

1 **MINUTES OF THE REGULAR SCHEDULED MEETING**
2 **OF THE EMERALD ISLE BOARD OF COMMISSIONERS**
3 **TUESDAY, MARCH 12, 2013 – 7:00 P.M.**
4 **TOWN BOARD MEETING ROOM**
5
6

7 **1. Call To Order**
8

9 The regular monthly meeting of the Emerald Isle Board of Commissioners was
10 called to order by Mayor Pro-Tem Messer at 7:00 PM in the Emerald Isle Town
11 Board Meeting Room.
12

13 **2. Roll Call**
14

15 Present for the meeting: Mayor Pro-Tem Floyd Messer, Commissioners Nita
16 Hedreen, Tom Hoover, John Wootten, and Maripat Wright.
17

18 Mayor Schools was absent due to an out of town National League of Cities
19 meeting in Washington, DC.
20

21 ***Motion was made by Commissioner Hedreen to excuse the absence of***
22 ***Mayor Schools. The Board voted unanimously 5-0 in favor. Motion carried.***
23

24 Also present during the regular meeting: Town Manager Frank Rush, Town
25 Attorney Richard Stanley, Asst. Town Manager / Finance Officer Mitsy Overman,
26 Town Clerk Rhonda Ferebee, Planning Director Kevin Reed, and Parks and
27 Recreation Director Alesia Sanderson.
28

29 **3. Opening Prayer**
30

31 Opening prayer was offered by Ricky Farrington, youth member from Emerald
32 Isle Baptist Church.
33

34 **4. Pledge of Allegiance**
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36 All who were present recited the Pledge of Allegiance.
37

38 **5. Adoption of Agenda**
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40 ***Motion was made by Commissioner Hoover to adopt the Agenda. The***
41 ***Board voted unanimously 5-0 in favor. Motion carried.***
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2 **6. Proclamations / Public Announcements**
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4 Mayor Pro-Tem Messer noted the following announcements for the public:
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- 6 • **Proclamation – Multiple Sclerosis Awareness Week – March 11 – 17,**
7 **2013 (13-03-12/P1)**
- 8 • **Board of Adjustment Meeting – Wednesday, March 13 – 9 am –**
9 **CANCELLED**
- 10 • **Open Play Wii Bowling – Wednesdays – 6 pm – 8 pm – Community**
11 **Center**
- 12 • **22nd Annual St. Patrick’s Festival – Saturday, March 16 – 9 am – 6 pm**
13 **– Emerald Plantation Shopping Center**
- 14 • **Bicycle & Pedestrian Advisory Committee Meeting – Tuesday, March**
15 **19 – 9 am – Community Center**
- 16 • **Easter Egg Hunt – Sunday, March 24 – 1 pm – Community Center**
- 17 • **Planning Board Regular Meeting – Monday, March 25 – 6 pm – Town**
18 **Board Meeting Room**
- 19 • **First Aid & CPR Class – Tuesday, March 26 – 6 pm – Community**
20 **Center (must pre-register)**
- 21 • **Joint EMS Committee Meeting – Wednesday, March 27 – Town**
22 **Administration Building**
- 23 • **Beach Driving Temporarily Closed – Friday, March 29 – Sunday,**
24 **April 7**
- 25 • **Good Friday Holiday – Friday, March 29 – Town Offices Closed,**
26 **Community Center Closed**
- 27 • **Island Cat Allies Yard Sale – Saturday, March 30- 8 am until –**
28 **Community Center**
- 29 • **Classic Movie Night – Friday, April 5 – 6 pm – Community Center**
- 30 • **Board of Commissioners Regular Meeting – Tuesday, April 9 – 7 pm**
31 **– Town Board Meeting Room**

32
33 **Clerks Note: A copy of Proclamation 13-03-12/P1 as noted above is incorporated herein by reference**
34 **and hereby made a part of these minutes.**
35

36 **7. Public Comment**
37

38 **Brief Summary:** The public will have the opportunity to address the Board about
39 any items of concern not on the agenda.
40

41 There were no comments from the public.
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2 **8. Consent Agenda**

- 3
4 a. Tax Refunds / Releases
5 b. Order to Advertise Tax Liens
6 c. Minutes – January 8, 2013 Regular Meeting
7 d. Minutes – January 21, 2013 Special Meeting
8 e. Minutes – January 25, 2013 Special Meeting
9 f. Minutes – January 25, 2013 Closed Session

10
11 ***Motion was made by Commissioner Wright to approve the items on the***
12 ***Consent Agenda. The Board voted unanimously 5-0 in favor. Motion***
13 ***carried.***

14
15 **Clerks Note: A copy of all Consent Agenda items as noted above are incorporated herein by**
16 **reference and hereby made a part of these minutes.**

17
18 **9. Resolution Re-Naming a Portion of Station Street as Terrell Horne III**
19 **Way (13-03-12/R1)**

20
21 Chief Boatswains Mate Robert Lepere, USCG Station Emerald Isle, addressed
22 the Board concerning this agenda item. The following excerpt from the Town
23 Manager's memo to the Board is provided for additional background:

24
25 The Board of Commissioners is scheduled to consider the attached Resolution Renaming a Portion of Station Street as
26 "Terrell Horne III Way" at the March 12 meeting. Chief Boatswains Mate Robert Lepere, USCG Station Emerald Isle,
27 will attend the March 12 meeting and formally request this street name change.

28
29 The attached letter from Chief Lepere explains Senior Chief Petty Officer Horne's service at USCG Station Emerald
30 Isle and the circumstances that led to his death in the line of duty off the coast of California in December 2012. Senior
31 Chief Petty Officer Horne served as the Executive Petty Officer at Station Emerald Isle from 2009 through 2011, and
32 made significant contributions to the station and the local community during his time in Emerald Isle. Chief Lepere is
33 requesting the renaming of a portion of Station Street as "Terrell Horne III Way" on behalf of USCG Station Emerald
34 Isle and the Crystal Coast Chief Petty Officers Association to honor his life and his family. Sadly, Senior Chief Petty
35 Officer Horne left behind a young wife, 2 sons, and an unborn son (that was just recently born after his father's death).

36
37 The proposed renaming would affect the approximately 175 ft. +/- long segment of Station Street located between
38 Channel Drive and the entrance to USCG Station Emerald Isle. The remaining segment of Station Street between
39 Channel Drive and Coast Guard Road would not be renamed. USCG Station Emerald Isle is the only property affected
40 by the renaming of the street, and the official address for the station would change from "11101 Station Street" to
41 "11101 Terrell Horne III Way". If approved by the Board, Town staff will update Town maps accordingly and will install
42 new street signage at the corner of Channel Drive and "Terrell Horne III Way". I expect that USCG Station Emerald
43 Isle may organize a dedication ceremony for this change at a future date.

44
45 The Board should note that such an honor should not be taken lightly, as there exists the potential for other such
46 requests to honor other fallen veterans, heroes, and public servants. It is likely very difficult for a governing body to
47 honor all such requests, and it is necessary to determine which requests are most appropriate for renaming a Town
48 street or facility. In this case, because of the unique nature of Senior Chief Petty Officer Horne's service to USCG
49 Station Emerald Isle and the proximity of this section of street to the station, it may be appropriate to honor this
50 request.

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1
2 Chief Boatswains Mate Robert Lepere addressed the Board regarding this item,
3 expressing his appreciation of the relationship between the Coast Guard Station
4 and the Town of Emerald Isle. Chief Lepere spoke about the past service of
5 Senior Chief Petty Officer Horne at the Coast Guard Station Emerald Isle. Chief
6 Lepere stated that Senior Chief Horne had been very active while he served in
7 Emerald Isle and was credited with saving 63 lives here. Chief Lepere spoke of
8 Senior Chief Horne's death while in the line of duty off the coast of California by
9 drug smugglers. Chief Lepere said to put Senior Chief Horne's death in
10 perspective, there had not been a killing of a Coast Guard member in a law
11 enforcement capacity on American soil since the time of prohibition; this was
12 something that had rocked the Coast Guard hard and had made them re-look at
13 different policies. Chief Lepere said that Senior Chief Horne had put himself in
14 front of his shipmate, taking the full brunt of a smuggling vessel to save the life of
15 one of his own; which in itself was a heroic action. Senior Chief Horne left
16 behind a wife, two young boys, and a 3 week old infant son. Chief Lepere said
17 that the request for the name change of a portion of Station Street to Terrell
18 Horne III Way would only affect the Coast Guard Station itself and felt it would be
19 such an honor for Senior Chief Horne's family. Chief Lepere said he didn't take
20 this request made to the Town lightly and that he really appreciated the Board's
21 consideration.

