

1                                   **MINUTES OF THE REGULAR SCHEDULED MEETING**  
2                                   **OF THE EMERALD ISLE BOARD OF COMMISSIONERS**  
3                                   **TUESDAY, FEBRUARY 8, 2011 – 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 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 Others present during the regular meeting: Town Attorney Richard Stanley,  
19 Town Manager Frank Rush, Asst. Town Manager / Finance Officer Mitsy  
20 Overman, Town Clerk Rhonda Ferebee, Fire Chief Bill Walker, Parks and  
21 Recreation Director Alesia Sanderson, and Public Works Director Artie Dunn.

22  
23   **3. Opening Prayer**

24  
25 Mayor Schools read aloud an editorial news article from the Jacksonville Daily  
26 News regarding the recent cross country trek made by Jeff Rudisill. Jeff's 2,800  
27 mile journey began in Dana Point, California on August 31, 2010 and ended in  
28 Emerald Isle on January 22, 2010 where he was greeted by many citizens and  
29 given a key to the Town by Mayor Schools.

30  
31   **4. Pledge of Allegiance**

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

34  
35   **5. Adoption of Agenda**

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

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

41  
42 Mayor Schools announced the following Proclamation and announcements for  
43 the public:

- 44  
45       • **Proclamation – Scouting for Food Week – February 5-12 (11-02-08/P1)**  
46  
47

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 2 of 30

- 1
- 2 • **Board of Adjustment Meeting – Wednesday, February 9 –**
- 3 **CANCELLED**
- 4 • **Winter Tennis Clinics – Mondays and Fridays through March 25 – 1**
- 5 **pm – 2:30 pm – Tennis Courts**
- 6 • **Friday Free Flick – Friday, February 11 – 7 pm – Community Center**
- 7 • **CPR Training – Saturday, February 12 – 10 am – 12 noon – EMS**
- 8 **Station**
- 9 • **Joint EMS Committee Meeting – Monday, February 14 – 6 pm – Town**
- 10 **Administration Building**
- 11 • **Blood Drive – Friday, February 18 – 2 pm – 7 pm – Community Center**
- 12 • **Employee Appreciation Day – Monday, February 21 – Town Offices**
- 13 **Closed, Community Center Open**
- 14 • **Town Board Budget Planning Workshop – Monday, February 21 – 1**
- 15 **pm – Town Administration Building**
- 16 • **Planning Board Meeting – Monday, February 28 – 6 pm –**
- 17 **CANCELLED**
- 18 • **Free Computer Training – Tuesdays, March 1 – 22 – 5:30 pm –**
- 19 **Community Center**
- 20 • **Town Board Meeting – Tuesday, March 8 – 6 pm – Town Board**
- 21 **Meeting Room**
- 22 • **20<sup>th</sup> Annual St. Patrick’s Festival – Saturday, March 12 – 9 am – 5 pm**
- 23 **– Emerald Plantation**
- 24

25 Commissioner Wright spoke of the upcoming Friends of the Library program  
26 taking place on February 17 at 7 pm. Parks & Recreation Director Alesia  
27 Sanderson provided an update on the St. Patrick’s Day Festival coming up on  
28 Saturday, March 12, 2011.

29  
30 **Clerks Note: A copy of Proclamation 11-02-08/P1 was incorporated herein by reference and hereby**  
31 **made a part of these minutes.**

32  
33 **7. Consent Agenda**

- 34
- 35 **a. Minutes – January 11, 2011 Regular Meeting**
- 36 **b. Tax Refunds / Releases**
- 37 **c. Resolution Authorizing Annual Financial Audit Contract (11-02-08/R1)**
- 38 **d. Resolution Accepting NC Marine Resources Fund Grant for New**
- 39 **Public Boat Launching Facility (11-02-08/R2)**
- 40 **e. Resolution Supporting the Atlantic Intracoastal Waterway (11-02-08/R3)**
- 41

42 ***Motion was made by Commissioner Wright to approve the items on the***  
43 ***Consent Agenda. The Board voted unanimously 5-0 in favor. Motion***  
44 ***carried.***

45

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 3 of 30

1  
2 Heidi Barlow on behalf of the Emerald Isle Business Association presented the  
3 Town with a check for just over \$2,000 from the proceeds from the Emerald Isle  
4 Triathlon the past year. Ms. Barlow added they were grateful to have the help of  
5 the volunteers and folks on the association from the Town to help out. They  
6 hope for an even more successful 2011.

