

1 **MINUTES OF THE REGULAR SCHEDULED MEETING**
2 **OF THE EMERALD ISLE BOARD OF COMMISSIONERS**
3 **TUESDAY, JULY 10, 2012 – 7:00 P.M.**
4 **TOWN BOARD MEETING ROOM**

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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 Art Schools at 7:00 PM in the Emerald Isle Town Board
11 Meeting Room.

12
13 **2. Roll Call**

14
15 Present for the meeting: Mayor Art Schools, Commissioners Nita Hedreen, Tom
16 Hoover, Floyd Messer, John Wootten, and Maripat Wright.

17
18 Also present during the regular meeting: Town Manager Frank Rush, Town
19 Attorney Richard Stanley, Town Clerk Rhonda Ferebee, and Planning Director
20 Kevin Reed.

21
22 Others present for the meeting: Johnny Martin, and Ryan Smith, Moffatt & Nichol
23 Engineers.

24
25 **3. Opening Prayer**

26
27 Opening prayer was offered by Mary Howard Higgins, youth member of Emerald
28 Isle Baptist Church.

29
30 **4. Pledge of Allegiance**

31
32 All who were present recited the Pledge of Allegiance.

33
34 **5. Adoption of Agenda**

35
36 ***Motion was made by Commissioner Messer to adopt the Agenda. The***
37 ***Board voted unanimously 5-0 in favor. Motion carried.***

38
39 **6. Proclamations / Public Announcements**

40
41 Mayor Schools noted the following proclamations and public announcements for
42 the public:

- 43
44 • **Proclamation – Emerald Isle Parrott Head Weekend – August 3 – 5,**
45 **2012 (12-07-10/P1)**
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- 1
- 2 • Youth Surfing Competition Series – Wednesday, July 11 – 4:30 pm –
- 3 Western Ocean Regional Access
- 4 • Friday Free Flick – “Hop” – Friday, July 13 – 7 pm – Community
- 5 Center
- 6 • 2 v 2 Beach Volleyball Tournament – Saturday, July 14 – 9 am until –
- 7 Western Ocean Regional Access
- 8 • Youth Tennis Camp – July 16 – 20 – Contact Parks and Recreation
- 9 Department
- 10 • EmeraldFest Concert – “Big Drink” – Thursday, July 19 – 6:30 – 8:00
- 11 pm – Western Ocean Regional Access
- 12 • Carolina Region Jr. Beach Volleyball Championships – Saturday,
- 13 July 21 – 9 am – 5 pm – WORA
- 14 • Scrapbooking Workshop – Saturday, July 21 – 10 am – 1 pm –
- 15 Community Center
- 16 • Planning Board Regular Meeting – Monday, July 23 – 6 pm – Town
- 17 Board Meeting Room (may be cancelled)
- 18 • EmeraldFest Concert – “Bobby Webb” – Thursday, Aug 2 – 6:30 –
- 19 8:00 pm – Western Ocean Regional Access
- 20 • Board of Adjustment Meeting – Wednesday, Aug 8 – 9 am – Town
- 21 Board Meeting Room (may be cancelled)
- 22 • Friday Free Flick – Friday, August 10 – 7 pm – Community Center
- 23 • 2 v 2 Beach Volleyball Tournament – Saturday, August 11 – 9 am
- 24 until – Western Ocean Regional Access
- 25 • Town Board Regular Meeting – Tuesday, August 14 – 7 pm – Town
- 26 Board Meeting Room
- 27

28 Clerks Note: A copy of Proclamation 12-07-10/P1 as noted above is incorporated herein by reference
29 and hereby made a part of these minutes.

30

31 7. Public Comment

32

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

35

36 There were no comments from the public.

37

38 8. Consent Agenda

- 39
- 40 a. Tax Refunds / Releases
- 41 b. Regular Meeting Minutes – May 8, 2012
- 42 c. Resolution Authorizing Change Order for Island Circle Pump Station
- 43 Construction Contract (12-07-10/R1)
- 44
- 45

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2 ***Motion was made by Commissioner Hoover to approve the items on the***
3 ***Consent Agenda. The Board voted unanimously 5-0 in favor. Motion***
4 ***carried.***

5
6 **Clerks Note: A copy of Resolution 12-07-10/R1 and all other Consent Agenda items as noted above**
7 **are incorporated herein by reference and hereby made a part of these minutes.**

8
9 **9. Ordinance Amending Chapter 4 – Use Regulations – and Chapter 10 –**
10 **Definitions and Rules of Interpretation – of the Unified Development**
11 **Ordinance In Order to Regulate Electronic Gaming Operations (12-07-10/O1)**

12
13 **a. Public Hearing**

14 **b. Consideration of Ordinance Amendment**

15
16 Kevin Reed, Planning Director, addressed the Board regarding this agenda item.
17 The following excerpt from Town Manager Rush to the Board is provided for
18 additional background:

19
20 The Board of Commissioners is scheduled to consider the attached ordinance amendment that would clarify that
21 electronic gaming operations are a permitted use in Emerald Isle, and also establish regulations pertaining to electronic
22 gaming operations. A public hearing is required before Board consideration, and has been scheduled for the July 10
23 meeting.

