



TOWN COUNCIL AGENDA

REGULAR MEETING

March 18, 2019 @ 6:00 p.m.

*Asterisks indicate documentation is included in agenda packet

Call to Order – Mayor Bloszinsky

Invocation & Pledge of Allegiance – Pastor Chris Howell

APPROVAL OF CONSENT AGENDA ITEMS

1. *Approve contract and engagement letter with the auditing firm of Bernard Robinson and Company LLP, in the amount of \$19,500 for FY18-19
2. *Approve the budget amendment in the amount of \$3,200 for the Fire Department and Town Hall dedication ceremony and open house
3. *Approve the budget amendment to the fiscal year 2019 for storm water operations
4. *Approve the Board of Adjustment 2018 Annual report
5. *Minutes:
 - February 18, 2019 Regular
 - February 18, 2019 Public Hearing

ADOPTION OF THE AGENDA

DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

1. Jim Medlock, Project Manager Wilmington Corps of Engineers, on beach nourishment

2. Lynn Halterman, Pleasure Island Chamber of Commerce, on Plastic Free Beach initiative for the island

DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Board of Adjustment
2. Community Center Committee
3. Marketing Committee
4. Planning & Zoning Commission
 - Interview David Garceau for P&Z alternate position
5. Shoreline Access and Beach Protection Committee
6. Non-town Committee Reports

DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration
2. Building Department
3. Finance Department
4. Fire Department
5. Police Department
6. Public Works Department
7. Recreation



TOWN COUNCIL AGENDA

REGULAR MEETING

March 18, 2019 @ 6:00 p.m.

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Town Facility Construction Project Status Update (Oliver)
2. Land Use Plan review -follow up from retreat (Heglar)
3. Naming Committee to bring recommendation regarding the beach booster program (Bloszinsky)
4. *Review of public parking spaces at public beach access near Stormy Petrel (Heglar)

DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. *Beach encroachment (Bloszinsky/Whitley)
2. *Discussion of temporary moratorium on any development approvals which could conflict with the potential overlay district (Whitley)

MAYOR UPDATES (no action required)

COMMISSIONER ITEMS (no action required)

CLOSED SESSION, if needed

ADJOURNMENT

CONSENT AGENDA



February 8, 2019

Town Council
Town of Kure Beach, North Carolina
117 Settlers Lane
Kure Beach, North Carolina 28449

We are pleased to confirm our understanding of the services we are to provide the Town of Kure Beach, North Carolina for the year ending June 30, 2019. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Kure Beach, North Carolina as of and for the year ending June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Town of Kure Beach, North Carolina's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Town of Kure Beach, North Carolina's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by accounting principles generally accepted in the United States of America and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Schedule of the Proportionate Share of Net Pension Liability – Local Government Employees' Retirement System
- Schedule of Contributions – Local Government Employees' Retirement System
- Schedule of Changes in Total Pension Liability – Law Enforcement Officers' Special Separation Allowance
- Schedule of Total Pension Liability as a Percentage of Covered Payroll Liability – Law Enforcement Officers' Special Separation Allowance
- Schedule of Changes in the Total OPEB Liability and Related – Other Post-Employment Benefits



We have also been engaged to report on supplementary information other than RSI that accompanies the Town of Kure Beach, North Carolina's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual for:
 - General Fund
 - Capital Projects Fund – Fire Station and Town Hall Renovations
 - Water and Sewer Fund (Non-GAAP)
 - Capital Projects Fund – Pump Station
 - Capital Projects Fund – Utility Renovations
- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Year Tax Levy – Town Wide

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Town of Kure Beach, North Carolina's financial statements. Our report will be addressed to the Honorable Town Mayor and Members of the Town Council of the Town of Kure Beach, North Carolina. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Town or to acts by management or employees acting on behalf of the Town.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the Town and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Town of Kure Beach, North Carolina's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Other Services

We will also assist in preparing the financial statements and related notes, supplementary information, maintain your fixed asset depreciation schedules, and perform a conversion from cash basis to accrual basis of accounting of the Town of Kure Beach, North Carolina in conformity with accounting principles generally accepted in the United States of America based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to supplementary information, maintenance of your fixed asset depreciation schedules, and performing a conversion from cash basis to accrual basis accounting defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including monitoring ongoing activities, for the selection and application of accounting principles; and for the preparation and fair presentation in the financial statements in conformity with accounting principles generally accepted in the United States of America. Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the Town from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Town involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Town received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Town complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities relating to the financial statements and related notes, supplementary information, maintenance of your fixed asset depreciation schedules, and performing a conversion from cash basis to accrual basis accounting, and any other nonattest services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes, supplementary information, maintenance of your fixed asset depreciation schedules, and performing a conversion from cash basis to accrual basis accounting, and that you have reviewed and approved the financial statements and related notes, prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Bernard Robinson & Company, L.L.P. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the North Carolina Local Government Commission or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Bernard Robinson & Company, L.L.P. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the Government.

Victor Blackburn is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

To ensure that Bernard Robinson & Company, L.L.P.'s independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$19,500. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our fees are based on anticipated cooperation from the Town's personnel, timely completion of all requested items, and the assumption that unexpected circumstances will not be encountered during the engagement. If circumstances occur and additional time is necessary to complete the audit, we will discuss this with management promptly to arrive at a new estimate before we incur the additional costs. The time related to any additional services we are required to perform in order to complete the audit will be billed separately. We will invoice you for these fees at the following intervals: 1) completion of our fieldwork; and 2) delivery of financial statements. Invoices are payable upon presentation. All costs relating to collection of these fees will also be the responsibility of Town of Kure Beach, North Carolina including, but not limited to, attorney fees and collection agency fees. Invoiced fees outstanding past 60 days will be subject to a 1½% monthly finance charge.

If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. The Town of Kure Beach, North Carolina will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We appreciate the opportunity to be of service to Town of Kure Beach, North Carolina and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Bernard Robinson & Company, L.L.P.

BERNARD ROBINSON & COMPANY, L.L.P.

RESPONSE:

This letter correctly sets forth the understanding of the Town of Kure Beach, North Carolina.

Town Management

By: *Arlen Copenhagen*

Title: *Finance & Budget Officer*

Governance

By: _____

Title: _____

The	Governing Board Council
of	Primary Government Unit The Town of Kure Beach
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name Bernard Robinson & Company, LLP
	Auditor Address 1501 Highwoods Blvd., Suite 300 Greensboro, North Carolina 27410

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/19	Audit Report Due Date 10/31/19
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Must be within four months of FYE

hereby agree as follows:

- The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
- At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

County and Multi-County Health Departments: The Office of State Auditor will require Auditors of these Governmental Units to perform agreed upon procedures (AUPs) on eligibility determination on certain programs. Both Auditor and Governmental Unit agree that Auditor shall complete and report on these AUPs on

eligibility determination as required by OSA and in accordance with the instructions and timeline provided by OSA.

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC staff within four months of fiscal year end. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 12).
10. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.
11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.
12. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.
13. The Auditor shall submit the report of audit in PDF format to LGC Staff when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit Report Reissued Form (available on the Department of State Treasurer website). These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC staff.

If the OSA designates certain programs to be audited as major programs, as discussed in Item 2, a turnaround document and a representation letter addressed to the OSA shall be submitted to LGC Staff.

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

15. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 26 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.
17. Special provisions should be limited. Please list any special provisions in an attachment.
18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the parent government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.
19. The contract shall be executed, pre-audited (pre-audit requirement does not apply to charter schools), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.
20. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.
21. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.
22. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.
23. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.
24. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

25. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

26. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 16 for clarification).

27. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.

28. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

FEES FOR AUDIT SERVICES

For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter, but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8, 9, and 12 for details on other allowable and excluded fees.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees below. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee. Should the 75% cap provided below conflict with the cap calculated by LGC staff based on the prior year audit fee on file with the LGC, the LGC calculation prevails.

20 NCAC 03 .0505: All invoices for services rendered in an audit engagement as defined in 20 NCAC 3 .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law.

PRIMARY GOVERNMENT FEES

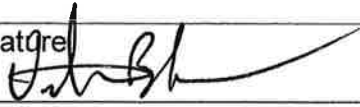
Primary Government Unit	The Town of Kure Beach
Audit	\$15,500.00
Writing Financial Statements	\$4,000.00
All Other Non-Attest Services	\$0
75% Cap for Interim Invoice Approval	\$14,625.00

DPCU FEES (if applicable)

Discretely Presented Component Unit	N/A
Audit	\$N/A
Writing Financial Statements	\$N/A
All Other Non-Attest Services	\$N/A
75% Cap for Interim Invoice Approval	\$0.00

SIGNATURE PAGE

AUDIT FIRM

Audit Firm Bernard Robinson & Company, LLP	
Authorized Firm Representative (typed or printed) Victor Blackburn, Partner	Signature 
Date 01/22/19	Email Address vblackburn@brccpa.com

GOVERNMENTAL UNIT

Governmental Unit The Town of Kure Beach	
Date Primary Government Unit Governing Board Approved Audit Contract (Ref. G.S. 159-34(a) or G.S. 115C-447(a))	
Mayor/Chairperson (typed or printed) Craig Bloszinsky, Mayor	Signature
Date	Email Address


Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

(Pre-audit certificate not required for charter schools)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer (typed or printed) Arlen Copenhaver, Finance & Budget Officer	Signature 
Date of Pre-Audit Certificate	Email Address a.copenhaver@townofkurebeach.org

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU N/A	
Date DPCU Governing Board Approved Audit Contract (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)	Signature
Date	Email Address

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

(Pre-audit certificate not required for charter schools)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

DPCU Finance Officer (typed or printed)	Signature
Date of Pre-Audit Certificate	Email Address

Remember to print this form, and obtain all
required signatures prior to submission.

PRINT

BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2019

AMENDMENT DATE: 02/18/2019

Budget Amendment No.: 19-02

DESCRIPTION/PURPOSE OF AMENDMENT

At the 2/18/2019 Kure Beach Town Council meeting, Council authorized up to \$3,200 for estimated costs for the new fire station and Town Hall facility Grand Opening Ceremony and Open House to be held on 5/11/2019. The revenue source for this budget increase is Vehicle Re-Entry Decal Sales in excess of the Fiscal Year 2019 budgeted amount.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-410-65-01	Governmental Relations	\$3,200	
10-322-00-00	Vehicle Re-Entry Decal Sales		\$3,200

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: Kure Beach Town Council Date: 02/18/19

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 02/18/19

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

Approved by Council 03/18/19 _____ Craig Bloszinsky, Mayor

ATTEST: _____ Nancy Avery, Town Clerk

BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2019

AMENDMENT DATE: 02/19/2019

Budget Amendment No.: 19-03

DESCRIPTION/PURPOSE OF AMENDMENT

Due to several different situations, the Fiscal Year 2019 budget for storm water operations requires amendment. Damages from Hurricane Florence have increased both operating expenses as well as capital expenditures. Also, expenses were, or will be, incurred relating to a potential Clean Water Management Trust Fund grant for storm water improvements. The revenue sources for the budget increases are FEMA hurricane reimbursements, storm water builder’s fees in excess of budget and appropriation of fund balance.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
32-610-18-00	Storm Water Maintenance	\$73,300	
32-610-40-00	Storm Water Professional Fees	\$1,000	
32-610-74-01	Capital Outlay – Improvements	\$16,560	
32-610-99-00	Storm Water Engineering	\$18,000	
32-343-00-00	Hurricane Reimbursement		\$76,125
32-379-00-01	Storm Water Building Fees		\$20,000
32-310-00-00	Appropriated Fund Balance		\$12,735

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: Arlen Copenhaver, Finance/Budget Officer Date: 02/19/19

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 02/19/19

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

Approved by Council 03/18/19 _____ Craig Bloszinsky, Mayor

ATTEST: _____ Nancy Avery, Town Clerk



TO: Kure Beach Town Council
FROM: Kure Beach Board of Adjustment
DATE: February 26, 2019
SUBJECT: 2018 Annual Report

As required by the Board of Adjustment Rules of Procedure, Section VII, the following information is provided.

