearingen from tonight's meeting.

SECOND: Commissioner Whitley

VOTE: Unanimous

### PROJECT OVERVIEW AND JUSTIFICATION

Commissioner Dugan gave an overview of the project with a focus on the need for additional workspace, storage space, a new roof, upgraded HVAC systems and electrical wiring, and more parking bays for fire, police and maintenance vehicles. He said the new design is a result of discussions that began 15 years ago and has become more relevant as the increased burden of state and federal regulations have required the hiring of additional staff and compounded the need for storage space. He went on to state the number of employees working in Town Hall has increased from four full time staff when it was built in 1991 to a staff comprised of eight full time and one part time employees now. He also said that when the fire station was built, we had only volunteer firefighters, so the space was not built to maintain people working 24 hours per



# TOWN COUNCIL MINUTES

## SPECIAL MEETING

August 14, 2017 @ 6:30 p.m.

day seven days per week. Currently, our fire station houses 8 full time firefighters, 6 part time and 43 volunteers. He ended by noting that the buildings have aged during that time and suffered significant wear and tear from 88 named storms.

## TIMELINE

Commissioner Dugan illustrated the timeline for the project in a slideshow beginning with the design concept presented to council by staff in February 2016 and continuing through the projected groundbreaking in November 2017.

## BUILDING DESIGN

Also presented in the slideshow was an overall layout scheme illustrating the increase in size of the buildings and the location of the new fire station.

- All exteriors will match Ocean Front Park so, with the exception of Public Works, all Town buildings' exteriors will be similar in style.
- Roofing will be metal and exterior hardy plank.
- Council chambers will be doubled, with a conference room in the rear for closed sessions and for committee meetings when needed.
- Fire station will be able to accommodate two full firetrucks, a brush truck, one emergency vehicle, a boat and a jet ski.
- Redesigned parking lot will include 86 spaces, up from the 32 currently exist.
- Outside entrances will be added for Building Inspections and Recreation Department in addition to the current singular entryway.
- More vault space will be added to meet requirements to keep documents fire safe.
- The new Police Department is designed for better security and ample space for evidence retention.
- This expansion is expected to last 25 years.

## PROJECTED COST

MPT Bloszinsky explained that the numbers being discussed now are estimates, and final figures will be known after construction bids have been received. He said

Fire department costs will be in the vicinity of \$3 million, with Town Hall and Police Department at about \$2 million, paid primarily through real estate taxes. The impact on homeowners could range from \$3.75 per month to \$4.16 per month, per \$100,000 value of property.



# TOWN COUNCIL MINUTES

## SPECIAL MEETING

August 14, 2017 @ 6:30 p.m.

Commissioner Dugan added that prices will continue to rise so putting this off to a future date will only result in higher figures than what is being considered today.

## QUESTION AND ANSWER SESSION

Several residents posed questions to council:

- Is new mechanical equipment included in estimated costs? (Yes)
- Do cost estimates include energy efficient windows and other pro-environmental costs with the view for future energy savings? (Yes)
- How will funding be structured? (Capital project)
- Any major road closures expected? (No)
- Why not build for forty years out? (Unnecessary)
- What about renting space for storage off site? (Impractical)
- Plans show a single level structure. Any potential for a second level in the future? (Not in the architectural design)

Further comments revolved around the issue of residents' exclusion from the process, only finding out about large projects like this after the decision has been made. One resident stated that he feels the opposite to be true and encouraged those who feel marginalized to sign up for the town's weekly newsletter, to check the Town website and read the bulletin board at the entrance to Town Hall. Commissioner Heglar added that residents can find recordings of all meetings online and they are encouraged to attend the annual budget sessions and monthly council meetings.

## RELOCATION OF STAFF

Commissioner Dugan stated that the project manager suggested emptying the entire Town Hall Complex and relocating staff during the course of construction which will bring significant cost savings by reducing the time of construction by at least two months.

After discussing several ideas, renting a construction trailer large enough to house all staff at one location was determined to be the best option. Discussion turned to where to place the trailer and, after eliminating some suggestions, Council directed Town Clerk Avery to pursue four options, considering pros and cons of each:

- Fort Fisher Air Force Recreation Area, where housing was recently razed
- Town property on H Avenue
- Town property on Sandman Drive
- The lot next to the Sunoco station on Ft Fisher Blvd S

Additional factors to be considered:



# TOWN COUNCIL MINUTES

## SPECIAL MEETING

August 14, 2017 @ 6:30 p.m.

- Logistics and costs
- Water and sewer
- Handicap ramp
- Town Hall needed for elections on November 7

## ADJOURNMENT

MOTION – Commissioner Heglar moved to adjourn at 8:40 p.m.

SECOND – Commissioner Whitley

VOTE – Unanimous

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Craig Bloszinsky, Mayor Pro Tem

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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.



# TOWN COUNCIL MINUTES

**REGULAR MEETING**

**September 18, 2017**

The Kure Beach Town Council held their regular meeting on Monday, September 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 Joseph Whitley  
Commissioner Jim Dugan  
Commissioner David Heglar

## COUNCIL MEMBERS ABSENT

All present

## STAFF PRESENT

Police Chief - Mike Bowden  
Building Inspector – John Batson  
Finance Officer – Arlen Copenhaver  
Public Works Crew Leader – Jimmy Mesimer  
Town Clerk – Nancy Avery  
Administrative Assistant – Kathleen Zielinski

## CALL TO ORDER

Mayor Swearingen called the meeting to order at 6:30 p.m. She then delivered the opening invocation and led everyone in the Pledge of Allegiance.

## APPROVAL OF CONSENT AGENDA ITEMS

### 1. Events:

- Close K Avenue east of FFB and Atlantic Avenue between K and L Avenue all day on 9/24 for Island Day
- Approve pony rides on the beach on 9/24 as part of Island Day
- Close Atlantic Avenue between K and L Avenue on 10/6 from early morning hours until 10 p.m. for the Town's Jazz Funeral for end of summer
- Close Atlantic Avenue between K and L Avenue on 11/18 and 11/25 from early morning until 5 p.m. for the Holiday Market
- Allow food truck vendors for events on 10/7; 11/19 & 11/26

### 2. Surplus equipment report from January to June 2017

### 3. Building Inspections Report – August 2017

### 4. Finance Report July – September 12, 2017

### 5. Minutes:

- August 25, 2017 Special Meeting



# TOWN COUNCIL MINUTES

## REGULAR MEETING

September 18, 2017

- August 25, 2017 Closed session
- September 5, 2017 Special Meeting
- September 5, 2017 Closed session

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

SECOND – Commissioner Whitley

VOTE – Unanimous

## ADOPTION OF THE AGENDA

MOTION – Commissioner Heglar moved to adopt the meeting agenda, as published, with the exception of the public hearing for an ordinance change on setbacks to be scheduled as the first order of business on the October agenda.

SECOND – Commissioner Bloszinsky

VOTE – Unanimous

Mayor Swearingen explained that although the required notification of the public hearing was submitted for publication, it was not published as requested and, therefore, the public hearing could not be held at this meeting. She then invited anyone in attendance who would like to speak on the setback changes to do so. No one offered to speak.

## DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

1. Andrea Talley of 1003 Mango Court in Wilmington and Stephanie Able of 1561 S. Fourth Street in Wilmington rose together representing Special Olympics of New Hanover County. Stephanie, a Special Olympics participant, requested that the Town of Kure Beach host the Polar Plunge fundraiser for Special Olympics annually. Stephanie spoke of the many benefits she has enjoyed by participating as an athlete with the Special Olympics and expressed her gratitude to the Town for hosting the Polar Plunge in the past. She asked that council consider her request to make the Polar Plunge an annual event in Kure Beach.

Andrea then spoke of the many advantages of the Kure Beach location over Carolina Beach, including covered pavilion, public restrooms, proximity of the start/finish line to the beach and flat surface for safety. She also spoke of benefits to the Town, such as increased business during the off-season and positive publicity. While the event has been held at each location in alternate years, she requested Council to allow the upcoming Polar Plunge on February 17, 2018 in Kure Beach and then annually thereafter and for as long as feasible.

Mayor Swearingen asked that Council vote on the request at this meeting and requested a motion to host the annual Polar Plunge and waive all associated fees. Commissioner Heglar expressed his support of the Polar Plunge, but indicated that the vote to host it annually should be consigned to the next Council, which will be seated in December.





# TOWN COUNCIL MINUTES

## REGULAR MEETING

September 18, 2017

MOTION – Commissioner Heglar moved to approve hosting the Polar Plunge February 17, 2018 and waive all associated fees

SECOND – Commissioner

VOTE – Unanimous

2. Bill Moore of 1100 Fort Fisher Blvd. S. requested guidance from Council regarding disproportionate fees charged to Ocean Dunes residents for recycling bins. Commissioner Heglar pointed out that the issue was on the agenda to be addressed later in the meeting.

## DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

### 1. Marketing Committee and Tourist Development

- a) Mayor Swearingen spoke on behalf of the committee to report that TDA has agreed to do a Visitor Volume Study, designed to illustrate how much our population increases every summer.
- b) TDA provided a copy of the Program of Work for 2018-2018 which the mayor offered to Council members for their review.
- c) Sand Fund is 27 % of the TDA budget and \$3,353,547 was added to the sand fund for beach renourishment, but they not give the total amount at this time.
- d) ROT funds are up 13% over the previous year in New Hanover County.

### 1. Planning & Zoning Commission

Chairman John Ellen reported that the Planning & Zoning Commission could not provide a recommendation on an ordinance change to exempt all town buildings and facilities from the setback requirement without more information. Commissioner Heglar encouraged anyone questioning the design to go back to listen to all meeting recordings before disagreeing, then bring specific issues of concern. Commissioner Dugan offered to gather more details for P&Z to review, including the specific size of the fire station driveway and setbacks.

### 2. Non-town Committee Reports

- a) Mayor Swearingen reported that the ADA committee representative has resigned. She described the committee as very active and viable and requested that all interested parties consider filling the vacant seat.
- b) MPT Bloszinsky shared information from Ports and Waterways on the 2019 beach renourishment project. Federal and local funding has been approved; now waiting for funding approval from the state, so the project seems to be on the right path. Inspector Batson reported that the beach suffered from this last storm and he, along with members of the Army Corps of Engineers, took a tour of the beach to identify problems. He added that 2019 is well ahead of us and we will have to see what transpires in the interim. Mayor Swearingen stated that Wrightsville Beach has their regular cycle this year, but Florida has needs after recent storms that may put the schedule off. She added that the Corps is working with us to get the beach back in shape as quickly as possible.



# TOWN COUNCIL MINUTES

## REGULAR MEETING

September 18, 2017

An Ocean Dunes resident added that they are working with Inspector Batson and CAMA representative Spencer Rogers to help design both immediate and long-term fixes needed as a result of the last storm.

## DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

### 1. Administration and Recreation

- a) Clerk Avery reported that the Recreation Manger was requesting Council approval to close K Avenue between Fourth Avenue and Dow Road on Sunday, October 8 from 7 a.m. to 12 p.m. for the Carolina Beach Marathon, which starts and ends in Kure Beach. Commissioner Heglar asked if that would block drivers from using Dow Road to exit town, to which he was informed it would.

MOTION – Commissioner Heglar moved to approve closing K Avenue between Fourth Avenue and Dow Road on Sunday, October 8 from 7 a.m. to 12 p.m. for the Carolina Beach Marathon.

SECOND – Commissioner Dugan

VOTE – Unanimous

- b) Clerk Avery requested adoption of Resolution R17-16 approving an amendment to US Cellular lease of space on the Settlers Lane water tower for an additional 25-year term, broken down into five 5-year terms, beginning August 2020 with a per annum increase of 3% rather than CPI. The current monthly rent is \$2,111.02. She explained that the 3% the per annum increase has been lower than CPI. She also stated that the contract has a 30-day written cancellation clause.

MOTION – Commissioner Heglar moved to adopt Resolution R17-16 approving the first amendment to US Cellular lease of space on the Settlers Lane water tower for an additional 25-year term beginning August 2020 with a per annum increase of 3%. Current monthly rent is \$2,111.02.

SECOND – Commissioner Whitley

VOTE – Unanimous

Said resolution is herein incorporated as part of these minutes.