22
23 Mayor Pro-Tem Messer thanked Chief Lepere for his comments about Senior
24 Chief Petty Officer Terrell Horne III.

25
26 ***Motion was made by Commissioner Hedreen to adopt the Resolution***
27 ***Renaming a Portion of Station Street as "Terrell Horne III Way". The Board***
28 ***voted unanimously 5-0 in favor. Motion carried.***

29
30 **Clerks Note: A copy of Resolution 13-03-12/R as noted above is incorporated herein by reference**
31 **and hereby made a part of these minutes.**

32
33 **10. Ordinance Amending Chapter 4 – Use Regulations – of the Unified**
34 **Development Ordinance to Add Hotels and Motels as Permitted Uses in the**
35 **Village East Zoning District (13-03-12/01)**

- 36
37 **a. Public Hearing**
38 **b. Consideration of Ordinance Amendment**
39

40 Planning Director Kevin Reed addressed the Board concerning this agenda item.
41 The following excerpt from his memo to the Town Manager is provided for
42 additional background:

43
44 At the February 25, 2013 meeting of the Planning Board, the Board discussed the potential rezoning of properties from
45 Camp (C), Business (B) and Mobile Home (MH) to Village East (VE). This potential rezoning discussion took place
46 based on a request by the Board of Commissioners following its December 11, 2012 meeting. All of the properties

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1
2 subject to the potential rezoning are shown as part of the Village East Area in the Town's 2004 CAMA Land Use Plan.
3 During its discussion of the rezoning, the Planning Board was informed by Town staff that two potential existing
4 businesses would become non-conforming uses if the rezoning is ultimately approved by the Board of Commissioners.
5 Those two businesses are the Oceanview Inn and the Rusty Pelican Motel. They would become non-conforming since
6 "hotels and inns" and "motels and motor courts" are not currently listed as permitted uses in the Village East Zoning
7 District. The businesses could continue operate if they became non-conforming; however, if they were damaged or
8 destroyed by more than 50% or ceased to operate for a period of more than 180 days then the non-conforming use
9 could not be re-built or re-opened. There is a third hotel/motel located in the Village East Area and it is the Bogue Inlet
10 Motel. The Bogue Inlet Motel is currently zoned Village East and is non-conforming. If the amendment proposed by
11 the Planning Board is approved, the Bogue Inlet Motel would become a conforming use.
12

13 The Planning Board was concerned about the potential for two existing businesses to become non-conforming as a
14 result of a rezoning action by the Town. Following its discussion of the issue, the Board voted (5 to 1) to recommend
15 to the Board of Commissioners that the Table of Permitted and Special Uses found in Chapter 4 of the Town's Unified
16 Development Ordinance (UDO) be amended to add "Hotels and inns" and "Motels and motor courts" as permitted uses
17 in the Village East Zoning District. Attached to this memorandum is a copy of the proposed amendments in ordinance
18 format. The ordinance includes the language to be added in an underlined format.
19

20 ***Motion was made by Commissioner Hoover to open the Public Hearing.***
21 ***The Board voted unanimously 5-0 in favor. Motion carried.***
22

23 Alan Menard, 204 Holly Street, said his property abutted the parking lot of the RV
24 Park, and he had received a notice and needed clarification.
25

26 Planning Director Kevin Reed responded that the notice Mr. Menard would have
27 received actually pertained to the next Agenda Item 11, but explained to Mr.
28 Menard that there were currently no development plans that were driving this
29 rezoning action; the potential rezoning action was a further implementation of the
30 Town's 2004 CAMA Land Use Plan, and there were now some residential uses
31 on Bogue Inlet Drive that were now zoned Business. If those properties were
32 ultimately rezoned then they would have the option to rebuild under the proposed
33 new zoning while they didn't have that opportunity in its current zoning.
34

35 ***Motion was made by Commissioner Hoover to close the Public Hearing.***
36 ***The Board voted unanimously 5-0 in favor. Motion carried.***
37

38 Commissioner Wootten stated that when they established the Village East area
39 they had intentionally not put motels into the area because the properties at that
40 time were planned to be sold. Now he felt it was not right to exclude the motels
41 and make them non-conforming because they're still there and should stay there.
42 Commissioner Wootten said at the same time our Land Use Plan and the Village
43 East Zoning called for new motels to be located at Village West. Commissioner
44 Wootten felt the way to handle and protect the existing motels in Village East
45 would be to make their use a Special Use which meant they could stay there and
46 be protected forever but any new motel would have to go through a special use
47 procedure.
48

1
2 ***Motion was made by Commissioner Wootten to adopt the Ordinance***
3 ***Amending Chapter 4 – Use Regulations – of the Unified Development***
4 ***Ordinance to Add Hotels and Motels as Special Uses in the Village East***
5 ***Zoning District.***

6
7 Commissioner Hedreen asked if the existing motels were damaged more than
8 50% whether they would be required to reapply for a special use. Planning
9 Director Reed stated they would not. Attorney Stanley added that as a Special
10 Use they were deemed to have met the requirements and would not have to
11 reapply.

12
13 ***The Board voted on the motion made by Commissioner Wootten***
14 ***unanimously 5-0 in favor. Motion carried.***

15
16 **Clerks Note: A copy of Ordinance 13-03-12/O1 as noted above is incorporated herein by reference**
17 **and hereby made a part of these minutes.**

18
19 **11. Proposed Rezoning – Multiple Properties in the Main Commercial Area**
20 **– from Business (B), Mobile Home (MH), and Camp (C), to Village East (VE)**

- 21
22 **a. Public Hearing**
23 **b. Consideration of Proposed Rezoning**
24

25 Planning Director Kevin Reed addressed the Board concerning this agenda item.
26 The following excerpt from his memo to the Town Manager is provided for
27 additional background:

28
29 Previously, the Board of Commissioners requested that the Planning Board study the potential of rezoning all of the
30 properties in the Village East Area from the Business (B), Camp (C) and Mobile Home (MH) Zoning Districts to the
31 Village East (VE) Zoning District. This request was made by the Commissioners at its December 11, 2012 meeting
32 when it considered the rezoning of 134 Fairview Drive from Business (B) to Village East (VE). Following approval of
33 the rezoning by the Board of Commissioners, they requested that the Planning Board investigate the possibility of this
34 rezoning.

35
36 The Planning Board discussed this matter at its January 28, 2013 meeting. Following its initial discussion, the
37 Planning Board concluded that since all of the properties to be rezoned were located in the Village-East Area, as
38 identified in the Town's 2004 CAMA Land Use Plan (LUP), that the rezoning would be consistent with the Town's LUP.
39 Since there was the potential for some property owners who would have been affected by the rezoning to have
40 questions or concerns, the Board voted to table the matter until its February meeting. After the January meeting, Town
41 staff sent an informal letter to all property owners who could be affected by the rezoning. The purpose of the letter was
42 to inform them of the Planning Board's discussion of the issue and invite them to the February 25, 2013 meeting of the
43 Board to learn how the rezoning could impact the use of their property based on its current use or any plans they may
44 have for redevelopment. Only one property owner attended the February meeting of the Planning Board and did not
45 express support or concern about the potential rezoning. Following its discussion of the matter at its February 25,
46 2013 meeting, the Planning Board voted unanimously (6 to 0) to recommend to the Board of Commissioners that all
47 properties located in the Village East Area be rezoned from Business (B), Camp (C) and Mobile Home (MH) to Village
48 East VE).
49

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1
2
3 In accordance with NC General Statutes, letters were sent to all property owners who could be affected by the potential
4 rezoning action. In addition, letters were sent to adjacent property owners. The attached map (Attachment 1) shows
5 the boundaries of the Village East Area and the current zoning of all properties. There are approximately six properties
6 along Bogue Inlet Drive that could potentially benefit from the rezoning. These properties are currently zoned Business
7 (B) but contain a residential structure and are existing non-conforming uses that could not be re-established if
8 damaged or destroyed by more than 50%. If these properties are rezoned to Village East then they would become
9 conforming uses. In addition, the rezoning would still allow for the properties to be used as a business use if that is the
10 desire of the owner. The rezoning action would not result in any other existing uses becoming non-conforming. In
11 addition to the Attachment 1 which shows the existing zoning in the Village East Area, I have also attached a second
12 map (Attachment 2). This map shows the boundaries of the Village East Area and existing land uses. It also shows
13 cross-hatched in red, the aforementioned properties along Bogue Inlet Drive that are incompatible with existing zoning
14 and could potentially benefit from this rezoning action by the Board.

