



# TOWN COUNCIL AGENDA

## REGULAR MEETING

May 15, 2018 @ 6:30 p.m.

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

CALL TO ORDER – Mayor Bloszinsky

Invocation & Pledge of Allegiance – Pastor Dan Keck, Kure Memorial Lutheran Church

Presentation of Proclamation in support of National Safe Boating Week – Mayor Bloszinsky

## APPROVAL OF CONSENT AGENDA ITEMS

1. \*Proclamation 18-01 in support of National Safe Boating Week
2. \*Budget amendment 18-06 in the amount of \$17,992 for repairs at the Ocean Front Park transferring funds from TDA revenue to PW maintenance
3. \*Budget amendment 18-07 in the amount of \$11,400 for the sale of Ocean Rescue surplus ATV's transferring revenue from the General Fund to the Ocean Rescue minor equipment purchases line item
4. \*TDA reimbursement request in the amount of \$22,343 for maintenance of the Ocean Front Park
5. \* Minutes
  - April 19, 2018 regular meeting continued to April 26, 2018
  - April 19, 2018 closed session
  - April 20, 2018 budget # 2 meeting

*Consent agenda items are voted on as one item. Discussion of an individual item requires a vote to move the item to the agenda.*

## ADOPTION OF THE AGENDA

## DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

*Sign up at podium*

## DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Community Center Committee
2. Marketing Committee
  - Presentation and direction on proposed FY18-19 marketing budget
3. Planning & Zoning Commission
4. Non-town Committee Reports
5. Shoreline Access and Beach Protection Committee



# TOWN COUNCIL AGENDA

## REGULAR MEETING

May 15, 2018 @ 6:30 p.m.

### DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration and Recreation
2. Finance Department  
*\*Presentation of budget message, draft FY18-19 budget ordinance and fee schedule.  
Requires motion directing Town Clerk to advertise that proposed budget is available for inspection with a public hearing on Tuesday, June 5, 2018 at 6:30 p.m.*
3. Fire Department  
*\*Proposed amendment to Chapter 6 (Fire protection and prevention), Article III (Fire code), Section 31 (Adopted)  
Requires motion to amend. No legal requirement for public hearing.*
4. Building Department
5. Police Department
6. Public Works Department

### DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. *\*Proposed amendments to Code of Ordinances, Chapter 10 on Motor Vehicles and Traffic  
Public hearing held May 15, 2018 at 5:45 pm  
Adoption requires motion to approve resolution R18-02 as presented or amended*
2. Schedule special meeting on Tuesday, June 5 before or after public hearing at 6:30 pm for closed session on personnel
3. *\*Review of proposed updated National Flood Insurance Plan ordinance  
Schedule public hearing on adoption of new NFIP ordinance as first order of business at the June meeting*
4. *\*Council goals and Joint Land Use Plan with Department of Defense update (Bloszinsky)*

### DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. *\*Encroachment request for 441 S. Fort Fisher Boulevard (Lisa and Wes Hester)*
2. *\*Adoption of 2018 Emergency Operations Plan (Heglar)*
3. *\*Carolina Beach/Kure Beach Sewer Authority adoption of rates (Heglar)*



# TOWN COUNCIL AGENDA

## REGULAR MEETING

May 15, 2018 @ 6:30 p.m.

MAYOR UPDATES (no action required)

COMMISSIONER ITEMS (no action required)

CLOSED SESSION, if needed

ADJOURNMENT

# CONSENT



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**P**ROCLAMATION P18-01

IN SUPPORT OF NATIONAL SAFE BOATING WEEK

**WHEREAS**, year-round, people continue to enjoy all that our natural environment has to offer through the joy of boating; and

**WHEREAS**, National Safe Boating Week is observed to bring attention to important life-saving tips for recreational boaters so that they can have a safer, more fun experience out on the water; and

**WHEREAS**, on average, 650 people die each year in boating-related accidents in the U.S. with approximately three-fourths of these being fatalities caused by drowning; and

**WHEREAS**, the vast majority of these accidents are caused by human error or poor judgment and not by the boat, equipment, or environmental factors; and

**WHEREAS**, a significant number of boaters who lose their lives by drowning each year would be alive today had they worn their life jackets; and

**WHEREAS**, today's life jackets are more comfortable, more attractive, and more wearable than styles of years past;

**NOW, THEREFORE, BE IT PROCLAIMED** that Kure Beach Town Council hereby supports the goals of the North American Safe Boating Campaign (Wear It!) and proclaim May 19-25, 2018 as National Safe Boating Week and the start of the year-round effort to promote safe boating and also supports the Cape Fear Sail and Power Squadron which is a major provider of boating safety training in our area.

Proclaimed this 15<sup>th</sup> day of May, 2018.

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ATTEST: Nancy Avery, Town Clerk

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Craig Bloszinsky, Mayor

BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2018

DRAFT

AMENDMENT DATE: 05/03/2018

Budget Amendment No.: 18-06

DESCRIPTION/PURPOSE OF AMENDMENT

At the Town Council Retreat and budget work sessions, various repairs that are required at the Ocean Front Park (OFP) were discussed and approved by Council. These include repairs to the concrete (\$3,240) and electrical and lighting systems (\$14,752). Since the OFP is a tourist destination and is the location of many tourist-related programs, TDA funds may be used for these types of expenditures. This budget amendment increases the TDA revenue budget and the Public Works OFP maintenance budget. A request will be submitted to the New Hanover County Tourism Development Authority for reimbursement of the expenses.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-550-88-03	Ocean Front Park Maintenance	\$17,992	
10-346-00-00	TDA Revenue		\$17,992

NOTE: (a) Budget Officer may transfer between line item expenditures without limitation and without a report being required up to \$10,000 at any one time. (b) The Budget Officer may transfer amounts within departments and of the same fund and reported as part of the financial statements. He/She shall make an official report immediately to Council on such transfers. (c) The Budget Officer may not transfer amounts between funds without prior Council action.

Requested By: Nikki Keely, Rec. Mgr. & Mandy Sanders, Facilities Mgr. Date: 05/03/18

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 05/03/18

(Copies of actions/directives from Council Meeting to be attached, if required as per NOTE above).

Approved by Council 05/15/18 \_\_\_\_\_ Craig Bloszinsky, Mayor

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

BUDGET AMENDMENT  
FISCAL YEAR ENDING JUNE 30, 2018

DRAFT

AMENDMENT DATE: 05/03/2018

Budget Amendment No.: 18-07

DESCRIPTION/PURPOSE OF AMENDMENT

Ocean Rescue/Lifeguards had four ATV's that were declared surplus property. The ATV's have now been sold and the sale proceeds total \$11,400. This budget amendment is to increase the Lifeguards Minor Equipment Purchases budget for the proceeds received and for the purchase of replacement equipment.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-531-73-00	Minor Equipment Purchases	\$11,400	
10-381-00-00	Sale of Surplus Property		\$11,400

NOTE: (a) Budget Officer may transfer between line item expenditures without limitation and without a report being required up to \$10,000 at any one time. (b) The Budget Officer may transfer amounts within departments and of the same fund and reported as part of the financial statements. He/She shall make an official report immediately to Council on such transfers. (c) The Budget Officer may not transfer amounts between funds without prior Council action.

Requested By: Ed Kennedy, Fire Chief Date: 05/03/18

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 05/03/18

(Copies of actions/directives from Council Meeting to be attached, if required as per NOTE above).

Approved by Council 05/15/18 \_\_\_\_\_ Craig Bloszinsky, Mayor

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

DRAFT

**NEW HANOVER COUNTY TOURISM DEVELOPMENT AUTHORITY**  
**APPLICATION FOR FUNDING FOR TOURISM RELATED EXPENDITURES**

Governing Body: Kure Beach Town Council

Contact Person: Arlen Copenhaver, Finance & Budget Officer

Address: 117 Settlers Lane Kure Beach, NC 28449

Phone: (910)-458-8216 Fax: (910)-458-7421 Email: a.copenhaver@tokb.org

Date Approved by Governing Body: May 15, 2018

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Date Project/ Activity Will Begin: Completed Will be Completed: Requested Annually

Total Cost of Project/Activity: \$22,343.00 Amount Requested: \$22,343.00

Description of Project/ Activity *(include its correlation to travel and tourism and its merit as a project or activity designed to enhance the area as a travel destination):*

The Town of Kure Beach respectfully requests funding for expenditures that were incurred for maintenance and improvements to the Ocean Front Park and pavilion for the upcoming 2018 tourist season.

The Kure Beach Ocean Front Park has become a favorite destination for tourists visiting Kure Beach. The Ocean Front Park pavilion is the location of many tourist-related activities, including the Boogie In The Park concert series, weekly markets, programs for children and educational programs. Additionally, tourists may reserve the facility for private events. The location of the pavilion in proximity to the ocean is part of the draw, but also leads to a variety of maintenance issues. The maintenance expenditures total \$22,343.00 and are for electrical repairs, playground improvements and concrete repairs and are supported by documentation attached to this request.

Your consideration of this funding is appreciated.

If approved, please remit payment to the attention of Arlen Copenhaver.

Submitted By: Arlen Copenhaver, Finance & Budget Officer

Date: 5/15/18

*Return Application To:*  
*Cape Fear Coast Convention and Visitors Bureau*  
*Attention: Kim Hufham, Pres/ CEO*  
*505 Nutt Street, Unit A*  
*Wilmington, NC 28401*  
*(910) 341-4030*



# COMMITTEE

# MARKETING BUDGET

**Kure Beach Budget Allocations FY 18-19: Draft**

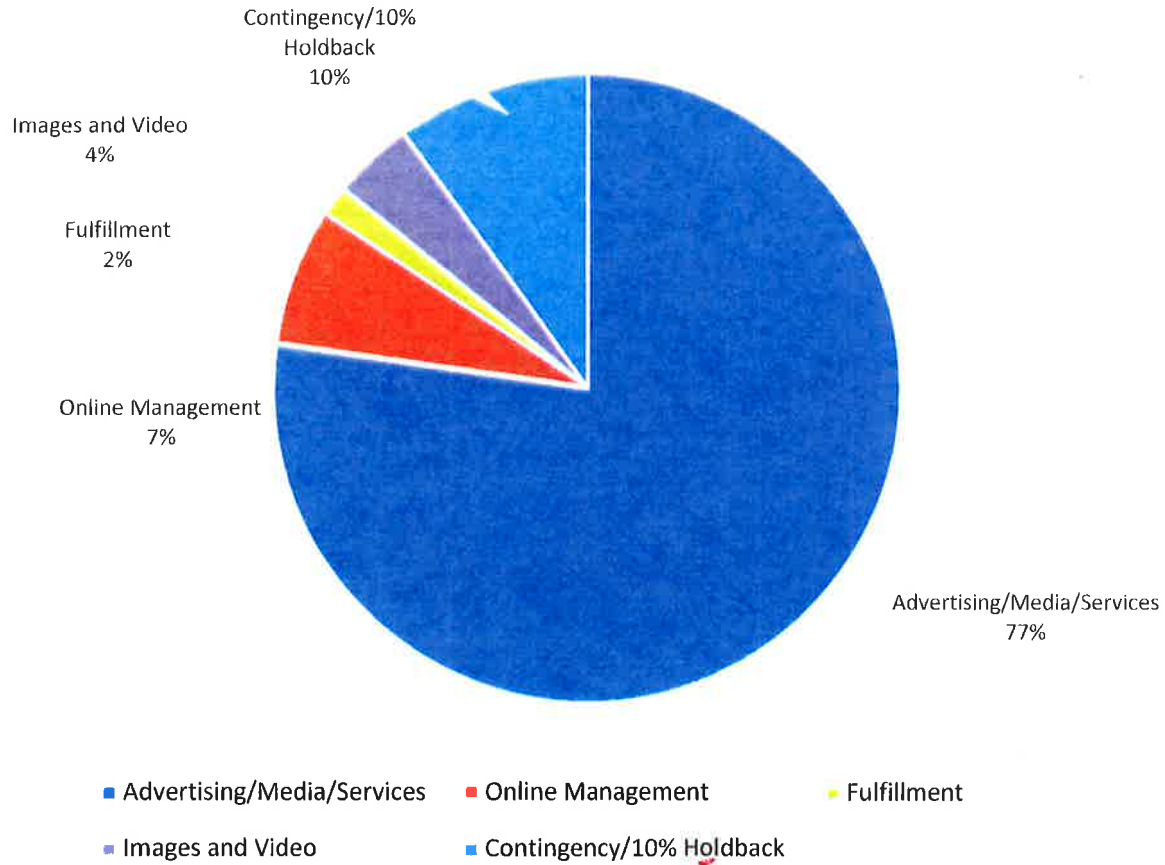
<b>ADVERTISING/MEDIA/SERVICES</b>		
Media	Print (Our State)	\$7,500.00
	Paid Search (Search Listings, Display Ads, Display Retargeting)	\$25,000.00
	Paid Social (FB Display/Canvas/Video, Instagram, Influencer Marketing)	\$38,400.00
	Programmatic (Pre-roll Video, Weather Triggered)	\$13,000.00
	Publisher Direct (Trip Advisor Display Ads, HomeAway)	\$15,300.00
	Engagement Marketing eBlasts	\$7,500.00
	VisitNC.com	\$1,600.00
	Contingency	\$7,065.00
	Promotional Giveaways	\$300.00
Public Relations & Social Media	Public Relations	\$21,000.00
	Press Trips	\$2,500.00
	Social Media/Strategy/Content Calendar/Postings	\$12,000.00
	Facebook/Instagram Live (4)	\$3,000.00
	Blogger Program (8)	\$3,000.00
	Spring Social Video Amplification Campaign	\$6,000.00
	Influencer/Paid Content Development	\$2,100.00
Account Management	Agency Retainer/Project Management/Meetings	\$4,725.00
Strategic Planning	Agency Research/Analysis	\$2,765.80
Creative Development	Print/Digital	\$13,550.00
<b>ADVERTISING/MEDIA/SERVICES TOTAL</b>		<b>\$186,305.80</b>
<b>ONLINE MANAGEMENT</b>		
Account Management	Account Management/CMS Licensing/Hosting	\$2,000.00
	Domain Renewals	\$260.00
Email Marketing	Especials Distribution (6)	\$4,390.00
	Especials Reengagement/Clean Up List	\$1,000.00
Search Marketing	SEO	\$4,000.00
Site Development	Maintenance/General Improvements	\$2,000.00
	Tint Social Media Aggregator Licensing	\$1,000.00
	CMS Modules Licensing	\$2,215.00
<b>ONLINE MANAGEMENT TOTAL</b>		<b>\$16,865.00</b>
<b>FULFILLMENT</b>		
	Postage	\$2,000.00
	Handling/Service Fees	\$1,500.00
	Storage Fees	\$300.00
<b>FULFILLMENT TOTAL</b>		<b>\$3,800.00</b>
<b>IMAGES &amp; VIDEO</b>		
	Videos	\$4,000.00
	SkyNav 360s	\$2,000.00
	Photography (Images, Usage Rights, Talent)	\$4,000.00
	Visitors Guide Image Rights	\$75.00
<b>IMAGES &amp; VIDEO TOTAL</b>		<b>\$10,075.00</b>
<b>Total</b>		<b>\$217,045.80</b>
<b>Contingency/10% Holdback</b>		<b>\$24,116.20</b>
<b>FY Budget Total</b>		<b>\$241,162.00</b>

**Kure Beach Budget Allocations FY 18-19: Draft**

**FY18-19 Budget Allocations**

Advertising/Media/Services	\$186,305.80
Online Management	\$16,865.00
Fulfillment	\$3,800.00
Images and Video	\$10,075.00
Contingency/10% Holdback	\$24,116.20

**FY 18-19 Budget Allocations**

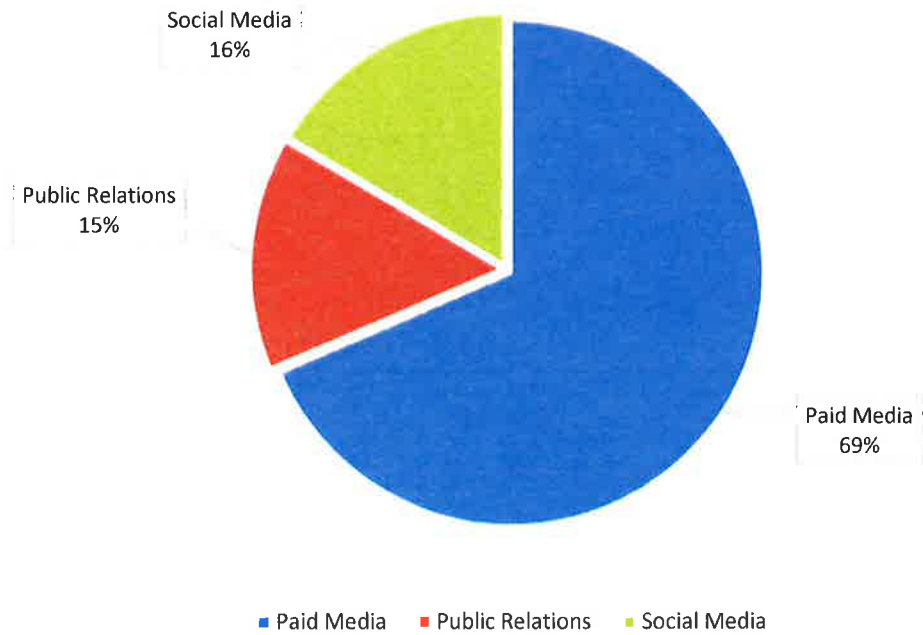


# Kure Beach Budget Allocations FY 18-19: Draft

## FY18-19 Media Outreach Breakdown

Paid Media	\$108,300.00
Public Relations	\$23,500.00
Social Media	\$26,100.00

FY 18-19 Media Outreach Breakdown





# KURE BEACH

**FY 18-19 Strategic Recommendations**

# OBJECTIVES

**Increase awareness for Kure Beach as a destination**

**Target visitors that align with our target audiences and geographies for the highest conversion potential:**

- NC
- Out-of-state: Georgia, New York, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, Maryland/D.C., West Virginia
- National (select writers/outlets only)

**Emphasize revised brand messaging - i.e., serene, quiet and beautiful, emphasize value**

**Motivate visitation**



# FIND CREATIVE WAYS TO SECURE COVERAGE

Public Relations

## New/additional focus on influencers

- From an earned perspective

## Highlight “What’s New” whenever possible

- First North Carolina Heritage Dive Site
- Lorikeets at the Aquarium (Spring 2019)
- South End
- Sand tiger sharks + diving
- Fort Fisher Air Force Recreation Area movies
- Favorite vacation rentals (encourage summer lodging by targeting January distribution)

## Continue to leverage the ongoing transformation of Wilmington’s riverfront

- Follow up from May 2018 FAM trip
- Additional outreach





# TARGET NICHE AUDIENCES

Public Relations

## Millennials

- Travel wants/needs aligns well with new mindset targeting
- Emphasize voluntourism opportunities (See next slide), eco-tourism, bikeability, nightlife in nearby CB, etc.
- Target lifestyle outlets and writers

## Visiting friends and relatives

- Target local media outlets about how important this market segment is to tourism and its potential to attract residents for staycations with visiting family
- "Be a tourist in your own hometown" angle



# LEVERAGE POPULAR TRAVEL TRENDS

Public Relations

## Voluntourism

- Pleasure Island Beach Sea Turtle Project
- Fort Fisher State Recreation Area
- Friends of Fort Fisher
- North Carolina Aquarium at Fort Fisher

## Skip-Gen Vacations

- Things to do that appeal to grandparents and grandchildren
- Easy to get around
- North Carolina Aquarium at Fort Fisher
- Fort Fisher State Historic Site
- Fort Fisher State Recreation Area + beach
- Boardwalk at nearby Carolina Beach



# DEVELOP EDITORIAL CALENDAR

Public Relations

## Quarterly calendar outlining major editorial focuses throughout the year

- Primary focus will be seasonal and topical (i.e., eco-adventure, history, etc.)
- Seasonal and/or topical areas of focus will be supported by a variety of tactics and content:
  - Earned media outreach
  - Social
  - Videos
  - Photography
  - In-market influencers or journalists
  - Blog posts
- Keep in mind Visit NC “Marketing to a Mindset” shift (vs. targeting a specific demographic)

## Implement guest blogger program

- Use to support and flesh out overarching editorial calendar as needed
- Work with local writers and influencers
- Align content with revised brand messaging - i.e., serene, quiet and beautiful, emphasize value

# #DELETEFACEBOOK POV

Social Media

**Most advertisers continue to advertise on the platform**

**Facebook is starting to make changes to regain trust from consumers and advertisers**

- Control data
- Giving people more control over their information

**Facebook remains a powerful platform for consumer marketing, especially in the T&T industry**

- Initial surveying suggests that Facebook users aren't going anywhere
- Blocking third-party data providers (partner categories) most likely will result in a release of Facebook's own targeting parameters
- Businesses must verify they have received permission to use a consumer's email address in advertising targeting on the platform



# CREATE MORE ENGAGING CONTENT

Social Media

## Provide a deeper level of storytelling

- Emphasize the experiences fans/followers will find when exploring the island
- Shift event posts to emphasize stories behind the event as opposed to simply being an event calendar publisher

## Incorporate a variety of video content

- Includes time-lapse, short-form GIFs and cinemagraphs, interview-style, GoPro, 360, etc.
- Create videos that align with overall content strategy/editorial calendar

## Promote more native content

- Link to blog posts, Things to Do, etc.
- Align web content with social
- Continue to link to influencer content or news stories



# FOCUS ON AUTHENTIC, REAL-TIME CONTENT

Social Media

## Scale back pre-planned posts in order to publish more real-time content

- CVB to take the lead on content capture; FWV to publish

## Leverage more UGC (User Generated Content)

- Incorporate into blog posts and other website content (example to right)
- Utilize TINT to mine content

## Utilize Stories features

- Continue using Instagram stories to promote upcoming Live events and other announcements; incorporate priority experiences that align with content strategy/editorial calendar
- Begin incorporating Facebook stories

## Incorporate more partner content

- Share posts from partners
- Continue to tag partners in relevant content



FWV

# CREATE CONTENT NATIVE TO THE CHANNEL

Social Media

## Instagram

- Develop short form videos (time lapse, :15 second panoramic views)
- Beautiful imagery that tells story beyond caption
- Continue to promote Live events through Facebook and Instagram stories in advance to encourage larger viewership

## Facebook

- Create videos and posts that showcase deeper level storytelling
- Continue to craft more conversational content that is meaningful in order to have greater chance of content being seen due to Facebook's new algorithm
- Focus on differentiators of platform: Feedback/conversation, recommendations, events, chat, etc.
- Shift Facebook Lives to focus on promoting experiences (rather than only events), aligning with content strategy/editorial calendar

## Twitter

- Post events/accolades/what's new/news features only
- Continue to RT relevant content
- Secondary channel



Visit Kure Beach, NC  
Published on 2/1/17

Did you know Ocean Front Park is our largest public green space? Check it out for yourself during the Kure Beach Street Festival on April 28. The open-air pavilion known for hosting family-friendly events all summer long will showcase arts, crafts and food vendors, children's entertainment, and live music - all with beautiful Atlantic Ocean views. <http://bit.ly/2j12jK5>



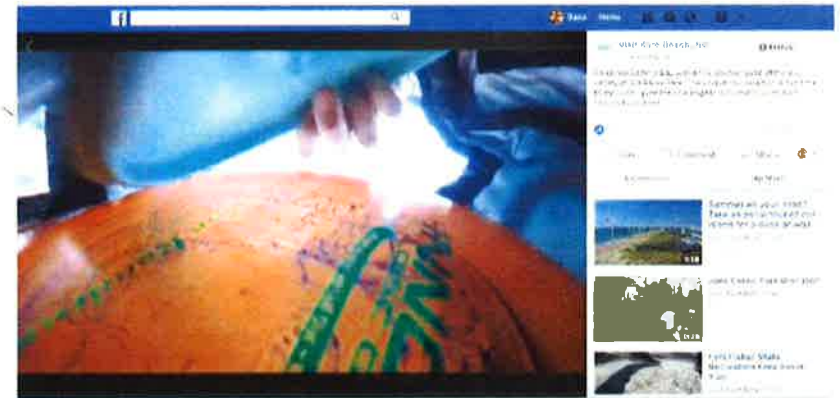
FWV

# EXTEND THE REACH OF VIDEO CONTENT

Social Media

## Amplify spring video content with paid support on Facebook and Instagram

- Motivate visitation during the spring travel season, leading into summer
- Target prospects programmatically based on interests and behaviors
- Optimize campaign for reach with links to drive website impact







an integrated branding agency



*North Carolina's Small Wonder*



# FY 2018-2019 strategic planning



# agenda

- recap working session
- strategic recommendations
- media plan recommendations
- social media and PR recommendations

The background is a solid dark red color. Overlaid on this are various geometric shapes in lighter shades of orange and red. These shapes include triangles, squares, circles, and rectangles, some of which are semi-transparent or layered, creating a complex, abstract pattern. The shapes are scattered across the page, with a notable concentration in the upper right and lower right areas.

# workshop recap

## **how is business?**

- summer business was down
- fall shoulder season was impacted by weather
- hurricane season=uncertainty
- school schedule affecting end of summer
- shorter rentals during summer impacting hotels
- parking

## **audience**

- increase in families with young children and large groups
- seeing an increase in younger audiences
- impact of AirBnb & VRBO
- more people from Wilmington and nearby areas renting
- more pets are being brought along on trips
- increased rentals from future residents until homes are ready

## **product evolution**

- product lives up to branding
- opportunity to promote local niche attractions
- kite festival is drawing attention
- Fort Fisher State Historic Site Visitors Center
- concerts/activities in the parks
- destination is bikeable
- dive sites
- movies at Fort Fisher Air Force Recreation Area
- south end of the island

## **perceptions**

- KB is a value/cheap destination in terms of price
- KB offers quality experiences and simplicity, but it's not cheap
- quiet and peaceful
- lots to do in the area and value in promoting Wilmington assets
- parking is becoming an issue

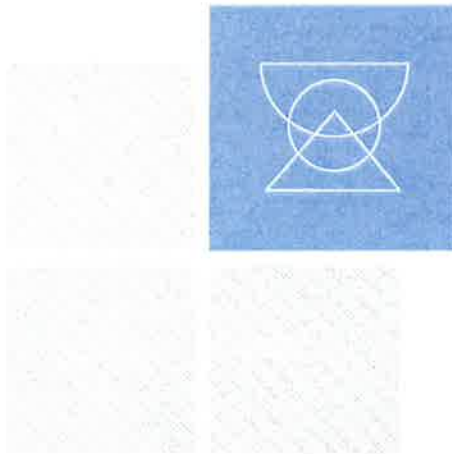
# **actionable marketing takeaways**

- leverage entire island and Wilmington in communications to enhance KB offerings when applicable
- shift season prioritization
- increased focus on more intangible assets
- address value to negate cheap perception
- promote south end of the island



**strategic recommendations**





## **competition**

how do we differentiate from  
the competition?

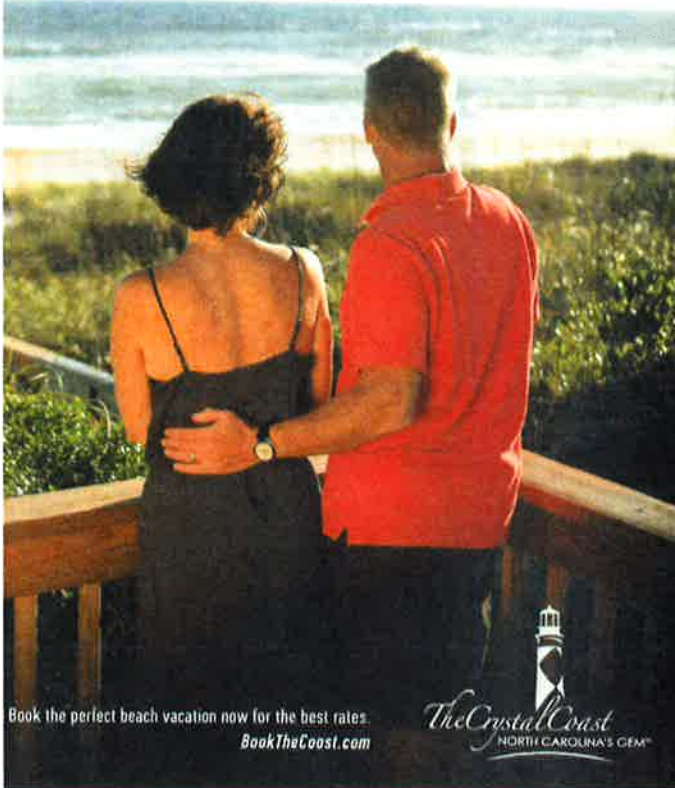
competition



competition

*The  
Crystal  
Coast*  
NORTH CAROLINA'S GEM

MORE TIME TO ENJOY  
THE NATURAL BEAUTY STANDING  
RIGHT NEXT TO YOU



Book the perfect beach vacation now for the best rates.  
[BookTheCoast.com](http://BookTheCoast.com)

*The Crystal Coast*  
NORTH CAROLINA'S GEM

competition

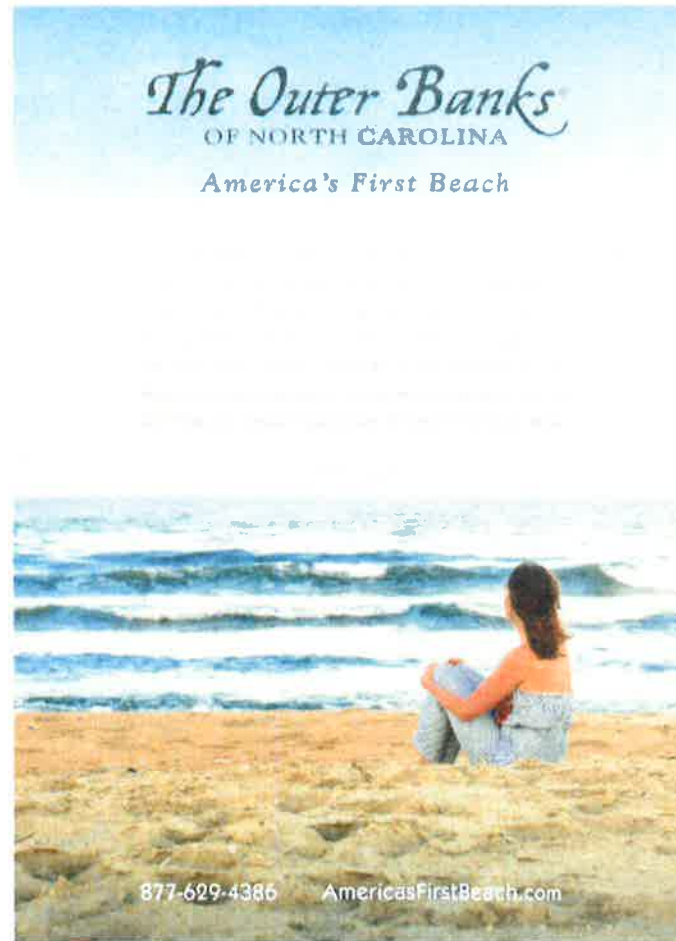


# The Outer Banks® OF NORTH CAROLINA



competition

*The Outer Banks*<sup>®</sup>  
OF NORTH CAROLINA



competition



I am...  
The **best** anything  
planner ever.



Plan Your Visit Now >



I am...  
Wild & free.



Explore Your Wild Side >



I am... Falling in love  
with Currituck.



Plan Your  
Trip Now >

competition

visit  
**MYRTLE BEACH**  
SOUTH CAROLINA

Relax & Unwind  
**ON MYRTLE BEACH Time**

Plan NOW! Save NOW!  
*Summer* Beach Deals! visit **MYRTLE BEACH**  
SOUTH CAROLINA

This advertisement features a beach scene with waves crashing on the shore. In the foreground, a large blue beach umbrella is set up on the sand, with two people sitting in lounge chairs nearby. The text is arranged in a vertical layout, with the main headline at the top and promotional text at the bottom.

NEW  
NONSTOP  
FLIGHTS  
TO  
MYRTLE  
BEACH

visit **MYRTLE BEACH**  
SOUTH CAROLINA

Book Now!

This advertisement has a dark blue background with a pattern of small white stars. A colorful beach umbrella and two lounge chairs are visible in the lower half of the image. The text is centered and uses a mix of bold, sans-serif and script fonts.

RELAX & UNWIND  
ON MYRTLE BEACH TIME

Book Now! visit **MYRTLE BEACH**

Spring  
DEALS

visit **MYRTLE BEACH** Book Now!

Meet in  
**Myrtle Beach.**

- Spacious Facilities
- Centralized Airport
- Endless Entertainment
- Coastal Carolina Cuisine
- Pristine Beaches
- Southern Charm

Discover More Today! visit **MYRTLE BEACH**  
SOUTH CAROLINA

This advertisement is a vertical stack of three smaller promotional images. The top image shows a beach umbrella and chairs with the text 'RELAX & UNWIND ON MYRTLE BEACH TIME'. The middle image shows a sunset over water with the text 'Spring DEALS'. The bottom image shows a marina with boats and a building, with the text 'Meet in Myrtle Beach.' and a list of amenities.

competition

north carolina's  
brunswick islands

Colonial • Currituck Beach • Hatteras Beach • Leland • Outer Banks • Pigeon • Roanoke • Swainsboro • Swainsport • Swanport Beach

one location  
SO MANY POSSIBILITIES

WORTH CATERING TO  
brunswick islands  
Make Beach be your Spring!

1-800-795-7263 | www.ncbrunswick.com

 Oak Island Accommodations 921   www.OakIslandVacations.com   847-894-2242   www.SunsetPierpines.com	 THE GOLDEN GATE 800-233-3167   www.TheGoldenGate.com
 Wilmington Family Vacations 72   www.WilmingtonFamilyVacations.com   800-233-3167   www.TheGoldenGate.com	 THE GOLDEN GATE 800-233-3167   www.TheGoldenGate.com
 Brunswick Islands Family 688   www.brunswickislandsfamily.com   1-800-626-2236   www.hatterasbeach.com	 THE GOLDEN GATE 800-233-3167   www.TheGoldenGate.com

Moments are fleeting.  
Bonds are forever.

north carolina's  
brunswick islands  
800-795-7263  
www.ncbrunswick.com

From the golden Sea Trail of Gas  
to the finest Scenic, Sea, and  
SUN vacation areas with pet and  
land-friendly options.

Oak Island  
Accommodations  
877-227-7071 | www.VacationOnIslands.com

With nearly 500 vacation homes let us  
help you find your ideal "Escape" to  
the Outer Banks. America's Best Family  
Beach!

AN GOLDEN  
VACATIONS  
800-233-3167 | www.TheGoldenGate.com

Escape from stress, enjoy Subtropical  
beaches, breathtaking views, scenic  
sunsets, and Southern hospitality.  
Sail on a boat & see Cape Hatteras, Free  
entertainment!

THE GOLDEN GATE  
800-233-3167 | www.TheGoldenGate.com

Hatteras Beach, which means, get family  
get to play and excitement! Sun, Sea,  
Sand, Beach, and our friendly, life  
guard team.

SEA TRAIL  
800-233-3167 | www.TheGoldenGate.com

50 miles of charming (and pet) comfortable  
accommodations. Sea Lovers, call 800-233-  
3167. It's all yours, just minutes from  
the beach.

SEA TRAIL



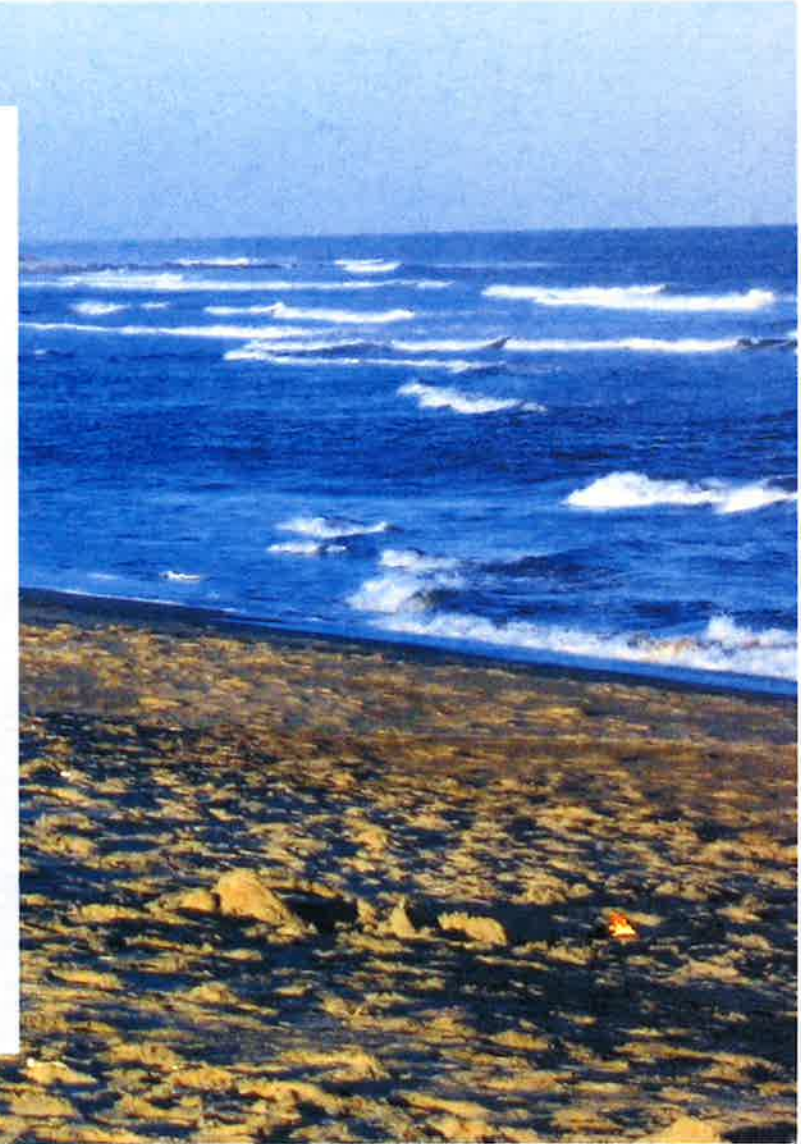


**brand**

how do we define ourselves?

## **Pure and Natural Playground**

Let the peaceful atmosphere of North Carolina's small wonder, Kure Beach transform you. Home to one of the oldest fishing piers on the Atlantic coast, the relaxed pace and the natural surroundings provide a setting for you and your family to reconnect and embrace the powerful nostalgia for a simpler time. Get away from the busy pace of life you're used to, to embrace the curiosity and innocence of your childhood in this pure and natural playground, Kure Beach.

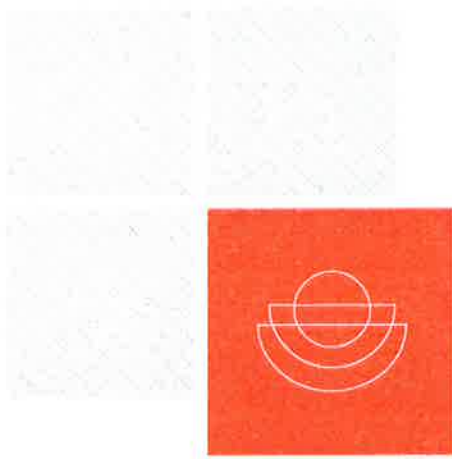


brand



## **messaging pillars**

- serene, quiet and beautiful, not cheap
- leveraging all local assets
- natural setting with plenty of activities



## **audience**

which visitors are we targeting?

audience



audience

# mindset targeting



what they **want**

- peaceful and quiet
- natural surroundings
- rejuvenation

what they **don't want**

- lively and active
- manicured resort
- nightlife/shopping

The background is a solid dark red color. Overlaid on this are various semi-transparent geometric shapes in lighter shades of orange and red. These shapes include triangles, squares, circles, and complex multi-part polygons, some of which are arranged to resemble stylized architectural elements or abstract symbols. The overall effect is a layered, textured composition.

**campaign** setup

## campaign setup



**KURE  
BEACH**

*North Carolina's Small Wonder*

### **objective**

- drive interest and consideration of the destination among core audiences during peak seasons.

### **timing**

- heavy up periods:
  - fall 2018: August-mid September
  - spring 2019: January-February (rentals); March-June



## campaign setup

# fall

fall presents opportunities to drive short term visitation among an audience interested in long weekend getaways

### geography

Raleigh-Durham  
Charlotte  
Winston-Salem  
Greensboro  
Fayetteville

### audience

women 35-64  
couples and groups of friends without children  
household income \$50K+  
interest in beach vacations

### channels

focus on digital and paid social channels

## campaign setup

# spring

spring offers opportunities to reach families and groups planning spring getaways and lengthier summer vacations that require longer lead times for planning

### geography

North Carolina  
Pennsylvania  
Georgia  
Virginia  
Ohio  
South Carolina  
Tennessee  
Maryland  
West Virginia  
Washington DC

### audience

women 30-54  
household income  
\$50K+  
families with  
children  
groups of friends  
interest in beach  
vacations

### channels

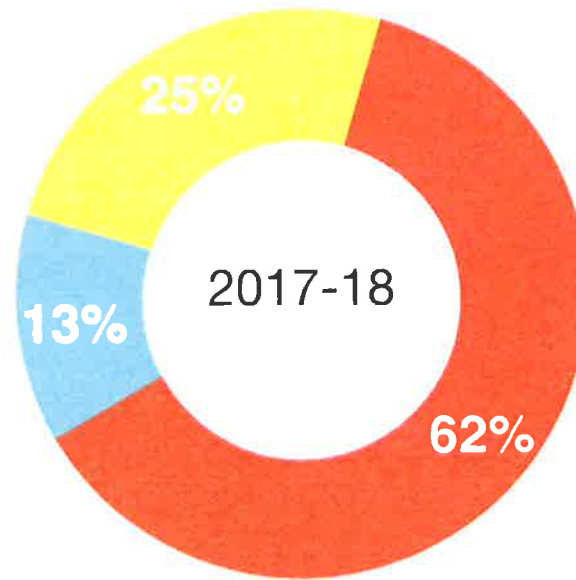
increase digital  
and paid social  
**digital video**  
**print**

note: in states outside NC, advertising will focus on top two markets only.

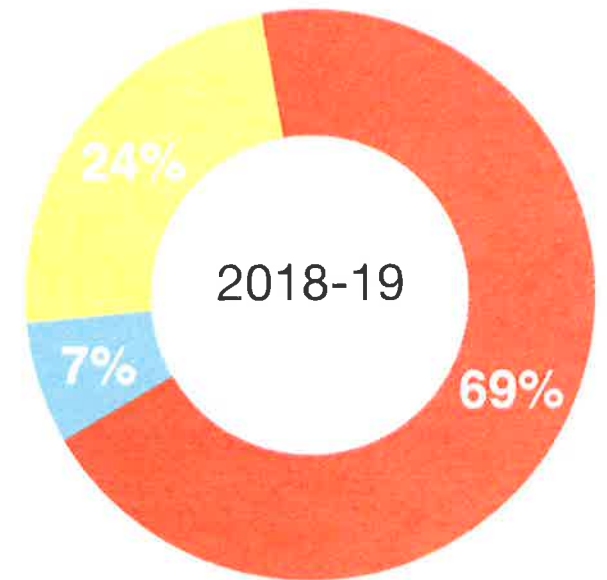
campaign setup

## media mix

breakout of recommended media spend by channel



● print ● search ● digital



● print ● search ● digital

## shifts for FY 18/19

+

### paid social

- Facebook and Instagram are high engagement drivers
- ad units are sharable, allowing fans of Kure to act as brand advocates

### digital video

- travelers are spending more time watching online videos than ever before, with views of travel-related content up 118% year over year

-

### native display

- while these are high drivers of site traffic, the high bounce rate and low time spent on site indicates low quality of traffic

### print

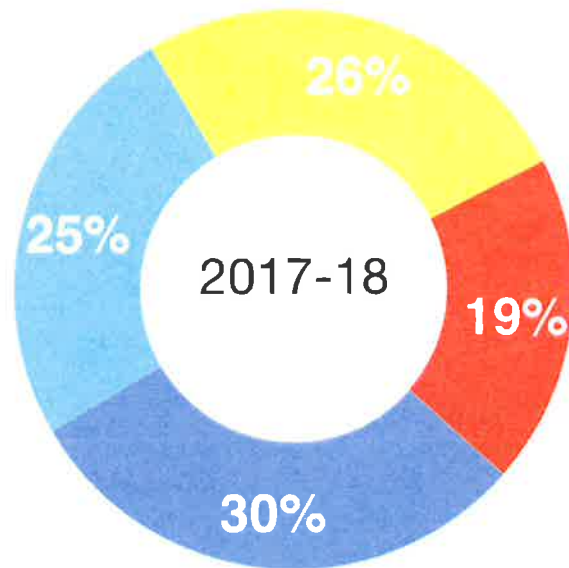
- focus spend on key regional publication

## digital performance summary

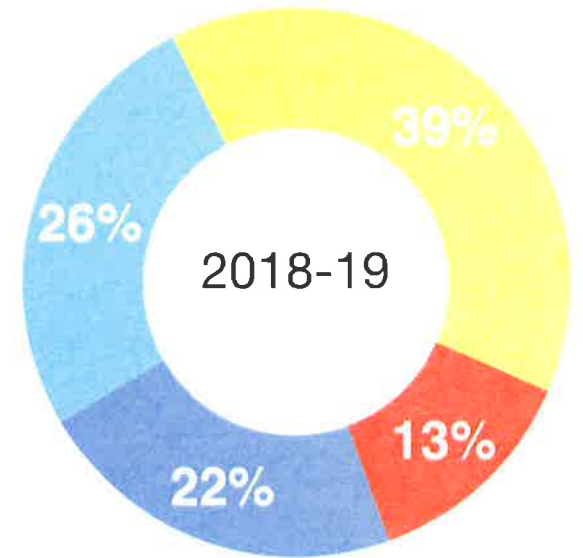
channel	primary KPI	CPI	new users	pages/session	duration
search	inquiry	low	high	high	average
e-mail	inquiry	low	high	high	high
display	inquiry, awareness	medium	high	average	low
social display/lead	awareness, inquiry	low	high	average	high
native	awareness, inquiry	low	average	low	low
video	awareness	high	high	average	low

# digital mix

breakout of recommended media spend by digital channel



- search
- social
- programmatic
- publisher



- search
- social
- programmatic
- publisher

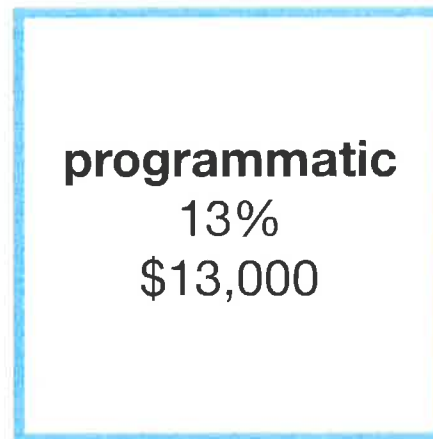
The background is a solid dark red color. Overlaid on this are various geometric shapes in lighter shades of orange and red. These shapes include triangles, squares, circles, and semi-circles, some of which are arranged to form larger, more complex patterns. The overall aesthetic is modern and minimalist.