### 2. Finance Department

- a) Finance Office Copenhaver spoke of the number of steps needed to start the process for financing, beginning with Resolution R17-19, which facilitates the town's application for approval from the state for a financing agreement not to exceed \$5,500,000. Obtaining approval at the state level is a prerequisite for soliciting RFPs from lending institutions. Commissioner Heglar spoke in support of the town working on the expansion project to upgrade the Town Hall building, which is now 25 years old, and build a new fire station. He added that the town is requesting approval from the state to arrange for financing and Council has been working on this for two years. MPT Bloszinsky clarified that the



# TOWN COUNCIL MINUTES

## REGULAR MEETING

September 18, 2017

intention of the resolution was for authorization to borrow \$5,500,000, not to spend that full amount.

MOTION – Commissioner Heglar moved to adopt Resolution R17-19 authorizing filing of an application for approval of a financing agreement not to exceed \$5,500,000 authorized by N.C. General Statute 160A-20 for construction of a new fire station and expansion and renovation of the Town Hall facility.

SECOND – Commissioner Whitley

VOTE – Unanimous

Said resolution is herein incorporated as part of these minutes.

- b) FO Copenhaver then explained that the next step would be a public hearing on application for approval of financing and asked Council to schedule such for October 9, 10 or 11.

MOTION - Commissioner Heglar moved to schedule a public hearing on application for approval of financing, as per Resolution R17-19 for October 10, 2017 at 6:30pm.

SECOND – Whitley

VOTE – Unanimous

- c) The final step needed at this time, as explained by FO Copenhaver, is to approve the advertisement of Request for Proposals from financial institutions for financing the construction of a new fire station and expansion and renovation of the Town Hall facility.

MOTION – Commissioner Dugan moved to authorize the Finance Officer to solicit Request for Proposals from financial institutions for financing construction of a new fire station and expansion and renovation of the Town Hall facility.

SECOND – Commissioner Whitley

VOTE - Unanimous

### 3. Building Department

Inspector Batson reported on several items:

- a) He will be attending the Coastal Resource Commission meeting September 27 or 28 to request acceptance of the new development line that was recently approved by Council. He will let Council know when he has the date confirmed for all who wish to attend
- b) CAMA received several calls from residents about the signs on the beach warning of the underwater remains of the Dow chemical plant. The three options he sees are to request a permit from CAMA to leave the signs as they are, to replace them with smaller signs that do not need a CAMA permit or to remove them altogether. The ensuing conversation touched on many points:
- Two signs were installed two years ago and four more were recently added.
  - How many is the right amount?



# TOWN COUNCIL MINUTES

## REGULAR MEETING

September 18, 2017

- Will smaller signs serve the purpose?
- People must be warned of the danger posed by the underwater structure.
- Army Corps of Engineers quoted removal of the structure at well over \$1 million several years ago.
- Current signs are on 6x6 posts. Signs small enough for 4x4 posts will not last.
- Residents do not feel they need the warning.
- People entering via the public access and renters will not know of the danger and need to be informed.
- CAMA permit fee is \$100
- Signs must remain because of the danger, but size can be reduced.

Consensus was reached to replace the six signs with smaller ones, as large as a 4x4 post can hold. The larger signs will be stored for potential future use.

- c) There is an unclaimed trailer parked on Town property at Fourth and H. The VIN number is illegible which makes identification of the owner impossible. Inspector Batson requested authorization of \$500.00 to have the vehicle towed.

MOTION – Commissioner Heglar moved to follow the procedure outlined in the ordinances to give notice that the trailer will be towed after which \$500.00 is to be used to have it towed.

SECOND – Commissioner Whitley

VOTE - Unanimous

#### 4. Fire Department

Commissioner Dugan stated that Chief Harold Heglar will be retiring November 30. A public get-together will be held in his honor and the event will be advertised once plans are confirmed.

#### 5. Public Works Department

Commissioner Heglar reported that stormwater pipes are in the process of being cleaned out, which requires heavy equipment. If citizens have heard loud noises, they should not be alarmed.

## DISCUSSION AND CONSIDERATION OF OLD BUSINESS

### 1. Follow-up discussion from August meeting regarding billing for recycling for the Ocean Dunes complex

MPT Bloszinsky began the discussion by stating that, in his opinion, the current practice of billing each residence throughout the town should remain unchanged. The discussion that followed illuminated several points:

- Other homeowners pay year round whether they live here full-time or not.
- Mr. Moore stated that Ocean Dunes is being charged \$4.88 per month for 197 carts when only 100 are at the location.
- Charging Ocean Dunes per cart would result in higher monthly fees for all residences.



# TOWN COUNCIL MINUTES

## REGULAR MEETING

September 18, 2017

- Ocean Dunes management requested the excess carts be removed, stating that 100 would be adequate. Clerk Avery was prepared to deliver 197 and can still do so.
- Recycling is billed per residence not by cart.
- The number of carts at Ocean Dunes is currently 125.

Following the lengthy discussion, Commissioner Heglar recommended keeping the procedure as is. MPT Bloszinsky and Commissioner Whitley concurred, following which consensus was reached.

### 2. Paid parking and Ad Hoc parking committee

MPT Bloszinsky reported that the company operating the paid parking trial will be in attendance at the next meeting to share the final numbers. He suggested tabling the discussion on paid parking until that time.

## DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Amend Section 5.06 Travel, Training and Business, Subsection B. Authority and Approvals  
Mayor Swearingen asked that Council consider deleting the requirement that Town Council approves all training and travel requests for Council members and the Mayor. While she has obtained such approval in the past, she does not consider it necessary. Commissioner Heglar explained that the requirement was adopted in 2012 when a previous Council member was spending money without approval. He likes having checks and balances such as this and would like to keep the requirement in place. Commissioner Bloszinsky agreed, stating that it is a reasonable safeguard for Council and the people of the town.

2. Scheduling conflicts require rescheduling the next two regular Council meetings.

MOTION – Commission Heglar moved to reschedule the October meeting to October 16, 2017 at 6:30 p.m.

SECOND – Commissioner Dugan

VOTE – Unanimous

MOTION – Commissioner Heglar moved to reschedule the November meeting to November 20, 2017 at 6:30 p.m.

SECOND – Commissioner Dugan

VOTE - Unanimous

## MAYOR UPDATES

MPO will not be applying for federal funds for roads and bridges on the advice of Pender County officials, who have the only construction project ready and do not see enough benefit to make the effort worthwhile.



# TOWN COUNCIL MINUTES

**REGULAR MEETING**

**September 18, 2017**

## COMMISSIONER ITEMS

MPT Bloszinsky has identified a bed and breakfast located on Ft. Fisher Blvd. S. as a revenue-producing property and requested a letter be sent to the property owner explaining his responsibility to pay the required room occupancy tax.

## ADJOURNMENT

MOTION – Commissioner Heglar

SECOND – Commissioner Dugan

VOTE – Unanimous

The meeting adjourned at 7:59 p.m.

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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.



# TOWN COUNCIL MINUTES

## PUBLIC HEARING

October 10, 2017 @ 6:30 p.m.

The Kure Beach Town Council held a special meeting on Tuesday, October 10, 2017 at 6:30 pm. The purpose of the meeting was to conduct a public hearing on application for financing an amount not to exceed \$5.5 million for the construction of a new fire station and renovation and expansion of the existing town hall, police and fire complex in accordance with N.C.G.S. 160A-120.

There was a quorum of council members present.

### COUNCIL MEMBERS PRESENT

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

### COUNCIL MEMBERS ABSENT

None

### STAFF PRESENT

Town Clerk Nancy Avery  
Town Attorney Andy Canoutas

### CALL TO ORDER

Mayor Swearingen called the special meeting to order at 6:30 p.m. stating notice of this meeting was posted at Town Hall and on the Town's website on September 22, 2017. Notice was advertised in the Star News on September 27, 2017 and both the Star News and Island Gazette on October 4, 2017.

### PUBLIC HEARING

Mayor Swearingen called the public hearing to order at 6:31 p.m.

### PUBLIC COMMENTS

Larry Benton, 502 S 4<sup>TH</sup> Avenue stated:

- Back in the summer, the town did a survey which asked people about specifically spending \$5,000,000 on the fire department and reallocation of this building, which is needed, but he doesn't remember getting the results from the survey. Some people said they were negative about this and, if so, why are we moving forward.
- How will we pay for it? Will we see a tax increase like we did in 2007 and 2008 that was over 300%? That was the year we had a revaluation. Everybody said don't worry about the revaluation because the town would adjust the rates to offset the revaluation and that didn't happen. The increase was a combination of county and city tax. Will that happen again to pay for this building?
- Will we have to pay an increase forever? That's the long and short of what I have to say.



# TOWN COUNCIL MINUTES

## PUBLIC HEARING

October 10, 2017 @ 6:30 p.m.

Donald Woolverton, 240 Seawatch way

- How many permanent fire employees do we have now? Do they work 24 hours a day, seven days a week?
- Will this building accommodate more employees?
- How many fire trucks do we have? Do we do our own maintenance?
- Is there agreement with the Town of Carolina Beach for help with larger fires?
- How many full time police officers and how many police cars are there?
- How many employees work in town hall?
- Who knows how to judge if these architectural costs (\$380,000) are correct? Where is all the information on these projected costs?

## COMMENTS AND RESPONSES FROM COUNCIL AND STAFF

Mayor Pro Tem Bloszinsky stated when we looked at this, it was a cost of between \$3.75 and \$4.50 per \$100,000 valuation per household. For a \$200,000 house, it would be nine (9) dollars a month for this project. If we have more properties in town with a larger tax base, if we get a better tax structure, taxes could come down. We don't know any of that now. He said he would like those in attendance to know that we visited 20 sites done by a variety of architects, spoke with five fire chiefs and others involved in construction, interviewed seven architectural firms and five vendors for project management to get an idea of what this type of project should cost. A tremendous amount of work has gone into these numbers. It hasn't been something that was just thrown on the wall.

Commissioner Dugan responded that the Fire Department has nine full time employees and four trucks. We do maintenance on the fire trucks to a degree, but large maintenance jobs we outsource. The Police Department has 12 full time officers. Any time we do a project like this, we interview other towns with similar projects to get an idea of what is involved. We spoke with both council members and staff that were involved with the construction to find out issues to determine who we finally picked. We also spoke with state organizations in Raleigh that help us with this.

Commissioner Heglar thanked everyone for attending and giving their input. He encourages everyone to listen to the recordings of meetings on the website to hear the department head's needs. He also stated he was surprised that only two property owners spoke and only five emails were received from 2,500 property owners.

Mayor Swearingen stated she made her comments in the Island Gazette about how our employees, particularly our Fire Department, need our help. Our Police Department staff has doubled in the last few years due to the thousands and thousands of tourists we are getting. The Civil War Museum gets 800,000 visitors annually and the aquarium gets 400,000. We have had two incidents with guns, the opioid problem is spilling over onto this island and our officers do





# TOWN COUNCIL MINUTES

## PUBLIC HEARING

October 10, 2017 @ 6:30 p.m.

everything in their power to keep it out of Kure Beach. Our Ocean Rescue staff help, even in January, with people that are out in the water, who shouldn't be. These are not our local residents but our guests; and unfortunately, with the exception of ROT and sales tax, which are small amounts, we haven't found a way to pay for these things. We will work as hard and as diligently as possible to find other ways to pay for these things. Our Finance Office is one of the best in the state and he will do his best to keep construction costs as low as possible and also Commissioner Dugan will watch construction costs.

Finance Officer Copenhaver said many factors come into play when trying to answer how long a tax increase would be for, because it depends on changes in other operating costs. We are looking at financing proposals for both 15 and 20 years. A four cent tax increase on a \$400,000 home is an extra \$160 a year or \$13 a month. We have some cash reserves to help pay for part of it.

Town Clerk Avery stated there are eight full time and one part time employees working in Town Hall. She also said all budgets, audits, and cost information for this project are on the Town's website and minutes from all budget sessions with projections are on the website.

Mayor Swearingen read five emails received by the Town Clerk about this topic into the record. Said emails are herein incorporated as part of these minutes.

## CLOSING OF PUBLIC HEARING

Mayor Swearingen closed the public hearing at 6:54 p.m.