15
16 ***Motion was made by Commissioner Wright to open the Public Hearing.***
17 ***The Board voted unanimously 5-0 in favor. Motion carried.***

18
19 Paxon Holz, speaking as president of McCabe and Company Corporation that
20 owned Camp Ocean Forest and McCabe I Mobile Home Park, expressed
21 concerns regarding this proposed rezoning. Mrs. Holz said they were not aware
22 that their property was included in the Village East section. Mrs. Holz said that
23 all of the shareholders were extremely alarmed as they loved their campground
24 and had no plans to redevelop to a motel/hotel/restaurant or anything other than
25 just what they were now – a mobile home park and campground to serve people
26 who had been coming here for 50 years. Mrs. Holz said they did not want to be
27 rezoned and would appreciate more time to consider and study the ordinance.
28 Mrs. Holz felt if they were left out of this rezoning it would not affect anyone else,
29 as they go from street to street and would not affect those who wanted to be
30 rezoned or who may now be nonconforming. Mrs. Holz requested that they
31 please leave them out of this for now.

32
33 Mrs. Holz said that one of her shareholders understood that this proposed
34 rezoning would increase their setbacks which were killers as they were.

35
36 Commissioner Wootten said the whole purpose of the Village East overlay district
37 could reduce their setbacks.

38
39 Mrs. Holz remembered the meeting she had attended when the new owners of
40 Block 15's Watersedge Mobile Home Park had requested relief from the 20 foot
41 setback between mobile homes in their newly purchased park and they were
42 granted that and now had a 10 foot setback. Mrs. Holz said they had situations
43 now where owners would love to replace old homes with new but because the
44 new homes were 14-16 feet wide they simply didn't have enough room so they
45 had 30, 40 and 50 year homes. Mrs. Holz felt if reducing setbacks was
46 accomplished by this new zone that would be great but if not they wanted the
47 same treatment that Block 15 received.

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1
2 Mayor Pro-Tem Messer recommended they delay consideration of this item to
3 the next meeting giving Mrs. Holz more time to review.

4
5 ***Motion was made by Commissioner Hedreen to close the Public Hearing.***
6 ***The Board voted unanimously 5-0 in favor. Motion carried.***

7
8 ***Motion was made by Commissioner Wright to table this issue until the next***
9 ***meeting. The Board voted unanimously 5-0 in favor. Motion carried.***

10
11 **12. Resolution Authorizing Public Waterfront Access Grant Application**
12 **(13-03-12/R2)**

13
14 Parks and Recreation Director Alesia Sanderson addressed the Board
15 concerning this agenda item. The following excerpt from the Town Manager's
16 memo to the Board is provided for additional background:

17
18 The Board of Commissioners is scheduled to consider the attached Resolution Authorizing a Public Waterfront Access
19 Grant Application for the purchase and installation of kayak-friendly and paddleboard-friendly floating docks at three
20 soundfront access locations. The total grant amount to be requested is \$22,500, and a local match of \$7,500 (25% of
21 total cost) would be required.

22
23 The floating docks are specially designed to make it easy for a kayak to "slide" right off of the dock into the water, and
24 are also designed in a manner that makes it easy to launch a paddleboard. (Pictures attached.) If approved, the Town
25 would utilize the grant funds to purchase and install these floating docks at Emerald Isle Woods Park, Cedar Street
26 Park, and the Emerald Isle Public Boating Access Area. Each of these facilities offers abundant parking and access to
27 attractive areas of Bogue Sound for kayaking and paddleboarding.

28
29 As you know, kayaking and paddleboarding continue to increase in popularity, and the Town routinely receives
30 suggestions about the addition of these specially-designed floating docks. The purchase cost for each floating dock is
31 approximately \$3,500 - \$4,500, and the Town would also likely incur additional cost for the setting of pilings and the
32 purchase and installation of aluminum gangways to create an easy walkway down to the floating dock. There may also
33 be the need for minor adjustments to the fixed wooden dock facilities to accommodate the new floating docks.

34
35 At Emerald Isle Woods Park and Cedar Street Park, the new floating dock would likely be affixed to the end of the
36 existing piers. At the Emerald Isle Public Boating Access Area, the new floating dock would likely be located in the
37 southwest corner of the boat launch basin (away from powerboat launching areas) and be affixed either to the planned
38 new wooden pier or the side of the existing seawall of the boat launch basin.

39
40 If the Board approves, the required \$7,500 local match will be included in the FY 13-14 budget. Preliminary grant
41 applications are due on April 5, 2013. Invitations to submit final grant applications are expected by August 30, 2013,
42 and grant awards are scheduled to be announced this fall.

43
44 Mayor Pro-Tem Messer asked for public comment.

45
46 There were no comments from the public.

47
48 Ms. Sanderson stated that if the Board approved what she would like to do was
49 actually visit other coastal communities in our area to determine which types of
50 launches were most durable and user friendly.

1
2 ***Motion was made by Commissioner Wootten to approve the Resolution***
3 ***Authorizing Public Waterfront Access Grant Application. The Board voted***
4 ***unanimously 5-0 in favor. Motion carried.***

5
6 **Clerks Note: A copy of Resolution 13-03-12/R2 as noted above is incorporated herein by reference**
7 **and hereby made a part of these minutes.**

8
9 **13. Resolution Requesting an Additional Local Funding Source for Beach**
10 **Nourishment Activities (13-03-12/R3)**

11
12 Town Manager Frank Rush addressed the Board concerning this agenda item.
13 The following excerpt from the Town Manager's memo to the Board is provided
14 for additional background:

15
16 The Board of Commissioners is scheduled to consider the attached resolution formally requesting that the NC General
17 Assembly authorize an additional local funding source for beach nourishment activities. The attached resolution
18 outlines 3 potential, additional local funding sources and indicates that any of the 3 sources would be beneficial to the
19 Town. The three potential sources are:

- 20
21 1) an increase in the existing Carteret County room occupancy tax from 5% to 6%, with 50% of the total
22 proceeds allocated for beach nourishment activities, or
23
24 2) authorization for a new 1% municipal room occupancy tax levied in the Town of Emerald Isle, with 100%
25 of the total proceeds allocated for beach nourishment activities, or
26
27 3) authorization for a new 1% municipal sales tax to be levied in the Town of Emerald Isle, with 100% of
28 the total proceeds allocated for beach nourishment activities (and potentially navigation maintenance
29 activities also).
30

31 Commitment to Beach Nourishment

32 The Town recognizes the significant quality of life and economic value of its ocean beaches, and is committed to beach
33 nourishment as the preferred strategy to address beach erosion. The Town has completed four beach nourishment
34 projects since 2003 (two large projects and two hurricane "touch-up" projects; a fifth project is currently under
35 construction), is an active participant in the Carteret County Beach Commission, is working with the Beach
36 Commission on a 50-year beach nourishment permit mechanism, and has established reliable local funding sources to
37 meet 75% of Emerald Isle's projected future beach nourishment costs (50% of costs from existing Carteret County
38 room occupancy tax and 25% from Town special district property taxes).
39

40 From my perspective, beach nourishment is a long-term necessity in a community like Emerald Isle, and has become
41 an ongoing and routine service provided by the Town for our residents, property owners, and visitors. Although some
42 in our community may disagree on the most equitable financing method for beach nourishment activities, there
43 appears to be widespread support for the concept of beach nourishment and recognition of the need for an active
44 beach nourishment program in Emerald Isle.
45

46 Future Beach Nourishment Plans / Long-Term Financing Plan

47 The Town works closely with the Carteret County Beach Commission on beach nourishment activities. The Town and
48 County have developed previous beach nourishment plans and are currently in the process of further developing those
49 plans and seeking long-term permits for future beach nourishment activities. To summarize simply and briefly, the
50 Town envisions nourishing the ocean beaches on an as-needed, where-needed, and when-needed basis in the future,
51 with a goal of balancing storm protection value, recreational beach width, and permitting constraints with the amount of
52

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1
2 available funding. In short, the Town seeks to nourish the beach as needed before reaching crisis mode, but ideally
3 hopes to complete nourishment as infrequently as possible.
4

5 The Town's long-term financing plan for beach nourishment, adopted by the Board of Commissioners in January 2010
6 and endorsed by the NC Division of Coastal Management in March 2010, relies on a combination of State and local
7 funding sources to meet future needs. The long-term financing plan includes a total beach nourishment cost estimate
8 of approximately \$84 million over a 30-year period. Approximately \$42 million, or 50%, is expected to be provided by
9 the existing Carteret County room occupancy tax (5% rate, with 40% of proceeds allocated to beach nourishment
10 activities). The Carteret County Beach Commission, through its Shore Protection Office, has indicated that these funds
11 are reliable and available, and this revenue source is considered solid for the future. Approximately \$21 million, or
12 25% of future beach nourishment costs will be funded by proceeds from special district property taxes levied by the
13 Town. The Town currently levies a 4.5 cent additional property tax rate on all oceanfront and inlet-front properties, and
14 an additional 1.5 cents on all other properties in the Town. These special district taxes generate nearly \$700,000
15 annually, which equates to 25% of the average annual estimated cost of future beach nourishment activities. This
16 revenue source is considered solid for the future.
17

