



# TOWN COUNCIL MINUTES

## REGULAR MEETING

**MARCH 18, 2014 @ 6:30 PM**

The Kure Beach Town Council held their regular Council meeting on Tuesday, March 18, 2014. Town Attorney Canoutas was in attendance and a quorum of Council was present

### COUNCIL MEMBERS PRESENT

Mayor Dean Lambeth  
Mayor Pro Tem Craig Bloszinsky  
Commissioner Emilie Swearingen  
Commissioner David Heglar

### COUNCIL MEMBERS ABSENT

Commissioner Steve Pagley

### STAFF PRESENT

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

### CALL TO ORDER

Mayor Lambeth called the regular council meeting to order at 6:30 p.m. Eric Blahut delivered the invocation and Mayor Lambeth led everyone in the Pledge of Allegiance.

MOTION – Commissioner Heglar made the motion to excuse Commissioner Pagley from the meeting.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

### APPROVAL OF CONSENT AGENDA ITEMS

1. Budget amendment 14-03, transferring unbudgeted revenue received to Parks and Recreation in the amount of \$12,540.
2. Budget amendment 14-04, transferring unbudgeted revenue received from sale of surplus ATV to Ocean Rescue in the amount of \$2,500.
3. Fire Department Report – February 2014
4. Building Department Report – February 2014
5. Police Department Report – February 2014
6. YTD Finance Report
7. Approval of Meeting Minutes:
  - February 18, 2014 Regular Council
  - February 18, 2014 Closed Session
  - February 26, 2014 Special Meeting OFP
  - February 26, 2014 Closed Session OFP

MOTION – Commissioner Heglar made the motion to approve the Consent Agenda items as presented.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous



# TOWN COUNCIL MINUTES

**REGULAR MEETING**

**MARCH 18, 2014 @ 6:30 PM**

## ADOPTION OF THE AGENDA

Commissioner Heglar asked to add an item under New Business as item # 8 e 'Emergency preparedness plan' Mayor Lambeth asked to add an item under New Business as item #9 'request for lease on the southern most water tower'.

MOTION – Commissioner Heglar made the motion to adopt the amended meeting agenda to include the two new items under New Business.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

## DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

1. Paul Laird: Friends of Fort Fisher – Agency Funding Request

Mr. Laird stated:

- he is asking for funding support in the amount of \$5,000 on behalf of Friends of Fort Fisher Board of Directors for the state's official 150 year anniversary of the battlefield event to be held January 17-18, 2015
- January 14-16, 2015 there will be a Descendants Reunion event to bring additional visitors during the off season
- 12,000 – 15,000 visitors are expected for these events
- the board will also hold a private fundraiser event this spring
- he has submitted the Outside Funding Request to the Finance Officer

## DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Community Center Committee

Council liaison Mayor Pro Tem Bloszinsky stated:

- at the last meeting the committee discussed modifications to improve the look of the bathrooms and there was concern that the center was not in compliance with the Americans with Disability Act (ADA).
- Building Inspector Batson attended the meeting and confirmed the bathrooms were non compliant
- he thinks we should have the bathrooms looked at in detail to determine what needs to be done
- the ladies on the committee will be the consultants on work to beautify the bathrooms

CONSENSUS – the Building Inspector is to work with the Community Center committee to determine what is required and the cost and bring it back to Council.

2. Parks & Recreation Advisory Board

Chair Joan Van Ham submitted a written report to Council on upcoming events at the Ocean Front Park Pavilion. Said report is herein incorporated in these minutes.



# TOWN COUNCIL MINUTES

**REGULAR MEETING**

**MARCH 18, 2014 @ 6:30 PM**

## DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

### 1. Administration and Finance

#### a. Sewer Authority meeting update

Commissioner Heglar reviewed a memo prepared by the Finance Officer, stating:

- the Sewer Authority meeting went well
- FY 14 rates decreased by 14.76 cents from 68.38 cents to 53.62 cents
- reconciliation of previous year's payments resulted in Carolina Beach owing Kure Beach \$113,881.88

Arlen (Finance Officer) did a great job reviewing the data and catching the fact that past rates included the calculation of debt service after the loan maturity date

MOTION – Commissioner Heglar made the motion to adopt the FY15 rates as agreed on by the Authority, as follows:

- Variable Costs: 53.63 cents per 1,000 gallons
- Fixed Costs: \$11,250.33 per month
- Capital Recover \$3,746.25 per month

SECOND – Commissioner Swearingen

VOTE – Unanimous

Said memo is herein incorporated as part of these minutes.