1. TERMS AND POSITIONS
 - a. Member Peter Boulter was elected Chairman and Member Tony Garibay was elected Vice Chair.
 - b. Council approved the appointment of Randy McNeely as an alternate member
 - c. The BOA currently stands at five (5) regular members with two (2) alternates.
2. No cases were submitted to the BOA for hearing during 2018.
3. The BOA held no training sessions during 2018.
4. The BOA adopted changes to the Rules of Procedure on January 23, 2018.

Respectfully submitted,

PETER BOULTER
Chairman, Board of Adjustment

PRESENTATIONS

Nancy Avery

From: MEDLOCK, James M (Jim) CIV USARMY CESAW (USA)
<James.M.Medlock@usace.army.mil>
Sent: Friday, February 15, 2019 1:41 PM
To: Nancy Avery
Subject: RE: [Non-DoD Source] RE: Update and Upcoming Media Event Day - Carolina Beach and Vicinity nourishment contract (UNCLASSIFIED)

CLASSIFICATION: UNCLASSIFIED

Nancy,

I just picked out a range of dates. March 18th would be good. Do you want me to present the project that night?

Jim

Jim Medlock
910-251-4836

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

From: Nancy Avery [mailto:n.avery@townofkurebeach.org]
Sent: Friday, February 15, 2019 1:13 PM
To: MEDLOCK, James M (Jim) CIV USARMY CESAW (USA) <James.M.Medlock@usace.army.mil>
Subject: [Non-DoD Source] RE: Update and Upcoming Media Event Day - Carolina Beach and Vicinity nourishment contract (UNCLASSIFIED)

Hi Jim - as a follow up to my voice mail, I will poll Council as to whether they will attend the media event and get back to you.

Council does not have a meeting between March 4th and 15th. Their meetings are Feb. 18 and March 18 at 6pm.

Nancy Avery
Town Clerk
Town of Kure Beach
117 Settlers Lane
Kure Beach, NC 28449
910-458-8216 (office)
910-458-7421 (fax)
910-707-2016 (direct)
910-443-0410 (cell)
n.avery@tokb.org
Blockedwww.townofkurebeach.org

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

From: MEDLOCK, James M (Jim) CIV USARMY CESAW (USA) <James.M.Medlock@usace.army.mil>
Sent: Wednesday, February 13, 2019 6:11 PM
To: Nancy Avery <n.avery@townofkurebeach.org>

Cc: Layton Bedsole (NH County Shore Protection Coordinator) <lbedsole@nhcgov.com>; Keistler, Robert W CIV CESAW CESAD (US) <Robert.W.Keistler@usace.army.mil>; Sheila Nicholson (sheila.nicholson@carolinabeach.org) <sheila.nicholson@carolinabeach.org>
Subject: Update and Upcoming Media Event Day - Carolina Beach and Vicinity nourishment contract (UNCLASSIFIED)

CLASSIFICATION: UNCLASSIFIED

Nancy,

Please consider sharing this with your mayor and other town council members as you feel appropriate.

I just wanted to take a moment to bring you up to date on the nourishment contract. Weeks Marine is planning to begin pumping sand to Carolina Beach on the 16th of February.

They currently estimate completing the work at Carolina Beach by about mid-March and then will start transitioning to Area B to begin pumping to the Area South subproject with a completion date no later than the 30th of April. This actual placement schedule/dates for Area South will be more succinct once the contractor is closer to finishing Carolina Beach.

We just completed revising the plans for Carolina Beach this Monday based on the pre-placement surveys developed by Weeks Marine. Our design engineer anticipates starting work on revising the placement footprint for Area South based on this survey later next week (after the 19th). I will share with you and Layton a copy of the revised placement footprint for Area South once it is available (I'm thinking the early part of March).

With the contractor starting placement on Carolina Beach this weekend, the Corps will be hosting a media event in Carolina Beach on the 22nd of February at 11AM in a location yet to be determined (we'll select a site where sand is being placed). We will invite the print and visual media in a notification to be distributed soon.

At this media event, the Corps will be discussing nourishment of both Carolina Beach and Area South (southern end of Carolina Beach and Kure Beach) and offer an invitation for representatives of both the towns of Kure Beach and Carolina Beach and New Hanover County to attend. Questions from the media will likely be addressed by COL Clark and myself. Please let me know if representatives of Kure Beach can attend.

Last night, I provided an update to the Carolina Beach Town Council focusing on the Carolina Beach portion of the project (copy enclosed). If you want, I could provide a similar presentation to your council and the public as we get closer to the anticipated start of placement in Kure Beach. If you are interested, is there a scheduled council meeting between the 4th to the 15th of March? The presentation would last about 15-20 minutes including a little time for questions.

We are also planning to have a website accessible from the Corps' or from either town that would show a status of placement in Carolina Beach and Kure Beach as the contractor moves from north to south. This website will initially be active this Saturday for Carolina Beach. We'll add the Area South portion once the new placement footprint is available (it will look something like the graphic on page 6 of the Carolina Beach presentation).

I hope that this EMAIL is helpful to you. The main things I need from you are:

*can the town attend the media day event on the 22nd of February?

*is there an upcoming council meeting between the 4th and 15th of March that you would like me to present a status update on this project and the contract?

Thank you,
Jim

Jim Medlock

Beth Chase

From: Joseph Whitley
Sent: Thursday, February 28, 2019 7:31 AM
To: Nancy Avery; Beth Chase
Cc: Craig Bloszinsky
Subject: Chamber requesting to address Council at March meeting

Lynn Halterman from the PI Chamber of Commerce wants to address Council per a Plastic Free Beach initiative for the island they will be organizing. They will be asking each town for a contribution, \$1500, to get it up and running. Please add to agenda.

Joseph Whitley
Commissioner, Town of Kure Beach
910-620-4900

COMMITTEE BUSINESS



Sent to 1/3/19

TOWN OF KURE BEACH REQUEST FOR APPOINTMENT

Board/Commission/Committees

MUST BE A FULL-TIME RESIDENT TO SERVE ON TOWN COMMITTEES

Request for Appointment to: Planning & Zoning Commission - alternate member

Name David Garceau

Address 1038 Fort Fisher Blvd S, Kure Beach, NC 28449

Telephone 704-941-0921 Cell 704-941-0921

Email david@lykicare.com (You will receive the majority of correspondence via email)

Length of permanent residence in Kure Beach 3 yrs

Employment Gemaire Distributors

Job Title Technical Support & Training Manager

Professional Activities My business activities don't directly tie to this committee, but I do develop training programs which could be useful for educating residents and visitors.

Volunteer Activities Member of the Shoreline Access and Beach Protection Committee

Other committee work, past or present Past scouting leader and scouting council. Past committee member for state apprenticeship contest. Past member of PHCC and RSES chapters.


What is your understanding of the purpose of this committee?
To provide direction on best practices for development in the town through clear ordinances and planning.

Why are you interested in serving on this committee?
Proactive planning to maintain the charm and character of Kure Beach will benefit the town and all residents by upholding property values.

What specific concerns or areas are you interested in?
Development of the master plan, followed by education and enforcement of rules.

Are there any time blocks from 8am-8pm, Monday through Friday, when you cannot attend meetings?
Planned meetings should be OK. Emergency meetings may be difficult. Potential for conflict with SLABP meetings.

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

Signature  DAVID GARCEAU Date December 12th 2018

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

Please return ORIGINAL to: Town Clerk - Town of Kure Beach 117 Settlers Lane, Kure Beach, NC 28449

Town Use Only

Date Received _____	Initials _____	Utilities Current <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Interview Date _____	(If applicable)	Appointment Date _____
Term Length _____		Term Expiration _____

2. Planning and Zoning Commission members shall serve a five-year term. Vacancies occurring for any reason other than for expiration of term shall be filled as they occur for the period of the unexpired term (staggered).

3. Vacancies for both shall be advertised by the Town Clerk.

Planning and Zoning Commission (P&Z) applicants:

Applications received by the Town Clerk will be forwarded to the P&Z clerk and chairperson to schedule interviews and include on the agenda. P&Z will interview applicants and make a recommendation to Town Council. The Council will make the official appointment.

Board of Adjustment (BOA) applicants

Applications received by the Town Clerk will be scheduled for interview by the Town Clerk in a Council meeting. The Town Council will make the official appointment.

4. All applications shall be retained for a period of one (1) year.
5. Members, after a public hearing, may be removed by the Town Council for inefficiency, neglect of duty or malfeasance in office.
6. Faithful attendance of the meetings is considered a prerequisite for the maintenance of membership and is defined as no more than three (3) excused absences in a rolling twelve (12) month period.
7. All members have equal voting on all matters that come before them.
8. Members shall elect a chairman to serve a one-year term or until a successor is elected and shall be eligible for re-election.
9. There shall be a quorum of three members for the purpose of taking any official action required by this article.

References

Refer to Code of Ordinance requirements as follows:

Board of Adjustment – Chapter 19 (Zoning), Article II (Administration), Division 2 (Board of Adjustment), Sections 41 – 46.

Planning and Zoning Commission – Part II Code, Chapter 2 (Administration), Article III (boards, commissions, committees), Division 2 (P&Z), Sections 41 – 56.