7  
8 Mayor Schools said they appreciated the efforts of the Emerald Isle Business  
9 Association and Ms. Barlow. Mayor Schools spoke of the raffle that was held the  
10 past summer to raise money for the bike path that had also raised about  
11 \$18,000. Mayor Schools said that a section of the bike path would be added to  
12 Coast Guard Road this spring and thanked Ms. Barlow for her involvement and  
13 efforts in that fundraising as well.

14  
15 **Clerks Note: A copy of Resolutions 11-02-08/R1, 11-02-08/R2, 11-02-08/R3, and Tax Refunds /**  
16 **Releases are incorporated herein by reference and hereby made a part of these minutes.**

17  
18 **8. Public Comment**

19  
20 **Brief Summary:** The public has the opportunity to address the Board about any  
21 items of concern not on the agenda.

22  
23 Karen Rice, 9804 Sandy Court, spoke concerning the issue of dogs not being  
24 allowed to be off leash while swimming in the ocean. Ms. Rice described a  
25 situation when her husband was on the beach the past summer throwing a toy  
26 into the ocean for their Labrador retriever and the beach patrol stopped him and  
27 told him that the dog had to be on a leash when retrieving. Ms. Rice said that  
28 she had then called the Police Department to verify that was true and then she  
29 called Town Manager Frank Rush. Ms. Rice said she had learned that most  
30 people that own property were aware that there was a stringent leash law but  
31 were unaware that a dog could not swim in the ocean. She also learned that  
32 beach patrol was beefed up and fell under the umbrella of the Fire Department  
33 as opposed to the Police Department, and she had learned that the verbiage in  
34 the leash law had been the same since 1983 but the interpretation of the surf  
35 zone and a dog swimming had changed over the years. Ms. Rice said she  
36 checked with Atlantic Beach, Pine Knoll Shore, Indian Beach, and they all said  
37 dogs did not have to be on a leash if they were swimming. Ms. Rice said her vet  
38 concurred it was unsafe for dogs to be tethered while swimming. Ms. Rice asked  
39 that the Board consider there at least be a time on the beach that the dogs could  
40 be allowed to swim in the ocean safely off leash.

41  
42 Gregory Watts, 9811 Sandy Court, spoke of two items of concern to him. The  
43 first involved the beach and shore regulations. He said that the beach patrol said  
44 they were told to drive in the space 20 feet from the toe of the dunes. Mr. Watts  
45 said the past summer he had placed 20 feet of sand fence which was where they  
46

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 4 of 30

1  
2 used to drive, he felt that when they drove that close they were damaging the  
3 vegetation and also driving on his property. Mr. Watts said they went through  
4 this issue in 2005 and said the Town of Emerald Isle was not allowed to put  
5 anything on his property except for pipes, vehicles, and surveyors in relationship  
6 to beach nourishment so he would like to see that stopped. The second concern  
7 Mr. Watts spoke of was the unattended beach equipment. Mr. Watts said the  
8 Town had the most liberal driving privileges on the entire outer banks allowing  
9 driving at night. He spoke of vehicles racing down the beach, or no displayed  
10 sticker and when the police showed up no one was there. He felt there was no  
11 control to see who had beach privilege driving permits. He said most towns don't  
12 allow joy riding but strictly fishermen. He said when they drove on his property  
13 next to the dunes they set tracks up for everyone else to follow and according to  
14 the regulations they were supposed to drive on hard packed sand and he would  
15 like for the town to follow the agreement of the court order.

16  
17 Jim Hackett, 6410 Ocean Drive, said he was a resident of Baltimore, Maryland  
18 but had his vacation home here in Emerald Isle. Mr. Hackett praised the services  
19 of town employees Kevin Reed and James Taylor who on short notice came and  
20 inspected work for them on a Friday afternoon late so that they could get back  
21 home for the birth of their grandson; and he also thanked Frank Rush for his  
22 assistance with the swale work to relieve drainage problems on Sea Crest Court.  
23 Mr. Hackett brought them special Berger cookies made in Baltimore and letters  
24 for their files as well.