## ADJOURNMENT

MOTION – Commissioner Dugan made the motion to adjourn at 6:54 p.m.

SECOND – Commissioner Whitley

VOTE - Unanimous

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Emilie Swearingen, Mayor

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ATTEST: Nancy Avery, Town Clerk

# PUBLIC HEARING



## PROPOSED AMENDMENT TO THE CODE OF ORDINANCES

That the Code of Ordinances of 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

*Purpose of proposed amendment*

To exempt town buildings and facilities from meeting setback requirements. This is necessary to construct a new fire station.

*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.

*Proposed amendment:*

Adds this language to end of the current section:

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

*Amended section will read:*

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.**

Proposed amendment to be effective October 16, 2017.

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Emilie Swearingen, Mayor

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Nancy Avery, Town Clerk

**DEPARTMENT HEAD**  
**BUSINESS**

**FINANCING RFP TRACKING SHEET  
NEW FIRE STATION AND TOWN HALL EXPANSION PROJECT**

FINANCIAL INSTITUTION	CONTACT	EMAIL	DATE RFP EMAILED	DATE REPLY RECEIVED	COMMENTS
BB&T	Alison Peeler	<a href="mailto:apeeler@bbandt.com">apeeler@bbandt.com</a>	9/20/2017	10/4/2017	15 yrs at 2.58% plus \$2,900 for legal & underwriting fees. 20 yrs at 2.98% plus \$2,900 for legal & underwriting fees.
First Bank	Donna Gurganus	<a href="mailto:dgurganus@localfirstbank.com">dgurganus@localfirstbank.com</a>	9/20/2017	10/4/2017	15 yrs at 3.25% plus a \$5,000 loan fee. 20 yrs at 3.45% plus a \$5,000 loan fee.
First Citizens	Eric Hickman	<a href="mailto:eric.hickman@firstcitizens.com">eric.hickman@firstcitizens.com</a>	9/20/2017	10/4/2017	Will not submit proposal. Cannot provide competitive rate on 15 to 20 yr. loans
Wells Fargo	Peter Skilton	<a href="mailto:peter.skilton@wellsfargo.com">peter.skilton@wellsfargo.com</a>	9/20/2017	N/A	No response
SunTrust	Jeff Stoddard	<a href="mailto:jeff.stoddard@suntrust.com">jeff.stoddard@suntrust.com</a>	9/20/2017	N/A	No response
Bank of America	Lora Prisock	<a href="mailto:lora.prisock@bankofamerica.com">lora.prisock@bankofamerica.com</a>	9/20/2017	N/A	No response
PNC Bank Public Finance	Casey Turner	<a href="mailto:casey.turner@pnc.com">casey.turner@pnc.com</a>	9/20/2017	9/20/2017	Will not submit proposal. Currently only funding loans of 10 yrs. or less.

Financing RFPs emailed on 9/20/17.

Bids due by 10/4/17 at 5 pm.

Financing RFP was for loan not to exceed \$5,500,000 with a term of 15 years and 20 years and semi-annual payments.

**FIRE STATION - TOWN HALL PROJECT**  
**FINANCING COMPARISONS**  
**10/4/2017**

LOAN AMOUNT	FINANCIAL INSTITUTION	TERM OF LOAN (YRS)	PAYMENT FREQUENCY	INTEREST RATE	1ST YEAR PAYMENT	FINAL YEAR PAYMENT	TOTAL INTEREST OVER LOAN TERM	DIFFERENCE IN TOTAL INTEREST OVER LOAN TERM (20 YRS VS. 15 YRS)
\$5,000,000	BB&T (1)	15	Semi-annual	2.58%	\$460,183	\$339,783	\$999,750	
\$5,000,000	BB&T (1)	20	Semi-annual	2.98%	\$397,138	\$255,588	\$1,527,250	\$527,500
\$5,200,000	BB&T (1)	15	Semi-annual	2.58%	\$478,591	\$353,375	\$1,039,740	
\$5,200,000	BB&T (1)	20	Semi-annual	2.98%	\$413,023	\$265,811	\$1,588,340	\$548,600
\$5,500,000	BB&T (1)	15	Semi-annual	2.58%	\$506,202	\$373,762	\$1,099,725	
\$5,500,000	BB&T (1)	20	Semi-annual	2.98%	\$436,851	\$281,146	\$1,679,975	\$580,250

**NOTES:**

(1) - Proposal from BB&T includes legal and underwriting fees of \$2,900 that are not reflected in the above payments.

**FIRE STATION - TOWN HALL PROJECT**  
**ALLOCATION OF DEBT SERVICE TO FUNDS AND POTENTIAL TAX INCREASE**  
 (Based on Bank Quotes from RFP)

LOAN AMOUNT	LOAN TERM (YRS)	INTEREST RATE	TOTAL 1ST YEAR DEBT SERVICE	GENERAL FUND SHARE OF DEBT SERVICE (88%)	WATER/SEWER FUND SHARE OF DEBT SERVICE (12%)	TAX INC. FOR GF DEBT SERVICE	% TAX INCREASE	EST. ADDITIONAL REVENUE FROM TAX INCREASE
\$5,000,000	15	2.58%	\$460,183	\$404,961	\$55,222	\$0.0463	16.25%	\$404,706
\$5,000,000	20	2.98%	\$397,138	\$349,481	\$47,657	\$0.0400	14.04%	\$349,638
\$5,200,000	15	2.58%	\$478,591	\$421,160	\$57,431	\$0.0483	16.95%	\$472,188
\$5,200,000	20	2.98%	\$413,023	\$363,460	\$49,563	\$0.0416	14.60%	\$363,624
\$5,500,000	15	2.58%	\$506,202	\$445,458	\$60,744	\$0.0510	17.89%	\$445,789
\$5,500,000	20	2.98%	\$436,851	\$384,429	\$54,422	\$0.0440	15.44%	\$384,602



## TOWN COUNCIL TOWN OF KURE BEACH, NC

### *R*ESOLUTION R17-20-A

#### **APPROVING FINANCING TERMS WITH BRANCH BANKING AND TRUST COMPANY FOR NEW FIRE STATION AND TOWN HALL EXPANSION/RENOVATION**

*WHEREAS*, The Town of Kure Beach (“Town”) has previously determined to undertake a project for the financing of a new Fire Station and expansion and renovation of the Town Hall facility (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project;

***NOW, THEREFORE, BE IT RESOLVED THAT***

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated October 4, 2017. The amount financed shall not exceed \$5,500,000.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.98% and the financing term shall not exceed twenty (20) 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.





TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R17-20-A

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

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

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

Adopted by the Kure Beach Town Council this 16<sup>th</sup> day of October, 2017.

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Emilie Swearingen, Mayor

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Attest: Nancy Avery, Town Clerk



# TOWN COUNCIL TOWN OF KURE BEACH, NC

## *R*ESOLUTION R17-20-B

### **APPROVING FINANCING TERMS WITH BRANCH BANKING AND TRUST COMPANY FOR NEW FIRE STATION AND TOWN HALL EXPANSION/RENOVATION**

***WHEREAS***, The Town of Kure Beach (“Town”) has previously determined to undertake a project for the financing of a new Fire Station and expansion and renovation of the Town Hall facility (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project;

***NOW, THEREFORE, BE IT RESOLVED THAT***

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated October 4, 2017. The amount financed shall not exceed \$5,500,000.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.58% and the financing term shall not exceed fifteen (15) 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.



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R17-20-B

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

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

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

Adopted by the Kure Beach Town Council this 16<sup>th</sup> day of October, 2017.

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Emilie Swearingen, Mayor

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Attest: Nancy Avery, Town Clerk



**BB&T Governmental Finance**

5130 Parkway Plaza Boulevard  
Charlotte, North Carolina 28217  
(704) 954-1700  
Fax (704) 954-1799

October 4, 2017

Arlen Copenhaver  
Finance Officer  
Town of Kure Beach  
117 Settlers Lane  
Kure Beach, North Carolina 28449

Dear Mr. Copenhaver:

Branch Banking and Trust Company (“BB&T”) is pleased to offer this proposal for the financing of a new fire station and renovating the Town Hall facility for Kure Beach, North Carolina (the “Town”).

- (1) **Project:** Fire station and Town Hall Facility
- (2) **Amount to be Financed:** \$5,500,000.00
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

Term	Rate
15 years	2.58%
20 years	2.98%

Principal and Interest payments will be semi-annual, or as requested. The financing proceeds may be deposited on behalf of the Town in a project fund account with Branch Banking & Trust. Earnings on the project fund shall accrue to the benefit of the Town for use on Project costs or interest payments.

The interest rates stated above are valid for a closing not later than December 4, 2017. A convenient date and time shall be mutually agreed upon for closing. Closing is contingent upon completing documentation acceptable to BB&T and upon the condition of the property acceptable to BB&T. BB&T shall provide a list of required documentation for closing should we be the successful proposer. BB&T shall require flood certification, if applicable, title insurance, survey, copies of the plans and specifications and an estimated expenditure budget two weeks in advance of closing for our review.

Remuneration for our legal review expenses and underwriting for this financing transaction shall be \$2,900.00. All applicable taxes, surveys, zoning, appraisals, permits, costs of environmental studies, title insurance premiums, LGC approval fees, costs of counsel for the Town and any other costs shall be the Town’s responsibility and separately payable by the Town. The financing documents shall allow for prepayment in whole on any date with a 1% prepayment premium.

The stated interest rates assume that the Town expects to borrow less than \$10,000,000 in calendar year 2017 and that the Town shall comply with IRS Code Sections 141, 148, 149(e) and Section 265(b)(3). BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not a qualified tax-exempt financing.

**(4) Security:**

This financing shall be secured by a first lien security interest on (a) all personal property acquired with financing proceeds, (b) all improvements to real estate that are constructed or improved with financing proceeds, and all associated real estate, and (c) all real estate acquired with financing proceeds.

**(5) Financing Documents:**

BB&T and its counsel shall prepare the deed of trust and all documentation for the Town. We shall provide a sample of those documents to you should BB&T be the successful proposer.

\* \* \* \* \*

BB&T appreciates the opportunity to provide this proposal and requests to be notified within ten days of this proposal should BB&T be the successful proposer.

BB&T shall have the right to cancel this offer by notifying the Town of its election to do so (whether or not this offer has previously been accepted by the Town) if at any time prior to the closing there is a material adverse change in the Town's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the Town or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Should we become the successful proposer, we have attached the form of a resolution that your governing board can use to award the financing to BB&T. If your board adopts this resolution, then BB&T shall not require any further board action prior to closing the transaction.

Please call me at (336) 376-0254 with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY



Alison W. Peeler  
Senior Vice President

Kure Beach NC

Compound Period: Semiannual

Nominal Annual Rate: 2.580%

CASH FLOW DATA

	Event	Date	Amount	Number	Period	End Date
1	Loan	10/4/2017	5,500,000.00	1		
2	Payment	4/4/2018	183,333.33	30	Semiannual	10/4/2032
	Fixed Principal (+Int.)					