**media** recommendation

digital recommendation

# channel selection

breakout of channel selections





## digital recommendation

**paid search**  
**\$25,000**

### **search listings**

- ▶ competitive keyword bidding
- ▶ optimized off of cost-per-click

### **display ads**

- ▶ Google display network
- ▶ responsive ad design

### **display retargeting**

- ▶ site + keyword retargeting
- ▶ drive conversions of email signup and visitor guide downloads

## digital recommendation

paid social  
\$38,400

### facebook display

- ▶ display ads, a portion of which include a lead capturing element to obtain user e-mail addresses
- ▶ sponsored posts in collaboration with FWV
- ▶ primary kpi: cost-per-lead or cost-per-inquiry



### facebook canvas

- ▶ immersive, full-screen offering
- ▶ full integration of creative assets
- ▶ primary kpi: time spent and percent viewed

CANVAS

### facebook video

- ▶ :15 social videos
- ▶ drives engagement, sharing of content
- ▶ primary kpi: engagement (likes, shares, comments)



### instagram display

- ▶ promote rich imagery in instagram users' newsfeed
- ▶ static and carousel units
- ▶ primary kpi: user engagement (likes, shares, comments)



### influencer marketing

- ▶ leverage travel influencers to promote destination via their social channels
- ▶ primary kpi: user engagement (likes, shares, comments)



## digital recommendation

**programmatic**  
**\$13,000**

### pre-roll video

- ▶ cost-effective awareness tactic
- ▶ rich targeting and premium inventory
- ▶ primary kpi: video completion rate

**zeta**

### weather triggered

- ▶ display ads triggered to serve when weekend weather forecast is warm and sunny in Kure Beach
- ▶ primary kpi: cost-per-inquiry

**zeta**

## digital recommendation

**publisher direct**  
**\$21,600**

### Trip Advisor

- ▶ display ads targeted to NC coastal content
- ▶ primary kpi: cost-per-engagement



### Visit NC

- ▶ brochure + video listings
- ▶ featured event social promos
- ▶ primary kpi: cost-per-inquiry



### e-blasts

- ▶ publisher e-newsletter sponsorship
- ▶ audience targeted e-blasts
- ▶ primary kpi: open rate and cost-per-inquiry



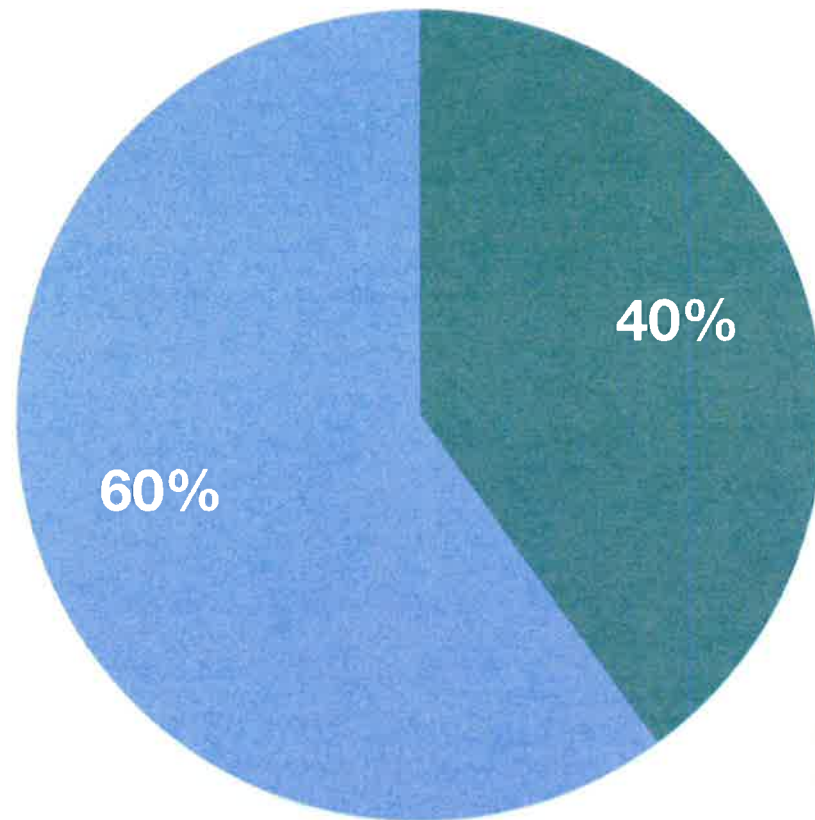
### Home Away

- ▶ display ads on mobile and desktop
- ▶ targeted to users searching for vacation rentals
- ▶ will also run on VRBO + VacationRentals.com
- ▶ primary kpi: cost-per-inquiry



accommodation types

# of rental units (March 2018)



- limited service hotels
- real estate rentals



**print**  
**\$7,500**

# Our State

## **publisher stats**

- published 12x per year
- monthly circulation of 160,000
- audience leans female (58%), with an average age of 53

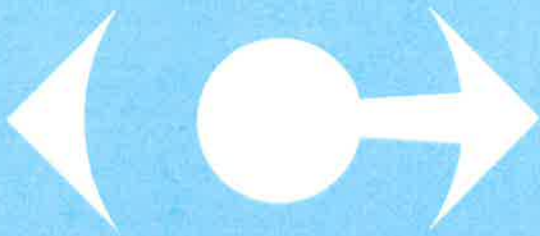
## **program details**

- 1 half-page, full-color ad in Spring
- focused around travel, and things-to-do editorial
- travel e-newsletter sponsorship opportunities

**budget recap\***

<b>channel</b>	<b>allocation</b>	<b>budget</b>
search	24%	\$25,000
social	36%	\$38,400
programmatic	13%	\$13,000
publisher direct	20%	\$21,600
print	7%	\$7,500
<b>TOTAL</b>	<b>100%</b>	<b>\$105,500</b>

\*recap not based on final budget, subject to change. For purposes of this presentation, a 5% YOY spend increase has been factored in.





P&Z – NO MINUTES  
FROM MAY  
MEETING AS THERE  
WAS NO QUORUM  
TO HOLD MEETING

# DEPARTMENT HEAD ITEMS

# **TOWN OF KURE BEACH FISCAL YEAR 2018/2019 PROPOSED BUDGET**



MAY 15, 2018

## GENERAL BUDGET INFORMATION

- The budget proposal is in accordance with NC General Statutes Section 159-11
- All sections of the budget are in conformance with The Local Government Budget and Fiscal Control Act
- As required by NC General Statutes Section 159-12, a public hearing must be held prior to budget adoption. The public hearing is proposed for Tuesday, June 5<sup>th</sup> at 6:30 pm
- Once the budget proposal is accepted by Town Council, copies will be available for public inspection on the Town's website and at Town Hall
- A balanced budget, or an interim budget, must be adopted before July 1st

## GENERAL BUDGET INFORMATION

The budget proposal consists of 3 components:

1. Budget Message – summarizes the budget, provides key highlights and identifies significant differences from the current year budget
2. Draft Budget Ordinance – contains the budgeted revenues and expenditures by fund, information regarding property taxes, salaries, any changes to the Fee Schedule, as well as other statutory requirements
3. Draft Fee Schedule – includes the fees to be charged by the Town for various services

# **TOWN OF KURE BEACH**

## **FISCAL YEAR 2018/2019 GOALS**

1. Work smarter to maintain and improve our quality of life in Kure Beach.
  - ❖ Improve parking situation
  - ❖ Upgrade systems such as water meter and billing
  - ❖ Work on Department of Defense Land Use Plan to retain assets
2. Ensure the integrity of Town financial data and maintain financial stability in all Town funds.
  - ❖ Bring in construction project on time and at cost
  - ❖ Be fiscally responsible
  - ❖ Improve long term planning
  - ❖ Review ordinances for enforcement process
  - ❖ Room Occupancy Tax maintenance

## **TOWN OF KURE BEACH FISCAL YEAR 2018/2019 GOALS**

3. Enable an optimum working environment for staff to produce high levels of service to the public.
  - ❖ Town Hall space (physical)
  - ❖ Ensure policies are fair (morale)
  
4. Provide all departments with the support to maintain a safe working and living environment.
  - ❖ Support camera program
  - ❖ Use technology to multiply abilities

**TOWN OF KURE BEACH  
FISCAL YEAR 2018/2019  
PROPOSED BUDGET**

<b><u>FUND</u></b>	<b><u>PROPOSED FY 2019 BUDGET</u></b>	<b><u>ORIGINAL FY 2018 BUDGET</u></b>	<b><u>CHANGE</u></b>	<b><u>% CHANGE</u></b>
General Fund	<b>\$5,206,532</b>	\$4,607,417	\$599,115	13.0%
Water and Sewer Fund	<b>\$2,196,085</b>	\$2,150,655	\$45,430	2.1%
Storm Water Fund	<b>\$ 358,380</b>	\$ 630,094	(\$271,714)	(43.1%)
Powell Bill Fund	<b>\$ 175,000</b>	\$ 65,070	\$109,930	168.9%
Federal Asset Forfeiture Fund	<b>\$ 50,000</b>	\$ 50,000	\$0	0.0%
Sewer Expansion Reserve Fund (SERF)	<b>\$ 16,250</b>	\$ 30,330	(\$14,080)	(46.4%)
Beach Protection Fund	<b><u>\$ 13,397</u></b>	<u>\$ 47,090</u>	<u>(\$33,693)</u>	<u>(71.6%)</u>
<b>TOTAL</b>	<b><u>\$8,015,644</u></b>	<u>\$7,580,656</u>	<u>\$434,988</u>	<u>5.7%</u>



**TOWN OF KURE BEACH  
FISCAL YEAR 2018/2019 PROPOSED BUDGET  
GENERAL FUND HIGHLIGHTS**

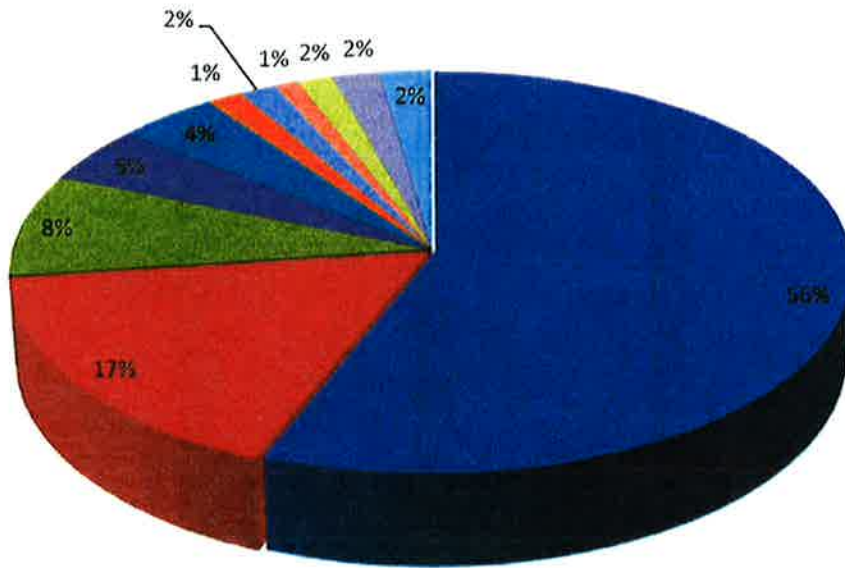
1. Proposed tax rate increase – 4.5 cents (15.8%)
  - New rate would be 33 cents (\$0.33) per \$100 of valuation
  
2. General Fund fee increases as follows:
  - Increase monthly garbage collection fees and monthly recycle fee:

	CURRENT FEE	PROPOSED FEE
<b>GARBAGE COLLECTION</b>		
<b>RESIDENTIAL</b>		
First cart	\$6.00	\$7.00
After the first cart	\$12.00	\$14.00
<b>COMMERCIAL</b>		
Per cart	\$26.25	\$30.63
<b>RECYCLE SERVICE</b>		
Per cart	\$4.88	\$5.01

**TOWN OF KURE BEACH  
FISCAL YEAR 2018/2019 PROPOSED BUDGET  
GENERAL FUND HIGHLIGHTS**

3. 2% Cost of Living Adjustment and 2% merit increase for employees
4. Additions to full-time employees:
  - One employee in Administration
  - One employee in Parks and Recreation
5. Capital expenditures totaling \$207,450
6. Transfer \$9,807 to the Beach Protection Fund
7. Contingency of \$9,850
8. Overall, the 2019 General Fund budget is 13% greater than the 2018 original budget

## GENERAL FUND REVENUE BUDGET FISCAL YEAR 2019



- Property Tax \$2,920,300
- Sales Tax \$886,000
- Garbage & Recycling Fees \$429,900
- TDA Funds \$235,000
- Franchise & Utility Tax \$225,000
- Bldg. Permit, CAMA & Impact Fees \$76,750
- Communication Tower Rent \$81,924
- Parks & Rec./Comm. Ctr./Festival \$52,700
- CAMA Grant - Beach Access Paving \$78,523
- Other Revenue \$105,435
- Other Financing Sources \$115,000

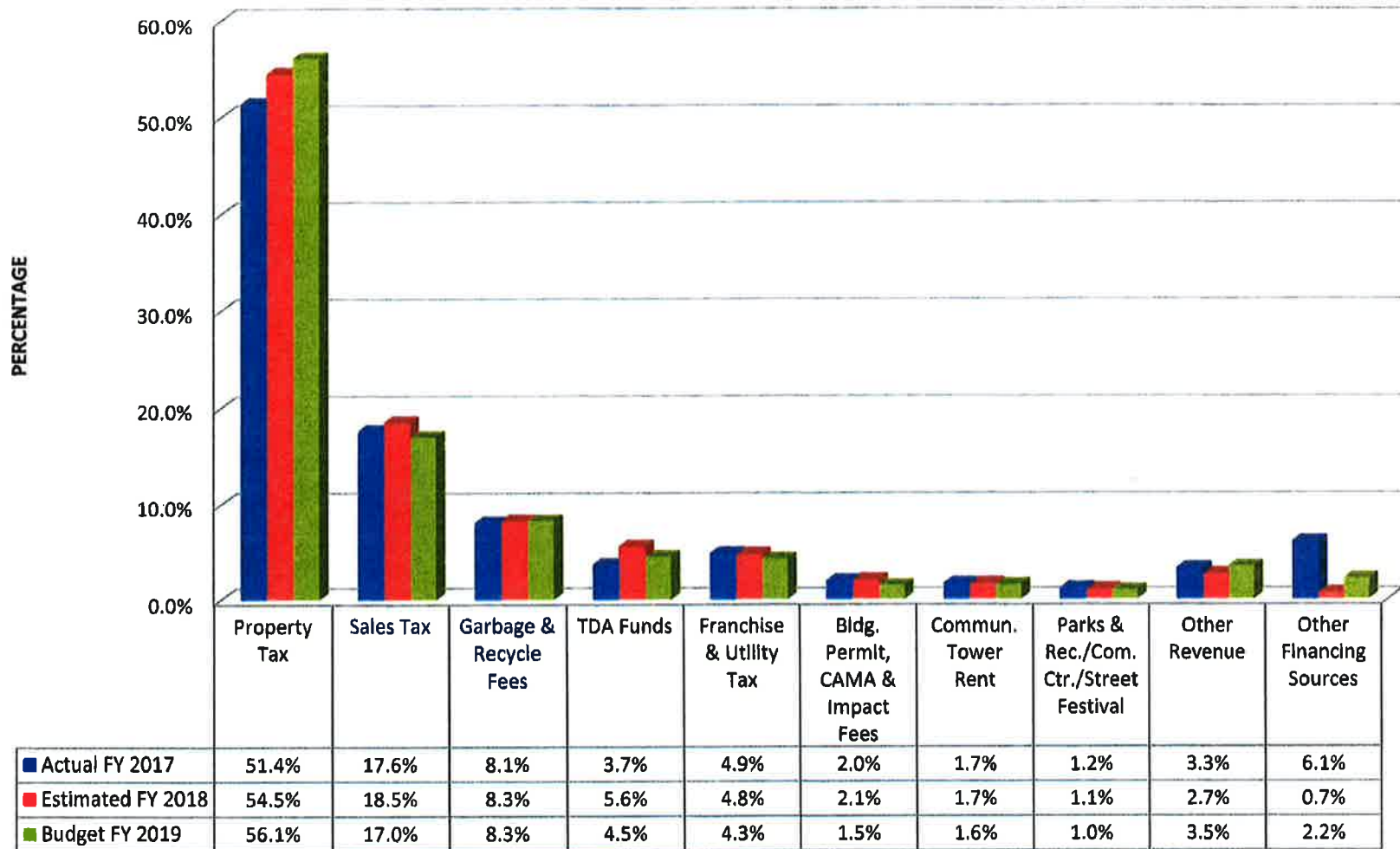
**IMPACT OF KURE BEACH PROPOSED  
PROPERTY TAX RATE ON A  
PROPERTY VALUED AT \$350,000**

Tax at Current Tax Rate (\$0.285)	\$997.50
Proposed Tax Increase (\$0.045)	<u>\$157.50</u>
Total Tax at Proposed Tax Rate (\$0.33)	<u>\$1,155.00</u>

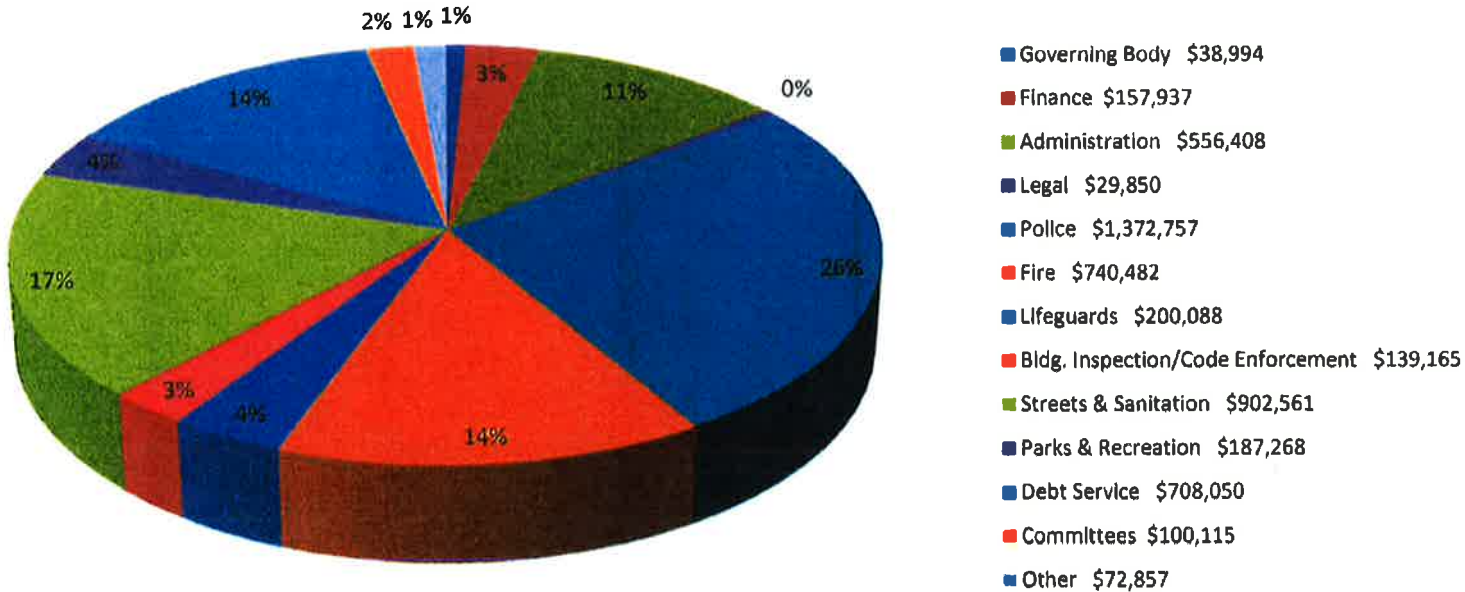
**IMPACT OF KURE BEACH AND NEW HANOVER COUNTY  
PROPOSED FISCAL YEAR 2019 PROPERTY TAX RATES ON A  
PROPERTY VALUED AT \$350,000**

	CURRENT		PROPOSED FOR FY 2019		ANNUAL TAX DIFFERENCE
	TAX RATE	ANNUAL TAX	TAX RATE	ANNUAL TAX	
Kure Beach	\$0.285	\$997.50	\$0.33	\$1,155.00	\$157.50
New Hanover County (including debt service)	\$0.57	<u>\$1,995.00</u>	\$0.555	<u>\$1,942.50</u>	<u>(\$52.50)</u>
TOTAL		<u>\$2,992.50</u>		<u>\$3,097.50</u>	<u>\$105.00</u>
			% Change Kure Beach & NHC		3.51%

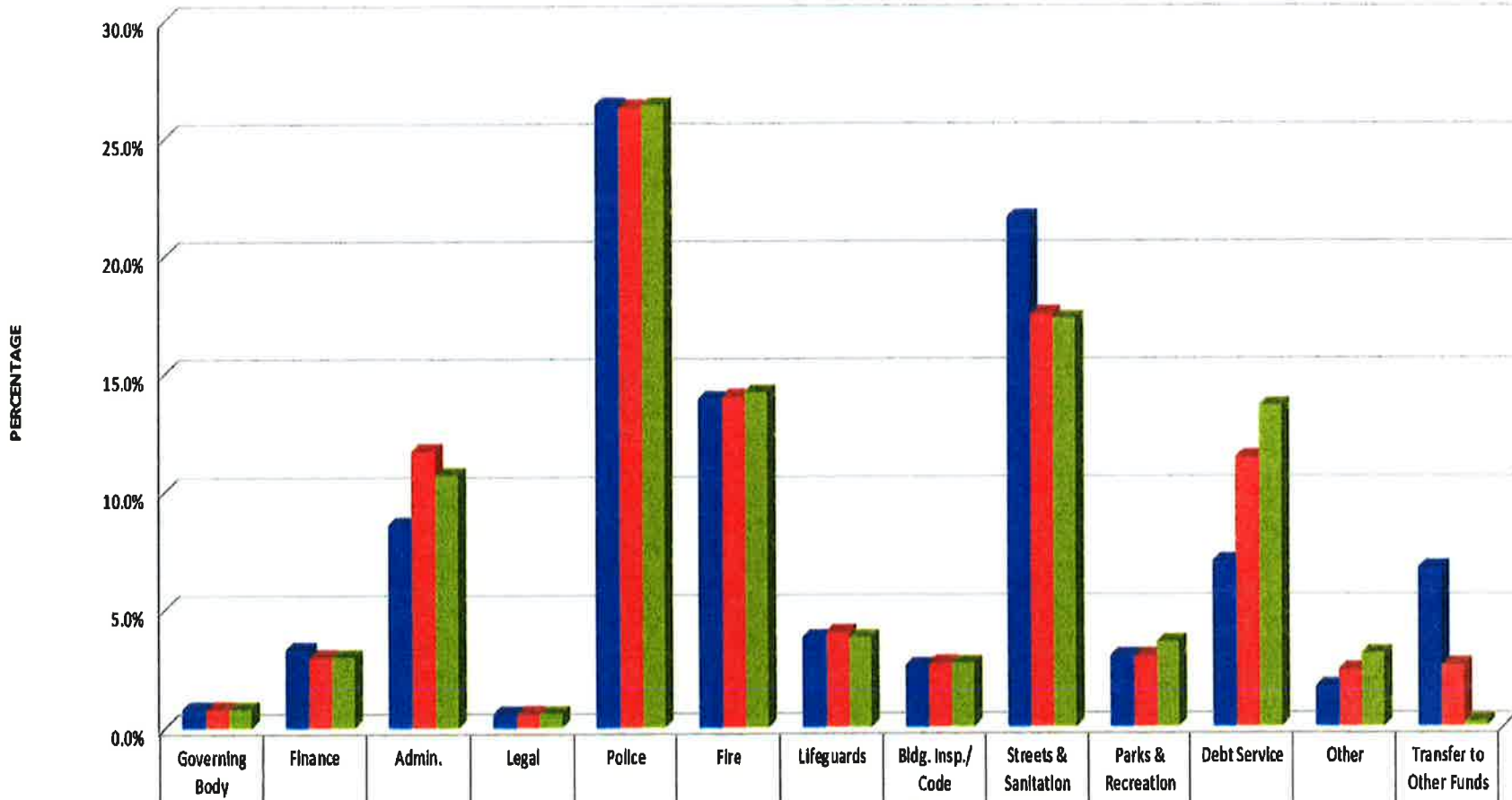
**GENERAL FUND  
PERCENTAGE OF REVENUE BY SOURCE  
FISCAL YEAR 2017 TO 2019**



# GENERAL FUND EXPENSE BUDGET FISCAL YEAR 2019



**GENERAL FUND  
PERCENTAGE OF EXPENSES BY DEPARTMENT  
FISCAL YEAR 2017 TO 2019**



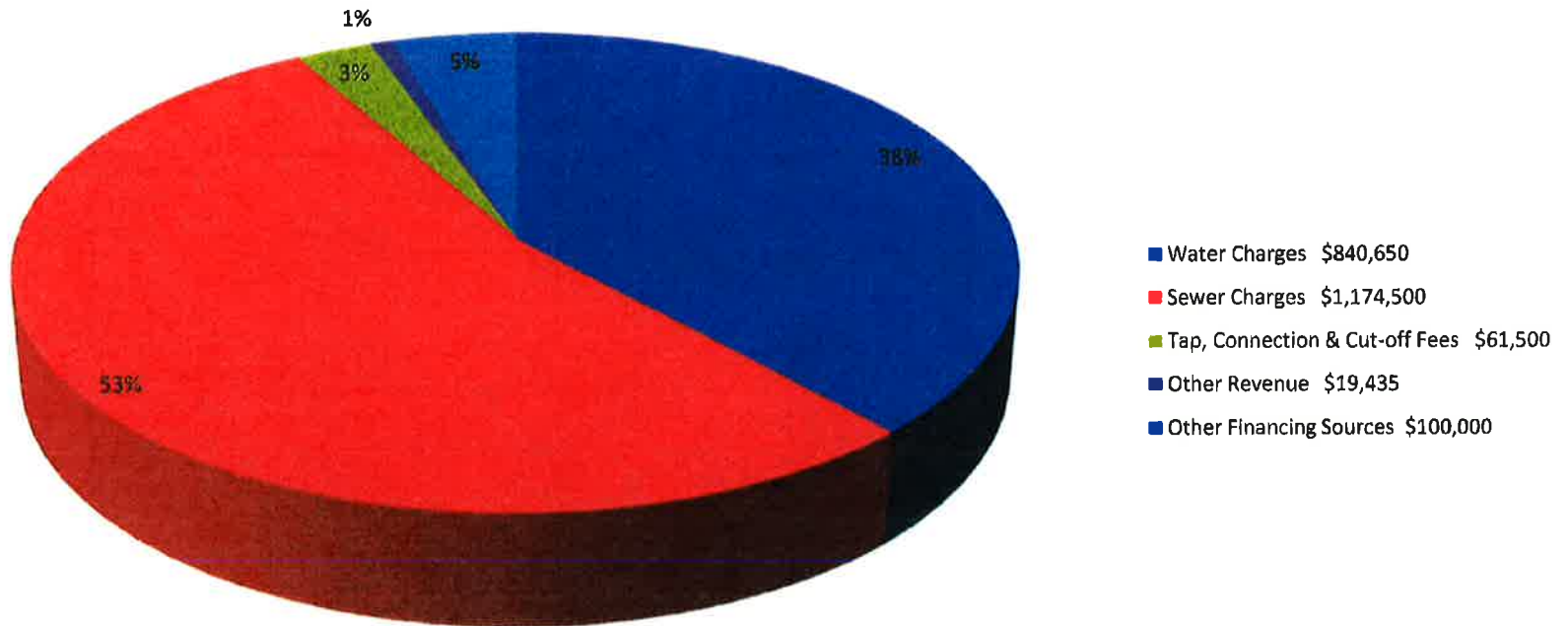
Actual FY 2017	0.8%	3.3%	8.6%	0.6%	26.4%	13.9%	3.8%	2.6%	21.6%	3.0%	7.0%	1.7%	6.7%
Estimated FY 2018	0.8%	3.0%	11.7%	0.6%	26.3%	14.0%	4.0%	2.7%	17.5%	3.0%	11.4%	2.4%	2.6%
Budget FY 2019	0.8%	3.0%	10.7%	0.6%	26.4%	14.2%	3.8%	2.7%	17.3%	3.6%	13.6%	3.1%	0.2%



**TOWN OF KURE BEACH  
FISCAL YEAR 2018/2019 PROPOSED BUDGET  
WATER AND SEWER FUND HIGHLIGHTS**

1. Changes to the existing water and sewer rate structure:
  - Residential - New rate tier for monthly usage above 12,000 gallons
  - Commercial and Fort Fisher – New rate tier for monthly usage above 70,000 gallons
2. \$240,300 for infrastructure projects and equipment capital expenditures
3. Debt service totaling \$258,820
4. Overall, the 2019 Water and Sewer budget is 2.1% greater than the 2018 budget

**WATER & SEWER FUND  
REVENUE BUDGET  
FISCAL YEAR 2019**



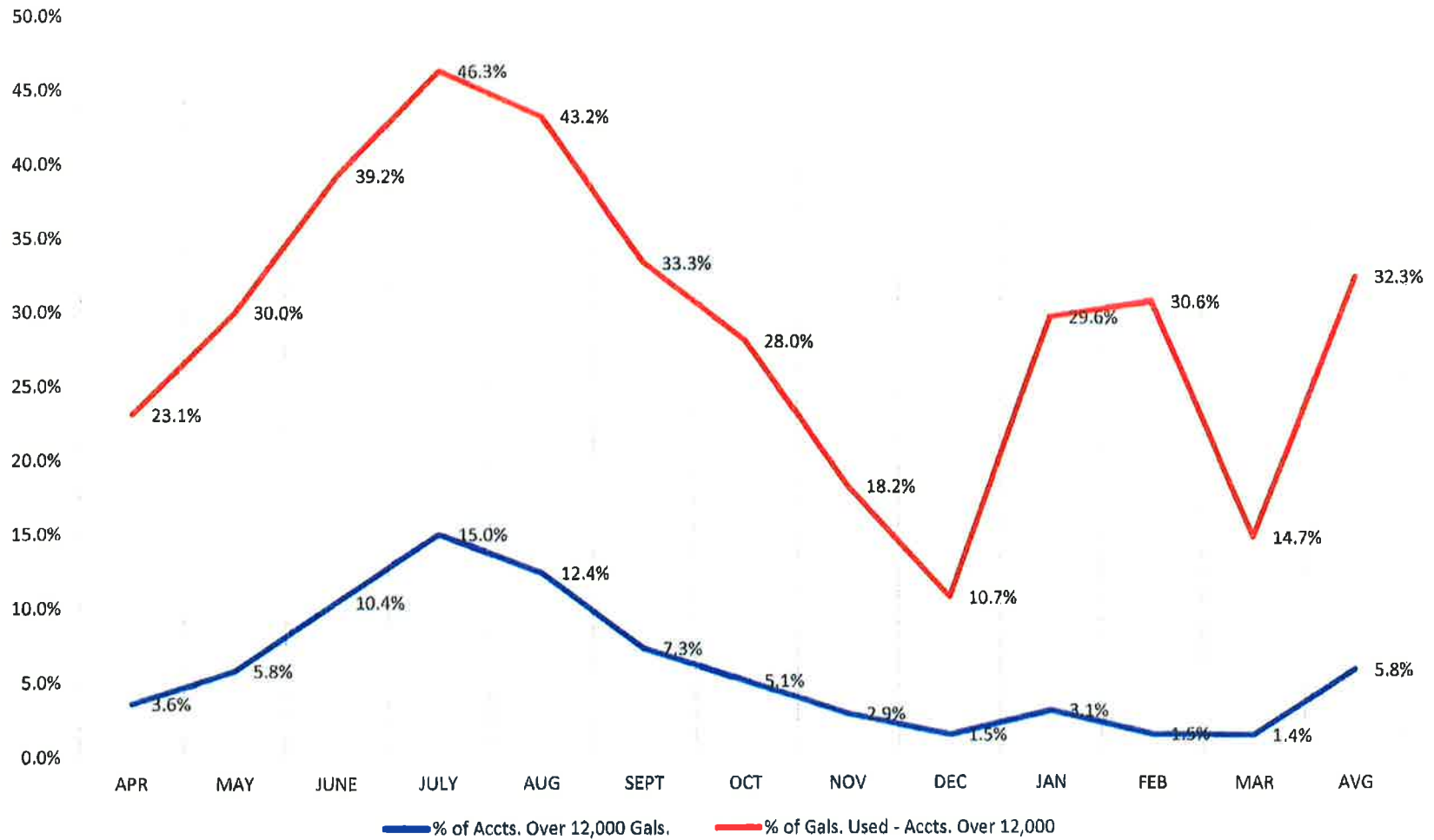
**WATER AND SEWER FUND  
GALLONS BILLED BY CUSTOMER TYPE  
4/1/2017 – 3/31/2018**

	GALLONS			
	RESIDENTIAL	COMMERCIAL	FORT FISHER	TOTAL
WATER	93,171,198	8,199,830	9,150,400	110,521,428
	84.3%	7.4%	8.3%	
SEWER	89,706,160	7,726,010	10,811,151	108,243,321
	82.9%	7.1%	10.0%	

**PROPOSED FISCAL YEAR 2018/2019**  
**RESIDENTIAL WATER & SEWER RATE STRUCTURE CHANGES**

1. Increase the financial responsibility for those customers who use the most water and sewer resources
2. In fiscal year 2017, added a rate tier for residential customers for usage above 7,000 gallons in a month
3. For fiscal year 2019, propose adding a new rate tier for monthly usage over 12,000 gallons
4. During the 12 month period of April 2017 to March 2018:
  - 5.8% of the residential billings used over 12,000 gallons
  - Those 5.8% of the billings used approximately 32% of the total residential water usage
  - 32% of the residential water usage is over 30 million gallons

**RESIDENTIAL ACCOUNTS USING OVER 12,000 GALLONS PER MONTH  
% OF ACCOUNTS VS. % OF GALLONS USED  
4/1/2017 TO 3/31/2018**



## PROPOSED FISCAL YEAR 2018/2019 RESIDENTIAL WATER & SEWER RATE STRUCTURE CHANGES

5. Proposed rate structure for residential customers for fiscal year 2019:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Minimum - up to 2,500 gals.	\$13.50	\$13.50	\$23.50	\$23.50	No change
2,501 to 7,000 gals. (rate per 100 gals.)	\$0.45	\$0.45	\$0.58	\$0.58	No change
7,001 to 12,000 gals. (rate per 100 gals.)	\$0.675	\$0.675	\$0.87	\$0.87	No change
Over 12,000 gals. (rate per 100 gals.)	N/A	\$1.0125	N/A	\$1.305	New rate

6. There will be no impact on a residential customer using less than 12,000 gallons

**IMPACT OF RATE CHANGES ON A RESIDENTIAL ACCOUNT  
AT 4 MONTHLY USAGE LEVELS**

	EXISTING RATES	PROPOSED RATES
<b><u>Monthly Usage of 12,000 Gallons</u></b>		
Minimum (Water & Sewer) – up to 2,500 gallons	\$37.00	\$37.00
2,501 to 7,000 gallons	\$46.35	\$46.35
7,001 to 12,000 gallons	<u>\$77.25</u>	<u>\$77.25</u>
Total	<u>\$160.60</u>	<u>\$160.60</u>
Increase Amount		\$0.00
% Change		0.0%
<b><u>Monthly Usage of 15,000 Gallons</u></b>		
Minimum (Water & Sewer) – up to 2,500 gallons	\$37.00	\$37.00
2,501 to 7,000 gallons	\$46.35	\$46.35
7,001 to 12,000 gallons	\$77.25	\$77.25
12,001 to 15,000 gallons	<u>\$46.35</u>	<u>\$69.53</u>
Total	<u>\$206.95</u>	<u>\$230.13</u>
Increase Amount		\$23.18
% Change		11.2%

**IMPACT OF RATE CHANGES ON A RESIDENTIAL ACCOUNT  
AT 4 MONTHLY USAGE LEVELS**

	EXISTING RATES	PROPOSED RATES
<b><u>Monthly Usage of 20,000 Gallons</u></b>		
Minimum (Water & Sewer) – up to 2,500 gallons	\$37.00	\$37.00
2,501 to 7,000 gallons	\$46.35	\$46.35
7,001 to 12,000 gallons	\$77.25	\$77.25
12,001 to 20,000 gallons	<u>\$123.60</u>	<u>\$185.40</u>
Total	<u>\$284.20</u>	<u>\$346.00</u>
Increase Amount		\$61.80
% Change		21.7%
<b><u>Monthly Usage of 25,000 Gallons</u></b>		
Minimum (Water & Sewer) – up to 2,500 gallons	\$37.00	\$37.00
2,501 to 7,000 gallons	\$46.35	\$46.35
7,001 to 12,000 gallons	\$77.25	\$77.25
12,001 to 25,000 gallons	<u>\$200.85</u>	<u>\$301.28</u>
Total	<u>\$361.45</u>	<u>\$461.88</u>
Increase Amount		\$100.43
% Change		27.8%



**PROPOSED FISCAL YEAR 2018/2019**  
**COMMERCIAL WATER & SEWER RATE STRUCTURE CHANGES**

1. Increase the financial responsibility for those customers who use the most water and sewer resources
2. For fiscal year 2019, propose adding a new rate tier for monthly usage over 70,000 gallons
3. During the 12 month period of April 2017 to March 2018:
  - 7.6% of the commercial billings used over 70,000 gallons
  - Those 7.6% of the billings used approximately 48% of the total commercial water usage
  - 48% of the commercial water usage is approximately 4 million gallons

## PROPOSED FISCAL YEAR 2018/2019 COMMERCIAL WATER & SEWER RATE STRUCTURE CHANGES

4. Proposed rate structure for commercial customers for fiscal year 2019:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Minimum - up to 2,500 gals.	\$18.50	\$18.50	\$25.50	\$25.50	No change
2,501 to 70,000 gals. (rate per 100 gals.)	\$0.694	\$0.694	\$0.7125	\$0.7125	No change
Over 70,000 gals. (rate per 100 gals.)	N/A	\$0.8675	N/A	\$0.890625	New rate

5. There will be no impact on a commercial customer using less than 70,000 gallons

**IMPACT OF RATE CHANGES ON A COMMERCIAL ACCOUNT  
AT 2 MONTHLY USAGE LEVELS**

	EXISTING RATES	PROPOSED RATES
<b><u>Monthly Usage of 80,000 Gallons</u></b>		
Minimum (Water & Sewer) – up to 2,500 gallons	\$44.00	\$44.00
2,501 to 70,000 gallons	\$468.45	\$468.45
70,001 to 80,000 gallons	<u>\$140.65</u>	<u>\$175.81</u>
Total	<u>\$653.10</u>	<u>\$688.26</u>
Increase Amount		\$35.16
% Change		5.4%
<b><u>Monthly Usage of 100,000 Gallons</u></b>		
Minimum (Water & Sewer) – up to 2,500 gallons	\$44.00	\$44.00
2,501 to 70,000 gallons	\$468.45	\$468.45
70,001 to 100,000 gallons	<u>\$421.95</u>	<u>\$527.44</u>
Total	<u>\$934.40</u>	<u>\$1,039.89</u>
Increase Amount		\$105.49
% Change		11.3%

**PROPOSED FISCAL YEAR 2018/2019**  
**FORT FISHER WATER & SEWER RATE STRUCTURE CHANGES**

1. Increase the financial responsibility for those customers who use the most water and sewer resources
2. For fiscal year 2019, propose adding a new rate tier for monthly usage over 70,000 gallons
3. During the 12 month period of April 2017 to March 2018:
  - 60% of the Fort Fisher billings used over 70,000 gallons
  - Those 60% of the billings used approximately 97% of the total commercial water usage
  - 97% of the Fort Fisher water usage is approximately 9 million gallons

## PROPOSED FISCAL YEAR 2018/2019 FORT FISHER WATER & SEWER RATE STRUCTURE CHANGES

4. Proposed rate structure for Fort Fisher customers for fiscal year 2019:

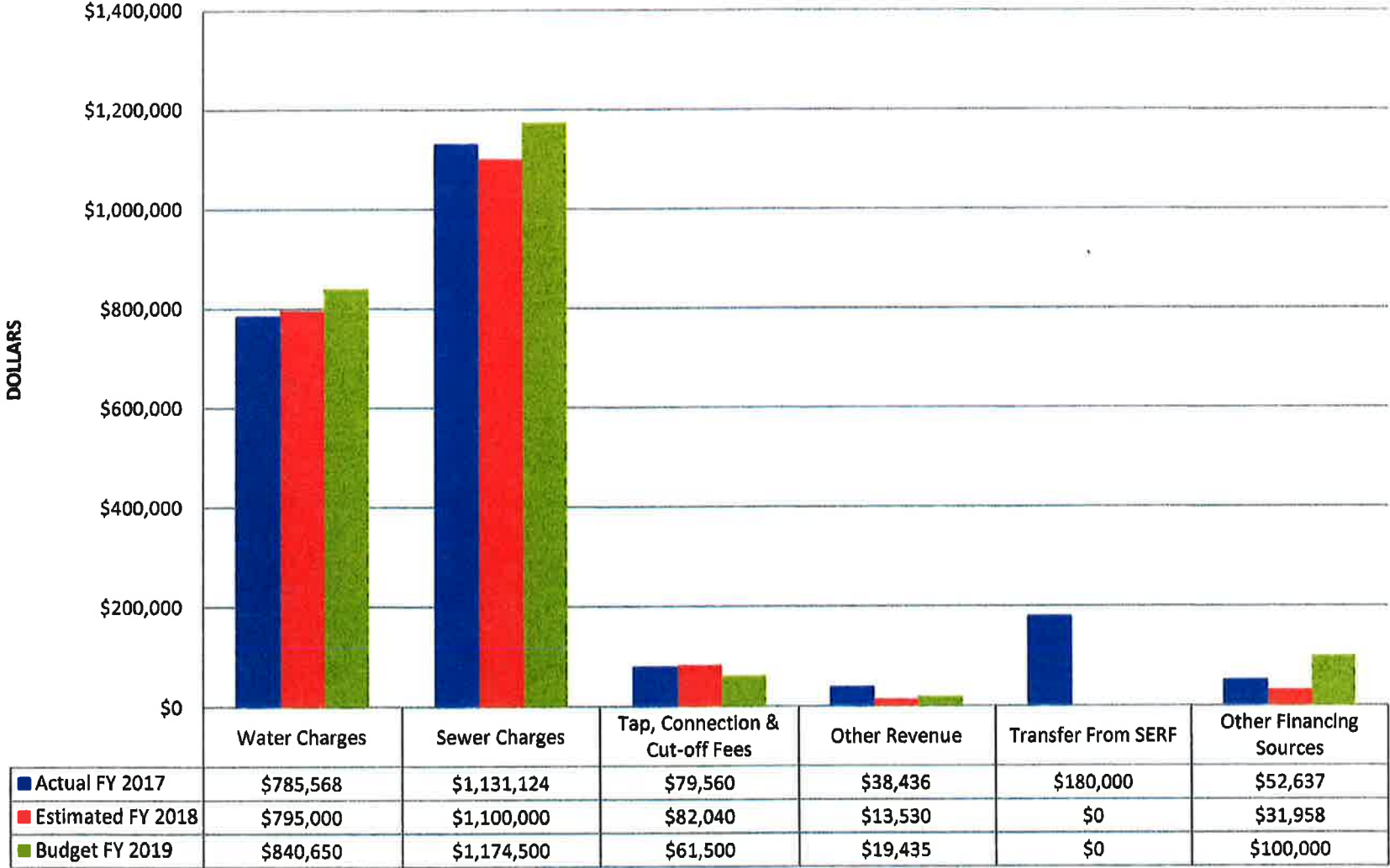
RATE TIER	WATER		SEWER		COMMENTS
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Minimum - up to 2,500 gals.	\$23.00	\$23.00	\$40.50	\$40.50	No change
2,501 to 70,000 gals. (rate per 100 gals.)	\$0.7875	\$0.7875	\$1.0125	\$1.0125	No change
Over 70,000 gals. (rate per 100 gals.)	N/A	\$0.984375	N/A	\$1.265625	New rate

5. There will be no impact on a Fort Fisher customer using less than 70,000 gallons

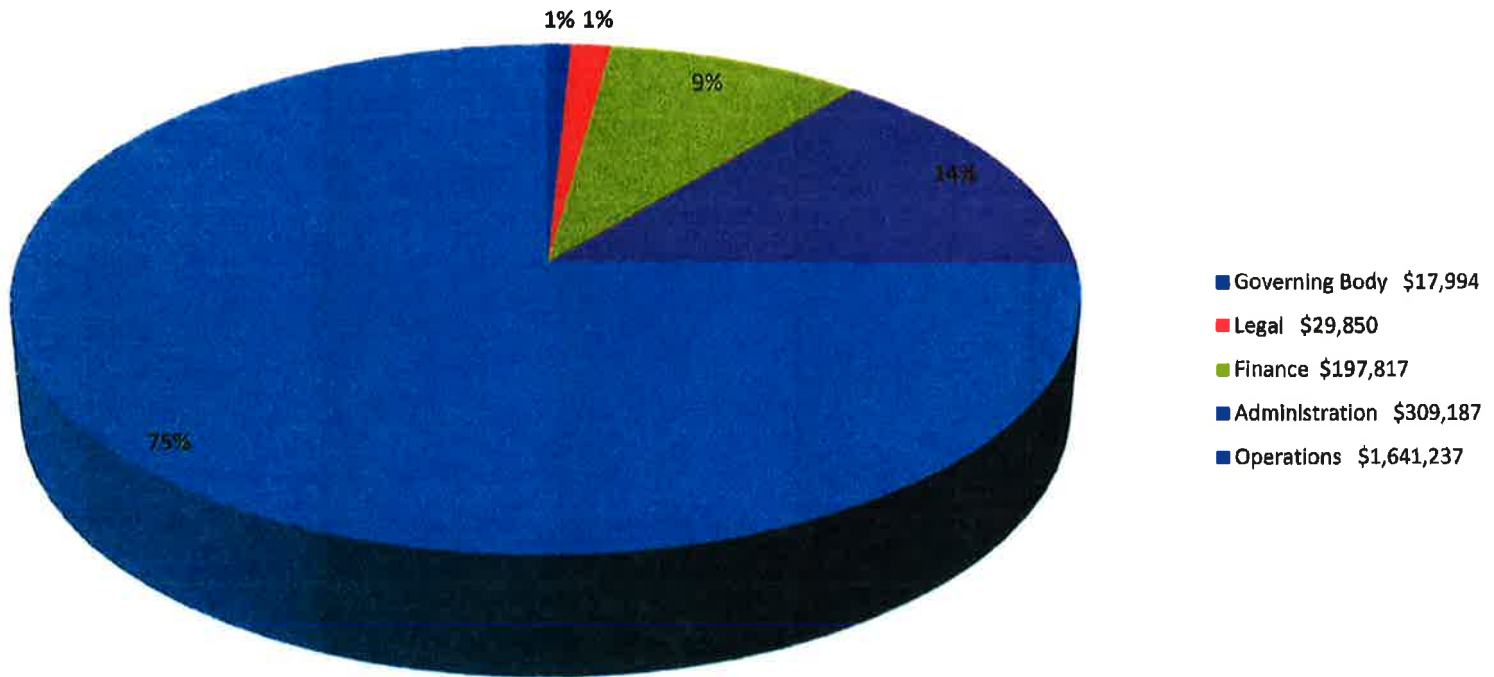
**IMPACT OF RATE CHANGES ON A FORT FISHER ACCOUNT  
AT 2 MONTHLY USAGE LEVELS**

	EXISTING RATES	PROPOSED RATES
<b><u>Monthly Usage of 100,000 Gallons</u></b>		
Minimum (Water & Sewer) – up to 2,500 gallons	\$63.50	\$63.50
2,501 to 70,000 gallons	\$1,215.00	\$1,215.00
70,001 to 100,000 gallons	<u>\$540.00</u>	<u>\$675.00</u>
Total	<u>\$1,818.50</u>	<u>\$1,953.50</u>
Increase Amount		\$135.00
% Change		7.4%
<b><u>Monthly Usage of 200,000 Gallons</u></b>		
Minimum (Water & Sewer) – up to 2,500 gallons	\$63.50	\$63.50
2,501 to 70,000 gallons	\$1,215.00	\$1,215.00
70,001 to 200,000 gallons	<u>\$2,340.00</u>	<u>\$2,925.00</u>
Total	<u>\$3,618.50</u>	<u>\$4,203.50</u>
Increase Amount		\$585.00
% Change		16.2%