#### b. Ocean Front Park (OFP) public restrooms hours of operation policy

Town Clerk Avery stated:

- complaints were received at the Parks & Recreation Advisory Board meeting from two business owners that the public restrooms at the OFP weren't open
- due to this, the restrooms opened March 11<sup>th</sup> instead of March 15<sup>th</sup>, as per the schedule
- she asked Council to review the current hours of operation and advise if the schedule should be changed

MOTION – Commissioner Heglar made the motion to table the discussion on the hours of operation of the public restrooms at the OFP as part of the budget discussion. Public Works Director Beeker is to bring cost to have restrooms open.

SECOND – Mayor Pro Tem Beeker

VOTE – Unanimous

#### c. Attorney for Planning & Zoning (P&Z) and Board of Adjustment (BOA)

Town Clerk Avery:

- stated the current attorney for P&Z and BOA, Holt Moore, gave notice that he is moving and can no longer serve
- the current budget is \$6,000 and to date \$3,400 has been spent
- this attorney has been used in the absence of the Town Attorney as needed.
- she asked Council how they would like to proceed with hiring another attorney



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MOTION – Commissioner Heglar made the motion to advertise and interview attorneys at the April or May Council meeting.

SECOND – Commissioner Swearingen

VOTE – Unanimous

d. Approval to install sign in business district

Town Clerk Avery:

- presented a design concept for a cross roads style informational and directional sign in the center median of the business district on K Avenue east of Fort Fisher Boulevard
- she stated the sign would also provide a venue for advertising events at the Ocean Front Park pavilion with a framed in area where events signs could be switched out
- the base of the sign would be an 8 in x 8 in pylon similar to what was used for the swings at the Ocean Front Park, with wooden cross board signs painted the colors of the businesses, such as aqua, pink, yellow and blue. Signage would be on a white background with blue lettering
- the requested Council approval to move forward with installing the sign

CONSENSUS – refer this to the Shoreline Access Beach Protection and Parking committee

## 2. Building Department

Building Inspector Batson stated:

- the process to get the CAMA permit to push sand up in the vicinity of the 600 to 1000 block of Fort Fisher Boulevard North has been started
- it is not a long process, but involved and he is not sure of the cost
- adjacent property owners must be notified by certified mail as part of the process
- he is asking Council's blessing to move forward.
- sand may only be pushed from high tide towards land

MOTION – Commissioner Heglar made the motion to authorize Building Inspector Batson to get the permit and specify a certain depth, such as 2 or 3 foot drop off to estimate the cost to fix.

SECOND – Commissioner Swearingen

VOTE – Unanimous

## 3. Fire Department

Commissioner Heglar said the first bricks are down for the expansion with an estimated 5-6 weeks to complete.

## 4. Public Works Department

Commissioner Swearingen stated:

- Public Works Director Beeker came to a Storm water and Environmental committee meeting months ago



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- they talked about the changes to the Clean Water Management Trust Fund grant funds
- her last contact with Director Beeker indicated the engineer was sending in a grant application
- thw is the status of the application (directed to Commissioner Heglar)

Commissioner Heglar said he would find out the status from Director Beeker.

Mayor Pro Tem Bloszinsky asked for an update on when the signs will go up at the beach entrances and where the cigarette butt containers will be. He also stated the Public Works Department did a fantastic job downtown and he appreciates the beautification.

## DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Adoption of resolution R14-01 requesting modification of disbursement of local occupancy tax

Mayor Lambeth:

- read resolution R14-01
- stated he has a meeting with Wilmington Mayor Bill Saffo tomorrow and all mayors will meet with Mayor Saffo this Friday. Mayor Saffo has hinted he is not in favor of the modification
- stated the bill will not be heard in short session, but in long session.
- said we need to turn around the money marketing gets because we need \$200,000 a year put into beach nourishment

MOTION- Commissioner Heglar made the motion to adopt resolution R14-01 as written.