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	10/4/2017				5,500,000.00
1	4/4/2018	254,283.33	70,950.00	183,333.33	5,316,666.67
2018 Totals		254,283.33	70,950.00	183,333.33	
2	10/4/2018	251,918.33	68,585.00	183,333.33	5,133,333.34
3	4/4/2019	249,553.33	66,220.00	183,333.33	4,950,000.01
2019 Totals		501,471.66	134,805.00	366,666.66	
4	10/4/2019	247,188.33	63,855.00	183,333.33	4,766,666.68
5	4/4/2020	244,823.33	61,490.00	183,333.33	4,583,333.35
2020 Totals		492,011.66	125,345.00	366,666.66	
6	10/4/2020	242,458.33	59,125.00	183,333.33	4,400,000.02
7	4/4/2021	240,093.33	56,760.00	183,333.33	4,216,666.69
2021 Totals		482,551.66	115,885.00	366,666.66	
8	10/4/2021	237,728.33	54,395.00	183,333.33	4,033,333.36
9	4/4/2022	235,363.33	52,030.00	183,333.33	3,850,000.03
2022 Totals		473,091.66	106,425.00	366,666.66	
10	10/4/2022	232,998.33	49,665.00	183,333.33	3,666,666.70
11	4/4/2023	230,633.33	47,300.00	183,333.33	3,483,333.37
2023 Totals		463,631.66	96,965.00	366,666.66	
12	10/4/2023	228,268.33	44,935.00	183,333.33	3,300,000.04
13	4/4/2024	225,903.33	42,570.00	183,333.33	3,116,666.71

2024 Totals		454,171.66	87,505.00	366,666.66	
14	10/4/2024	223,538.33	40,205.00	183,333.33	2,933,333.38
15	4/4/2025	221,173.33	37,840.00	183,333.33	2,750,000.05
2025 Totals		444,711.66	78,045.00	366,666.66	
16	10/4/2025	218,808.33	35,475.00	183,333.33	2,566,666.72
17	4/4/2026	216,443.33	33,110.00	183,333.33	2,383,333.39
2026 Totals		435,251.66	68,585.00	366,666.66	
18	10/4/2026	214,078.33	30,745.00	183,333.33	2,200,000.06
19	4/4/2027	211,713.33	28,380.00	183,333.33	2,016,666.73
2027 Totals		425,791.66	59,125.00	366,666.66	
20	10/4/2027	209,348.33	26,015.00	183,333.33	1,833,333.40
21	4/4/2028	206,983.33	23,650.00	183,333.33	1,650,000.07
2028 Totals		416,331.66	49,665.00	366,666.66	
22	10/4/2028	204,618.33	21,285.00	183,333.33	1,466,666.74
23	4/4/2029	202,253.33	18,920.00	183,333.33	1,283,333.41
2029 Totals		406,871.66	40,205.00	366,666.66	
24	10/4/2029	199,888.33	16,555.00	183,333.33	1,100,000.08
25	4/4/2030	197,523.33	14,190.00	183,333.33	916,666.75
2030 Totals		397,411.66	30,745.00	366,666.66	
26	10/4/2030	195,158.33	11,825.00	183,333.33	733,333.42
27	4/4/2031	192,793.33	9,460.00	183,333.33	550,000.09
2031 Totals		387,951.66	21,285.00	366,666.66	
28	10/4/2031	190,428.33	7,095.00	183,333.33	366,666.76
29	4/4/2032	188,063.33	4,730.00	183,333.33	183,333.43
2032 Totals		378,491.66	11,825.00	366,666.66	
30	10/4/2032	185,698.33	2,364.90	183,333.43	0.00
2033 Totals		185,698.33	2,364.90	183,333.43	
Grand Totals		6,599,724.90	1,099,724.90	5,500,000.00	

Kure Beach NC

Compound Period: Semiannual

Nominal Annual Rate: 2.980%

CASH FLOW DATA

	Event	Date	Amount	Number	Period	End Date
1	Loan	10/4/2017	5,500,000.00	1		
2	Payment	4/4/2018	137,500.00	40	Semiannual	10/4/2037
	Fixed Principal (+Int.)					

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	10/4/2017				5,500,000.00
1	4/4/2018	219,450.00	81,950.00	137,500.00	5,362,500.00
2018 Totals		219,450.00	81,950.00	137,500.00	
2	10/4/2018	217,401.25	79,901.25	137,500.00	5,225,000.00
3	4/4/2019	215,352.50	77,852.50	137,500.00	5,087,500.00
2019 Totals		432,753.75	157,753.75	275,000.00	
4	10/4/2019	213,303.75	75,803.75	137,500.00	4,950,000.00
5	4/4/2020	211,255.00	73,755.00	137,500.00	4,812,500.00
2020 Totals		424,558.75	149,558.75	275,000.00	
6	10/4/2020	209,206.25	71,706.25	137,500.00	4,675,000.00
7	4/4/2021	207,157.50	69,657.50	137,500.00	4,537,500.00
2021 Totals		416,363.75	141,363.75	275,000.00	



8	10/4/2021	205,108.75	67,608.75	137,500.00	4,400,000.00
9	4/4/2022	203,060.00	65,560.00	137,500.00	4,262,500.00
2022 Totals		408,168.75	133,168.75	275,000.00	
10	10/4/2022	201,011.25	63,511.25	137,500.00	4,125,000.00
11	4/4/2023	198,962.50	61,462.50	137,500.00	3,987,500.00
2023 Totals		399,973.75	124,973.75	275,000.00	
12	10/4/2023	196,913.75	59,413.75	137,500.00	3,850,000.00
13	4/4/2024	194,865.00	57,365.00	137,500.00	3,712,500.00
2024 Totals		391,778.75	116,778.75	275,000.00	
14	10/4/2024	192,816.25	55,316.25	137,500.00	3,575,000.00
15	4/4/2025	190,767.50	53,267.50	137,500.00	3,437,500.00
2025 Totals		383,583.75	108,583.75	275,000.00	
16	10/4/2025	188,718.75	51,218.75	137,500.00	3,300,000.00
17	4/4/2026	186,670.00	49,170.00	137,500.00	3,162,500.00
2026 Totals		375,388.75	100,388.75	275,000.00	
18	10/4/2026	184,621.25	47,121.25	137,500.00	3,025,000.00
19	4/4/2027	182,572.50	45,072.50	137,500.00	2,887,500.00
2027 Totals		367,193.75	92,193.75	275,000.00	
20	10/4/2027	180,523.75	43,023.75	137,500.00	2,750,000.00
21	4/4/2028	178,475.00	40,975.00	137,500.00	2,612,500.00
2028 Totals		358,998.75	83,998.75	275,000.00	
22	10/4/2028	176,426.25	38,926.25	137,500.00	2,475,000.00
23	4/4/2029	174,377.50	36,877.50	137,500.00	2,337,500.00
2029 Totals		350,803.75	75,803.75	275,000.00	
24	10/4/2029	172,328.75	34,828.75	137,500.00	2,200,000.00
25	4/4/2030	170,280.00	32,780.00	137,500.00	2,062,500.00
2030 Totals		342,608.75	67,608.75	275,000.00	
26	10/4/2030	168,231.25	30,731.25	137,500.00	1,925,000.00
27	4/4/2031	166,182.50	28,682.50	137,500.00	1,787,500.00
2031 Totals		334,413.75	59,413.75	275,000.00	
28	10/4/2031	164,133.75	26,633.75	137,500.00	1,650,000.00
29	4/4/2032	162,085.00	24,585.00	137,500.00	1,512,500.00
2032 Totals		326,218.75	51,218.75	275,000.00	

30	10/4/2032	160,036.25	22,536.25	137,500.00	1,375,000.00
31	4/4/2033	157,987.50	20,487.50	137,500.00	1,237,500.00
2033 Totals		318,023.75	43,023.75	275,000.00	
32	10/4/2033	155,938.75	18,438.75	137,500.00	1,100,000.00
33	4/4/2034	153,890.00	16,390.00	137,500.00	962,500.00
2034 Totals		309,828.75	34,828.75	275,000.00	
34	10/4/2034	151,841.25	14,341.25	137,500.00	825,000.00
35	4/4/2035	149,792.50	12,292.50	137,500.00	687,500.00
2035 Totals		301,633.75	26,633.75	275,000.00	
36	10/4/2035	147,743.75	10,243.75	137,500.00	550,000.00
37	4/4/2036	145,695.00	8,195.00	137,500.00	412,500.00
2036 Totals		293,438.75	18,438.75	275,000.00	
38	10/4/2036	143,646.25	6,146.25	137,500.00	275,000.00
39	4/4/2037	141,597.50	4,097.50	137,500.00	137,500.00
2037 Totals		285,243.75	10,243.75	275,000.00	
40	10/4/2037	139,548.75	2,048.75	137,500.00	0.00
2038 Totals		139,548.75	2,048.75	137,500.00	
Grand Totals		7,179,975.00	1,679,975.00	5,500,000.00	

**STATE OF NORTH CAROLINA  
CLEAN WATER MANAGEMENT TRUST FUND  
GRANT AGREEMENT  
(RESTORATION PLANNING GRANT)**

CWMTF PROJECT NUMBER: 2017-804

GRANTOR: NC Clean Water Management Trust Fund (“**CWMTF**”), a division of the Department of Natural and Cultural Resources, acting through its Board of Trustees solely in its official capacity pursuant to North Carolina General Statutes (“**N.C.G.S.**”) Chapter 143B, Article 2, Part 41

CONTRACT ADMINISTRATOR:  
Stephen Bevington  
Clean Water Management Trust Fund  
1651 Mail Service Center  
Raleigh, NC 27699-1651  
Phone: 919.707.9128  
Email: steve.bevington@ncdcr.gov

GRANT RECIPIENT: Town of Kure Beach, a North Carolina Municipal Corporation (“**Grant Recipient**”)

CONTRACT ADMINISTRATOR:  
Nancy Avery, Town Clerk  
Kure Beach  
117 Settlers Lane  
Kure Beach NC 28449  
Phone: 910-458-8216  
Email: n.avery@townofkurebeach.org

GRANT AWARD DATE: September 13, 2017 (the “**Award Date**”)

CONTRACT EFFECTIVE DATE: \_\_\_\_\_ (the “**Effective Date**”)

CONTRACT EXPIRATION DATE: November 30, 2018 (the “**Expiration Date**”)

REIMBURSEMENT DATE: December 14, 2018

GRANT AMOUNT: Up to \$29,392 (the “**Grant**”)

THIS GRANT CONTRACT (this “**Grant Contract**”) is made and entered into, as of the Effective Date by and between the CWMTF and Grant Recipient (both sometimes hereinafter referred to individually as a “**Party**” or collectively as the “**Parties**”).

**WITNESSETH:**

WHEREAS, Grant Recipient submitted to CWMTF an application for a grant of funds (the “**Grant Application**”) to undertake a project to engage in planning for restoration of degraded lands for their ability to protect the quality of surface waters.

WHEREAS, N.C.G.S. Chapter 143B, Article 2, Part 41 authorizes CWMTF to, among other things, restore previously degraded lands to reestablish their ability to protect water quality and to acquire conservation easements and other interests in real property to protect and conserve surface waters and drinking water supplies.

WHEREAS, Grant Recipient is a qualified applicant as defined in N.C.G.S. §143B-135.238(a).

WHEREAS, at its meeting on the Award Date, CWMTF approved Grant Recipient’s application on the terms and conditions in this Grant Contract.

WHEREAS, Grant Recipient agrees to conduct the project approved by CWMTF’s Board of Trustees for the purposes and according to the scope of work, conditions, and schedule in **Exhibit A** (the “**Project**”) and according to the project budget in **Exhibit B** of this Grant Contract.

WHEREAS, the Parties desire to enter into this Grant Contract and intend to be bound by its terms.

NOW, THEREFORE, for and in consideration of the Grant, the mutual promises each to the other made, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties mutually agree as follows:

1. Grant Documents. The documents described below are hereinafter collectively referred to as the “**Grant Documents**.” In the case of conflict, specific, and special terms, conditions and requirements shall control over general terms, conditions, and requirements. Upon execution and delivery of the Grant Contract, it and the other Grant Documents and items required hereunder will constitute a valid, binding and binding contract between the Parties. The Grant contract constitutes the entire contract between the Parties, superseding all prior oral and written statements or contracts. Only changes deemed non-material in type at the discretion of CWMTF’s Executive Director may be made to the Grant Contract without the consent of CWMTF’s Board of Trustees.

The Grant Documents consist of:

- a. Cover page
- b. Grant Contract
- c. Exhibit A – Project Summary
- d. Exhibit B – Project Budget
- e. Exhibit C – CWMTF Pre-Disbursement Checklist
- f. Exhibit D – Additional Definitions
- g. Exhibit E – General Terms and Conditions

2. Purpose. The purpose of the Grant is to restore degraded lands to protect the quality of surface waters as particularly described on **Exhibit A**. Grant funds may not be used for the purchase of improvements or for the removal of debris on any property, or for any other purpose not set forth herein. Further, Grant funds may not be used for any eminent domain litigation or any action or expenditure related to eminent domain, unless approved by

CWMTF's Board of Trustees in writing prior to the action. The Board of Trustees shall review requests to use Grant funds for eminent domain action on a case-by-case basis. Grant Recipient shall provide such requests in writing.