25  
26 Greg Nies, 9909 Shipwreck Lane, asked why the beach was closed to driving  
27 from 25<sup>th</sup> Street to Pine Knoll Shores. Mr. Rush said that they had more  
28 significant erosion in that area of town than other parts of the beach mostly  
29 between 10<sup>th</sup> Street and 16<sup>th</sup> Street but also some other narrow spots. The  
30 Town's beach driving ordinance provided the Town Manager the authority to  
31 close sections of the beach to driving in those situations and they had done that  
32 in this case. Mr. Nies asked if they found that driving eroded the beach there  
33 because it was so narrow. Mr. Rush said there was no scientific evidence that  
34 beach driving eroded the beach, but the reason they had closed that section to  
35 driving was because all that was left was the dunes in those areas. Mr. Nies said  
36 that driving had been a problem with racing on the beach and hot-dogging. He  
37 felt they should enforce the 20 mph speed limit. He would also like to encourage  
38 the Board to limiting driving on the beach back to the way it was as there was no  
39 reason for people to be driving on the beach at 9 pm. He felt people could walk  
40 on the beach safely if the rule was half hour before sunset and half hour after  
41 sunrise.

42  
43 Karen Rice, 9804 Sandy Court, said that she had tripped the past November into  
44 one of the deep soft ruts made by vehicles and spoke of her medical problems  
45 caused by driving on the beach.

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 5 of 30

1  
2 Elton Matheson, 7008 Sound Drive, said some people were handicapped and  
3 needed to drive on the beach.

4  
5 Gregory Watts, 8811 Sandy Court, noted the sunset time this time of year was  
6 5:37 pm and there was a 7 pm limit, and sunrise was 7:06 am and they can drive  
7 at 5 am so there was a lot of night driving.

8  
9 **9. New Municipal Service Districts for Beach Erosion Control**

- 10  
11 **a. Public Hearing – Abolish Existing Municipal Service Districts**  
12 **b. Resolution Abolishing Existing Municipal Service Districts (11-02-08/R4)**  
13 **c. Public Hearing – Establishment of New Municipal Service Districts**  
14 **d. Resolution Establishing New Municipal Service Districts – New**  
15 **Primary Benefit District (11-02-08/R5)**  
16 **e. Resolution Establishing New Municipal Service District – New**  
17 **Secondary Benefit District (11-02-08/R6)**  
18

19 Town Manager Frank Rush addressed the Board regarding this agenda item.  
20 The following excerpt from his memo to the Board is provided for additional  
21 background:

22  
23 The Board of Commissioners is scheduled to formally consider three resolutions that would result in the establishment  
24 of new municipal service districts to fund the Town's future, long-term beach erosion control activities at the February 8  
25 meeting. If approved, one resolution will formally abolish the existing municipal service districts, effective June 30,  
26 2011, and two additional resolutions will formally approve the establishment of a new Primary Benefit (oceanfront and  
27 inlet-front properties) district and a new Secondary Benefit (all other properties) district, effective July 1, 2011.

28  
29 Resolution Abolishing Existing Municipal Service Districts

30 Because the NC General Statutes outline a specific formal procedure to abolish municipal service districts, the first  
31 attached resolution would formally abolish the Town's existing municipal service districts, effective June 30, 2011.

32  
33 The existing municipal service districts for beach nourishment were established on September 11, 2001 and became  
34 effective on July 1, 2002 (for the FY 02-03 budget). These districts have now been in effect for 9 years, which is the  
35 time period that the Town initially indicated would be necessary to generate sufficient revenues to retire the Town's  
36 beach nourishment bonds. Although the bonds won't be fully retired until 2013, the Town has now collected sufficient  
37 revenues from the existing municipal service district taxes to fully retire these bonds. When the existing municipal  
38 service districts were established in 2001, the Board resolution that formally established the districts specifically  
39 included a provision that the districts would "cease to exist upon the full retirement of said debt" associated with the  
40 Town's beach nourishment projects.

41  
42 As you know, the Board adopted a Resolution of Intent to Abolish the Existing Municipal Service Districts at the  
43 December 14 meeting, and also scheduled a public hearing for the February 8 meeting. The appropriate  
44 advertisement for the public hearing was included in the January 30, 2011 edition of the Carteret News-Times. After  
45 the public hearing, the Board may formally consider the attached Resolution Abolishing Existing Municipal Service  
46 Districts.