24
25 Electronic gaming operations have been in the news for the past several years, and have been discussed by the Board
26 on several occasions. The NC General Assembly has made multiple attempts to ban electronic gaming operations
27 (also commonly referred to as “internet sweepstakes” operations and other names), however, these attempts have not
28 been upheld by the Courts, and these operations continue in North Carolina. As a result of the most recent Court
29 decision earlier this year, the Board directed Town staff to re-initiate previous efforts to regulate electronic gaming
30 operations in Emerald Isle. The Town’s Unified Development Ordinance was previously silent on such activities.

31
32 As you know, the Board reviewed a proposed ordinance amendment regarding electronic gaming operations at its
33 June 12 meeting, and the attached ordinance amendment incorporates the changes suggested by the Board at that
34 meeting. The attached ordinance amendment specifically allows electronic gaming operations (both as a stand-alone
35 operation and as an accessory use at an existing business) in the Business zoning district only, and they would not be
36 allowed in any other Town zoning district. Additionally, other requirements are included in the attached ordinance
37 amendment, including:

- 38
39
- 40 • both stand-alone electronic gaming operations and accessory uses would be limited to a maximum of 4 machines,
 - 41 • electronic gaming operations must be located a minimum of 1,250 feet from each other, and a minimum of 1,250 feet from a church, public park, playground, or movie theater,
 - 42 • a requirement that any such establishment offering alcoholic beverages have the appropriate State permits, and
 - 43 • parking requirements.
- 44
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47 Maps indicating the areas subject to the 1,250 ft. separation requirement are attached, and electronic gaming
48 operations would effectively be prohibited from operating in these areas regardless of zoning district.

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1
2 The new July 10 version of the ordinance amendment reflects the Board's general direction that regulations for
3 electronic gaming operations should be simplified and should be consistent for both stand-alone operations and
4 accessory use operations. The new July 10 version also incorporates changes suggested by the Town Attorney that
5 were discussed with the Board at the June 12 meeting. The new version relaxes the previously discussed limit of 2
6 machines on accessory use electronic gaming operations, and now includes a limit of 4 machines on both stand-alone
7 and accessory use operations. The new version also eliminates "public parking areas" from the 1,250 feet distance
8 requirement, and also eliminates the 1,250 feet distance requirement between electronic gaming operations. The new
9 version also removes the prohibition on Sunday operations and the prohibition on alcohol sales at stand-alone
10 operations.

11
12 The Board should note that there are currently no stand-alone electronic gaming operations in Emerald Isle, however,
13 there are 3 existing businesses that offer electronic gaming operations as an accessory use. Paddy's Pub, located at
14 K&V Plaza, has 4 machines. Ballyhoo's Restaurant, located on Fairview Drive, has 2 machines. Emerald Club,
15 located on Emerald Drive, has 2 machines. To date, there have been no reported problems or issues arising from
16 these electronic gaming operations in Emerald Isle, and the owners of these businesses have indicated that the
17 electronic gaming operations are not the main focus of their business, and are simply an additional form of
18 entertainment made available to their patrons. If the Board adopts the attached ordinance amendment, all 3 of the
19 existing accessory use electronic gaming operations will remain as conforming uses.

20
21 Kevin Reed reviewed the new version of the ordinance amendment with the Planning Board at its June 25 meeting,
22 and the Planning Board concurred with the suggested changes.

23 ***Motion was made by Commissioner Wootten to open the Public Hearing.***
24 ***The Board voted unanimously 5-0 in favor. Motion carried.***

25
26 There were no comments from the public.

27
28 ***Motion was made by Commissioner Messer to close the Public Hearing.***
29 ***The Board voted unanimously 5-0 in favor. Motion carried.***

30
31 ***Motion was made by Commissioner Wootten to adopt the Ordinance***
32 ***Amending Chapter 4 – Use Regulations – and Chapter 10 – Definitions and***
33 ***Rules of Interpretation – of the Unified Development Ordinance in Order to***
34 ***Regulate Electronic Gaming Operations. The Board voted unanimously 5-0***
35 ***in favor. Motion carried.***

36
37 Commissioner Hedreen asked whether they could limit the gambling with sale of
38 alcohol to not be allowed until noon on Sunday to be consistent with other
39 alcohol sales practices. Town Attorney Stanley stated that the Town laws were
40 preempted by the ABC laws. Commissioner Messer noted that lottery tickets
41 were sold on Sunday mornings. Commissioner Wootten added that he didn't
42 think the businesses in Town with electronic gambling currently opened before
43 noon.