OLD BUSINESS



TOWN COUNCIL ACTIONS

February 18, 2019

Regular meeting

COMMITTEES

- Appointed Connie Mearkle to Board of Adjustment alternate position

COUNCIL/LEGAL

- Approved closing Atlantic Avenue to public vehicle traffic between K and L Avenues from early morning hours through 7 pm on Saturday, April 27, 2019 and allow for participation of food trucks and art, craft, and food vendors during the annual Street Festival
- Scheduled Public Hearing on the Notice of Intent to finance replacement of water meter project at the March 18, 2019 Council meeting starting at 5:30 pm
- Scheduled Saturday, May 11 for the dedication ceremony
- Approved the 15 foot encroachment into the beach nourishment easement request from Jeff and Gretchen Casterella located at 834 N FFB contingent on review and approval of encroachment agreement by Town Attorney
- Directed the Public Works Department to install 189 new parking spaces and bumpers on E, I and 6th Avenues and at Fort Fisher Boulevard and Surf Rider in front of Ocean Dunes with a review of Stormy Petrel
- Approved to close Town Hall for the week of March 11th to move into the new Town Hall facilities
- Consensus to place the Town Hall plaques outside the front of the building on pedestals

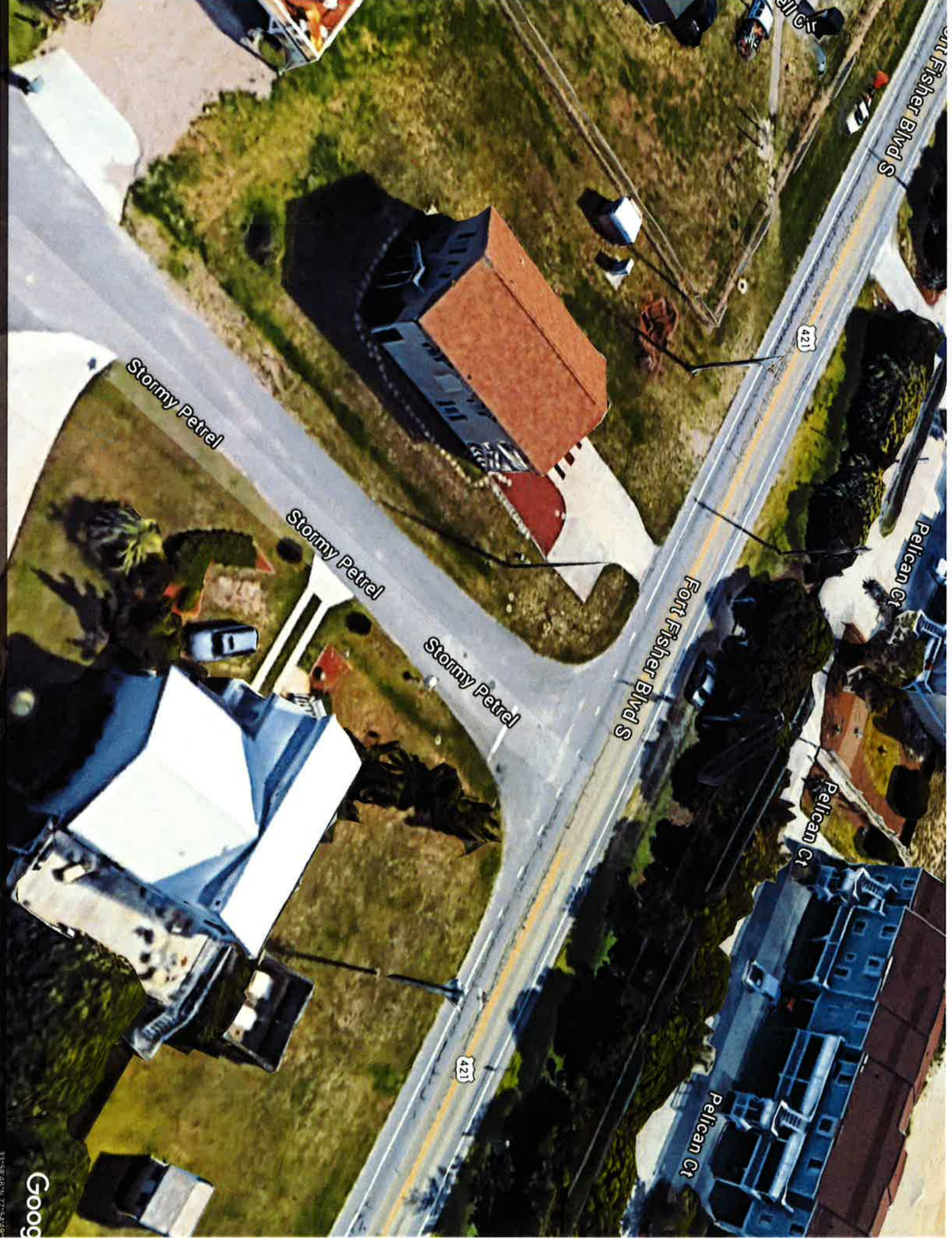
FINANCE/BUDGET

- Approved funding for Carolina Beach inlet dredging for FY19/20 in amount of approximately \$1,100
- Approved beach access signs for remaining access without signage \$2,525
- Approved Capital Project Ordinance for replacement of water meters in amount of \$1.4 million
- Approved the new buildings dedication ceremony budget of \$3,200 (Finance Officer to submit budget amendment transferring from contingency at March meeting)
- Approved payment of \$32,500 from storm water fund to Ocean Dunes HOA for storm water repairs needed after Hurricane Florence to handle Town storm water that flows through their pipes to ocean outfall pipe

FOLLOW UP

- Naming Committee to bring recommendation at March Council meeting regarding Beach booster program

POLICIES/RESOLUTIONS/PROCLAMATIONS/ORDINANCES



Fort Fisher Blvd S

421

Stormy Petrel

Stormy Petrel

Stormy Petrel

Fort Fisher Blvd S

Pelican Ct

Pelican Ct

Pelican Ct

421

Google

33.9816 N, 77.5489 W

NEW BUSINESS

Sec. 5-185. - Oceanfront deck encroachment.

No more than two hundred fifty (250) square feet of single-level, freestanding, uncovered deck, which does not include the walkway to the beach, [and] may not encroach more than fifteen (15) feet. This would apply to lots where the CAMA sixty-foot setback is within five (5) feet of the perpetual easement line. All proposed construction will also be subject to all CAMA guidelines. Should any encroachment extend into the Perpetual Beach Storm Damage Reduction Easement area granted to the Town of Kure Beach; then and in that event, it shall be subject to the terms of the easement and as such is subject to removal at the owner's expense. Such removal shall be at the discretion of the U.S. Army Corps of Engineers for beach renourishment purposes.

(Ord. of 3-17-09)

STATE OF NORTH CAROLINA)
COUNTY OF NEW HANOVER)

**PERPETUAL EASEMENT FOR
BEACH RENOURISHMENT**

BOOK PAGE

FOR VALUABLE CONSIDERATION,

1962 055B

Grantor(s) do(es) hereby grant a perpetual and assignable easement and right-of-way in, over and across the hereinafter described land to nourish, renourish, protect, operate and maintain a public beach thereon, including the right to provide use and access to the public; to deposit sand; to accomplish any alterations of contours on said land; to construct dunes and berms; to plant vegetation on and prohibit access to said dunes and berms; to erect protective silt screens and fences; and to perform any other work necessary and incident to the construction and maintenance of the Carolina Beach and Vicinity - Area South, Hurricane Wave and Shore Protection Project; together with the continuing right to clear and remove any brush, debris, vegetation, structures and obstructions which, in the opinion of the representative of the Town of Kure Beach, may be detrimental to the project; excepting and reserving to the landowner the right to construct a wooden walkway access structure across said easement, provided that the manner of construction and location of the walkway is first approved in writing by the representative of the Town of Kure Beach; reserving, however, to the landowner all such rights and privileges as may be used and enjoyed without interfering with the use of the project for purposes authorized by Congress or abridging the rights and easement hereby acquired; provided that no excavation shall be conducted, no landfill placed on the land, and that no additional structures shall be constructed by the landowner; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

00218

The property subject to said Easement is more particularly shown on a plat made by Century von Oesen Consulting Engineers dated September 28, 1995 and recorded in the New Hanover County registry in Map Book 35, Page 144, which Plat is incorporated herein by reference and made a part and parcel hereof; said easement crosses the property briefly described as:



Tax Parcel Number(s): 092-09-002-012-000

Being the same property as is more particularly described and recorded at the New Hanover County Registry on the following Book(s) & Page(s): **BOOK 1601 PAGE 0125**

and has such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully and particularly at large appear and be described.

To have and to hold the said easement unto the Town of Kure Beach, its successors and assigns.

WITNESS the undersigned(s) hand(s) and seal(s) this 10th day of Nov., 1995.

 (Seal) _____ (Seal)
 (Seal) _____ (Seal)

(Seal) _____ (Seal)

(Seal) _____ (Seal)

ADMITTED TO RECORD
AT DAY OF Dec 1995
3:02P M
MARY SUE OOTS
REGISTER OF DEEDS
NEW HANOVER COUNTY

Return To: Jennifer/Calder & Calder

1190.00000
K4D-1.13

400187

Matthew Nichols

From: McCorcle, Justin P SAW <Justin.P.McCorcle@usace.army.mil>
Sent: Tuesday, January 29, 2013 10:44 AM
To: Matthew Nichols
Cc: Andy Canoutas; Kenneth Shanklin; Kelstler, Robert W SAW; Manning, John SAS@SAW
Subject: RE: 530 N. Fort Fisher Blvd., Kure Beach, NC (UNCLASSIFIED)

Classification: UNCLASSIFIED

Caveats: NONE

Matt,

I've discussed this with both our Project Management and Real Estate offices, and neither has a specific objection with your proposal, to the extent that the Town is comfortable with its ability to require the removal of any encroaching structure in the event of an identified need to maintain or reconstruct a portion of the project in that area. The Project Partnership Agreement that we have with the Town states that:

"The Non-Federal Sponsor shall, to the extent of its powers, prescribe and enforce regulations to prevent obstruction of or encroachment on the Project that would reduce the level of protection it affords or that would hinder operation or maintenance of the Project."

To the extent that the Town feels comfortable that allowing the construction that you describe is consistent with this condition, we will not object, as long as it is clear to the Town that such allowances are made at its own risk as Non-Federal Sponsor, and that the costs of removal of encroaching structures will be borne entirely by the Town in the event that the beach project requires such removal.

We would ask that, if the Town enters into the agreement described below, a copy of the agreement is sent to us for our files.

Justin P. McCorcle
Assistant District Counsel
U.S. Army Corps of Engineers
Wilmington District
69 Darlington Ave.
Wilmington, NC 28403
(910) 251-4699; fax x4044

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

From: Matthew Nichols [mailto:mnichols@shanklaw.com]
Sent: Wednesday, January 09, 2013 3:35 PM
To: McCorcle, Justin P SAW
Cc: Andy Canoutas; Kenneth Shanklin
Subject: 530 N. Fort Fisher Blvd., Kure Beach, NC

Justin:

As a follow-up to our recent discussion, thank you for speaking with me again recently regarding the proposal by my clients--David Roth and Paula Peterson-Roth--to construct a swimming pool and accompanying deck at their house located at 530 N. Fort Fisher Blvd., Kure Beach, NC. The proposed location of my clients' pool, which will be built in accordance with all applicable NCDENR Division of Coastal Management Rules and Town Ordinances, is within the western portion of the beach renourishment easement area, adjacent to their existing house. As we discussed, my clients would like to pursue a permissive encroachment agreement with the Town of Kure Beach in order to allow for the construction of the pool within a portion of the easement area. I understand that there are other property owners in this vicinity of Kure Beach that currently have swimming pools and decks constructed within the easement area on their respective oceanfront lots. Under the terms of the proposed encroachment agreement with the Town, my clients would agree to remove their pool at their sole cost and expense and at the Town's direction should the need to do so arise in the future. This could be a condition in our building permit. It is my understanding that you have reviewed this matter with Mr. Bob Keistler, Project Manager with USACOE Wilmington District, and that Mr. Keistler does not object to the construction of a pool in the easement area under such an encroachment agreement arrangement with the Town.