18 The Town's long-term financing plan currently relies on the State of North Carolina for the remaining 25% of future
19 beach nourishment costs. This equates to an average of approximately \$700,000 annually, however, any future State
20 funding would almost certainly come in the form of periodic larger sums at the time of construction (i.e., \$3 million in
21 one year, then another \$4 million 6 years later, etc.). Up until recent years, the State had historically been a relatively
22 reliable funding partner with local governments for beach nourishment, and the NC Division of Water Resources has
23 statutory authority to provide up to 75% of total project funding. The Board may recall that the Town received a \$3.8
24 million State contribution for its 2005 beach nourishment project that also involved the realignment of Bogue Inlet.
25 Significant State contributions were also made for the Federal 933 beach nourishment project in Pine Knoll Shores and
26 Indian Beach in the mid-2000s, and the State has historically provided significant funding for beach nourishment
27 projects along the southeastern NC coast. Additionally, the State's 2011 Beach and Inlet Management Plan suggested
28 an ongoing State contribution (as much as 45% of total project costs was contemplated) for future beach nourishment
29 projects as Federal funding becomes more limited and more NC oceanfront communities actively engage in beach
30 nourishment. For all of these reasons, and with a conservative approach, the Town's long-term financing plan includes
31 a 25% future State contribution.
32

33 Based on recent history, however, it appears less likely that the State funding contemplated in the Town's long-term
34 financing plan will be available on a consistent and reliable basis, and the Town has been actively seeking an
35 alternative local funding source.
36

37 State Budget Challenges

38 The State's budget challenges have been well-documented over the past few years, and it is likely to be increasingly
39 difficult, if not impossible, to secure meaningful State funding for the Town's future beach nourishment activities. The
40 Town requested \$2.1 million from the State in 2011 for a beach nourishment project in eastern Emerald Isle, but was
41 denied due to a lack of State funding. The Town also requested \$3 million from the State in 2012 for the FEMA Irene
42 Beach Nourishment Project, and that request was also denied due to a lack of State funding. Several other locally
43 sponsored beach nourishment projects in North Carolina have also been denied State funding in recent years.
44

45 In light of the State's budget challenges, and the typical difficulty convincing inland State legislators of the value of
46 beach nourishment, the Town (along with other coastal local governments) has considered and pursued alternative
47 dedicated revenue sources (either at the State level or local level) for beach nourishment over the past few years.
48 Numerous discussions have been held with other NC oceanfront municipal officials, County officials, our local State
49 legislators, and others, and a wide range of ideas have been discussed. As you know, the political dynamics
50 associated with the various solutions are often quite complex, and all recent efforts have failed to produce a new,
51 reliable, dedicated funding source for beach nourishment (at either the State level or local level).
52
53
54

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1
2 Proposed 1% Emerald Isle Municipal Sales Tax ("Beach Preservation Tax") - 2012

3 At the Town's request, Representative McElraft introduced a local bill in 2012 that would have authorized a 1%
4 municipal sales tax in Emerald Isle, with 100% of the proceeds allocate for beach nourishment activities. That
5 legislation was referred to the NC General Assembly's Revenue Laws Study Committee, but has not yet been heard by
6 the Committee. At this time, it is unclear when or if this local bill will be reviewed and considered.

7
8 The 1% municipal sales tax bill introduced in 2012 would authorize the Emerald Isle Board of Commissioners to levy a
9 new 1% tax on all sales and use transactions within the Town, provided that such new tax is approved by the voters in
10 a Town referendum. The new tax would apply to all items subject to existing sales and use tax, including vacation
11 rental accommodations, restaurant tabs, gift shop transactions, etc., but was not intended to apply to groceries, non-
12 prepared food items, etc. We estimate that the 1% municipal sales tax would generate approximately \$700,000 -
13 \$800,000 or more annually, which would be sufficient to replace the anticipated State funding described above.

14
15 After much discussion with local business owners, property owners, and Board consideration last year, it is believed
16 that the 1% municipal sales tax would enjoy widespread support in Emerald Isle, and that a referendum would
17 ultimately be successful.

18
19 Recent Developments / Other Current Ideas

20 The need for additional funding sources for beach nourishment is well documented in Emerald Isle and the other
21 oceanfront municipalities in Carteret County, and along the entire NC coast. Because this issue continues to be a high
22 priority, various groups have discussed different ideas in recent months. The attached resolution includes the 3 current
23 ideas that appear to have at least some traction and at least some reasonable chance for success at the NC General
24 Assembly in the 2013 session.

25
26 *Carteret County Room Occupancy Tax Increase*

27 There has been considerable discussion by the Beach Commission and others in recent months about increasing the
28 Carteret County room occupancy tax from 5% to 6%, adjusting the distribution of tax proceeds from the current 60%
29 tourism promotion / 40% beach nourishment split to a new 50% / 50% split, and removing the current \$15 million cap
30 on funds reserved by the Beach Commission for beach nourishment. These changes, if authorized by the NC General
31 Assembly and implemented by the County Commissioners, would yield an additional ~ \$900,000 annually for beach
32 nourishment activities in Carteret County. Although these funds would be distributed to the Bogue Banks
33 municipalities by the Beach Commission based on actual project needs, it is anticipated that Emerald Isle would
34 receive a significant portion of these funds for our future beach nourishment activities. Considering that these
35 proceeds would be shared with the other Bogue Banks municipalities, this does not generate the approximately
36 \$700,000 - \$800,000 identified as Emerald Isle's average annual need from the State, however, it is still a significant
37 additional amount of funding that would likely be nearly sufficient.

38
39 Based on past and current discussions, it is likely that sufficient local (County-wide) support exists for this change, and
40 Representative McElraft has indicated that she is comfortable with this change. The most significant obstacle,
41 however, likely lies with the NC Travel and Tourism Coalition, a State-wide lobbying group representing the travel and
42 tourism industry. The Coalition has developed, and the NC General Assembly has traditionally adhered to, stringent
43 guidelines regarding the use of room occupancy tax proceeds. The Coalition's guidelines include a 67% / 33% split of
44 room occupancy tax proceeds for tourism promotion and "other projects", respectively. Carteret County's room
45 occupancy tax already deviates from this 67% / 33% split, with the 60% / 40% split in place for the past several years.
46 As noted above, and in the attached resolution, we would be seeking a 50% / 50% split. There have been reports that
47 the Coalition may be willing to accept a 50% / 50% split because of the high importance of beach nourishment,
48 however, this remains a potential obstacle to this change.

49
50 Based on the Coalition's guidelines, we do not anticipate any significant State-wide opposition to the 1% room
51 occupancy tax rate increase nor the removal of the current \$15 million cap. The 50% / 50% split is the key issue, and if
52 this can not be achieved it does not make any sense for the Town of Emerald Isle to support this option. If the 50% /
53 50% split can be achieved, this change is beneficial for the Town of Emerald Isle and for the other Bogue Banks
54 municipalities.

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1
2 *New 1% Municipal Room Occupancy Tax*

3 Representative McElraft recently suggested that a new 1% municipal room occupancy tax could potentially be more
4 politically palatable at the State level (and to the Travel & Tourism Coalition), and may be a viable option to pursue in
5 place of or as a backup plan for the potential 1% increase in the County room occupancy tax.
6

7 A new 1% municipal room occupancy tax in Emerald Isle would generate approximately \$550,000 - \$600,000 annually
8 for the Town's future beach nourishment activities, assuming 100% of the proceeds is allocated for beach nourishment
9 activities. Although this does not generate the approximately \$700,000 - \$800,000 identified as Emerald Isle's average
10 annual need from the State, it is nearly sufficient.
11

12 Based on the Coalition's guidelines, we do not anticipate any significant State-wide opposition to the 1% municipal
13 room occupancy tax, however, there may be opposition to the 100% allocation for beach nourishment activities. Based
14 on discussions with Representative McElraft, she believes that there may be some willingness to allow this for a new
15 1% municipal room occupancy tax. The 100% allocation is the key issue, and if this can not be achieved it does not
16 make any sense for the Town of Emerald Isle to support this option. If the 100% allocation can be achieved, this
17 change is beneficial for the Town of Emerald Isle.
18