3. CWMTF's Duties. Subject to the appropriation, allocation, and availability to CWMTF of Grant funds for the Project, CWMTF hereby agrees to pay the Grant funds to Grant Recipient in accordance with the payment procedures set forth herein. Neither of the Parties is obligated to perform and the Grant Contract is not a binding agreement on all Parties until all Parties have executed the Grant Contract (inclusive of all exhibits), the Department of Natural and Cultural Resources has notified CWMTF that funds for the Grant contemplated hereunder have been encumbered, and Grant Recipient has received its counterpart original of the Grant Contract, fully executed and with all dates inserted where indicated on the cover page to the Grant Contract.

4. Grant Recipient's Duties. Grant Recipient shall carry out the Project pursuant to the terms of this Grant Contract.

5. Contract Period. CWMTF's commitment to disburse Grant funds under this Grant Contract shall cease on the Reimbursement Date. Grant Recipient is responsible to ensure that the Project is completed by the Expiration Date and that all costs to be reimbursed have been submitted to CWMTF by the Reimbursement Date. After the Expiration Date, any Grant monies remaining under this Grant Contract will no longer be available to Grant Recipient except to pay proper invoices for budgeted costs incurred by the Expiration Date and which are submitted to CWMTF no later than the Reimbursement Date. **The burden is on Grant Recipient to request an extension of the Grant Contract if Grant Recipient anticipates that the Project will not be completed by the Expiration Date.** The request for an extension must give complete details of the reasons why an extension is needed, propose a new expiration date for the Grant Contract, and be submitted online via CWMTF's online grants management system. This request must be submitted to and received by CWMTF at least **60 days** prior to the Expiration Date. Approval of any requested extension is at the sole discretion of CWMTF. The approval or denial of the requested extension will be based upon Project performance, among other factors. **CWMTF is not obligated to send reminders or other notification of an approaching Expiration Date.**

6. Pre-Disbursement Requirements. Prior to the disbursement of **any** Grant monies under this Grant Contract, Grant Recipient shall deliver to CWMTF all of the documentation described on **Exhibit C**.

7. Disbursement of Grant Funds.

a. Proportionate Spending of Matching Funds. Grant monies are awarded based on a commitment of matching funds to the Project. CWMTF's final, cumulative portion of the total Project cost will be no more than the percentage of funds originally committed to in the Grant Contract as given in **Exhibit B**. Grant Recipient must demonstrate expenditure of matching funds as payments by CWMTF are requested.

b. Requests for Payment. CWMTF will disburse Grant funds, at CWMTF's discretion, upon submittal of the following documentation via CWMTF's online grants management system and the appropriate forms contained thereon:

- i. Appropriate itemized documentation supporting all expenses claimed and clearly identifying each expenditure for which payment is requested. Supporting documentation must be organized in a manner that clearly relates expenditures in the supporting documentation to the line items in the project budget. Any request for payment that does not clearly identify each expenditure or does not relate each expenditure to the line items on the payment request form will not be processed and will be returned to Grant Recipient for correction and resubmittal.

- ii. Identification of all amounts of sales tax for which Grant Recipient and/or its vendors have or will obtain payment from the North Carolina Department of Revenue. CWMTF will not reimburse Grant Recipient for such amounts.
- iii. A written report containing a detailed narrative of the progress of the Project submitted within three (3) months prior to the reimbursement request.
- iv. A completed request for reimbursement via CWMTF's online grants management system, stating that Grant Recipient complied with all terms of this Grant Contract in incurring the expenses.

c. Alternate Disbursement of Grant Funds. CWMTF may, upon request by Grant Recipient, disburse Grant funds prior to Grant Recipient's actual payment to its vendors if such expenditures are documented by vendors' third-party invoices. In order for CWMTF to disburse Grant funds to Grant Recipient based on unpaid third-party invoices, Grant Recipient must submit the following documentation via CWMTF's online grants management system and the appropriate forms contained thereon:

- i. Appropriate itemized documentation supporting all expenses claimed and clearly identifying each expenditure for which payment is requested. Supporting documentation must be organized in a manner that clearly relates expenditures in the supporting documentation to the line items in the project budget. Any request for payment that does not clearly identify each expenditure or does not relate each expenditure to the line items on the payment request form will not be processed and will be returned to Grant Recipient for correction and resubmittal.
- ii. Identification of all amounts of sales tax for which Grant Recipient and/or its vendors have or will obtain payment from the North Carolina Department of Revenue. CWMTF will not reimburse Grant Recipient for such amounts.
- iii. A written report containing a detailed narrative of the progress of the Project submitted within three (3) months prior to the reimbursement request.
- iv. A completed request for reimbursement, stating that Grant Recipient complied with all terms of this Grant Contract in incurring the expense, reviewed and has approved the unpaid third-party invoice, and certifies to CWMTF that the unpaid third-party invoice will be paid within three (3) working days of receipt of the disbursed Grant fund.

Grant Recipient will confirm in writing to CWMTF, via the appropriate form provided on CWMTF's online grant management system, that the required payment has been made within thirty (30) days of payment.

d. Limited Grant Funds Disbursement in January, June, July, and December. Funds will not be disbursed during the first week of January, the last three weeks of June, the first week of July, and the last two weeks of December.

e. Certification by Licensed Professional. At the option of CWMTF, payments may be made only on the certificate and seal of an appropriately qualified licensed professional (e.g., licensed Professional Engineer) that the work for which the payment is requested has been completed in accordance with approved plans and specifications, to which certificate shall be attached an estimate by the construction contractor setting forth items to be paid out of the proceeds of each such payment. CWMTF, at its option, may further require a certificate from such appropriately qualified licensed professional that the portion of the Project completed as of the date of the request for payment has been completed according to schedule and otherwise as approved by CWMTF and according to applicable standards and requirements. However, CWMTF may,

at its discretion, make payments without requiring such certificates or construction contractor's estimate, in which event Grant Recipient shall furnish CWMTF a list of and the amounts of items to be paid out of the payment, or such other evidence as CWMTF may require.

f. Payment Based on Progress. Grant Recipient agrees to proceed with diligence to complete the Project according to the schedule set out in **Exhibit A** and shall show appropriate progress prior to each payment. Payment may be withheld or delayed if Grant Recipient fails to make progress on the Project satisfactory to CWMTF. Amounts withheld shall be reimbursed with subsequent payments in the event that Grant Recipient is able to demonstrate an ability to resume satisfactory progress toward completion of the Project.

g. Proof of Payment. Grant Recipient agrees to pay, as the work progresses, all bills for expenses incurred on the Project and agrees to submit to CWMTF all such receipts, affidavits, canceled checks, or other evidences of payment as may be requested from time to time and, when and if requested by CWMTF, to furnish adequate proof of payment of all indebtedness incurred on the Project.

h. CWMTF's Retaining Portion of Funds until Project Completion. CWMTF will withhold payment from Grant Recipient in the amount of **\$2,500** of the Grant until Grant Recipient has satisfactorily submitted its grant contract final report.

i. No Excess Costs. CWMTF agrees to pay or reimburse Grant Recipient only for costs actually incurred by Grant Recipient that do not exceed the funds budgeted for the Project on **Exhibit B**.

j. Period for Incurring Expenditures. CWMTF will reimburse Grant Recipient for allowable Project expenditures that are incurred by Grant Recipient or its vendors only during the period between the Award Date and the Expiration Date of the Grant Contract. CWMTF will not reimburse Grant Recipient for Project expenditures that are not incurred during this period.

k. Costs of Project Administration. CWMTF agrees to reimburse Grant Recipient for administrative costs consisting only of costs of labor for administrative work conducted exclusively on this Project. Grant Recipient's requests for such payment shall be made under the Project Administration line item of **Exhibit B** and shall conform to the following:

- i. Costs allowable under the Project Administration line item shall be only costs of labor needed to comply with the general conditions of the Grant Contract (e.g., progress reports, payment requests, preparing the grant contract final report, revisions to the Grant Contract). Allowable Project Administration labor costs may include any of the following:
  - a) Compensation to Grant Recipient's employees, plus Grant Recipient's cost of paying benefits on such compensation (i.e., employees' pay times an audited or auditable benefits multiplier);
  - b) Compensation to Grant Recipient's independent contractors (e.g., temporary office support), payable at Grant Recipient's actual cost, without application of a benefits multiplier; and/or
  - c) Cost of professional services contracted by Grant Recipient (e.g., engineering firm or consultant), payable at Grant Recipient's actual cost.
- ii. Costs of any other work described in the Project Scope of Work in **Exhibit A** are not allowable under the Project Administration line item.

8. Refunds, Reversion of Unexpended Funds, and Reduction of the Grant based on Construction Cost less than Budgeted Construction Cost.

a. Refunds. Grant Recipient shall repay to CWMTF any compensation it has received that

exceeds the payment to which it is entitled herein, including any interest earned on funds reimbursed pursuant to the Grant Contract.

b. Reversion of Unexpended Funds. Any unexpended Grant monies shall revert to CWMTF upon termination of the Grant Contract.

9. Reporting Requirements. Beginning three (3) months after the Effective Date, Grant Recipient must submit to CWMTF a quarterly report on the status of the Project, via the appropriate form provided on CWMTF's online grant management system. In addition, N.C.G.S. Chapter §143C, Article 6, Part 3 and Title 09, Subchapter 3M of the North Carolina Administrative Code (N.C.A.C.) require each Grant Recipient of State funds to comply with certain reporting requirements, as applicable. Grant Recipient must also provide the required documentation as set forth on **Exhibits C, C.1, and C.2.** Grant Recipient shall submit to CWMTF's Contract Administrator a Grant Contract final report via the appropriate form available on CWMTF's website and on the CWMTF grant management system (GMS). If the Grant Contract final report is not acceptable to CWMTF, CWMTF shall return it to Grant Recipient for revision. Final payment will not be made until the Grant Contract final report is acceptable to CWMTF.

10. Notice; Contract Administrators. All notices, requests or other communications permitted or required to be made under this Grant Contract or the other Grant Documents shall be given to the respective Contract Administrator. Notice shall be in writing, signed by the Party giving such notice. Notice shall be deemed given on the third business day after the date when deposited in the mail, postage prepaid, registered or certified mail, return receipt requested, unless another form is otherwise noted herein.

11. Signature Warranty. Each individual signing below warrants that he or she is duly authorized to sign this Contract for the respective party, and to bind said party to the terms and conditions of this Grant Contract.

(The remainder of this page is intentionally left blank)



**IN WITNESS WHEREOF**, Grant Recipient and CWMTF have executed this Grant Contract in one (1) original as of the Effective Date. One original shall be retained by CWMTF and a copy of the original will be sent to Grant Recipient. If there is any controversy among the documents, the document on file in CWMTF's office shall control.

**GRANT RECIPIENT:**

By: \_\_\_\_\_  
Name: Emilie Swearingen  
Title: Mayor

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Town Attorney

**CWMTF:**

**NORTH CAROLINA CLEAN WATER MANAGEMENT TRUST FUND**

By: \_\_\_\_\_ (SEAL)  
Name: E. Greer Cawood  
Title: Chairman, Board of Trustees

By: \_\_\_\_\_ (SEAL)  
Name: Walter Clark  
Title: Executive Director

**EXHIBIT A**  
**CWMTF Project No. 2017-804**

**Stream of the Project site:** Beaches of Atlantic Ocean

**Water bodies downstream:** Atlantic

**River basin:** Cape Fear

**County:** New Hanover

**Amount requested from CWMTF:** \$29,392

**CWMTF approved grant amount:** up to \$29,392

**Total matching contributions:** \$7,348

**Total project budget:** \$36,740

**Percent match:** 20%

**Grant award date:** September 13, 2017

**Resource Significance:** The beaches of the Cape Fear region are a major economic driver in the region as well as an important environmental resource.

**Project Site:** The study area is the southern end of Kure Beach where stormwater outfalls discharge in such a way to occasionally reach the beach front and ocean.