At your earliest convenience, if you can please confirm that your office does not object to the foregoing, I will then check back and coordinate with Town Attorney Andy Canoutas regarding moving forward with the proposed encroachment agreement with the Town. I have copied Andy on this e-mail.

Please contact me if you have any questions or concerns or if you require any additional information at this time. Thank you again for your time. Sincerely, Matt.

Matthew A. Nichols
Shanklin & Nichols, LLP
Ph. 910.762.9400; Fax 910.251.1773

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

From: Matthew Nichols
Sent: Wednesday, January 02, 2013 3:52 PM
To: 'McCorcle, Justin P SAW'
Subject: RE: contact info (UNCLASSIFIED)

Thank you Justin. I appreciate your time this afternoon. Sincerely, Matt.

Matthew A. Nichols
Shanklin & Nichols, LLP
Ph. 910.762.9400; Fax 910.251.1773

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

From: McCorcle, Justin P SAW [<mailto:Justin.P.McCorcle@usace.army.mil>]
Sent: Wednesday, January 02, 2013 3:42 PM
To: Matthew Nichols
Subject: contact info (UNCLASSIFIED)

Classification: UNCLASSIFIED
Caveats: NONE

Justin P. McCorcle
Assistant District Counsel

Timeline on Swimming Pool Encroachments in the Perpetual Easement

August 2008

In a permit application for new house and pool @ 530 North Fort Fisher Blvd, found that contractor had whited out easement line on survey. When questioning him, said he didn't think it was necessary because he had been permitted other pools in that area in the past. Permit for pool denied.

Started researching entire coast of Kure Beach and found 7 pools had been built within the easement. Most recent one permitted in September 2007.

November 6, 2008

Council discussion in 11/6 meeting. Council instructed Atty and Batson to draft language to add to Sec. 5-180 to specifically restrict pools in easement. They also asked Batson to draft language allowing certain properties to have a 250 square foot deck in the easement

November 18, 2008

Presented ordinance language requested from Council. Discussion ensued within meeting specifically about making sure language would not allow pools to be placed in the Perpetual Easement. Council directed Atty to make changes. Council passed this ordinance that night. See final ordinance below.

Sec. 5-180. - All single-family and duplex/multi-family residences.

Single-family and duplex/multifamily residences in all zones, may install a swimming pool provided it meets the lot setbacks for that specific ordinance, including any CAMA setbacks for oceanfront lots and including a survey showing the location of the perpetual easement granted to the Town of Kure Beach, North Carolina, for the Carolina Beach and vicinity. Area South Hurricane Wave and Shore Protection Project for beach renourishment and the pool installation must meet all of the rules and regulations of the State of North Carolina defined in.....

December 2, 2008

Ordinance language for decks was presented to Planning and Zoning. They made some minor changes. See ordinance approved by P&Z below.

Sec. 5-185. - Oceanfront deck encroachment.

No more than two hundred fifty (250) square feet of single-level, freestanding, uncovered deck, which does not include the walkway to the beach,[and] may not encroach more than fifteen (15) feet. This would apply to lots where the CAMA sixty-foot setback is within five (5) feet of the perpetual easement line. All proposed construction will also be subject to all CAMA guidelines.

December 16, 2008

There is something wrong with the recording from this meeting, but based on minutes, presented ordinance language for decks as requested from Council. Council directed to check with Corps on the language. Council voted to hold a public hearing on January 20, 2009.

January 6, 2009

Went back to P&Z, they requested how it went at Council, and asked about what changes Army Corps had, to which Batson replied, small changes.

*****Discrepancies***** Looks like Public Hearing was actually held on February 2, 2009. Couldn't find why other than could find no record of a regular Town Council meeting for January.

February 2, 2009

Council hears and tables language until P&Z can review definitions discussed during this meeting. Commissioner Lambeth specifically mentions Webster's definition of Easement. Other council members repeatedly mention making sure property owners know that decks allowed by this ordinance should be considered temporary, and easily removed.

February 10, 2009

Planning and Zoning addresses Council's requests for definition. Town Atty states that there are no problems with definitions.

February 17, 2009

Council votes to schedule Public Hearing on March 17, 2009.

March 3, 2009

Planning and Zoning references Public Hearing on decks within easements on March 17th, and does not have any discussion.

March 17, 2009

Batson points out that the way the ordinance is written, it would only apply to lots in the are of Seawatch. Council approves ordinance. See new ordinance below.

Sec. 5-185. - Oceanfront deck encroachment.

No more than two hundred fifty (250) square feet of single-level, freestanding, uncovered deck, which does not include the walkway to the beach, [and] may not encroach more than fifteen (15) feet. This would apply to lots where the CAMA sixty-foot setback is within five (5) feet of the perpetual easement line. All proposed construction will also be subject to all CAMA guidelines. Should any encroachment extend into the Perpetual Beach Storm Damage Reduction Easement area granted to the Town of Kure Beach; then and in that event, it shall be subject to the terms of the easement and as such is subject to removal at the owner's expense. Such removal shall be at the discretion of the U.S. Army Corps of Engineers for beach renourishment purposes.

February 19, 2013

Atty Matthew Nichols comes to Council meeting and presents case for homeowners of 530 North Fort Fisher Blvd. (For some reason this was in Old Business for this meeting. Looked back 5 months, and could find no previous reference to this coming up on agenda.) States that he has had many conversations with Town Atty, and has contacted Army Corps about placing pools within the Easement. Army Corps says they do not have an issue.

Lambeth references Batson allowing a few pools to be built already, and that research shows that the easements for the Laque Center area (Seawatch Area) were different or were more restrictive than others.

Batson said yes, the line changed at some point, and now affects about 20 properties in the Seawatch area.

Council moved to continue discussion to March meeting.

March 19, 2013

Atty Nichols states that he has working with Town Atty to put together an acceptable encroachment agreement. He said that he had talked with McCorkle at Army Corps, and they don't have a problem with pools in easement. Town Atty stated that the agreement protected the Town "three ways from Sunday."

Batson references memo provided to Council.

Atty Nichols mentions that part of what was referenced in Batson Memo was actually excerpts from an email sent to him from district counsel for the Army Corps. (Email from Corps attached to this timeline.)

Town Council approves encroachment agreement.

End

MORATORIUM DEVELOPMENT APPROVAL

Beth Chase

From: Nancy Avery
Sent: Tuesday, March 5, 2019 11:51 AM
To: Beth Chase
Subject: FW: Moratorium
Attachments: gs 160A-381.(re moratoria recommendation).pdf

Beth – print this email and the attachment and include in the March agenda packet under New Business, item # 2

Nancy Avery
Town Clerk
Town of Kure Beach
117 Settlers Lane
Kure Beach, NC 28449
910-458-8216 (office)
910-458-7421 (fax)
910-707-2016 (direct)
910-443-0410 (cell)
n.avery@tokb.org
www.townofkurebeach.org

From: James Eldridge <jee@ec.rr.com>
Sent: Tuesday, March 5, 2019 10:02 AM
To: 'Galbraith, Craig' <galbraithc@uncw.edu>; Joseph Whitley <j.whitley@townofkurebeach.org>; Craig Bloszinsky <c.bloszinsky@townofkurebeach.org>; John Ellen <j.ellen@townofkurebeach.org>; Allen Oliver <a.oliver@townofkurebeach.org>; David Heglar <d.heglar@townofkurebeach.org>; Nancy Avery <n.avery@townofkurebeach.org>
Cc: 'Bill Moore' <billmoore622@charter.net>; Kathleen Zielinski <k.zielinski@townofkurebeach.org>; John Batson <j.batson@townofkurebeach.org>; 'Kenneth Richardson' <pzbrich@gmail.com>; 'Pat Young' <imagine5943@msn.com>; 'Retha' <rdeaton1031@gmail.com>
Subject: RE: Moratorium

03/05/2019

All:

I completely agree with Chairman Galbraith's recommendation that Council consider adopting a temporary moratorium on any development approvals which could conflict with the potential overlay district. A moratorium is the only way to "freeze" current conditions while proposed overlay regulations are developed by PZC and presented to Council. In short, a moratorium is the only way to maintain the status quo and thereby rule out the establishment of a currently permitted use that could be contrary to the proposed regulations.

I am attaching a highlighted copy of GS 160A-381(e) authorizing the adoption of a moratorium ordinance following published notice and a public hearing. Concerning the same, it would appear that a moratorium with a duration of 61 days or longer is needed such that the notice and hearing requirements of GS 160A-364 are applicable. Please also note the findings which a moratorium ordinance must contain as set forth in sub-sub-sections 1-4 on page 2.

I have handled 2 moratoria for one of my municipal clients and they effectively maintained the status quo while pertinent amendments were developed and acted upon.

Thanks, James E. Eldridge

Eldridge Law Firm, PC
Post Office Box 1380
Wilmington, NC 28402
910.815.0107

From: Galbraith, Craig [<mailto:galbraithc@uncw.edu>]

Sent: Monday, March 4, 2019 7:59 PM

To: Joseph Whitley <j.whitley@townofkurebeach.org>; Craig Bloszinsky <c.bloszinsky@townofkurebeach.org>; John Ellen <j.ellen@townofkurebeach.org>; Allen Oliver <a.oliver@townofkurebeach.org>; David Heglar <d.heglar@townofkurebeach.org>

Cc: Bill Moore <billmoore622@charter.net>; Kathleen Zielinski <k.zielinski@townofkurebeach.org>; John Batson <j.batson@townofkurebeach.org>; James Eldridge <jee@ec.rr.com>; Kenneth Richardson <pzbrich@gmail.com>; Pat Young <imagine5943@msn.com>; Retha <rdeaton1031@gmail.com>

Subject: Moratorium

Dear Kure Beach town council and P&Z.

I was thinking about the upcoming discussion about an overlay district for the B1 in order to preserve and enhance the village nature of the community, and one thing that we should perhaps consider is a building/permit moratorium for the district until this process is concluded. Moratoriums are standard in this type of situation for obvious reasons.

From my experience, a moratorium is very effective to preserve the integrity of the process, but it should be time limited (my suggestion is no more than 6 months) in order to expedite the planning and development process, and not inconvenience the business community.

I respectfully suggest the town consider this as an option ASAP.

Thanks

Craig

Craig S. Galbraith, MBA, MSc., Ph.D.
Director, Office of Innovation and Commercialization
Professor, Entrepreneurship and Technology Management
GlaxoSmithKline Faculty Fellow, Economic Development
Cameron School of Business, University of North Carolina Wilmington
& Doctorate Dissertation Supervisor, Edinburgh Business School
UNCW Contact: (910) 962-3775; (910) 962-2116 (fax)

Part 3. Zoning.

§ 160A-381. Grant of power.

(a) For the purpose of promoting health, safety, morals, or the general welfare of the community, any city may adopt zoning and development regulation ordinances. These ordinances may be adopted as part of a unified development ordinance or as a separate ordinance. A zoning ordinance may regulate and restrict the height, number of stories and size of buildings and other structures, the percentage of lots that may be occupied, the size of yards, courts and other open spaces, the density of population, the location and use of buildings, structures and land. The ordinance shall provide density credits or severable development rights for dedicated rights-of-way pursuant to G.S. 136-66.10 or G.S. 136-66.11.