19 *New 1% Municipal Sales Tax*

20 As noted above, the status of the Town's 1% municipal sales tax request in 2012 remains uncertain. However, there is
21 ongoing dialogue at the NC General Assembly about the possibility of granting this authority to all NC oceanfront
22 municipalities to generate local funding for beach nourishment AND navigation maintenance activities. There has been
23 some discussion that this authority could wind up in a comprehensive coastal policy bill currently being developed by
24 the NC General Assembly.
25

26 As noted above, this option would generate approximately \$700,000 - \$800,000 annually for the Town, and perhaps
27 more. This option generates the greatest amount of revenue for the Town's future beach nourishment needs. I do not
28 have a clear read, however, on the reception this idea would receive from the NC General Assembly as a whole.
29 Some Emerald Isle vacation rental agencies prefer this approach to the room occupancy tax because it distributes the
30 burden among patrons of the entire local tourism industry, not just the local vacation rental industry.
31

32 Resolution Requesting an Additional Local Funding Source for Beach Nourishment

33 The attached resolution, if approved by the Board, communicates the Town's request for any of the 3 options
34 described above to the NC General Assembly. Although there are pros and cons associated with each, the
35 achievement of one of the 3 options would significantly enhance Emerald Isle's ability to fund its future beach
36 nourishment needs.
37

38 In the end, it will likely depend on Representative McElraft's judgment (and Senator Sanderson's judgment) as to which
39 of the 3 options is most likely to receive NC General Assembly approval. The intent behind the attached resolution is
40 essentially to say to the NC General Assembly: "Beach nourishment is a critical need for our community. Please
41 provide us with an additional local funding source to meet our needs. We would be pleased with the NC General
42 Assembly's approval of any of these 3 options."
43

44 The Board should note that other local governments in Carteret County will be considering similar resolutions in the
45 next week. I expect that those resolutions will likely focus on the 1% increase in the Carteret County room occupancy
46 tax, as others do not perceive that a 1% municipal room occupancy tax or 1% municipal sales tax will be of sufficient
47 benefit to their communities. Among the Bogue Banks municipalities, Emerald Isle has, by far, the largest room
48 occupancy tax base and retail sales tax base.
49

50 As discussed previously, if the State does not provide the planned 25% contribution included in the Town's long-term
51 financing plan, the Town will need to secure one of the 3 new local funding sources outlined above (or some other as-
52 yet-unidentified funding source). If no new funding source is provided, the Town will be forced to consider increasing
53 the special district property taxes for beach nourishment. In order to generate the necessary annual funding, the Town
54 would need to double the existing rates of 4.5 cents (oceanfront and inlet-front) and 1.5 cents (all others) to 9 cents

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1
2 and 3 cents. Additionally, some have suggested that perhaps Carteret County should make an annual contribution
3 from the County's general tax revenues given the significant financial contributions of Bogue Banks to the overall
4 County tax base. This approach could be pursued, however, based on historical attitudes and current perceptions this
5 solution would likely represent a significant challenge.
6

7 I look forward to discussing this issue with the Board at the March 12 meeting. If the Board approves the attached
8 resolution, I will forward a copy to Representative McElraft and Senator Sanderson immediately. The deadline for the
9 drafting of local bills in the Senate will have already passed, and the House deadline is March 20.
10

11 Commissioner Wootten felt that the 1% sales tax still remained the best solution
12 for Emerald Isle. Town Manager Rush agreed that from Emerald Isle's
13 perspective the 1% local option sales tax was the most advantageous for our
14 community just by nature of the significant number of rental units and commercial
15 center.
16

17 Mr. Rush noted that if they didn't secure a new local revenue source there were
18 basically two choices; one choice was not to do beach nourishment as often or to
19 as great an extent as they think will be needed going forward; not the best option
20 for Emerald Isle, and the other option would be to essentially increase their
21 special district property taxes.
22

23 ***Motion was made by Commissioner Hoover to approve the Resolution***
24 ***Requesting an Additional Local Funding Source for Beach Nourishment***
25 ***Activities. The Board voted unanimously 5-0 in favor. Motion carried.***
26

27 **Clerks Note: A copy of Resolution 13-03-12/R3 as noted above is incorporated herein by reference**
28 **and hereby made a part of these minutes.**
29

30 **14. Potential "2013 Community Improvements Package"**
31

32 Town Manager Frank Rush addressed the Board concerning this agenda item.
33 The following excerpt from the Town Manager's memo to the Board is provided
34 for additional background:
35

36 I have scheduled time on the Board's March 12 meeting agenda to discuss potential projects to be included in a
37 potential "2013 community improvements package" that would be funded by new debt and retired with a 1-cent
38 property tax increase beginning in FY 13-14.
39

40 As discussed by the Board at the January 25 special budget meeting, the intent of having this item on the March 12
41 regular meeting agenda is: 1) to allow for Board discussion to refine the list of projects to be included in a potential
42 "2013 community improvements package", and 2) to generate public awareness and feedback about this approach so
43 that the Board can determine the level of public support that exists (or does not exist) for this approach. Ideally, the
44 Board will receive public feedback between now and May, and can then determine whether or not to include this
45 approach in the FY 13-14 budget that will be formally adopted in June.
46

47 As discussed at the January 25 meeting, the current competitive construction environment, record-low interest rates,
48 and the perceived popularity of the Town's bicycle path network may make this an opportune time to complete the
49 remaining segments of planned bicycle path along Coast Guard Road and NC 58. In addition, there is a strong desire
50 to complete storm water improvements at The Pointe and in Lands End, and these improvements will likely need to be

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1
2 financed with debt in order to provide the necessary construction funding. With these bicycle path and storm water
3 projects in mind, the Town Manager presented, and the Board expressed preliminary support for, the concept of a
4 package of community improvements that could be funded with new debt in FY 13-14 with a 10-year term that could be
5 retired with a 1-cent General Fund property tax rate increase.
6

7 The Town could potentially issue \$2.6 - \$2.8 million of new debt for beneficial projects and retire this debt over a 10-
8 year term with the proceeds from a 1-cent General Fund property tax rate increase. A 1-cent increase in the General
9 Fund tax rate would generate approximately \$292,000 annually, and the annual debt service payment for a new \$2.6 -
10 \$2.8 million debt issue is estimated at approximately \$291,000 – \$319,000 annually (depending on the actual interest
11 rate secured; I received an informal quote of 2.07% on a 10-year note on March 8, 2013).
12

13 The estimated cost to fully complete the remaining segments of the bicycle path along Coast Guard Road and NC 58 is
14 approximately \$1.7 million, and the cost of the desired storm water improvements for The Pointe and in Lands End is
15 approximately \$700,000. The total amount for these projects is \$2.4 million, thus leaving approximately \$200,000 -
16 \$400,000 potentially available for other beneficial projects. I have attached a spreadsheet with 4 different "community
17 improvements packages" for Board review (in no particular order of preference) to assist the Board in determining
18 which additional projects to include in the "2013 community improvements package" presented to our taxpayers for
19 feedback over the next several weeks.
20

21 In order to assist the Board and the public, I have included a brief description of the potential projects, along with
22 several attachments:
23

24	<i>NC 58 Bicycle Path Extension</i>	This project would extend the existing NC 58 bicycle path from its soon-to-be-constructed terminus at Fairfax Road to the Ocean Drive "dog-leg" and also from the Eastern Ocean Regional Access to the Indian Beach town line. The total length of bike path is approximately 4.1 miles. If not included in the "community improvements package", full completion of the NC 58 bicycle path is likely to require significant grant funding over at least 5 – 10 years.
25	\$1.2 million +/-	
26		
27		
28		
29		
30		
31		
32	<i>Coast Guard Rd Bicycle Path:</i>	This project would extend the existing Coast Guard Road bicycle path from its current terminus at Dolphin Ridge to Ring Street at The Pointe, a distance of approximately 1.2 miles. There has been outstanding fundraising support for this project, and we expect it will take up to 5 years at current pace to fully complete the path along Coast Guard Road.
33	\$500,000 +/-	
34		
35		
36		
37		
38	<i>Coast Guard Rd Storm Water</i>	This project would install a HDPE storm water pipe from the new pump station at Island Circle to the Town's existing pipe on Coast Guard Road at Dolphin Ridge. This would provide a consistently available discharge location for storm water pumped from The Pointe area, and should finally resolve chronic nuisance flooding issues in this area.
39	<i>Pipe – Island Circle to Dolphin</i>	
40	<i>Ridge:</i>	
41	\$500,000 +/-	
42		
43		
44	<i>Lands End Storm Water Pipe:</i>	This project would install a HDPE storm water pipe from the existing storm water pumps owned and managed by Lands End POA to the Town's new storm water pipe along Coast Guard Road. This would provide a consistently available, alternative discharge location for storm water pumped from Lands End ponds. This should also finally resolve chronic nuisance flooding issues in this area.
45	\$200,000 +/-	
46		
47		
48		
49		
50		
51	<i>Fire Station 1 Façade</i>	This project would result in a new front façade for Fire Station 1 that would result in a look that is similar to that of the new EMS Station and new Town Administration Building.
52	<i>Improvements:</i>	
53	\$150,000 +/-	
54		