SECOND – Mayor Pro Tem Bloszinsky

VOTE – Unanimous

Said resolution R14-01 is herein incorporated as part of these minutes.

## DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Request from Ports Waterway and Beach Commission for \$2,266.00 for Carolina Beach Inlet dredging

Mayor Pro Tem Bloszinsky stated:

- the Carolina Beach Inlet organization said the money for the last quarter of this fiscal year from March – June has been exhausted
- the Corps (of Engineers) needs to do one more dredging during this time
- \$206,000 is needed for maintenance
- the local communities have to come up with \$103,000 with our share at \$2,266
- this is in addition to next year's cost for \$4,950
- his opinion is we need to support the dredging
- thanks to Emilie's (Swearingen) initiation, we are paying a smaller percentage more in proportion to us than in previous requests



# TOWN COUNCIL MINUTES

**REGULAR MEETING**

**MARCH 18, 2014 @ 6:30 PM**

MOTION – Commissioner Heglar made the motion to transfer \$2,266 from the contingency fund to cover this and approve resolution R14-03 and budget amendment 14-05 authorizing this transfer.

SECOND – Commissioner Swearingen

VOTE - Unanimous

Said resolution R14-03 and budget amendment 14-05 are herein incorporated as part of these minutes.

2. Additional fencing at the Ocean Front Park (OFP) behind Bud and Joe's to the end of the electrical storage room

Mayor Lambeth stated:

- he has received complaints about people cutting through the back of the pavilion at the OFP

MOTION – Mayor Lambeth made the motion for Building Inspector Batson to spend up to \$4,500 to run a fence down the south side of the OFP property, dead ending past the door to the electrical storage area.

SECOND - Commissioner Heglar

VOTE - Unanimous

4. Reschedule start time for April 24<sup>th</sup> budget meeting from 8 am to 7 am to allow Council members to attend the 7<sup>th</sup> District Coastal Communities luncheon

Commissioner Swearingen stated she would like to attend the meeting referenced above and requested Council change the start time from 8 am to 7 am and set the end time for 9:30 am.

MOTION – Commissioner Heglar made the motion to move the budget session scheduled for April 24<sup>th</sup> to April 23<sup>rd</sup> at 8 am.

SECOND – Commissioner Swearingen

VOTE - Unanimous

5. Resolution 14-02, in support of the Cape Fear Public Transportation Authority project to replace sixteen transit buses over four years under the Federal TIGER funding program

Commissioner Swearingen stated:

- she hopes Council members read the information in their packet and the resolution
- it is pretty cut and dry
- she hopes Cape Fear Transit Authority will use one of the energy efficient buses for the island

MOTION – Commissioner Swearingen made the motion to approve resolution R14-02 as presented.





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SECOND – Commissioner Heglar  
VOTE - Unanimous

Said resolution is herein incorporated as part of these minutes.

6. Water Resources Congress conference held in DC in March report  
Mayor Lambeth stated:

- it was a good trip and we brought back \$5.4 million for our next beach nourishment for the plans and specifications study and construction
- he would like to send a letter of appreciation to the US Army Corp of Engineers

Commissioner Swearingen stated:

- the trip was good and bad
- we asked Layton (Bedsole) to get us meetings with other congress members that we don't usually see
- we met with Virginia Fox (US Congresswoman, 5<sup>th</sup> District) who said amendments to the flood insurance program (Biggert Waters Flood Insurance Reform Act of 2012) had passed the House and was going to the Senate. The Senate approved it the Thursday we left and it will now go the President for signature
- we went to see Patrick McHenry (US Congressman 10<sup>th</sup> District) who was absolutely opposed to helping anybody on flood insurance
- we also met with US Senator Burr and staff but didn't get a lot out of that office
- we were very pleased and surprised to find out US Senator Kay Hagan is working to help Carolina Beach extend their shore protection which the Corp (of Engineers) now calls 'storm damage reduction projects'
- we met with Walter Jones (US Congressman 3<sup>rd</sup> District) and staff who are also quite involved in all of this
- we had a very positive meeting with Colonel Baker of the US Army Corp of Engineers who pointed out that the Office of Management and Budget are into telling Congress what they can and cannot fund and will do everything they can to keep funding from the coastal areas