(b) Expired.

(b1) These regulations may provide that a board of adjustment may determine and vary their application in harmony with their general purpose and intent and in accordance with general or specific rules therein contained, provided no change in permitted uses may be authorized by variance.

(c) The regulations may also provide that the board of adjustment, the planning board, or the city council may issue special use permits or conditional use permits in the classes of cases or situations and in accordance with the principles, conditions, safeguards, and procedures specified therein and may impose reasonable and appropriate conditions and safeguards upon these permits. Conditions and safeguards imposed under this subsection shall not include requirements for which the city does not have authority under statute to regulate nor requirements for which the courts have held to be unenforceable if imposed directly by the city. When deciding special use permits or conditional use permits, the city council or planning board shall follow quasi-judicial procedures. Notice of hearings on special or conditional use permit applications shall be as provided in G.S. 160A-388(a2). No vote greater than a majority vote shall be required for the city council or planning board to issue such permits. For the purposes of this section, vacant positions on the board and members who are disqualified from voting on a quasi-judicial matter shall not be considered "members of the board" for calculation of the requisite majority. Every such decision of the city council or planning board shall be subject to review of the superior court in the nature of certiorari in accordance with G.S. 160A-388.

Where appropriate, such conditions may include requirements that street and utility rights-of-way be dedicated to the public and that provision be made of recreational space and facilities.

(d) A city council member shall not vote on any zoning map or text amendment where the outcome of the matter being considered is reasonably likely to have a direct, substantial, and readily identifiable financial impact on the member. Members of appointed boards providing advice to the city council shall not vote on recommendations regarding any zoning map or text amendment where the outcome of the matter being considered is reasonably likely to have a direct, substantial, and readily identifiable financial impact on the member.

(e) As provided in this subsection, cities may adopt temporary moratoria on any city development approval required by law, except for the purpose of developing and adopting new or amended plans or ordinances as to residential uses. The duration of any moratorium shall be reasonable in light of the specific conditions that warrant imposition of the moratorium and may not exceed the period of time necessary to correct, modify, or resolve such conditions. Except in cases of imminent and substantial threat to public health or safety, before adopting an ordinance imposing a development moratorium with a duration of 60 days or any shorter period, the governing board shall hold a public hearing and shall publish a notice of the hearing in a newspaper having general circulation in the area not less than seven days before the date

set for the hearing. A development moratorium with a duration of 61 days or longer, and any extension of a moratorium so that the total duration is 61 days or longer, is subject to the notice and hearing requirements of G.S. 160A-364. Absent an imminent threat to public health or safety, a development moratorium adopted pursuant to this section shall not apply to any project for which a valid building permit issued pursuant to G.S. 160A-417 is outstanding, to any project for which a conditional use permit application or special use permit application has been accepted, to development set forth in a site-specific or phased development plan approved pursuant to G.S. 160A-385.1, to development for which substantial expenditures have already been made in good faith reliance on a prior valid administrative or quasi-judicial permit or approval, or to preliminary or final subdivision plats that have been accepted for review by the city prior to the call for public hearing to adopt the moratorium. Any preliminary subdivision plat accepted for review by the city prior to the call for public hearing, if subsequently approved, shall be allowed to proceed to final plat approval without being subject to the moratorium.

Any ordinance establishing a development moratorium must expressly include at the time of adoption each of the following:

- (1) A clear statement of the problems or conditions necessitating the moratorium and what courses of action, alternative to a moratorium, were considered by the city and why those alternative courses of action were not deemed adequate.
- (2) A clear statement of the development approvals subject to the moratorium and how a moratorium on those approvals will address the problems or conditions leading to imposition of the moratorium.
- (3) An express date for termination of the moratorium and a statement setting forth why that duration is reasonably necessary to address the problems or conditions leading to imposition of the moratorium.
- (4) A clear statement of the actions, and the schedule for those actions, proposed to be taken by the city during the duration of the moratorium to address the problems or conditions leading to imposition of the moratorium.

No moratorium may be subsequently renewed or extended for any additional period unless the city shall have taken all reasonable and feasible steps proposed to be taken by the city in its ordinance establishing the moratorium to address the problems or conditions leading to imposition of the moratorium and unless new facts and conditions warrant an extension. Any ordinance renewing or extending a development moratorium must expressly include, at the time of adoption, the findings set forth in subdivisions (1) through (4) of this subsection, including what new facts or conditions warrant the extension.

Any person aggrieved by the imposition of a moratorium on development approvals required by law may apply to the appropriate division of the General Court of Justice for an order enjoining the enforcement of the moratorium, and the court shall have jurisdiction to issue that order. Actions brought pursuant to this section shall be set down for immediate hearing, and subsequent proceedings in those actions shall be accorded priority by the trial and appellate courts. In any such action, the city shall have the burden of showing compliance with the procedural requirements of this subsection.

(f) In order to encourage construction that uses sustainable design principles and to improve energy efficiency in buildings, a city may charge reduced building permit fees or provide partial rebates of building permit fees for buildings that are constructed or renovated using design principles that conform to or exceed one or more of the following certifications or ratings:

MINUTES



TOWN COUNCIL MINUTES

PUBLIC HEARING

February 18, 2019 @ 5:30 p.m.

The Kure Beach Town Council held a Public Hearing on Monday, February 18, 2018 at 5:30 pm. The Town Attorney was present and there was a quorum of Council members present.

COUNCIL MEMBERS PRESENT

Mayor Craig Bloszinsky
MPT David Heglar
Commissioner Joseph Whitley
Commissioner John Ellen
Commissioner Allen Oliver

COUNCIL MEMBERS ABSENT

STAFF PRESENT

Town Clerk – Nancy Avery
Building Inspector – John Batson

Mayor Bloszinsky called the meeting to order at 5:30 pm stating the purpose of this public hearing is to receive public comments on the proposed amendment to

1. Part II (Code), Chapter 2 (Admin), Article III (Boards, Commissions & Committees), Section 42 (Terms, Removal & Filling of Vacancies), Subsection d
2. Chapter 19 (Zoning), Article II (Removal and Filling of Office), Section 45

Official notice of this public hearing was posted on the Town's website and bulletin board on February 6, 2019 and was advertised in the Island Gazette on February 6th and 13th 2019, thus meeting notification requirements.

Proposed amendments will:

- (1) add language to define 'Faithful Attendance' as no more than 3 excused absences in a rolling 12 month period for Planning and Zoning Commission members (Chapter 2)
- (2) add language to define 'Faithful Attendance' as no more than 3 excused absences in a rolling 12 month period for Board of Adjustment members (Chapter 19)

Amending the above referenced sections of the Code of Ordinances will bring the Code in compliance with the policy that Council amended at its January meeting.

Mayor Bloszinsky opened the public hearing for comments at 5:30pm.

No one signed up to speak.

Mayor Bloszinsky closed the public hearing.

MOTION- MPT Heglur made a motion to adjourn at 5:32 pm

SECOND-Commissioner Oliver

VOTE- Unanimous

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.



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

The Kure Beach Town Council held its regular meeting on Monday, February 18th, 2019 beginning at 6:00 pm. There was a quorum of Council and the Town Attorney was present.

COUNCIL MEMBERS PRESENT

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

COUNCIL MEMBERS ABSENT

None

STAFF PRESENT

Town Clerk – Nancy Avery
Finance Officer (FO) – Arlen Copenhaver
Building Inspector – John Batson
Police Chief – Mike Bowden
Recreation Director – Nikki Keely
Fire Department – Ed Kennedy

Mayor Bloszinsky called the meeting to order at 6:00 pm. Reverend Williams gave the invocation and led in the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA ITEMS

1. Funding for Carolina Beach inlet dredging for FY19/20 in amount of approximately \$1,100
2. Approve closing Atlantic Avenue to public vehicle traffic between K and L Avenues from early morning hours through 7 pm on Saturday, April 27, 2019 and allow for participation of food trucks and art, craft, and food vendors during the annual Street Festival
3. Minutes:
 - January 28, 2019 Regular
 - February 1, 2019 Retreat

MOTION- MPT Heglar made a motion to approve the consent agenda

SECOND- Commissioner Whitley

VOTE- Unanimous



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

ADOPTION OF THE AGENDA

MOTION- Commissioner Oliver made a motion to adopt the agenda

SECOND- MPT Heglar

VOTE- Unanimous

DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Board of Adjustment

- Interview Connie Mearkle to fill Board of Adjustment alternate position

Council Interview Questions to Connie Mearkle:

1. Can you tell us what you think the Board of Adjustment does?
2. What is your view on what is acceptable as a variance?
3. Would you be able to tell Council they're wrong?
4. Would you have a problem telling a citizen that the Town is not going to grant their variance?

Connie Mearkle answered she believes the Board of Adjustment is for when residents have applied for permits that have been denied by the Building Inspector they can bring it to the BOA to appeal. The board will determine if their request is reasonable and if it meets the guidelines. She doesn't prefer things being in setbacks and her view on variances is that you need a really good reason for it to be approved. She prefers to follow the ordinances and stated she would have no problem telling Council they're wrong. She has served on the board for her neighborhood HOA and has had to deny citizens/ neighbors requests in the past.

Mayor Bloszinsky stated the Town looks at the intent of the ordinance and what the ordinance is attempting to do. Unless the ordinance is incorrect or there are other circumstances that need consideration. Generally the Town always goes back to what the intent of the ordinance is.

MOTION- MPT Heglar made a motion to appoint Connie Mearkle as an Alternate for the Board of Adjustment

SECOND- Commissioner Whitley

VOTE- Unanimous

2. Community Center Committee

Recreation Director Keely stated the Community Center will be hosting a yard sale on March 9th.



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

3. Shoreline Access and Beach Protection Committee (SLABP)

- Beach access signs for remaining access without signage \$2,525
- Beach booster program

SLABP Chairman Dennis Panicali stated:

- Proposing new signs for this year
- Similar to the signs last year at each of the parking lots
- 8 new beach access signs
- Same content and font sizes but modified to make signs a little taller and narrower
- Using 4 by 4 posts this year so they will fit more appropriately next to the wooden walkways
- \$229 per sign and the total cost with tax is \$2,525
- Doesn't include the post, the hardware or Public Works time
- The signs should be less expensive than in the past since the Town used 6 by 6 posts
- Old signs will stay up at the parking lots

MOTION- MPT Heglar made a motion to approve the beach access signs for remaining accesses without signage costing \$2,525

SECOND- Commissioner Whitley

VOTE- Unanimous

Beach Booster Program

Ed White stated:

- For the back of the signs we thought we could open up a sponsorship to offset costs for the future
- 12 sign locations
- Help support the Beach Ambassador program
- Remind visitors and residents to keep the beach clean and safe
- Sponsorship would be on the back of the sign for people to see when coming off the beach
- Open to Kure Beach businesses or local residents
- Restrict to not allow anything political on the signs
- Layout and wording would be subject to first the committee and then through Council
- Allow HOAs and memorial signs as long as they pay the fee
- \$250 for first year but the renewal each year would be \$100
- May offer discount for 3 years or more
- The pay structure can be adjusted



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

Commissioner Oliver stated the Town needs to make sure the signs don't have anything offensive. Certain advertisements wouldn't be allowed such as alcohol or religious items.