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1
2 *Blue Heron Park Playground* The Town would purchase all-new playground equipment for Blue Heron
3 *Equipment:* Park (located behind the Police Station). The existing playground
4 \$100,000 +/- equipment is approximately 13 years old, and is showing its age. The
5 playground is popular with parents and grandparents of young children.
6

7 *New Skate Park:* There has been some level of interest in a skate park for several years,
8 \$150,000 +/- and a new group (which includes County Commissioner Jimmy
9 (Supplement by other funds?) Farrington) appears more committed. A suitable site can likely be
10 identified at the Town Hall complex, either adjacent to the Community
11 Center or between the Police Station and the tennis courts. This potential
12 Town contribution would theoretically be augmented with County funds
13 and private fundraising efforts.
14

15 *Community Center Expansion:* This project would expand the area available for the weight room and
16 \$100,000 +/- aerobics, meet increasing demand, and provide for a more comfortable
17 experience for participants in these activities.
18

19 *Additional Street Resurfacing:* Funding could be included for additional targeted street resurfacing to
20 \$125,000 +/- supplement the Town's annual Powell Bill distribution.
21

22 *"Gateway" Bike Path to Bridge:* With the recent (and additional planned) clearing of the NC 58 causeway,
23 \$175,000 +/- the Town would add a bicycle path extension from Coast Guard Road to
24 the base of the bridge, where a small public access area could be created.
25 (Public access amenities would be eligible for CAMA grants, however, the
26 bicycle path is not eligible.)
27

28 *Additional Beach Access* The Town routinely includes annual funding to replace 2 or 3 beach
29 *Walkways:* access walkways each year, and additional funding could be included in
30 \$75,000 +/- in the "community improvements package" for up to 3 additional walkways
31 in FY 13-14.
32
33

34 Essentially, the Board will need to decide if our taxpayers would be willing to pay an additional 1-cent on their annual
35 General Fund property tax bill for some combination of the projects listed above. The Town continues to be fortunate
36 to enjoy a low General Fund tax rate of 11.5 cents, the 2nd lowest of the 21 oceanfront municipalities in North Carolina.
37 For the average-value property owner, the potential 1-cent increase equates to an additional \$39.50 per year for these
38 projects. Of course, some property owners would pay more than that, and some would pay less. Many oceanfront
39 home owners would likely pay more than \$100 additional per year, while those with more modest homes may only pay
40 an additional \$20 or \$30 per year.
41

42 There is likely strong support for the bicycle path projects throughout the entire Town, especially in the Coast Guard
43 Road area and the eastern part of Town where the new path segments would be located. There is also likely strong
44 support for the fixed storm water pipe connections in Lands End and in The Pointe neighborhood. There is also likely
45 strong support for a skate park, the Community Center expansion, and Blue Heron Park playground equipment by the
46 users of these facilities.
47

48 As noted, it is important to secure meaningful public input before the Board makes a final decision. If the Board
49 concurs, I will plan to include information on the Town's website and in the Island Review newsletter to solicit public
50 feedback over the next several weeks. I will compile this feedback and present it to the Board in conjunction with the
51 FY 13-14 Recommended Budget in May.
52

53 The Board may also wish to consider other options, including the following:
54

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- The Board could identify other projects not noted above, and include those in a "2013 community improvements package" to be presented to the public. In order to stay within 1-cent on the tax rate, some other projects would need to be eliminated from consideration.
- The Board could also decide that the timing is simply not right to move forward with any of these projects and the necessary tax rate increase to fund the debt service. All of the projects are desired and beneficial for our community, but none are deemed absolutely essential at this time.
- The Board could also decide to move forward with these projects over a longer time frame, and seek to identify other non-debt funding sources incrementally over time.
- The Board could also increase the property tax rate by 1 cent, generating approximately \$300,000 annually, and earmark these funds specifically for a "pay-as-you-go" approach for various capital projects as determined by the Board.
- The Board could structure the "2013 community improvements package" as a bond referendum, and conduct the referendum in conjunction with the November 2013 election or on an alternative date.

Town Manager Rush stated that this item was on the agenda tonight specifically to make the public aware of the idea so that the Board and staff could receive public input over the next couple of months; finding out whether the public supported the idea or not, and so the Board could use the input when making their decision when adopting the budget.

Town Manager Rush said the question to our taxpayers would be whether it was worth 1 cent on the tax rate to complete these projects. Mr. Rush stated that the projects were all beneficial and desirable in Emerald Isle as they would be great additions to our community, improve quality of life for residents and taxpayers, improve standing as a tourism destination, however, they were not absolutely necessary and the Board would need to balance the desire with the needs of the taxpayers. Mr. Rush proposed putting the information out in the Town newsletter and website to generate the input from the public for the Board. Town Manager Rush said they would also include this item again on the April meeting agenda to secure additional public input as well.

Mayor Pro-Tem Messer said he would like to see a lot of public input as this was a lot of money.

Mayor Pro-Tem Messer asked for public comments.

Alan Watts, 9811 Sandy Court, mentioned two items in the Boards packets that were pretty expensive; one was the new ocean fishing pier and the other was the shallow draft inlet project; and wondered where that money would come from down the road.

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1
2 Town Manager Rush said those items were not included in the package that the
3 Board was considering tonight; though they were certainly issues the Board
4 would deal with going forward. Mr. Rush said that the shallow draft inlet funding
5 had historically been provided by the Corps of Engineers, they had been unable
6 to provide funds for those activities for the last few years but fortunately the State
7 of North Carolina had stepped up to the plate and helped a great deal. Mr. Rush
8 said there was a proposal put forth by Senator Harry Brown that would provide
9 dedicated state funding source for navigation dredging.

10
11 Commissioner Wootten interjected that those issues weren't what was being
12 discussed tonight; we were discussing town infrastructure. Town Manager Rush
13 agreed they were not included in this package. Mr. Rush said they could
14 certainly include them as they were outstanding issues that would need to be
15 dealt with over time. Mr. Rush noted that as far as the Aquarium Pier project or
16 now the Emerald Isle Pier project; they were still working on a long term financing
17 plan for that project, attempting to obtain State grant funding that was previously
18 allocated for that project.

19
20 Carole Lanier, 306 Governor Safford, spoke in support of extending the bike
21 paths for recreation. She wondered about an Emerald Isle recreation tax that
22 could be shared by everyone. Mr. Rush said that something like that would
23 require the approval of the General Assembly. Mr. Rush said the room
24 occupancy tax was statutorily restricted to advertising, marketing and beach
25 nourishment so that would not be an available funding source. Mr. Rush said the
26 Board could increase property taxes but no authority to levy any kind of special
27 user tax. Ms. Lanier said as a resident, business owner, and private donor of the
28 bike path down Coast Guard Road she had certainly donated to the effort. She
29 encouraged the Board to help finish the projects as she felt while there was great
30 support in the community. Ms. Lanier was also part of the skate park group and
31 introduced the chair of the skate park committee who was in attendance to
32 address the Board.