**Scope of Work:**

The Town of Kure Beach proposes to assess the feasibility and design concept to treat stormwater from reaching beaches. This work will include:

- Conduct a site-specific study regarding the feasibility of installing a storm water infiltration system, in or adjacent to the dune area, at the six existing storm water outfalls
- Generate a site-specific storm water infiltration mechanism design for each site deemed feasible
- Design a long-term plan to monitor the captured and treated storm water from the outfall areas and appropriate watersheds, including the amount of reduction of pollutants and fecal bacteria concentrations
- Create a budget/cost estimate for a project to construct and install a storm water infiltration system at each of the identified feasible sites.
- Identify funding sources for the proposed construction project
- Oversee planning activities, manage the project in total and report to CWMTF

**Stream Condition:** Heavily used recreational beaches also receive stormwater runoff from beachside development and infrastructure. These factors will lead to increased potential for bacterial contaminants and other storm water pollutants to enter the recreational beach areas following a rain event. For instance, on 9.29.2017, NCDEQ issued a swimming alert for two Kure Beach locations south of the Avenue K pier. Water quality officials found bacteria levels in the ocean water that exceeded the state's and EPA recreational water quality standards. According to the press release, officials believed that the storm water runoff from heavy rainfall, as well as extreme tidal conditions, contributed to the high bacteria counts. As such storm water flows into the drainage and outfall system, it is imperative that the majority of these pollutants be diverted from the beach and the Atlantic Ocean

**Water Quality Objectives:** The long-range objective is to treat stormwater by allowing it to infiltrate into sand rather than move directly to areas where it may harm aquatic resources or impact recreational activities. This plan will identify feasible stormwater retrofits for implementation.

**Special Contract Conditions:**

1. Grant Recipient shall provide or otherwise ensure that the matching funds identified in **Exhibit B** are provided to the project.
2. As part of or along with quarterly progress reports and/or the Grant Contract Final Report, Grant Recipient shall provide to the CWMTF a copy of each of the following reports or other documents resulting from this project, as given under Scope of Work in **Exhibit A**.

**Project Schedule:**

1. **Contract Expiration Date: November 30, 2018** Complete the Project Scope of Work and submit the Grant Contract Final Report (Grant Contract Section 9 and as otherwise specified in **Exhibit A**) by this date. CWMTF will not reimburse Grant Recipient for Project costs incurred after this date.
2. **Reimbursement Date: December 14, 2018**. CWMTF must receive the Final Request for Payment for the Project by this date. CWMTF will not accept or process for payment any request for payment received after this date. CWMTF will not reimburse Grant Recipient for costs incurred after the Contract Expiration Date.

**EXHIBIT B**  
**CWMTF Project No. 2017-804**  
**Project Budget**

<b>Item</b>	<b>CWMTF Grant Funds<sup>(1)</sup></b>	<b>Matching Funds<sup>(2)</sup></b>	<b>Total Item Budget</b>
1. Labor (salary and benefits – does not include overhead)	\$0	\$400	\$400
2. Outside Consulting, including all expenses	\$27,200	\$3,000	\$30,200
3. Mapping/GIS expenses	\$2,092	\$1,908	\$4,000
4. Permits	\$100	\$0	\$100
5. Project Administration	\$0	\$2,040	\$2,040
<b>Total Project Budget</b>	<b>\$29,392</b>	<b>\$7,348</b>	<b>\$36,740</b>
<b>% of Total Project Budget</b>	<b>80%</b>	<b>20%</b>	<b>100%</b>

Notes:

- (1) To obtain payment, Grant Recipient must submit itemized documentation substantiating direct costs incurred in the implementing the project.
- (2) Matching funds are contributed by: Town of Kure Beach, NC DOT.

**EXHIBIT C**  
**CWMTF Project No. 2017-804**

***Pre CWMTF Disbursement Checklist***  
***Documents to Be Submitted to CWMTF Before any Funds will be Disbursed under the Grant***

REQUIREMENT		DESCRIPTION/WHAT TO SUBMIT
<b>Submit before first request for payment</b>		
1	Matching Funds	Proof of availability of matching funds included in the project budget. [*See note below.]
2	Documents in Exhibit A	Documents as identified in Exhibit A “Special Contract Conditions” (if any) as required prior to the release of CWMTF funds.
<b>Submit before or accompanying request for final payment</b>		
3	Grant Contract Final Report	Report per Grant Contract Section 9.
4	Documents in Exhibit A	Documents as identified in Exhibit A “Special Contract Conditions” (if any) as required prior to the release of CWMTF funds.

\*Examples of proof of availability of matching funds include:

- Grants from other sources:
  - Copy of grant agreement.
  - Copy of grant award letter.
- Local agency matching funds:
  - Resolution of the governing board.
  - Budget showing allocation of matching funds to the Project, accompanied by a certified copy of board meeting minutes approving the budget or by a certified copy of board meeting minutes authorizing use of local matching funds for the Project.
  - Certified copy of board meeting minutes attesting to the use and amount of local funds for match.
  - Letters from other sources of matching funds attesting to contribution of the funds.

## EXHIBIT D

### ADDITIONAL DEFINITIONS

The definitions set forth in N.C.G.S. Chapter 143C shall apply to this Grant Contract except as otherwise provided herein below. The definitions provided by 09 N.C.A.C. 03M shall apply to this Grant Contract to the extent they are not in conflict with N.C.G.S. Chapter 143C or this Grant Contract. In the event of conflict, N.C.G.S. Chapter 143C shall control over 09 N.C.A.C. 03M, and this Grant Contract shall control over N.C.G.S. Chapter 143C.

1. “Grant Contract” means a legal instrument that is used to reflect a relationship between the Grantor and Grant Recipient and is used interchangeably herein with the term “Contract”.
2. “Construction contract” means a legally binding agreement between Grant Recipient and another party for implementing construction work described in the project scope of work given in Exhibit A.
3. “Enter into a construction contract” means signature of a construction contract by both Grant Recipient and another party for the construction work described in the project scope of work given in Exhibit A.
4. “Grant” and “grant funds” as defined in N.C.G.S. §143C-6-23 means State funds disbursed as a grant by a State agency; however, the terms do not include any payment made by the Medicaid program, the State Health Plan for Teachers’ and State Employees, or other similar medical programs. For purposes of this Grant Contract, both “grant” and “grant funds” shall be referred as the Grant which is provided to Grant Recipient to carry out the objectives of the Grant Contract.
5. “Grantee” as defined in the N.C.G.S. § 143C-6-23 means a non-State entity that receives State funds as a grant from a State agency but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission. For purposes of this Grant Contract however, a “grantee” as defined in N.C.G.S. §143C-6-23 shall be referred to as Grant Recipient and the term “grantee” shall mean and refer to an entity that is the recipient of an interest in real property.
6. “Grantor” means an entity that provides resources, generally financial, to another entity in order to achieve a specified goal or objective. For purposes of this Grant Contract, the Grantor is Clean Water Management Trust Fund.
7. “Stream enhancement” means the process of implementing certain stream rehabilitation practices in order to improve water quality and/or ecological function. These practices typically are conducted on the stream bank or in the flood prone area. An enhancement procedure may include fencing cattle out of a stream and re-establishing vegetation in order to provide streambank stability. These types of practices should be conducted only on a stream reach that is not experiencing severe aggradation or erosion. Enhancement also may include placing in-stream habitat structures, provided that the in-stream structures do not affect the overall dimension, pattern, or profile of a stream that is in dynamic equilibrium.
8. “Stream restoration” means the process of converting an unstable, altered, or degraded stream

corridor including adjacent riparian zone and flood prone areas, to its natural or referenced, stable conditions considering recent and future watershed conditions. This process also includes restoring the geomorphic dimension, pattern, and profile and biological and chemical integrity, including transport of water and sediment produced by the stream's watershed in order to achieve dynamic equilibrium.

9. "Stream stabilization" means the in-place stabilization of a severely eroding streambank. Stabilization techniques that include "soft" methods or natural materials (such as root wads, rock vanes, and vegetated crib walls) may be considered as part of a restoration design. However, stream stabilization techniques that rely heavily on "hard" engineering, such as concrete-lined channels, rip rap, or gabions to stabilize streambanks will not be considered to be stream restoration or stream enhancement.
10. "State agency" shall mean a unit of the executive, legislative, or judicial branch of State government, such as a department, institution, division, commission, board, council, or The University of North Carolina. The term does not include a unit of local government or a public authority. For purposes of this Grant Contract, both the North Carolina Department of Natural and Cultural Resources and the Clean Water Management Trust Fund are State agencies.
11. For purposes of this Grant Contract, a "Subgrantee," as defined in N.C.G.S. §143C-6-23, and "Subrecipient," as defined in 09 NCAC 03M .0102 and applicable to 09 N.C.A.C. 03M, shall be referred to as a "Sub-grant Recipient."

**EXHIBIT E**  
**GENERAL TERMS AND CONDITIONS**

A. Affirmative Covenants

1. Title. If the property right to be acquired is fee title, Grant Recipient shall acquire good and marketable title to the Property free and clear of any liens, other charges or encumbrances that would materially affect the use of the Property as intended under this Grant Contract.

2. No Mitigation. Grant Recipient shall not use the Property or any portion thereof to satisfy compensatory mitigation requirements under 33 USC § 1344 or N.C.G.S. §143-214.11.

3. Right of Entry and Inspections. Grant Recipient shall permit CWMTF's representatives to enter the Property for inspection of the Property and to enter any other premises of Grant Recipient associated with the activities of Grant Recipient pursuant to the Grant, including to review books and records in any way related to the Grant or the Property.

4. Retention, Operation, Maintenance and Use.

(a) Grant Recipient agrees to complete the Project as approved by CWMTF. The descriptions, purpose, schedules, scope of work and budgets set out in Exhibits A and B, and accompanying or related plans, specifications, estimates, procedures and maps submitted to CWMTF by Grant Recipient are the foundation of this Grant Contract. Only changes deemed non-material in type at the discretion of the Executive Director may be made without the consent of CWMTF's Board of Trustees.

(b) For a period of ten (10) years after Project completion, Grant Recipient agrees to maintain and manage, at maximum functional utility, the end product of the Project. Grant Recipient shall inspect the Project on a routine basis, with additional inspections following major storm events and shall make all necessary repairs to return the infrastructure to its full function within two (2) weeks or as soon as possible thereafter.

(c) Property acquired, developed or improved with grant assistance from CWMTF shall be retained and used for the purposes identified in Exhibit A, and Grant Recipient hereby agrees to file or record such restrictions as may be required to assure such continued use and such restrictions shall be in form and substance satisfactory to CWMTF.

(d) If at some future date, CWMTF and Grant Recipient agree that the Project should no longer continue on as property(ies) of the Project Site, then Grant Recipient will abandon the Project and allow such property to return to its natural state.

5. Signage. If funds are available in the Grant Contract at the end of the Project, Grant Recipient agrees to post signs, acknowledging CWMTF as the source of monies for conservation of the Property, on publically visible areas of those Properties that have public access and/or where private property owners are amenable to signage.



6. Publicity. To the extent possible, Grant Recipient will use its best efforts to appropriately publicize the Project's benefits to the general public, local government and state representatives, including the role of CWMTF in the funding and development of the project.
7. Conflicts of Interest. Grant Recipient shall at all times comply with Grant Recipient's conflict of interest policy.
8. Compliance with Reporting Requirements. Grant Recipient shall comply with the reporting requirements contained in Section 9 of the Grant Contract, and in N.C.G.S. Chapter 143C, Article 6, Part 3, and 09 N.C.A.C. Subchapter 03M-Uniform Administration of State Grants, including audit oversight by the Office of the State Auditor, the provision of access to the accounting records by both the funding entity and the Office of the State Auditor in accordance with N.C.G.S. §147-64.7, and availability of audit work papers in the possession of any auditor of any recipient of State funding. If a grant recipient has not met these reporting requirements and fails to submit revised reports in accordance with a grantor agency determination letter, the grantor agency shall suspend further payments to the grant recipient and report the grant recipient to the Office of the State Auditor and the Office of the State Controller. .
9. Books and Records. Grant Recipient agrees to maintain and make available for inspection by CWMTF, at all reasonable times, all documents, books, and records of all expenditures for costs applicable to this Grant Contract, and to submit properly certified billings for such costs on forms prescribed by CWMTF and supported by detailed data sheets which will facilitate the audit of Grant Recipient's records. Further, Grant Recipient shall maintain all Grant records for a period of five (5) years or until all audit exceptions have been resolved, whichever is longer.
10. Additional Requirements. Grant Recipient shall comply with all legal requirements applicable to the use of the Grant funds.
11. Permits and Approvals. Grant Recipient has or shall obtain all required regulatory approvals to use the Property and the Conservation Easement area in accordance with Exhibit A.
12. Compliance with Laws. Grant Recipient agrees to perform and maintain the Project in compliance with all federal, state and local laws and regulations, including, without limitation, environmental, zoning and other land use laws and regulations. Grant Recipient agrees to take reasonable steps to advise Project participants that they shall comply in the same manner.
13. Insurance. Grant Recipient agrees to keep structures or improvements of any sort constituting the Project fully insured at all times during construction and to keep fully insured all building materials at any time located on the Project. Grant Recipient will ensure that all contractors furnish adequate payment and performance bonds.
14. No Pollution Credits. If the Project enables Grant Recipient to reduce the discharge of phosphorus, nitrogen, or any other nutrient or pollutant below, or further below, applicable regulatory limits ("Pollution Credits"), Grant Recipient shall not sell, trade or give to another person or entity that percentage of any resulting credits achieved by the Project corresponding to the percentage of the Project costs provided by CWMTF.