Mayor Bloszinsky stated all signs would be approved by Council.

(FO) Arlen Copenhaver asked who is going to bill and collect the money from the individuals or businesses.

Committee member Ed White stated the SLABP Committee would take care of it.

Commissioner Oliver stated we need to have a letter from the Mayor stating this is a Town program.

MPT Heglar commented we need to write a policy if we're going to have this program. He doesn't prefer ads but understands it. He is concerned some citizens won't like the signs but does think the back of the sign coming off the beach is a great place for it to be advertised.

Mayor Bloszinsky stated we could have more discussion at the naming committee and discuss it in detail.

CONSENSUS- Naming Committee to bring recommendation by March Council meeting regarding the Beach booster program.

DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Finance Department

Financing of water meter replacement project

- Approve Capital Project Ordinance in amount of \$1.4 million
- Approve Resolution R19-01 Notice of Intent to finance a capital project to replace water meters at a cost not to exceed \$1.4 million
- Schedule Public Hearing on Notice of Intent to finance as first order of business at the March 18, 2019 Council meeting
- Approve Resolution R19-02 declaration of official intent to reimburse



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

(FO) Arlen Copenhaver stated:

- Looking to replace water meters throughout Town
- Received first estimate from engineering services of 1.25 million
- Since this is a multiple year fiscal project need to adopt a Capital Project budget Ordinance
- Breakdown of expenses is the Engineering construction and administrative cost of \$31,500
- Actual purchase and installation of the water meters and all related software is a little over 1.2 million dollars
- Factored in a contingency of about \$155,000 because until we receive the bids back we don't know the exact price of the project
- Revenue source is a bank loan not to exceed 1.4 million dollars
- Need approval of the local governing commission because of the amount of loan so need to approve the Resolution R19-01

Mayor Bloszinsky stated the Town has discussed this project for a while and these meters need to be replaced.

MOTION- MPT Heglar made a motion to Approve Capital Project Ordinance in amount of \$1.4 million

SECOND- Commissioner Oliver

VOTE- Unanimous

MOTION- Commissioner Oliver made a motion to approve Resolution R19-01 Notice of Intent to finance a capital project to replace water meters at a cost not to exceed \$1.4 million

SECOND- MPT Heglar

VOTE- Unanimous

MOTION- MPT Heglar made a motion to schedule Public Hearing on Notice of Intent to finance as first order of business at the March 18, 2019 Council meeting starting at 5:30 pm

SECOND- Commissioner Whitley

VOTE- Unanimous

MOTION- MPT Heglar made a motion to approve Resolution R19-02 declaration of official intent to reimburse

SECOND- Commissioner Whitley

VOTE- Unanimous



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

2. Fire Department

Fire Chief Kennedy stated:

- Gym equipment has arrived
- One full time staff vacancy
- Already starting advertising and hope to have the vacancy filled by April 1st
- Department will be doing flow testing whole month of March
- 3 or 4 property owners who may have a bush obstructing from tests but it's an easy fix
- Advertise 1st of March for beach staff
- 60-70% return rate on beach staff

3. Recreation Department

Recreation Director Keely commented:

- Reminder the Polar Plunge is this coming Saturday
- 5k run, Silent auctions and full band
- Road closures will be at Atlantic Ave and N Ave

Police Chief Bowden stated the Police department has extra personnel on staff for the event.

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Town Facility Construction Project Status Update

- Moving date of March 11th and closing of Town Hall services for move

Commissioner Oliver stated:

- Town Hall is just about complete
- Contractor working diligently on the Police department to get it finished
- Monday, March 11th is the day it gets turned over to the Town
- Advises closing Town Hall for the week to pack, move and unpack and get computers back up
- Police will be operative
- Water balances is the biggest issue but it will be the week they read the meters
- Learned a few things with Fire Department move so need a few more days to make it manageable



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

Mayor Bloszinsky stated we need to put in the newspaper, on the Town website, and include in the voicemail greeting.

Motion- Commissioner Oliver made a motion to close Town Hall for the week of March 11th to move into the new Town Hall Facilities

Second- Commissioner Whitley

VOTE- Unanimous

2. Language for plaque to dedication of new buildings to the citizens

Mayor Bloszinsky stated:

- Rough estimate
- Not going to list the Mayor or the Council members
- Instead go with a plaque dedicated to the tax payers and Town staff

Commissioner Ellen commented he doesn't like the words tax payer. Not everyone who lives in Kure Beach pay taxes. He is in favor of a shorter and to the point plaque.

MPT Heglar stated residents and property owners would be a better option.

Commissioner Oliver commented don't we need to include the construction company on the plaque. He prefers dedicated to the citizens of Kure Beach.

Mayor Bloszinsky stated he will modify the wordage of the plaque with the information he has received and will send it out for comment to Council. He thinks the plaque should go inside the building on the entrance wall.

Commissioner Oliver stated he thought they would all go on the pedestals in the landscaping as previously discussed.

MPT Heglar stated this is what was shown at the last Council meeting to have the old and new plaques on pedestals.

Deputy Town Clerk Sanders commented she is concerned about the structure of the walls to hold up a plaque of that size in the entrance area.

CONSENSUS- To place the Town Hall plaques outside the front of the building on pedestals



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

3. Possible amendment to Section H of the Committee Policy regarding damage assessment and emergency management members to ensure no restriction on who may serve to help the community

MPT Heglar stated:

- This is a community service issue
- Doesn't want to limit anyone with helping Building Inspector Batson during or after a storm
- Agrees with the recommendation received from Town Clerk Avery on the new policy wording

MOTION- MPT Heglar made a motion to amend Section H of the Committee Policy regarding damage assessment and emergency management members to ensure no restriction on who may serve to help the community

SECOND- Commissioner Whitley

VOTE- Unanimous

4. Dedication Ceremony

- Schedule a date for the ceremony
- Discuss ceremony budget funds

Commissioner Ellen stated:

- Planning is going great
- Asking Council for a consensus to schedule the dedication ceremony for Saturday, May 11th
- Open house for all buildings
- Start the ceremony in the Council room and then dedicate the Fire Station
- Provide pastries and coffee
- Asking for a \$2000 budget

Mayor Bloszinsky commented the ad-hoc committee does need to have a budget so they don't have to keep coming back to Council with each item. He thinks with the invitations and plaques the committee should start with a budget of \$3,200. If more is needed the Ad-hoc committee can come back to Council.

MOTION- MPT Heglar made a motion to schedule the dedication ceremony for Saturday, May 11th with a budget of \$3,200

SECOND- Commissioner Whitley

VOTE-Unanimous



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

(FO) Arlen Copenhaver to submit budget amendment transferring from contingency at March Council meeting.

5. Draft amendment to Code of Ordinances defining 'Faithful Attendance'
 - Part II (Code), Chap 2 (Admin), Article III (Boards, Commissions & Committees), Section 42 (Terms, Removal & Vacancies), Subsection d adds language to define 'Faithful Attendance' as no more than 3 excused absences in a rolling 12 month period for Planning and Zoning Commission members

MOTION- MPT Heglar made a motion to amend Part II (Code), Chap 2 (Admin), Article III (Boards, Commissions & Committees), Section 42 (Terms, Removal & Vacancies), Subsection d adds language to define faithful attendance as no more than 3 excused absences in a rolling 12 month period for Planning and Zoning Commission members

SECOND- Commissioner Oliver

VOTE- Unanimous

6. Draft amendment to Code of Ordinances defining 'faithful attendance'
 - Chapter 19 (Zoning), Article II (Removal and Filling of Office), Section 45 adds language to define 'Faithful Attendance' as no more than 3 excused absences in a rolling 12 month period for Board of Adjustment members

MOTION- MPT Heglar made a motion to amend Chapter 19 (Zoning), Article II (Removal and Filling of Office), Section 45 adds language to define 'Faithful Attendance' as no more than 3 excused absences in a rolling 12 month period for Board of Adjustment members

SECOND- Commissioner Whitley

VOTE- Unanimous

DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Encroachment request from Jeff and Gretchen Casterella, 834 N FFB
Gretchen Castella resident of 834 N FFB stated:

- Currently renting
- Moved from Colorado
- Submitted plans to build a duplex to Building Inspector Batson
- Asking Council to approve a 15 foot encroachment
- Construction of the home hasn't started
- In the packet on last page shows a sketch of the property
- Shows the proposed pool encroachment
- Reviewed a few of the prior encroachments
- 4 other similar properties have been approved



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

- 109 foot footprint which is less than the average of the other properties
- Enough parking designed with 7 parking spots

Building Inspector Batson stated this property is not nearly as hurt like the ones on SeaWatch. The total footprint on those properties were 70ft and the Castrella property has 90ft.

MPT Heglar asked Building Inspector Batson does this encroachment stick out any further than the other pools along the building line.

Building Inspector Batson stated no this one does not. The only difference is the ones that Council has approved in the past had a footprint of 70 feet but this one before Council has a building footprint of 90 feet.

MOTION- MPT Heglar motioned to approve the 15 foot encroachment into the beach nourishment easement request from Jeff and Gretchen Casterella located at 834 N FFB contingent on review and approval of encroachment agreement by Town Attorney

SECOND- Commissioner Ellen

VOTE- Unanimous

MAYOR UPDATES

Mayor Bloszinsky stated:

The new parking spaces would be at the following locations:

6th Avenue - K through I Avenue

- No parking within 30 feet of any corners
- Diagonal parking on each side of the tree line
 - From K to J about 30 places on each side
 - From J to I about 30 places on each side.
- No spaces between I to H (median too soft)
- Total 120 bumpers/spaces

I Avenue – between 4th and 6th Avenues

- No parking within 30 feet of any corners
- Diagonal parking on each side of median
- 4th to 5th – add 12 diagonal spaces diagonal on each side
- 5th to 6th – add 12 spaces diagonal parking each side
- FF to 3rd already has 23 spaces with bumpers
- Total 48 bumpers/spaces

E Avenue – between 3rd and 4th

- No parking within 30 feet of corners



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

- Add 11 positions alternating 5 on one side and 6 on the other.
- Total 11 bumpers/spaces

Ocean Dunes Public Access at Surfrider Court

- 50 foot limit on each side of walkway
- Add 5 diagonal spaces on both sides of access to back out into Fort Fisher northbound lane to avoid backing out across traffic.
- Total 10 bumpers/spaces

TOTAL BUMPERS/SPACES 189

MPT Heglar stated the Town shouldn't strand a beach access and that is what the Town is doing on Stormy Petrel. The Town needs to be able to say they provide as many beach access parking spots as possible. He recommends at least putting one parking spot at Stormy Petrel.