**WATER & SEWER FUND  
REVENUE BY SOURCE  
FISCAL YEAR 2017 TO 2019**

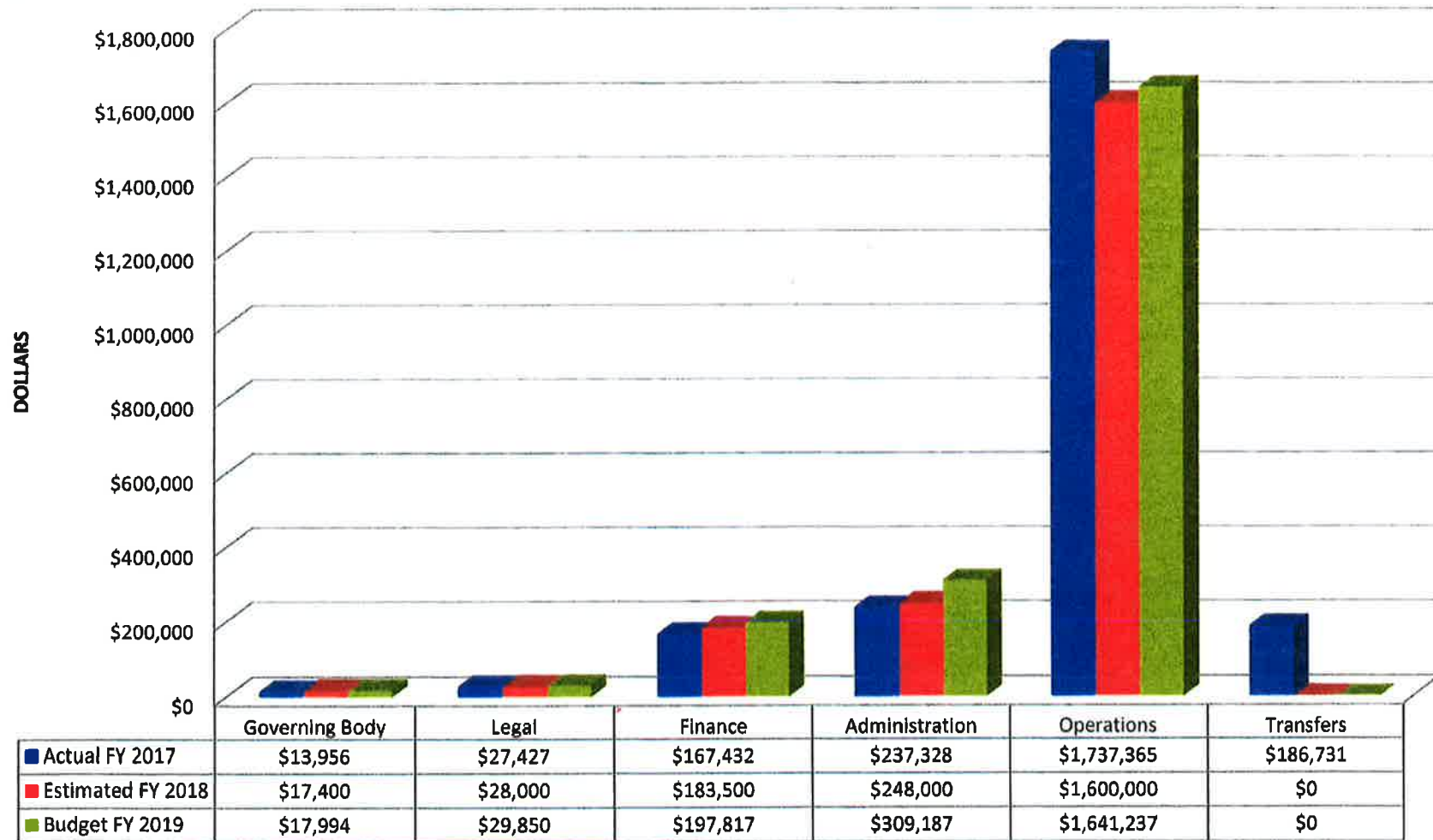


**WATER & SEWER FUND  
EXPENSE BUDGET  
FISCAL YEAR 2019**





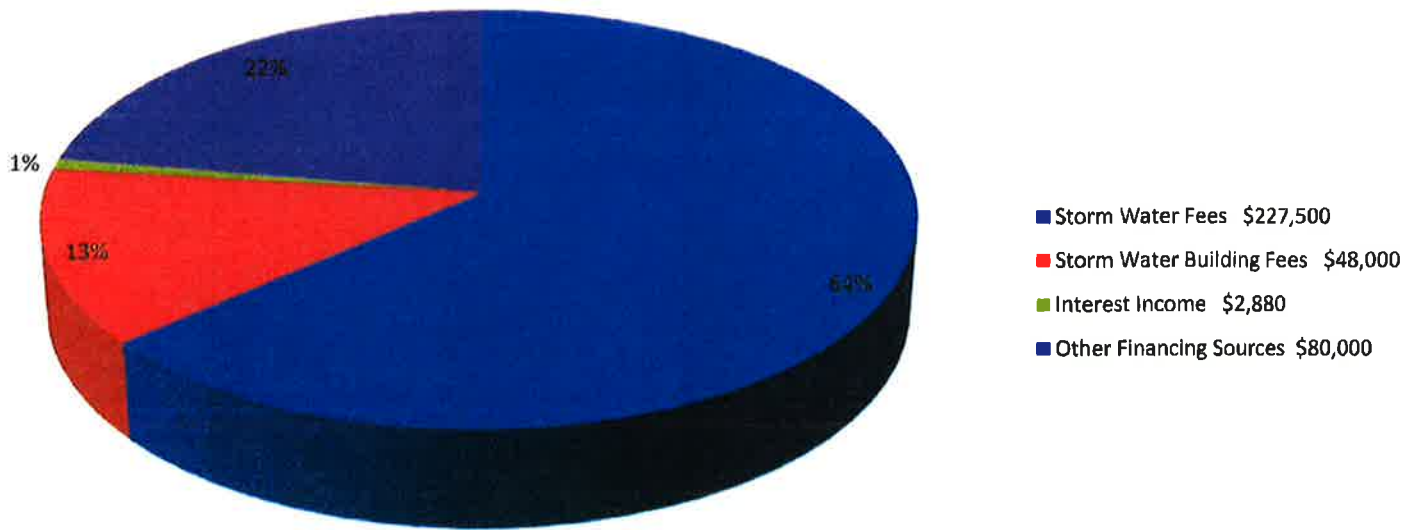
## WATER & SEWER FUND EXPENSES BY DEPARTMENT FISCAL YEAR 2017 - 2019



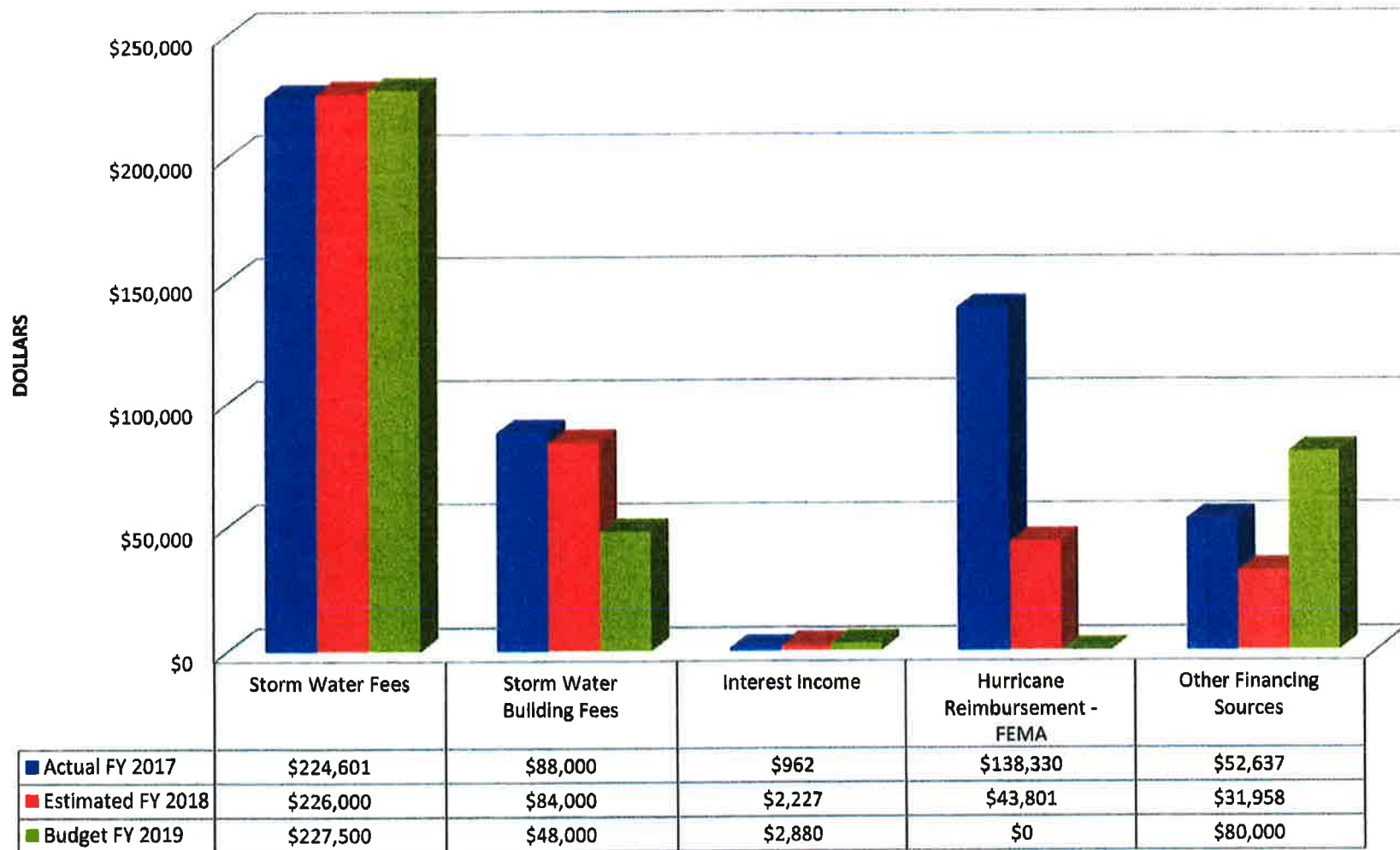
**TOWN OF KURE BEACH  
FISCAL YEAR 2018/2019 PROPOSED BUDGET  
STORM WATER FUND HIGHLIGHTS**

1. No proposed changes to existing storm water fees
2. Debt service totaling approximately \$108,200
3. Approximately \$96,000 for infrastructure projects and equipment capital expenditures
4. Overall, the 2019 Storm Water budget is 43.1% less than the 2018 budget

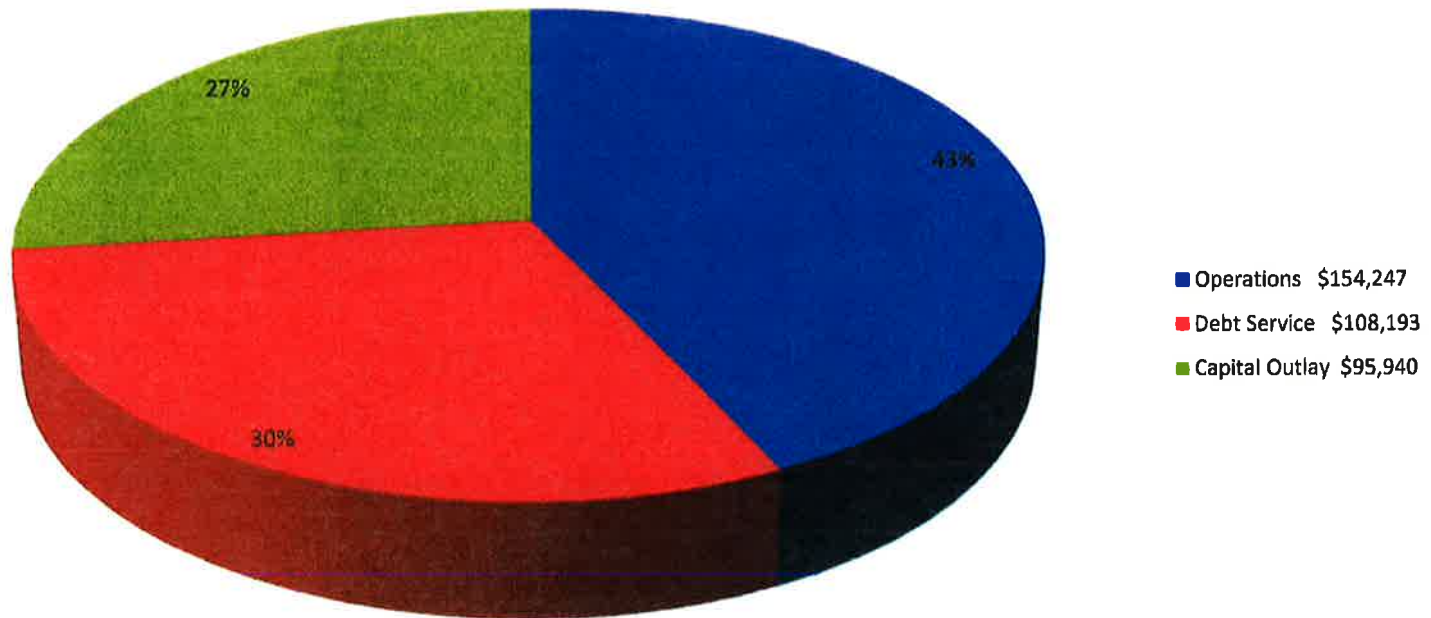
**STORM WATER FUND  
REVENUE BUDGET  
FISCAL YEAR 2019**



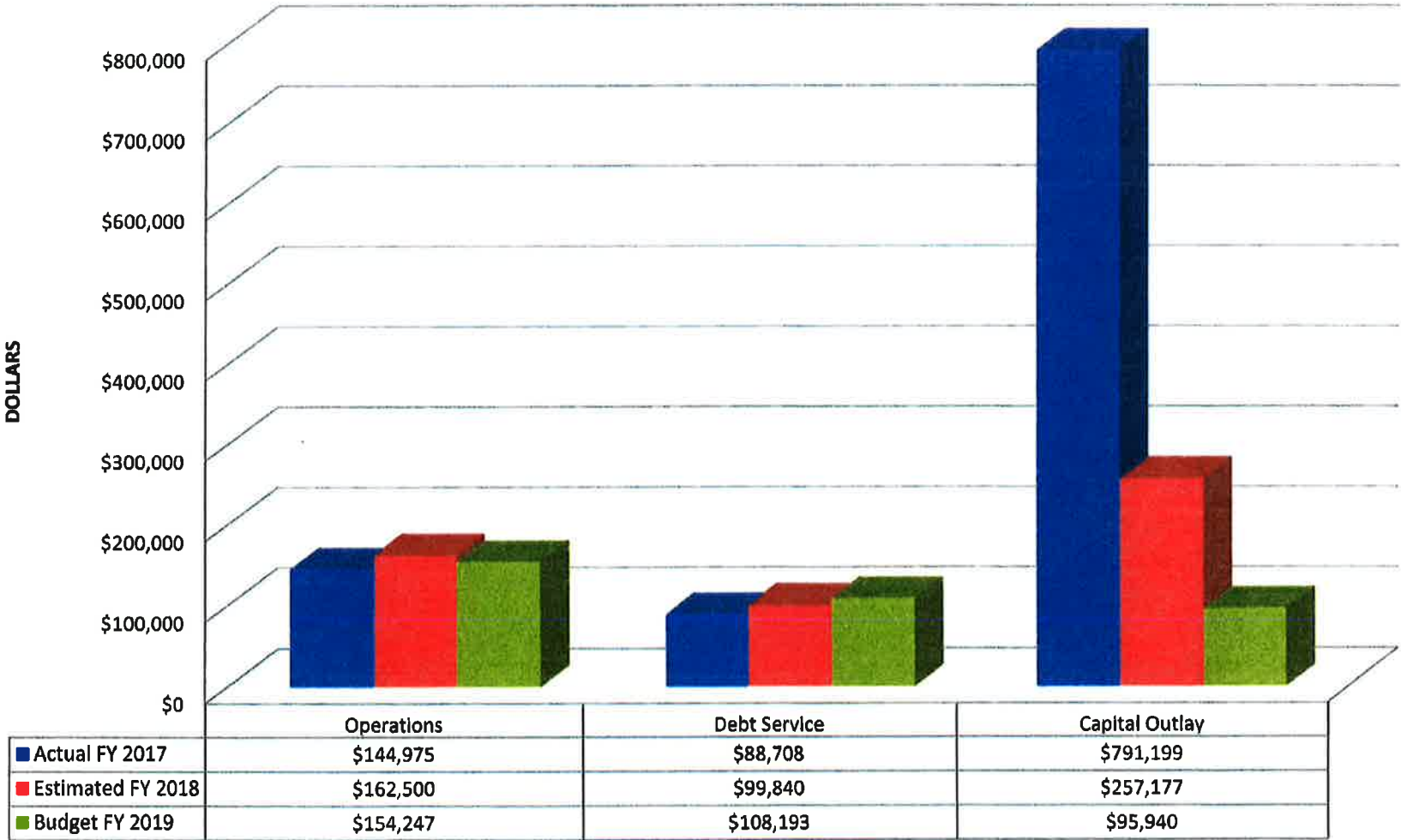
## STORM WATER FUND REVENUE BY SOURCE FISCAL YEAR 2017 - 2019



**STORM WATER FUND  
EXPENSE BUDGET  
FISCAL YEAR 2019**



**STORM WATER FUND  
EXPENSES BY TYPE  
FISCAL YEAR 2017 - 2019**



**FISCAL YEAR 2018/2019 PROPOSED BUDGET  
OTHER FUNDS**

<b>FUND NAME</b>	<b>DESCRIPTION</b>	<b>BUDGET</b>
Powell Bill	NC DOT allocation to be used solely for street related maintenance, repairs, etc.	\$175,000
Beach Protection	Reserve fund for future beach related needs	\$13,397
Federal Asset Forfeiture	Restricted use funds from participation in federal agency investigations	\$50,000
Sewer Expansion Reserve (SERF)	Reserve fund for future sewer expansion projects	\$16,250

# PROPOSED BUDGET MESSAGE



**Craig Bloszinsky**  
*Mayor*

**Joseph Whitley**  
*Commissioner*

**Allen Oliver**  
*Commissioner*



**David Heglar**  
*Mayor Pro Tem*

**John Ellen**  
*Commissioner*

**Nancy Avery**  
*Town Clerk*

## **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)

May 15, 2018

**RE: TOWN OF KURE BEACH, NORTH CAROLINA  
FISCAL YEAR 2019 BUDGET MESSAGE**

The Honorable Mayor Bloszinsky and Town Council:

In accordance with Section 159-11 of the NC General Statutes (N.C.G.S.), I am pleased to present the proposed fiscal year 2019 budget for the Town of Kure Beach for your review and consideration. The budget is a sound financial plan and has been prepared with the Council's goals and objectives adopted from their annual retreat and budget work sessions. All sections of the proposed budget are in conformance with the Local Government Budget and Fiscal Control Act as amended. A balanced budget for the next fiscal year, or an interim budget, must be adopted by July 1, 2018. Pursuant to N.C.G.S. 159-12, a public hearing on the proposed budget must be held before adoption. With the submittal of the budget proposal to Council, copies will be available for public inspection on the Town's website and in the Office of the Town Clerk. The public hearing has been tentatively scheduled for June 5, 2018 at 6:30 pm.

**The proposed fiscal year 2019 Town of Kure Beach budget is balanced and totals \$8,015,644 for all operations. This total budget is comprised of the following seven funds: General Fund \$5,206,532; Water and Sewer Fund \$2,196,085; Storm Water Fund \$358,380; Powell Bill Fund \$175,000; Federal Asset Forfeiture Fund \$50,000; Sewer Expansion Reserve Fund (SERF) \$16,250; and Beach Protection Fund \$13,397.**

Comparison of the proposed fiscal year 2019 budget for each fund to the original and, if applicable, amended fiscal year 2018 budgets is as follows:

FUND	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	PROPOSED 2019 BUDGET	DIFF. 2019 & ORIG. 2018	% CHANGE	DIFF. 2019 & AMENDED 2018	% CHANGE
General	\$4,607,417	\$5,067,803	\$5,206,532	\$599,115	13.0%	\$138,729	2.7%
Water and Sewer	\$2,150,655	\$2,150,655	\$2,196,085	\$45,430	2.1%	\$45,430	2.1%
Storm Water	\$630,094	\$630,094	\$358,380	(\$271,714)	-43.1%	(\$271,714)	-43.1%
Powell Bill	\$65,070	\$65,070	\$175,000	\$109,930	168.9%	\$109,930	168.9%
Federal Asset Forfeiture	\$50,000	\$50,000	\$50,000	\$0	0.0%	\$0	0.0%
Sewer Expansion Reserve	\$30,330	\$30,330	\$16,250	(\$14,080)	-46.4%	(\$14,080)	-46.4%
Beach Protection	\$47,090	\$47,090	\$13,397	(\$33,693)	-71.6%	(\$33,693)	-71.6%
<b>TOTAL - ALL FUNDS</b>	<b>\$7,580,656</b>	<b>\$8,041,042</b>	<b>\$8,015,644</b>	<b>\$434,988</b>	<b>5.7%</b>	<b>(\$25,398)</b>	<b>-0.3%</b>

### TOWN COUNCIL GOALS

The proposed budget supports the fiscal year 2019 goals established by Town Council at their annual retreat held in January and February 2018. These goals are:

1. *Work smarter to maintain and improve our quality of life in Kure Beach.*
  - Improve parking situation
  - Upgrade systems such as water meter and billing
  - Work on Department of Defense Land Use Plan to retain assets
2. *Ensure the integrity of Town financial data and maintain financial stability in all Town funds.*
  - Bring in construction project on time and at cost
  - Be fiscally responsible
  - Improve long term planning
  - Review ordinances for enforcement process
  - Room Occupancy Tax (ROT) maintenance

3. *Enable an optimum working environment for staff to produce high levels of service to the public.*
  - Town Hall space (physical)
  - Ensure policies are fair (morale)
4. *Provide all departments with the support to maintain a safe working and living environment.*
  - Support camera program
  - Use technology to multiply abilities

**BUDGET HIGHLIGHTS**

**PROPOSED TAX RATE FOR FISCAL YEAR 2019**

The proposed tax rate for fiscal year 2019 is 33 cents (\$0.33) per \$100 of valuation. This is an increase of 4.5 cents (15.8%) over the prior year's tax rate that had remained unchanged for the past two fiscal years. The primary reason for this tax rate change is to cover the debt service relating to the \$5 million loan obtained in fiscal year 2018 for construction of a new Fire Station and expansion/renovation of the Town Hall complex.

The impact on a homeowner with property valued at \$350,000 would be as follows:

Annual Kure Beach tax – existing tax rate (\$0.285):	\$ 997.50
Proposed increase (\$0.045):	<u>157.50</u>
Total Kure Beach tax after increase for a home valued at \$350,000	<u>\$1,155.00</u>

Property taxes are the Town's largest single source of revenue. Fiscal year 2019 property tax revenue is estimated at \$2,920,300. This includes both current tax year and prior tax years' collections and represents 56.1% of the General Fund revenue.

The estimated Kure Beach tax base, as provided by the New Hanover County Tax Department, is \$891,663,000. This is an increase of \$8,737,925 (1.0%) over the prior year's estimated tax base. Kure Beach property taxes are billed and collected by the New Hanover County Tax Department and remitted to Kure Beach. Based on historical data, the property tax collection rate is estimated at 99%.

GENERAL FUND FEES

As part of the fiscal year 2019 budget submission, the following General Fund fee increases are being proposed:

1. Garbage Collection

	CURRENT MONTHLY FEE	PROPOSED MONTHLY FEE
RESIDENTIAL		
First cart	\$6.00	\$7.00
After the first cart	\$12.00	\$14.00
COMMERCIAL		
Per cart	\$26.25	\$30.63

The residential (first cart) and commercial garbage collection fees have not changed in five years. The proposed increases are necessary to help cover costs associated with providing these services.

2. Residential/Commercial Recycling

In order to cover the costs associated with providing curbside recycling service, an increase of 13 cents per month is being proposed. This will increase the monthly fee from \$4.88 to \$5.01 per can. This is the first increase in recycling fees in six years and will match the fee amount to the amount charged by the recycling contractor.

WATER AND SEWER RATES

The water and sewer fees being paid by system users must provide funds for the day-to-day operating costs of the Town’s water and sewer systems and provide for some additions to the water and sewer reserve funds for future infrastructure repairs and replacement. The costs necessary to properly operate the Town’s water and sewer systems continue to increase, as does the need to increase our reserves for future capital projects as our infrastructure ages. To continue to provide for sufficient funding for our water and sewer operations, this budget includes proposed changes to the water and sewer rate structure that will affect high usage customers.

The following table highlights water usage by Kure Beach water customers during the period of April 1, 2017 to March 31, 2018. During this 12 month period over 110.5 million gallons of water were used by the three primary customer types.

CUSTOMER TYPE	GALLONS USED	PERCENTAGE OF TOTAL GALLONS
Residential	93,171,198	84.3%
Commercial	8,199,830	7.4%
Fort Fisher	9,150,400	8.3%
Total	110,521,428	100%

The proposed changes to the water and sewer rate structure impact the three types of customers noted above.

#### Residential Customers

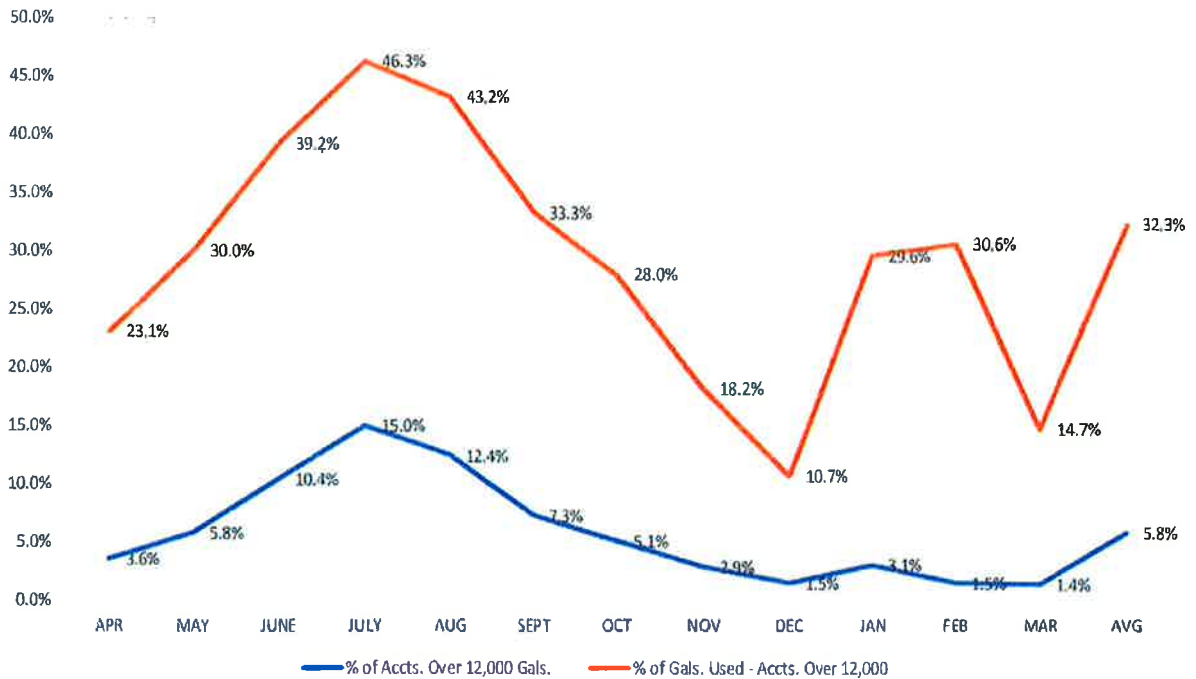
For residential customers, a fourth rate tier is being proposed. This new rate will apply to the portion of a residential customer's monthly usage that exceeds 12,000 gallons. **Residential customers using less than 12,000 gallons in a month will see no change to their bill.** The following is the proposed rate structure for residential customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Minimum - up to 2,500 gals.	\$13.50	\$13.50	\$23.50	\$23.50	No change
2,501 to 7,000 gals. (rate per 100 gals.)	\$0.45	\$0.45	\$0.58	\$0.58	No change
7,001 to 12,000 gals. (rate per 100 gals.)	\$0.675	\$0.675	\$0.87	\$0.87	No change
Over 12,000 gals. (rate per 100 gals.)	N/A	\$1.0125	N/A	\$1.305	New rate

This proposed change to the residential water and sewer rate structure is estimated to impact approximately 6% of the annual residential billings. Although affecting only 6% of the accounts billed, it is estimated that these billings represent over 32% of the annual residential water usage (over 30 million gallons).

The chart on the next page shows the percentage of residential accounts that would be impacted and the percentage of gallons used per month based on data from the 12 month period of April 1, 2017 to March 31, 2018.

**RESIDENTIAL ACCOUNTS USING OVER 12,000 GALLONS PER MONTH  
% OF ACCOUNTS VS. % OF GALLONS USED  
4/1/2017 TO 3/31/2018**



The chart above indicates that during the highest usage months (typically July and August), up to 15% of the residential accounts may be impacted, however, these billings account for approximately 46% of the month's residential water and sewer usage. The revenue from the proposed rate changes will be directly attributed to the high usage customers who are placing an increased burden on the Town's existing water and sewer systems.

The table on the next page demonstrates the impact of the rate change on a residential account at three usage levels. These examples show usage levels of 12,000 gallons, 15,000 gallons and 20,000 gallons and indicate the amount and percentage increase that result from the proposed rate change.

	EXISTING RATES	PROPOSED RATES
<b><u>Monthly Usage of 12,000 Gallons</u></b>		
Minimum (Water & Sewer) - up to 2,500 gallons	\$37.00	\$37.00
2,501 to 7,000 gallons	\$46.35	\$46.35
7,001 to 12,000 gallons	\$77.25	\$77.25
Total	<u>\$160.60</u>	<u>\$160.60</u>
Increase Amount		\$0.00
% Change		0.0%
<b><u>Monthly Usage of 15,000 Gallons</u></b>		
Minimum (Water & Sewer) - up to 2,500 gallons	\$37.00	\$37.00
2,501 to 7,000 gallons	\$46.35	\$46.35
7,001 to 12,000 gallons	\$77.25	\$77.25
12,001 to 15,000 gallons	\$46.35	\$69.53
Total	<u>\$206.95</u>	<u>\$230.13</u>
Increase Amount		\$23.18
% Change		11.2%
<b><u>Monthly Usage of 20,000 Gallons</u></b>		
Minimum (Water & Sewer) - up to 2,500 gallons	\$37.00	\$37.00
2,501 to 7,000 gallons	\$46.35	\$46.35
7,001 to 12,000 gallons	\$77.25	\$77.25
12,001 to 20,000 gallons	\$123.60	\$185.40
Total	<u>\$284.20</u>	<u>\$346.00</u>
Increase Amount		\$61.80
% Change		21.7%

**Commercial Customers**

For commercial customers, a third rate tier is being proposed. This new rate will apply to the portion of a commercial customer's monthly usage that exceeds 70,000 gallons. **Commercial customers using less than 70,000 gallons in a month will see no change to their bill.** The following is the proposed rate structure for commercial customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Minimum - up to 2,500 gals.	\$18.50	\$18.50	\$25.50	\$25.50	No change
2,501 to 70,000 gals. (rate per 100 gals.)	\$0.694	\$0.694	\$0.7125	\$0.7125	No change
Over 70,000 gals. (rate per 100 gals.)	N/A	\$0.8675	N/A	\$0.890625	New rate

Based on analysis of commercial water and sewer usage during the 12 month period of April 1, 2017 to March 31, 2018, it is estimated that the proposed change to the commercial water and sewer rate structure may impact approximately 7.5% of the annual commercial billings. Although affecting only 7.5% of the accounts billed, it is estimated that these billings represent about 48% of the annual commercial water usage.

The table below shows the impact of the rate change on a commercial account at various usage levels:

	EXISTING RATES	PROPOSED RATES
<b>Monthly Usage of 80,000 Gallons</b>		
Minimum (Water & Sewer) - up to 2,500 gallons	\$44.00	\$44.00
2,501 to 70,000 gallons	\$468.45	\$468.45
70,001 to 80,000 gallons	<u>\$140.65</u>	<u>\$175.81</u>
Total	<u>\$653.10</u>	<u>\$688.26</u>
Increase Amount		\$35.16
% Change		5.4%
<b>Monthly Usage of 100,000 Gallons</b>		
Minimum (Water & Sewer) - up to 2,500 gallons	\$44.00	\$44.00
2,501 to 70,000 gallons	\$468.45	\$468.45
70,001 to 100,000 gallons	<u>\$421.95</u>	<u>\$527.44</u>
Total	<u>\$934.40</u>	<u>\$1,039.89</u>
Increase Amount		\$105.49
% Change		11.3%

#### Fort Fisher Customers

Finally, for Fort Fisher customers, a third rate tier is also being proposed that will apply to the portion of a Fort Fisher customer's monthly usage that exceeds 70,000 gallons. **Fort Fisher customers using less than 70,000 gallons in a month will see no change to their bill.** The following is the proposed rate structure for Fort Fisher customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Minimum - up to 2,500 gals.	\$23.00	\$23.00	\$40.50	\$40.50	No change
2,501 to 70,000 gals. (rate per 100 gals.)	\$0.7875	\$0.7875	\$1.0125	\$1.0125	No change
Over 70,000 gals. (rate per 100 gals.)	N/A	\$0.984375	N/A	\$1.265625	New rate



Review of Fort Fisher customers water and sewer usage during the 12 month period of April 1, 2017 to March 31, 2018 indicated that the proposed change to the Fort Fisher water and sewer rate structure may affect approximately 60% of the annual Fort Fisher billings. It is estimated that these billings account for about 97% of the annual Fort Fisher water usage.

The table below shows the impact of the rate change on a Fort Fisher account at various usage levels:

	EXISTING RATES	PROPOSED RATES
<b>Monthly Usage of 100,000 Gallons</b>		
Minimum (Water & Sewer) - up to 2,500 gallons	\$63.50	\$63.50
2,501 to 70,000 gallons	\$1,215.00	\$1,215.00
70,001 to 100,000 gallons	\$540.00	\$675.00
Total	<u>\$1,818.50</u>	<u>\$1,953.50</u>
Increase Amount		\$135.00
% Change		7.4%
<b>Monthly Usage of 200,000 Gallons</b>		
Minimum (Water & Sewer) - up to 2,500 gallons	\$63.50	\$63.50
2,501 to 70,000 gallons	\$1,215.00	\$1,215.00
70,001 to 200,000 gallons	\$2,340.00	\$2,925.00
Total	<u>\$3,618.50</u>	<u>\$4,203.50</u>
Increase Amount		\$585.00
% Change		16.2%

An added benefit to the rate structure changes for residential, commercial and Fort Fisher customers is that it hopefully will encourage further water conservation.

#### STORM WATER FEES

There are no proposed changes to the existing storm water fees as part of this budget.

#### STAFFING AND COMPENSATION

The fiscal year 2019 budget includes the addition of two full time employees, increasing the Town's full time personnel to 46. One of the positions is within the Parks & Recreation Department. This position is necessary due to the growing demands relating to town facility rentals, as well as other Town sponsored events and activities. This position is included in the General Fund budget and is planned for a January 2019 start date. The other position is in the Administration Department and will be split between

the General Fund and the Water and Sewer Fund. This position is necessary due to the increasing workload as the Town's population increases, tourism continues to grow and compliance requirements expand. The position is expected to be filled at the beginning of the fiscal year.

The fiscal year 2019 cost (salary, taxes, benefits, insurance, etc.) of adding these full time employees is estimated to be \$25,650 to the Parks & Recreation Department and \$55,400 to the Administration Department. Including the proposed two additional employees, the full time personnel are allocated to Town funds based on the type of work performed, as follows:

<u>FUND</u>	<u>NO. OF EMPLOYEES</u>
General	34.5
Water and Sewer	9.5
Storm Water	<u>2.0</u>
Total	<u>46.0</u>

This budget includes a proposed merit increase of 2% to reward those employees who are performing above expectations. Also, a 2% cost of living adjustment (COLA) for all full time employees is included in the fiscal year 2019 budget. The employee benefits are consistent with prior years.

#### GOVERNING BODY

The budget for Town Council related expenses includes annual compensation for Council members (Mayor - \$3,600, Mayor Pro Tem - \$2,700, and Commissioners - \$2,400), cell phone and/or internet service allowance of \$4,000, vehicle allowances of \$4,500, travel/training of \$5,000 and dues/subscriptions of \$7,500. The aforementioned expenses will be divided equally amongst the General Fund and Water and Sewer Fund.

In addition, the General Fund Governing Body budget includes funding for the Pleasure Island Chamber of Commerce concert series (\$8,800), Katie B. Hines Senior Center (\$2,000), The Help Center of Federal Point (\$1,500), Federal Point Historic Preservation Society (\$1,500), Friends of Fort Fisher (\$1,500) and the Island of Lights (\$1,200).

DEBT SERVICE

General Fund

General Fund debt service totals \$708,050 and includes payments on existing loans for the following:

Equipment & Vehicles	\$112,632
Land & Renovations	71,285
Ocean Front Park	122,955
Fire Station & Town Hall	<u>401,178</u>
General Fund Total	<u>\$708,050</u>

This is an increase of \$347,435 (96.3%) over fiscal year 2018. This significant increase is attributable to the \$5 million loan for construction of a new Fire Station and expansion/renovation of the Town Hall complex.

Water and Sewer Fund

The Water and Sewer Fund debt service totals \$258,820 and includes payments on existing loans for the following:

Equipment & Vehicles	\$ 58,304
Water/Sewer Infrastructure	145,810
Town Hall	<u>54,706</u>
Water/Sewer Fund Total	<u>\$258,820</u>

This is an increase of \$63,061 (32.2%) over fiscal year 2018. The increase primarily relates to financing for the Water and Sewer Fund portion of the Town Hall expansion/renovation.

Storm Water Fund

Finally, the Storm Water Fund debt service totals \$108,193 relating to the Cutter Court infrastructure project and equipment. This is an increase of \$8,353 (8.4%) over fiscal year 2018. The increase in the Storm Water Fund pertains to financing the purchase of equipment.

Debt service for each fund, as a percentage of the applicable fund's proposed fiscal year 2019 total budget is as follows:

General Fund	13.6%
Water and Sewer Fund	11.8%
Storm Water Fund	30.2%

The Town's total outstanding debt (all funds) is estimated to be \$7,658,800 at July 1, 2018. The Local Government Commission (LGC) uses 8% of the assessed value of property subject to taxation as the maximum debt level. The Town's outstanding debt at July 1 will be approximately 0.86% of the assessed value of property, well within LGC guidelines.

## OPERATING EXPENSES

### General Fund

The budget for General Fund operating expenses (excluding capital outlay, debt service, contingency and transfer to the Beach Protection Fund) is 8.5% greater than the original fiscal year 2018 budget for operating expenses. The primary factors contributing to the increase in relation to the original budget include:

- Additional costs relating to operating the temporary Town Hall and Police Department.
- Additions to full time staff in the Administration and Parks and Recreation Departments.
- Anticipated increases in general operating costs relating to the new Fire Station and expanded/renovated Town Hall.
- General price increases for purchased services and materials.
- Previously mentioned employee compensation actions.

### Water and Sewer Fund

The fiscal year 2019 operating budget (excluding capital outlay and debt service) for the Water and Sewer Fund is 4.1% greater than the fiscal year 2018 budget. The primary reasons for the increase in relation to the 2018 budget are the addition of a full time employee in the Administration Department, as well as general price increases for purchased services and materials.

### Storm Water Fund

The fiscal year 2019 Storm Water Fund operating budget (excluding capital outlay and debt service) is 6.2% greater than the fiscal year 2018 budget. This increase relates primarily to the previously mentioned compensation actions.

## CAPITAL OUTLAY

### General Fund

The General Fund capital outlay for fiscal year 2019 totals \$207,450, which includes the following:

- \$35,000 – Replacement of a Police vehicle (will be purchased using financing)
- \$92,450 – E and I Avenue beach access improvements (primarily funded with grant proceeds)
- \$80,000 – Replacement of a street sweeper for Public Works (split with Storm Water Fund and will be financed)

The fiscal year 2019 budgeted capital outlay for the General Fund is \$7,260 (3.4%) less than the original fiscal year 2018 budget. The amount of capital outlay varies from year-to-year and is contingent on the useful life of previously purchased capital items.

#### Water and Sewer Fund

The Water and Sewer Fund capital outlay totals \$240,300 for fiscal year 2019 and includes the following:

- \$100,000 – Equipment and vehicles (will be purchased using financing)
- \$140,300 – Sewer rehabilitation and infrastructure projects

The Water and Sewer Fund fiscal year 2019 budgeted capital outlay is \$83,740 (25.8%) less than the fiscal year 2018 budget.

#### Storm Water Fund

The fiscal year 2019 Storm Water Fund capital outlay totals \$95,940 and is comprised of the following:

- \$80,000 – Replacement of a street sweeper for Public Works (split with General Fund and will be financed)
- \$15,940 – infrastructure projects

The Storm Water Fund fiscal year 2019 budgeted capital outlay is \$289,060 (75%) less than the fiscal year 2018 budget. The fiscal year 2018 budget included significant infrastructure projects in the Kure Beach Village area.

#### FUND TRANSFERS

The General Fund budget includes a \$9,807 transfer to the Beach Protection Fund. The Beach Protection Fund is a reserve fund for beach related expenditures. Refer to page 24 for more information regarding the Beach Protection Fund.

There are no other transfers proposed in the fiscal year 2019 budget for the remaining funds.

#### CONTINGENCY

A contingency of \$9,850 (0.2% of the budget) is included in the General Fund budget for fiscal year 2019. This contingency appropriation is to provide for unanticipated increases in budgetary needs during the course of the year.

No actual expenditures can be made from the contingency appropriation. Funds must first be moved from the contingency appropriation to a department or function and then expended. This movement of funds shall be authorized by resolution of the governing body and will be deemed an amendment to the budget ordinance.

**GENERAL FUND SUMMARY**

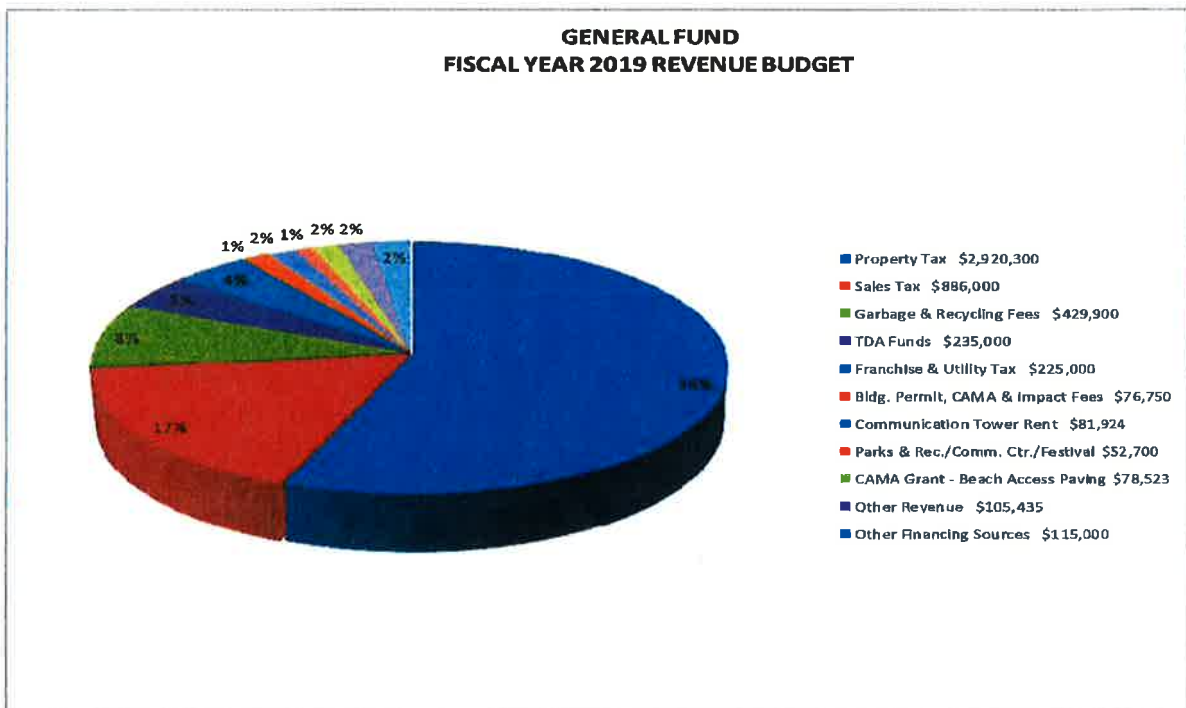
The budget preparation for the General Fund has, as in the past, been the most difficult of all of our funds. The number of non-utility services provided by the Town, as well as the general expenses of operating the government, makes the process of developing and balancing this budget challenging. Issues, including, but not limited to the following have made the allocation of finite General Fund resources difficult:

- 1) The desire to maintain the types and levels of service provided to Town residents and property owners.
- 2) The need to build reserves in anticipation of future beach nourishment costs.
- 3) General price increases for purchased services and materials.
- 4) The need for improvements to Town infrastructure and facilities.