15. Material Modifications. Any proposed material modification of the Project shall be subject to approval by CWMTF.
16. Data Requests. If CWMTF so requests, Grant Recipient shall provide data to the North Carolina Rural Economic Development Center's Water Resources Inventory and Data Management Project and/or to the North Carolina Geographic Information Coordinating Council's NC One Map Project.
17. Conservation Easement or Other Land Use Restrictions. Grant Recipient shall obtain Conservation Easements or other land use restrictions for this Project satisfactory to CWMTF in its sole discretion.
18. Boundary Marking of Riparian Buffer Easement Areas. Grant Recipient shall mark the outside limits of riparian buffer conservation easement areas in a manner that is clearly visible and identifiable as the limit of the easement area.

#### B. Representations and Warranties

In order to induce CWMTF to enter into this Grant Contract and to make the Grant as herein provided, Grant Recipient after reasonable inquiry makes the following representations, warranties and covenants, which shall remain in effect after the execution and delivery of this Grant Contract and any other documents required hereunder, any inspection or examinations at any time made by or on behalf of CWMTF, and the completion of the Project by Grant Recipient:

1. No Actions. There are no actions, suits, or proceedings pending, or to the knowledge of Grant Recipient threatened against or affecting Grant Recipient before any court, arbitrator, or governmental or administrative body or agency which might affect Grant Recipient's ability to observe and perform its obligations under this Grant Contract.
2. No Untrue Statements. Neither this Grant Contract nor any information, certificate, statement, or other document furnished by Grant Recipient in connection with the Grant, contains any untrue statement of a material fact or omits disclosure of a material fact which affects a property(ies) of the Project Site, the Conservation Easement or the ability of Grant Recipient to perform this Grant Contract.
3. Validity of Grant Documents. Upon execution and delivery of items required hereunder, this Grant Contract and the other grant documents and items required hereunder will be valid and binding agreements, enforceable in accordance with the terms thereof.
4. Zoning. The present and proposed use of the Property, including, without limitation, the purpose of the Conservation Easement, is in compliance with all applicable zoning ordinances, and all applicable municipal and other governmental and regulatory approvals have been or will be obtained for the use and for operation of the Property according to this Grant Contract.
5. Tax Exempt Status. As applicable, Grant Recipient shall maintain tax-exempt status under Section 501(c) (3) of the Internal Revenue Code of 1986, as amended (or any successor section) and the regulations promulgated there under (the "Code") and shall notify CWMTF within thirty (30) days upon any change in its status under the Code.

### C. Termination; Events of Default

1. Termination by Mutual Consent. The Parties may terminate this Grant Contract by mutual written consent with sixty (60) days prior notice, or as otherwise provided by law.
2. Termination for Cause. The happening of any of the following, after the expiration of any applicable cure period without the cure thereof, shall constitute an event of default ("Event(s) of Default") by Grant Recipient of its obligations to CWMTF, and shall entitle CWMTF to exercise all rights and remedies under this Grant Contract and as otherwise available at law or equity:
  - (a) Property Unsuitable. A determination by CWMTF, prior to the disbursement of the Grant funds, that a property(ies) of the Project Site is unsuitable for the purposes of the Grant Contract.
  - (b) Unsuitable Use. A property(ies) of the Project Site is used in a manner materially inconsistent with the purposes of this Grant Contract or the Project.
  - (c) Default in Performance. The default by Grant Recipient in the observance or performance of any of the terms, conditions or covenants of this Grant Contract; provided, however, that no such default shall occur until Grant Recipient has been given written notice of the default and 30 days to cure have elapsed.
  - (d) Misrepresentation. If any representation or warranty made by Grant Recipient in connection with the Grant or any information, certificate, statement or report heretofore or hereafter made shall be untrue or misleading in any material respect at the time made.
  - (e) Eligibility of Grant Recipient. If Grant Recipient ceases to be qualified to receive Grant funds, is dissolved, or otherwise ceases to exist.
  - (f) Failure to Monitor Conservation Easement. If Grant Recipient fails to notify CWMTF of any potential violation of the Conservation Easement, which is known or reasonably should be known by Grant Recipient, within a reasonable period of time so as to avert or cure any potential violation.
  - (g) Abandonment of the Project. If Grant Recipient abandons or otherwise ceases to continue to make reasonable progress towards completion of the Project.

### D. CWMTF's Rights and Remedies

If an Event of Default shall occur, CWMTF shall have the following rights and remedies, all of which are exercisable at CWMTF's sole discretion, and are cumulative, concurrent and independent rights:

1. Project Termination. If an Event of Default occurs, CWMTF may, at its discretion suspend and/or terminate all obligations of CWMTF hereunder. If, in the judgment of CWMTF, such failure was due to no fault of Grant Recipient, amounts required to resolve, at the minimum cost practical, any irrevocable obligations properly incurred by Grant Recipient shall, in the discretion of CWMTF, be eligible for assistance under this Grant Contract.

2. Additional Remedies. If an Event of Default occurs, CWMTF shall have the power and authority, consistent with its statutory authority: (a) to prevent any impairment of the Project by any acts which may be unlawful or in violation of this Grant Contract or any other item or document required hereunder, (b) to obtain title to or otherwise preserve or protect its interest in the Project and any property acquired with Grant funds, (c) to compel specific performance of any of Grant Recipient's obligations under this Grant Contract, (d) to obtain return of all Grant Funds, including equipment if applicable and/or (e) to seek damages from any appropriate person or entity. CWMTF, or its designee, may also, at CWMTF's sole discretion, continue to complete the Project, or any portion thereof deemed appropriate by CWMTF, and Grant Recipient shall cooperate in the completion of the Project. CWMTF shall be under no obligation to complete the Project.

3. Non-waiver. No delay, forbearance, waiver, or omission of CWMTF to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to waive any such Event of Default or to constitute acquiescence therein. Every right, power and remedy given to CWMTF may be exercised at any time and as often as may be deemed expedient by CWMTF.

#### E. Miscellaneous

1. Modification. This Grant Contract may be rescinded, modified or amended only by written agreement executed by all Parties hereto.

2. Benefit. This Grant Contract is made and entered into for the sole protection and benefit of CWMTF, the State and Grant Recipient, and their respective successors and assigns, subject always to the provisions of paragraph E.8 of this Exhibit E. Except for the State, there shall be no third party beneficiaries to this Grant Contract.

3. Further Assurance. In connection with and after the payment of Grant funds under this Grant Contract, upon the reasonable request of CWMTF, Grant Recipient shall execute, acknowledge and deliver or cause to be delivered all such further documents and assurances, and comply with any other requests as may be reasonably required by CWMTF or otherwise appropriate to carry out and effectuate the Grant as contemplated by this Grant Contract and the purposes of the Conservation Easement.

4. Compliance by Others. Grant Recipient shall be responsible for compliance with the terms of this Grant Contract by any sub-grant recipient, including but not limited to, a political subdivision, public agency, or qualified non-profit organization to which funds or obligations are transferred, delegated or assigned pursuant to this Grant Contract. Delegation by Grant Recipient to a sub-grant recipient of any duty or obligation hereunder does not relieve Grant Recipient of any duty or obligation created hereunder. Failure by such sub-grant recipient to comply with the terms of this Grant Contract shall be deemed failure by Grant Recipient to comply with the terms of this Grant Contract. Any such delegation of duties or obligations shall be in writing, signed by Grant Recipient and sub-grant recipient, shall be in accordance with paragraph E.8 of this Exhibit E, and shall contain an affirmative covenant by the sub-grant recipient that it shall abide by the rules set forth in Title 09, Subchapter 03M of the North Carolina Administrative Code.

5. Independent Status of the Parties. The Parties are independent entities and neither this Grant Contract nor any provision of it or any of the Grant Documents shall be deemed to create a partnership or joint venture between the Parties. Further, neither the Grant Contract nor any of the Grant Documents shall in any way be interpreted or construed as making Grant Recipient, its agents or employees, agents or representatives of CWMTF. Grant Recipient is and shall be an independent contractor in the performance of this Grant Contract and as such shall be wholly responsible for the work to be performed and for the supervision of its agents and employees. In no event shall CWMTF be liable for debts or claims accruing or arising against Grant Recipient. Grant Recipient represents that it has, or shall secure at its own expense, all personnel required in the performance of this Grant Contract. Such employees shall not be employees of, nor have any individual contractual relationship with, CWMTF.

6. Indemnity. Grant Recipient agrees, to the fullest extent permitted by law, to release, protect, indemnify and hold harmless the State, CWMTF, its Trustees, employees, agents and assigns against any and all claims, losses, liabilities, damages, and costs, including reasonable attorney fees, which result from or arise out of: (a) damages or injuries to persons or property caused by the negligent acts or omissions of Grant Recipient, its employees, agents, or assigns in use or management of the Property; (b) use or presence of any hazardous substance, waste or other regulated material in, under or on the Property; or (c) the performance of Grant Recipient's duties under this Grant Contract. The obligations under this Section are independent of all other rights or obligations set forth herein. This indemnity shall survive the disbursement of the Grant funds, as well as any termination of this Grant Contract.

7. No Discrimination. Grant Recipient shall assure that no person will be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity covered by this Grant Contract solely on the grounds of race, color, age, religion, sex or national origin.

8. Binding Effect, Contract Assignable. The terms hereof shall be binding upon and inure to the benefit of the successors, assigns, and personal representatives of the Parties; provided, however, that Grant Recipient may not assign this Grant Contract or any of its rights, interests, duties or obligations hereunder or any Grant proceeds or other moneys to be advanced hereunder in whole or in part without the prior written consent of CWMTF, which may be withheld for any reason and that any such assignment (whether voluntary or by operation of law) without said consent shall be void. In the event assignment is allowed, neither Grant Recipient nor the sub-grant recipient shall be relieved of any of the duties and responsibilities of the Grant Contract. Further, the sub-grant recipient shall agree to abide by the all the requirements of this Grant Contract, and to provide all information needed in order for Grant Recipient to comply with this Grant Contract.

9. Governing Law, Construction and Jurisdiction. This Grant Contract and the other Grant Documents and all matters relating thereto shall be governed by and construed and interpreted in accordance with the laws of the State of North Carolina, notwithstanding the principles of conflicts of law. The headings and section numbers contained herein are for reference purposes only. The terms of this Grant Contract shall be construed according to their plain meaning, and not strictly construed for or against either party hereto. Grant Recipient hereby submits to the jurisdiction of the State and Federal courts located in North Carolina and agree that CWMTF may, at its option, enforce its rights under the Grant Documents in such courts. The Parties intend this document to be an instrument executed under seal. CWMTF and any party that is an individual, partnership

or limited liability company hereby adopts the word “SEAL” following his/her signature and the name of CWMTF or partnership or limited liability company as his/her/its legal seal.

10. Savings Clause. Invalidation of any one or more of the provisions of this Grant Contract, or portion thereof, shall in no way affect any of the other provisions hereof and portions thereof which shall remain in full force and effect.

11. Additional Remedies. Except as otherwise specifically set forth herein, the rights and remedies provided hereunder shall be in addition to, and not in lieu of, all other rights and remedies available in connection with this Grant Contract.