MOTION- MPT Heglar made a motion to direct the Public Works Department to install 189 new parking spaces and bumpers on E, I and 6th Avenues and at Fort Fisher Boulevard and Surfrider in front of Ocean Dunes with a review of Stormy Petrel

SECOND- Commissioner Whitley

VOTE-Unanimous

COMMISSIONER ITEMS

1. Resolution opposing rate increase by NC Rate Bureau

Commissioner Ellen commented:

- Drafted resolution opposing the rate increase
- The NC rate Bureau filed a rate increase on December 21st 2018
- Average increase is 17.4 % across the state
- Discuss as a Council to take an official position of adopting a resolution
- Encourage people of the Town to submit written comments and concerns to the Department of Insurance
- Or go to the Public Hearing in Raleigh on March 26th to discuss this issue in person

MOTION- Commissioner Ellen made a motion to approve Resolution R19-03 on the rate increase by NC Rate Bureau

SECOND- MPT Heglar

VOTE-Unanimous



TOWN COUNCIL MINUTES

REGULAR MEETING

February 18, 2019 @ 6:00 p.m.

2. Drainage Walkthrough

Commissioner Whitley stated:

- Walked every foot of the drainage lines to see if there were any problems with blockage on the land of the Military Operations Terminal at Sunny Point
- Started at the water tower and went all the way back to Dow Rd
- Town Council is asking MOTSU for permission to do these walks twice a year

MOTION - MPT Heglar made a motion to go into closed session at 7:43pm (as per NCGS 143-318.11(a)(3) for consultation with the attorney.

SECOND- Commissioner Oliver

VOTE- Unanimous

MOTION- Commissioner Whitley made a motion to return to open session at 7:52 pm

SECOND- Commissioner Ellen

VOTE- Unanimous

MPT Heglar stated Town Council discussed in closed session a request from a storm water system owner to assist in the damages from Hurricane Florence. After reviewing all the information, the Town has a significant amount of storm water that goes through this system so the Town Council has decided to assist Ocean Dunes with the repairs.

MOTION- MPT made a motion to approve payment of \$32,500 from storm water fund to Ocean Dunes HOA for storm water repairs needed after Hurricane Florence to handle Town storm water that flows through their pipes to ocean outfalls pipe

SECOND- Commissioner Whitley

VOTE-Unanimous

MOTION- Commissioner Ellen motioned to adjourn the Council meeting at 7:55 pm.

SECOND- Commissioner Whitley

VOTE- Unanimous

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.

DEPARTMENT REPORTS

**TOWN OF KURE BEACH
REVENUE AND EXPENDITURE SUMMARY
JULY 1, 2018 TO MARCH 4, 2019**

	REVENUES				EXPENDITURES				
	2019 Initial Bud.	2019 Amend. Bud.	Actual 3/4/2019	% Collected	2019 Initial Bud.	2019 Amend. Bud.	Actual 3/4/2019	% Spent	
GENERAL FUND					GENERAL FUND				
Property Taxes (Cur. & PY)	\$ 2,920,300	\$ 2,920,300	\$ 2,837,839	97.2%	Governing Body	\$ 38,994	\$ 38,994	\$ 28,867	74.0%
Local Option Sales Tax	\$ 886,000	\$ 886,000	\$ 627,531	70.8%	Committees	\$ 100,115	\$ 100,115	\$ 84,217	84.1%
Garbage & Recycling	\$ 493,580	\$ 493,580	\$ 327,099	66.3%	Finance	\$ 157,937	\$ 157,937	\$ 128,267	81.2%
TDA Funds	\$ 235,000	\$ 235,000	\$ 22,343	9.5%	Administration	\$ 629,908	\$ 629,908	\$ 385,652	61.2%
Franchise & Utility Tax	\$ 225,000	\$ 225,000	\$ 122,178	54.3%	Community Center	\$ 23,300	\$ 23,300	\$ 12,750	54.7%
Communication Tower Rent	\$ 81,924	\$ 81,924	\$ 56,390	68.8%	Emergency Mgmt./Elections	\$ 1,100	\$ 1,100	\$ 6	0.5%
CAMA Grants - Beach Access Paving	\$ 78,523	\$ 78,523	\$ -	0.0%	Tax Collections	\$ 28,800	\$ 28,800	\$ 22,785	79.1%
Bldg. Permit & Fire Inspect. Fees	\$ 74,050	\$ 74,050	\$ 64,565	87.2%	Legal	\$ 29,850	\$ 29,850	\$ 14,386	48.2%
Sales Tax Refund	\$ 59,000	\$ 59,000	\$ 71,533	121.2%	Police Department	\$ 1,372,757	\$ 1,372,757	\$ 951,267	69.3%
Com Ctr/Parks & Rec/St Festival	\$ 20,700	\$ 20,700	\$ 9,108	44.0%	Fire Department	\$ 740,482	\$ 740,482	\$ 491,430	66.4%
Town Facility Rentals	\$ 18,000	\$ 18,000	\$ 12,695	70.5%	Lifeguards	\$ 200,088	\$ 200,088	\$ 97,028	48.5%
ABC Revenue	\$ 15,900	\$ 15,900	\$ 19,392	122.0%	Parks & Recreation	\$ 187,268	\$ 187,268	\$ 100,367	53.6%
Motor Vehicle License Tax/Decals	\$ 14,250	\$ 14,250	\$ 20,834	146.2%	Bldg Inspection/Code Enforcement	\$ 139,165	\$ 139,165	\$ 88,427	63.5%
OFF - Bluefish Purchases	\$ 14,000	\$ 14,000	\$ 10,605	75.8%	Streets & Sanitation	\$ 902,561	\$ 982,561	\$ 733,491	74.7%
Beer & Wine Tax	\$ 9,300	\$ 9,300	\$ -	0.0%	Debt Service	\$ 708,050	\$ 708,050	\$ 484,018	68.4%
All Other Revenues	\$ 19,505	\$ 19,505	\$ 209,561	1074.4%	Transfer to Other Funds	\$ 9,807	\$ 9,807	\$ 9,807	100.0%
Other Financing Sources	\$ 115,000	\$ 195,000	\$ 154,084	79.0%	Contingency	\$ 9,850	\$ 9,850	\$ -	0.0%
Total Revenues	\$ 5,280,032	\$ 5,360,032	\$ 4,565,757	85.2%	Total Expenses	\$ 5,280,032	\$ 5,360,032	\$ 3,632,765	67.8%
WATER & SEWER FUND					WATER & SEWER FUND				
Water Charges	\$ 840,650	\$ 840,650	\$ 561,368	66.8%	Governing Body	\$ 17,994	\$ 17,994	\$ 11,315	62.9%
Sewer Charges	\$ 1,174,500	\$ 1,174,500	\$ 822,061	70.0%	Legal	\$ 29,850	\$ 29,850	\$ 14,386	48.2%
Tap, Connect & Reconnect Fees	\$ 67,500	\$ 67,500	\$ 56,380	83.5%	Finance	\$ 197,817	\$ 197,817	\$ 132,726	67.1%
All Other Revenues	\$ 19,435	\$ 19,435	\$ 49,345	253.9%	Administration	\$ 317,187	\$ 317,187	\$ 207,425	65.4%
Other Financing Sources	\$ 100,000	\$ 100,000	\$ 39,571	39.6%	Operations	\$ 1,639,237	\$ 1,639,237	\$ 1,021,150	62.3%
Total Revenues	\$ 2,202,085	\$ 2,202,085	\$ 1,528,725	69.4%	Total Expenses	\$ 2,202,085	\$ 2,202,085	\$ 1,387,002	63.0%
STORM WATER FUND					STORM WATER FUND				
Total Revenues	\$ 358,380	\$ 358,380	\$ 383,752	107.1%	Total Expenses	\$ 358,380	\$ 358,380	\$ 329,214	91.9%
POWELL BILL FUND					POWELL BILL FUND				
Total Revenues	\$ 175,000	\$ 175,000	\$ 65,730	37.6%	Total Expenses	\$ 175,000	\$ 175,000	\$ 13,084	7.5%
SEWER EXPANSION RESERVE FUND (SERF)					SEWER EXPANSION RESERVE FUND (SERF)				
Total Revenues	\$ 16,250	\$ 16,250	\$ 12,003	73.9%	Total Expenses	\$ 16,250	\$ 16,250	\$ -	0.0%
BEACH PROTECTION FUND					BEACH PROTECTION FUND				
Total Revenues	\$ 13,397	\$ 13,397	\$ 13,142	98.1%	Total Expenses	\$ 13,397	\$ 13,397	\$ -	0.0%
FEDERAL ASSET FORFEITURE FUND					FEDERAL ASSET FORFEITURE FUND				
Total Revenues	\$ 50,000	\$ 50,000	\$ -	0.0%	Total Expenses	\$ 50,000	\$ 50,000	\$ 31,532	63.1%

**TOWN OF KURE BEACH
CASH AND INVESTMENTS
AS OF FEBRUARY 28, 2019**

<u>FUND</u>	<u>CASH IN BANK</u>	<u>INVESTMENTS</u>	<u>TOTAL CASH & INVESTMENTS</u>
General	\$3,343,464	\$350,248	\$3,693,712
Water/Sewer	\$1,493,697	\$599,258	\$2,092,955
Storm Water	\$226,447	\$246,229	\$472,676
SERF	\$47,882	\$123,994	\$171,876
Powell Bill	\$319,065	\$71,233	\$390,298
Beach Protection	\$42,897	\$306,680	\$349,577
Federal Asset Forfeiture	\$143,902	\$0	\$143,902
Capital Project Funds	\$340,020	\$0	\$340,020
TOTAL	<u>\$5,957,374</u>	<u>\$1,697,642</u>	<u>\$7,655,016</u>

<u>INSTITUTION</u>		
BB&T	\$5,957,374	\$0
First Bank - Certificates of Deposit	\$0	\$666,598
NCCMT Term Portfolio	\$0	\$554,994
NCCMT Governmental Portfolio	\$0	\$476,050
TOTAL	<u>\$5,957,374</u>	<u>\$1,697,642</u>

TOWN OF KURE BEACH
SUMMARY OF CONTINGENCY FUND AND COMMITTEE
EXPENDITURE ACTIVITY
07/01/2018 - 03/04/2019

CONTINGENCY FUND

Fiscal Year 2019 Budget	\$9,850.00
Less:	
No activity	<u>\$0.00</u>
Remaining Budget as of 03/04/2019	<u><u>\$9,850.00</u></u>

COMMITTEE (Shoreline Access and Beach Protection) EXPENDITURES

Fiscal Year 2019 Budget	\$100,115.00
Less Expenditures:	
E & I Ave. Beach Access Parking Project - Capital Project	\$83,894.84
Beach Brochures	<u>\$321.98</u>
Total Expenditures	\$84,216.82
Projects Approved By Council But Not Yet Expended:	
Beach Access Signs	<u>\$2,525.00</u>
Total Approved, Not Expended	<u><u>\$2,525.00</u></u>
Remaining Budget as of 03/04/2019	<u><u>\$13,373.18</u></u>