47  
48 Proposed Long-Term Beach Nourishment Program

49 As you know, the Town is committed to beach nourishment to maintain a wide recreational beach strand, to provide  
50 storm protection for oceanfront structures and public infrastructure, and to maintain the aesthetic and environmental

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 6 of 30

1  
2 value of the beach strand. The Town is currently working with the Carteret County Beach Commission and other  
3 nearby towns on a long-term beach nourishment program that would provide periodic nourishment along Emerald  
4 Isle's 12 miles of ocean shoreline on an as-needed basis in the future.

5  
6 As discussed on several occasions during the past year, the Town intends to finance this program with a combination  
7 of State funding, room occupancy tax revenues, and Town property tax revenues. Based on anticipated project  
8 schedules, current County room occupancy tax fund balances and future projection, and assuming a reasonable State  
9 contribution (25% of total projected costs) for future projects, the Town's estimated annual cost for future beach  
10 nourishment activities is approximately \$600,000 - \$700,000.

11  
12 At the December 14 meeting, the Board also adopted resolutions of intent to establish two new municipal service  
13 districts to generate the necessary Town funds for future projects. As reported at the December 14 meeting, a new  
14 Primary Benefit (oceanfront and inlet-front) district tax rate of 3 cents and a new Secondary Benefit (all other  
15 properties) district tax rate of 1 cent will generate approximately \$660,000 per year (based on the 2007 assessed  
16 values). As you know, the Town recently received the new 2011 tax values from the Carteret County Tax Office, which  
17 were not available when the Town began the process to establish the two new municipal service districts. Based on  
18 the total 2011 tax values, which decreased by approximately 30% from the 2007 values, the revenue-neutral tax rates  
19 are expected to be approximately 4.5 cents for Primary Benefit (oceanfront and inlet-front) properties and 1.5 cents for  
20 Secondary Benefit (non-oceanfront and non-inlet-front) properties. These revenue-neutral rates are expected to  
21 generate approximately the same \$660,000 per year for future beach nourishment activities. The Board and the public  
22 should note that, depending on the number and degree of any tax value appeals, these revenue-neutral rates may  
23 change slightly between now and June (when the Board formally establishes the tax rates).

24  
25 Resolution Establishing New Municipal Service District – New Primary Benefit District and Resolution Establishing  
26 New Municipal Service District – New Secondary Benefit District

27 The two attached resolutions would formally establish a new Primary Benefit municipal service district and a new  
28 Secondary Benefit municipal service district. As you know, the Board adopted resolutions of intent for both new  
29 municipal service districts at the December 14 meeting, and scheduled a combined public hearing for the February 8  
30 meeting. The appropriate advertisement for the public hearing was included in the January 30, 2011 edition of the  
31 Carteret News-Times. Additionally, as required, I am hereby certifying that a notice was mailed to all property owners  
32 in both of the proposed new municipal service districts on January 7, more than 4 weeks prior to the February 8 public  
33 hearing date. A copy of the "Notice of Public Hearings" is attached.

34  
35 The attached maps illustrate the boundaries of the proposed new Primary Benefit and new Secondary Benefit  
36 municipal service districts. Because the scale of the map makes it difficult to determine exact boundaries within some  
37 condominium complexes, and because some tax parcels are split between the two districts, a written narrative is also  
38 attached to the maps to describe the exact boundaries on these types of properties. The Board should note that the  
39 boundaries of the new districts are essentially identical to the boundaries of the existing districts, with two minor  
40 exceptions. First, the Beachfront RV Park West parcel is proposed to be split between both the new Primary Benefit  
41 and new Secondary Benefit districts, whereas the parcel is entirely within the existing Primary Benefit district. This  
42 change will make the treatment of this parcel consistent with all other RV parks in Emerald Isle. Second, Building 2913  
43 at Pier Pointe West is proposed to be located in the new Primary Benefit district, whereas that building is in the existing  
44 Secondary Benefit district, which is not consistent with the way similar building in Pier Pointe West are assigned. We  
45 discovered this error as we prepared for the new districts, and believe this error should be corrected. We have  
46 contacted the 6 owners in Building 2913 and informed them of this change.