44
45 ***Clerks Note: A copy of Ordinance 12-07-10/O1 as noted above is incorporated herein by reference***
46 ***and hereby made a part of these minutes.***
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2 **10. Ordinance Amending Chapter 4 – Use Regulations – of the Unified**
3 **Development Ordinance In Order to Regulate Solar Panels in the Business,**
4 **Government, and Camp Zoning Districts (12-07-10/O2)**
5

- 6 **a. Public Hearing**
7 **b. Consideration of Ordinance Amendment**
8

9 Kevin Reed, Planning Director, addressed the Board regarding this agenda item.
10 The following excerpt from Town Manager Rush to the Board is provided for
11 additional background:

12
13 The Board of Commissioners is scheduled to consider the attached ordinance amendment that would allow the
14 accessory use of solar panels in the Business (B), Government (G), and Camp (C) zoning districts, and also establish
15 regulations pertaining to solar panels in these districts. A public hearing is required before Board consideration, and
16 has been scheduled for the July 10 meeting.

17
18 The attached ordinance amendment simply adds these zoning districts to the ordinance approved by the Board at the
19 June 12 meeting that allows and regulates solar panels as an accessory use in residential zoning districts. The Board
20 should note, however, that only roof-top placement of solar panels would be allowed in the B, G, and C zoning districts,
21 and no freestanding solar panels would be allowed in these zoning districts. This provision is included to prevent the
22 use of specially constructed solar structures over the top of existing parking lots. This approach has been suggested in
23 the past, and is not believed to be consistent with the Town's aesthetic goals for the B, G, and C zoning districts.

24
25 Because only accessory uses would be permitted, no commercial solar operations would be permitted.

26
27 The Planning Board reviewed this issue at their June 25 meeting, and recommends approval of the attached ordinance
28 amendment.

29
30 ***Motion was made by Commissioner Wright to open the Public Hearing.***
31 ***The Board voted unanimously 5-0 in favor. Motion carried.***

32
33 There were no comments from the public.

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 ***Motion was made by Commissioner Wootten to adopt the Ordinance***
39 ***Amending Chapter 4 – Use Regulations – of the Unified Development***
40 ***Ordinance In Order to Regulate Solar Panels in the Business, Government,***
41 ***and Camp Zoning Districts. The Board voted unanimously 5-0 in favor.***
42 ***Motion carried.***

43
44 **Clerks Note: A copy of Ordinance 12-07-10/O2 as noted above is incorporated herein by reference**
45 **and hereby made a part of these minutes.**
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2 **11. Presentation of Final Report – Archers Creek Stormwater Plan**
3

4 Town Manager Frank Rush spoke briefly about this item, followed by a
5 PowerPoint presentation led by Johnny Martin and Ryan Smith, Moffatt & Nichol
6 Engineers. The following excerpt from his memo to the Board is provided for
7 additional background:
8

9 The Board of Commissioners is scheduled to receive a brief PowerPoint presentation from Moffatt & Nichol Engineers
10 summarizing the contents of the recently completed Archers Creek Stormwater Plan. A copy of the final report is
11 attached for the Board's review. The report includes an analysis of water quality issues in Archers Creek, an inventory
12 of existing storm water infrastructure, and includes recommendations for potential future storm water improvements
13 intended to promote better water quality in Archers Creek.
14

15 This report was funded primarily by a 2008 grant from the NC Clean Water Management Trust Fund (CWMTF). Due to
16 State budget issues, the project was not authorized to proceed by CWMTF until August 2010. The Town awarded a
17 contract to Moffatt & Nichol in March 2011, and work on the project was completed over the past year +. As the Board
18 may recall, the Town sought the 2008 CWMTF grant in response to a goal articulated in the Town's 2004 CAMA Land
19 Use Plan regarding water quality in Archers Creek, and also as a result of the NC Environmental Management
20 Commission's (EMC) consideration of Emerald Isle for "Phase II" storm water designation in 2007. As you know, the
21 EMC ultimately decided not to subject the Town to "Phase II" storm water requirements, however, one of the factors
22 that caused the EMC to consider Emerald Isle was the existence of several storm water outfalls draining to Archers
23 Creek. The Town committed to investigate and potentially implement storm water improvements in the Archers Creek
24 watershed during the EMC review.
25

26 The Board should note that Archers Creek is actually separated by a "divide" at Old Ferry Road, with the creek
27 segment to the west entering Bogue Sound at Forest Hills Mobile Home Park and the creek segment to the east
28 entering Bogue Sound near Archers Point. Historical State water quality data collected at the "mouth" of the west
29 segment shows very few instances where fecal coliform levels exceeded State standards. Historical water quality data
30 collected at the "mouth" of the east segment reveals many instances where fecal coliform levels exceeded State
31 standards, however the relocation of the monitoring station in 2006 has resulted in no instances exceeding State
32 standards since that time. The water quality within Archers Creek, however, is impaired to some degree, and the
33 sheer existence of the existing storm water outfalls contributes heavily to the "impaired" classification assigned by the
34 State, particularly the areas of the creek located west of Lee Avenue.
35