7. NC Coastal Local Government Meeting report

Mayor Pro Tem Bloszinsky stated:

- there was some redundancy between local meetings and this one
- topics covered local dollars and insurance
- it is always good to network with other leaders that have the same problems we do
- there were also some industry folks there that had interesting things to say

Mayor Lambeth said Coastal Area Management Authority (CAMA) Director Braxton Davis said they are continually working to make the process easier and there is power in numbers

BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2014

AMENDMENT DATE: 03/06/2014

Budget Amendment No.: 14-03

DESCRIPTION/PURPOSE OF AMENDMENT

The FY 2014 budget for Ocean Front Park (OFP) programs is being increased for payments relating to concerts/activities to occur at the OFP during May and June 2014. The revenue sources for this budget increase are unbudgeted Parks & Recreation related revenue (t-shirt sales, market fees, pavilion rental, bluefish sales), as well as TDA reimbursements received in excess of the original budget.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-532-40-00	Ocean Front Park Programs	\$12,540	
10-346-00-00	TDA Funds		\$1,638
10-386-01-00	Parks & Rec T-Shirt Sales		\$2,137
10-386-05-00	Kure Beach Market Fees		\$4,390
10-386-08-00	Ocean Front Park Pavilion Rental		\$2,125
10-386-20-00	Donations – OFP Boardwalk (Bluefish)		\$2,250

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: Nancy Avery, Town Clerk

Date: 03/06/14

Approved By: Arlen Copenhaver, Finance/Budget Officer

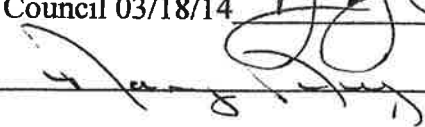
Date: 03/06/14

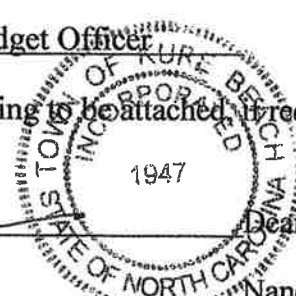
(Copies of actions/directives from Council Meetings to be attached if required as per NOTE above).

Approved by Council 03/18/14

  
Dean Lambeth, Mayor

ATTEST:

  
Nancy Avery, Town Clerk





BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2014

AMENDMENT DATE: 03/11/2014

Budget Amendment No.: 14-04

DESCRIPTION/PURPOSE OF AMENDMENT

The Fire Department/Ocean Rescue sold a Honda Rancher (4 wheeler) for \$2,500. The 4 wheeler was originally purchased in December 2011 and was declared surplus equipment on February 24, 2014. This budget amendment is to increase the Fire Department Capital Outlay – Equipment budget in the amount of the proceeds received.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-530-74-00	Capital Outlay - Equipment	\$2,500	
10-381-00-00	Sale of Surplus Property		\$2,500

**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: Harold Heglar, Fire Chief Date: 03/11/14

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 03/11/14

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

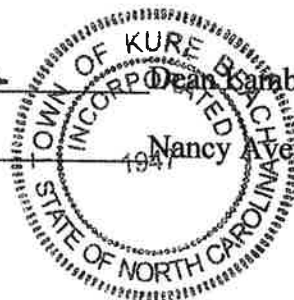
Approved by Council 03/18/14

ATTEST:



Dean Karneth, Mayor

Nancy Avery, Town Clerk



BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2014

AMENDMENT DATE: 03/18/2014

Budget Amendment No.: 14-05

DESCRIPTION/PURPOSE OF AMENDMENT

At the 03/18/14 Town Council meeting, Council adopted Resolution R14-03 to transfer \$2,266 from the FY 2014 Contingency Fund to the General Fund Governing Body Budget. The transfer relates to a request from the Ports, Waterway and Beach Commission to provide funding for dredging of the Carolina Beach Inlet to occur in FY 2014.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-410-65-01	Governmental & Volunteer Relations	\$2,266	
10-490-00-00	General Fund Contingency		\$2,266