47  
48 I have also attached a copy of the required report that outlines the need for the new municipal service districts,  
49 describes the proposed new districts, and includes other helpful information. This report has been on file with the  
50 Town Clerk since January 11 (for the past 4 weeks), as required.

51  
52 After the public hearing on February 8, the Board may formally consider the two attached resolutions. If approved, the  
53 two new municipal service districts would be effective July 1, 2011. The Town would begin levying the new special  
54 district taxes in FY 11-12, and would gradually accumulate a reserve fund for future beach nourishment activities. The

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 7 of 30

1  
2 first planned beach nourishment project that would be funded by the new municipal service district tax revenues is the  
3 Eastern Emerald Isle Beach Nourishment Project, involving the placement of approximately 300,000 cy of sand and  
4 tentatively scheduled for early 2012.  
5

6 Other Comments

7 The Board should note that, despite a popular misconception, the process to create a municipal service district does  
8 not require a referendum. Many people mistakenly believe that the referendum held in March 2002 pertained to the  
9 municipal service districts, but legally it was only for the issuance of the debt to finance the beach nourishment  
10 projects. As outlined in the NC General Statutes and followed by the Town over the past several weeks, the process to  
11 create a municipal service district simply involves mailing notices to the affected property owners, advertising a public  
12 hearing, and a formal Board resolution. A referendum would only be required for future beach nourishment projects if  
13 the Town intends to issue General Obligation debt to finance construction. Based on our current long-term beach  
14 nourishment plans outlined earlier, we expect to be able to fund future beach nourishment activities on a "pay-as-you-  
15 go" basis, and thus hopefully avoid the need to issue debt for future beach nourishment activities.  
16

17 It is also important to note that although we have intentionally communicated the proposed new municipal service  
18 district property tax rates to the public, the Board will not formally establish the new tax rates until the FY 11-12 budget  
19 is adopted in June. Presumably, the Board will set the new tax rates at 4.5 cents and 1.5 cents, as described above,  
20 or something very close to the actual revenue-neutral tax rates. It is also important to note that these tax rates can be  
21 adjusted each year by the Board when the annual budget is adopted, however, our financial projections (based on  
22 reasonable assumptions of State revenue and room occupancy tax revenues) for future beach nourishment activities  
23 suggest that the proposed 4.5 cents and 1.5 cents rates should be stable over the long-term. The most likely factor  
24 that could affect the need for a future increase in these tax rates is the uncertainty of State funding, however, many are  
25 working hard to insure that the State continues to provide a reasonable amount of State funding for beach nourishment  
26 activities in the future.  
27

28 ***Motion was made by Commissioner Messer to open the Public Hearing***  
29 ***regarding the abolishment of the existing municipal service districts. The***  
30 ***Board voted unanimously 5-0 in favor. Motion carried.***  
31

32 Elton Matheson, 7008 Sound Drive, resident in the secondary district, asked  
33 about the change from the current 16 to 1 to a 3 to 1 ratio; wondering the reason  
34 for the change in the share per district. Commissioner Messer said that many  
35 didn't think the 16 to 1 ratio was fair. Mr. Matheson said he didn't get anything  
36 out of it and at least the beachfront got some protection.  
37

38 Mayor Schools stated that the rate would not be changed tonight. The general  
39 thought was that the 16 to 1 was not a fair ratio. The discussion now was about  
40 abolishing the districts.  
41

42 Tom Minnick, 9803 Sandy Court, thanked Town Manager Rush for his work on  
43 this issue. Mr. Minnick said whether local, state, or federal he wished they could  
44 actually abolish something and not continue to have it in another form.  
45

46 Nancy Coley, 9507 Ocean Drive, asked they abolish it.  
47

48 ***Motion was made by Commissioner Wootten to close the Public Hearing.***  
49 ***The Board voted unanimously 5-0 in favor. Motion carried.***  
50

1  
2 **Motion was made by Commissioner Hoover to adopt the Resolution**  
3 **Abolishing Existing Municipal Service Districts. The Board voted**  
4 **unanimously 5-0 in favor. Motion carried.**

5  
6 **Motion was made by Commissioner Wootten to open the Public Hearing**  
7 **regarding the establishment of the two new municipal service districts for**  
8 **beach erosion control activities – New Primary Benefit District and New**  
9 **Secondary Benefit District. The Board voted unanimously 5-0 in favor.**  
10 **Motion carried.**