36 The attached Moffatt & Nichol report includes recent water quality data from numerous locations within the entire area
37 of Archers Creek, and includes specific recommendations for potential future storm water improvements at several
38 locations that are intended to promote better water quality. Some of the recommendations are relatively simple and
39 inexpensive, while others are much more involved, will require significant coordination with private landowners, and are
40 potentially very expensive. The range of potential improvements includes restoration of vegetative buffers along the
41 edges of the creek in certain locations, installation of new underground infiltration systems to treat and reduce the
42 amount of runoff ultimately entering the creek, purchase of land for a new storm water infiltration basin along Reed
43 Drive, and the replacement and lowering of street culverts in key locations to improve tidal flushing in the creek, among
44 others. Location-specific details and preliminary cost estimates for specific improvements are included in the final
45 report, and Moffatt & Nichol will provide additional explanation during their presentation on July 10.
46

47 Due to responsible growth patterns over the last several decades and proactive storm water efforts by the Town, we
48 are extremely fortunate to enjoy excellent water quality in the waters of Bogue Sound, Bogue Inlet, and the Atlantic
49 Ocean adjacent to Emerald Isle. This excellent water quality is one of the key factors in the overall desirability of
50 Emerald Isle for our permanent residents, second homeowners, and our tourism industry. Archers Creek is the only
51 water body in or adjacent to Emerald Isle that is considered to be impaired by the State, and this designation is heavily
52 based on the sheer existence of the existing storm water outfalls leading to the creek. While the preservation and
53 restoration of water quality in Archers Creek remains important to the Town organization and to our community,

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2 particularly those who live along Archers Creek, it will be important for the Board and the community to determine the
3 relative value of the potential storm water improvement recommendations against other desired storm water
4 improvements and other Town priorities in the future.

5
6 Due to many factors (community perceptions, other local needs and desires, State and local budget challenges,
7 changes to the State political landscape, and other factors), the implementation of these recommendations may not be
8 as urgent now as initially considered to be in 2008. The Board will need to determine which specific improvements to
9 pursue in the future, however, Moffatt & Nichol's recommendation and my recommendation is to proceed with the
10 relatively easier and inexpensive recommendations in the near-term, and consider other more involved and expensive
11 recommendations over the long-term as funds are available, particularly grant funding opportunities. There may also
12 be opportunities to incorporate these recommendations into future new and/or re-development proposals in a way that
13 will benefit the Town and the developer.

14
15 At the conclusion of the PowerPoint presentation Mr. Martin and Mr. Smith
16 answered several questions from the Board and discussed the various options as
17 they had prioritized along with the costs associated.

18
19 Town Manager Rush recommended to the Board that they do as Moffatt & Nichol
20 had suggested, directing staff to work on some of the inexpensive, relatively easy
21 to accomplish options. Mr. Rush said the study provided a good blueprint picture
22 of things they may be able to do in the future if there was an opportunity for grant
23 funding for some of the larger projects down the road, or if there were some
24 development proposal or redevelopment proposal that made sense to
25 incorporate. They had a better baseline understanding of things now that could
26 be done. Mr. Rush felt there were a lot of other stormwater needs in the
27 community, more particularly related to the Coast Guard Road area with
28 significant price tags. Mr. Rush said his recommendation would be to keep those
29 needs at a higher priority than anything discussed tonight; but felt this was a
30 good planning document for the future.

31
32 The Board concurred with the Town Manager's approach as stated.

33
34 **12. NC 58 Bicycle Path Extension**

- 35
36 a. **Resolution Authorizing Grant Agreement with NCDOT (12-07-10/R2)**
37 b. **Budget Amendment – General Fund**
38 c. **Capital Project Ordinance – NC 58 Bicycle Path, Phase 3C**
39

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

43
44 The Board of Commissioners is scheduled to consider three items that would authorize the construction of a new .4
45 mile segment of bicycle path along the south side of NC 58 at the July 10 meeting. The new bicycle path segment
46 would extend from the current terminus of the bicycle path at Hurst Road to Fairfax Road. The Board will consider a
47 Resolution Authorizing a Grant Agreement with the NC Department of Transportation (NCDOT) for \$100,000 of grant
48

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1
2 funding for this project, a General Fund budget amendment that would provide a total of \$60,000 of Town funds for this
3 project, and a new capital project ordinance.
4

5 The Town has been fortunate to receive significant grant funding from NCDOT in recent years to construct
6 approximately 4.2 miles of dedicated bicycle path along the south side of NC 58 between Coast Guard Road and Hurst
7 Drive, and between the Ocean Drive "dog-leg" and the Eastern Ocean Regional Access. As you know, the Town's
8 goal is to eventually extend the bicycle path along the entire remaining length of NC 58 in Emerald Isle from Hurst
9 Road to the Indian Beach town line, a distance of approximately 4.8 miles. The Town was recently notified that
10 NCDOT will provide an additional \$100,000 of grant funding to the Town for the construction of additional bicycle path
11 along NC 58. Upon learning of this funding opportunity, Town staff reviewed the remaining segments between Hurst
12 Road and the Ocean Drive "dog-leg" to identify a segment with logical start and end points that could be constructed
13 for approximately \$125,000 +/- (The Town is required to provide a \$25,000 local match for construction, thus resulting
14 in a total construction budget of \$125,000.)
15