33
34 Dave Chu, 306 Governor Safford, stated that their group was comprised of a
35 small group of individuals, business owners, second home owners, parents, that
36 saw a need and necessity for the children to have a safe place that promoted
37 healthy sports and lifestyle living. Mr. Chu said both of his children grew up
38 skating here and dodging cars on the island for the past 15 years. Mr. Chu said
39 they were establishing a 501c(3) so they could seek donations from private
40 donors. Mr. Chu said this was a board sport community, paddleboarding,
41 surfing, skate boarding, bicycling; which could all exist and co-mingle if they had
42 an appropriate place for each of the sports. Mr. Chu spoke of the size and type
43 of Skate Park where not only a 4-5 year old child could go but a 35 year adult
44 could go and still enjoy. Mr. Chu stated they were looking at building an all
45 concrete park which would reduce injuries, noise and, long term maintenance

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1
2 would be minimal if designed and built correctly. He thanked the Board for any
3 support to make this happen.
4

5 Jim Hackett, 6410 Ocean Drive, said he generally supported most of the projects
6 but asked if the ongoing maintenance of these projects was included in the cost
7 estimates. Mr. Hackett also wondered if Emerald Isle had a catastrophic storm
8 that came through and did severe damage to the infrastructure were they
9 prepared. Mr. Rush stated that the cost estimates outlined tonight were only the
10 capital construction costs so they did not include any maintenance cost
11 associated; they didn't expect maintenance to be a significant cost but over time
12 as they added more amenities then yes there would be additional maintenance
13 costs. Mr. Rush felt that incrementally the costs would be a minimal number. As
14 far as the hurricane impacts they had invested significantly in beach nourishment
15 because it did work and reduced storm damages and was documented in areas
16 of New Jersey where they fared better from Hurricane Sandy than in some areas
17 that did not. Mr. Rush stated that in terms of costs when infrastructure was
18 damaged during a storm the Town had historically been fortunate as the entire
19 Town infrastructure, including our beach nourishment was covered under the
20 Stafford Act, with reimbursement from FEMA for all repairs associated with the
21 Town's public infrastructure. FEMA paid 75% and the State of North Carolina
22 provided 25% so the Town's main challenge came in terms of providing the cash
23 flow for the repairs. He felt the Town had a healthy fund balance, the Board had
24 been very fiscally conservative and prudent over the years and the Town was as
25 well prepared if not better than most communities.
26

27 Jimmy Farrington, 413 Sunrise Court, resident and Carteret County
28 Commissioner, spoke in support of the skate park. Mr. Farrington said he had
29 spoken only to the Chairman of the Carteret County Commissioners but he
30 planned to make an official request to the Carteret County Commissioners to
31 look at Parks and Recreation grants. Mr. Farrington said that Alesia Sanderson
32 did a wonderful job with the Emerald Isle Parks and Recreation Department, but
33 he looked at it as they don't have a Parks and Recreation on a county level in
34 Emerald Isle so he planned to put forth an official request. He wanted to assure
35 the Board that their group was going to seek funding from the County as well.
36 He felt with the support and excitement of individuals and business owners that
37 the skate park would be a great success.
38

39 Ken Stone, 9701 Ashley Place, thanked the Board for their support. He said they
40 had done well with fundraising, raising \$118,000 over the past two years but he
41 didn't know how many more people he could browbeat into donating. Mr. Stone
42 felt the whole idea of the community improvement package was a great one as
43 things would only get more expensive in the next 10 years, interest rates were
44 low now, and it would add to the beauty and infrastructure of the Town.
45

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1
2 Commissioner Wright thought they wanted to finish the bike paths, and the
3 stormwater, as they needed to be done and it would take a long time if not done
4 in this way. Commissioner Wright felt more input and thought was needed about
5 the other items.

6
7 Mayor Pro-Tem Messer agreed on the stormwater, he felt that was number one
8 in his opinion.

9
10 Commissioner Wootten said he hoped everyone could focus on the plan to raise
11 taxes by one-cent and go into debt by 2.4 to 2.6 million and that was the real
12 issue. The issue was whether you agreed with spending 2.4 to 2.6 million, and
13 they needed to know whether people agreed with that or not.

14
15 Commissioner Hedreen stated that in the past few years she had multiple
16 citizens thank them for all they and the Bicycle and Pedestrian Committee had
17 done as a community for the bike paths as they had made a real difference in
18 their enjoyment; then at the end of their conversation they would say - why don't
19 you just raise our taxes and just finish it - she knew of multiple people who had
20 said things like that over the past 4-5 years as they caught the bike path fever.
21 Commissioner Hedreen said that was why she supported the bike path; and felt
22 they had to do the storm water. Commissioner Hedreen agreed with
23 Commissioner Wootten that everything else was gravy and anything other than
24 that she felt they would need a groundswell of community support from the
25 citizens to tell them how they wanted the Board to spend their money.

26
27 Town Manager Rush following the direction of the Board said they would proceed
28 to publicize the issue and to solicit as much input from the public as possible.

29
30 **15. Appointments – Board of Adjustment – 1 Vacancy**

31
32 **Brief Summary:** The term of Alternate #2 Board of Adjustment member
33 Malcolm Boartfield will expire in May 2013. The new term is a two-year term that
34 will expire in May 2015.

35
36 ***Motion was made by Commissioner Wright to reappoint Malcolm Boartfield***
37 ***as Alternate #2 on the Board of Adjustment for a term that will expire in***
38 ***May 2015. The Board voted unanimously 5-0 in favor. Motion carried.***

39
40 **16. Comments from Town Clerk, Town Attorney, and Town Manager**

41
42 There were no comments from the Town Clerk or Town Attorney.

43
44 Town Manager Rush updated the Board on several important issues including
45 the upcoming 22nd Annual St. Patrick's Festival, publicly applauding Parks and

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1
2 Recreation Director Alesia Sanderson and her staff for their great work. Mr.
3 Rush also was pleased to announce the new website just launched
4 www.visitei.org that included all the tourism related businesses located in
5 Emerald Isle with a prominent link also located on the front page of the Town
6 website, thanking Town Clerk Rhonda Ferebee for her work on the new site. Mr.
7 Rush briefly spoke of the current status of the Coast Guard Road bike path, the
8 Highway 58 bike path extension, and reminded the Board and public about the
9 trash collection schedule change effective March 18.

10
11 The following is an excerpt from the Town Manager Comments memo to the
12 Board providing additional background information for all items of importance:

13
14 **St. Patricks Festival**

15 Town staff are busy with final preparations for the 22nd Annual St. Patrick's Festival on Saturday, March 16. We
16 remain hopeful for good weather and a big crowd!

17
18 **www.visitei.org – New Webpage Launched**

19 Thanks to Rhonda Ferebee's good work, we've launched this new website with information about Emerald Isle
20 businesses. This will provide a good webpage for us to direct inquiries from potential new visitors. Please let us know
21 if we've missed any businesses, or need to correct any business' information. We have intentionally limited the page
22 to businesses that have a physical location in Emerald Isle, as we need to draw the line somewhere.

23
24 **NC 58 Bridge Work**

25 24-hour, one lane closure remains in effect until Friday, March 15 at 7 am. Both lanes will be open for St. Patrick's
26 Festival weekend!

27
28 One lane will be closed again from 7 pm on Sunday, March 17 until 7 pm on Friday, March 22. Both lanes are
29 expected to be open from 7 pm on Friday, March 22 until 7 pm on Sunday, March 24. One lane will be closed from
30 Sunday, March 22 at 7 pm until 7 am on Friday, March 29 (Good Friday).

31
32 Both lanes will be open all during Easter weekend and the following week - from 7 am on Friday, March 29 until 7 pm
33 on Sunday, April 7. Beginning on Sunday, April 7 at 7 pm, only weekday nighttime lane closures are expected.

34
35 **FEMA Irene Beach Nourishment Project**

36 Construction continues in both the eastern Emerald Isle and western Emerald Isle reaches. Two dredges are working
37 in eastern Emerald Isle, and one larger dredge is working in western Emerald Isle. The sand quality is excellent, and
38 Great Lakes Dredge and Dock remains on schedule. We expect all work to be complete before March 31.

39
40 **Coast Guard Road Bicycle Path Extension**

41 SunLand Development and Construction has completed the paving of the new path, and a portion of the retaining wall
42 work is complete. Remaining retaining wall work will be done soon, and Town staff will install sod in the strip between
43 the new path and Coast Guard Road and will also tidy up the surrounding area.

44
45 We are planning to relocate the pavement markings on Coast Guard Road to shift the lanes further to the north away
46 from the new path, and funds were included in the budget for this work. I am now contemplating whether or not we
47 should also resurface this section of Coast Guard Road before installing new pavement markings. Funds are not
48 budgeted for this resurfacing, however, it may be more prudent in the long run to do this work now. The estimated cost
49 of this resurfacing is likely to be in the \$35,000 range. Please let me know if you have any thoughts on this issue.

50
51
52

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1
2 **NC 58 Bicycle Path Extension**

3 I had originally hoped to include a construction contract on the Board's March 12 meeting agenda, however, that did
4 not happen. We have advertised for construction bids, and bids will be opened on March 25. We plan to have a
5 construction contract recommendation on the Board's April meeting agenda, and remain hopeful that we can complete
6 the new path before Memorial Day weekend.

7
8 **New Soundside Pier at Public Boating Access Area**

9 We expect to solicit construction bids for this project later this month, and may or may not have a construction contract
10 recommendation on the Board's April meeting agenda. If we present a recommendation in April, we may still be able
11 to complete the project by Memorial Day weekend, however, there is a strong possibility that we won't present a
12 construction contract recommendation until the May meeting.

13
14 **NC 58 Causeway Clearing**

15 We have hired the same contractor to complete additional clearing along the NC 58 causeway, and he will begin work
16 sometime soon after St. Patrick's Festival weekend.