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: 03/18/14

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 03/18/14

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



Approved by Council 03/18/14  Dean Lambeth, Mayor

ATTEST:  Nancy Avery, Town Clerk



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R14-01

**A RESOLUTION REQUESTING MODIFICATION OF SESSION LAW  
2002-138/HOUSE BILL 1707 REGARDING DISBURSEMENT OF LOCAL  
OCCUPANCY TAX FOR NEW HANOVER COUNTY BEACH TOWNS**

**WHEREAS**, the municipalities of Carolina, Kure and Wrightsville Beach are appreciative of the distribution by the General Assembly of fifty percent (50 %) of the second three percent (3%) of the New Hanover County local occupancy tax to be used for tourism-related expenditures; and

**WHEREAS**, the other fifty percent (50%) of this second three percent (3%) local occupancy tax is remitted to the Tourism Development Authority for the purpose of promoting travel and tourism in each beach town; and

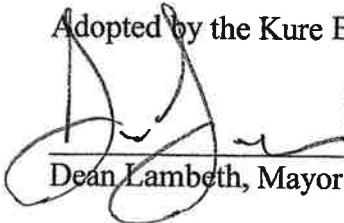
**WHEREAS**, the three referenced beach towns in 2011 signed an Interlocal Agreement with New Hanover County for Contingency Plan Beach Nourishment, in which the beach towns agreed to pay seventeen and one-half percent (17.5%) each of the cost of future beach nourishment should there be no Federal or State funding, and that the County agreed to pay eighty-two and one-half percent (82.5%) of the cost from the sixty percent (60%) of the first three percent (3%) room occupancy tax designated for beach nourishment; and

**WHEREAS**, the beach towns are limited in the ability to raise enough funds from ad valorem taxes and other revenue streams to meet the terms of the Interlocal Agreement without adding additional hardship to the taxpayers; and

**WHEREAS**, the beaches of North Carolina are a valuable resource that generates economic, environmental, cultural and recreational benefits to the people of our great State of North Carolina,

**NOW, THEREFORE, BE IT RESOLVED THAT** the Kure Beach Town Council of North Carolina, hereby requests the General Assembly to modify Session Law 2002-138/House Bill 1707, section 1(d) Distribution and Use of Tax Revenue, to allow the beach towns, with populations under 10,000 persons, to use all or a portion of the second fifty percent (50%) for tourism, marketing or coastal storm damage reduction projects instead of promoting tourism and travel, thus increasing the amount of local funds available for coastal storm damage reduction projects. This modification will ensure that a contingency plan is possible for beach nourishment without adding additional cost and burden on the local taxpayers.

Adopted by the Kure Beach Town Council this 18th day of March, 2014.

  
Dean Lambeth, Mayor



  
Attest: Nancy Avery, Town Clerk



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R14-02

**TRANSPORTATION INVESTMENT GENERATING ECONOMIC RECOVERY  
(TIGER) DISCRETIONARY GRANT RESOLUTION OF SUPPORT**

**WHEREAS**, a compressed natural gas fueling station at the Cape Fear Transit Authority Operations and maintenance facility is currently under construction; and


**WHEREAS**, compressed natural gas vehicles will improve air quality in Southeastern North Carolina and reduce operating expenses for petroleum based fuels ; and

**WHEREAS**, over 85 percent of the current fleet of buses operated by the Authority will have reached the end of their useful life in the next 12 to 18 months; and


**WHEREAS**, on March 04, 2014, the U.S. Department of Transportation published a Notice of Funding Availability for the 2014 TIGER Discretionary Grant program;

**NOW, THEREFORE, BE IT RESOLVED THAT** the Kure Beach Town Council supports the TIGER grant application submitted by the Cape Fear Public Transportation Authority for compressed natural gas vehicles.