16 As you know, the Town's engineer, Withers & Ravenel, previously completed preliminary design work for future
17 segments of the NC 58 bicycle path between Hurst Road and the Ocean Drive "dog-leg". After reviewing previous
18 design work and cost estimates, Town staff recommends that we utilize the NCDOT grant funding to construct an
19 approximately 2,150 linear ft., or .4 mile segment between Hurst Road and Fairfax Road. The total estimated
20 construction cost for this segment is approximately \$125,000. The Board should note that if construction bids are
21 higher than estimated that the length of the bicycle path segment will be reduced by approximately 500 feet, and would
22 only extend to Cedar Tree Lane (a total distance of approximately 1,650 linear feet).
23

24 The attached Resolution Authorizing a Grant Agreement with NCDOT authorizes the Town Manager to execute a
25 formal grant agreement with NCDOT. Under the agreement, NCDOT will provide up to \$100,000 for construction, and
26 the Town is required to provide a \$25,000 local match, or 20%, for construction. The Town is also required to provide
27 funding for 100% of design, utility relocation, and construction testing costs. The grant agreement also calls for the
28 project to adhere to all Federal and State requirements, and be completed within one year. The Town has executed
29 similar agreements with NCDOT for previous bicycle path segments.
30

31 Because these grant funds are provided by NCDOT and are ultimately derived from the Federal Highway
32 Administration, the Town is required to complete a formal bid process and adhere to all applicable Federal contracting
33 requirements (the same process that was used for the construction of previous NC 58 bicycle path segments).
34 Additionally, it may be necessary to make a few minor changes to the preliminary design for the planned new bicycle
35 path segment. Because of the contracting requirements and design changes, it will be necessary to retain Withers &
36 Ravenel to provide these services for this project. I expect this cost to be in the \$18,000 +/- range, and the Town is
37 responsible for 100% of design costs. I will execute a contract with Withers & Ravenel if the Board approves this
38 project at the July 10 meeting. The Town is also responsible for 100% of utility relocation costs, estimated at
39 approximately \$12,000, and specialized construction testing services, estimated at \$5,000. The total estimated cost of
40 these additional items is \$35,000.
41

42 The attached General Fund budget amendment appropriates an additional \$60,000 of General Fund balance for this
43 project (\$25,000 for the required 20% construction match plus \$35,000 for additional project costs). Although I am
44 typically reluctant to recommend the appropriation of General Fund balance, I believe that this unexpected and
45 significant grant opportunity, the popularity of the Town's bicycle path network, and public demand for additional
46 bicycle path extensions make this project worthy of the use of General Fund balance. I do not expect the use of
47 \$60,000 of General Fund balance to have a significant impact on the Town's overall financial condition.
48

49 The attached capital project ordinance is procedural in nature, and simply appropriates the NCDOT grant funds and
50 the Town's contribution to a segregated project account. The capital project ordinance establishes a total project
51 budget of \$160,000.
52

53 If the Board approves this project, we expect to solicit bids later this fall, present a contract recommendation to the
54 Board in late 2012, and hopefully complete construction prior to the 2013 tourism season.

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1
2 Commissioner Messer asked Mr. Rush if he anticipated any windfalls in the
3 future to replace this money in the fund balance. Mr. Rush said unfortunately he
4 did not, they typically tried to be conservative on revenue estimates and as times
5 had gotten tighter they had been less conservative and closer on the estimates.
6 Mr. Rush said his hope would be that between now and June 30 revenues would
7 exceed budget projections by this amount and they ultimately wouldn't have to go
8 into the fund balance.

9
10 Mr. Rush also noted for the public that there was high demand for a Coast Guard
11 Road bike path but that was a Town maintained street and therefore was not
12 eligible for DOT grant funding for that reason. He said they were funding Coast
13 Guard Road bike path by a combination of charitable contributions and also
14 general fund tax revenue generated by the Town. The reason this segment was
15 proposed was because it was Highway 58 and they were able to get this DOT
16 grant funding.

17
18 Mayor Schools asked for comments from the public.

19
20 There were no comments from the public.

21
22 ***Motion was made by Commissioner Messer to approve the Resolution***
23 ***Authorizing a Grant Agreement with NCDOT. The Board voted***
24 ***unanimously 5-0 in favor. Motion carried.***

25
26 ***Motion was made by Commissioner Wright to approve the General Fund***
27 ***Budget Amendment. The Board voted unanimously 5-0 in favor. Motion***
28 ***carried.***

29
30 ***Motion was made by Commissioner Hedreen to approve the Capital Project***
31 ***Ordinance. The Board voted unanimously 5-0 in favor. Motion carried.***

32
33 Clerks Note: A copy of Resolution 12-07-10/R2, Budget Amendment, and Capital Project Ordinance
34 as noted above are incorporated herein by reference and hereby made a part of these minutes.

