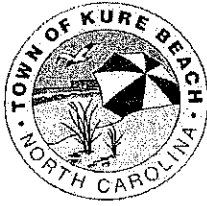


MINUTES

TOWN OF KURE BEACH TOWN COUNCIL

117 Settlers Lane ▪ Kure Beach, NC 28449



Dean Lambeth, Mayor
Chuck Keener, Mayor Pro Tem
Jim Dugan, Commissioner
Barry Nelder, Commissioner
Emilie Swearingen, Commissioner

EMERGENCY MEETING MINUTES

August 10, 2011 at 3 pm

The Kure Beach Town Council held an emergency meeting on Wednesday, August 10, 2011 at 3 pm. Attorney Canoutas was in attendance and there was a quorum present.

COUNCIL MEMBERS PRESENT:

Mayor	Dean Lambeth
Mayor Pro Tem	Chuck Keener
Commissioner	Barry Nelder
Commissioner	Emilie Swearingen
Commissioner	Jim Dugan

COUNCIL MEMBERS ABSENT

None

STAFF PRESENT

Arlen Copenhaver, Finance Officer
John Batson, Building Inspector
Nancy Avery, Town Clerk

1. Call to order

Mayor Lambeth called the meeting to order at 3:00 pm stating the purpose of the emergency meeting is to discuss supporting the dredging of Carolina Beach inlet with Kure Beach funds. Notice was posted at 6:45 pm on August 9th, 2011, thus meeting the six hour required notice.

2. Excuse Mayor Pro Tem Keener from the meeting

Mayor Pro Tem Keener submitted a letter stating he was unable to attend the meeting and wished to be excused.

MOTION – Commissioner Swearingen made the motion to excuse Mayor Pro Tem Keener from the meeting.

SECOND – Commissioner Dugan

VOTE - Unanimous

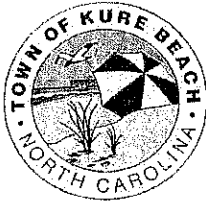
3. Discussion and consideration of funding dredging of Carolina Beach inlet

Commissioner Dugan stated that as the liaison for the NC Beach, Inlet and Waterway Association that he brought the town attorney up to speed on this issue after yesterday's association meeting.

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Attorney Canoutas stated this is not the first time this has come up. It came up last year about funding decorations at the bridge with Carolina Beach. N.C.G.S. §160A-209 states the purposes property tax money may be used for and as this is outside the town's limits, this is not allowed per that statute. The Council could consider other revenue sources, such as grants. Anything other than ad valorem taxes.

Charlie Allo, resident, asked what about Tourism Development Authority (TDA) funds? Finance Officer Copenhaver stated that right now there is \$53,000 available in TDA funds. This is not enough to cover reimbursement of lifeguard expenses. Also, TDA funds may only be used for certain purposes and dredging is not one of them.

Mayor Lambeth asked the amount of funds were generated from the 2nd half of TDA. Finance Officer Copenhaver stated it averages around \$100,000 annually.

Commissioner Dugan stated he wasn't sure there should be any discussion if there is no possibility of funding the dredging and suggested we adjourn because of a lack of ability to do what were called here for. We need to sit down with County Commissioner Catlin to discuss further.

Mike Robertson, business owner and resident, stated that in the 1940s and 50s, we had an inlet that was a viable concern. It went away and the motels and industries we had at that time stopped and all has stayed the way it is today. The way Carolina Beach is now is because of that inlet. I am ashamed of this Council that you won't open your wallet to give even a \$100.

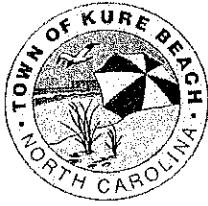
Andy Everhart, audience member, asked that if the town isn't able to help, then are you going to go to these meetings to represent the town and work on this inlet. The inlet is a black hole that the Federal government and people have been dumping money into for years. We need to do something different going forward. The state wants four rock jetties, but the communities have to fund. This is what we need to do and put money into it the right way so we don't have to keep having band aid fixes for this inlet. I live in Carolina Beach and I don't want them paying \$30-50,000 every time it has to be dredged. If you can help us, we need it.