Adopted by the Kure Beach Town Council this 18th day of March, 2014.

  
Dean Lambeth, Mayor



  
Attest: Nancy Avery, Town Clerk



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R14-03


**TRANSFERRING FUNDS FROM CONTINGENCY LINE ITEM TO GOVERNING  
BODY FY13-14 BUDGET FOR CAROLINA BEACH INLET DREDGING**

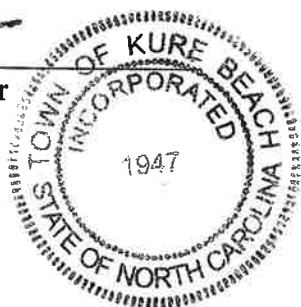
**WHEREAS**, it is a policy of the Town of Kure Beach that the Kure Beach Town Council adopt a resolution any time funds need to be transferred out of the General Fund Contingency account; and

**WHEREAS**, the Ports, Waterway and Beach Commission has requested \$2,266 from the Town of Kure Beach for dredging of the Carolina Beach Inlet; and

**NOW, THEREFORE, BE IT RESOLVED THAT** the Kure Beach Town Council authorizes the Finance Officer to transfer funds in the amount of \$2,266 from the General Fund Contingency account to the General Fund Governing Body FY13-14 Budget to cover the funding for the Carolina Beach Inlet dredging requested by the Ports, Waterway and Beach Commission.

Adopted by the Kure Beach Town Council this 18th day of March, 2014.

  
\_\_\_\_\_  
Dean Lambeth, Mayor



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

## Update from the Park and Recreation Advisory Committee

The Park and Recreation Advisory Committee has a great line up of entertainment at the Ocean Front Park beginning in May and ending in September. The Friday night schedule will be called Friday Variety because of the wide range of performers. We will have everything from a seventeen piece band to the Martini Men; this is a fellow who will impersonate Dean Martin, Elvis and Neil Diamond. There will also be a magician, comedians and lots of other wonderful bands. There will be eight performances between May 30<sup>th</sup> until September 19<sup>th</sup>. A "Farewell to Summer" celebration will be held on September 19<sup>th</sup>, which is three days before the official end of summer on September 23<sup>rd</sup>. The festivities will begin with a mock funeral for summer coming to a close. The Dixieland Jazz Band will lead the processional, followed by the casket and mourners. Items representing favorite memories of summer will be placed in the casket. These might include a broken flip flop, a beat up boogie board, an old bathing suit and maybe even a sunburned tourist, complete with a straw hat and Hawaiian shirt. The processional will march down a specified route and return back to the Ocean Front Park stage where they will continue playing for the remainder of the evening.

Boogie in the Park will have eighteen performances beginning on May 18<sup>th</sup> and running every Sunday through September 14<sup>th</sup>. Any rain dates will follow the last event. This year the hours have been changed from 4-7 to 5-8 due to the extreme summer heat. Hopefully, this will help somewhat. We have a wide range of bands this year. These include Beach, Reggae, Soul, Motown, Blues, Blue Grass, Country, Pop and of course Rock and Roll. I think this is a wonderful selection of bands and should appeal to almost everyone's taste.

Our committee was asked to come up with suggestions to replace the canceled Street Festival. It was proposed we have a Halloween themed Fall Festival at the end of October. After much discussion, the committee decided this was too large an undertaking to pursue. At our next meeting, it will be decided if a much smaller version will be approved.

We were also asked to consider having the Special Olympics Polar Plunge next February in Kure Beach. The event was discussed and voted against. The committee felt that this was also too large a project to take on and that Kure Beach doesn't have enough restaurants, bars and shops to accommodate the massive crowds that attend.

There are a few other programs under consideration, so I will update you later in regards to these events.

# Memo



**To:** Dean Lambeth, Craig Bloszinsky, Emilie Swearingen,  
David Heglar, Steve Pagley and Nancy Avery

**From:** Arlen Copenhaver

**Date:** March 12, 2014

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

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The Carolina/Kure Beach Sewer Authority met on February 20, 2014, to finalize charges for fiscal year 2013 and to set rates for fiscal year 2015. The Authority previously met on July 3, 2013, at which time fiscal years 2010 through 2012 were reconciled.