35
36 **13. Appointment – Emerald Isle Parks & Recreation Association, Inc.**

37
38 **Brief Summary:** The term of 1 member of the Emerald Isle Parks and
39 Recreation Association, Inc. expires in August 2012, and the Board should
40 appoint an individual to a new 3-year term.

41
42 ***Motion was made by Commissioner Messer to reappoint Linda Hughs to a***
43 ***term on the Emerald Isle Parks and Recreation Association, Inc. that***
44 ***expires in August 2015. The Board voted unanimously 5-0 in favor. Motion***
45 ***carried.***
46

1
2 **14. Comments from Town Clerk, Town Attorney, and Town Manager**
3

4 There were no comments from the Town Clerk or Town Attorney.
5

6 Town Manager Rush updated the Board on several important issues. Mr. Rush
7 made the Board aware that the new Mobile Spay 2 Save Clinic would be at the
8 Emerald Isle Community Center on Friday, August 10 to provide spay and neuter
9 services for the community. Mr. Rush updated the Board on the status of the
10 FEMA Irene Beach Nourishment Project and the consideration of the County
11 providing additional funding beyond that which they had already committed,
12 noting the Beach Commission would be considering that and making a decision
13 hopefully later this month. Mr. Rush also stated that there was language in the
14 State budget that required General Assembly approval for any expenditure for
15 satellite facilities of the NC Aquariums, i.e. the future Aquarium Pier at Emerald
16 Isle. Mr. Rush said as they were seeking somewhere in the \$16-\$18 million
17 range anyway they would have to go through the General Assembly and that was
18 very much a long-term project at this point, at least 3-5 years away if not longer.
19

20 Mr. Rush said at last months meeting they spoke of delegating approval of tax
21 refunds and releases to the Manager, unfortunately the statutes only allowed the
22 delegation of anything less than \$100 and he therefore didn't feel it was worth the
23 effort at such a low dollar threshold for the Board to consider a resolution to
24 make that change.
25

26 Mr. Rush said Commissioner Hoover had requested they consider clearing out
27 some of the underbrush along Highway 58 in the area between the base of the
28 bridge and Coast Guard Road to open the view in that area, not to cut down any
29 large trees but only some of the lower growing bushes and vines. Mr. Rush said
30 they would pick a couple of spots and get the Board's approval.
31

32 The following is an excerpt from the Town Manager Comments memo to the
33 Board providing additional background information for all items of importance:
34

35 **Status of Aquarium Pier at Emerald Isle**

36 At the June meeting, I informed the Board about language in the State budget that limits the ability of the NC
37 Aquariums to develop satellite facilities, including ocean fishing piers, and requires explicit General Assembly approval
38 for development of satellite facilities. This provision appears to be targeted at the NC Aquariums' future ocean fishing
39 pier plans after the completion of the new Jennette's (Aquarium) Pier in Nags Head. I was initially concerned about
40 this language, but recognized soon thereafter that the future construction of the proposed Aquarium Pier at Emerald
41 Isle would absolutely need explicit General Assembly approval anyway.
42

43 I learned last week that there is also language in the now-final State budget that authorizes the NC Aquariums to
44 transfer any unspent grant funds for such a project to a partnering municipality. This language affects grants awarded
45 to the NC Aquariums for partnerships with the Town of Emerald Isle and the Town of Carolina Beach. The NC
46 Aquariums have informed me that there is approximately \$400,000 - \$500,000 remaining in the Water Access and
47 Marine Industry Fund (WAMI) grant awarded to the NC Aquariums for design work (also used for the recently
48 completed soundside pier), and that the NC Aquariums intend to transfer those funds to the Town for improvements at

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1
2 the Eastern Ocean Regional Access / Aquarium Pier site. Completed design plans will also be made available to the
3 Town. I will be discussing this transfer of funds with NC Aquariums staff in the coming weeks, and also investigating
4 the most prudent use of the remaining funds to benefit the Town in the short-term and the overall Aquarium Pier project
5 in the long-term.
6

7 **No State Funding for FEMA Irene Beach Nourishment Project**

8 Unfortunately, the approved State budget did not include any funding for the FEMA Irene Beach Nourishment Project.
9 As you know, we had requested \$3 million, and the House version had included \$1.4 million. This means that the total
10 funding available for the Town's project is approximately \$6.8 million, which is expected to yield a total placement
11 volume of approximately 417,000 cy of sand. (The estimated total placement volume if the \$3 million of State funding
12 was available was 674,000 cy.)
13

14 There has been some informal discussion about the Carteret County Beach Commission contributing some additional
15 amount of funding (they have already committed \$1.5 million for the Emerald Isle project) to make up some or all of the
16 unavailable State funding. I am meeting with the Town's engineers and Greg Rudolph, Carteret County Shore
17 Protection Manager, on July 10 to discuss this issue further (including revised placement areas), and it is my
18 understanding that the Beach Commission will discuss this issue at their meeting later in July.
19