17
18 **New Legislation Clarifying Municipal Authority to Regulate Public Trust Beach Areas**

19 The draft bill is complete, and is awaiting introduction by Representative McElraft. Additionally, there is a possibility
20 that the language will be inserted into S 151, the Coastal Policy Reform Act of 2013, a comprehensive bill addressing
21 many coastal issues. I am currently working with Representative McElraft and Senator Berger's office on this
22 approach.

23
24 **Live Oak Street Pedestrian Bridge**

25 We are awaiting receipt of building permits for this project, and Alesia Sanderson, Parks and Recreation Director, is
26 currently talking with potential volunteer labor about their willingness to assist with the project. In order to meet ADA
27 requirements, we expect to elevate a portion of Live Oak Street on the soundside in order to create an acceptable
28 slope leading up to the new pedestrian bridge. This will likely involve some minor resurfacing in this area.

29
30 **Cape Emerald Ponds**

31 Cape Emerald is a private, gated subdivision with private streets, but, as you know, has a public storm water pipe
32 running from the ocean-side through the subdivision that empties into a series of ponds near the soundfront. These
33 ponds eventually drain into Bogue Sound. The Town has historically maintained the storm water pipe and the outfall
34 leading from the ponds to Bogue Sound, however, pond maintenance has historically been shared. Generally
35 speaking, Cape Emerald POA has maintained the fountains in the ponds, however, the Town has completed dredging
36 of the ponds. I have an outline of a "pond agreement" between the Town and the Cape Emerald POA, and will be
37 drafting a formal agreement for Cape Emerald and Board review and consideration in the coming weeks.

38
39 **Removal of Cape Emerald / Emerald Isle Woods Public Access Steps**

40 Parks Maintenance staff recently removed an older, deteriorating section of steps on the far western boundary of
41 Emerald Isle Woods Park adjacent to Cape Emerald. In conjunction with this removal, a new path was cut through the
42 woods to maintain a connection between Cape Emerald and Emerald Isle Woods Park. In the future, if funds permit,
43 we hope to construct a new wooden walkway over wetlands in this area to improve the existing park trail and also
44 make it easier to monitor storm water issues.

45
46 **Summer Staffing**

47 The Police Department continues to recruit additional reserve Police Officers to augment our coverage on the beach
48 and in the community this summer, and has already added several new officers. The Fire Department is also currently
49 recruiting for lifeguards and Beach Patrol members, and reports higher interest than previous years. Parks and
50 Recreation and Public Works are also recruiting for additional summer help.

51
52 **Fire Department Ladder Truck to Be Repainted**

53 The ladder truck, a 1998 model, has experienced some corrosion in recent years, and is scheduled to be repainted.
54 The truck is expected to be out of service for about 4 – 6 weeks beginning later this week. The cost to repaint the truck

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1
2 is approximately \$17,000, and funds were included in the FY 12-13 budget. The repainting will help to insure that the
3 truck remains in service until at least FY 18-19, the scheduled replacement year, and hopefully longer. The new
4 replacement truck will likely cost in excess of \$700,000 at that time. Salter Path / Indian Beach Fire Department's
5 ladder truck will provide mutual aid to Emerald Isle while the Town's ladder truck is out of service.
6

7 **New Bulkhead for Cedar Street Sound Access**

8 Public Works recently completed a new wooden bulkhead on the east side of the pier at the Cedar Street sound
9 access. I am pleased with the quality of their work.
10

11 **Implementation of IT Agreement with VC3**

12 I expect to formally execute the agreement with VC3 to switch 11 Town computer workstations to VC3's hosted
13 solution (on "the cloud") later this month, and will begin the transition soon thereafter. My goal is to have these 11
14 workstations transitioned by sometime in April. Mayor Schools, Paul Cheshire, and I will also be visiting VC3's facility
15 in Columbia, SC on March 20.
16

17 **Trash Collection Schedule Change**

18 The new trash collection schedule will be implemented the week of March 18. We have already begun to publicize this
19 change, and will continue our efforts between now and then. Beginning March 18, oceanside will be collected on
20 Mondays and Fridays, and soundside will be collected on Tuesdays and Thursdays, with Town-wide recycling
21 collection on Wednesdays.
22

23 We have ordered new refrigerator magnets with the new trash collection schedule, and will distribute quantities to the
24 vacation rental agencies in the coming weeks. We will also have stock on hand at the Town Administration Building for
25 permanent residents and second home owners.
26

27 **New Recycling Containers**

28 Sound ACE reports steady sales of new recycling containers at the discounted prices negotiated by the Town. They
29 are currently out of stock of the 40-gallon roll-out containers, however, we expect delivery of additional 40-gallon
30 containers within the next few weeks. We have also ordered additional 90-gallon roll-out containers to accommodate
31 demand from the vacation rental agencies, and these should be delivered within the next few weeks. The new
32 containers will not be here prior to the March 18 effective date, however, we do not intend to take any enforcement
33 action for quite some time.
34

35 **Request for Remaining WAMI Grant Funds for New Ocean Fishing Pier**

36 I have had positive discussions with Brad Ives, new NCDENR Assistant Secretary, on this issue, and he indicated that
37 Secretary Skvarla had recommended release of the grant funds to the Town. We are now awaiting approval of the
38 release of the grant funds by the State Budget Office. Additionally, the State Property Office is currently processing the
39 reversion of the Eastern Ocean Regional Access site back to the Town, and this process is expected to be finalized in
40 May or June.
41

42 **Implementation Date for Regional Access Parking Fees**

43 We expect to begin charging the weekend parking fees on April 20. We also plan to allow re-entry at the Eastern
44 Ocean Regional Access this summer, and are still considering whether or not we can also efficiently allow re-entry at
45 the Western Ocean Regional Access.
46

47 **Update to Residents & Visitors Guide**

48 The Residents & Visitors Guide was last updated in May 2010, and we are working on a 2013 update. I hope to have
49 these printed by May for distribution to vacation rental agencies and placement at Town building.
50

51 **Joint EMS Committee Meeting**

52 The Committee will meet on Wednesday, March 27 at 7 pm to review the FY 13-14 budget request from EI EMS, Inc.
53
54

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1
2 **Shallow Draft Inlet Dredging**

3 With the potential for the US Army Corps of Engineers' shallow-draft inlet dredging program to be terminated (either by
4 Federal budget cuts and/or the mothballing of its sidecast dredge), there is concern about the future of shallow draft
5 inlet dredging in North Carolina. The NC Division of Water Resources is currently proceeding with an effort to transfer
6 the US Army Corps of Engineers' shallow draft inlet dredging permits to the State, which will provide greater flexibility
7 for the State to contract for this work in the future. There remains significant uncertainty about the availability of any
8 private sector dredge plant that can actually complete the work (due to permit conditions, shallow depth restraints, etc.
9 – i.e. the sidecast dredge may be the only dredge that can actually perform the work), but the transfer of the permits to
10 the State is a good first step in addressing this issue. There will likely be a later permitting effort (albeit much more
11 complicated and expensive) by the State to authorize greater depths in these inlets in the future.

12
13 I will continue to track this issue and will update the Board as needed.

14
15 **Surfrider Foundation – Bogue Banks Chapter**

16 I recently met with the leaders of the new local chapter of the Surfrider Foundation. They are interested in helping to
17 keep the beach clean, and will be installing recycling stickers on the Town's beach strand recycling containers. They
18 are interested in having the Town increase the fine for littering on the beach, and I may present an ordinance
19 amendment to the Board regarding this at an upcoming meeting.

20
21 **USMC Investigation – Munitions Near Bear Inlet**

22 The Marine Corps is currently investigating potential safety concerns associated with munitions in the vicinity of Bear
23 Inlet. I have attached a flyer the Town recently received about this issue.

24
25 **Potential Upcoming Special Events**

26 We are currently working with 3 groups interested in organizing special walking / running / bicycling events in Emerald
27 Isle. One group is considering a domestic violence bicycle ride on Father's Day, another is planning a walk to benefit
28 "chiari" research (a disease) in September, and another is attempting to organize a half-marathon race in Emerald Isle
29 later this fall or next spring.

30
31 **17. Comments from Board of Commissioners and Mayor**

32
33 There were no further comments from the Board or Mayor Pro-Tem.

34
35 **18. Adjourn**

36
37 ***Motion was made by Commissioner Hedreen to adjourn. The Board voted***
38 ***unanimously 5-0 in favor. Motion carried.***

39
40 ***The meeting was adjourned at 8:15 pm.***

41
42 Respectfully submitted:

43
44
45
46 Rhonda C. Ferebee, CMC, NCCMC
47 Town Clerk
48
49
50