In regard to reconciling and finalizing fiscal year 2013, the net result is that Carolina Beach owes Kure Beach \$113,881.88. This was determined as follows:

<u>Fiscal Year</u>	<u>Over/(Under) Variable Costs</u>	<u>Over/(Under) Fixed Costs</u>	<u>Over/(Under) Capital</u>	<u>Over/(Under) Total</u>
2013	\$ 4,186.76	(\$6,879.36)	\$116,574.48	\$113,881.88

The overpayments by Kure Beach were primarily the result of debt service being included in the rate calculation (Capital) after the loan maturity date. This issue was first raised with Carolina Beach in June 2012. All past fiscal years impacted by the debt service issue (fiscal year 2010 through 2013) have now been reconciled with a grand total of \$390,091.28 being reimbursed to Kure Beach. Beginning with fiscal year 2014, the correct debt service amount is being used in the Capital component of the rate charged to Kure Beach.

The rates previously established for fiscal year 2014 were adjusted based on the actual data from fiscal year 2013 as follows:

Variable Costs: 14.76 cents per 1,000 gallons decrease (from 68.38 to 53.62)

Fixed Costs: \$82.86 per month increase (from \$7,322.57 to \$7,405.43)

Capital Recovery: No change (\$3,746.25 per month)



At the meeting, calibration data for the meter used to measure usage by Kure Beach was requested. This was due to an increase in annual usage of 23.9 million gallons (24.5%) from fiscal year 2012 to fiscal year 2013. Also, several proposed capital projects at the Carolina Beach treatment plant for fiscal year 2015 were discussed. The approximate cost for these projects is \$250,000 with the Kure Beach share being about \$60,000. The Kure Beach share of these projects is included in the fixed cost component of the fiscal year 2015 rate.

The Authority set the following rates for fiscal year 2015:

Variable Costs: 53.63 cents per 1,000 gallons

Fixed Costs: \$11,250.33 per month

Capital Recovery: \$3,746.25 per month

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

A handwritten signature in cursive script, appearing to read "A. L. ...".



# TOWN COUNCIL MINUTES

## REGULAR MEETING

MARCH 18, 2014 @ 6:30 PM

Commissioner Swearingen stated:

- Willo Kelly (President of the Board of Directors for NC-20) spoke on insurance rates and about what they are trying to do to us in Raleigh
- she thinks we need to get the word out to people to get attendance at public hearings
- Senator Brown has a bill that calls for property insurance fairness that would provide data to legislators on what we have paid in the past and what we pay now.

8. Emergency preparedness plan

Commissioner Heglar stated:

- Council needs to adopt changes to the Hurricane/Emergency Management Plan at the May meeting
- he will bring training requirements to the April meeting
- in June, we will have 2 or 3 sessions for hurricane preparedness

9. Request for lease on southernmost water tower

Mayor Lambeth stated he received a request to lease space and will get the information to the Town Clerk to give to the attorney to review and give to Fire Chief Harold Heglar.

Commissioner Heglar stated Council members received a letter from the president of the Kure Dunes Homeowner's Association about the sale of lots on Sandman and thinks the Town needs to respond.

Attorney Canoutas said that what the person says in his letter is not right and he and the mayor have clearly informed them before that if the Town decides to do anything with the lots there will be a public hearing.

CONSENSUS – the Town Attorney is to respond to the letter

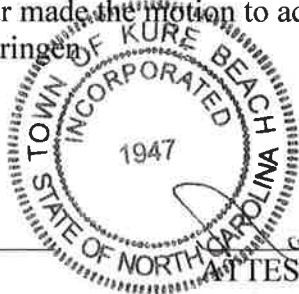
## ADJOURNMENT

MOTION - Commissioner Heglar made the motion to adjourn at 7:36 pm.

SECOND – Commissioner Swearingen

VOTE - Unanimous

Dean Lambeth, Mayor



ATTEST: Nancy Avery, Town Clerk

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting. Due to technical issues, there is no recording of this meeting.