20 **H 1181 - Proposed Emerald Isle 1% Beach Preservation (Local Option Sales) Tax**

21 H 1181 was converted to a "study bill" by Representative McElraft, and the bill was ratified by the General Assembly on
22 June 28. This issue will be studied by the General Assembly's Revenue Laws Study Committee later this year, and a
23 recommendation may be made to the 2013 session of the General Assembly. I will be following this Committee's work
24 closely, and look forward to the opportunity to address the Committee at the appropriate time. I remain hopeful that a
25 new bill to authorize the Town to conduct a referendum on a 1% beach preservation tax will be introduced and
26 approved in the 2013 session. As you know, the goal of this new revenue source is to create a reliable and dedicated
27 funding source to replace previously anticipated State funding for future beach nourishment activities.
28

29 **Replacement of Yard Debris Collection Truck**

30 I had initially planned to seek Board approval for the purchase of a new truck on the July 10 meeting agenda via the
31 "piggyback" purchase process authorized in the NC General Statutes, however, I was not comfortable that the process
32 used met the requirements in the NC General Statutes, and have directed Artie Dunn, Public Works Director, to
33 complete a new process with the desired vendor. We will be working on this issue over the next couple of weeks, and
34 expect to have a contract recommendation on the Board's August 14 meeting agenda. The truck that we expect to
35 purchase will be within the \$115,000 amount included in the FY 12-13 budget.
36

37 **Delegation of Approval Authority for Certain Tax Refunds / Releases**

38 At the June 12 Board meeting, Commissioner Wootten suggested that the Board consider delegating approval
39 authority for certain tax refunds / releases to the Town Manager. This idea has great merit, however, the NC General
40 Statutes only allow the Board to delegate approval for refunds / releases less than \$100 to the Finance Officer, Town
41 Manager, or Town Attorney. I was surprised to learn that the threshold for delegation was so low, and because it is so
42 low there does not appear to be much value in the Board considering a resolution to delegate this responsibility. Thus,
43 I have not included the appropriate resolution on the Board's July 10 meeting agenda.
44

45 **Coast Guard Road Speeding Concerns / Golf Cart Request**

46 I have received several concerns about speeding on Coast Guard Road in recent weeks, and have directed the Police
47 Department to be more vigilant in this area and to also deploy the radar trailer periodically. The speed limit along
48 Coast Guard Road is 35 mph, and the Town occasionally receives requests for a lower speed limit. In the past, the
49 Board has not been inclined to lower the speed limit.
50

51 I was also asked recently if the Town might consider allowing Town-permitted golf carts to operate on Coast Guard
52 Road, with the idea that this may help to reduce the traveling speed of cars and trucks on Coast Guard Road. Golf
53 carts registered with the Town have a maximum speed of 20 mph. As you know, the Board specifically prohibited golf-
54

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1
2 cart travel on Coast Guard Road and NC 58 when the golf cart program was initiated in late 2010 due to safety
3 concerns associated with cars and trucks attempting to pass golf carts.

4
5 Please let me know your thoughts on these issues.

6
7 **Open Up View on NC 58 Causeway?**

8 Commissioner Hoover has expressed interest in having underbrush cleared along the NC 58 causeway at the entrance
9 to Emerald Isle in order to open up the beautiful views of Bogue Sound in this area. Previous inquiries did not reveal
10 any opposition to this idea from NCDOT. Please let me know your thoughts on this issue. If the Board supports this
11 idea, I will seek to have this work completed this fall or winter, preferably by inmate laborers.

12
13 **Bogue Banks Master Beach Nourishment Plan / EIS / Permit**

14 I attended a project delivery team meeting on June 26 that included presentations from the County / Towns'
15 consultants to various Federal and State agencies about the quantity and quality of available sand for the 50-year time
16 frame that is contemplated for the new permit. In general, there is a sufficient volume of high quality sand to meet the
17 entire island's nourishment needs for the next 50 years, with the main sources of sand being the ODMDS (offshore
18 dredged materials disposal site) off Atlantic Beach and Bogue Inlet. Additional borrow sites investigated offshore from
19 Emerald Isle contain only marginal sand quantities that would be suitable for nourishment, and will likely not be
20 considered further at this time.

21
22 I continue to stress to the County and the consultants the Town's desire to have Bogue Inlet permitted as a sand
23 source along with the authority to periodically realign the main channel in Bogue Inlet as needed in the future to
24 prevent negative impacts to homes and infrastructure at The Point.

25
26 The EIS / permit process continues, albeit at a slower pace than we would all like. Thus far there do not appear to be
27 any unexpected issues, and we remain hopeful that a 50-year permit will be issued within the next 1-2 years.