11  
12 Gregory Watts, 9811 Sandy Court, asked how the municipal districts were  
13 determined. Mr. Rush stated that the boundaries proposed for the new districts  
14 were identical to the boundaries in place for the past 9 years. Mr. Rush said a  
15 committee worked on the issue in 2001, providing the Board of Commissioners at  
16 that time with recommendations in general, including the boundaries of the  
17 districts. In terms of the actual boundaries that were proposed, every parcel that  
18 touches, is structured on the oceanfront, was included in the primary benefit  
19 district. In the case of condominium complexes the oceanfront buildings only  
20 were included in the primary benefit district. In the case of some very large  
21 parcels that run thousands of feet from the ocean, just the oceanfront portion of  
22 the parcel was in the primary benefit district. They had taken the exact same  
23 boundaries established in 2001 and proposed them for the new district. Mr.  
24 Rush said the long term beach nourishment program as it was envisioned would  
25 basically provide the funding to nourish different sections of the beach as needed  
26 over time. Theoretically, every area of the beach strand would receive  
27 nourishment in the future from this program.

28  
29 Mr. Watts spoke about the survey he had done for his property and the fact that  
30 he paid over \$30,000 for 10 years for sand he didn't need. He felt there should  
31 be a means to establish a real benefit for those properties included in the primary  
32 benefit district.

33  
34 Nancy Coley, 9507 Ocean, agreed that she didn't need one ounce of sand for the  
35 renourishment but when she called they said if her home was on the beach and  
36 had one ounce of sand she needed to pay. Now that she had read what was  
37 proposed and she had also received her 2011 assessment her suggestion was  
38 that they go by the 2011 assessment divided evenly between everyone in Town.  
39 She noted while they were on the oceanfront and could see the ocean,  
40 everybody was able to enjoy it and everybody was able to prosper from all who  
41 came to vacation on the oceanfront.

42  
43 Tom Minnick, 9803 Sandy Court, said that he had been involved during the 2001-  
44 2002 time period when it was so difficult to get beach renourishment. Mr.  
45 Minnick said originally when trying to get the county involved that was voted

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 9 of 30

1  
2 down so the committee was established. Mr. Minnick felt there was a real  
3 question on fairness particularly paying 48 cents oceanfront and the second row  
4 and others only paying 3 cents. Mr. Minnick felt because there were more  
5 permanent residents non-oceanfront than permanent residents on the oceanfront  
6 that it was decided to go with the 48 cents and the 3 cents. Mr. Minnick felt that  
7 the primary business that supported the Town was tourism, the beach. Mr.  
8 Minnick felt they should just have a property tax to generate the \$600,000-  
9 \$700,000 and spread it across whatever the assessment. He added if they don't  
10 want to go that way and they want to pass this beach renourishment he would  
11 insist the rebate the Town received back did not go into revenue but either went  
12 to offset beach renourishment or into a special reserve. He didn't want to see  
13 this as another means to generate additional revenue for the town budget.  
14

15 Jim Hackett, 6410 Ocean Drive, (written comments provided and attached)  
16 stated his support of the new municipal service districts for the proposed program  
17 as an owner of property in the secondary benefit district even though it did not  
18 directly benefit him as it did the primary benefit property owners. Mr. Hackett did  
19 not however support the proposed tax rates of 3 cents and 1 cent for three  
20 reasons: 1) the new rate reductions from the old rates are weighted too heavily in  
21 favor of the primary benefit property owners, 2) the previous rates reflected a 16  
22 to 1 ratio between primary and secondary benefit property owners and he felt the  
23 new 3 to 1 ratio was a significant shift of the burden to the secondary benefit  
24 owners with no justification for the shift; and 3) if future dollars needed for long-  
25 term beach nourishment increased considerably, the shift in burden of paying for  
26 that to secondary benefit owners would be magnified. Mr. Hackett requested that  
27 the Board change the proposed tax rates to reflect a more even percentage  
28 reduction and ratio, a more equitable distribution.  
29

