



# TOWN COUNCIL MINUTES

## PUBLIC HEARING

June 10, 2019 @ 6:00 p.m.

The Kure Beach Town Council held a Public Hearing on Monday, June 10, 2019 at 6:00 pm. The Town Attorney was present and there was a quorum of Council members present.

### COUNCIL MEMBERS PRESENT

Mayor Craig Bloszinsky  
MPT David Heglar (Via Phone)  
Commissioner Joseph Whitley  
Commissioner John Ellen  
Commissioner Allen Oliver

### COUNCIL MEMBERS ABSENT

### STAFF PRESENT

Town Clerk – Nancy Avery  
Building Inspector – John Batson  
Recreation Director – Nikki Keely  
Financial Officer – Arlen Copenhaver

Mayor Bloszinsky called the meeting to order at 6:00 p.m. stating the purpose of this public hearing is to receive public comments on the proposed budget for fiscal year 2019-2020.

Official notice of this public hearing was posted on the town's website and bulletin board on May 24, 2019 and was advertised in the Island Gazette on May 29, 2019, thus meeting notification requirements.

### Proposed budget highlights:

- 1) Increase to property tax of 1 cent per \$100 value raising the current rate of 33.0 cents to 34.0 cents
- 2) Changes to the water and sewer rate structure:
  - Residential, Commercial & Ft. Fisher Water - Lower minimum to 2,000 gals. & increase rate tiers by 10%
  - Residential, Commercial & Ft. Fisher Sewer - Lower minimum to 2,000 gals. & increase rate tiers by 10%
- 3) An additional full time staff member in Building Inspections and one in the Police Department
- 4) Cost of Living adjustment of 2.8 percent for employees
- 5) Merit increase of 1.5 percent to reward employees who are performing above expectation

Mayor Bloszinsky opened the public hearing at 6:00 p.m.

Debbie Elliot stated:

- Lives at 290 Seawatch Way in Kure Beach
- A couple questions for Council tonight
  1. If you could please explain the Beach Protection Fund?
  2. What is the balance of the fund?
  3. What is the balance of the contingency fund?
  4. Does the contingency roll over the next year if not spent?
- Reason she came to speak tonight is her concern in the increase of the water and sewer structure
- Has spoken before but has a real issue with the irrigation prices
- The cost of an irrigation system is \$4,000 in Kure Beach
- Town Council is making the irrigation cost unreasonable for the average person
- Feels very strongly it is Town Council responsibility to provide residents access to utilities and not to impose their environmental beliefs
- It is a very small lot in Seawatch with turf, roses and as proud owners we need to be able to irrigate
- Has received water bills close to \$600 but unsure how many gallons she is using
- She would buy a irrigation system tomorrow to get water rates instead of also having to pay the sewer rates but the irrigation system is to expensive
- As a citizen it feels that the Town prices the irrigation system high knowing the residents won't purchase one and yet the Town receives a great deal of money from the residents who irrigate
- The Town needs to consider governing as the other municipalities do and give us an opportunity to buy an irrigation system at a reasonable price
- Finds it strange that one elected official claims to know more about our risk to the water availability then all of the elected officials in Carolina Beach
- Why is Carolina Beach able to offer an irrigation meter at fraction of the cost if we share the same aquifer?
- As a citizen she feels very oppressed by the ruling and believes he is taking his position to far
- She would appreciate some scientific data from a professional engineer

Mayor Bloszinsky stated we maintain a beach protection fund for when a hurricane or disaster occurs. The Town needs to be able to make repairs right away to the structures before the Town will receive the money from the state. Regarding the water and sewer structure Carolina Beach makes their decision based on what they believe is right for their citizens.

Financial Officer Copenhaver stated when the fund was first established in 2014 the future funding for beach nourishment was in question. It is a reserve fund in case the Town needs to contribute to beach nourishment in the future. The balance for the Beach Protection fund is about \$340,000. The contingency fund is just a small part of the

general fund so for this year it's about \$20,000. It can roll over or become part of the general fund.