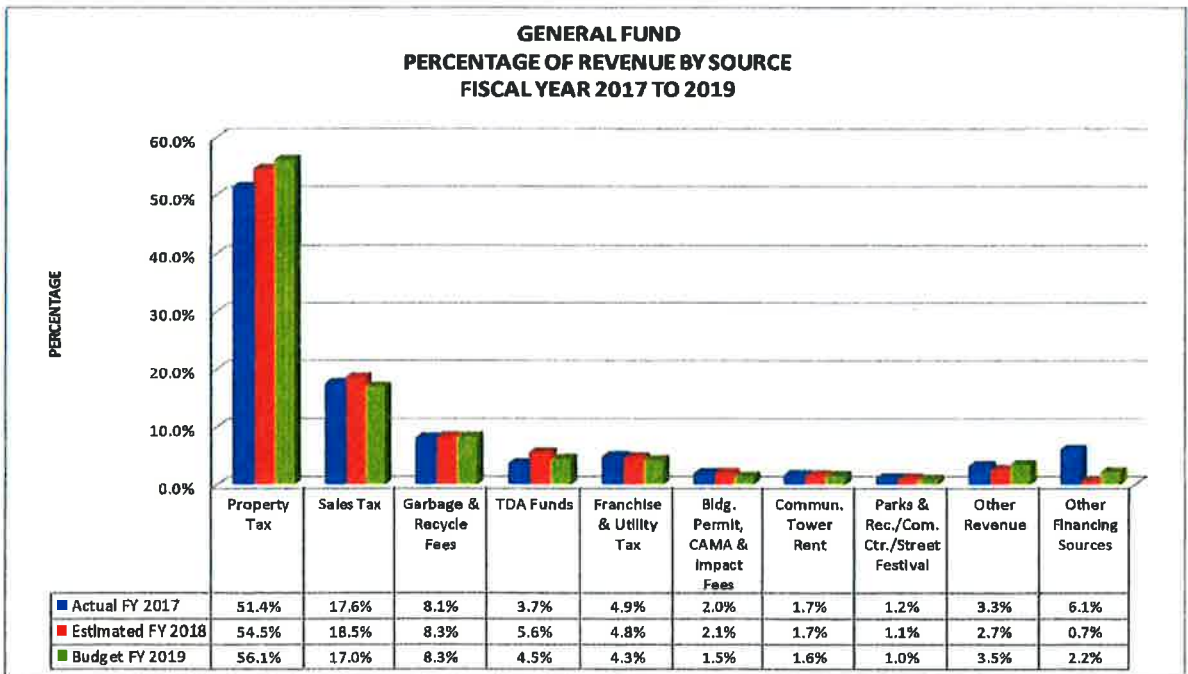
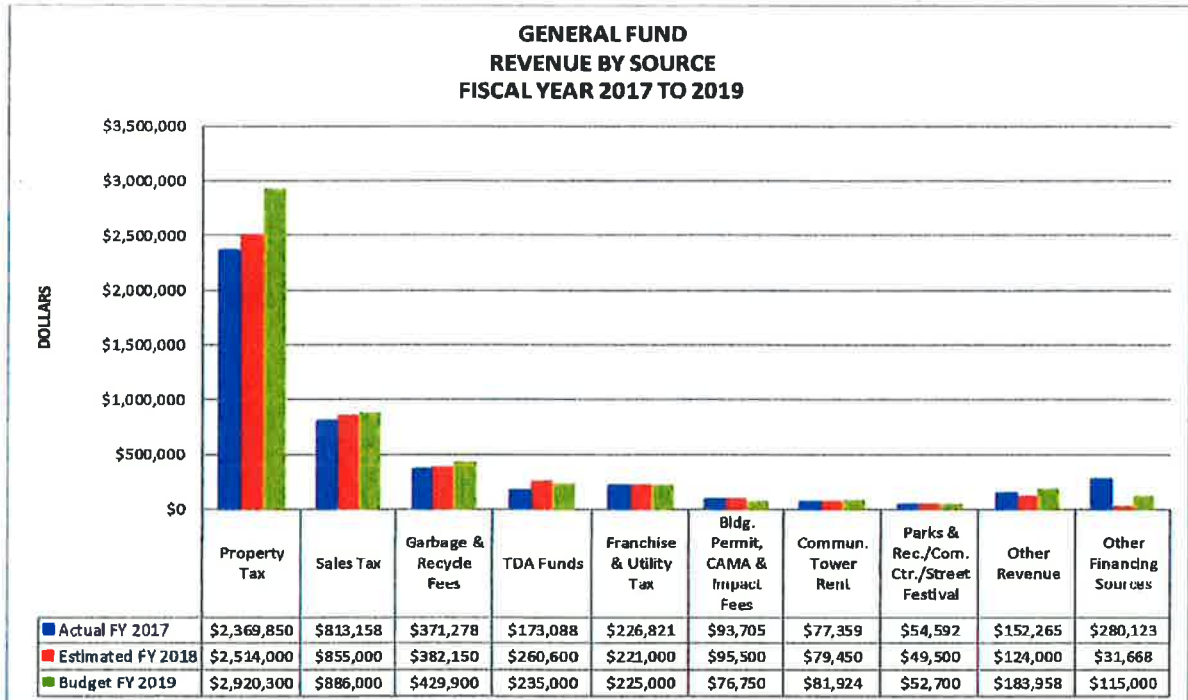
As noted earlier, the issues listed above have led to the need to propose a 4.5 cent increase in the property tax rate for fiscal year 2019. Also, proposed increases to certain fees relating to Town-provided garbage and recycling services are necessary due to increases in the costs for these services.

When comparing the total fiscal year 2019 General Fund budget to the fiscal year 2018 original budget and amended budget as of May 15, 2018, the total 2019 budget has increased by 13% in relation to the original budget and 2.7% in relation to the amended budget. In comparison to the fiscal year 2018 original budget, operating expenses have increased 8.5%, capital outlay decreased 3.4%, debt service increased 96.3%, fund transfers have decreased 78.9% and the contingency decreased 79.5%.

The breakdown of budgeted revenue, by major source, for fiscal year 2019 is as follows:



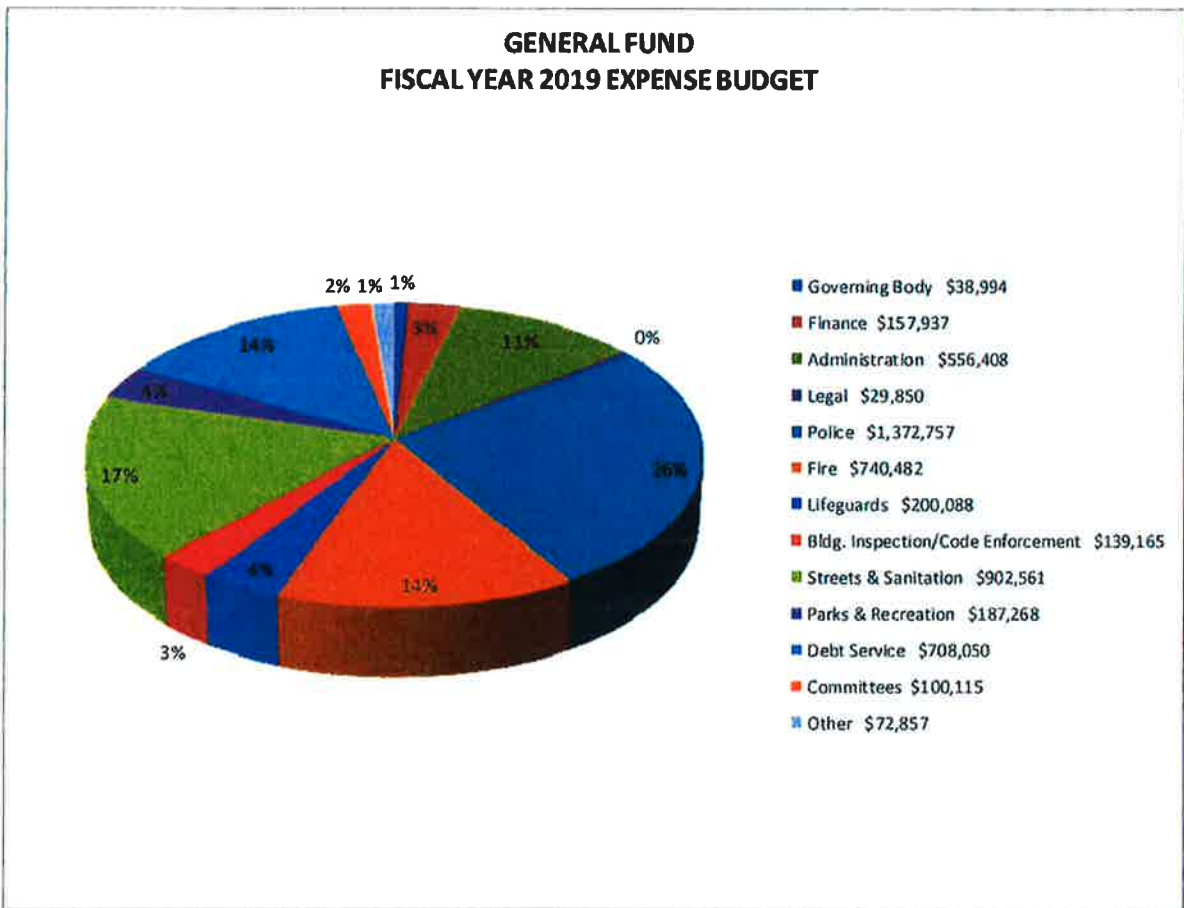
For comparative purposes, the following charts present the revenue by source and the percentage of revenue by source budgeted for fiscal year 2019 in relation to the estimated revenue for fiscal year 2018 and the actual revenue for fiscal year 2017.



As the charts on the previous page depict, revenue from property taxes consistently exceeds 50% of the General Fund's total revenue. The other categories have remained consistent from year-to-year with the exception of "Other Financing Sources". "Other Financing Sources" are installment loans and vary based on the level of capital outlay.

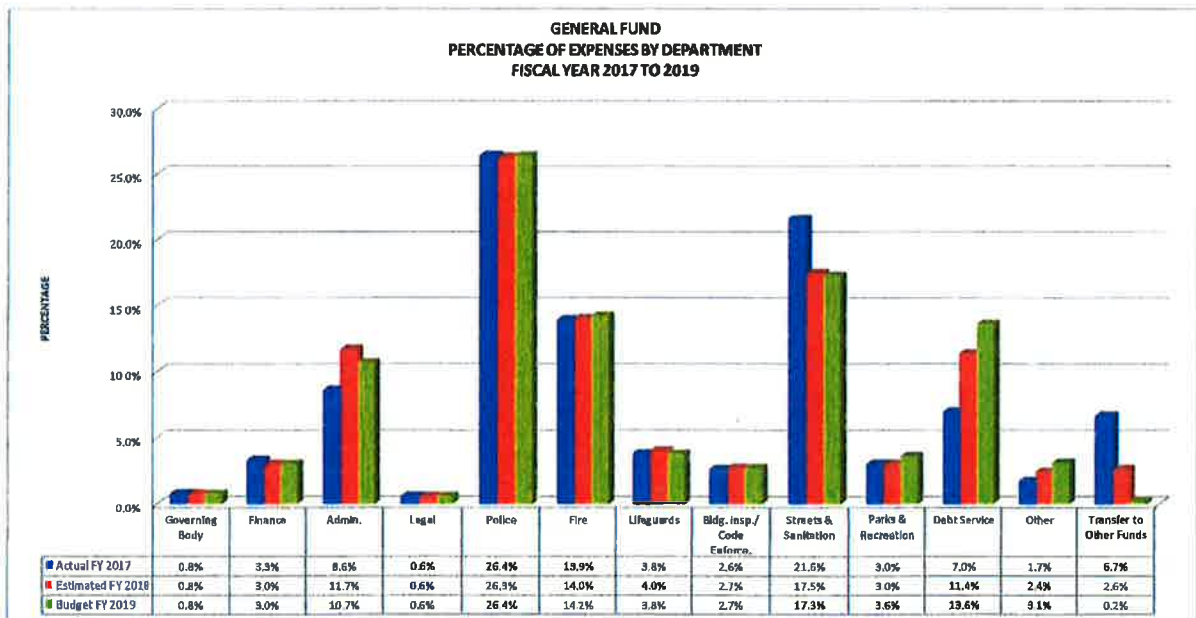
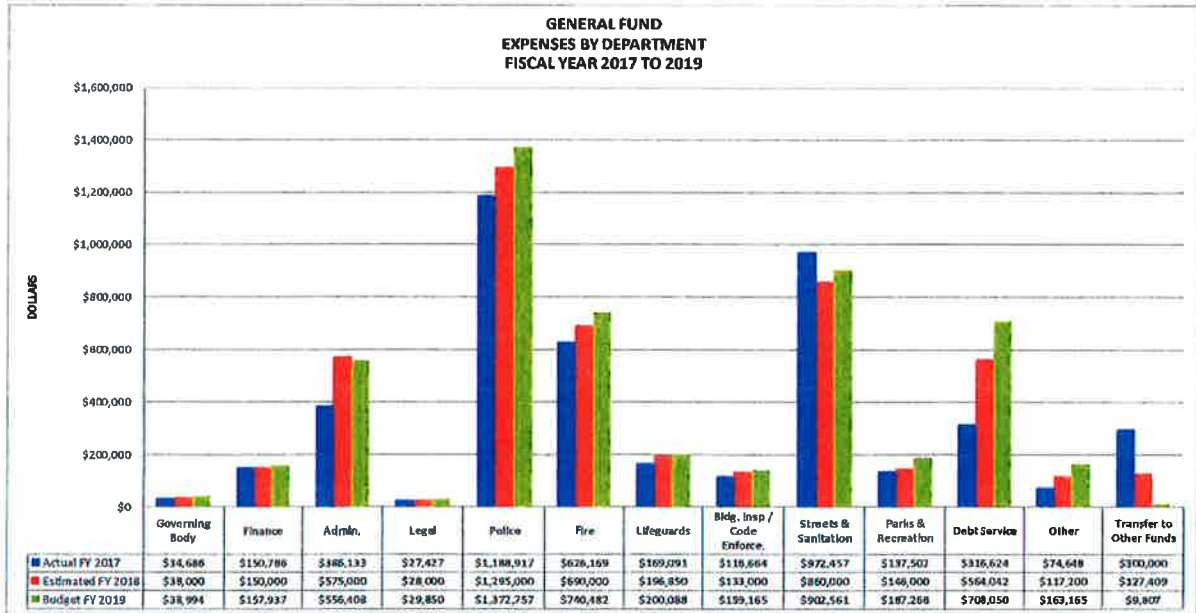
Refer to Exhibit A (on pages 26 to 28) for a summary of the changes, by General Fund revenue source, between the budgets for fiscal year 2019 and 2018.

The breakdown of budgeted General Fund expenses, by department/function, for fiscal year 2019 is as follows:



The charts on the next page present the expenses by department/function and the percentage of expenses by department/function budgeted for fiscal year 2019 in relation to the estimated expenses for fiscal year 2018 and the actual expenses for fiscal 2017.





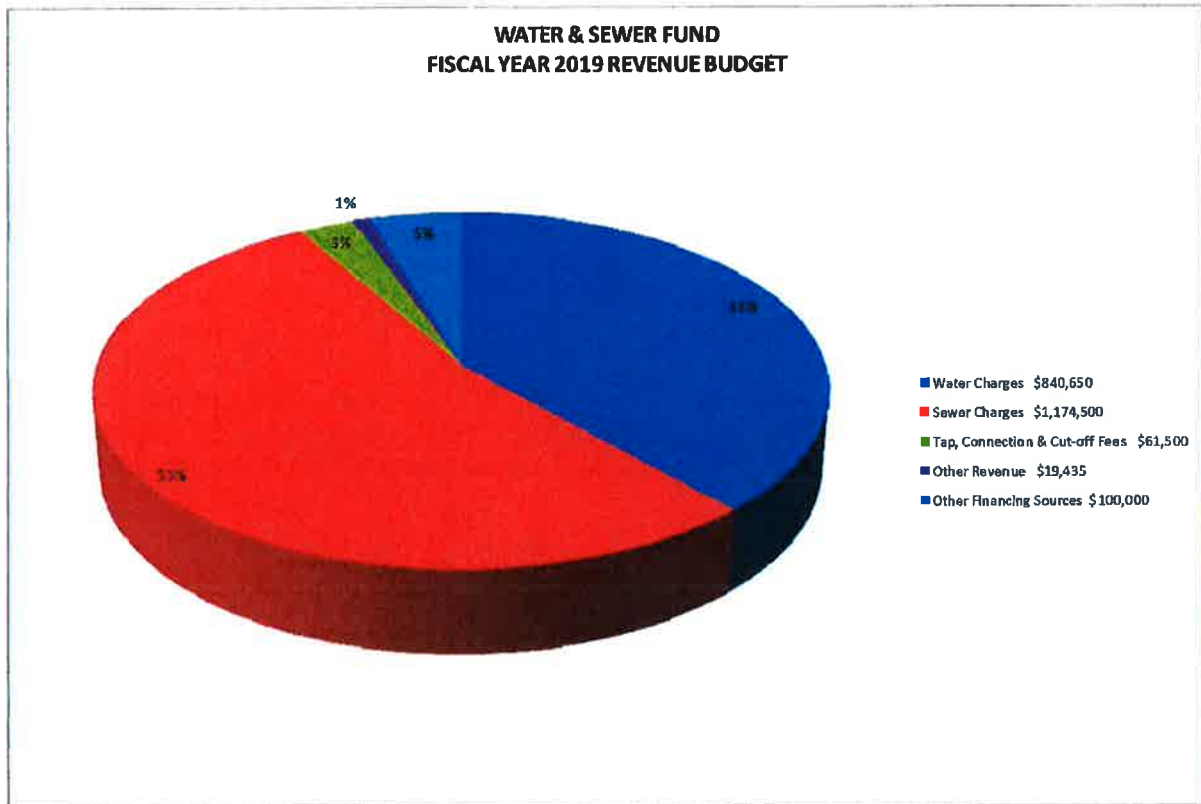
The General Fund expenses by department/function, both dollars and percentage, have remained relatively consistent. Many of the fluctuations relate to the amount of capital outlay for the given year. For example, “Streets & Sanitation” is higher in fiscal year 2017 due to the purchase of a new garbage truck. Concerning the increase in “Administration” expenses, additional expenses for relocating Town Hall and the Police Department to temporary facilities during the project to expand/renovate the Town Hall complex are consolidated within the “Administration” budget. “Debt Service” has increased as a result of the loan used to construct a new Fire Station and improve Town Hall. Finally, “Other” expenses are higher for fiscal year 2019 due to capital projects at the E and I Avenue beach accesses.

Refer to Exhibit B (on pages 29 to 33) for a summary of the changes, by General Fund department/function, between the budgets for fiscal year 2019 and 2018.

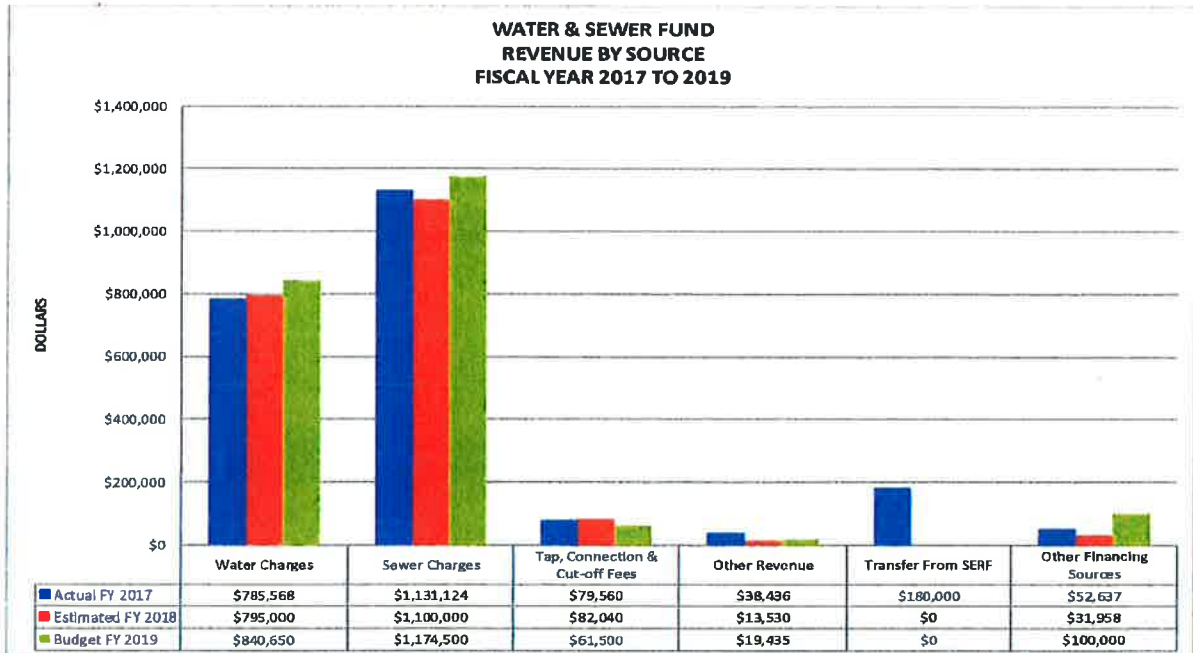
### **WATER AND SEWER FUND SUMMARY**

Overall, the fiscal year 2019 Water and Sewer Fund budget is 2.1% greater than the fiscal year 2018 budget. In relation to the fiscal year 2018 budget, operating expenses have increased 4.1%, capital outlay has decreased by 25.8% and debt service has increased by 32.2%.

The breakdown of Water and Sewer Fund budgeted revenue, by major source, for fiscal year 2019 is as follows:

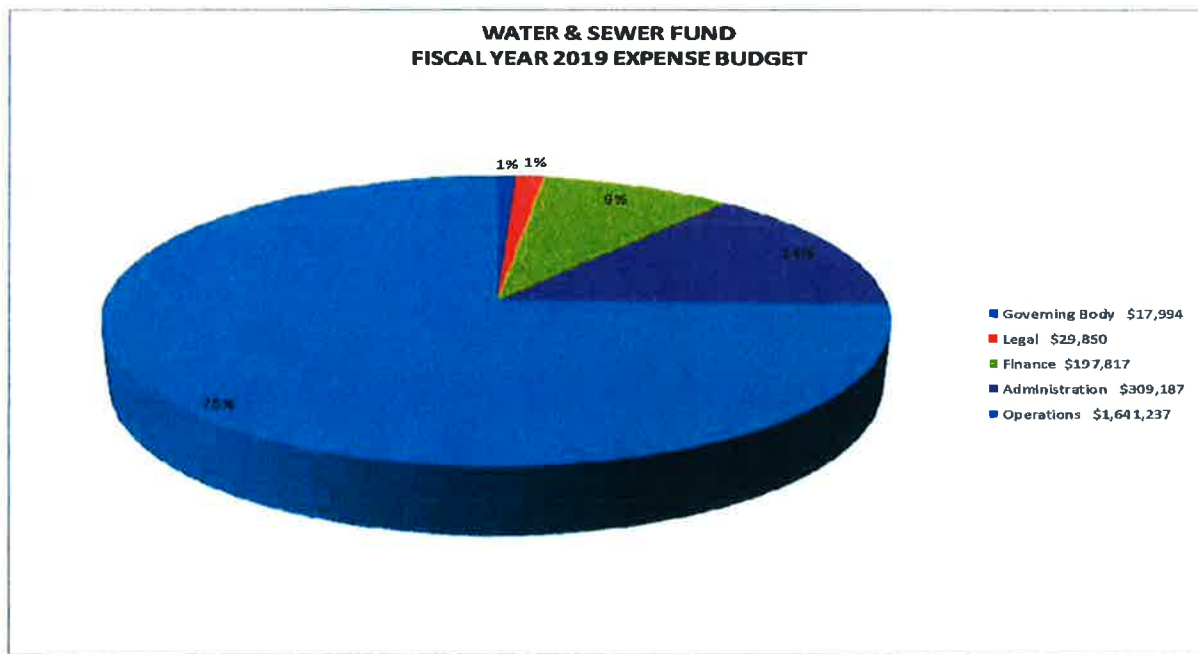


The chart on the next page shows the Water and Sewer Fund revenue by source budgeted for fiscal year 2019 compared to the estimated revenue for fiscal year 2018 and the actual revenue for fiscal year 2017.

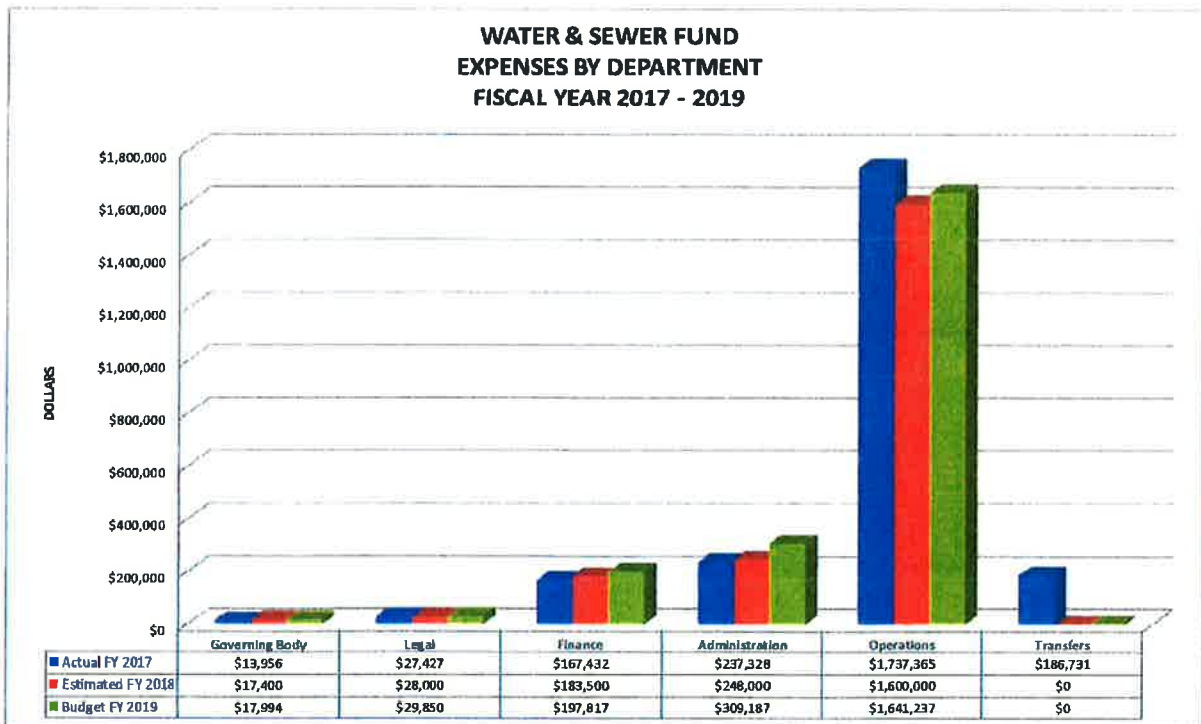


The most significant revenue sources, “Water and Sewer Charges”, are projected to increase in fiscal year 2019 as a result of the previously discussed changes to the water and sewer rate structure. Concerning “Transfers”, fiscal year 2017 included a transfer from the Sewer Expansion Reserve Fund that was used for a sewer capital project. Refer to Exhibit C (on pages 34 and 35) for a summary of the changes, by Water and Sewer Fund revenue source, between the budgets for fiscal year 2019 and 2018.

The breakdown of budgeted Water and Sewer Fund expenses, by department/function, for fiscal year 2019 is presented below.



The chart below shows the expenses by department/function for the Water and Sewer Fund budgeted for fiscal year 2019 in comparison to the estimated expenses for fiscal year 2018 and the actual expenses for fiscal year 2017.



In reference to the chart above, the variations in “Operations” expenses primarily relate to the amount of capital outlay for the given year. In regard to “Transfers”, fiscal year 2017 included a transfer of funds to the Kure Beach Pump Station #1 Capital Project Fund to cover part of the cost for construction of a new pump station.

Refer to Exhibit D (on pages 36 and 37) for a summary of the changes, by Water and Sewer Fund department/function, between the budgets for fiscal year 2019 and 2018.

### **STORM WATER FUND SUMMARY**

Overall, the fiscal year 2019 Storm Water Fund budget is 43.1% less than the fiscal year 2018 budget. In comparison to the fiscal year 2018 budget, operating expenses have increased 6.2%, capital outlay decreased 75.1% and debt service increased 8.4%. The significant decrease in capital outlay is the result of infrastructure projects that were performed and completed in fiscal year 2018.

The breakdown of Storm Water Fund budgeted revenue, by major source, for fiscal year 2019 is as follows:

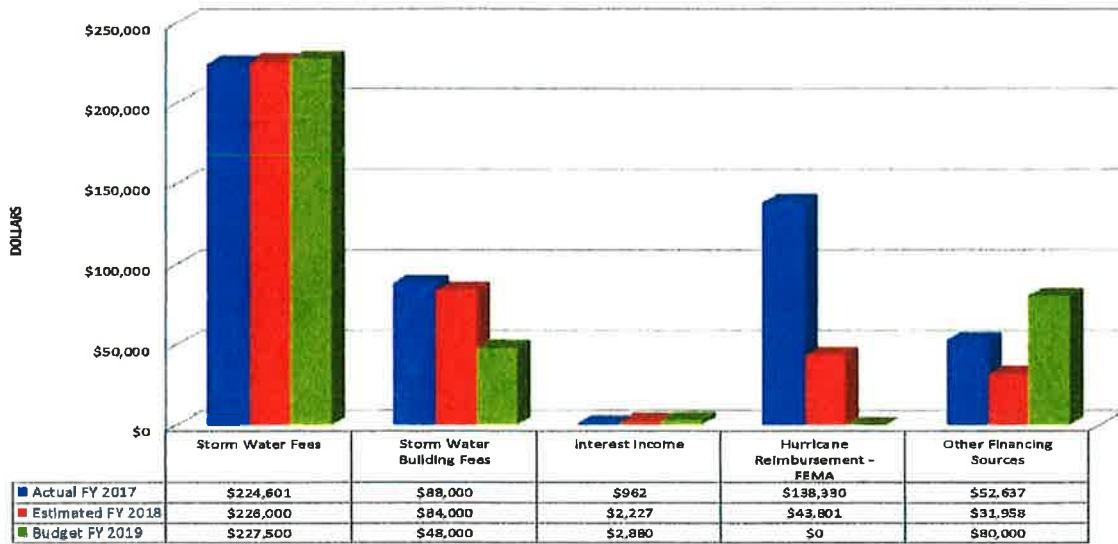
**STORM WATER FUND  
FISCAL YEAR 2019 REVENUE BUDGET**



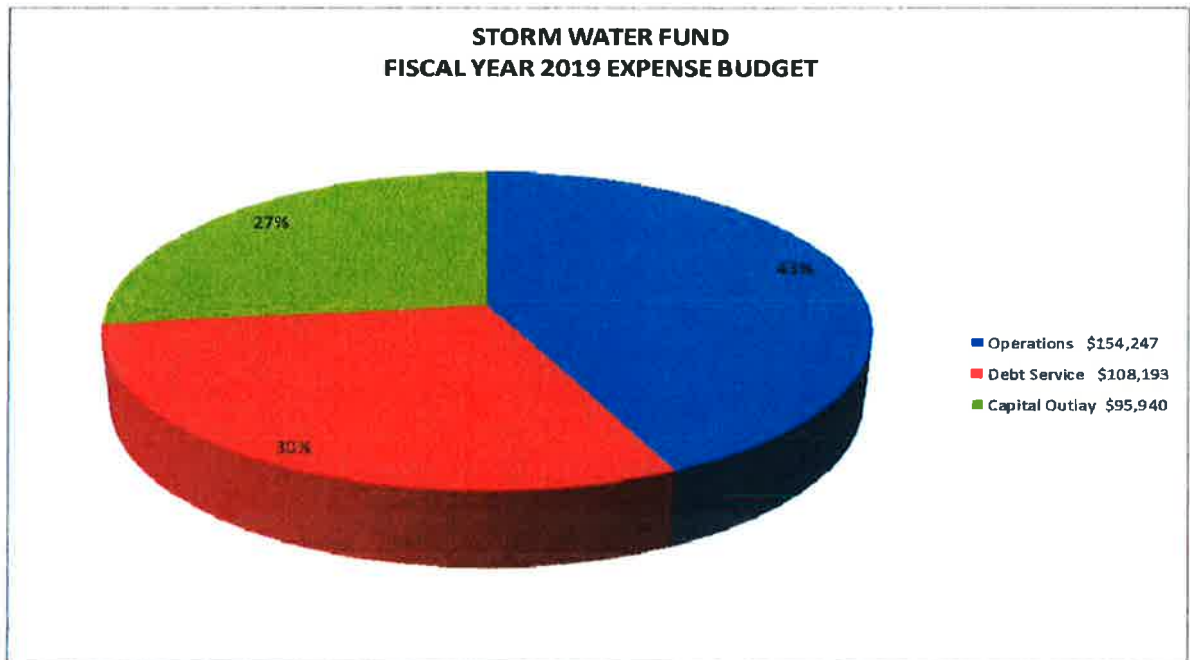
Refer to Exhibit E (on page 38) for a summary of the changes, by Storm Water Fund revenue source, between the budgets for fiscal year 2019 and 2018.

The chart below compares the budgeted fiscal year 2019 revenue to the estimated revenue for fiscal year 2018 and the actual revenue for 2017. As depicted by the chart, the major revenue source, “Storm Water Fees”, has remained steady. “Storm Water Building Fees” fluctuate based on the amount of building activity. Finally, fiscal year 2017 and 2018 include reimbursements from FEMA for Hurricane Matthew related damages to storm water infrastructure.

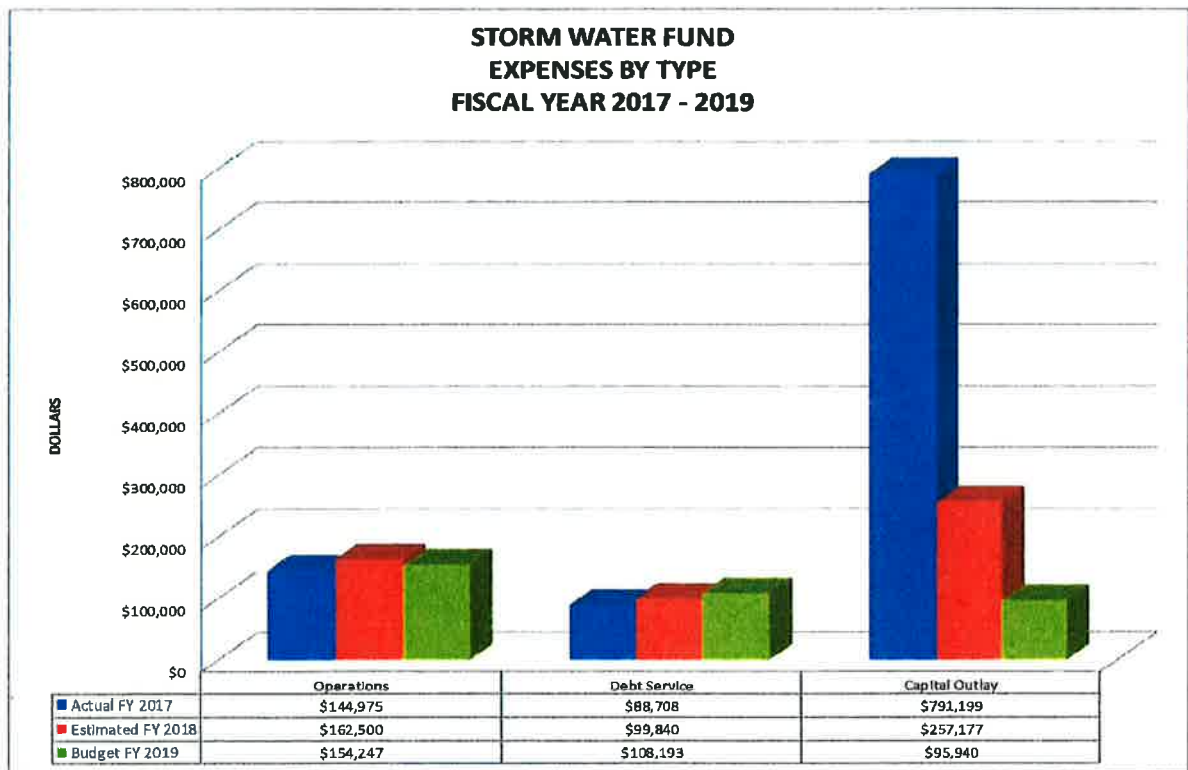
**STORM WATER FUND  
REVENUE BY SOURCE  
FISCAL YEAR 2017 - 2019**



The breakdown of budgeted Storm Water Fund expenses, by type, for fiscal year 2019 is as follows:



The following chart shows the budgeted fiscal year 2019 expenses by type in relation to the estimated fiscal year 2018 and actual 2017 Storm Water Fund expenses.



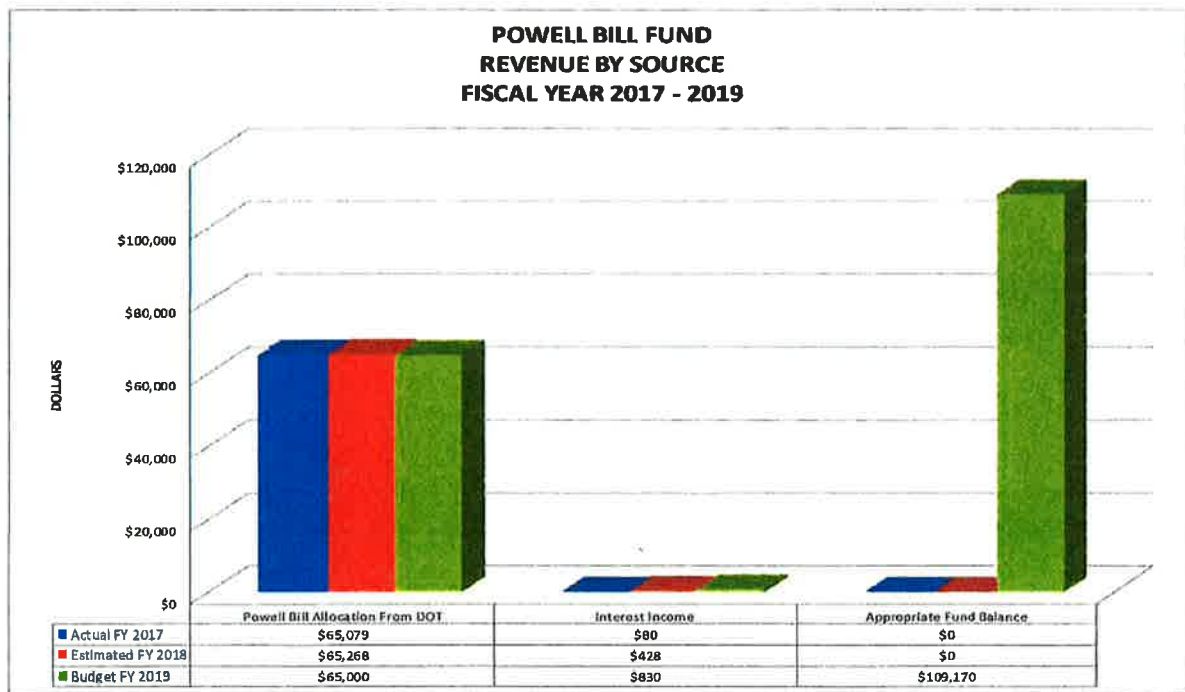
As indicated by the chart on the previous page, the expenses relating to “Operations” have remained consistent. Fluctuations in “Capital Outlay” relate to the number and size of projects to be performed in a given year. Both fiscal year 2017 and 2018 included significant storm water infrastructure projects.

Refer to Exhibit F (on page 39) for a summary of the changes, by Storm Water Fund expense type, between the budgets for fiscal year 2019 and 2018.

**POWELL BILL FUND SUMMARY**

Funds received through the Powell Bill may only be used for the purpose of maintaining, repairing, constructing, reconstructing or widening of any street or public thoroughfare including bridges, drainage, curbs and gutters and other necessary appurtenances within the corporate limits. Beginning in fiscal year 2016, the General Statutes relating to Powell Bill funding were changed. The General Assembly may now appropriate funds to the Department of Transportation for State aid to municipalities rather than linking it to fuel tax collections. The total amount allocated to each qualifying municipality is 75% on the basis of relative population and 25% on the basis of relative non-State System local street mileage. The total budgeted allocation to Kure Beach for fiscal year 2019 is estimated at \$65,000 and interest income is estimated at \$830. Additionally, an appropriation of fund balance totaling \$109,170 is included in the fiscal year 2019 budget as the revenue source for several street paving projects. Finally, budgeted Powell Bill eligible expenditures total \$175,000.

The chart below shows budgeted Powell Bill Fund revenue for fiscal year 2019 in comparison to estimated fiscal year 2018 revenue and actual fiscal year 2017 revenue. As indicated by the data, revenue for this fund remains very constant.



### **BEACH PROTECTION FUND SUMMARY**

The Beach Protection Fund was established in fiscal year 2014 as a reserve fund for future beach nourishment expenses, as well as other beach related expenditures including, but not limited to, beach access improvements/repairs, dune maintenance, dune plantings, beach protection signage, dune infiltration systems, etc. The uncertainties surrounding state and federal funding of future beach nourishment projects was the driving force behind the establishment of this fund. For fiscal year 2019, the revenue source for the Beach Protection Fund will be a transfer of \$9,807 from the General Fund and interest of \$3,590 from Fund investments.

### **FEDERAL ASSET FORFEITURE FUND SUMMARY**

On an as needed basis, the Kure Beach Police Department participates in investigations conducted by several federal agencies. The Police Department shares in the assets that are forfeited based on the outcome of the investigations and the level of resources provided. The funds received may only be used for Police related activities that are beyond the Police Department operating budget (which is a portion of the total General Fund budget). Under no circumstances, can the Police Department operating budget be funded with forfeiture proceeds. For fiscal year 2019, the use of asset forfeiture funds will be appropriated from the fund's balance and is estimated at \$50,000.

### **SEWER EXPANSION RESERVE FUND (SERF) SUMMARY**

The Sewer Expansion Reserve Fund (SERF) is for future expansion, construction, repairs or alterations to the sewer system. For fiscal year 2019, revenue from system development fees is estimated at \$14,800 and interest income from Fund investments is budgeted at \$1,450. The primary revenue source for this fund, system development fees, is dependent on the level of construction activity within the Town.

### **SUMMARY**

The fiscal year 2019 Town of Kure Beach budget reflects a thorough review of Town expenditures and conservative, but reasonable, estimation of revenues.

The continuing upward trends in tourism and full-time population growth have placed increased demands on Town personnel and the corresponding Town-provided services. These trends are expected to continue thereby creating an ongoing challenge to manage and control the costs to provide these services, while ensuring sufficient revenue sources exist to fund the services. Additionally, investment in Town infrastructure, including, but not limited to water, sewer, storm water, streets and facilities, continues as needed to ensure Town systems function properly and efficiently. The fiscal year 2019 budget proposal addresses these challenges. This budget also includes a process to continue to build reserves for potential future beach nourishment needs.



In conclusion, I believe the proposed fiscal year 2019 Kure Beach budget supports the goals established by Town Council, reflects the Council's service priorities and is responsive to the Town's needs. I would like to express my appreciation to all Department Heads, as well as all Town employees, who participated in the development of the fiscal year 2019 budget.

Respectfully submitted,

A handwritten signature in blue ink that reads "Arlen Copenhaver". The signature is written in a cursive style with a large initial 'A'.

Arlen Copenhaver  
Finance and Budget Officer

**EXHIBIT A**

**GENERAL FUND REVENUE BUDGET  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

REVENUE TYPE	ORIGINAL 2018 BUD.	AMENDED 2018 BUD.	2019 BUDGET	DIFF. 2019 & ORIG. 2018	% CHG.	DIFF. 2019 & AMENDED 2018	% CHG.	SIGNIFICANT CHANGES FY 2019 VS. FY 2018
Property Taxes	\$2,491,300	\$2,491,300	<b>\$2,920,300</b>	\$429,000	17.2%	\$429,000	17.2%	Assumes a \$0.045 Increase in the tax rate (new rate will be \$0.33) and an increase in property valuation.
Sales Tax	\$850,075	\$850,075	<b>\$886,000</b>	\$35,925	4.2%	\$35,925	4.2%	Actual growth in FY 2018 greater than budgeted. FY 2019 estimated to be moderate increase over FY 2018 forecast.
Garbage & Recycle Fees	\$382,350	\$382,350	<b>\$429,900</b>	\$47,550	12.4%	\$47,550	12.4%	Includes a 16.67% garbage collection rate increase and a 2.7% recycle fee increase.
TDA	\$205,650	\$205,650	<b>\$235,000</b>	\$29,350	14.3%	\$29,350	14.3%	FY 2019 budget is for lifeguards, Pleasure Island Chamber of Commerce concerts & some OFP activities.
Franchise & Utility Taxes	\$234,500	\$234,500	<b>\$225,000</b>	(\$9,500)	-4.1%	(\$9,500)	-4.1%	State-wide forecasts are for decline in electricity sales tax, telecommunications & video programming taxes for FY 2019.
Communication Tower Rent	\$79,125	\$79,125	<b>\$81,924</b>	\$2,799	3.5%	\$2,799	3.5%	FY 2019 includes annual increase for existing leases.
Building Permits, CAMA, Impact Fees, Fire Inspections	\$61,600	\$61,600	<b>\$76,750</b>	\$15,150	24.6%	\$15,150	24.6%	Upward trend in building related fees.

**EXHIBIT A**

**GENERAL FUND REVENUE BUDGET  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

REVENUE TYPE	ORIGINAL 2018 BUD.	AMENDED 2018 BUD.	2019 BUDGET	DIFF. 2019 & ORIG. 2018	% CHG.	DIFF. 2019 & AMENDED 2018	% CHG.	SIGNIFICANT CHANGES FY 2019 VS. FY 2018
Sales Tax Refund	\$54,000	\$54,000	<b>\$59,000</b>	\$5,000	9.3%	\$5,000	9.3%	Estimated sales tax refund based on sales tax paid in prior fiscal year.
Community Center/ Parks & Rec/ Street Festival/Bluefish	\$31,500	\$31,500	<b>\$34,700</b>	\$3,200	10.2%	\$3,200	10.2%	Estimated increase in bluefish sales.
Town Facility Rentals	\$15,000	\$15,000	<b>\$18,000</b>	\$3,000	20.0%	\$3,000	20.0%	Upward trend in facility rentals (Community Center & Ocean Front Park).
ABC Revenue	\$14,600	\$14,600	<b>\$15,900</b>	\$1,300	8.9%	\$1,300	8.9%	Upward trend in ABC revenue.
Motor Vehicle License Tax	\$9,500	\$9,500	<b>\$9,750</b>	\$250	2.6%	\$250	2.6%	
Beer & Wine Tax	\$9,500	\$9,500	<b>\$9,300</b>	(\$200)	-2.1%	(\$200)	-2.1%	Forecasted state-wide decreases for FY 2018 & 2019.
Re-Entry Decal Sales	\$5,500	\$5,500	<b>\$4,500</b>	(\$1,000)	-18.2%	(\$1,000)	-18.2%	FY 2019 estimated to be lower due to more people electing not to purchase decals.