30 Town Manager Rush clarified that under the 2007 values oceanfront property  
31 owners paid 16.2 cents per \$100 and that was proposed to go down to 3 cents, a  
32 tax rate decrease of 13.2 cents. For the secondary benefit property owners  
33 under the 2007 values they had been paying 1.1 cent and the proposal was to  
34 reduce that to 1 cent, a .1 cent reduction, so in both cases it was a reduction,  
35 obviously a much larger deduction for the primary benefit district. If you equate  
36 that to the new 2011 tax values, that 16.2 cents rate would be 24 cents, so  
37 essentially the primary benefit district was going from 24 cents to 4.5 cents under  
38 the proposal that had been floated, for the secondary benefit under the 2011  
39 values they would have been paying about 1.6 cents and that would be going  
40 down to 1.5 cents. Mr. Rush wanted to be sure everyone understood the true  
41 impact on their tax bills, and the only way to explain that was in terms of the  
42 revenue neutral rates. In both cases it was clearly a reduction in the rate, and it  
43 was a much larger reduction in the rate for the primary benefit district.  
44  
45

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 10 of 30

1  
2 Greg Nies, 9909 Shipwreck Lane, asked the Board why they thought that the  
3 people on the oceanfront had more benefit to the natural resources. Mr. Nies  
4 said more than 50,000 people came here in the summer to enjoy the beach,  
5 people driving, horseback riding, walking on the beach, all utilizing and enjoying  
6 the beach, so his question was what made it more beneficial to put sand on the  
7 beach for him than for everyone else who enjoyed the beach. Mr. Nies felt there  
8 was no justification for finding a different benefit between the oceanfront owners  
9 and the people who used the beach throughout the year, and for that reason he  
10 didn't feel it was justifiable to establish a primary benefit district. Mr. Nies read a  
11 synopsis from the NC Constitution about the definition of special benefit districts  
12 and maintained that he got the same benefit as everyone else. Mr. Nies also  
13 spoke of the NC Constitution allowing special benefit districts to be created  
14 without a vote but that you couldn't establish the tax without a vote.

15  
16 Town Attorney Stanley stated there was no requirement for a vote for a tax rate  
17 for proposed service districts; that would only be required to borrow money.

18  
19 Mr. Nies indicated that he planned to challenge the special tax districts that were  
20 just retired. Mr. Nies also asked how they came up with the disparity of 3 to 1,  
21 what was the justification for the 16 to 1 ratio and now the 3 to 1 ratio and that he  
22 felt it was arbitrary and capricious.

23  
24 Vicky Burgess, 7115 Ocean Drive, asked about the homestead exemption and  
25 said she thought when speaking to Mr. Rush she had been told that the  
26 homestead exemption was illegal in North Carolina because it would be unfair  
27 because some would pay more than others, and wondered why that didn't apply  
28 here. Mr. Rush said that there were programs in North Carolina that would  
29 reduce the tax value for certain elderly property owners or certain low income  
30 property owners and that would apply to any primary benefit district, secondary  
31 benefit district or general fund tax bill if you qualified for that program as outlined  
32 in the statute. Ms. Burgess thanked the Board for reducing the rate from 16  
33 cents.

34  
35 Jim Blair, 7005 Ocean and 5403 Ocean, oceanfront property owner, said he had  
36 \$28,000 invested in sand and the only thing he had gotten was shells. He didn't  
37 understand the need to use property location as the means for determining the  
38 assessment. He felt he didn't gain any more because he could look out the  
39 window at the ocean any more than somebody driving from New York. He felt  
40 the visitors from New York, Chicago, and elsewhere should have a stake in this  
41 because they were sitting on the sand. Mr. Blair said he had never rented his  
42 property but yet he paid as if it was a commercial piece of property. Mr. Blair felt  
43 the way this was being approached was unfair.