12. Survival. Where any representations, warranties, covenants, indemnities or other provisions contained in this Grant Contract by its context or otherwise, evidences the intent of the parties that such provisions should survive the termination of this Grant Contract or any Closing, the provisions shall survive any termination or Closing. Without limiting the generality of the foregoing, the Parties specifically acknowledge and agree that the provisions of Exhibit E and the conditions shown on Exhibit A shall survive any termination of this Grant Contract as well as any Closing.

13. Entire Grant Contract; Incorporation of Exhibits. This Grant Contract constitutes the entire Grant Contract between the Parties with respect to the subject matter hereof. All recitals, exhibits, schedules and other attachments hereto are incorporated herein by reference.

14. Headings. The headings of the various sections of this Grant Contract have been inserted for convenience only and shall not modify, define, limit or expand the express provisions of this Grant Contract.

15. Time of the Essence. Time is of the essence in the performance of this Grant.

SOW Tasks	Labor (S&B only)	Mapping/GIF Expenses	Supplies	Consultants			Permits	Project Admin	TOTAL	Funding Source				TOTAL	
				AECOM	NCSU-A&LS	NCDOT-HED				CWMTF	Cash	Kure Beach	In-Kind		NCDOT-HED (In-Kind)
1. Conduct feasibility study		4,000		8,700	4,800	1,200	100	720	19,520	1,908	720	1,200	19,520		
2. Design site specific infiltration system mechanism				3,800	4,350	600		240	8,990		240	600	8,990		
3. Design monitoring plan	400				3,150			240	3,790		640		3,790		
4. Create construct budget/cost estimate				1,200	1,200	1,200		240	3,840		240	1,200	3,840		
5. Identify Phase II funding sources								600	600				600		
<b>TOTAL</b>	<b>400</b>	<b>4,000</b>		<b>13,700</b>	<b>13,500</b>	<b>3,000</b>	<b>100</b>	<b>2,040</b>	<b>36,740</b>	<b>2,508</b>	<b>1,840</b>	<b>3,000</b>	<b>36,740</b>		

Source: Name of organization providing matching funds	Origin of Matching Funds	Matching Funds Applied to	Amount	Funds Committed as of Application	
				Yes	No
Town of Kure Beach	2017/18 Annual Budget	Town of Kure Beach	4,348	X	
NCDOT-HED	2017/18 Annual Budget	State - NCDOT	3,000	X	

# OLD BUSINESS





KURE BEACH  
TOWN COUNCIL

Council Meeting Date: 10/16/17

Council agenda Item# Old Bus #2

Date(s) Public Hearing(s) held:  
10/16/17

ZONING CONSISTENCY STATEMENT  
N.C.G.S. 160A-383

**(To be read into the record as a motion, seconded, and voted upon by KB Town Council)**

**Motion to amend Chapter 19 (Zoning), Article III (District regulations), Division I (Generally), Section 80 (Town Buildings and Facilities) of the Code of Ordinances exempting town buildings and facilities from setback requirements**

  X   This recommendation is CONSISTENT WITH the objectives/policies of the Town of Kure Beach Land Use Plan adopted by Council 9/27/06 & Coastal Resources Commission 11/17/06

Part II, Section 2: Policies for Growth and Development, Section 39, subsections:

- b. "It is the policy of the town to enhance and improve fire protection capabilities"
- c. "It is the policy of the town to provide timely, cost effective, capital facilities and community infrastructure services based on anticipated growth and demand"

The amendment is necessary to build a new fire station. The community will benefit by adequate facilities for staff to provide 24/7 timely responses to fire and other life threatening emergencies with trained EMS and firefighters on location within the town.

Attest:

Kure Beach Town Council:

\_\_\_\_\_  
Nancy Avery, Town Clerk

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



## PROPOSED AMENDMENT TO THE CODE OF ORDINANCES

That the Code of Ordinances of 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

*Purpose of proposed amendment*

To exempt town buildings and facilities from meeting setback requirements. This is necessary to construct a new fire station.

*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.

*Proposed amendment:*

Adds this language to end of the current section:

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

*Amended section will read:*

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.**

Proposed amendment to be effective October 16, 2017.

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Emilie Swearingen, Mayor

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Nancy Avery, Town Clerk

## Nancy Avery

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**From:** Jim Dugan  
**Sent:** Sunday, July 30, 2017 1:55 PM  
**To:** Nancy Avery; Joseph Whitley; Emilie Swearingen; David Heglar; Craig Bloszinsky  
**Subject:** Fwd: Parking and Crosswalk information  
**Attachments:** Parking ordinance.docx; ATT00001.htm; Crosswalk.docx; ATT00002.htm; Parking Issues.docx; ATT00003.htm

Sent from my iPhone

Begin forwarded message:

**From:** Mike Bowden <[m.bowden@townofkurebeach.org](mailto:m.bowden@townofkurebeach.org)>  
**Date:** July 27, 2017 at 10:24:26 AM EDT  
**To:** Jim Dugan <[j.dugan@townofkurebeach.org](mailto:j.dugan@townofkurebeach.org)>  
**Subject:** **Parking and Crosswalk information**

Here are a few potential issues to consider, as related to the police department, when addressing paid parking:

These items are already addressed by either State Statute or by City Ordinance and would need to be considered in deciding paid parking locations.

- Parking too close to an intersection (curbed or not curbed)
- Parking too close to stop sign or traffic control device
- Parking inside of the bicycle lanes of travel
- Parking too close to a fire plug
- Parking in the wrong direction

These items are not specifically addressed but need to be considered.

- Parking too close to a crosswalk as to obstruct vision of pedestrians or approaching vehicles
- Parking in the public right of way
- Can other types of vehicles be parked in paid spaces; ie: boats, campers, RV's
- Residential parking permits- Maximum number, abide by time requirements
- What is the towing/ticketing procedure that the town, more specifically the police department will be responsible for enforcing? Examples may include vehicles parked in paid spaces longer than the time maximum, abandoned vehicle parked in paid spaces, vehicles not correctly parked within designated spaces.
- Private citizens allowing parking on the public right of way adjacent to their own private property for monetary gain
- Private passenger vehicles parking in loading zones
- Vehicle size limit for 100 block of K. Ave in regards to allowing emergency vehicles (fire, EMS, police) to pass without obstruction. Currently there is a 20' size limit on vehicles parking in diagonal spaces but there is no appropriate signage.

Items that need to be addressed as they relate to the current parking ordinances of Kure Beach:

1. Private citizens who are allowing parking on the public right-of-way adjacent to their residence or private property for monetary gain.
2. Vehicle size limit for the 100 block of K. Avenue (diagonal parking) in regards to allowing emergency vehicles (fire, EMS, police) to pass without obstruction. Currently there is a 20 foot size limit on vehicles parking in diagonal spaces (not marked "Compact Car").

## Article VI.- Stopping, Standing, and Parking

### Undefined or unclarified sections or wording

#### 10-202: Parking on Plaza

“designated as a plaza”- do we have specific designated plazas?

“providing that curbing has been erected.”- does this mean that plazas without erected curbing are not subject to this ordinance?

#### 10-227 Beach Access Parking

(a) “between the hours 1:00 am and 5:00 am between the months of April 1 and October 1 of each year on the following beach access areas”

We currently have signs at most beach access parking areas that state “NO OVERNIGHT PARKING” with no designated times of year.

Fine is designated as \$50.00- Should be \$25.00.

#### 10-229 Parking prohibited on certain streets at all times

The area that this ordinance addresses is no longer there and signage has been removed.

#### 10-231 Signs or markers

It is unclear as to what this section is referring. What is the meaning of, “The Chief of Police shall cause suitable signs and markers to be

erected or placed at locations designated in this division to notify the public of the restrictions imposed by the provisions of this division.”

10-236 Parking on public property prohibited

“Park a motor vehicle for the purpose of habitation overnight upon any public property within the corporate limits of the town, including but not limited to, public streets and right of ways, sidewalks, parking lots, and any other public place.

Does this now include the new public “paid” parking lots or are they still privately owned and only being used by the town? Does this ordinance apply to those three areas?

Fine is designated as \$50.00 and should be \$25.00

10-237 Penalty

Fine is designated as \$50.00 twice and, at least, should be \$25.00 for the first offense.

10-261 Parking Spaces for the Disabled- Designation

“first parking space on the eastern side of Atlantic Avenue on the south side of Kure Pier shall be designated as handicapped parking.”

This is no longer a handicapped parking space.

Items that may need to be considered being added into the city ordinances:

(Note: A few of these items are already covered by state law but should be addressed in the city ordinances and which could be enforced as ordinances.)

Parking too close to an intersection: NCGS 20-162

No vehicles parked within 25 feet from the intersection of curb lines or if none, then within 15 feet of the intersection of property lines at an intersection.

Blocking private driveways: NCGS 20-162

No person shall park a vehicle or permit it to stand, whether attended or unattended, in front of a private driveway.

Parking in front of a fire hydrant: NCGS 20-162

No person shall park a vehicle or permit it to stand, whether attended or unattended, within 15 feet in either direction of a fire hydrant, or the entrance to a fire station.

Parking too close to a stop sign:

No person shall park a vehicle or permit it to stand, whether attended or unattended, too close to a stop sign which may obstruct the view of stopped vehicles entering an intersection.

Parking too close to a crosswalk:

No person shall park a vehicle or permit it to stand, whether attended or unattended, too close to a crosswalk as to obstruct the vision of pedestrians or approaching vehicles.



TOWN OF KURE BEACH  
PARKING ISSUES THAT NEED TO BE ADDRESSED

- I. Paid Parking – YES or NO?
  - A. Administration: staff responsible/private company/cost to town
  - B. Dates: start and finish
  - C. Seven days/week
  - D. Hours
  - E. Location
    - a. All of Central Business District/Atlantic Avenue?
    - b. All crossover parking lots?
    - c. Fort Fisher Blvd. outside CBD/Alabama to Riggins?
    - d. Public properties: Community Center, Joe Eakes Park, etc.?
  - F. Amount
    1. Per hour/per day
    2. Disabled
    3. Residents
      - a. Free or annual fee (amount)
      - b. Sticker/removable tag/how many/procedure
      - c. Guests (temporary permits)
    4. Absentee Property Owners
      - a. Free or annual fee (amount)
      - b. Sticker/removable tag/how many/procedure
    5. ROT properties
      - a. Free or annual fee (amount)
      - b. Sticker/removable tag/how many/procedure
    6. Carolina Beach residents
      - a. Free or annual fee (amount)
      - b. Sticker/removable tag/how many/procedure
- II. Neighborhood Parking
  - A. Should regulations begin at Fort Fisher Blvd.? One Block off Fort Fisher Blvd.? Etc.
  - B. South of K
    1. Medians
      - a. Provide room for multi-purpose path?
      - b. Parking: parallel, perpendicular/herringbone?
      - c. Bumpers?
      - d. Paid Parking?
    2. Residents
      - a. Identified by signs (“Residential Parking Only”/“Permit Parking Only”)
      - b. Permit: type, number per household, procedure
      - c. Parking spaces with house number?

- d. Guest parking
- e. Construction parking
- 3. Public Property – NW corner XXXXX
  - a. Residents only (identification, length of stay, type vehicle)?
  - b. Public parking/anyone/anytime/paid parking or free?
- 4. Bike lanes/bike route from K Avenue to Fort Fisher, through neighborhood
- C. North of K
  - 1. Residents
    - a. Identified by signs (“Residential Parking Only”/“Permit Parking Only”)
    - b. Permit: type, number per household, procedure
    - c. Parking spaces with house number?
    - d. Guest parking
    - e. Construction parking
  - 2. Bike lane/bike route from Alabama, down Settlers, to K Avenue

### III. Oversize Vehicles

- A. Trucks/SUV maximum length for K and Atlantic avenues
- B. Tour buses (if so, where)
- C. Personal campers/trailers/boats
  - 1. Maximum length
  - 2. Dates/Hours/length of stay
  - 3. Where? Identify locations, if possible
  - 4. Develop policy on public and staff parking on public property west of Town Hall
  - 5. Send to other locations (with permission): CB State Park, FF Airforce Base, etc.

IV. Towing – does the town tow vehicles? When? Where? What is ordinance?

V. Park and ride shuttle from Carolina Beach to ferry – need details

VI. Public input – more than just a public hearing

VII. Ordinances – KBPD and Inspections Department will help Planning and Zoning Board identify ordinances that need to be changed or added.