**EXHIBIT A**

**GENERAL FUND REVENUE BUDGET  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

REVENUE TYPE	ORIGINAL 2018 BUD.	AMENDED 2018 BUD.	2019 BUDGET	DIFF. 2019 & ORIG. 2018	% CHG.	DIFF. 2019 & AMENDED 2018	% CHG.	SIGNIFICANT CHANGES FY 2019 VS. FY 2018
Interest & Investment Earnings	\$1,250	\$1,250	<b>\$4,100</b>	\$2,850	228%	\$2,850	228%	Increase in CD interest rates & NCCMT earnings.
All Other Revenue	\$2,635	\$2,635	<b>\$2,885</b>	\$250	9.5%	\$250	9.5%	Largest other revenue is fines & citations (\$1,650).
CAMA Grant - Beach Access Paving	\$89,332	\$89,332	<b>\$78,523</b>	(\$10,809)	-12.1%	(\$10,809)	-12.1%	The project related to this grant, paving of E & I Avenue beach access parking lots, is being extended into FY 2019.
Appropriation of Fund Balance	\$0	\$460,386	<b>\$0</b>	\$0		(\$460,386)	-100%	FY 2018 amended budget included fund balance appropriations for capital project transfers & new loan payments.
Other Financing Sources	\$70,000	\$70,000	<b>\$115,000</b>	\$45,000	64.3%	\$45,000	64.3%	Financing for new Police vehicle (\$35,000) & one-half of street sweeper (\$80,000).
<b>TOTAL GENERAL FUND</b>	<b>\$4,607,417</b>	<b>\$5,067,803</b>	<b>\$5,206,532</b>	<b>\$599,115</b>	<b>13.0%</b>	<b>\$138,729</b>	<b>2.7%</b>	

**EXHIBIT B**

**GENERAL FUND BUDGET BY DEPARTMENT  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2018 BUD.	AMENDED 2018 BUD.	PROPOSED 2019 BUD.	DIFF. 2019 & ORIG. 2018	% CHG.	DIFF. 2019 & AMENDED 2018	% CHG.	SIGNIFICANT CHANGES FY 2019 VS. ORIGINAL FY 2018
Governing Body	410	\$38,505	\$38,505	<b>\$38,994</b>	\$489	1.3%	\$489	1.3%	<b>Increases:</b> Telephone/iPad: \$489 / 32%
Committees	412	\$120,010	\$120,010	<b>\$100,115</b>	(\$19,895)	-16.6%	(\$19,895)	-16.6%	<b>Increases:</b> SLABP Committee: \$2,365 / 45% FY 19 includes \$4,740 for beach access signs & \$2,925 for sea oats  <b>Decreases:</b> Capital outlay: \$22,260 / 19%
Finance	415	\$150,786	\$150,786	<b>\$157,937</b>	\$7,151	4.7%	\$7,151	4.7%	<b>Increases:</b> F/T personnel-related costs: \$6,151 / 8% Auditor/Actuary fees: \$901 / 8% Telephone: \$360 / 100% Financial Software: \$288 / 5% Equipment Rental: \$250 / 6%  <b>Decreases:</b> Unemployment insurance: \$549 / 13% Travel & Training: \$150 / 6% Bank Charges & Fees: \$100 / 4%
Community Center	421	\$23,300	\$23,300	<b>\$23,300</b>	\$0	0.0%	\$0	0.0%	

**EXHIBIT B**

**GENERAL FUND BUDGET BY DEPARTMENT  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2018 BUD.	AMENDED 2018 BUD.	PROPOSED 2019 BUD.	DIFF. 2019 & ORIG. 2018	% CHG.	DIFF. 2019 & AMENDED 2018	% CHG.	SIGNIFICANT CHANGES FY 2019 VS. ORIGINAL FY 2018
Administration	420	\$407,848	\$583,848	\$556,408	\$148,560	36.4%	(\$27,440)	-4.7%	<p><b><u>Increases:</u></b>            F/T personnel-related costs (includes new employee beginning 7/2018 – split with W/S Fund): \$24,675 / 20.5%            Relocation costs: \$88,000 / new expense            Retiree medical insurance: \$8,064 / 30%            Recycle service: \$8,000 / 6%            P&amp;L/WC insurance: \$7,500 / 11%            Utilities: \$2,400 / 80%            Computer services: \$2,103 / 12%            Building maintenance: \$1,900 / 24%            Codification costs: \$1,500 / 100%            Advertising: \$1,000 / 50%            Travel &amp; training: \$1,000 / 33%            Supplies: \$1,000 / 14%            Minor equipment: \$800 / 80%</p>
Elections	430	\$3,000	\$3,000	\$1,000	(\$2,000)	-66.7%	(\$2,000)	-66.7%	FY 2018 was a local election.
Emergency Mgmt.	446	\$100	\$100	\$100	\$0	0.0%	\$0	0.0%	
Tax Collection	460	\$27,000	\$27,000	\$28,800	\$1,800	6.7%	\$1,800	6.7%	Collection costs increase due to proposed tax rate increase.
Legal	470	\$28,950	\$28,950	\$29,850	\$900	3.1%	\$900	3.1%	<p><b><u>Increases:</u></b>            Professional legal service: \$1,000 / 11%</p>

**EXHIBIT B**

**GENERAL FUND BUDGET BY DEPARTMENT**

**FY 2019 VS. FY 2018**

(as of 5/15/2018)

DEPARTMENT	DEPT. NO.	ORIGINAL 2018 BUD.	AMENDED 2018 BUD.	PROPOSED 2019 BUD.	DIFF. 2019 & ORIG. 2018	% CHG.	DIFF. 2019 & AMENDED 2018	% CHG.	SIGNIFICANT CHANGES FY 2019 VS. ORIGINAL FY 2018
Police Dept.	510	\$1,308,960	\$1,315,160	<b>\$1,372,757</b>	\$63,797	4.9%	\$57,597	4.4%	<p><b><u>Increases:</u></b>            F/T personnel-related costs (includes a total of \$606 for potential Longevity Pay policy changes): \$51,100 / 5%            Contracts: \$9,000 / 64%            Utilities: \$6,500 / new expense            Telephone/postage: \$6,500 / 48%            Vehicle gas &amp; oil: \$5,000 / 17%</p> <p><b><u>Decreases:</u></b>            Computer software/support: \$8,000 / 27%            Minor equipment: \$3,000 / 20%            Exams/Screenings: \$2,500 / 42%</p>
Fire Dept.	530	\$701,867	\$695,667	<b>\$740,482</b>	\$38,615	5.5%	\$44,815	6.4%	<p><b><u>Increases:</u></b>            F/T personnel-related costs (includes a total of \$604 for potential Longevity Pay policy changes): \$21,848 / 4.5%            Part-Time pay &amp; taxes: \$13,402 / 18.5%            Drill fees &amp; taxes: \$3,229 / 8.4%            Minor equipment: \$29,300 / 586%            Safety program: \$2,000 / new expense            Uniforms: \$400 / 6%</p> <p><b><u>Decreases:</u></b>            Capital outlay - equipment: \$30,000 / 100%            Travel &amp; Training: \$800 / 8%</p>
Lifeguards	531	\$196,850	\$196,850	<b>\$200,088</b>	\$3,238	1.6%	\$3,238	1.6%	<p><b><u>Increases:</u></b>            Personnel-related costs: \$3,238 / 2%</p>

**EXHIBIT B**

**GENERAL FUND BUDGET BY DEPARTMENT  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2018 BUD.	AMENDED 2018 BUD.	PROPOSED 2019 BUD.	DIFF. 2019 & ORIG. 2018	% CHG.	DIFF. 2019 & AMENDED 2018	% CHG.	SIGNIFICANT CHANGES FY 2019 VS. ORIGINAL FY 2018
Parks & Rec.	532	\$146,027	\$146,027	<b>\$187,268</b>	\$41,241	28.2%	\$41,241	28.2%	<p><b><u>Increases:</u></b>  F/T personnel-related costs (<u>includes new employee beginning 1/2019</u>): \$39,544 / 57%  Boardwalk fish: \$6,000 / 120%  Children/family programs: \$500 / 9%</p> <p><b><u>Decreases:</u></b>  Part-Time pay &amp; taxes: \$2,153 / 20%  Island Day: \$1,000 / 40%  Instructor fees: \$750 / 100%  P&amp;R Activity Exp.: \$500 / 7%  Other Town Events: \$500 / 6%</p>
Bldg. Inspection	540	\$135,201	\$135,201	<b>\$139,165</b>	\$3,964	2.9%	\$3,964	2.9%	<p><b><u>Increases:</u></b>  F/T personnel-related costs: \$4,319 / 4.5%  Computer software/support: \$1,000 / 50%</p> <p><b><u>Decreases:</u></b>  Building maintenance: \$1,000 / 100%  Beach nourishment: \$400 / 5%</p>
Debt Service	560	\$360,615	\$564,042	<b>\$708,050</b>	\$347,435	96.3%	\$144,008	25.5%	<p>New Loans in FY 2018 for Fire Station &amp; Town Hall renovation (\$5 mil.) &amp; Police vehicle (\$31,668).</p>



**EXHIBIT B**

**GENERAL FUND BUDGET BY DEPARTMENT  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2018 BUD.	AMENDED 2018 BUD.	PROPOSED 2019 BUD.	DIFF. 2019 & ORIG. 2018	% CHG.	DIFF. 2019 & AMENDED 2018	% CHG.	SIGNIFICANT CHANGES FY 2019 VS. ORIGINAL FY 2018
Streets & Sanitation	550	\$863,848	\$863,848	<b>\$902,561</b>	\$38,713	4.5%	\$38,713	4.5%	<p><b><u>Increases:</u></b>            Capital outlay – equipment: \$45,000 / 129%            Christmas decorations: \$12,000 / 120%            OFP maintenance: \$2,000 / 40%            Garbage cart purchases: \$2,000 / 20%            Special Events: \$500 / 20%</p> <p><b><u>Decreases:</u></b>            Personnel-related costs (includes a total of \$604 for potential Longevity Pay policy changes): \$5,437 / 1.2%            Joe Eakes Park maintenance: \$15,000 / 60%            Utilities: \$1,500 / 3%            Minor Equipment: \$800 / 8%            Uniforms: \$500 / 13%</p>
Transfers	580	\$46,450	\$127,409	<b>\$9,807</b>	(\$36,643)	-78.9%	(\$117,602)	-92.3%	Transfer to the Beach Protection Fund.
Contingency	490	\$48,100	\$48,100	<b>\$9,850</b>	(\$38,250)	-79.5%	(\$38,250)	-79.5%	
<b>TOTAL GENERAL FUND</b>		<b>\$4,607,417</b>	<b>\$5,067,803</b>	<b>\$5,206,532</b>	<b>\$599,115</b>	<b>13.0%</b>	<b>\$138,729</b>	<b>2.7%</b>	

**EXHIBIT C**

**WATER/SEWER FUND REVENUE BUDGET  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

<b>REVENUE TYPE</b>	<b>2018 BUDGET</b>	<b>2019 BUDGET</b>	<b>DIFF. 2019 &amp; 2018</b>	<b>% CHANGE</b>	<b>SIGNIFICANT CHANGES FY 2019 VS. FY 2018</b>
Water Charges	\$805,000	<b>\$840,650</b>	\$35,650	4.4%	New rate tiers as follows: Residential - usage over 12,000 gallons Commercial – usage over 70,000 gallons Fort Fisher – usage over 70,000 gallons
Sewer Charges	\$1,155,000	<b>\$1,174,500</b>	\$19,500	1.7%	New rate tiers as follows: Residential - usage over 12,000 gallons Commercial – usage over 70,000 gallons Fort Fisher – usage over 70,000 gallons
Water & Sewer Tap Fees	\$36,000	<b>\$60,000</b>	\$24,000	66.7%	Based on estimated building activity.
Cutoff & Reconnection Fees	\$1,200	<b>\$1,500</b>	\$300	25.0%	Upward trend in account cutoff & reconnections.
Account Past Due Fees	\$6,000	<b>\$6,200</b>	\$200	3.3%	
New Account Setup Fee	\$0	<b>\$6,000</b>	\$6,000		New fee effective in April 2018.

**EXHIBIT C****WATER/SEWER FUND REVENUE BUDGET  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

<b>REVENUE TYPE</b>	<b>2018 BUDGET</b>	<b>2019 BUDGET</b>	<b>DIFF. 2019 &amp; 2018</b>	<b>% CHANGE</b>	<b>SIGNIFICANT CHANGES FY 2019 VS. FY 2018</b>
Other Revenue/ Fees	\$315	\$215	(\$100)	-31.7%	
Interest Income	\$2,140	\$7,020	\$4,880	228%	Increase in CD interest rates & NCCMT earnings.
Other Financing Sources	\$145,000	\$100,000	(\$45,000)	-31.0%	Financing for service truck (\$40,000) and 2 mobile generators (\$60,000).
<b>TOTAL WATER/ SEWER FUND</b>	<b>\$2,150,655</b>	<b>\$2,196,085</b>	<b>\$45,430</b>	<b>2.1%</b>	

**EXHIBIT D**

**WATER/SEWER FUND BUDGET BY DEPARTMENT  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

<u>DEPARTMENT</u>	<u>DEPT. NO.</u>	<u>2018 BUDGET</u>	<u>PROPOSED 2019 BUD.</u>	<u>DIFF. 2019 &amp; 2018</u>	<u>% CHG.</u>	<u>SIGNIFICANT CHANGES FY 2019 VS. FY 2018</u>
Governing Body	410	\$17,505	<b>\$17,994</b>	\$489	2.8%	<b><u>Increases:</u></b> Telephone/iPad: \$489 / 32%
Finance	715	\$186,200	<b>\$197,817</b>	\$11,617	6.2%	<b><u>Increases:</u></b> F/T personnel-related costs: \$8,915 / 6.2% Telephone: \$1,080 / 300% Auditor/Actuary fees: \$875 / 8% Postage: \$360 / 4%
Administration	720	\$260,170	<b>\$309,187</b>	\$49,017	18.8%	<b><u>Increases:</u></b> F/T personnel-related costs ( <u>includes new employee beginning 7/2018 – split with General Fund</u> ): \$24,675 / 20.5% P&L/WC insurance: \$7,500 / 11% Retiree medical insurance: \$4,943 / 36% Utilities: \$2,400 / 80% Computer services: \$2,103 / 12% Building maintenance: \$1,900 / 24% Minor equipment: \$1,500 / 150% Codification costs: \$1,500 / 100% Advertising: \$1,000 / 50% Travel & training: \$1,000 / 33% Supplies: \$1,000 / 14%  <b><u>Decreases:</u></b> Special long-term disability: \$1,122 / 100%

**EXHIBIT D**

**WATER/SEWER FUND BUDGET BY DEPARTMENT  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

DEPARTMENT	DEPT. NO.	2018 BUDGET	PROPOSED 2019 BUD.	DIFF. 2019 & 2018	% CHG.	SIGNIFICANT CHANGES FY 2019 VS. FY 2018
Legal	470	\$28,950	<b>\$29,850</b>	\$900	3.1%	<b><u>Increases:</u></b> Professional legal service: \$1,000 / 11%
W/S Operations	810	\$1,657,830	<b>\$1,641,237</b>	(\$16,593)	-1.0%	<b><u>Increases:</u></b> F/T personnel-related costs (includes a total of \$906 for potential Longevity Pay policy changes): \$17,086 / 4.4% Debt service: \$63,061 / 32% Capital outlay - equipment: \$53,000 / 113% Materials & supplies: \$10,000 / 11% Travel & training: \$2,000 / 40%  <b><u>Decreases:</u></b> Capital outlay - improvements: \$126,740 / 76% Carolina Beach Treatment Exp.: \$25,000 / 7% Capital outlay – sewer rehab: \$10,000 / 9%
<b>TOTAL WATER/ SEWER FUND</b>		<b>\$2,150,655</b>	<b>\$2,196,085</b>	<b>\$45,430</b>	<b>2.1%</b>	

**EXHIBIT E**

**STORM WATER FUND REVENUE BUDGET  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

<b>REVENUE TYPE</b>	<b>2018 BUDGET</b>	<b>2019 BUDGET</b>	<b>DIFF. 2019 &amp; 2018</b>	<b>% CHANGE</b>	<b>SIGNIFICANT CHANGES FY 2019 VS. FY 2018</b>
Storm Water Charges	\$223,000	<b>\$227,500</b>	\$4,500	2.0%	Increase in number of accounts.
Storm Water Building Fees	\$40,000	<b>\$48,000</b>	\$8,000	20.0%	Based on estimated building activity.
Interest Income	\$875	<b>\$2,880</b>	\$2,005	229.1%	Increase in CD interest rates & NCCMT earnings.
Other Financing	\$35,000	<b>\$80,000</b>	\$45,000	128.6%	Financing for one-half of street sweeper.
Appropriate Fund Balance	\$331,219	<b>\$0</b>	(\$331,219)	-100%	FY 2018 included fund balance appropriation as revenue source for infrastructure projects.
<b>TOTAL STORM WATER FUND</b>	<b>\$630,094</b>	<b>\$358,380</b>	<b>(\$271,714)</b>	<b>-43.1%</b>	

**EXHIBIT F**

**STORM WATER FUND BUDGET BY EXPENSE TYPE  
FY 2019 VS. FY 2018  
(as of 5/15/2018)**

<u>DEPARTMENT</u>	<u>DEPT. NO.</u>	<u>2018 BUDGET</u>	<u>PROPOSED 2019 BUD.</u>	<u>DIFF. 2019 &amp; 2018</u>	<u>% CHG.</u>	<u>SIGNIFICANT CHANGES FY 2019 VS. FY 2018</u>
SW Operations	610	\$145,254	<b>\$154,247</b>	\$8,993	6.2%	<b><i>Increases:</i></b> Personnel-related costs: \$8,993 / 7.8%
Debt Service	610	\$99,840	<b>\$108,193</b>	\$8,353	8.4%	New loan in FY 2018 for one-half of compact excavator.
Capital Outlay	610	\$385,000	<b>\$95,940</b>	(\$289,060)	-75.1%	<b><i>Increases:</i></b> Capital outlay - equipment: \$45,000 / 129% <b><i>Decreases:</i></b> Capital outlay - improvements: \$334,060 / 95%
<b>TOTAL STORM WATER FUND</b>		<b>\$630,094</b>	<b>\$358,380</b>	<b>(\$271,714)</b>	<b>-43.1%</b>	

# PROPOSED BUDGET ORDINANCE





Ordinance Number: FY 2018-19  
Date Adopted:  
Effective Date: July 1, 2018

**BUDGET ORDINANCE FY 2018-2019  
KURE BEACH, NORTH CAROLINA**

Be it ordained by the Town Council of Kure Beach, North Carolina:

**Section I.** Budget Adoption: There is hereby adopted the following operating budget for the Town of Kure Beach for the Fiscal Year beginning July 1, 2018 and ending June 30, 2019; the same being adopted by fund. Activity within each fund is listed as follows:

**GENERAL FUND**

**EXPENDITURES:**

Governing Body	\$ 38,994
Committees	100,115
Finance	157,937
Administration	556,408
Community Center	23,300
Elections	1,000
Emergency Management	100
Tax Collections	28,800
Legal Department	29,850
Police Department	1,372,757
Fire Department	740,482
Lifeguards	200,088
Parks & Recreation	187,268
Building Inspections	139,165
Streets & Sanitation	902,561
Debt Service	708,050
Transfer to Beach Protection Fund	9,807
Contingency	<u>9,850</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$5,206,532</u></b>

**GENERAL FUND (continued)**

**REVENUES:**

Property Tax (current & prior years)	\$2,920,300
Sales Tax	886,000
Garbage & Recycle Fees	429,900
TDA Funds	235,000
Franchise & Utility Tax	225,000
Motor Vehicle License Tax	9,750
ABC Revenue	15,900
Building Permits/Impact Fees/ CAMA Fees/Fire Inspections	76,750
Communication Tower Rent	81,924
Town Facility Rentals	18,000
Parks & Rec/Community Center/ Street Festival	34,700
Other Revenue	158,308
Other Financing Sources	<u>115,000</u>

**TOTAL REVENUES** **\$5,206,532**

**POWELL BILL FUND**

**EXPENDITURES:**

Street Maintenance & Repair	<u>\$ 175,000</u>
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**TOTAL EXPENDITURES** **\$ 175,000**

**REVENUES:**

Powell Bill Allocation	\$ 65,000
Interest Income	830
Fund Balance Appropriated	<u>109,170</u>

**TOTAL REVENUES** **\$ 175,000**

**STORM WATER FUND**

**EXPENDITURES:**

Storm Water Operations                   \$ 358,380

**TOTAL EXPENDITURES                   \$ 358,380**

**REVENUES:**

Storm Water Monthly Fees               \$ 227,500

Storm Water Building Fees               48,000

Interest Income                           2,880

Other Financing Sources                 80,000

**TOTAL REVENUES                         \$ 358,380**

**BEACH PROTECTION FUND**

**EXPENDITURES:**

Beach Protection Reserves               \$ 13,397

**TOTAL EXPENDITURES                   \$ 13,397**

**REVENUES:**

Interest Income                           \$ 3,590

Transfer from General Fund               9,807

**TOTAL REVENUES                         \$ 13,397**

**FEDERAL ASSET FORFEITURE FUND**

**EXPENDITURES:**

Federal Asset Forfeiture Expenses       \$ 50,000

**TOTAL EXPENDITURES                   \$ 50,000**

**FEDERAL ASSET FORFEITURE FUND (continued)**

**REVENUES:**

Fund Balance Appropriated	\$ 50,000
<b>TOTAL REVENUES</b>	<b><u>\$ 50,000</u></b>

**WATER AND SEWER FUND**

**EXPENDITURES:**

W/S Governing Body	\$ 17,994
W/S Legal Department	29,850
W/S Finance	197,817
W/S Administration	309,187
W/S Operations	<u>1,641,237</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$2,196,085</u></b>

**REVENUES:**

Water Charges	\$ 840,650
Sewer Charges	1,174,500
Tap & Reconnection Fees	61,500
Other Revenue	19,435
Other Financing Sources	<u>100,000</u>
<b>TOTAL REVENUES</b>	<b><u>\$2,196,085</u></b>

**SEWER EXPANSION RESERVE FUND (SERF)**

**EXPENDITURES:**

Sewer Reserve	\$ 16,250
<b>TOTAL EXPENDITURES</b>	<b><u>\$ 16,250</u></b>

**SEWER EXPANSION RESERVE FUND (SERF) (continued)**

**REVENUES:**

System Development Fees	\$ 14,800
Interest Income	<u>1,450</u>
<b>TOTAL REVENUES</b>	<b><u>\$ 16,250</u></b>

<b>EXPENDITURES</b>	<b>ALL FUNDS</b>	<b><u>\$8,015,644</u></b>
<b>REVENUES</b>	<b>ALL FUNDS</b>	<b><u>\$8,015,644</u></b>

**Section II. Levy of Taxes:** There is hereby levied, for the Fiscal Year 2018-2019, an Ad Valorem tax rate of 33 cents (\$0.33) per one hundred dollars (\$100) valuation of taxable property as listed for taxes as of January 1, 2018. This rate shall be levied entirely in the General Fund.

The tax rate is based on an estimated total valuation of property for the purposes of taxation of eight hundred ninety-one million six hundred sixty-three thousand dollars (\$891,663,000) and an estimated collection rate of ninety-nine percent (99%).

**Section III. Salaries:** The following shall govern salary and wage compensation for Fiscal Year 2018-2019:

A. Pay Plan. There is hereby adopted a pay plan that includes an across the board cost of living adjustment in the amount of 2% applicable to all Town employees.

B. Salary Adjustments. Each employee's salary shall be examined to ensure that the pay grade reflects the years of service, proficiency and quality of work. Merit raises are allotted at 2% this year for employees.

**Section IV.** The Budget Officer hereby authorized to transfer appropriations within a fund as contained herein under the following conditions as specified in North Carolina General Statute Chapter 159.

A. The Budget Officer may transfer amounts between line item expenditures without limitation and without a report being required up to \$10,000 at any one time.

B. The Budget Officer may transfer amounts within departments and of the same fund and reported as part of the financial statements. He shall make an official report immediately to Council on such transfers.

C. The Budget Officer may not transfer amounts between funds without prior Council action.

**Section V. Restricted Revenues:** The Finance Officer is hereby directed to fund appropriations that have specified revenues prior to funding with General Fund monies. This is to include but not limited to Local, State and Federal grants.

**Section VI. Encumbrances:** All outstanding encumbrances from prior fiscal years are to be carried forward to Fiscal Year 2018-2019. All Project Ordinance appropriations are continued.

**Section VII. Budget Control:** The Town Council in approving the budget has utilized to the fullest extent possible its revenue sources. Over collections of revenues or unanticipated revenue sources cannot be expected during the year. It is therefore of utmost importance that Department Heads initiate steps to insure compliance with the budget as fixed herein and they are hereby directed to do so.

**Section VII.** The Town Council hereby authorizes the New Hanover County Tax Administrator to bill and collect taxes for the Town, including the annual five dollars (\$5) motor vehicle license tax.

**Section IX. Fees and Charges:** There is hereby established, for Fiscal Year 2018-2019, various fees and charges as contained in the attached Fee Schedule. Changes from the Fiscal Year 2017-2018 Fee Schedule are as follows:

Ad Valorem Tax Rate (per \$100 of valuation)	Increase from \$0.285 to \$0.33
Residential Garbage Collection – first cart per month	Increase from \$6.00 to \$7.00
Residential Garbage Collection – after the first cart monthly	Increase from \$12.00 to \$14.00
Commercial Garbage Collection – per cart monthly	Increase from \$26.25 to \$30.63
Recycling Service – per cart monthly	Increase from \$4.88 to \$5.01
Residential Water – per 100 gallons for monthly usage in excess of 12,000 gallons	Increase from \$0.675 to \$1.0125
Residential Sewer – per 100 gallons for monthly usage in excess of 12,000 gallons	Increase from \$0.87 to \$1.305

Commercial Water – per 100 gallons for monthly usage in excess of 70,000 gallons	Increase from \$0.694 to \$0.8675
Commercial Sewer – per 100 gallons for monthly usage in excess of 70,000 gallons	Increase from \$0.7125 to \$0.890625
Out of Town (EJT) Water – per 100 gallons for monthly usage in excess of 70,000 gallons	Increase from \$0.7875 to \$0.984375
Out of Town (EJT) Sewer – per 100 gallons for monthly usage in excess of 70,000 gallons	Increase from \$1.0125 to \$1.265625

This ordinance being duly passed and adopted this     day of June, 2018.

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Craig Bloszinsky, Mayor

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Nancy Avery, Town Clerk

# PROPOSED FEE SCHEDULE





**TOWN OF KURE BEACH  
FEE SCHEDULE  
FISCAL YEAR 2018-2019**

Fee Schedule to be updated each year as part of the adoption of the new fiscal year budget ordinance.

<b><u>AD VALOREM TAX RATE per \$100</u></b>	\$0.33
<b><u>MOTOR VEHICLE LICENSE TAX (per vehicle registered in Kure Beach)</u></b>	\$5.00
<b><u>WATER FEES</u></b>	
Residential (monthly minimum - up to 2,500 gallons)	\$13.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum:	
2,501 gallons to 7,000 gallons	\$0.45
7,001 gallons to 12,000 gallons	\$0.675
Over 12,000 gallons	\$1.0125
Commercial (monthly minimum - up to 2,500 gallons)	\$18.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum:	
2,501 gallons to 70,000 gallons	\$0.694
Over 70,000 gallons	\$0.8675
Out of Town (ETJ) (monthly minimum - up to 2,500 gallons)	\$23.00
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum:	
2,501 gallons to 70,000 gallons	\$0.7875
Over 70,000 gallons	\$0.984375
<b><u>SEWER FEES</u></b>	
Residential (monthly minimum - up to 2,500 gallons)	\$23.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum:	
2,501 gallons to 7,000 gallons	\$0.58
7,001 gallons to 12,000 gallons	\$0.87
Over 12,000 gallons	\$1.305
Commercial (monthly minimum - up to 2,500 gallons)	\$25.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum:	
2,501 gallons to 70,000 gallons	\$0.7125
Over 70,000 gallons	\$0.890625
Out of Town (ETJ) (monthly minimum - up to 2,500 gallons)	\$40.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum:	
2,501 gallons to 70,000 gallons	\$1.0125
Over 70,000 gallons	\$1.265625
<b><u>OTHER WATER &amp; SEWER FEES</u></b>	
New Account Setup Fee	\$50.00
Water Service Fee - nonrefundable fee for service technician site visit	\$30.00
Additional Water Service Fee - fee for each additional visit if customer fails to meet technician at site	\$10.00

**OTHER WATER & SEWER FEES (continued)**

Water Service Meter Check Fee - customer request that a meter be read, checked, or turned on or off. If problem found with meter, fee can be waived at discretion of the Public Works Director	\$30.00
Water Cut-ons Outside Working Hours	\$25.00
Special Meter Tests - if customer requests meter test and the meter is found to be defective, charge will be refunded	\$50.00
Reconnection Fee - if water is cut-off due to non-payment	\$60.00
Returned Check Fee	\$25.00
Account Past Due Charge - per month	\$10.00

**WATER TAP FEE**

3/4 X 5/8	\$1,500.00
1 Inch	\$2,000.00
1 1/2 Inch	\$2,500.00
2 Inch	\$3,000.00
Irrigation	\$4,000.00

**SEWER TAP FEE**

4 inch	\$1,500.00
4 inch	\$1,500.00
6 inch	\$2,000.00
6 inch	\$2,000.00

**SYSTEM DEVELOPMENT FEE**

Section 17-127 of Code	\$592.00
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**IMPACT FEE**

Voluntary Annexation Only Sect 17-128 of Code	\$400.00
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**STORM WATER FEES**

Building Fee - may be waived w/installation of engineered storm water system and approval of building inspector and public works director	\$4,000.00
Residential-monthly	\$8.71
Business - monthly	varies by account

**RECYCLE FEE - per bin monthly (residential)**

\$5.01

**GARBAGE COLLECTION FEES**

Residential - per cart monthly - 1st cart	\$7.00
Residential - per cart monthly - after the 1st cart	\$14.00
Commercial - per can monthly	\$30.63
Garbage cart purchase	\$80.00
Additional Vacation Rental (Summer) Garbage Collection (June until Labor Day): - Per cart per month (minimum of 2 months)	\$50.00

**TRASH PICKUP FEE**

Minimum	\$15.00
1/4 load	\$45.00
1/2 load	\$90.00
3/4 load	\$135.00
Full load	\$180.00
Appliances (per appliance)	\$15.00

**CITY BEER AND WINE RETAIL LICENSE**

As stipulated in N.C. General Statute 105-113.77

**RE-ENTRY DECAL FEES**

Resident or non-resident property owner, January 1 to March 31	\$5.00
Resident or non-resident property owner, after March 31	\$15.00

**COPY/FAX FEES**

Fax: 1 PAGE	\$2.00
Fax: Each additional page	\$1.00
Zoning map - each	\$5.00
Copies: Per page	\$0.10
Copy of Zoning Ordinance	\$10.00
Copy of Town Code	\$70.00
Flood map - each	\$5.00

**RENT COMMUNITY CENTER: DEPOSIT, PER HOUR FEES-2 HOUR MINIMUM (then hourly) & DAILY FEES**

Deposit (refundable if center is cleaned, as instructed, and there's no damage)	\$250.00
KB Resident/Property Owner & Non-Profit Organization	\$75.00 per hour
KB Resident/Property Owner & Non-Profit Organization	\$675.00 daily rate
Non-resident & Commercial Organization for Profit	\$100.00 per hour
Non-resident & Commercial Organization for Profit	\$900.00 daily rate

**OTHER FEES COMMUNITY CENTER**

Service charge for cancellation of contract	\$50.00
Rental fee will not be refunded for cancellation of lease by lessee made within 30 days before the event. Security deposit will be refunded.	

**RENT OCEAN FRONT PARK PAVILION:DEPOSIT & PER HOUR FEES-\*4 HOUR MINIMUM (then hourly)**

\*Exception: Can rent pavilion for 1 HOUR, if rented in conjunction with Community Center

Deposit (refundable if no damage to pavilion/grounds)	\$250.00
KB Resident/Property Owner & Non-Profit Organization, Pavilion ONLY	\$75.00 per hour
Non-resident & Commercial Organization for Profit, Pavilion ONLY	\$100.00 per hour
KB Resident/Property Owner & Non-Profit Organization, Pavilion & Lawn	\$125.00 per hour
Non-resident & Commercial Organization for Profit, Pavilion & Lawn	\$150.00 per hour

**PARKS AND RECREATION PROGRAM FEES**

Fees for specific Parks and Recreation activities will be set prior to commencement of the activity	varies
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**SPECIAL EVENT FEES**

General Use Impact Fees:

minimal use of public property - low impact - per day	\$150.00
includes intermittent traffic control - medium impact - per day	\$300.00
includes closing of public streets - high impact - per day	\$500.00

Personnel:

Police - minimum of four hours - per hour (includes overhead)	\$40.00
Sanitation - per hour (includes overhead)	\$40.00
Street - per hour (includes overhead)	\$40.00
Fireman - per hour (includes overhead)	\$40.00

Facilities Rental:

Council Chambers - per day	\$100.00
Public land per site - per day	\$100.00
Public building - per day	\$100.00

Equipment:

Police/Fire/Lifeguard or other Town Vehicle - per hour	\$25.00
Trash pickup - per cart per pickup	\$15.00
- minimum 2 carts required for recyclable materials and one for regular trash	

**PERMIT/CONSTRUCTION FEES**

Fence	\$25.00	
Window Replacement	\$25.00	
Prefab Shed	\$25.00	
Handicap Ramp	\$25.00	
Beach Access	\$25.00	
Pool-residential	\$300.00	
Pool -commercial	\$2,000.00	
Landscape	\$25.00	
House moved (plus any cost incurred by public works or police dept.)	\$150.00	
House moved out of town (plus any cost incurred by public works or police dept.)	\$150.00	
Demolition (residence)	\$150.00	
Demolition (commercial)	\$300.00	
Building - New Construction - processing fee	\$200.00	
Mobile Home Fee-set up (plus permit fee)	\$200.00	
Mobile Home and Travel Trailer Park - \$5.00 space up to 100 spaces	\$350.00	
Yard sale	\$1.00	
Temporary structures in excess of 200 square feet - Sec. 12-45	\$250.00	obtained 7 days prior
Temporary structures in excess of 200 square feet - Sec. 12-45	\$500.00	obtained less than 7 days prior
Replace permit card -Each	\$10.00	
Improvements, additions and renovations to include decks, garages, etc.:		
from \$0 to \$500	\$25.00	
from \$501 to \$2,500	\$50.00	
from \$2,501 to \$5,000	\$100.00	
from \$5,001 to \$10,000	\$150.00	
from \$10,001 to \$20,000	\$200.00	
from \$20,001 to \$30,000	\$250.00	
from \$30,001 to \$40,000	\$300.00	
from \$40,001 to \$50,000	\$350.00	
from \$50,100 and above + \$5.00 per \$1,000.00 over \$50,001	\$400.00	
Signs		
from \$0 to \$500	\$25.00	
from \$501 to \$2,500	\$40.00	
from \$2,501 to \$5,000	\$55.00	
from \$5,001 to \$10,000	\$70.00	
from \$10,001 to \$20,000	\$85.00	
from \$20,001 to \$40,000	\$95.00	
from \$40,001 to \$50,000	\$130.00	
from \$50,100 and above + \$3.00 per \$1,000.00 over \$50,000	\$155.00	

**PLANNING/ZONING FEES**

Text amendment to Town Code	\$100.00
Advertisement for public notices	\$50.00
Application - minor subdivision (per lot)	\$200.00
Subdivision Appeal:	
TRC to Planning Board	\$150.00
TRC to Planning Board (Height Exception Application fee - Sec. 19-333.1)	\$250.00
TRC to BOA	\$375.00
Final plat approval submission (or 50 cents per lot, whichever is greater)	\$125.00
Request for zoning change (plus \$5.00 fee for each notification mailed)	\$100.00
Chapter 19 Zoning violation - Sec. 19-401	\$50.00

**BOARD OF ADJUSTMENT FEES**

Appeal/Variance	\$375.00
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**FIRE INSPECTION AND PERMIT FEES**

Commercial New and Existing Construction Permit Fees:

A= Total gross building floor area of construction

B= Fee per Square Foot

0 - 5,000 sf

5,001-15,000 sf

Over 15,000 sf

AxB = Permit Fee

(AxBx.75)+(1250xB) = Permit Fee

AxBx.50) + (5000xB) + Permit Fee

Occupancy Type:

Residential

Storage

Assembly

Institutional

Business

Mercantile

Hazardous

Factory Indust

Education

Fee Per Square Foot

\$0.05

\$0.035

\$0.06

\$0.06

\$0.06

\$0.06

\$0.05

\$0.04

\$0.065

Construction Permits:

Sprinkler Systems

Fire Alarm Systems

Suppression Systems

Fire pump and related Equipment

Private Fire Hydrants

Standpipe Installation per Riser

\$85.00

\$85.00

\$85.00

\$85.00

\$85.00

\$85.00

Additions

Up Fits

Mobile Buildings

Accessory Structures

Commercial Inspection Fee

Occupancy Certification

Occupying building without CO

Working without Permit

Stop Order Removal

Failure to Obtain Final Inspection

Afterhours/Weekend/Holiday Inspections

ABC Permit

Fire Flow Test

Day Care State Inspection

Witness Fire Flow/Pump Test

Commercial Construction Inspection

Reinspection Fee

Scheduled Fire Inspection

Standpipe Test per Riser

Temporary Structures (Tents, Etc.)

Use Schedule or Min. \$45 + Inspection Fees

Use Schedule or Min. \$45 + Inspection Fees

\$45 + Inspection fee

\$45 + Inspection fee

\$45 Per Inspection per bldg. (Applies to all bldgs.)

\$25 + Inspection Fee

\$250

\$50 or 2x Permit Fee, whichever is greater

\$200

\$100

\$120

\$45

\$45

\$45

\$45

\$45

\$45

\$45

\$75

Revert to Building Permit Fee

**CIVIL CITATION PROGRAM FEES**

Beach:

	<u>1st Offense</u>	<u>2nd Offense</u>
Dogs prohibited on beach strand Sec. 4-17	\$150.00	Misdemeanor
Vehicles prohibited on beach strand Sec. 10-104	\$25.00	Misdemeanor
Fire prohibited on beach strand Sec. 12-40	\$100.00	\$200.00
Litter, glass & alcohol prohibited on beach Sec.12-35	\$150.00	Misdemeanor
Boats, jet skis prohibited w/in 300' from high tide mark Sec. 12-37	\$25.00	\$50.00
Surfing regulations Sec. 12-33	\$25.00	Misdemeanor
Dune trespassing prohibited Sec. 12-39	\$100.00	Misdemeanor
Digging holes in the beach/beach restoration Sec. 12-46	\$100.00	Misdemeanor
No items on beach between 7pm-8am/No beach equip. within 15 ft of turtles/No beach equip. within 25 ft of emergency access points Sec. 12-43	\$50.00	\$100.00
Sleeping on beach after midnight prohibited Sec. 12-31	\$25.00	Misdemeanor
Nude bathing, including thong bathing suits or similar attire, prohibited Sec. 12-32	\$25.00	Misdemeanor
Leaping from commercial pier Sec. 12-34	\$250.00	

Animals/Pets:

Dogs must be on a leash Sec. 4-16	\$150.00	Misdemeanor
Animal/Pet waste removal Sec. 4-16.1	\$150.00	Misdemeanor

Vehicles/Parking:

Parking Ticket Sec. 10-222 - 235	\$25.00	
Parking in a handicap space	\$150.00	Misdemeanor
Soliciting transportation Sec. 10-68	\$10.00	
Vehicles prohibited certain areas Sec.10-60	\$50.00	Misdemeanor

Miscellaneous:

Bicycle regulations Sec. 10-291-308	\$25.00	\$50.00
Noise violations prohibited Sec. 11-31	\$250.00	Misdemeanor
Alcohol consumption/open containers prohibited on public property Sec. 3-1	\$50.00	Misdemeanor
Requirements for taverns and bars Sec. 3-2	\$50.00	G.S.18B-302.1
Beach Vitex Prohibited Sec. 12-41	\$25.00	\$50.00
Numbering of buildings Sec.5-121	\$50.00	
Real estate signs on Town property Sec. 11-80	\$50.00	

Adopted by Town Council on June , 2018.

**PROPOSED AMENDMENT  
TO CHAPTER 6 (FIRE  
PROTECTION AND  
PREVENTION), ARTICLE III  
(FIRE CODE), SECTION 31**

## **Nancy Avery**

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**From:** Ed Kennedy  
**Sent:** Wednesday, March 28, 2018 1:32 PM  
**To:** Nancy Avery  
**Subject:** Re: Request for comments on proposed text amendment to code of ordinances

Nancy,

I would like to get it added on this months agenda for the Council to adopt the 2012 Fire Prevention Code and its Appendices. The last time this was done was the 1982 edition (Chapter 6-31 in Kure Beach Code of Ordinances). This would get us up to date. New code could read as follows:

The International Fire Code, including appendices and the state amendments, as published by the International Code Council, is hereby adopted as the code of the town for regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises in the town and providing for the issuance of permits for hazardous uses or operations; and each and all of the regulations, provisions, conditions and terms of such International Fire Code, current edition, published by the International Code Council, on file in the office of the Fire Chief as hereby referred to, adopted and made a part hereof as if fully set out in this article.

This way, we don't have to change the code every time the update the Fire Code (which they are supposed to do again in January).

Thanks,

**Edmund C. Kennedy**

*Fire Chief*

Kure Beach Fire Department

Office: 910-707-2034

Cell: 910-409-9398

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**From:** Nancy Avery  
**Sent:** Monday, March 26, 2018 4:33 PM  
**To:** John Batson; Sonny Beeker; Jim Mesimer; Ed Kennedy; Mike Bowden; Arlen Copenhaver  
**Subject:** Request for comments on proposed text amendment to code of ordinances

Hi all – need your review and comments on the following proposed text amendment to the code of ordinances.

Please respond by Thursday, March 28.

Thanks!

Nancy Avery



## DRAFT PROPOSED AMENDMENT TO CODE OF ORDINANCES, CHAPTER SIX

That Chapter 6 (Fire Protection and Prevention), Article III (Fire Code), Section 31 (Adopted) of the Code of Ordinances is hereby amended by deleting existing language and replacing with language in bold type below:

Section 31 currently reads     **Adopted**

The 1982 edition of the Fire Prevention Code, published by the American Insurance Association is hereby adopted by reference. A copy of the code is on file in the office of the town clerk.

**Amended Section 31 will read: Adopted**

**The International Fire Code, including appendices and the state amendments, as published by the International Code Council, is hereby adopted as the code of the town for regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises in the town and providing for the issuance of permits for hazardous uses or operations; and each and all of the regulations, provisions, conditions and terms of such International Fire Code, current edition, published by the International Code Council, on file in the office of the Fire Chief as hereby referred to, adopted and made a part hereof as if fully set out in this article.**

# OLD BUSINESS

PROPOSED AMENDMENTS  
TO THE CODE ON PARKING  
ARE ONLY INCLUDED IN  
THE AGENDA PACKET FOR  
THE PUBLIC HEARING AT  
5:45 PM.



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**RESOLUTION R18-02**

**A RESOLUTION AMENDING CHAPTER 10 (Motor Vehicles and Traffic)  
DIVISIONS I -III OF THE CODE OF ORDINANCES**

**WHEREAS**, the Kure Beach Planning and Zoning Commission, as direction from the Town Council and much discussion and review of current ordinances in Chapter 10 (Motor Vehicles and Traffic), Articles VI (Stopping, Standing and Parking), Divisions I (Generally), II (Parking Rules) and III (Parking Spaces for Commercial Vehicles) directed the attorney for its board to provide amendments to the Code of Ordinances to clarify and regulate more effectively parking within the town's limits; and

**WHEREAS**, the attorney presented said proposed amendments to the Planning and Zoning Commission at the April 4, 2018 meeting and the Commission voted at that same meeting to pass the amendments to the Town Council with no recommendation;

**WHEREAS**, the Town Council held a public hearing on proposed amendments on May 15, 2018 as advertised in the May 9, 2018 edition of Island Gazette;

**NOW, THEREFORE BE IT RESOLVED** by the Kure Beach Town Council that Chapter 10 (Motor Vehicles and Traffic), Divisions I (Generally), II (Parking Rules) and III (Parking of the Spaces for Commercial Vehicles) of the Code of Ordinances of the Town of Kure Beach, North Carolina is hereby amended in the following sections and subsections:

**Article VI Stopping, Standing and Parking**

Division I Generally

Sections 201 - 205

Existing language in above referenced sections replaced with new language

**Division II Parking Rules**

Sections 222, 223, 224, 225, 226, 228, 229

Existing language in above referenced sections replaced with new language

Section 227 – existing language moved to new section 230

**Division III Parking spaces for commercial vehicles**

Section 247

Existing language in above referenced section replaced with new language

Adopted by the Kure Beach Town Council this 15th day of May, 2018.

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Attest: Nancy Avery, Town Clerk

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Craig Bloszinsky, Mayor

# NFIP ORDINANCE

To: Town Council

From: John Batson

Re: 2018 Flood Ordinance

Date: May 10, 2018

Commissioners,

I apologize, the second portion of the class I am taking at School of Government falls on a Council Meeting also. Please excuse my absence.

Before you, is the new 2018 Flood Damage Prevention Ordinance. We have to adopt this, along with the new flood maps by August 28<sup>th</sup>.

In the new flood maps, most of the Town's oceanfront properties will remain located with a regulated flood zone. There are only 3 properties that are not oceanfront, located within a regulated flood plain.

Most of the ordinance is dictated by the federal government and on May 3, 2018, I met with Heather Keefer, NFIP Planner, and my contact from the state for all flood related issues. We sat down and went through the ordinance line by line, struck what wasn't applicable, and kept OPTIONAL language that was feasible for us in Kure Beach.

As stated, some of the language wasn't necessary and ensured more restrictive guidelines that historically have not been something Kure Beach has done. Additional workload and recording keeping would accompany it. We adapted the language to be as similar as we could to our old ordinance.

New OPTIONAL changes to the ordinance are:

**Flood Proofing buildings:** This usually only applies to Commercail buildings, and is very expensive to do. I don't foresee this happening in Kure Beach any time soon, especially since the only commercial building in Kure Beach in a flood zone is the Pier.

**Enforcing Limwa Line:** We kept this in the ordinance because it comes with 650 CRS points, even though the only area this could be enforced is in ETJ down near the ferry. So it's a boost for us, but a nonissue!

**1FT Freeboard:** Up until 2 years ago we were enforcing this because the building code required it. Building code changed, so it's not required now. Having this 1ft Freeboard will help us maintain the CRS rating we have. It will make having heated space on the bottom floor of oceanfront homes more difficult, but based on elevation, most new houses on the oceanfront will not be allowed to have it anyways according to the new flood maps.

**Requiring 3 elevation certificates during new construction, and requiring final as-built certification from design professional:** We are already doing part of this. This just makes it ordinance. The last part is requiring the engineer to lay eyes on the final product, and certify that it was installed the way he intended.

My opinion is that this ordinance works for us. I am presenting to you for approval.

# **FLOOD DAMAGE PREVENTION ORDINANCE**

## Coastal Regular Phase

### **ARTICLE 1. STATUTORY AUTHORIZATION, FINDINGS OF FACT, PURPOSE AND OBJECTIVES.**

#### **SECTION A. STATUTORY AUTHORIZATION.**

The Legislature of the State of North Carolina has in Part 6, Article 21 of Chapter 143; Parts 3, 5, and 8 of Article 19 of Chapter 160A; and Article 8 of Chapter 160A of the North Carolina General Statutes, delegated to local governmental units the responsibility to adopt regulations designed to promote the public health, safety, and general welfare.

Therefore, the Town Council of the Town of Kure Beach, North Carolina, does ordain as follows:

#### **SECTION B. FINDINGS OF FACT.**

- (1) The flood prone areas within the jurisdiction of the Town of Kure Beach are subject to periodic inundation which results in loss of life, property, health and safety hazards, disruption of commerce and governmental services, extraordinary public expenditures of flood protection and relief, and impairment of the tax base, all of which adversely affect the public health, safety, and general welfare.
- (2) These flood losses are caused by the cumulative effect of obstructions in floodplains causing increases in flood heights and velocities and by the occupancy in flood prone areas of uses vulnerable to floods or other hazards.