28
29 **School Calendar Change**

30 The proposed change to the NC school calendar that was included in a comprehensive education bill supported by
31 Senator Phil Berger was not approved by the General Assembly during the 2012 session. Several components of the
32 education bill were approved as part of the State budget adoption, however, the school calendar change was not
33 among them. The proposed change would have mandated that NC public schools begin no earlier than the Monday
34 closest to August 26, and also included language that would have made it more difficult for individual school systems to
35 secure a waiver from the school calendar requirements.

36
37 **Coast Guard Road Pavement Markings**

38 As discussed previously, we planned to have new pavement markings installed on Coast Guard Road between Reed
39 Drive and Ocean Oaks Drive in late May / early June. Unfortunately, our contractor has simply disappeared, and we
40 have not heard from them in more than a month despite repeated attempts to contact them. We are also having
41 difficulty identifying another contractor to complete this work, but will continue our efforts to have this work done as
42 soon as possible.

43
44 **21 New Single Family Homes Permitted in FY 11-12**

45 The Town ended the fiscal year with a total of 21 new homes permitted, which is the same number as FY 10-11, but
46 well below the historical averages (50 – 60) and the peak (127) last decade. The total value of new construction and
47 repairs in Emerald Isle during the last fiscal year increased to \$14.3 million, up from \$12 million the year before.

48
49 **Recent Internet Auction Results**

50 The Town recently received winning bids of \$9,845 for the sale of a used ATV, Police car, and Public Works truck.

51
52 **CAMA Grant for New Soundside Pier at Emerald Isle Public Boating Access Area**

53 We have received verbal notification that we should receive the requested \$75,000 grant for the new pier planned for
54 the west side of the entry canal at the boating access area. We expect to receive formal notification in September, and

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1
2 assuming that is forthcoming, we will begin work on the project soon thereafter. We hope to construct and open the
3 new pier prior to the 2013 tourism season.

4
5 **Upcoming Bridge Work**

6 NCDOT will be soliciting bids for major repairs to the Emerald Isle bridge in August. Work is expected to begin in mid /
7 late October, with significant lane closures through next spring. I will publicize more information about the upcoming
8 bridge work in September after more details are available.

9
10 **Edna Street Beach Access Walkway Replacement**

11 Due to previous permitting delays and high summer usage, we have delayed work on this project until late August or
12 September.

13
14 **Final Bond Payment**

15 The Town's final payments on the 2004 bonds for beach nourishment are due on August 1 (\$14,250 interest payment)
16 and February 1 (\$950,000 principal payment and \$14,250 interest payment). I am considering paying the entire
17 balance on or about August 1 to fully close out the bond payments early. Please let me know if you have concerns
18 with this approach.

19
20 **Development Permit Forms and Instructions Now on Town Website**

21 Development permit applications and instructions are now available online for download at <http://www.emeraldisle-nc.org/eipid/forms.htm>. We hope this information will be helpful to contractors, and also individuals planning "do it
22 yourself" projects at their homes.

23
24
25 **Bogue Inlet Navigation Status**

26 US Coast Guard Station Emerald Isle reports a relatively wide and deep natural channel across the bar at Bogue Inlet,
27 and indicated conditions are better now than they have been in some time. Navigation aids 1, 2, 3, and 4 are currently
28 missing, but the Coast Guard hopes to have the reinstalled by July 13 or early the following week. The Corps' official
29 dredging schedule (which often changes) indicates that the sidecast dredge will be working in Bogue Inlet to touch up
30 any shoaling areas from July 20 – August 2.

31
32 **Ocean Drive Resurfacing / Drainage Improvements**

33 As discussed during the FY 12-13 budget process, we hope to resurface the 2.7 mile segment of Ocean Drive from 1st
34 Street to 25th Street sometime within the next 1 – 2 years. As you know, we have several low elevations along Ocean
35 Drive that experience chronic (but usually short-duration) flooding after heavy rains. I have asked the Public Works
36 Department to begin to install underground infiltration systems at several locations in this area in the coming months in
37 preparation for eventual resurfacing. These infiltration systems are relatively inexpensive and can be constructed by
38 Town staff. I am not certain if these new systems will resolve the chronic flooding issues in this area, but we are
39 hopeful that they will result in some improvement.

40
41 **Chief Hargett**

42 Chief Hargett is back at work on a reduced work schedule for July. He typically works morning hours only each day of
43 the week except for Wednesdays. We are hopeful that he will be cleared for a return to normal working hours later in
44 July or August.

45
46 **15. Comments from Board of Commissioners and Mayor**

47
48 Commissioner Wootten stated that he was amazed at the comments he had
49 heard over the past month from second homeowners here that were absolutely in
50 favor of the proposed 1% sales tax for beach preservation.

51
52 There were no further comments from the Board of Commissioners or Mayor.

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16. Adjourn

Motion was made by Commissioner Hedreen to adjourn the meeting. The Board voted unanimously 5-0 in favor. Motion carried.

The meeting was adjourned at 8:15 pm.

Respectfully submitted:

Rhonda C. Ferebee, CMC
Town Clerk