MPT Heglar responded as the Commissioner who has driven this issue he has a few comments. The Town has the responsibility to citizens to make sure water is available. The Town Council takes this issue very seriously. The Castle Hayne aquifer which supplies water to Carolina and Kure Beach has multiple issues and if we overuse the aquifer the salt water will damage the water source. The Town also recognizes it has senior citizens on fixed incomes and this is why Council has maintained the minimum structure. As a scientific fact serious usage of the water jeopardizes us all and this is why the Town has structured the water and sewer rates this way. If a resident is paying \$600 for their water bill a month then the resident should work on cutting back as that is an excessive amount of water. He thanks Town Council for the support and the Town will continue to have a similar policy in place. The Town Council has expressed to Carolina Beach as well to adopt a similar rate structure to help the life of the aquifer. There is an option for residents to have a shallow water wells. The issue with shallow water wells is it doesn't make your grass look pretty but it is an option.

#### AUDIENCE COMMENTS:

Resident Dee Coe:

- The water and sewer meters with the new rate change does this increase the price both on water and sewer?
- Currently manages 35 rental properties in Kure Beach and at least 30 go over the minimum each month
- Never seen a budget where the general fund includes everything instead of individual departments

Resident Beth Burns:

- Lives at 109 Howard Hills
- She came to speak today because of the increase of the water and sewer rates
- Now has a greater concern that Carolina Beach rates aren't matching Kure Beach
- Kure Beach is increasing the rates to help the life of the aquifer but Carolina Beach isn't carrying that same burden.
- Have you discussed this with them?

Resident Mary Ann:

- Lives at 430 Settlers Ln
- Does the Town have an irrigation system?
- Does Kure Beach support artificial turf?

Resident Richard Baker:

- How did Town Council come up with 2,000 gallons?
- He is a two member household and is over the minimum now every month
- The water quality is already low and now the minimum gallons is being lowered

Resident at 1250 S Fort Fisher:

- Asked when are the new meters suppose to be in place?
- Mayor Bloszinsky said once the meters are installed you revisit the rates
- Would council consider holding off on the increase to see if new water meters are more in line with the usage?
- His meter reading was inaccurate and he was charged with 11,000 gallons of water when he wasn't in the home
- He started doing his readings on the meter after this continued for multiple months

#### COMMENTS AND RESPONSES FROM COUNCIL AND STAFF

Mayor Bloszinsky stated yes it depends on how much you use. You can manage it by managing the water flow. The Town is putting in new meters which is some of the reason for the increase in the rates. There was a variety of issues after Hurricane Florence which need to be fixed which is included in this structure. The general increase to the budget is to cover the cost of raises to employees, two new positions for the Police Department and Building Inspections Department and the cost of the new meters. The Town does not use a lot of water for irrigation. The Town doesn't currently have a position on artificial turf but some HOA's do. The Town chose 2,000 gallons because it was the least amount of members the Town could impact. Regarding the inaccurate meter readings even though you might have difference in the readings the cost is about the same. The Town needs to go ahead and raise the rates and make adjustments as needed.

Commissioner Oliver stated the Town has a limited irrigation system and uses a drip irrigation for the shrubberies.

Commissioner Whitley responded he and MPT Heglar had a discussion on May 9<sup>th</sup> regarding the rate structure with Carolina Beach. The Island Gazette also wrote an editorial stating how Carolina Beach needs to mere Kure Beach rates as it would be better for the Town long term.

Financial Officer Copenhaver stated still working through financing on the meters but the Town should receive final approval mid-July. Contract has been awarded to the contractor already so once we have financing we will start. He went through the whole budget at the May meeting but the general fund is just the most significant fund in any Town as it is where most the services are accounted for.

Commissioner Ellen stated the budget workshops are open to the public and encourage all to attend.

Mayor Bloszinsky adjourned the public hearing at 7:15 p.m.

  
ATTEST: Nancy Avery, Town Clerk  
Craig Bloszinsky, Mayor

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting. A recording of the meeting is available on the town's website under government>council.