#### **SECTION C. STATEMENT OF PURPOSE.**

It is the purpose of this ordinance to promote public health, safety, and general welfare and to minimize public and private losses due to flood conditions within flood prone areas by provisions designed to:

- (1) Restrict or prohibit uses that are dangerous to health, safety, and property due to water or erosion hazards or that result in damaging increases in erosion, flood heights or velocities;
- (2) Require that uses vulnerable to floods, including facilities that serve such uses, be protected against flood damage at the time of initial construction;
- (3) Control the alteration of natural floodplains, stream channels, and natural protective barriers, which are involved in the accommodation of floodwaters;
- (4) Control filling, grading, dredging, and all other development that may increase erosion or flood damage; and
- (5) Prevent or regulate the construction of flood barriers that will unnaturally divert flood waters or which may increase flood hazards to other lands.

#### **SECTION D. OBJECTIVES.**

The objectives of this ordinance are to:

- (1) Protect human life, safety, and health;
- (2) Minimize expenditure of public money for costly flood control projects;
- (3) Minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the

general public;

- (4) Minimize prolonged business losses and interruptions;
- (5) Minimize damage to public facilities and utilities (i.e. water and gas mains, electric, telephone, cable and sewer lines, streets, and bridges) that are located in flood prone areas;
- (6) Minimize damage to private and public property due to flooding;
- (7) Make flood insurance available to the community through the National Flood Insurance Program;
- (8) Maintain the natural and beneficial functions of floodplains;
- (9) Help maintain a stable tax base by providing for the sound use and development of flood prone areas; and
- (10) Ensure that potential buyers are aware that property is in a Special Flood Hazard Area.

## **ARTICLE 2.        DEFINITIONS.**

Unless specifically defined below, words or phrases used in this ordinance shall be interpreted so as to give them the meaning they have in common usage and to give this ordinance it's most reasonable application.

“Accessory Structure (Appurtenant Structure)” means a structure located on the same parcel of property as the principal structure and the use of which is incidental to the use of the principal structure. Garages, carports and storage sheds are common urban accessory structures. Pole barns, hay sheds and the like qualify as accessory structures on farms, and may or may not be located on the same parcel as the farm dwelling or shop building.

“Addition (to an existing building)” means an extension or increase in the floor area or height of a building or structure.

“Alteration of a watercourse” means a dam, impoundment, channel relocation, change in channel alignment, channelization, or change in cross-sectional area of the channel or the channel capacity, or any other form of modification which may alter, impede, retard or change the direction and/or velocity of the riverine flow of water during conditions of the base flood.

“Appeal” means a request for a review of the Floodplain Administrator's interpretation of any provision of this ordinance.

“Area of Shallow Flooding” means a designated Zone AO or AH on a community's Flood Insurance Rate Map (FIRM) with base flood depths determined to be from one (1) to three (3) feet. These areas are located where a clearly defined channel does not exist, where the path of flooding is unpredictable and indeterminate, and where velocity flow may be evident.

“Area of Special Flood Hazard” see “Special Flood Hazard Area (SFHA)”.

“Base Flood” means the flood having a one (1) percent chance of being equaled or exceeded in any given year.

“Base Flood Elevation (BFE)” means a determination of the water surface elevations of the base flood as published in the Flood Insurance Study. When the BFE has not been provided in a “Special Flood Hazard Area”, it may be obtained from engineering studies available from a Federal, State, or other source using FEMA approved engineering methodologies. This elevation, when combined with the “Freeboard”, establishes the “Regulatory Flood Protection Elevation”.

“Basement” means any area of the building having its floor subgrade (below ground level) on all sides.

“Building” see “Structure”.

“Chemical Storage Facility” means a building, portion of a building, or exterior area adjacent to a building used for the storage of any chemical or chemically reactive products.

“Coastal Area Management Act (CAMA)” means North Carolina's Coastal Area Management Act, this act, along with the Dredge and Fill Law and the Federal Coastal Zone Management Act, is managed through North Carolina Department of



Environmental Quality (NCDEQ) Division of Coastal Management (DCM).

“Coastal A Zone (CAZ)” means an area within a special flood hazard area, landward of a V zone or landward of an open coast without mapped V zones; in a Coastal A Zone, the principal source of flooding must be astronomical tides, storm surges, seiches, or tsunamis, not riverine flooding. During the base flood conditions, the potential for wave heights shall be greater than or equal to 1.5 feet. Coastal A Zones are not normally designated on FIRMs. (see Limit of Moderate Wave Action (LiMWA))

“Coastal Barrier Resources System (CBRS)” consists of undeveloped portions of coastal and adjoining areas established by the Coastal Barrier Resources Act (CoBRA) of 1982, the Coastal Barrier Improvement Act (CBIA) of 1990, and subsequent revisions, and includes areas owned by Federal or State governments or private conservation organizations identified as Otherwise Protected Areas (OPA).

“Coastal High Hazard Area” means a Special Flood Hazard Area extending from offshore to the inland limit of a primary frontal dune along an open coast and any other area subject to high velocity wave action from storms or seismic sources. The area is designated on a FIRM, or other adopted flood map as determined in Article 3, Section B of this ordinance, as Zone VE.

“Design Flood”: See “Regulatory Flood Protection Elevation.”

“Development” means any man-made change to improved or unimproved real estate, including, but not limited to, buildings or other structures, mining, dredging, filling, grading, paving, excavation or drilling operations, or storage of equipment or materials.

“Development Activity” means any activity defined as Development which will necessitate a Floodplain Development Permit. This includes buildings, structures, and non-structural items, including (but not limited to) fill, bulkheads, piers, pools, docks, landings, ramps, and erosion control/stabilization measures.

“Digital Flood Insurance Rate Map (DFIRM)” means the digital official map of a community, issued by the Federal Emergency Management Agency (FEMA), on which both the Special Flood Hazard Areas and the risk premium zones applicable to the community are delineated.

“Disposal” means, as defined in NCGS 130A-290(a)(6), the discharge, deposit, injection, dumping, spilling, leaking, or placing of any solid waste into or on any land or water so that the solid waste or any constituent part of the solid waste may enter the environment or be emitted into the air or discharged into any waters, including groundwaters.

“Elevated Building” means a non-basement building which has its lowest elevated floor raised above ground level by foundation walls, shear walls, posts, piers, pilings, or columns.

“Encroachment” means the advance or infringement of uses, fill, excavation, buildings, structures or development into a special flood hazard area, which may impede or alter the flow capacity of a floodplain.

“Existing building and existing structure” means any building and/or structure for which the “start of construction” commenced before January, 6 1982.

“Existing Manufactured Home Park or Manufactured Home Subdivision” means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) was completed before the initial effective date of the floodplain management regulations adopted by the community.

“Flood” or “Flooding” means a general and temporary condition of partial or complete inundation of normally dry land areas from:

- (a) The overflow of inland or tidal waters; and/or
- (b) The unusual and rapid accumulation or runoff of surface waters from any source.

“Flood Boundary and Floodway Map (FBFM)” means an official map of a community, issued by the FEMA, on which the Special Flood Hazard Areas and the floodways are delineated. This official map is a supplement to and shall be used in

conjunction with the Flood Insurance Rate Map (FIRM).

“Flood Hazard Boundary Map (FHBM)” means an official map of a community, issued by the FEMA, where the boundaries of the Special Flood Hazard Areas have been defined as Zone A.

“Flood Insurance” means the insurance coverage provided under the National Flood Insurance Program.

“Flood Insurance Rate Map (FIRM)” means an official map of a community, issued by the FEMA, on which both the Special Flood Hazard Areas and the risk premium zones applicable to the community are delineated. (see also DFIRM)

“Flood Insurance Study (FIS)” means an examination, evaluation, and determination of flood hazards, corresponding water surface elevations (if appropriate), flood hazard risk zones, and other flood data in a community issued by the FEMA. The Flood Insurance Study report includes Flood Insurance Rate Maps (FIRMs) and Flood Boundary and Floodway Maps (FBFMs), if published.

“Flood Prone Area” see “Floodplain”

“Flood Zone” means a geographical area shown on a Flood Hazard Boundary Map or Flood Insurance Rate Map that reflects the severity or type of flooding in the area.

“Floodplain” means any land area susceptible to being inundated by water from any source.

“Floodplain Administrator” is the individual appointed to administer and enforce the floodplain management regulations.

“Floodplain Development Permit” means any type of permit that is required in conformance with the provisions of this ordinance, prior to the commencement of any development activity.

“Floodplain Management” means the operation of an overall program of corrective and preventive measures for reducing flood damage and preserving and enhancing, where possible, natural resources in the floodplain, including, but not limited to, emergency preparedness plans, flood control works, floodplain management regulations, and open space plans.

“Floodplain Management Regulations” means this ordinance and other zoning ordinances, subdivision regulations, building codes, health regulations, special purpose ordinances, and other applications of police power. This term describes federal, state or local regulations, in any combination thereof, which provide standards for preventing and reducing flood loss and damage.

“Floodproofing” means any combination of structural and nonstructural additions, changes, or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water and sanitation facilities, structures, and their contents.

“Flood-resistant material” means any building product [material, component or system] capable of withstanding direct and prolonged contact (minimum 72 hours) with floodwaters without sustaining damage that requires more than low-cost cosmetic repair. Any material that is water-soluble or is not resistant to alkali or acid in water, including normal adhesives for above-grade use, is not flood-resistant. Pressure-treated lumber or naturally decay-resistant lumbars are acceptable flooring materials. Sheet-type flooring coverings that restrict evaporation from below and materials that are impervious, but dimensionally unstable are not acceptable. Materials that absorb or retain water excessively after submergence are not flood-resistant. Please refer to Technical Bulletin 2, *Flood Damage-Resistant Materials Requirements*, and available from the FEMA. Class 4 and 5 materials, referenced therein, are acceptable flood-resistant materials.

“Floodway” means the channel of a river or other watercourse, including the area above a bridge or culvert when applicable, and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than one (1) foot.

“Floodway encroachment analysis” means an engineering analysis of the impact that a proposed encroachment into a floodway or non-encroachment area is expected to have on the floodway boundaries and flood levels during the occurrence of the base flood discharge. The evaluation shall be prepared by a qualified North Carolina licensed engineer using standard engineering methods and models.

“Freeboard” means the height added to the BFE to account for the many unknown factors that could contribute to flood heights

greater than the height calculated for a selected size flood and floodway conditions, such as wave action, blockage of bridge or culvert openings, and the hydrological effect of urbanization of the watershed. The BFE plus the freeboard establishes the “Regulatory Flood Protection Elevation”.

“Functionally Dependent Facility” means a facility which cannot be used for its intended purpose unless it is located in close proximity to water, limited to a docking or port facility necessary for the loading and unloading of cargo or passengers, shipbuilding, or ship repair. The term does not include long-term storage, manufacture, sales, or service facilities.

“Hazardous Waste Management Facility” means, as defined in NCGS 130A, Article 9, a facility for the collection, storage, processing, treatment, recycling, recovery, or disposal of hazardous waste.

“Highest Adjacent Grade (HAG)” means the highest natural elevation of the ground surface, prior to construction, immediately next to the proposed walls of the structure.

“Historic Structure” means any structure that is:

- (a) Listed individually in the National Register of Historic Places (a listing maintained by the US Department of Interior) or preliminarily determined by the Secretary of Interior as meeting the requirements for individual listing on the National Register;
- (b) Certified or preliminarily determined by the Secretary of Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;
- (c) Individually listed on a local inventory of historic landmarks in communities with a “Certified Local Government (CLG) Program”; or
- (d) Certified as contributing to the historical significance of a historic district designated by a community with a “Certified Local Government (CLG) Program.”

Certified Local Government (CLG) Programs are approved by the US Department of the Interior in cooperation with the North Carolina Department of Cultural Resources through the State Historic Preservation Officer as having met the requirements of the National Historic Preservation Act of 1966 as amended in 1980.

“Letter of Map Change (LOMC)” means an official determination issued by FEMA that amends or revises an effective Flood Insurance Rate Map or Flood Insurance Study. Letters of Map Change include:

- (a) Letter of Map Amendment (LOMA): An official amendment, by letter, to an effective National Flood Insurance Program map. A LOMA is based on technical data showing that a property had been inadvertently mapped as being in the floodplain, but is actually on natural high ground above the base flood elevation. A LOMA amends the current effective Flood Insurance Rate Map and establishes that a specific property, portion of a property, or structure is not located in a special flood hazard area.
- (b) Letter of Map Revision (LOMR): A revision based on technical data that may show changes to flood zones, flood elevations, special flood hazard area boundaries and floodway delineations, and other planimetric features.
- (c) Letter of Map Revision Based on Fill (LOMR-F): A determination that a structure or parcel of land has been elevated by fill above the BFE and is, therefore, no longer located within the special flood hazard area. In order to qualify for this determination, the fill must have been permitted and placed in accordance with the community’s floodplain management regulations.
- (d) Conditional Letter of Map Revision (CLOMR): A formal review and comment as to whether a proposed project complies with the minimum NFIP requirements for such projects with respect to delineation of special flood hazard areas. A CLOMR does not revise the effective Flood Insurance Rate Map or Flood Insurance Study; upon submission and approval of certified as-built documentation, a Letter of Map Revision may be issued by FEMA to revise the effective FIRM.

“Light Duty Truck” means any motor vehicle rated at 8,500 pounds Gross Vehicular Weight Rating or less which has a vehicular curb weight of 6,000 pounds or less and which has a basic vehicle frontal area of 45 square feet or less as defined in 40 CFR 86.082-2 and is:

- (a) Designed primarily for purposes of transportation of property or is a derivation of such a vehicle, or
- (b) Designed primarily for transportation of persons and has a capacity of more than 12 persons; or
- (c) Available with special features enabling off-street or off-highway operation and use.

“Limit of Moderate Wave Action (LiMWA)” means the boundary line given by FEMA on coastal map studies marking the extents of Coastal A Zones (CAZ).

“Lowest Adjacent Grade (LAG)” means the lowest elevation of the ground, sidewalk or patio slab immediately next to the building, or deck support, after completion of the building.

“Lowest Floor” means the lowest floor of the lowest enclosed area (including basement). An unfinished or flood resistant enclosure, usable solely for parking of vehicles, building access, or limited storage in an area other than a basement area is not considered a building's lowest floor, provided that such an enclosure is not built so as to render the structure in violation of the applicable non-elevation design requirements of this ordinance.

“Manufactured Home” means a structure, transportable in one or more sections, which is built on a permanent chassis and designed to be used with or without a permanent foundation when connected to the required utilities. The term “manufactured home” does not include a “recreational vehicle”.

“Manufactured Home Park or Subdivision” means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for rent or sale.

“Market Value” means the building value, not including the land value and that of any accessory structures or other improvements on the lot. Market value may be established by independent certified appraisal; replacement cost depreciated for age of building and quality of construction (Actual Cash Value); or adjusted tax assessed values.

“New Construction” means structures for which the “start of construction” commenced on or after the effective date of the initial floodplain management regulations and includes any subsequent improvements to such structures.

“Non-Encroachment Area (NEA)” means the channel of a river or other watercourse, including the area above a bridge or culvert when applicable, and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than one (1) foot as designated in the Flood Insurance Study report.

“Otherwise Protected Area (OPA)” see “Coastal Barrier Resources System (CBRS)”.

“Post-FIRM” means construction or other development for which the “start of construction” occurred on or after, January 6, 1982, the effective date of the initial Flood Insurance Rate Map.

“Pre-FIRM” means construction or other development for which the “start of construction” occurred before, January 6, 1982, the effective date of the initial Flood Insurance Rate Map.

“Primary Frontal Dune (PFD)” means a continuous or nearly continuous mound or ridge of sand with relatively steep seaward and landward slopes immediately landward and adjacent to the beach and subject to erosion and overtopping from high tides and waves during major coastal storms. The inland limit of the primary frontal dune occurs at the point where there is a distinct change from a relatively steep slope to a relatively mild slope.

“Principally Above Ground” means that at least 51% of the actual cash value of the structure is above ground.

“Public Safety” and/or “Nuisance” means anything which is injurious to the safety or health of an entire community or neighborhood, or any considerable number of persons, or unlawfully obstructs the free passage or use, in the customary manner, of any navigable lake, or river, bay, stream, canal, or basin.

“Reference Level” is the top of the lowest floor for structures within Special Flood Hazard Areas designated as Zones A, AE, AH, AO, A99. The reference level is the bottom of the lowest horizontal structural member of the lowest floor for structures within Special Flood Hazard Areas designated as Zone VE.

“Regulatory Flood Protection Elevation” means the “Base Flood Elevation” plus the “Freeboard”. In “Special Flood Hazard Areas” where Base Flood Elevations (BFEs) have been determined, this elevation shall be the BFE *plus 1 feet freeboard*. In “Special Flood Hazard Areas” where no BFE has been established, this elevation shall be at least 1 feet above the highest adjacent grade.

“Remedy a Violation” means to bring the structure or other development into compliance with state and community floodplain management regulations, or, if this is not possible, to reduce the impacts of its noncompliance. Ways that impacts may be reduced include protecting the structure or other affected development from flood damages, implementing the enforcement provisions of the ordinance or otherwise deterring future similar violations, or reducing federal financial exposure with regard to the structure or other development.

“Riverine” means relating to, formed by, or resembling a river (including tributaries), stream, brook, etc.

“Salvage Yard” means any non-residential property used for the storage, collection, and/or recycling of any type of equipment, and including but not limited to vehicles, appliances and related machinery.

“Sand Dunes” means naturally occurring accumulations of sand in ridges or mounds landward of the beach.

“Shear Wall” means walls used for structural support but not structurally joined or enclosed at the end (except by breakaway walls). Shear walls are parallel or nearly parallel to the flow of the water.

“Solid Waste Disposal Facility” means any facility involved in the disposal of solid waste, as defined in NCGS 130A-290(a)(35).

“Solid Waste Disposal Site” means, as defined in NCGS 130A-290(a)(36), any place at which solid wastes are disposed of by incineration, sanitary landfill, or any other method.

“Special Flood Hazard Area (SFHA)” means the land in the floodplain subject to a one percent (1%) or greater chance of being flooded in any given year, as determined in Article 3, Section B of this ordinance.

“Start of Construction” includes substantial improvement, and means the date the building permit was issued provided the actual start of construction, repair, reconstruction, rehabilitation, addition placement, or other improvement was within 180 days of the permit date. The actual start means either the first placement of permanent construction of a structure on a site, such as the pouring of slab or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; or the placement of a manufactured home on a foundation. Permanent construction does not include land preparation, such as clearing, grading, and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footings, piers, or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of the building, whether or not that alteration affects the external dimensions of the building.

“Structure” means a walled and roofed building, a manufactured home, or a gas, liquid, or liquefied gas storage tank that is principally above ground.

“Substantial Damage” means damage of any origin sustained by a structure during any one-year period whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred. See definition of “substantial improvement”. Substantial damage also means flood-related damage sustained by a structure on two separate occasions during a 10-year period for which the cost of repairs at the time of each such flood event, on the average, equals or exceeds 25 percent of the market value of the structure before the damage occurred.

“Substantial Improvement” means any combination of repairs, reconstruction, rehabilitation, addition, or other improvement of a structure, taking place during any one-year period for which the cost equals or exceeds 50 percent of the market value of the structure before the “start of construction” of the improvement. This term includes structures which have incurred “substantial damage”, regardless of the actual repair work performed. The term does not, however, include either:

- (a) Any correction of existing violations of state or community health, sanitary, or safety code specifications which have been identified by the community code enforcement official and which are the minimum necessary to assure safe living conditions; or
- (b) Any alteration of a historic structure, provided that the alteration will not preclude the structure's continued designation as a historic structure and the alteration is approved by variance issued pursuant to Article 4 Section E of this ordinance.

“Technical Bulletin and Technical Fact Sheet” means a FEMA publication that provides guidance concerning the building performance standards of the NFIP, which are contained in Title 44 of the U.S. Code of Federal Regulations at Section 60.3. The bulletins and fact sheets are intended for use primarily by State and local officials responsible for interpreting and enforcing NFIP regulations and by members of the development community, such as design professionals and builders. New bulletins, as well as updates of existing bulletins, are issued periodically as needed. The bulletins do not create regulations; rather they provide specific guidance for complying with the minimum requirements of existing NFIP regulations.

It should be noted that Technical Bulletins and Technical Fact Sheets provide guidance on the minimum requirements of the NFIP regulations. State or community requirements that exceed those of the NFIP take precedence. Design professionals should contact the community officials to determine whether more restrictive State or local regulations apply to the building or site in question. All applicable standards of the State or local building code must also be met for any building in a flood hazard area.

“Temperature Controlled” means having the temperature regulated by a heating and/or cooling system, built-in or appliance.

“Variance” is a grant of relief from the requirements of this ordinance.

“Violation” means the failure of a structure or other development to be fully compliant with the community's floodplain management regulations. A structure or other development without the elevation certificate, other certifications, or other evidence of compliance required in Articles 4 and 5 is presumed to be in violation until such time as that documentation is provided.

“Water Surface Elevation (WSE)” means the height, in relation to NAVD 1988, of floods of various magnitudes and frequencies in the floodplains of coastal or riverine areas.

“Watercourse” means a lake, river, creek, stream, wash, channel or other topographic feature on or over which waters flow at least periodically. Watercourse includes specifically designated areas in which substantial flood damage may occur.

### **ARTICLE 3.      GENERAL PROVISIONS.**

#### **SECTION A.      LANDS TO WHICH THIS ORDINANCE APPLIES.**

This ordinance shall apply to all Special Flood Hazard Areas within the jurisdiction, including Extra-Territorial Jurisdictions (ETJs), of the Town of Kure Beach.

#### **SECTION B.      BASIS FOR ESTABLISHING THE SPECIAL FLOOD HAZARD AREAS.**

The Special Flood Hazard Areas are those identified under the Cooperating Technical State (CTS) agreement between the State of North Carolina and FEMA in its FIS dated August 28, 2018 for New Hanover County and associated DFIRM panels, including any digital data developed as part of the FIS, which are adopted by reference and declared a part of this ordinance. Future revisions to the FIS and DFIRM panels that do not change flood hazard data within the jurisdictional authority of the Town of Kure Beach are also adopted by reference and declared a part of this ordinance. Subsequent Letter of Map Revisions (LOMRs) and/or Physical Map Revisions (PMRs) shall be adopted within 3 months.

#### **SECTION C.      ESTABLISHMENT OF FLOODPLAIN DEVELOPMENT PERMIT.**

A Floodplain Development Permit shall be required in conformance with the provisions of this ordinance prior to the commencement of any development activities within Special Flood Hazard Areas determined in accordance with the provisions of Article 3, Section B of this ordinance.

#### **SECTION D.      COMPLIANCE.**

No structure or land shall hereafter be located, extended, converted, altered, or developed in any way without full compliance with the terms of this ordinance and other applicable regulations.

**SECTION E. ABROGATION AND GREATER RESTRICTIONS.**

This ordinance is not intended to repeal, abrogate, or impair any existing easements, covenants, or deed restrictions. However, where this ordinance and another conflict or overlap, whichever imposes the more stringent restrictions shall prevail.

**SECTION F. INTERPRETATION.**

In the interpretation and application of this ordinance, all provisions shall be:

- (a) Considered as minimum requirements;
- (b) Liberally construed in favor of the governing body; and
- (c) Deemed neither to limit nor repeal any other powers granted under State statutes.

**SECTION G. WARNING AND DISCLAIMER OF LIABILITY.**

The degree of flood protection required by this ordinance is considered reasonable for regulatory purposes and is based on scientific and engineering consideration. Larger floods can and will occur. Actual flood heights may be increased by man-made or natural causes. This ordinance does not imply that land outside the Special Flood Hazard Areas or uses permitted within such areas will be free from flooding or flood damages. This ordinance shall not create liability on the part of the Town of Kure Beach or by any officer or employee thereof for any flood damages that result from reliance on this ordinance or any administrative decision lawfully made hereunder.

**SECTION H. PENALTIES FOR VIOLATION.**

Violation of the provisions of this ordinance or failure to comply with any of its requirements, including violation of conditions and safeguards established in connection with grants of variance or special exceptions, shall constitute a Class 1 misdemeanor pursuant to NC G.S. § 143-215.58. . Any person who violates this ordinance or fails to comply with any of its requirements shall, upon conviction thereof, be fined not more than \$100.00 or imprisoned for not more than thirty (30) days, or both. Each day such violation continues shall be considered a separate offense. Nothing herein contained shall prevent the Town of Kure Beach from taking such other lawful action as is necessary to prevent or remedy any violation.

**ARTICLE 4. ADMINISTRATION.**

**SECTION A. DESIGNATION OF FLOODPLAIN ADMINISTRATOR.**

The Building Inspector, hereinafter referred to as the “Floodplain Administrator”, is hereby appointed to administer and implement the provisions of this ordinance. In instances where the Floodplain Administrator receives assistance from others to complete tasks to administer and implement this ordinance, the Floodplain Administrator shall be responsible for the coordination and community’s overall compliance with the National Flood Insurance Program and the provisions of this ordinance.

**SECTION B. FLOODPLAIN DEVELOPMENT APPLICATION, PERMIT AND CERTIFICATION REQUIREMENTS.**

- (1) **Application Requirements.** Application for a Floodplain Development Permit shall be made to the Floodplain Administrator prior to any development activities located within Special Flood Hazard Areas. The following items shall be presented to the Floodplain Administrator to apply for a floodplain development permit:
  - (a) A plot plan drawn to scale which shall include, but shall not be limited to, the following specific details of the proposed floodplain development:
    - (i) The nature, location, dimensions, and elevations of the area of development/disturbance; existing and

- proposed structures, utility systems, grading/pavement areas, fill materials, storage areas, drainage facilities, and other development;
- (ii) The boundary of the Special Flood Hazard Area as delineated on the FIRM or other flood map as determined in Article 3, Section B, or a statement that the entire lot is within the Special Flood Hazard Area;
  - (iii) Flood zone(s) designation of the proposed development area as determined on the FIRM or other flood map as determined in Article 3, Section B;
  - (iv) The boundary of the floodway(s) or non-encroachment area(s) as determined in Article 3, Section B;
  - (v) The Base Flood Elevation (BFE) where provided as set forth in Article 3, Section B; Article 4, Section C; or Article 5, Section D;
  - (vi) The old and new location of any watercourse that will be altered or relocated as a result of proposed development; and
  - (vii) The boundary and designation date of the Coastal Barrier Resource System (CBRS) area or Otherwise Protected Areas (OPA), if applicable; and
  - (viii) The certification of the plot plan by a registered land surveyor or professional engineer.
- (b) Proposed elevation, and method thereof, of all development within a Special Flood Hazard Area including but not limited to:
- (i) Elevation in relation to NAVD 1988 of the proposed reference level (including basement) of all structures;
  - (ii) Elevation in relation to NAVD 1988 to which any non-residential structure in Zones A, AE, AH, AO, A99 will be floodproofed; and
  - (iii) Elevation in relation to NAVD 1988 to which any proposed utility systems will be elevated or floodproofed.
- (c) If floodproofing, a Floodproofing Certificate (FEMA Form 086-0-34) with supporting data, an operational plan, and an inspection and maintenance plan that include, but are not limited to, installation, exercise, and maintenance of floodproofing measures.
- (d) A Foundation Plan, drawn to scale, which shall include details of the proposed foundation system to ensure all provisions of this ordinance are met. These details include but are not limited to:
- (i) The proposed method of elevation, if applicable (i.e., fill, solid foundation perimeter wall, solid backfilled foundation, open foundation on columns/posts/piers/piles/shear walls); and
  - (ii) Openings to facilitate automatic equalization of hydrostatic flood forces on walls in accordance with Article 5, Section B(4)(d) when solid foundation perimeter walls are used in Zones A, AE, AH, AO, A99.
  - (iii) The following, in Coastal High Hazard Areas, in accordance with the provisions of Article 5, Section B(4)(e) and Article 5, Section G and (Article 5, Section H if applicable):
    - (1) V-Zone Certification with accompanying plans and specifications verifying the engineered structure and any breakaway wall designs; In addition, prior to the Certificate of Compliance/Occupancy issuance, a registered professional engineer or architect shall certify the finished construction is compliant with the design, specifications and plans for VE Zone construction.
    - (2) Plans for open wood latticework or insect screening, if applicable; and



(3) Plans for non-structural fill, if applicable. If non-structural fill is proposed, it must be demonstrated through coastal engineering analysis that the proposed fill would not result in any increase in the BFE or otherwise cause adverse impacts by wave ramping and deflection on to the subject structure or adjacent properties.

- (e) Usage details of any enclosed areas below the lowest floor.
- (f) Plans and/or details for the protection of public utilities and facilities such as sewer, gas, electrical, and water systems to be located and constructed to minimize flood damage.
- (g) Certification that all other Local, State and Federal permits required prior to floodplain development permit issuance have been received.
- (h) Documentation for placement of Recreational Vehicles and/or Temporary Structures, when applicable, to ensure that the provisions of Article 5, Section B, subsections (6) and (7) of this ordinance are met.
- (i) A description of proposed watercourse alteration or relocation, when applicable, including an engineering report on the effects of the proposed project on the flood-carrying capacity of the watercourse and the effects to properties located both upstream and downstream; and a map (if not shown on plot plan) showing the location of the proposed watercourse alteration or relocation.

(2) **Permit Requirements.** The Floodplain Development Permit shall include, but not be limited to:

- (a) A complete description of all the development to be permitted under the floodplain development permit (e.g. house, garage, pool, septic, bulkhead, cabana, pier, bridge, mining, dredging, filling, grading, paving, excavation or drilling operations, or storage of equipment or materials, etc.).
- (b) The Special Flood Hazard Area determination for the proposed development in accordance with available data specified in Article 3, Section B.
- (c) The Regulatory Flood Protection Elevation required for the reference level and all attendant utilities.
- (d) The Regulatory Flood Protection Elevation required for the protection of all public utilities.
- (e) All certification submittal requirements with timelines.
- (f) A statement that no fill material or other development shall encroach into the floodway or non-encroachment area of any watercourse unless the requirements of Article 5, Section F have been met.
- (g) The flood openings requirements, if in Zones A, AE, AH, AO, A99.

(3) **Certification Requirements.**

(a) Elevation Certificates

- (i) An Elevation Certificate (FEMA Form 086-0-33) is required prior to the actual start of any new construction. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of the elevation of the reference level, in relation to NAVD 1988. The Floodplain Administrator shall review the certificate data submitted. Deficiencies detected by such review shall be corrected by the permit holder prior to the beginning of construction. Failure to submit the certification or failure to make required corrections shall be cause to deny a floodplain development permit.
- (ii) An Elevation Certificate (FEMA Form 086-0-33) is required after the reference level is established. Within seven (7) calendar days of establishment of the reference level elevation, it shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of the elevation of the reference level, in relation to NAVD 1988. Any work done within the seven (7) day calendar period and prior to submission of the certification shall be at the permit holder's risk. The Floodplain Administrator shall review the

certificate data submitted. Deficiencies detected by such review shall be corrected by the permit holder immediately and prior to further work being permitted to proceed. Failure to submit the certification or failure to make required corrections shall be cause to issue a stop-work order for the project.

- (iii) A final Finished Construction Elevation Certificate (FEMA Form 086-0-33) is required after construction is completed and prior to Certificate of Compliance/Occupancy issuance. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of final as-built construction of the elevation of the reference level and all attendant utilities. The Floodplain Administrator shall review the certificate data submitted. Deficiencies detected by such review shall be corrected by the permit holder immediately and prior to Certificate of Compliance/Occupancy issuance. In some instances, another certification may be required to certify corrected as-built construction. Failure to submit the certification or failure to make required corrections shall be cause to withhold the issuance of a Certificate of Compliance/Occupancy. The Finished Construction Elevation Certificate certifier shall provide at least 2 photographs showing the front and rear of the building taken within 90 days from the date of certification. The photographs must be taken with views confirming the building description and diagram number provided in Section A. To the extent possible, these photographs should show the entire building including foundation. If the building has split-level or multi-level areas, provide at least 2 additional photographs showing side views of the building. In addition, when applicable, provide a photograph of the foundation showing a representative example of the flood openings or vents. All photographs must be in color and measure at least 3" × 3". Digital photographs are acceptable.
- (b) Floodproofing Certificate
- (i) If non-residential floodproofing is used to meet the Regulatory Flood Protection Elevation requirements, a Floodproofing Certificate (FEMA Form 086-0-34), with supporting data, an operational plan, and an inspection and maintenance plan are required prior to the actual start of any new construction. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of the floodproofed design elevation of the reference level and all attendant utilities, in relation to NAVD 1988. Floodproofing certification shall be prepared by or under the direct supervision of a professional engineer or architect and certified by same. The Floodplain Administrator shall review the certificate data, the operational plan, and the inspection and maintenance plan. Deficiencies detected by such review shall be corrected by the applicant prior to permit approval. Failure to submit the certification or failure to make required corrections shall be cause to deny a Floodplain Development Permit. Failure to construct in accordance with the certified design shall be cause to withhold the issuance of a Certificate of Compliance/Occupancy.
  - (ii) A final Finished Construction Floodproofing Certificate (FEMA Form 086-0-34), with supporting data, an operational plan, and an inspection and maintenance plan are required prior to the issuance of a Certificate of Compliance/Occupancy. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of the floodproofed design elevation of the reference level and all attendant utilities, in relation to NAVD 1988. Floodproofing certificate shall be prepared by or under the direct supervision of a professional engineer or architect and certified by same. The Floodplain Administrator shall review the certificate data, the operational plan, and the inspection and maintenance plan. Deficiencies detected by such review shall be corrected by the applicant prior to Certificate of Occupancy. Failure to submit the certification or failure to make required corrections shall be cause to deny a Floodplain Development Permit. Failure to construct in accordance with the certified design shall be cause to deny a Certificate of Compliance/Occupancy.
- (c) If a manufactured home is placed within Zones A, AE, AH, AO, A99 and the elevation of the chassis is more than 36 inches in height above grade, an engineered foundation certification is required in accordance with the provisions of Article 5, Section B(3)(b).
- (d) If a watercourse is to be altered or relocated, a description of the extent of watercourse alteration or relocation; a professional engineer's certified report on the effects of the proposed project on the flood-carrying capacity of the watercourse and the effects to properties located both upstream and downstream; and a map showing the location of the proposed watercourse alteration or relocation shall all be submitted by the permit applicant prior to issuance of a floodplain development permit.
- (e) Certification Exemptions. The following structures, if located within Zones A, AE, AH, AO, A99, are exempt

from the elevation/floodproofing certification requirements specified in items (a) and (b) of this subsection:

- (i) Recreational Vehicles meeting requirements of Article 5, Section B(6)(a);
  - (ii) Temporary Structures meeting requirements of Article 5, Section B(7); and
  - (iii) Accessory Structures that are 150 square feet or less or \$3000 or less and meeting requirements of Article 5, Section B(8).
- (f) A V-Zone Certification with accompanying design plans and specifications is required prior to issuance of a Floodplain Development permit within coastal high hazard areas. It shall be the duty of the permit applicant to submit to the Floodplain Administrator said certification to ensure the design standards of this ordinance are met. A registered professional engineer or architect shall develop or review the structural design, plans, and specifications for construction and certify that the design and methods of construction to be used are in accordance with accepted standards of practice for meeting the provisions of this ordinance. This certification is not a substitute for an Elevation Certificate. In addition, prior to the Certificate of Compliance/Occupancy issuance, a registered professional engineer or architect shall certify the finished construction is compliant with the design, specifications and plans for VE Zone construction.

(4) **Determinations for existing buildings and structures.**

For applications for building permits to improve buildings and structures, including alterations, movement, enlargement, replacement, repair, change of occupancy, additions, rehabilitations, renovations, substantial improvements, repairs of substantial damage, and any other improvement of or work on such buildings and structures, the Floodplain Administrator, in coordination with the Building Official, shall:

- (a) Estimate the market value, or require the applicant to obtain an appraisal of the market value prepared by a qualified independent appraiser, of the building or structure before the start of construction of the proposed work; in the case of repair, the market value of the building or structure shall be the market value before the damage occurred and before any repairs are made;
- (b) Compare the cost to perform the improvement, the cost to repair a damaged building to its pre-damaged condition, or the combined costs of improvements and repairs, if applicable, to the market value of the building or structure;
- (c) Determine and document whether the proposed work constitutes substantial improvement or repair of substantial damage; and
- (d) Notify the applicant if it is determined that the work constitutes substantial improvement or repair of substantial damage and that compliance with the flood resistant construction requirements of the NC Building Code and this ordinance is required.

**SECTION C. DUTIES AND RESPONSIBILITIES OF THE FLOODPLAIN ADMINISTRATOR.**

The Floodplain Administrator shall perform, but not be limited to, the following duties:

- (1) Review all floodplain development applications and issue permits for all proposed development within Special Flood Hazard Areas to assure that the requirements of this ordinance have been satisfied.
- (2) Review all proposed development within Special Flood Hazard Areas to assure that all necessary local, state and federal permits have been received, including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334.
- (3) Notify adjacent communities and the North Carolina Department of Public Safety, Division of Emergency Management, State Coordinator for the National Flood Insurance Program prior to any alteration or relocation of a watercourse, and submit evidence of such notification to the Federal Emergency Management Agency (FEMA).
- (4) Assure that maintenance is provided within the altered or relocated portion of said watercourse so that the flood-carrying

capacity is maintained.

- (5) Prevent encroachments into floodways and non-encroachment areas unless the certification and flood hazard reduction provisions of Article 5, Section F are met.
- (6) Obtain actual elevation (in relation to NAVD 1988) of the reference level (including basement) and all attendant utilities of all new and substantially improved structures, in accordance with the provisions of Article 4, Section B(3).
- (7) Obtain actual elevation (in relation to NAVD 1988) to which all new and substantially improved structures and utilities have been floodproofed, in accordance with the provisions of Article 4, Section B(3).
- (8) Obtain actual elevation (in relation to NAVD 1988) of all public utilities in accordance with the provisions of Article 4, Section B(3).
- (9) When floodproofing is utilized for a particular structure, obtain certifications from a registered professional engineer or architect in accordance with the provisions of Article 4, Section B(3) and Article 5, Section B(2).
- (10) Where interpretation is needed as to the exact location of boundaries of the Special Flood Hazard Areas, floodways, or non-encroachment areas (for example, where there appears to be a conflict between a mapped boundary and actual field conditions), make the necessary interpretation. The person contesting the location of the boundary shall be given a reasonable opportunity to appeal the interpretation as provided in this article.
- (11) When BFE data has not been provided in accordance with the provisions of Article 3, Section B, obtain, review, and reasonably utilize any BFE data, along with floodway data or non-encroachment area data available from a federal, state, or other source, including data developed pursuant to Article 5, Section D(2)(c), in order to administer the provisions of this ordinance.
- (12) When BFE data is provided but no floodway or non-encroachment area data has been provided in accordance with the provisions of Article 3, Section B, obtain, review, and reasonably utilize any floodway data or non-encroachment area data available from a federal, state, or other source in order to administer the provisions of this ordinance.
- (13) When the lowest floor and the lowest adjacent grade of a structure or the lowest ground elevation of a parcel in a Special Flood Hazard Area is above the BFE, advise the property owner of the option to apply for a Letter of Map Amendment (LOMA) from FEMA. However, if the property is to be removed from the V Zone it must not be located seaward of the landward toe of the primary frontal dune. Maintain a copy of the LOMA issued by FEMA in the floodplain development permit file.
- (14) Permanently maintain all records that pertain to the administration of this ordinance and make these records available for public inspection, recognizing that such information may be subject to the Privacy Act of 1974, as amended.
- (15) Make on-site inspections of work in progress. As the work pursuant to a floodplain development permit progresses, the Floodplain Administrator shall make as many inspections of the work as may be necessary to ensure that the work is being done according to the provisions of the local ordinance and the terms of the permit. In exercising this power, the Floodplain Administrator has a right, upon presentation of proper credentials, to enter on any premises within the jurisdiction of the community at any reasonable hour for the purposes of inspection or other enforcement action.
- (16) Issue stop-work orders as required. Whenever a building or part thereof is being constructed, reconstructed, altered, or repaired in violation of this ordinance, the Floodplain Administrator may order the work to be immediately stopped. The stop-work order shall be in writing and directed to the person doing or in charge of the work. The stop-work order shall state the specific work to be stopped, the specific reason(s) for the stoppage, and the condition(s) under which the work may be resumed. Violation of a stop-work order constitutes a misdemeanor.
- (17) Revoke floodplain development permits as required. The Floodplain Administrator may revoke and require the return of the floodplain development permit by notifying the permit holder in writing stating the reason(s) for the revocation. Permits shall be revoked for any substantial departure from the approved application, plans, and specifications; for refusal or failure to comply with the requirements of State or local laws; or for false statements or misrepresentations made in securing the permit. Any floodplain development permit mistakenly issued in violation of an applicable State

or local law may also be revoked.

- (18) Make periodic inspections throughout the Special Flood Hazard Areas within the jurisdiction of the community. The Floodplain Administrator and each member of his or her inspections department shall have a right, upon presentation of proper credentials, to enter on any premises within the territorial jurisdiction of the department at any reasonable hour for the purposes of inspection or other enforcement action.
- (19) Follow through with corrective procedures of Article 4, Section D.
- (20) Review, provide input, and make recommendations for variance requests.
- (21) Maintain a current map repository to include, but not limited to, historical and effective FIS Report, historical and effective FIRM and other official flood maps and studies adopted in accordance with the provisions of Article 3, Section B of this ordinance, including any revisions thereto including Letters of Map Change, issued by FEMA. Notify State and FEMA of mapping needs.
- (22) Coordinate revisions to FIS reports and FIRMs, including Letters of Map Revision Based on Fill (LOMR-Fs) and Letters of Map Revision (LOMRs).

#### **SECTION D. CORRECTIVE PROCEDURES.**

- (1) Violations to be corrected: When the Floodplain Administrator finds violations of applicable state and local laws; it shall be his or her duty to notify the owner or occupant of the building of the violation. The owner or occupant shall immediately remedy each of the violations of law cited in such notification.
- (2) Actions in Event of Failure to Take Corrective Action: If the owner of a building or property shall fail to take prompt corrective action, the Floodplain Administrator shall give the owner written notice, by certified or registered mail to the owner's last known address or by personal service, stating:
  - (a) That the building or property is in violation of the floodplain management regulations;
  - (b) That a hearing will be held before the Floodplain Administrator at a designated place and time, not later than ten (10) days after the date of the notice, at which time the owner shall be entitled to be heard in person or by counsel and to present arguments and evidence pertaining to the matter; and
  - (c) That following the hearing, the Floodplain Administrator may issue an order to alter, vacate, or demolish the building; or to remove fill as applicable.
- (3) Order to Take Corrective Action: If, upon a hearing held pursuant to the notice prescribed above, the Floodplain Administrator shall find that the building or development is in violation of the Flood Damage Prevention Ordinance, he or she shall issue an order in writing to the owner, requiring the owner to remedy the violation within a specified time period, not less than sixty (60) calendar days, nor more than least one hundred and eighty (180) calendar days. Where the Floodplain Administrator finds that there is imminent danger to life or other property, he or she may order that corrective action be taken in such lesser period as may be feasible.
- (4) Appeal: Any owner who has received an order to take corrective action may appeal the order to the local elected governing body by giving notice of appeal in writing to the Floodplain Administrator and the clerk within ten (10) days following issuance of the final order. In the absence of an appeal, the order of the Floodplain Administrator shall be final. The local governing body shall hear an appeal within a reasonable time and may affirm, modify and affirm, or revoke the order.
- (5) Failure to Comply with Order: If the owner of a building or property fails to comply with an order to take corrective action for which no appeal has been made or fails to comply with an order of the governing body following an appeal, the owner shall be guilty of a Class 1 misdemeanor pursuant to NC G.S. § 143-215.58 and shall be punished at the discretion of the court.

**SECTION E. VARIANCE PROCEDURES.**

- (1) The Board of Adjustment as established by the Town of Kure Beach, hereinafter referred to as the “appeal board”, shall hear and decide requests for variances from the requirements of this ordinance.
- (2) Any person aggrieved by the decision of the appeal board may appeal such decision to the Court, as provided in Chapter 7A of the North Carolina General Statutes.
- (3) Variances may be issued for:
  - (a) The repair or rehabilitation of historic structures upon the determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and that the variance is the minimum necessary to preserve the historic character and design of the structure;
  - (b) Functionally dependent facilities if determined to meet the definition as stated in Article 2 of this ordinance, provided provisions of Article 4, Section E(9)(b), (c), and (e) have been satisfied, and such facilities are protected by methods that minimize flood damages during the base flood and create no additional threats to public safety; or
  - (c) Any other type of development provided it meets the requirements of this Section.
- (4) In passing upon variances, the appeal board shall consider all technical evaluations, all relevant factors, all standards specified in other sections of this ordinance, and:
  - (a) The danger that materials may be swept onto other lands to the injury of others;
  - (b) The danger to life and property due to flooding or erosion damage;
  - (c) The susceptibility of the proposed facility and its contents to flood damage and the effect of such damage on the individual owner;
  - (d) The importance of the services provided by the proposed facility to the community;
  - (e) The necessity to the facility of a waterfront location as defined under Article 2 of this ordinance as a functionally dependent facility, where applicable;
  - (f) The availability of alternative locations, not subject to flooding or erosion damage, for the proposed use;
  - (g) The compatibility of the proposed use with existing and anticipated development;
  - (h) The relationship of the proposed use to the comprehensive plan and floodplain management program for that area;
  - (i) The safety of access to the property in times of flood for ordinary and emergency vehicles;
  - (j) The expected heights, velocity, duration, rate of rise, and sediment transport of the floodwaters and the effects of wave action, if applicable, expected at the site; and
  - (k) The costs of providing governmental services during and after flood conditions including maintenance and repair of public utilities and facilities such as sewer, gas, electrical and water systems, and streets and bridges.
- (5) A written report addressing each of the above factors shall be submitted with the application for a variance.
- (6) Upon consideration of the factors listed above and the purposes of this ordinance, the appeal board may attach such conditions to the granting of variances as it deems necessary to further the purposes and objectives of this ordinance.
- (7) Any applicant to whom a variance is granted shall be given written notice specifying the difference between the BFE and the elevation to which the structure is to be built and that such construction below the BFE increases risks to life and property, and that the issuance of a variance to construct a structure below the BFE may result in increased premium

rates for flood insurance up to \$25 per \$100 of insurance coverage. Such notification shall be maintained with a record of all variance actions, including justification for their issuance.

- (8) The Floodplain Administrator shall maintain the records of all appeal actions and report any variances to the FEMA and the State of North Carolina upon request.
- (9) Conditions for Variances:
  - (a) Variances shall not be issued when the variance will make the structure in violation of other federal, state, or local laws, regulations, or ordinances.
  - (b) Variances shall not be issued within any designated floodway or non-encroachment area if the variance would result in any increase in flood levels during the base flood discharge.
  - (c) Variances shall only be issued upon a determination that the variance is the minimum necessary, considering the flood hazard, to afford relief.
  - (d) Variances shall only be issued prior to development permit approval.
  - (e) Variances shall only be issued upon:
    - (i) A showing of good and sufficient cause;
    - (ii) A determination that failure to grant the variance would result in exceptional hardship; and
    - (iii) A determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, or extraordinary public expense, create nuisance, cause fraud on or victimization of the public, or conflict with existing local laws or ordinances.
- (10) A variance may be issued for solid waste disposal facilities or sites, hazardous waste management facilities, salvage yards, and chemical storage facilities that are located in Special Flood Hazard Areas provided that all of the following conditions are met.
  - (a) The use serves a critical need in the community.
  - (b) No feasible location exists for the use outside the Special Flood Hazard Area.
  - (c) The reference level of any structure is elevated or floodproofed to at least the Regulatory Flood Protection Elevation.
  - (d) The use complies with all other applicable federal, state and local laws.
  - (e) The Town of Kure Beach has notified the Secretary of the North Carolina Department of Public Safety of its intention to grant a variance at least thirty (30) calendar days prior to granting the variance.