**TOWN OF KURE BEACH
DEBT LISTING
MARCH 18, 2019**

LOAN PURPOSE/DESCRIPTION	FUND	LENDER	DATE OF LOAN	AMOUNT FINANCED	INTEREST RATE	LOAN TERM (YRS)	DATE PAID OFF	BALANCE AT 03/18/19	PAYMENT FREQUENCY	PAYMENT AMOUNT	NEXT PAY DATE	INT. EXPENSE LIFE OF LOAN
Fire Station/Town Hall Project (a)	G, W/S	BB&T	12/11/2017	\$5,000,000	2.58%	15	12/11/2032	\$4,666,666.66	Semi-annual	\$226,866.67	6/11/2019	\$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	\$204,117.68	Annual	\$29,372.53	7/12/2019	\$137,099.64
Ocean Front Park (acquisition)	G	BB&T	12/19/2007	\$3,600,000	4.28%	20	12/19/2027	\$584,134.69	Annual	\$89,904.82	12/19/2019	\$690,135.16
Kure Beach Pump Station #1	W/S	1st Bank	6/28/2017	\$475,000	2.11%	10	6/28/2027	\$410,043.04	Semi-annual	\$26,507.64	6/28/2019	\$55,152.80
334 S. 4th, 402 H & 406 H Ave.	G	BB&T	3/12/2015	\$409,471	2.49%	10	3/12/2025	\$245,682.67	Annual	\$47,064.62	3/12/2020	\$56,077.07
Street Sweeper & Dump Truck (c)	G, SW	BB&T	10/30/2018	\$233,412	3.26%	5	10/30/2023	\$233,412.00	Annual	\$51,345.54	10/30/2019	\$23,315.68
2018 GMC Sierra 2500	W/S	BB&T	8/23/2018	\$39,571	3.68%	4	8/23/2022	\$39,571.00	Annual	\$10,819.32	8/23/2019	\$3,706.28
Water Tower & Well House & Town Hall Expansion (d)	G, W/S	BB&T	4/11/2007	\$1,187,187	3.92%	15	5/7/2022	\$341,707.18	Semi-annual	\$52,716.71	5/7/2019	\$394,314.33
2016 John Deere Backhoe (e)	W/S, SW	BB&T	11/9/2016	\$105,273	1.87%	5	11/9/2021	\$64,330.24	Annual	\$22,250.35	11/9/2019	\$5,978.75
2018 Police Dodge Durango	G	1st Bank	10/19/2017	\$31,668	1.95%	4	10/19/2021	\$23,978.85	Annual	\$8,312.14	10/19/2019	\$1,558.73
2017 Freightliner Garbage Truck	G	1st Bank	8/23/2016	\$179,756	1.70%	5	8/23/2021	\$109,666.34	Annual	\$38,303.62	8/23/2019	\$9,270.57
Compact Excavator (e)	W/S, SW	1st Bank	7/28/2017	\$63,915	1.80%	4	7/28/2021	\$48,361.26	Annual	\$16,714.37	7/28/2019	\$2,901.83
(2) 2016 Police Dodge Chargers	G	1st Bank	11/9/2016	\$63,500	1.60%	4	11/9/2020	\$32,253.94	Annual	\$16,524.00	11/9/2019	\$2,560.16
O'Brien 7065 HydroJetter (e)	W/S, SW	1st Bank	8/13/2015	\$81,485	1.70%	5	8/13/2020	\$33,420.33	Annual	\$17,149.28	8/13/2019	\$4,202.44
2016 Chevrolet Silverado	G	1st Bank	7/26/2016	\$36,867	1.60%	4	7/26/2020	\$18,726.07	Annual	\$9,593.55	7/26/2019	\$1,486.39
Cutter Court Drainage Project	SW	B of A	7/23/2005	\$875,000	4.40%	15	6/23/2020	\$97,233.74	Monthly	\$6,677.76	4/23/2019	\$326,995.49
FY 2016 Equipment & Vehicles (f)	G, W/S	BB&T	9/14/2015	\$186,000	2.01%	4	9/14/2019	\$47,897.14	Annual	\$48,859.87	9/14/2019	\$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

FUND CODES

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

TOTAL OUTSTANDING DEBT AT 03/18/2019:

General Fund	\$ 5,593,522.71
Water/Sewer Fund	\$ 1,497,184.38
Storm Water Fund	\$ 249,649.74
Total	<u>\$ 7,340,356.83</u>

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) - 66% of loan is General Fund and 34% is Storm Water Fund.
(d) - 78% of loan is Water/Sewer Fund and 22% is General Fund.
(e) - 50% of loan is Water/Sewer Fund and 50% is Storm Water Fund.
(f) - 55.5% of loan is General Fund and 44.5% is Water/Sewer Fund.

LOAN PAYMENTS DUE (Next 12 Months):

03/19/2019 - 06/30/2019	\$ 349,438.85
07/01/2019 - 09/30/2019	\$ 190,845.82
10/01/2019 - 12/31/2019	\$ 512,311.15
01/01/2020 - 03/18/2020	\$ 67,097.90
Total	<u>\$ 1,119,693.72</u>

**TOWN HALL RENOVATION AND NEW FIRE STATION
CAPITAL PROJECT FUND SUMMARY
AS OF 03/04/2019**

	<u>APPROVED BUDGET</u>	<u>ACTUAL AS OF 03/04/19</u>	<u>% OF BUDGET</u>
<u>EXPENDITURES</u>			
<u>ARCHITECT</u>			
Oakley Collier Architects	<u>\$415,257</u>	<u>\$415,362.62</u>	100.0%
<u>OTHER PROJECT COSTS</u>			
Surveys	\$6,500	\$4,475.00	68.8%
Legal Fees	\$25,000	\$23,943.33	95.8%
LGC Loan Application Fee	\$1,250	\$1,250.00	100.0%
Bank Loan Fees	\$2,900	\$2,900.00	100.0%
Special Inspections	\$16,000	\$13,141.76	82.1%
Other	<u>\$500</u>	<u>\$150.00</u>	30.0%
Total Other Project Costs	<u>\$52,150</u>	<u>\$45,860.09</u>	87.9%
<u>PROJECT MANAGEMENT COSTS</u>			
Constructive Building Solutions	<u>\$100,000</u>	<u>\$77,819.94</u>	77.8%
<u>CONSTRUCTION</u>			
Town Hall	\$2,448,843	\$2,069,577.88	84.5%
Fire Station	<u>\$2,177,809</u>	<u>\$2,144,677.47</u>	98.5%
Total Construction Costs	<u>\$4,626,652</u>	<u>\$4,214,255.35</u>	91.1%
<u>FURNITURE & FIXTURES</u>			
Town Hall	\$47,500	\$19,567.60	41.2%
Fire Station	<u>\$89,400</u>	<u>\$85,809.94</u>	96.0%
Total Furniture & Fixtures	<u>\$136,900</u>	<u>\$105,377.54</u>	77.0%
<u>GRAND TOTAL EXPENDITURES</u>	<u>\$5,330,959</u>	<u>\$4,858,675.54</u>	91.1%
<u>PROJECT REVENUE SOURCES</u>			
Transfer From General Fund	\$330,959	\$330,959.00	100.0%
Installment Financing	\$5,000,000	\$5,000,000.00	100.0%
Interest on Project Fund Bank Account	<u>\$0</u>	<u>\$348.01</u>	
<u>GRAND TOTAL PROJECT REVENUE SOURCES</u>	<u>\$5,330,959</u>	<u>\$5,331,307.01</u>	100.0%

Police Activity Reports for February – 2019

- Page 1 Activity Log Event Summary Totals**
- Page 2 Arrest Status/Disposition Totals by Offense**
- Page 3 Citation Totals by Charge**
- Page 4 Civil Papers Summary Totals**
- Page 5 Criminal Papers Summary Totals**
- Page 6 Incident Status/Disposition Totals by Offense**
- Page 7 Chief's Notes**

Activity Log Event Summary (Totals)

Kure Beach Police Department

(02/01/2019 - 02/28/2019)

911 Hangup	3	Alarm Activation	11
Animal Complaint	3	Assist Other Agency - Fire	1
Assist Other Agency - Law Enforcement	16	Assist Other Agency - Medical	13
BOLO	1	Civil Matter	1
Civil Ordinance Complaint	1	Dispute	3
Found Property / Other	1	Information	8
Intoxicated Subject	2	Lost or Found Property	1
Narcotics	1	Noise Complaint	2
Open Door	3	Parking Complaint	3
Process Service / Attempt	1	Property Damage - No Report	2
Residence Check	1	Security Check	1
Suspicious Person/Vehicle	9	Trespassing	1
Vehicle Stop	2		

Total Number Of Events: 91

Arrest Status/Disposition Totals by Offense

Kure Beach Police Department

(02/01/2019 - 02/28/2019)

Offense:	Further Invest.:	Inactive:	Closed/Cleared:	Arrest/No Supp.:	Arrest/No Invest.:	Felony:	Misd.:	Juvenile:	Adult:	Offense:
1810 - Drug Violations	0	0	4	2	2	3	1	0	4	4
2640 - Contempt of Court, Perjury, Court Violations	0	0	2	2	0	0	2	0	2	2
2660 - Parole & Probation Violations	0	0	1	1	0	0	1	0	1	1
2670 - Trespassing	0	0	1	1	0	0	1	0	1	1
2690 - All Other Offenses	0	0	2	1	1	0	2	0	2	2
Totals:	0	0	10	7	3	3	7	0	10	10

Citation Totals by Charge

Kure Beach Police Department

(02/01/2019 - 02/28/2019)

Charge:	Number of Charges:
Speeding (Misdemeanor)	1
Speeding (Infraction)	3
No Operator License	1
Driving While License Revoked	1
Expired Registration	1
Other (Misdemeanor)	2
Other (Infraction)	1
Other (2nd Charge - Misdemeanor)	1
Other (2nd Charge - Infraction)	3
Total:	14

Civil Papers Summary Totals (by Paper Type)

Kure Beach Police Department

(02/01/2019 - 02/28/2019)

Type of Civil Paper:	Total Served:	Total Returned:	Total Ret. to Clerk:	Total Issued:	Total Issued Outstanding:
Subpoena	0	0	0	1	0
Totals:	0	0	0	1	0

Incident Status/Disposition Totals (With Percentages) by Offense

Kure Beach Police Department

(02/01/2019 - 02/28/2019)

Primary Offense:	Total Reported:	Total Unfounded:	Actual Incidents:	% Unfounded:	Cleared Arrest:	Cleared Other:	% Cleared:	Active:	% Active:	Inactive:	% Inactive:
0510 - Burglary - Forcible Entry	1	0	1	0%	0	0	0%	1	100%	0	0%
0520 - Burglary - Non-Forced Entry	1	0	1	0%	0	0	0%	1	100%	0	0%
1400 - Criminal Damage to Property (Vandalism)	1	0	1	0%	0	0	0%	1	100%	0	0%
1810 - Drug Violations	2	0	2	0%	1	0	50.0%	1	50.0%	0	0%
9910 - Calls for Service	1	0	1	0%	0	0	0%	1	100%	0	0%
Totals:	6	0	6	0%	1	0	16.7%	5	83.3%	0	0%

Chief's Notes

Self Initiated Police Services:

- Business Security Checks
- Home Security Checks
- Open Doors
- Senior Welfare Checks

Training and Other Activity:

Respectfully yours,

Michael P. Bowden
Chief of Police