Commissioner Dugan said speaking as a representative, as far as tourism as a whole and fishing specifically, I am more than willing to do whatever is within our power. We are all connected one way or the other. Anything that brings money into the area is a benefit to Kure Beach.

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Attorney Canoutas said we might have a solution with revenue from the cell tower leases. Since that is not ad valorem tax, that might be used.

Commissioner Dugan said that has been committed as revenue.

Mayor Lambeth said the county needs to know if we are committed financially for \$15,000. If we had known about this six months ago, we might have been able to work with McIntyre (US rep) about a grant. This is a knee jerk thing. Irish we had more time.

Robert Schoonmaker, audience member, stated this is an emergency situation. You are Carolina Beach's neighbors. If you can come up with funds, it sends a positive message and looks good if our next door neighbor is willing to come and help us.

Grace McGee, member of the Budget and Finance Committee, stated that the committee's goal is to rebuild the general fund. We don't think you should take this from the general fund.

Commissioner Swearingen said I understand this project costs \$450,000. The state pays half of that which is \$225,000, so Carolina Beach has to come up with another \$225,000. The county is to chip in 75% which is \$168,750. The Ports will be kicking in 2%, which is \$2,230; Carolina Beach is putting in \$55,000 for a total of \$225, 980 and a grand total of \$450,980. I don't fully understand what our \$15,000 would go for, if they already have the \$450,000 that they need.

Mayor Lambeth said this has not gone to the County Commissioners and that 75% is not chiseled in stone. The original numbers they used were a 60/40 split. This is a best case scenario and I don't think, in my opinion, that Commissioner Catlin was that optimistic about that 75%.

Robert Schoonmaker stated that Wrightsville Beach was on the fence post. Wilmington was asked for \$5,000, Wrightsville Beach was asked for \$5,000, Kure Beach was asked for \$15,000. That's in the best case scenario. If you break it down by percentages, they are asking for 3.3% of the total project. This is a significant amount of money, but more importantly if Kure Beach could find those funds; it sends the right message to other people involved. We are one community and one island.

Commissioner Swearingen stated I understand that completely and I think we should help our neighbors whenever we can. We may be calling on them sometime. I don't understand why since we have the smallest budget out of all those entities, we are being

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asked to do \$15,000 instead of \$5,000. You have to work with the town to understand how tight this budget is and how we have been draining the general fund for several years and just this year we are finally trying to get back up to where we belong, so we have something in reserve should we have a catastrophe. It's not that I don't want to help anybody, I'm just trying to understand how the figure was derived and maybe we need to hear from the county first and how much they are going to contribute.

Commissioner Dugan said the way they developed this was based on how close you were to the inlet and the greatest amount of usage you had. Obviously Carolina Beach has the greatest usage because they have a harbor with more people that use boats as a living. Kure Beach was next because of proximity and because of the number of people in our oceanfront community that own boats that use that inlet. The mayor of Wrightsville Beach said he would have a heck of time explaining to his taxpayers why they would pay for this when they have a perfectly good inlet.

MOTION – Mayor Lambeth made the motion to send a resolution in full support of the Carolina Beach inlet dredging and in the interim Council will reconvene when there is a full Council and search for alternative funds.

SECOND – Commissioner Dugan

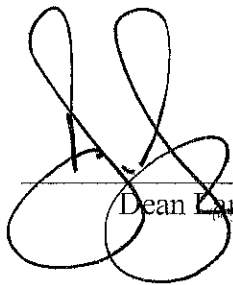
VOTE - Unanimous

4. Adjournment

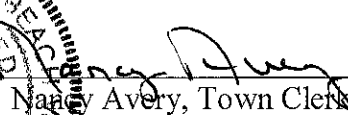
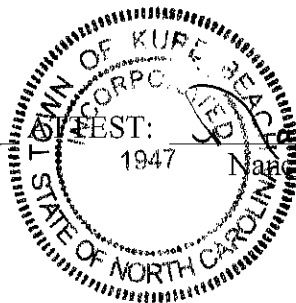
MOTION – Mayor Lambeth made the motion to adjourn at 3:25 pm.

SECOND – Commissioner Dugan

VOTE - Unanimous



Dean Lambeth, Mayor



Nancy Avery, Town Clerk

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting. Persons wishing to hear the recording of this meeting may request to do so by contacting the Town Clerk.