## **ARTICLE 5. PROVISIONS FOR FLOOD HAZARD REDUCTION.**

### **SECTION A. GENERAL STANDARDS.**

In all Special Flood Hazard Areas the following provisions are required:

- (1) All new construction and substantial improvements shall be designed (or modified) and adequately anchored to prevent flotation, collapse, and lateral movement of the structure.
- (2) All new construction and substantial improvements shall be constructed with materials and utility equipment resistant to flood damage in accordance with the FEMA Technical Bulletin 2, *Flood Damage-Resistant Materials Requirements*.

- (3) All new construction and substantial improvements shall be constructed by methods and practices that minimize flood damages.
- (4) All new electrical, heating, ventilation, plumbing, air conditioning equipment, and other service equipment shall be located at or above the RFPE or designed and installed to prevent water from entering or accumulating within the components during the occurrence of the base flood. These include, but are not limited to, HVAC equipment, water softener units, bath/kitchen fixtures, ductwork, electric/gas meter panels/boxes, utility/cable boxes, water heaters, and electric outlets/switches.
  - (a) Replacements part of a substantial improvement, electrical, heating, ventilation, plumbing, air conditioning equipment, and other service equipment shall also meet the above provisions.
  - (b) Replacements that are for maintenance and not part of a substantial improvement, may be installed at the original location provided the addition and/or improvements only comply with the standards for new construction consistent with the code and requirements for the original structure.
- (5) All new and replacement water supply systems shall be designed to minimize or eliminate infiltration of floodwaters into the system.
- (6) New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of floodwaters into the systems and discharges from the systems into flood waters.
- (7) On-site waste disposal systems shall be located and constructed to avoid impairment to them or contamination from them during flooding.
- (8) Nothing in this ordinance shall prevent the repair, reconstruction, or replacement of a building or structure existing on the effective date of this ordinance and located totally or partially within the floodway, non-encroachment area, or stream setback, provided there is no additional encroachment below the Regulatory Flood Protection Elevation in the floodway, non-encroachment area, or stream setback, and provided that such repair, reconstruction, or replacement meets all of the other requirements of this ordinance.
- (9) New solid waste disposal facilities and sites, hazardous waste management facilities, salvage yards, and chemical storage facilities shall not be permitted, except by variance as specified in Article 4, Section E(10). A structure or tank for chemical or fuel storage incidental to an allowed use or to the operation of a water treatment plant or wastewater treatment facility may be located in a Special Flood Hazard Area only if the structure or tank is either elevated or floodproofed to at least the Regulatory Flood Protection Elevation and certified in accordance with the provisions of Article 4, Section B(3).
- (10) All subdivision proposals and other development proposals shall be consistent with the need to minimize flood damage.
- (11) All subdivision proposals and other development proposals shall have public utilities and facilities such as sewer, gas, electrical, and water systems located and constructed to minimize flood damage.
- (12) All subdivision proposals and other development proposals shall have adequate drainage provided to reduce exposure to flood hazards.
- (13) All subdivision proposals and other development proposals shall have received all necessary permits from those governmental agencies for which approval is required by federal or state law, including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334.
- (14) When a structure is partially located in a Special Flood Hazard Area, the entire structure shall meet the requirements for new construction and substantial improvements.
- (15) When a structure is located in multiple flood hazard zones or in a flood hazard risk zone with multiple base flood elevations, the provisions for the more restrictive flood hazard risk zone and the highest BFE shall apply.



## **SECTION B. SPECIFIC STANDARDS.**

In all Special Flood Hazard Areas where BFE data has been provided, as set forth in Article 3, Section B, or Article 5, Section D, the following provisions, in addition to the provisions of Article 5, Section A, are required:

- (1) Residential Construction. New construction and substantial improvement of any residential structure (including manufactured homes) shall have the reference level, including basement, elevated no lower than the Regulatory Flood Protection Elevation, as defined in Article 2 of this ordinance.
- (2) Non-Residential Construction. New construction and substantial improvement of any commercial, industrial, or other non-residential structure shall have the reference level, including basement, elevated no lower than the Regulatory Flood Protection Elevation, as defined in Article 2 of this ordinance. Structures located in Zones A, AE, AH, AO, A99 may be floodproofed to the Regulatory Flood Protection Elevation in lieu of elevation provided that all areas of the structure, together with attendant utility and sanitary facilities, below the Regulatory Flood Protection Elevation are watertight with walls substantially impermeable to the passage of water, using structural components having the capability of resisting hydrostatic and hydrodynamic loads and the effect of buoyancy. For AO Zones, the floodproofing elevation shall be in accordance with Article 5, Section I (2). A registered professional engineer or architect shall certify that the floodproofing standards of this subsection are satisfied. Such certification shall be provided to the Floodplain Administrator as set forth in Article 4, Section B(3), along with the operational plan and the inspection and maintenance plan.
- (3) Manufactured Homes.
  - (a) New and replacement manufactured homes shall be elevated so that the reference level of the manufactured home is no lower than the Regulatory Flood Protection Elevation, as defined in Article 2 of this ordinance.
  - (b) Manufactured homes shall be securely anchored to an adequately anchored foundation to resist flotation, collapse, and lateral movement, either by certified engineered foundation system, or in accordance with the most current edition of the State of North Carolina Regulations for Manufactured Homes adopted by the Commissioner of Insurance pursuant to NCGS 143-143.15. Additionally, when the elevation would be met by an elevation of the chassis thirty-six (36) inches or less above the grade at the site, the chassis shall be supported by reinforced piers or engineered foundation. When the elevation of the chassis is above thirty-six (36) inches in height, an engineering certification is required.
  - (c) All enclosures or skirting below the lowest floor shall meet the requirements of Article 5, Section B(4).
  - (d) An evacuation plan must be developed for evacuation of all residents of all new, substantially improved or substantially damaged manufactured home parks or subdivisions located within flood prone areas. This plan shall be filed with and approved by the Floodplain Administrator and the local Emergency Management Coordinator.
- (4) Elevated Buildings. Fully enclosed area, of new construction and substantially improved structures, which is below the lowest floor or below the lowest horizontal structural member in VE zones:
  - (a) Shall not be designed or used for human habitation, but shall only be used for parking of vehicles, building access, or limited storage of maintenance equipment used in connection with the premises. Access to the enclosed area shall be the minimum necessary to allow for parking of vehicles (garage door) or limited storage of maintenance equipment (standard exterior door), or entry to the living area (stairway or elevator). The interior portion of such enclosed area shall not be finished or partitioned into separate rooms, except to enclose storage areas;
  - (c) Shall be constructed entirely of flood resistant materials at least to the Regulatory Flood Protection Elevation; and
  - (d) Shall include, in Zones A, AE, AH, AO, A99 flood openings to automatically equalize hydrostatic flood forces on walls by allowing for the entry and exit of floodwaters. To meet this requirement, the openings must either be certified by a professional engineer or architect or meet or exceed the following minimum design criteria:
    - (i) A minimum of two flood openings on different sides of each enclosed area subject to flooding;

- (ii) The total net area of all flood openings must be at least one (1) square inch for each square foot of enclosed area subject to flooding;
  - (iii) If a building has more than one enclosed area, each enclosed area must have flood openings to allow floodwaters to automatically enter and exit;
  - (iv) The bottom of all required flood openings shall be no higher than one (1) foot above the higher of the interior or exterior adjacent grade;
  - (v) Flood openings may be equipped with screens, louvers, or other coverings or devices, provided they permit the automatic flow of floodwaters in both directions; and
  - (vi) Enclosures made of flexible skirting are not considered enclosures for regulatory purposes, and, therefore, do not require flood openings. Masonry or wood underpinning, regardless of structural status, is considered an enclosure and requires flood openings as outlined above.
- (e) Shall, in Coastal High Hazard Areas (Zone VE), either be free of obstruction or constructed with breakaway walls, open wood latticework or insect screening, provided they are not part of the structural support of the building and are designed so as to breakaway, under abnormally high tides or wave action without causing damage to the elevated portion of the building or supporting foundation system or otherwise jeopardizing the structural integrity of the building. The following design specifications shall be met:
- (i) Material shall consist of open wood or plastic lattice having an opening ratio of at least 40 percent or insect screening; or
  - (ii) Breakaway walls shall meet the following design specifications:
    - (1) Design safe loading resistance shall be not less than 10 nor more than 20 pounds per square foot; or
    - (2) Breakaway walls that exceed a design safe loading resistance of 20 pounds per square foot (either by design or when so required by State or local codes) shall be certified by a registered professional engineer or architect that the breakaway wall will collapse from a water load less than that which would occur during the base flood event, and the elevated portion of the building and supporting foundation system shall not be subject to collapse, displacement, or other structural damage due to the effects of wind and water loads acting simultaneously on all building components (structural and non-structural). The water loading values used shall be those associated with the base flood. The wind loading values used shall be those required by the North Carolina State Building Code.

(5) Additions/Improvements.

- (a) Additions and/or improvements to pre-FIRM structures when the addition and/or improvements in combination with any interior modifications to the existing structure are:
  - (i) Not a substantial improvement, the addition and/or improvements must be designed to minimize flood damages and *must not be any more non-conforming than the existing structure.*
  - (ii) A substantial improvement, with modifications/rehabilitations/improvements to the existing structure or the common wall is structurally modified more than installing a doorway, both the existing structure and the addition must comply with the standards for new construction.
- (b) Additions to pre-FIRM or post-FIRM structures that are a substantial improvement with no modifications/rehabilitations/improvements to the existing structure other than a standard door in the common wall, shall require only the addition to comply with the standards for new construction.
- (c) Additions and/or improvements to post-FIRM structures when the addition and/or improvements in combination

with any interior modifications to the existing structure are:

- (i) Not a substantial improvement, the addition and/or improvements only must comply with the standards for new construction consistent with the code and requirements for the original structure.
  - (ii) A substantial improvement, both the existing structure and the addition and/or improvements must comply with the standards for new construction.
- (d) Any combination of repair, reconstruction, rehabilitation, addition or improvement of a building or structure taking place during a 1 year period, the cumulative cost of which equals or exceeds 50 percent of the market value of the structure before the improvement or repair is started must comply with the standards for new construction. For each building or structure, the 1 year period begins on the date of the first improvement or repair of that building or structure subsequent to the effective date of this ordinance. Substantial damage also means flood-related damage sustained by a structure on two separate occasions during a 10-year period for which the cost of repairs at the time of each such flood event, on the average, equals or exceeds 25 percent of the market value of the structure before the damage occurred. If the structure has sustained substantial damage, any repairs are considered substantial improvement regardless of the actual repair work performed. The requirement does not, however, include either:
- (i) Any project for improvement of a building required to correct existing health, sanitary or safety code violations identified by the building official and that are the minimum necessary to assume safe living conditions.
  - (ii) Any alteration of a historic structure provided that the alteration will not preclude the structure's continued designation as a historic structure.
- (6) Temporary Non-Residential Structures. Prior to the issuance of a floodplain development permit for a temporary structure, the applicant must submit to the Floodplain Administrator a plan for the removal of such structure(s) in the event of a hurricane, flash flood or other type of flood warning notification. The following information shall be submitted in writing to the Floodplain Administrator for review and written approval:
- (a) A specified time period for which the temporary use will be permitted. Time specified may not exceed three (3) months, renewable up to one (1) year;
  - (b) The name, address, and phone number of the individual responsible for the removal of the temporary structure;
  - (c) The time frame prior to the event at which a structure will be removed (i.e., minimum of 72 hours before landfall of a hurricane or immediately upon flood warning notification);
  - (d) A copy of the contract or other suitable instrument with the entity responsible for physical removal of the structure; and
  - (e) Designation, accompanied by documentation, of a location outside the Special Flood Hazard Area, to which the temporary structure will be moved.
- (7) Accessory Structures. When accessory structures (sheds, detached garages, etc.) are to be placed within a Special Flood Hazard Area, the following criteria shall be met:
- (a) Accessory structures shall not be used for human habitation (including working, sleeping, living, cooking or restroom areas);
  - (b) Accessory structures shall not be temperature-controlled;
  - (c) Accessory structures shall be designed to have low flood damage potential;
  - (d) Accessory structures shall be constructed and placed on the building site so as to offer the minimum resistance to the flow of floodwaters;

- (e) Accessory structures shall be firmly anchored in accordance with the provisions of Article 5, Section A(1);
- (f) All service facilities such as electrical shall be installed in accordance with the provisions of Article 5, Section A(4); and
- (g) Flood openings to facilitate automatic equalization of hydrostatic flood forces shall be provided below Regulatory Flood Protection Elevation in conformance with the provisions of Article 5, Section B(4)(d).

An accessory structure with a footprint less than 150 or that is a minimal investment of \$3000 or less and satisfies the criteria outlined above is not required to meet the elevation or floodproofing standards of Article 5, Section B (2). Elevation or floodproofing certifications are required for all other accessory structures in accordance with Article 4, Section B(3).

(8) Tanks. When gas and liquid storage tanks are to be placed within a Special Flood Hazard Area, the following criteria shall be met:

- (a) Underground tanks. Underground tanks in flood hazard areas shall be anchored to prevent flotation, collapse or lateral movement resulting from hydrodynamic and hydrostatic loads during conditions of the design flood, including the effects of buoyancy assuming the tank is empty;
- (b) Above-ground tanks, elevated. Above-ground tanks in flood hazard areas shall be elevated to or above the Regulatory Flood Protection Elevation on a supporting structure that is designed to prevent flotation, collapse or lateral movement during conditions of the design flood. Tank-supporting structures shall meet the foundation requirements of the applicable flood hazard area;
- (c) Above-ground tanks, not elevated. Above-ground tanks that do not meet the elevation requirements of Article 5, Section B (2) of this ordinance shall be permitted in flood hazard areas provided the tanks are designed, constructed, installed, and anchored to resist all flood-related and other loads, including the effects of buoyancy, during conditions of the design flood and without release of contents in the floodwaters or infiltration by floodwaters into the tanks. Tanks shall be designed, constructed, installed, and anchored to resist the potential buoyant and other flood forces acting on an empty tank during design flood conditions.
- (d) Tank inlets and vents. Tank inlets, fill openings, outlets and vents shall be:
  - (i) At or above the Regulatory Flood Protection Elevation or fitted with covers designed to prevent the inflow of floodwater or outflow of the contents of the tanks during conditions of the design flood; and
  - (ii) Anchored to prevent lateral movement resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy, during conditions of the design flood.

(9) Other Development.

- (a) Fences in regulated floodways and NEAs that have the potential to block the passage of floodwaters, such as stockade fences and wire mesh fences, shall meet the limitations of Article 5, Section F of this ordinance.
- (b) Retaining walls, sidewalks and driveways in regulated floodways and NEAs. Retaining walls and sidewalks and driveways that involve the placement of fill in regulated floodways shall meet the limitations of Article 5, Section F of this ordinance.
- (c) Roads and watercourse crossings in regulated floodways and NEAs. Roads and watercourse crossings, including roads, bridges, culverts, low-water crossings and similar means for vehicles or pedestrians to travel from one side of a watercourse to the other side, that encroach into regulated floodways shall meet the limitations of Article 5, Section F of this ordinance.

**SECTION C.      RESERVED.**

**SECTION D. STANDARDS FOR FLOODPLAINS WITHOUT ESTABLISHED BASE FLOOD ELEVATIONS.**

Within the Special Flood Hazard Areas designated as Approximate Zone A and established in Article 3, Section B, where no BFE data has been provided by FEMA, the following provisions, in addition to the provisions of Article 5, Section A, shall apply:

- (1) No encroachments, including fill, new construction, substantial improvements or new development shall be permitted within a distance of twenty (20) feet each side from top of bank or five times the width of the stream, whichever is greater, unless certification with supporting technical data by a registered professional engineer is provided demonstrating that such encroachments shall not result in any increase in flood levels during the occurrence of the base flood discharge.
- (2) The BFE used in determining the Regulatory Flood Protection Elevation shall be determined based on the following criteria:
  - (a) When BFE data is available from other sources, all new construction and substantial improvements within such areas shall also comply with all applicable provisions of this ordinance and shall be elevated or floodproofed in accordance with standards in Article 5, Sections A and B.
  - (b) When floodway or non-encroachment data is available from a Federal, State, or other source, all new construction and substantial improvements within floodway and non-encroachment areas shall also comply with the requirements of Article 5, Sections B and F.
  - (c) All subdivision, manufactured home park and other development proposals shall provide BFE data if development is greater than five (5) acres or has more than fifty (50) lots/manufactured home sites. Such BFE data shall be adopted by reference in accordance with Article 3, Section B and utilized in implementing this ordinance.
  - (d) When BFE data is not available from a Federal, State, or other source as outlined above, the reference level shall be elevated or floodproofed (nonresidential) to or above the Regulatory Flood Protection Elevation, as defined in Article 2. All other applicable provisions of Article 5, Section B shall also apply.

**SECTION E. STANDARDS FOR RIVERINE FLOODPLAINS WITH BASE FLOOD ELEVATIONS BUT WITHOUT ESTABLISHED FLOODWAYS OR NON-ENCROACHMENT AREAS.**

Along rivers and streams where BFE data is provided by FEMA or is available from another source but neither floodway nor non-encroachment areas are identified for a Special Flood Hazard Area on the FIRM or in the FIS report, the following requirements shall apply to all development within such areas:

- (1) Standards of Article 5, Sections A and B; and
- (2) Until a regulatory floodway or non-encroachment area is designated, no encroachments, including fill, new construction, substantial improvements, or other development, shall be permitted unless certification with supporting technical data by a registered professional engineer is provided demonstrating that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one (1) foot at any point within the community.

**SECTION F. FLOODWAYS AND NON-ENCROACHMENT AREAS.**

Areas designated as floodways or non-encroachment areas are located within the Special Flood Hazard Areas established in Article 3, Section B. The floodways and non-encroachment areas are extremely hazardous areas due to the velocity of floodwaters that have erosion potential and carry debris and potential projectiles. The following provisions, in addition to standards outlined in Article 5, Sections A and B, shall apply to all development within such areas:

- (1) No encroachments, including fill, new construction, substantial improvements and other developments shall be permitted

unless:

- (a) It is demonstrated that the proposed encroachment would not result in any increase in the flood levels during the occurrence of the base flood discharge, based on hydrologic and hydraulic analyses performed in accordance with standard engineering practice and presented to the Floodplain Administrator prior to issuance of floodplain development permit; or
  - (b) A Conditional Letter of Map Revision (CLOMR) has been approved by FEMA. A Letter of Map Revision (LOMR) must also be obtained within six months of completion of the proposed encroachment.
- (2) If Article 5, Section F(1) is satisfied, all development shall comply with all applicable flood hazard reduction provisions of this ordinance.
- (3) Manufactured homes may be permitted provided the following provisions are met:
- (a) The anchoring and the elevation standards of Article 5, Section B(3); and
  - (b) The encroachment standards of Article 5, Section F(1).

**SECTION G. COASTAL HIGH HAZARD AREA (ZONE VE).**

Coastal High Hazard Areas are Special Flood Hazard Areas established in Article 3, Section B, and designated as Zones VE. These areas have special flood hazards associated with high velocity waters from storm surges or seismic activity and, therefore, all new construction and substantial improvements shall meet the following provisions in addition to the provisions of Article 5, Sections A and B:

- (1) All new construction and substantial improvements shall:
  - (a) Be located landward of the reach of mean high tide;
  - (b) Comply with all applicable CAMA setback requirements.
- (2) All new construction and substantial improvements shall be elevated so that the bottom of the lowest horizontal structural member of the lowest floor (excluding pilings or columns) is no lower than the regulatory flood protection elevation. Floodproofing shall not be utilized on any structures in Coastal High Hazard Areas to satisfy the regulatory flood protection elevation requirements.
- (3) All new construction and substantial improvements shall have the space below the bottom of the lowest horizontal structural member of the lowest floor free of obstruction so as not to impede the flow of flood waters, with the following exceptions:
  - (a) Open wood or plastic latticework or insect screening may be permitted below the lowest floor for aesthetic purposes only and must be designed to wash away in the event of wave impact and in accordance with the provisions of Article 5, Section B(4)(e)(i). Design plans shall be submitted in accordance with the provisions of Article 4, Section B(1)(d)(iii)(2); or
  - (b) Breakaway walls may be permitted provided they meet the criteria set forth in Article 5, Section B(4)(a),(b),(c)&(e)(ii). Design plans shall be submitted in accordance with the provisions of Article 4, Section B(1)(d)(iii)(1).
- (4) All new construction and substantial improvements shall be securely anchored to pile or column foundations. All pilings and columns and the structure attached thereto shall be anchored to resist flotation, collapse, and lateral movement due to the effect of wind and water loads acting simultaneously on all building components.

- (a) Water loading values used shall be those associated with the base flood.
  - (b) Wind loading values used shall be those required by the current edition of the North Carolina State Building Code.
- (5) For swimming pools and spas, the following is required:
- (a) Be designed to withstand all flood-related loads and load combinations.
  - (b) Be elevated so that the lowest horizontal structural member is elevated above the RFPE; or
  - (c) Be designed and constructed to break away during design flood conditions without producing debris capable of causing damage to any structure; or
  - (d) Be sited to remain in the ground during design flood conditions without obstructing flow that results in damage to any structure.
  - (e) Registered design professionals must certify to local officials that a pool or spa beneath or near a VE Zone building will not be subject to flotation or displacement that will damage building foundations or elevated portions of the building or any nearby buildings during a coastal flood.
  - (f) Pool equipment shall be located above the RFPE whenever practicable. Pool equipment shall not be located beneath an elevated structure.
- (6) All elevators, vertical platform lifts, chair lifts, etc., the following is required:
- (a) Elevator enclosures must be designed to resist hydrodynamic and hydrostatic forces as well as erosion, scour, and waves.
  - (b) Utility equipment in Coastal High Hazard Areas (VE Zones) must not be mounted on, pass through, or be located along breakaway walls.
  - (c) The cab, machine/equipment room, hydraulic pump, hydraulic reservoir, counter weight and roller guides, hoist cable, limit switches, electric hoist motor, electrical junction box, circuit panel, and electrical control panel are all required to be above RFPE. When this equipment cannot be located above the RFPE, it must be constructed using flood damage-resistant components.
  - (d) Elevator shafts/enclosures that extend below the RFPE shall be constructed of reinforced masonry block or reinforced concrete walls and located on the landward side of the building to provide increased protection from flood damage. Drainage must be provided for the elevator pit.
  - (e) Flood damage-resistant materials can also be used inside and outside the elevator cab to reduce flood damage. Use only stainless steel doors and door frames below the BFE. Grouting in of door frames and sills is recommended.
  - (f) If an elevator is designed to provide access to areas below the BFE, it shall be equipped with a float switch system that will activate during a flood and send the elevator cab to a floor above the RFPE.
- (7) A registered professional engineer or architect shall certify that the design, specifications and plans for construction are in compliance with the provisions of Article 4, Section B and Article 5, Section G(3) and (4), on the current version of the North Carolina V-Zone Certification form or equivalent local version. In addition, prior to the Certificate of

Compliance/Occupancy issuance, a registered professional engineer or architect shall certify the finished construction is compliant with the design, specifications and plans for VE Zone construction

- (8) Fill/Grading
- (a) Minor grading and the placement of minor quantities of nonstructural fill may be permitted for landscaping and for drainage purposes under and around buildings and for support of parking slabs, pool decks, patios and walkways.
  - (b) The fill material must be similar and consistent with the natural soils in the area.
  - (c) The placement of site-compatible, non-structural fill under or around an elevated building is limited to two (2) feet. Fill greater than two (2) feet must include an analysis prepared by a qualified registered design professional demonstrating no harmful diversion of floodwaters or wave runup and wave reflection that would increase damage to adjacent elevated buildings and structures.
  - (d) Nonstructural fill with finished slopes that are steeper than five (5) units horizontal to one (1) unit vertical shall be permitted only if an analysis prepared by a qualified registered design professional demonstrates no harmful diversion of floodwaters or wave runup and wave reflection that would increase damage to adjacent elevated buildings and structures.
- (9) There shall be no alteration of sand dunes or mangrove stands which would increase potential flood damage.
- (10) No manufactured homes shall be permitted except in an existing manufactured home park or subdivision. A replacement manufactured home may be placed on a lot in an existing manufactured home park or subdivision provided the anchoring and elevation standards of this Section have been satisfied.
- (11) Recreational vehicles may be permitted in Coastal High Hazard Areas provided that they meet the Recreational Vehicle criteria of Article 5, Section B(6)(a).
- (12) A deck that is structurally attached to a building or structure shall have the bottom of the lowest horizontal structural member at or above the Regulatory Flood Protection Elevation and any supporting members that extend below the Regulatory Flood Protection Elevation shall comply with the foundation requirements that apply to the building or structure, which shall be designed to accommodate any increased loads resulting from the attached deck. The increased loads must be considered in the design of the primary structure and included in the V-Zone Certification required under Article 4, Section B, (3)(f).
- (13) A deck or patio that is located below the Regulatory Flood Protection Elevation shall be structurally independent from buildings or structures and their foundation systems, and shall be designed and constructed either to remain intact and in place during design flood conditions or to break apart into small pieces to minimize debris during flooding that is capable of causing structural damage to the building or structure or to adjacent buildings and structures.
- (14) In coastal high hazard areas, development activities other than buildings and structures shall be permitted only if also authorized by the appropriate state or local authority; if located outside the footprint of, and not structurally attached to, buildings and structures; and if analyses prepared by qualified registered design professionals demonstrate no harmful diversion of floodwaters or wave runup and wave reflection that would increase damage to adjacent buildings and structures. Such other development activities include but are not limited to:
- (a) Bulkheads, seawalls, retaining walls, revetments, and similar erosion control structures;



- (b) Solid fences and privacy walls, and fences prone to trapping debris, unless designed and constructed to fail under flood conditions less than the design flood or otherwise function to avoid obstruction of floodwaters.

**SECTION H. STANDARDS FOR COASTAL A ZONES (ZONE CAZ) LiMWA**

Structures in CAZs shall be designed and constructed to meet V Zone requirements, including requirements for breakaway walls. However, the NFIP regulations also require flood openings in walls surrounding enclosures below elevated buildings in CAZs (see Technical Bulletin 1, *Openings in Foundation Walls and Walls of Enclosures*). Breakaway walls used in CAZs must have flood openings that allow for the automatic entry and exit of floodwaters to minimize damage caused by hydrostatic loads. Openings also function during smaller storms or if anticipated wave loading does not occur with the base flood.

- (1) All new construction and substantial improvements shall be elevated so that the bottom of the lowest horizontal structural member of the lowest floor (excluding pilings or columns) is no lower than the regulatory flood protection elevation. Floodproofing shall not be utilized on any structures in Coastal A Zones to satisfy the regulatory flood protection elevation requirements.
- (2) All new construction and substantial improvements shall have the space below the lowest horizontal structural member free of obstruction so as not to impede the flow of flood waters, with the following exceptions:
  - (a) Open wood latticework or insect screening may be permitted below the lowest floor for aesthetic purposes only and must be designed to wash away in the event of wave impact and in accordance with the provisions of Article 5, Section B(4)(e)(i). Design plans shall be submitted in accordance with the provisions of Article 4, Section B(1)(d)(iii)(2); or
  - (b) Breakaway walls may be permitted provided they meet the criteria set forth in Article 5, Section B(4)(e)(ii). Design plans shall be submitted in accordance with the provisions of Article 4, Section B(1)(d)(iii)(1).
- (3) All new construction and substantial improvements shall include, in Zones CAZ, flood openings to automatically equalize hydrostatic flood forces on walls by allowing for the entry and exit of floodwaters. To meet this requirement, the openings must either be certified by a professional engineer or architect or meet or exceed the design criteria in Article 5, Section B(4)(d).
- (4) All new construction and substantial improvements shall meet the provisions of Article 5, Section G(3)
- (5) A registered professional engineer or architect shall certify that the design, specifications and plans for construction are in compliance with the provisions of Article 4, Section B and Article 5, Section G(3) and (4), on the current version of the North Carolina V-Zone Certification form or a locally developed V-Zone Certification form.
- (6) Recreational vehicles may be permitted in Coastal A Zones provided that they meet the Recreational Vehicle criteria of Article 5, Section B(6)(a).
- (7) Fill/Grading must meet the provisions of Article 5, Section G(11)
- (8) Decks and patios must meet the provisions of Article 5 Section G(15) and (16).
- (9) In coastal high hazard areas, development activities other than buildings and structures must meet the provisions of Article 5, Section G(17)

**ARTICLE 6. LEGAL STATUS PROVISIONS.**

**SECTION A. EFFECT ON RIGHTS AND LIABILITIES UNDER THE EXISTING FLOOD DAMAGE**

**PREVENTION ORDINANCE.**

This ordinance in part comes forward by re-enactment of some of the provisions of the Flood Damage Prevention Ordinance enacted May 15, 1979 as amended, and it is not the intention to repeal but rather to re-enact and continue to enforce without interruption of such existing provisions, so that all rights and liabilities that have accrued thereunder are reserved and may be enforced. The enactment of this ordinance shall not affect any action, suit or proceeding instituted or pending. All provisions of the Flood Damage Prevention Ordinance of the Town of Kure Beach enacted on May 15, 1979, as amended, which are not reenacted herein are repealed.

The date of the initial Flood Damage Prevention Ordinance for New Hanover County is July 17, 1978.

**SECTION B. EFFECT UPON OUTSTANDING FLOODPLAIN DEVELOPMENT PERMITS.**

Nothing herein contained shall require any change in the plans, construction, size, or designated use of any development or any part thereof for which a floodplain development permit has been granted by the Floodplain Administrator or his or her authorized agents before the time of passage of this ordinance; provided, however, that when construction is not begun under such outstanding permit within a period of six (6) months subsequent to the date of issuance of the outstanding permit, construction or use shall be in conformity with the provisions of this ordinance.

**SECTION C. SEVERABILITY.**

If any section, clause, sentence, or phrase of the Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way effect the validity of the remaining portions of this Ordinance.

**SECTION D. EFFECTIVE DATE.**

This ordinance shall become effective August 28, 2018.

**SECTION E. ADOPTION CERTIFICATION.**

I hereby certify that this is a true and correct copy of the Flood Damage Prevention Ordinance as adopted by the Town Council of the, Town of Kure Beach North Carolina, on the 28th day of August, 2018.

WITNESS my hand and the official seal of Nancy Avery, Town Clerk, this the Day (number or text) day of Month, Year.

\_\_\_\_\_  
(signature)

# COUNCIL GOALS AND JOINT LAND USE PLAN

## COUNCIL GOALS

Adopted by Council March 19, 2018.

*Work smarter to maintain and improve our quality of life in Kure Beach*

- Improve parking situation
- Upgrade systems such as water meter and billing
- Work on Department of Defense Land Use Plan to retain assets

*Ensure the integrity of Town financial data and maintain financial stability in all Town funds*

- Bring in construction project on time and at cost
- Be fiscally responsible
- Improve long term planning
- Review ordinances for enforcement process
- ROT maintenance

*Enable an optimum working environment for staff to produce high levels of service to the public*

- Town Hall space (physical)
- Ensure policies are fair (morale)

*Provide all departments with the support to maintain a safe working and living environment*

- Support camera program
- Use technology to multiply abilities

### MOTSU/DOD Land Use Plan goals and expectations – ranked in order of priority

1. Lagoon – ensure lease, current five year lease expires December of 2019
2. Water tower – ensure the lease, current lease expires April of 2019
3. Recreation area (JE Park), lease is \$1,000 for 6.5 acres
4. Water diversion – Camp Wyatt, keeping water out of the streets of Kure Beach
5. Garages – Public Works, replacement of the garages lost
6. New egress process – access to Dow Road
7. Bike path options – Carolina Beach is in the process of building bike path
8. Maintain good relations
9. Land behind fire station to be utilized for training and volunteer parking during calls

# NEW BUSINESS

# ENCROACHMENT

To: Town Council

From: John Batson

Re: 441 S. Fort Fisher Deck Encroachment

Date: May 10, 2018

Commissioners,

Just wanted to send a quick note about the request referenced above.

It is different from the request approved last Council Meeting. In this request, they are actively looking to build on Town Property, not on an easement held by the Town.

This came up several years ago, and Council denied relinquishing ownership, or allowing use of the 10' alleyway on another property but with the same builder.

According to our Zoning Map, there are 30 lots that are the same size and are affected by a 10' alley that the Town owns. It does restrict building closer to the ocean.

I don't have a recommendation, but wanted to make sure you were aware of the above.

## Nancy Avery

---

**From:** Hester Wes <whester@foxholetechnology.com>  
**Sent:** Wednesday, May 9, 2018 10:43 AM  
**To:** Nancy Avery  
**Cc:** Durbin, Lisa; reception@nedbarnes.com; Rob lavecchia  
**Subject:** Re: Deck Encroachment Request by Lisa and Wes Hester New Owners of Property  
441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7)  
**Attachments:** Encroachment\_Request\_441\_S\_Ft\_Fisher\_Hester.pdf  
**Importance:** High

Nancy,

Again thanks for your support this AM. I updated the attached file, so please use this one.

Per our teleconference today, we would like to present a Request for Town of Kure Beach Council Encroachment Approval of 10 feet to extend the Pool Deck of the home of Wes and Lisa Hester, who just purchased and is under construction, 441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7) from Eddie Hyler and Rob Lavecchia (Please Ref. Attached PDF File).

Currently, due to the reduced lot size, the limitations of the deck combined with the pool, there is limited area around the pool to position deck chairs. To facilitate our use of the Pool Deck we are requesting the Town of Kure Beach Council grant Wes and Lisa Hester an Encroachment Request to extend the deck 10 feet towards the beach, in accordance with any and all limitations imposed by the Town of Kure Beach Council Encroachment Request Approval (Ref. pages 2 & 3 Attached).

If approved, Wes and Lisa Hester, at no cost to the Town of Kure Beach, will have the Encroachment Agreement drafted by the Law Office of Ned M. Barnes, A-3 Pleasure Island Plaza (USPS), 1009 N. Lake Park Blvd., Suite C-2, Carolina Beach, NC 28428, Telephone: 910-458-4466, and presented to the Town of Kure Beach Council at the next Council Meeting.

Please advise when we can present our Deck Encroachment Request?

Warm regards,

**Wes Hester**

President & CEO



11781 Lee Jackson Hwy, Suite 260

Fairfax, VA 22033

[whester@foxholetechnology.com](mailto:whester@foxholetechnology.com)

Office Phone Number (O) 703-496-4514

Cell Phone Number (C) 703-586-3234

Fax Number (F) 202-379-1790

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

[RLTW](#)



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**From:** Microsoft Office User <[whester@foxholetechnology.com](mailto:whester@foxholetechnology.com)>

**Date:** Tuesday, May 8, 2018 at 20:15

**To:** "[townclerk@tokb.org](mailto:townclerk@tokb.org)" <[townclerk@tokb.org](mailto:townclerk@tokb.org)>

**Cc:** Lisa Hester <[ldurbin@foxholetechnology.com](mailto:ldurbin@foxholetechnology.com)>, "[reception@nedbarnes.com](mailto:reception@nedbarnes.com)" <[reception@nedbarnes.com](mailto:reception@nedbarnes.com)>, Rob lavecchia <[roblavecchia@gmail.com](mailto:roblavecchia@gmail.com)>

**Subject:** Deck Encroachment Request by Lisa and Wes Hester New Owners of Property 441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7)

Nancy,

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**Wes Hester**

President & CEO



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# Town Of Kure Beach Council Meeting May 15, 2018

## Encroachment Request

Requested by Lisa and Wes Hester - New Owners of Property  
441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7)

Tele: 703-586-3234

Email: [whester@foxholetechnology.com](mailto:whester@foxholetechnology.com)

Encroachment Request by Lisa and Wes Hester – New Owners of Property  
441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7)

Request for Town of Kure Beach Council Encroachment Approval of 10 feet to extend the Pool Deck of the home of Wes and Lisa Hester, who just purchased and is under construction, 441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7) from Eddie Hyler and Rob Lavecchia.

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Warm regards,



Wes and Lisa Hester  
703-586-3234  
whester@foxholetechnology.com

Encroachment Request by Lisa and Wes Hester – New Owners of Property  
 441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7)  
 “Architect Drawing of House Front and Back Sides”

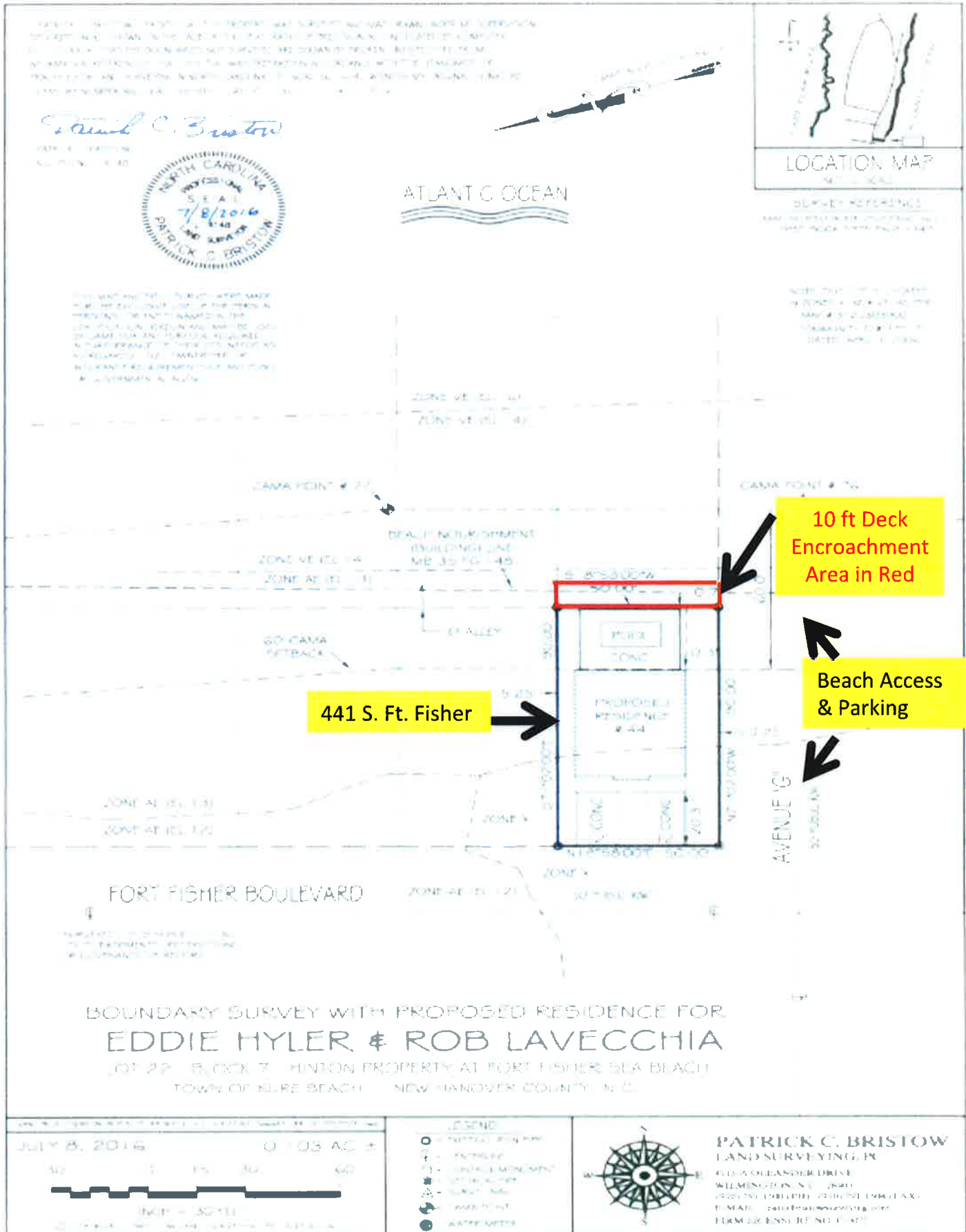


1 FRONT ELEVATION  
 A3 1/4" = 1' 0"

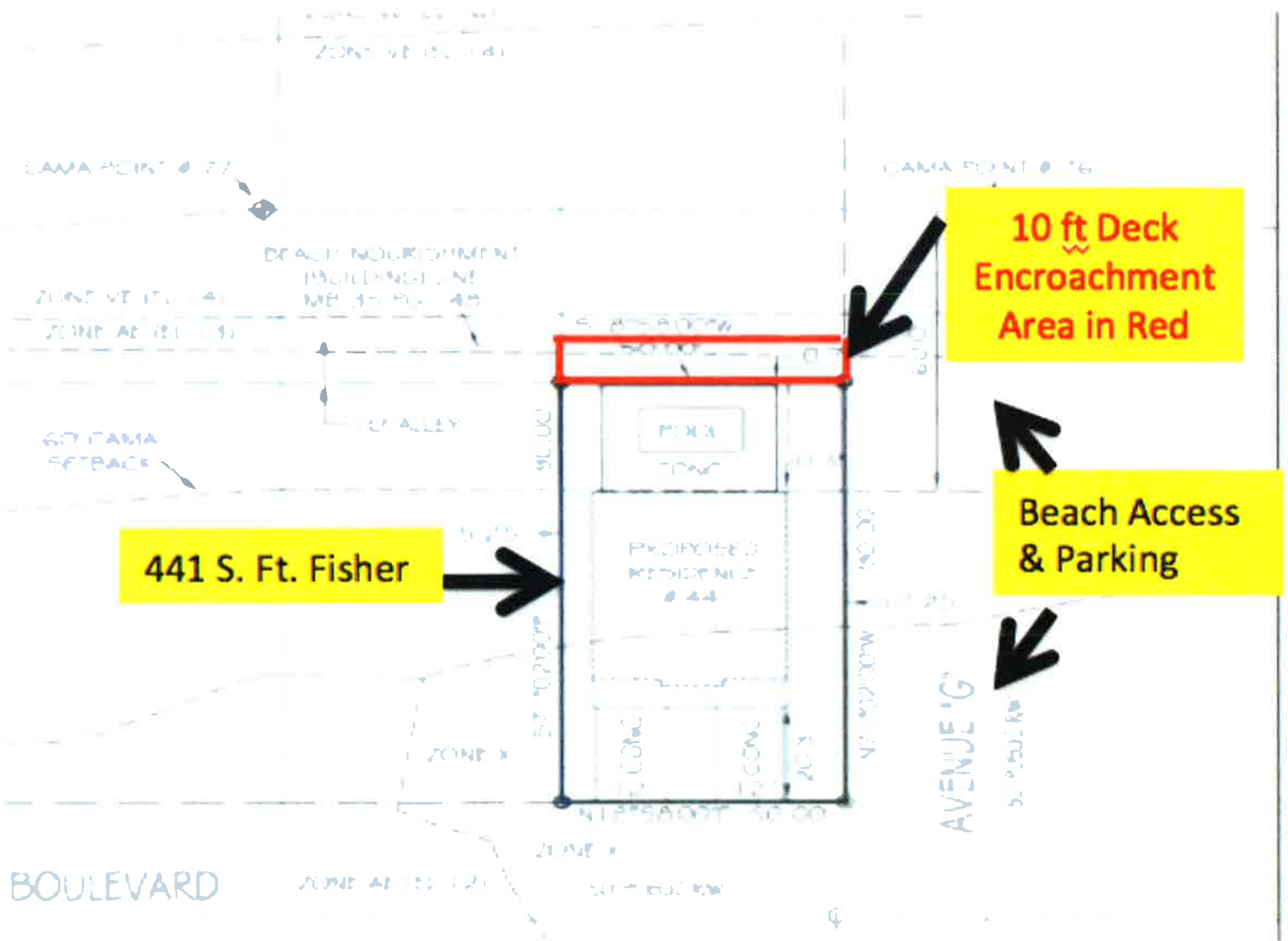
NOTE:  
 RUN COPPER 2" FLASHING  
 HORIZONTAL APPLIED EXT  
 @ CASINGS



**Encroachment Request by Lisa and Wes Hester – New Owners of Property  
441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7)  
“Requested Area In Red”**



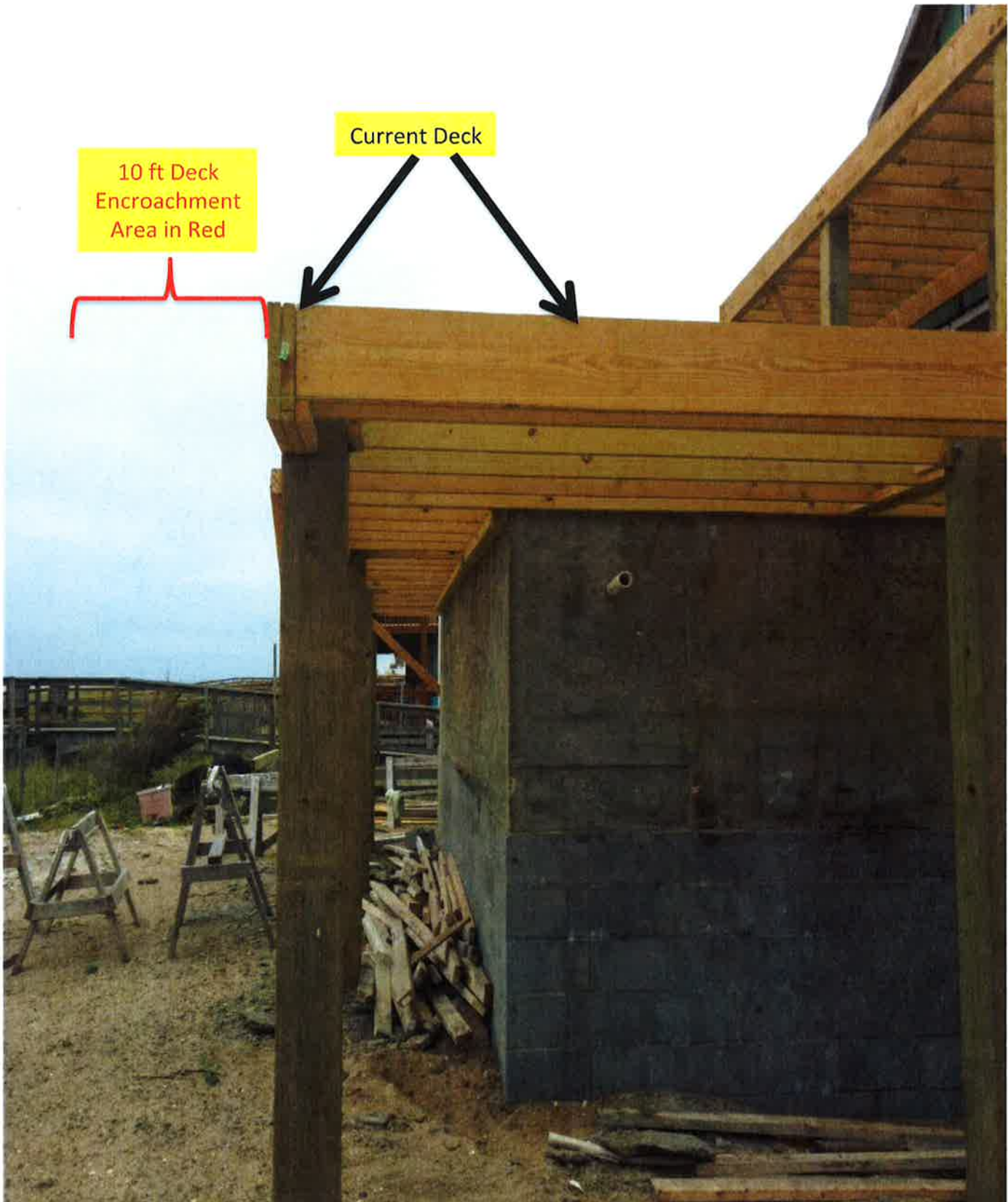
Encroachment Request by Lisa and Wes Hester – New Owners of Property  
 441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7)  
 “Requested Area Zoom In View”



Encroachment Request by Lisa and Wes Hester – New Owners of Property  
441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7)  
“Back of House View of Deck”



Encroachment Request by Lisa and Wes Hester – New Owners of Property  
441 S. Fort Fisher Blvd, Kure Beach, NC 28449 (Lot 22, Block 7)  
“Back of House Side View of Deck”





# EMERGENCY OPERATIONS PLAN

Mayor Pro Tem Heglar presented electronically and requested revisions.

# SEWER AUTHORITY

# Memo



**To:** Craig Bloszinsky, David Heglar, John Ellen,  
Allen Oliver and Joseph Whitley

**From:** Arlen Copenhaver *AC*

**Date:** May 1, 2018

**Re:** Carolina/Kure Beach Sewer Authority Update

---

The Carolina/Kure Beach Sewer Authority met on April 30, 2018, to finalize expenses for fiscal year 2017, adjust rates for fiscal year 2018 and to set rates for fiscal year 2019. The Authority previously met on May 8, 2017, at which time fiscal year 2016 was reconciled.

The rates previously established for fiscal year 2018 were adjusted based on the actual data from fiscal year 2017 as follows:

Variable Costs: decrease of 3.94 cents per 1,000 gallons (from 76.48 to 72.54)

Fixed Costs: \$4,392.41 per month decrease (from \$16,627.28 to \$12,234.87)

Capital Recovery: \$1,150.91 per month increase (from \$3,746.25 to \$4,897.16)

As a result of the above adjustments to the fiscal year 2018 rates, Carolina Beach owes Kure Beach \$42,356.85 for the period of July 2017 through March 2018. This was determined as follows:

<u>Over/(Under)</u> <u>Variable Costs</u>	<u>Over/(Under)</u> <u>Fixed Costs</u>	<u>Over/(Under)</u> <u>Capital</u>	<u>Over/(Under)</u> <u>Total</u>
\$3,458.85	\$52,708.92	(\$13,810.92)	\$42,356.85

Prior to the meeting, explanations for several expense categories that had significant changes from the prior year were obtained from Carolina Beach personnel. These explanations were reviewed and deemed reasonable. At the meeting, Commissioner Heglar reiterated with the Carolina Beach representatives the need to provide Kure Beach with advance notification of potentially significant expenditures and projects, as well as the need for all of Pleasure Island to continue to take actions to promote water conservation.

As of April 30, 2018, the Authority set the following rates for fiscal year 2019 subject to approval by the respective Town Councils:

Variable Costs: 72.54 cents per 1,000 gallons

Fixed Costs: \$12,234.87 per month

Capital Recovery: \$4,897.16 per month

Please let me know if you have any questions or require additional information.

# DEPARTMENT REPORTS

# KURE BEACH FIRE DEPARTMENT

## FIRE CHIEF'S REPORT

APRIL, 2018

DATE	PURPOSE
04/01/18	FALSE ALARM
04/01/18	EMS
04/02/18	POWER WIRE
04/02/18	ASSIST PUBLIC
04/02/18	AUTO ACCIDENT
04/03/18	ELEVATOR
04/05/18	CHIMNEY FIRE
04/07/18	EMS
04/08/18	EMS
04/09/18	2 EMS
04/10/18	EMS
04/11/18	EMS
04/12/18	FLARE SIGHTING
04/13/18	ASSIST PUBLIC
04/14/18	EMS
04/14/18	FALSE ALARM
04/15/18	MUTUAL AID Cbfd
04/16/18	EMS
04/18/18	MUTUAL AID Cbfd
04/18/18	WATER RESCUE
04/18/18	FLARE SIGHTING
04/19/18	ASSIST PUBLIC
04/20/18	2 EMS
04/21/18	OUTSIDE FIRE
04/23/18	2 EMS
04/24/18	STRUCTURE FIRE
04/26/18	INVESTIGATE UNKNOWN
04/29/18	EMS
04/29/18	MUTUAL AID Cbfd

All equipment checked and found to be in working order  
Ed Kennedy Chief

**TOWN OF KURE BEACH**  
**REVENUE AND EXPENDITURE SUMMARY**  
**JULY 1, 2017 TO MAY 8, 2018**

	<b>REVENUES</b>					<b>EXPENDITURES</b>			
	2018 Initial Bud.	2018 Amend. Bud.	Actual 5/8/2018	% Collected		2018 Initial Bud.	2018 Amend. Bud.	Actual 5/8/2018	% Spent
<b>GENERAL FUND</b>					<b>GENERAL FUND</b>				
Property Taxes (Cur. & PY)	\$ 2,491,300	\$ 2,491,300	\$ 2,505,804	100.6%	Governing Body	\$ 38,505	\$ 38,505	\$ 33,866	88.0%
Local Option Sales Tax	\$ 850,075	\$ 850,075	\$ 725,730	85.4%	Committees	\$ 120,010	\$ 120,010	\$ 13,902	11.6%
Garbage & Recycling	\$ 382,350	\$ 382,350	\$ 330,155	86.3%	Finance	\$ 150,786	\$ 150,786	\$ 106,696	70.8%
Franchise & Utility Tax	\$ 234,500	\$ 234,500	\$ 169,146	72.1%	Administration	\$ 407,848	\$ 583,848	\$ 479,600	82.1%
TDA Funds	\$ 205,650	\$ 205,650	\$ 240,611	117.0%	Community Center	\$ 23,300	\$ 23,300	\$ 15,702	67.4%
CAMA Grants - Beach Access Paving	\$ 89,332	\$ 89,332	\$ -	0.0%	Emergency Mgmt./Elections	\$ 3,100	\$ 3,100	\$ 2,656	85.7%
Communication Tower Rent	\$ 79,125	\$ 79,125	\$ 72,858	92.1%	Tax Collections	\$ 27,000	\$ 27,000	\$ 20,433	75.7%
Bldg. Permit & Fire Inspect. Fees	\$ 59,300	\$ 59,300	\$ 87,735	148.0%	Legal	\$ 28,950	\$ 28,950	\$ 21,679	74.9%
Sales Tax Refund	\$ 54,000	\$ 54,000	\$ 57,479	106.4%	Police Department	\$ 1,308,960	\$ 1,315,160	\$ 1,016,464	77.3%
Com Ctr/Parks & Rec/St Festival	\$ 20,500	\$ 20,500	\$ 16,399	80.0%	Fire Department	\$ 701,867	\$ 695,667	\$ 553,406	79.6%
Motor Vehicle License Tax/Decals	\$ 15,000	\$ 15,000	\$ 19,700	131.3%	Lifeguards	\$ 196,850	\$ 196,850	\$ 119,253	60.6%
Town Facility Rentals	\$ 15,000	\$ 15,000	\$ 17,893	119.3%	Parks & Recreation	\$ 146,027	\$ 146,027	\$ 103,894	71.1%
ABC Revenue	\$ 14,600	\$ 14,600	\$ 16,839	115.3%	Bldg Inspection/Code Enforcement	\$ 135,201	\$ 135,201	\$ 105,418	78.0%
OFP - Bluefish Purchases	\$ 11,000	\$ 11,000	\$ 10,780	98.0%	Streets & Sanitation	\$ 863,848	\$ 863,848	\$ 652,975	75.6%
Beer & Wine Tax	\$ 9,500	\$ 9,500	\$ -	0.0%	Debt Service	\$ 360,615	\$ 564,042	\$ 336,381	59.6%
All Other Revenues	\$ 6,185	\$ 466,571	\$ 23,883	5.1%	Transfer to Other Funds	\$ 46,450	\$ 127,409	\$ 127,409	100.0%
Other Financing Sources	\$ 70,000	\$ 70,000	\$ 31,668	45.2%	Contingency	\$ 48,100	\$ 48,100	\$ -	0.0%
<b>Total Revenues</b>	<b>\$ 4,607,417</b>	<b>\$ 5,067,803</b>	<b>\$ 4,326,680</b>	<b>85.4%</b>	<b>Total Expenses</b>	<b>\$ 4,607,417</b>	<b>\$ 5,067,803</b>	<b>\$ 3,709,734</b>	<b>73.2%</b>
<b>WATER &amp; SEWER FUND</b>					<b>WATER &amp; SEWER FUND</b>				
Water Charges	\$ 805,000	\$ 805,000	\$ 620,093	77.0%	Governing Body	\$ 17,505	\$ 17,505	\$ 15,364	87.8%
Sewer Charges	\$ 1,155,000	\$ 1,155,000	\$ 873,302	75.6%	Legal	\$ 28,950	\$ 28,950	\$ 21,679	74.9%
Tap, Connect & Reconnect Fees	\$ 37,200	\$ 37,200	\$ 78,980	212.3%	Finance	\$ 186,200	\$ 186,200	\$ 154,178	82.8%
All Other Revenues	\$ 8,455	\$ 8,455	\$ 10,706	126.6%	Administration	\$ 260,170	\$ 260,170	\$ 205,315	78.9%
Other Financing Sources	\$ 145,000	\$ 145,000	\$ 31,958	22.0%	Operations	\$ 1,657,830	\$ 1,657,830	\$ 1,125,432	67.9%
<b>Total Revenues</b>	<b>\$ 2,150,655</b>	<b>\$ 2,150,655</b>	<b>\$ 1,615,039</b>	<b>75.1%</b>	<b>Total Expenses</b>	<b>\$ 2,150,655</b>	<b>\$ 2,150,655</b>	<b>\$ 1,521,968</b>	<b>70.8%</b>
<b>STORM WATER FUND</b>					<b>STORM WATER FUND</b>				
<b>Total Revenues</b>	<b>\$ 630,094</b>	<b>\$ 630,094</b>	<b>\$ 347,603</b>	<b>55.2%</b>	<b>Total Expenses</b>	<b>\$ 630,094</b>	<b>\$ 630,094</b>	<b>\$ 476,044</b>	<b>75.6%</b>
<b>POWELL BILL FUND</b>					<b>POWELL BILL FUND</b>				
<b>Total Revenues</b>	<b>\$ 65,070</b>	<b>\$ 65,070</b>	<b>\$ 65,558</b>	<b>100.7%</b>	<b>Total Expenses</b>	<b>\$ 65,070</b>	<b>\$ 65,070</b>	<b>\$ 2,044</b>	<b>3.1%</b>
<b>SEWER EXPANSION RESERVE FUND (SERF)</b>					<b>SEWER EXPANSION RESERVE FUND (SERF)</b>				
<b>Total Revenues</b>	<b>\$ 30,330</b>	<b>\$ 30,330</b>	<b>\$ 8,444</b>	<b>27.8%</b>	<b>Total Expenses</b>	<b>\$ 30,330</b>	<b>\$ 30,330</b>	<b>\$ -</b>	<b>0.0%</b>
<b>BEACH PROTECTION FUND</b>					<b>BEACH PROTECTION FUND</b>				
<b>Total Revenues</b>	<b>\$ 47,090</b>	<b>\$ 47,090</b>	<b>\$ 48,083</b>	<b>102.1%</b>	<b>Total Expenses</b>	<b>\$ 47,090</b>	<b>\$ 47,090</b>	<b>\$ -</b>	<b>0.0%</b>
<b>FEDERAL ASSET FORFEITURE FUND</b>					<b>FEDERAL ASSET FORFEITURE FUND</b>				
<b>Total Revenues</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>0.0%</b>	<b>Total Expenses</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 18,154</b>	<b>36.3%</b>

**TOWN OF KURE BEACH  
CASH AND INVESTMENTS  
AS OF APRIL 30, 2018**

<u>FUND</u>	<u>CASH IN BANK</u>	<u>INVESTMENTS</u>	<u>TOTAL CASH &amp; INVESTMENTS</u>
General	\$3,104,765	\$345,620	\$3,450,385
Water/Sewer	\$1,424,675	\$591,338	\$2,016,013
Storm Water	\$77,323	\$242,976	\$320,299
SERF	\$33,082	\$122,356	\$155,438
Powell Bill	\$283,278	\$70,291	\$353,569
Beach Protection	\$33,090	\$302,627	\$335,717
Federal Asset Forfeiture	\$55,325	\$0	\$55,325
Capital Project Funds	\$237,447	\$0	\$237,447
TOTAL	<u>\$5,248,985</u>	<u>\$1,675,208</u>	<u>\$6,924,193</u>

<u>INSTITUTION</u>	<u>CASH IN BANK</u>	<u>INVESTMENTS</u>
BB&T	\$5,248,985	\$0
First Bank - Certificates of Deposit	\$0	\$915,327
NCCMT Term Portfolio	\$0	\$544,772
NCCMT Governmental Portfolio	\$0	\$215,109
TOTAL	<u>\$5,248,985</u>	<u>\$1,675,208</u>



**TOWN OF KURE BEACH  
SUMMARY OF CONTINGENCY FUND AND COMMITTEE  
EXPENDITURE ACTIVITY  
07/01/2017 - 05/08/2018**

**CONTINGENCY FUND**

Fiscal Year 2018 Budget	\$48,100.00
Less:	
No activity	\$0.00
Remaining Budget as of 05/08/2018	\$48,100.00

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

Fiscal Year 2018 Budget	\$120,010.00
Less Expenditures:	
Dune Signage	\$718.60
Beach Access Signage	\$3,835.00
CAMA permit for beach signs	\$100.00
E & I Ave. Beach Access Parking - Design & Engineering - Capital Project	\$2,000.00
E & I Ave. Beach Access Parking - Deposit on Lighting - Capital Project	\$7,248.00
Total Expenditures	\$13,901.60

Projects Approved By Council But Not Yet Expended:

E & I Ave. Beach Access Parking Project - Capital Project	\$105,462.00
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Total Approved, Not Expended	\$105,462.00
Remaining Budget as of 05/08/2018	\$646.40

**TOWN OF KURE BEACH  
DEBT LISTING  
MAY 15, 2018**

<b>LOAN PURPOSE/DESCRIPTION</b>	<b>FUND</b>	<b>LENDER</b>	<b>DATE OF LOAN</b>	<b>AMOUNT FINANCED</b>	<b>INTEREST RATE</b>	<b>LOAN TERM (YRS)</b>	<b>DATE PAID OFF</b>	<b>BALANCE AT 5/15/18</b>	<b>PAYMENT FREQUENCY</b>	<b>PAYMENT AMOUNT</b>	<b>NEXT PAY DATE</b>	<b>INT. EXPENSE LIFE OF LOAN</b>
Fire Station/Town Hall Project (a)	G, W/S	BB&T	12/11/2017	\$5,000,000	2.58%	15	12/11/2032	\$5,000,000.00	Semi-annual	\$231,166.67	6/11/2018	\$999,750.00
Sewer Rehabilitation Project (b)	W/S	Fed Gov	5/1/2010	\$432,660	0.00%	20	5/1/2030	\$126,668.60	Annual	\$10,555.72	5/1/2019	\$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	\$649,038.55	Annual	\$92,682.71	12/19/2018	\$690,135.16
Kure Beach Pump Station #1	W/S	1st Bank	6/28/2017	\$475,000	2.11%	10	6/28/2027	\$453,587.13	Semi-annual	\$26,507.64	6/28/2018	\$55,152.80
334 S. 4th, 402 H & 406 H Ave. Water Tower & Well House & Town Hall Expansion (c)	G, W/S	BB&T	3/12/2015	\$409,471	2.49%	10	3/12/2025	\$286,629.79	Annual	\$48,084.20	3/12/2019	\$56,077.07
2016 John Deere Backhoe (d)	W/S, SW	BB&T	4/11/2007	\$1,187,187	3.92%	15	5/7/2022	\$386,841.79	Semi-annual	\$52,716.71	11/7/2018	\$394,314.33
2016 John Deere Backhoe (d)	W/S, SW	BB&T	11/9/2016	\$105,273	1.87%	5	11/9/2021	\$84,991.26	Annual	\$22,250.35	11/9/2018	\$5,978.75
2018 Police Dodge Durango	G	1st Bank	10/19/2017	\$31,668	1.95%	4	10/19/2021	\$31,668.00	Annual	\$8,312.14	10/19/2018	\$1,558.73
2017 Freightliner Garbage Truck	G	1st Bank	8/23/2016	\$179,756	1.70%	5	8/23/2021	\$145,006.54	Annual	\$38,303.62	8/23/2018	\$9,270.57
Compact Excavator (d)	W/S, SW	1st Bank	7/28/2017	\$63,915	1.80%	4	7/28/2021	\$63,915.00	Annual	\$16,714.37	7/28/2018	\$2,901.83
(2) 2016 Police Dodge Chargers	G	1st Bank	11/9/2016	\$63,500	1.60%	4	11/9/2020	\$48,000.96	Annual	\$16,524.00	11/9/2018	\$2,560.16
O'Brien 7065 HydroJetter (d)	W/S, SW	1st Bank	8/13/2015	\$81,485	1.70%	5	8/13/2020	\$49,712.69	Annual	\$17,149.28	8/13/2018	\$4,202.44
2016 Chevrolet Silverado	G	1st Bank	7/26/2016	\$36,867	1.60%	4	7/26/2020	\$27,868.52	Annual	\$9,593.55	7/26/2018	\$1,486.39
Cutter Court Drainage Project	SW	B of A	7/23/2005	\$875,000	4.40%	15	6/23/2020	\$159,117.96	Monthly	\$6,677.76	6/23/2018	\$326,995.49
FY 2016 Equipment & Vehicles (e)	G, W/S	BB&T	9/14/2015	\$186,000	2.01%	4	9/14/2019	\$94,850.52	Annual	\$48,859.87	9/14/2018	\$9,439.48
(2) 2015 Police Cars	G	BB&T	3/27/2015	\$48,359	2.19%	4	3/27/2019	\$12,485.40	Annual	\$12,758.83	3/27/2019	\$2,676.33
2015 Ford F-250 Utility Truck	W/S	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
Downtown Improvement Project	G	BB&T	1/17/2014	\$117,000	1.93%	4.5	6/17/2018	\$24,521.80	Annual	\$24,719.00	6/17/2018	\$6,595.00

**FUND CODES**

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

**TOTAL OUTSTANDING DEBT AT 5/15/2018:**

General Fund	\$ 5,987,496.23
Water/Sewer Fund	\$ 1,631,827.86
Storm Water Fund	\$ 258,427.44
<b>Total</b>	<b>\$ 7,877,751.53</b>

**NOTES**

- (a) - 88% of loan is General Fund and 12% is Water/Sewer Fund.
- (b) - Total amount borrowed was \$432,660. As part of ARRA, the unpaid balance was immediately reduced by one-half of the loan amount.
- (c) - 78% of loan is Water/Sewer Fund and 22% is General Fund.
- (d) - 50% of loan is Water/Sewer Fund and 50% is Storm Water Fund.
- (e) - 55.5% of loan is General Fund and 44.5% is Water/Sewer Fund.

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

05/16/2018 - 06/30/2018	\$ 289,071.07
07/01/2018 - 09/30/2018	\$ 180,922.57
10/01/2018 - 12/31/2018	\$ 456,509.95
01/01/2019 - 05/15/2019	\$ 157,504.26
<b>Total</b>	<b>\$ 1,084,007.85</b>

**TOWN HALL RENOVATION AND NEW FIRE STATION  
CAPITAL PROJECT FUND SUMMARY  
AS OF 05/08/2018**

	APPROVED BUDGET	ACTUAL AS OF 05/08/18
<b><u>EXPENDITURES</u></b>		
<b><u>ARCHITECT</u></b>		
Oakley Collier Architects	<u>\$415,257</u>	<u>\$371,497.58</u>
<b><u>OTHER PROJECT COSTS</u></b>		
Surveys	\$6,500	\$4,200.00
Legal Fees	\$25,000	\$21,872.93
LGC Loan Application Fee	\$1,250	\$1,250.00
Bank Loan Fees	\$2,900	\$2,900.00
Special Inspections	\$16,000	\$2,024.70
Other	<u>\$500</u>	<u>\$150.00</u>
Total Other Project Costs	<u>\$52,150</u>	<u>\$32,397.63</u>
<b><u>PROJECT MANAGEMENT COSTS</u></b>		
Constructive Building Solutions	<u>\$100,000</u>	<u>\$39,012.80</u>
<b><u>CONSTRUCTION</u></b>		
Town Hall	\$2,448,843	\$284,274.98
Fire Station	<u>\$2,177,809</u>	<u>\$230,570.19</u>
Total Construction Costs	<u>\$4,626,652</u>	<u>\$514,845.17</u>
<b><u>FURNITURE &amp; FIXTURES</u></b>		
Town Hall	\$47,500	\$0.00
Fire Station	<u>\$89,400</u>	<u>\$0.00</u>
Total Furniture & Fixtures	<u>\$136,900</u>	<u>\$0.00</u>
<b><u>GRAND TOTAL EXPENDITURES</u></b>	<u>\$5,330,959</u>	<u>\$957,753.18</u>
<b><u>PROJECT REVENUE SOURCES</u></b>		
Transfer From General Fund	\$330,959	\$330,959.00
Installment Financing	\$5,000,000	\$5,000,000.00
Interest on Project Fund Bank Account	<u>\$0</u>	<u>\$177.07</u>
<b><u>GRAND TOTAL PROJECT REVENUE SOURCES</u></b>	<u>\$5,330,959</u>	<u>\$5,331,136.07</u>

# MINUTES



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 19, 2018 @ 6:30 pm  
Continued to April 26, 2018 @ 6:30 pm

The Kure Beach Town Council held a Regular Meeting on Tuesday, April 19, 2018 at 6:30 p.m. The Town Attorney was present and there was a quorum of council members

## CALL TO ORDER

Mayor Bloszinsky called the meeting to order at 6:30 pm. Reverend Tommy Williams, Williams Gospel Ministries, gave the invocation and led the pledge of allegiance.

## COUNCIL MEMBERS PRESENT

Mayor Craig Bloszinsky  
Mayor Pro Tem (MPT) David Heglar  
Commissioner Joseph Whitley  
Commissioner Allen Oliver

## COUNCIL MEMBERS ABSENT

Commissioner John Ellen

## STAFF PRESENT

Finance Officer (FO) – Arlen Copenhaver  
Town Clerk – Nancy Avery  
Police Chief – Mike Bowden  
Building Inspector John Batson  
Utility Systems Operator/Crew Leader – Jimmy Mesimer

MOTION – Mayor Pro Tem Heglar motioned to excuse Commissioner Ellen from the meeting

SECOND – Commissioner Whitley

VOTE - Unanimous

## APPROVAL OF CONSENT AGENDA ITEMS

### 1. Minutes:

- March 19, 2018 regular
- March 19, 2018 closed session
- April 6, 2018 budget workshop #1

MOTION – Commissioner Oliver motioned to approve consent agenda items with no changes.

SECOND – Commissioner Whitley

VOTE - Unanimous

## ADOPTION OF THE AGENDA

MOTION – Mayor Pro Tem Heglar made the motion to adopt the agenda as presented.

SECOND – Commissioner Whitley

VOTE – Unanimous



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 19, 2018 @ 6:30 pm  
Continued to April 26, 2018 @ 6:30 pm

### DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

1. WMPO presentation about the Metropolitan Planning process and public participation  
Michael Madsen, GIS Analyst, gave a presentation and stated:

- The Wilmington Metropolitan Planning Organization (WMPO) is federally funded and mandated and consists of local government planning agencies in New Hanover County and parts of both Brunswick and Pender counties
- Responsibilities are to provide comprehensive and continuing planning process for the expenditure of federal transportation funds and assist with local planning transportation programs
- The mandated 20 year plan expires in the year 2020 and the organization has begun the public outreach period that ends in July of this year

Said presentation is herein incorporated as part of these minutes.

2. Connie Merkle of 454 N. Fort Fisher Boulevard stated:

- She was at last month's meeting about the feasibility of allowing a pool to encroach into the beach nourishment easement
- The encroachment agreement has been drawn up and provided to the Town's attorney for review
- She is asking for approval to move forward with everything with Building Inspector Batson

Discussion highlights:

- This pool doesn't extend further than existing pools that have encroachment agreements
- Town Attorney assured Council the encroachment agreement drafted is the same as others that were approved

CONSENSUS – address in Old Business section of agenda

### DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Community Center Committee

Co-chair Linda Brett-Keller stated everything was going well and they were prepping for the August barbeque fundraiser.

2. Shoreline Access and Beach Protection Committee

Chairman Penicali said:

- New beach access signs are in and should be up by Memorial Day
- Also putting 'no dogs on the beach' signs on the beach at town limits



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 19, 2018 @ 6:30 pm  
Continued to April 26, 2018 @ 6:30 pm

### DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

#### 1. Administration and Recreation

Deputy Town Clerk Sanders stated:

- At retreat, we spoke of safety lighting at the Ocean Front Park (OFP)
- Received a quote of \$11,000 for five bollard mounted lights in the tot lot and gate area
- Police Chief also needs additional outlets for cameras by the pavilion and receptacle at the bathroom by the tot lot and mechanical room at a cost of \$3,200
- Finance Officer suggested using Tourism Development Authority (TDA) funds since this is for visitor safety.
- Total quote is \$15,200

Discussion highlights:

- Send Council picture of lights
- Will be spent as OFP maintenance and reimbursable from TDA funds

MOTION – Mayor Pro Tem Heglar made the motion to approve \$15,200 from the General Fund with reimbursement from TDA funds

SECOND – Commissioner Whitley

VOTE - Unanimous

#### 2. Finance Department

Finance Officer Copenhaver reported the last part of FEMA reimbursement for Hurricane Matthew was received last week. The Town was reimbursed for 100% of replacement of outfalls.

#### 3. Public Works Department

Update ADA beach access 1004-1/2 Myrtle/Oceanview

Utility Systems Operator/Crew Leader Mesimer said:

- The engineer and CAMA rep agreed a straight ramp is feasible rather than one that weaves back and forth
- The next step is to get plans drawn up and get bids
- Requesting approval to fund engineer drawings

MOTION – Mayor Pro Tem Heglar made a motion for Public Works to continue forth with this project to install an ADA ramp at beach access # 1004-1/2 Myrtle/Oceanview by obtaining engineering drawings and construction bids

SECOND – Commissioner Whitley

VOTE – Unanimous



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 19, 2018 @ 6:30 pm  
Continued to April 26, 2018 @ 6:30 pm

### DISCUSSION AND CONSIDERATION OF OLD BUSINESS

#### 1. Town facility improvement project update

Commissioner Oliver stated:

- A monthly meeting was held today at the project site
- Everything is on schedule with block walls of the Fire Department building going up and steel beams installed
- The contractor is doing an excellent job
- The Project Manager is watching after our best interest
- The condition of the storm water line was discussed and it was decided to leave it in as is based on engineer's recommendation

#### 2. Pool encroachment at 454 N. Fort Fisher Boulevard

Discussion highlights:

- The encroachment process started several years ago when property owners wanted a pool ocean front but didn't have enough of a footprint due to the beach nourishment easement
- Council has approved encroachment agreements that state owner must remove pool within 30 days if necessary and if not, the town will remove and put a lien on the property
- Beach nourishment easement is required for the town to participate to receive federal funding
- Only reason the town has to have access is if there is a storm or the Corps of Engineers says the pool has to be removed
- Precedent has already been set with approving other encroachments

MOTION – Mayor Pro Tem Heglar made a motion to approve an encroachment agreement for 454 Fort Fisher Boulevard as presented to be executed with attorney and property owners.

SECOND – Commissioner Oliver

VOTE – Unanimous

### DISCUSSION AND CONSIDERATION OF NEW BUSINESS

#### 1. Proposed amendments to Code of Ordinances, Chapter 10 on Motor Vehicles and Traffic Planning and Zoning (P&Z) Commissioner Chair Galbraith stated:

- P&Z discussed amendments and passed to Council to look at with no formal recommendation

Commissioner Whitley stated:

- This process of looking at parking started in January
- The Police Chief, P&Z member, P&Z attorney and the mayor and I met and redid some ordinances for parking
- There are lots of different issues based on which part of town everyone lives in





# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 19, 2018 @ 6:30 pm  
Continued to April 26, 2018 @ 6:30 pm

- The P&Z attorney drafted amendments to Code of Ordinances to tighten and enforce parking

### Amendment highlights:

- Can't leave boat or trailer in the town right of way for aesthetic purposes
- Parking on streets is illegal, unless in a marked space
- Work in progress that may be amended at any time
- Intent is to tighten up control of parking to protect neighborhoods to keep traffic out
- Can park on your own easement
- There will be warnings first and then tickets will be issued
- Can't park in town easement area
- Need control for expected influx of more visitors with growth in Wilmington
- Can't park too close to intersections, where there is no designated parking space or in curves on the road for safety reasons

MOTION – Mayor Pro Tem Heglar made the motion to hold a public hearing on proposed amendments May 15, 2018 at 5:45 pm, or soon thereafter.

SECOND – Commissioner Oliver

VOTE – Unanimous

2. Proposed text amendment 18-03 for outside shower enclosure in setbacks requested by Mr. Lawler at 629 South Fourth Avenue, Unit B

P&Z Chair Galbraith stated:

- This proposal is by a resident to change the code about what is allowed in setbacks
- Resident built a wooden structure around outside shower
- P&Z consistency statement issued said not consistent with Code and recommends that it not be approved
- Setbacks are for public health and safety to allow ingress and egress for emergency responders
- Amendment would apply to all zoning districts
- If structure is not attached, it might be allowed

Mr. Lawler stated:

- He wanted an outside shower and had the developer put it in
- He then put a shower stall around it
- The Building Inspector said the largest it could be was 2.5 feet
- Based on fence requirement, if in setback it can only be 4 feet high
- Wants Building Inspector to have leeway to decide and that is the purpose of his proposed text amendment



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 19, 2018 @ 6:30 pm  
Continued to April 26, 2018 @ 6:30 pm

### Discussion highlights:

- A structure on a roller wall that slides in and out, might be allowed
- A tube rod attached to house with curtain, might be consistent
- What is there now is a structure by code definition

MOTION – Commissioner Whitley made the motion to follow the recommendation of Planning and Zoning and deny the text amendment request

SECOND – Mayor Pro Tem Heglar

VOTE - Unanimous

MOTION – Mayor Pro Tem Heglar made the motion to approve the associated consistency statement 18-03 denying the text amendment, as presented

SECOND – Commissioner Whitley

VOTE - Unanimous

### 3. National Flood Insurance Program (NFIP) ordinance adoption

Building Inspector Batson stated:

- He presented new flood ordinance to P&Z at its April meeting
- The town in 1982 began participating in NFIP
- Last time maps were changed was 2006
- New maps were issued 2014 but adoption was delayed because Wrightsville Beach filed an appeal
- Have until August 28, 2018 to accept
- Town in 2012 became member of Community Rating System (CRS) and became class 8 resulting in 5% decrease in premiums to resident policy holders
- Under new maps, we will have only 146 properties required to have flood insurance
- Changes to ordinance requires more tracking and enforcement
- The town is up for review by CRS but we may not qualify because of changes in requirement in building code for freeboard

### Discussion highlights:

- Impact on one foot free board is floor system cannot be slab which means it will be more difficult to build heated space oceanfront
- This should have minimal impact town wide
- Additional points to get better rating would result in more restriction on building

CONSENSUS – at the May meeting, Council will schedule a public hearing in June

### 4. Preliminary plat approval for a planned unit development (PUD) ‘The Cove at Kure Beach’



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 19, 2018 @ 6:30 pm  
Continued to April 26, 2018 @ 6:30 pm

Mayor Pro Tem Heglar stated he has a conflict of interest and cannot vote because his family is friends with the property owner and his wife is the realtor.

MOTION – Commissioner Whitley made the motion to recuse Mayor Pro Tem Heglar

SECOND – Commissioner Oliver

VOTE – Unanimous

P&Z Chair Galbraith commented:

- This came before P&Z and as long as the development stays within design requirements, we cannot require design elements.
- If it doesn't stay within design requirements, application may be made under Planned Unit Development (PUD)
- If certain requirements are met, it may be approved with findings that satisfies requirements for PUD
- P&Z says the code on PUDs allows up to 26 units
- A number of people from surrounding area came and spoke at the meeting
- Three main issues were runoff and water drainage, width of streets, and sound of pool impact on adjoining properties
- P&Z recommends approval with following conditions:
  - Provide declaration of restrictive covenants to be considered with the site plan review
  - Incorporate design and construction of units and driveway in to the overall project storm water infiltration system, with possible use of permeable surface
  - Install sound abatement fence around northern side of pool to cover noise to mitigate sound effect on neighbors

Developer Stuart Pittman gave a presentation and commented:

- He has an agency agreement from property owner giving right to develop the property
- Just finished Seaview homes at corner of Kure Village Way near Seawatch
- This development has similar feel and look
- Final architectural drawings have not been finalized
- Development is at 858 South Fort Fisher Boulevard
- Common theme is something that fits the site well, is not average beach box, to enhance community architecturally
- Current use is gas station
- Zoning is RB1 and adjoining properties are zoned RB1 and RA-1A
- Primary access from Fort Fisher Boulevard with secondary access off General Whiting
- There is no current storm water management on property



# TOWN COUNCIL MINUTES

## REGULAR MEETING

**April 19, 2018 @ 6:30 pm**  
**Continued to April 26, 2018 @ 6:30 pm**

- There will be 21 townhomes
- He met with Building Inspector, Fire Chief, and Public Works Director to address questions and concerns and as a result added a fire truck turnaround with 40 feet each direction and 12 feet wide and added one more fire hydrant and changed the water loop
- Units will be staggered to give privacy and make more unique design

Mayor Bloszinsky stated there were not enough members of Council to have an effective vote, with one member recused and another member out of town. He recommended continuing the meeting to May 4, 2018. Council discussed different dates.

### Discussion highlights:

- Concern about management of storm water particularly as it feeds to beach
- Developer is building storm water infiltration system on site and Public Works is looking at doing work on General Whiting because of other complaints and to help with this location
- HOA will be responsible for maintenance and clean out
- There are two public beach accesses within quarter mile of property and discussion is being held with another complex to help with storm water in exchange for use of access

Steve Woodard, resident of General Whiting, asked Council to please look at impeding general use of traffic on General Whiting for current residents' sake.

MOTION – Commissioner Whitley made the motion to reconvene this meeting to April 26 at 6:30 pm to discuss the preliminary plat approval for the PUD “The Cove at Kure Beach”

SECOND – Commissioner Oliver

VOTE - Unanimous

## MAYOR UPDATES

Mayor Bloszinsky stated:

- He and Commissioner Whitley are discussing the next beach nourishment with the Corps of Engineers. Bids will probably be out in the August – November timeframe which will put sand on the beach for 2019 season.
- Parking is important and we need ideas about what to do with parking

## COMMISSIONER ITEMS

Mayor Pro Tem Heglar reminded Council the Emergency Operations Plan will be up for review and adoption at the May Council meeting. He will prepare a letter to citizens on hurricane preparedness and will hold public meetings.



# TOWN COUNCIL MINUTES

## REGULAR MEETING

**April 19, 2018 @ 6:30 pm**  
**Continued to April 26, 2018 @ 6:30 pm**

Commissioner Whitley said:

- We are in the process of a joint Land Use Plan with Military Operations Terminal at Sunny Point (MOTSU)
- All participating communities toured MOTSU last week and regular meetings should begin soon
- He volunteered to be vice chair so the town will have strong voice

CLOSED SESSION as per Personnel as per N.C.G.S. 143-318-11(a6)

MOTION – Commissioner Whitley made the motion to go into closed session for a personnel matter as per N.C.G.S. 143-318-11(a6) at 7:45 pm.

SECOND – Mayor Pro Tem Heglar

VOTE - Unanimous

MOTION - Commissioner Whitley made the motion to return to open session at 8:03 pm

SECOND – Commissioner Oliver

VOTE - Unanimous

Mayor Pro Tem Heglar stated there was discussion about the impending retirement of the current Public Works Director.

MOTION – Mayor Pro Tem Heglar motioned to post the job and encourage any interested employees to apply.

SECOND – Commissioner Whitley

VOTE - Unanimous

*Continued meeting Thursday, April 26 at 6:30 pm*

## COUNCIL MEMBERS PRESENT

Mayor Craig Bloszinsky

Commissioner Joseph Whitley

Commissioner Allen Oliver

Commissioner John Ellen

## COUNCIL MEMBERS ABSENT

Mayor Pro Tem (MPT) David Heglar



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 19, 2018 @ 6:30 pm  
Continued to April 26, 2018 @ 6:30 pm

### STAFF PRESENT

Town Clerk – Nancy Avery  
Deputy Town Clerk – Mandy Sanders  
Fire Chief, Ed Kennedy

### CALL TO ORDER – Mayor Bloszinsky

Mayor Bloszinsky called the continued meeting to order at 6:30 pm.

MOTION – Commissioner Ellen motioned to excuse Mayor Pro Tem Heglar from the meeting.

SECOND – Commissioner Oliver

VOTE – Unanimous

MOTION – Commissioner Oliver motioned to welcome back Commissioner Ellen.

SECOND – Commissioner Whitley

VOTE - Unanimous

### NEW BUSINESS

4. Preliminary plat approval for a planned unit development (PUD) ‘The Cove at Kure Beach’  
Stuart Pittman, developer, reviewed the proposed preliminary plat for the development stating:

- Two fire hydrants have been added at the request of Public Works
- A sound barrier fence near the pool area has also been added as requested by P&Z
- The driveway has been made part of the storm water system, as requested by P&Z
- Garbage carts will be located towards the back of the development
- Driveways will have infiltration system for drainage or be constructed of pervious concrete or pavers, to allow it to store water and infiltrate into the ground
- The roadway also has an infiltration system
- This development will tie into Fort Fisher Boulevard, not General Whiting
- At the north end of General Whiting the road will grade back in towards their site and will take some water from General Whiting and should alleviate any drainage issues that might be there at entrance to the lift station
- There is no fencing on north side, but will try to keep as many trees in that area as possible

### Questions from the audience:

- When it rains his property on Marquesa floods because someone allowed a nearby property to raise its site. He wants to make sure that does not happen with this development. He is not sure an 18-inch pipe is enough.
- Concerned that recreation needs of property owners will not be met by the swimming pool and there is no public access to beach. The complex across the street where he lives



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 19, 2018 @ 6:30 pm  
Continued to April 26, 2018 @ 6:30 pm

will have to keep people off its private access. He wants to know if developer or town will help with this.

- Once ground is saturated because it has been raining for a week, where will all that water go.

Response from developer:

- Flooding concerns were raised at P&Z
- A grading plan is in place for site for it to be graded with a one foot plateau at base of buildings and fall back down into the drainage system
- Around unit 1621, they will start a ½ foot grade into the drainage system
- Sounds like this property on Marquesa is on the opposite side of street, so shouldn't be impacted
- Water will be brought from shallow swale on north side of property to center of development to drain south onto Fort Fisher Boulevard to outfall on the beach
- It will be a 1 ½ inch pipe that will keep up with 2 ½ acres of drainage in a 20 year storm
- Road is built with an inverted crown to drain into infiltration system
- Development won't put water on anyone else and this is not allowed by state law
- There are two public beach accesses within ½ mile
- There is no drainage on that property now and water stands when it rains

Response from mayor:

- If people are trespassing, call the police.

MOTION - Commissioner Ellen made the motion to approve the preliminary plat as presented

SECOND – Commissioner Oliver

VOTE – Motion carried three to one with Commissioner Whitley against

CLOSED SESSION on Personnel as per N.C.G.S. 143-318-11(a6)

MOTION – Commissioner Oliver motioned to go into closed session at 6:55 pm for the purpose of a personnel matter as per N.C.G.S. 143-318-11(a6).

SECOND – Commissioner Whitley

VOTE – Unanimous

MOTION – Commissioner Oliver made a motion to return to open session at 7:49 pm.

SECOND – Commissioner Whitley

VOTE – Unanimous



# TOWN COUNCIL MINUTES

## REGULAR MEETING

**April 19, 2018 @ 6:30 pm**  
**Continued to April 26, 2018 @ 6:30 pm**

MOTION - Commissioner Oliver made the motion to adjourn at 7:50pm.

SECOND – Commissioner Whitley

VOTE – Unanimous

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

\_\_\_\_\_  
Craig Bloszinsky, Mayor

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# TOWN COUNCIL MINUTES

**Budget workshop #2**

**Friday, April 20, 2018 @ 12:00 pm**

The Kure Beach Town Council held budget workshop # 2 for the proposed FY18-19 budget on Friday, April 20, 2018.

## COUNCIL MEMBERS PRESENT

Mayor Craig Bloszinsky  
Mayor Pro Tem (MPT) David Heglar  
Commissioner Joseph Whitley  
Commissioner Allen Oliver

## COUNCIL MEMBERS ABSENT

Commissioner John Ellen

## STAFF PRESENT

Finance Officer (FO) – Arlen Copenhaver  
Town Clerk – Nancy Avery  
Deputy Town Clerk – Mandy Sanders  
Police Chief – Mike Bowden  
Building Inspector John Batson  
Utility Systems Operator/Crew Leader – Jimmy Mesimer

## CALL TO ORDER

Mayor Bloszinsky called the meeting to order at noon.

MOTION – Mayor Pro Tem Heglar made a motion to excuse Commissioner John Ellen

SECOND – Commissioner Joseph Whitley

VOTE - Unanimous

## PRESENTATION OF REVISED DRAFT OF FY18-19 BUDGET

Finance Officer Copenhaver presented assumptions and revisions to the draft FY18-19 budget from the first budget workshop. Said presentation is herein incorporated as part of these minutes.

### Assumptions and revisions General Fund:

- Increase tax rate to 4.5 cent per \$100 (15.8%)
- Increase garbage collection fees by 16.7% and recycle fee by 2.7%
- Minimal transfer to contingency (\$9,850)
- Small transfer to beach protection fund (\$8,807)
- Shortage was \$415,830



# TOWN COUNCIL MINUTES

## Budget workshop #2

Friday, April 20, 2018 @ 12:00 pm

### Expenditure increases

- Council contributions \$500
- Committees \$92,450 (E and I grant improvements work to be done next fiscal year)
- Tax collection \$1,000

### Expenditure decreases

- Department contributions equaled \$11,514
- Police – utilities \$3,500
- Streets & Sanitation – various \$3,300
- Fire – various \$2,364
- Building inspection – beach nourishment \$400
- Administration – minor equipment \$700
- Finance – travel and bank fees \$250
- Parks & Recreation –activities \$1,000

### Revenue increases:

- Tax increase \$400,000 with new rate at 33 cent per \$100
- Commercial garbage increase of \$5,000
- Residential garbage increase of \$31,000
- Recycling increase \$3,400

The Finance Officer stated these revisions balance the General Fund.

He reviewed the tax increase impact for property valued at \$400,000:

- 4.50 cent increase impact to property owner is \$180 a year or \$15 a month
- 4.75 cent increase impact to property owner is \$190 or \$15.83 a month
- 5.00 cent increase impact to property owner is \$200 or \$16.66 a month

### Discussion highlights

- Promised residents no more than 15% tax increase to pay for construction
- Think fee structure increase for garbage is better than paying from tax rate
- People that use more should pay more
- Should look at passing entire cost of garbage in the future
- Reasons to keep garbage pickup in-house are residents have said they are more comfortable with town employees in neighborhoods rather than a vendor with changing employees, more reasonable cost than outsourcing
- Residents are on different budgets so prefer to keep monthly bills as suggested
- \$15 a month for \$400,000 tax increase changes with value of the house
- Garbage and recycling increases impact all properties with same impact



# TOWN COUNCIL MINUTES

**Budget workshop #2**

**Friday, April 20, 2018 @ 12:00 pm**

## CONSENSUS

- Keep residential garbage rate increase to \$1 per cart from \$6 to \$7, commercial will increase by \$4.38 a month per cart
- Keep tax rate at 4.5 cent per \$100 increase
- Keep recycling fee increase as presented
- Move forward with all proposed revisions presented that balance General Fund

## Water Fund

- Shortage was \$113,345

## Revenue increases:

- New account setup fee expected to bring in \$6,000
- Residential water new tier over 10,000 brings in \$25,900 with 25% increase
- Residential sewer new tier over 10,000 brings in \$30,100 with 50% increase

## Expenditure decreases:

- Carolina Beach Sewer Authority \$25,000
- Water meter replacement \$850,000

## Revenue decreases:

- Loan proceeds water meter replacement \$850,000

Leaves shortage in Water Fund of \$26,345

## Discussion highlights

- Think with Gen-x we should encourage less water use
- Usage is down 5% over last year
- Usage is down in areas we don't want it to be down in
- New residential 10,000 gallon tier with 25% increase is \$61,879
- New residential 10,000 gallon tier with 50% increase is \$123,758
- If no 10,000 gallon tier, but 12,000 gallon tier with 25% increase is \$49,724 and 50% increase is \$499,449
- A new tier for 12,000 would be an impact to residents of \$55 month
- Two rates now, 2,500 minimum and over 7,000 gallons
- People that use the most have to pay

## CONSENSUS

- New residential 12,000 gallon tier with 50% increase for both water and sewer



# TOWN COUNCIL MINUTES

**Budget workshop #2**

**Friday, April 20, 2018 @ 12:00 pm**

Commercial:

- New tier of 25,000 gallons affects over 19% of accounts and 75% of usage
- Brings in \$12,952 and 50% increase brings in \$25,905
- Only one tier now for commercial
- 34% of accounts are using more than 10,000 a month and using more than 89.3% of water
- A 10,000 gallon tier at 25% increase is \$19,316 for water and 50% is \$38,631
- Reviewed proposed tiers of 25,000, 50,000 and 70,000 gallons

CONSENSUS

- New commercial tier 70,000 gallons with 25% increase

Finance Officer Copenhaver stated the second largest customer group is Fort Fisher, not commercial.

Fort Fisher rate discussion:

- They pay Carolina Beach a small percentage for sewer, plus the town
- If our citizens pay more, so should outside users
- Tier suggestion of 25,000 gallons over affects two thirds of billing using 99% of water
- Could consider 50,000, 70,000, 200,000 or 300,000 gallon tiers

Fort Fisher users are Air Force Base, Recreation area shower, State Recreation Area, Aquarium, Aquarium fire protection, Civil War site

CONSENSUS

- New tier 70,000 gallons water usage with 25% increase

Finance Officer Copenhaver stated the establishment of new tiers for residential, commercial and Fort Fisher balances the Water Fund.

Council reviewed the proposed department budgets again with no changes.

Council discussed setting a level of maintenance for town buildings and landscaping.

Discussion highlights:

- Council should determine maintenance standards for buildings and property
- Town should set example in maintaining property for residents to follow
- Don't need red carpet, but also don't need dead bushes and grass growing through sidewalk cracks
- Town should show pride in buildings



# TOWN COUNCIL MINUTES

**Budget workshop #2**

**Friday, April 20, 2018 @ 12:00 pm**

- Buildings require constant work and maintenance
- Entry to town on Dow Road and K takes person past three town buildings which is first impression folks have and it needs to be good

Mayor Bloszinsky stated:

- The department heads made cuts as requested
- Council continued the method of charging for those that use more
- Council has been consistent with promise on level of tax increase for new facilities
- This is a good job on the proposed budget
- Based on this increase, town will have what it needs to handle the increase of new construction on 262 lots in the next 25 years and the expected influx of visitors

ADJOURNMENT

MOTION- Mayor Pro Tem Heglur made the motion to adjourn at 2:14 pm

SECOND – Commissioner Whitley

VOTE - Unanimous

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

\_\_\_\_\_  
Craig Bloszinsky, Mayor

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