44  
45

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 11 of 30

1  
2 Town Manager Rush said the comment had been made that everyone should  
3 share in nourishing the beach. Mr. Rush said that under the Town's long term  
4 nourishment program as proposed right now, they expected of the total cost  
5 involved that 25% of that cost would be borne by the State of North Carolina,  
6 50% of that cost would be borne by room occupancy tax revenues which was  
7 from the people who came here on vacation, and the other 25% would come  
8 from the Town of Emerald Isle and that would be generated by the special  
9 municipal service districts discussed tonight. When you broke down that cost  
10 even further, roughly 50% of that cost was derived from oceanfront property  
11 owners in the primary benefit district, and roughly 50% of that cost was derived  
12 from the secondary benefit district. Mr. Rush said there was a broad financing  
13 plan with many different user groups sharing in the cost of future beach  
14 nourishment activities. Mr. Rush said that was what was proposed and certainly  
15 the Board may not adopt that, may adopt something else or may not adopt  
16 anything at all. Mr. Rush said that the rationale for having properties in the  
17 primary benefit district as opposed to the secondary benefit district was that while  
18 there was no question that everyone in Emerald Isle benefited from a healthy  
19 beach, it was why we were all here, our tourism economy, but the additional  
20 benefit an oceanfront property owner received from beach nourishment and  
21 therefore justifying their inclusion in the primary benefit district was the actual  
22 protection of their structures from erosion forces. Mr. Rush said the oceanfront  
23 and inlet front structures were much more subject to being damaged because of  
24 erosion whether from a storm or natural erosion than a second row home or fifth  
25 row home. Mr. Rush said that was the rationale used in 2001 and that was the  
26 rationale still employed currently. Mr. Rush said, lastly the recommendation that  
27 was provided to the Board as to what the proper ratio should be on the primary  
28 benefit district and the secondary benefit district was 3 cents for the oceanfront  
29 and inlet front, and 1 cent for everybody else. The Board would not decide that  
30 tonight but would decide that when they adopted the budget in June. Mr. Rush  
31 said they felt it was important to give people an idea of what they could expect  
32 because the Town Board valued the public input and wanted to know what they  
33 thought. Mr. Rush said that was his recommendation based on future beach  
34 nourishment needs and the Board could adopt or tweak that in any way that they  
35 wanted. Mr. Rush said over the course of the past 8-9 years they had heard a lot  
36 of comments that the 16 to 1 ratio was really not fair, so the recommendation put  
37 forth reflected that concern that came from oceanfront property owners and that  
38 was why a 3 to 1 ratio was recommended. Mr. Rush said they would absolutely  
39 use 2011 values and if the Board adopted revenue neutral rates they would be  
40 4.5 cents on the oceanfront and 1.5 in the secondary benefit district, which would  
41 generate the same amount of money as the 3 and 1, so they are tax decreases  
42 for everyone. Whether the rates should be 4.5 to 1.5 or 10 to 1, or 16 to 1, was a  
43 completely valid question but he wanted to give everyone a sense of why that  
44 recommendation was put forth and ultimately it was the Board's decision in June  
45 to determine what the rates should be and what the proper ratio should be.

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 12 of 30

1  
2 William Griffith, 306 West Warren Drive, secondary benefit district, felt one of the  
3 primary purposes of the beach renourishment was to protect homes from falling  
4 into the water, particularly evident if you looked at what has happening down at  
5 the inlet. There were sandbags up around houses, renourishment going on  
6 constantly down there, and those homes would be in the water if it weren't for  
7 that. Mr. Griffith said if you looked up and down the Outer Banks you would find  
8 that every year there were houses taken by the sea so he felt that saying it was  
9 only for the beauty of looking out at the ocean, or for the visitors coming here,  
10 was a misrepresentation. He felt a big part of it was keeping the homes from  
11 falling into the ocean. Mr. Griffith said he paid some of that cost and would  
12 certainly be in favor of establishing the two new districts, very similar to the ones  
13 we had, and if anything increase the ratio and not make it less.

14  
15 Pat Kenny, 5007 Ocean, said when they purchased their property in 1978 they  
16 knew that the ocean could take their property away and they assumed that risk.  
17 Mr. Kenny said he felt having the two districts was fine but felt that 16 to 1 was  
18 the wrong ratio. He felt everyone benefited from having sand on the beach not  
19 just those who live on the beachfront.

20  
21 Mayor Schools said to clarify what was actually being decided was establishing  
22 the two different beach districts. The actual tax rates would be set in June. They  
23 were trying to give the public an idea of the general thought tonight.

24  
25 ***Motion was made by Commissioner Messer to close the Public Hearing.***  
26 ***The Board voted unanimously 5-0 in favor. Motion carried.***

27  
28 ***Motion was made by Commissioner Messer to adopt the Resolution***  
29 ***Establishing New Municipal Service District – New Primary Benefit District.***  
30 ***The Board voted unanimously 5-0 in favor. Motion carried.***

31  
32 ***Motion was made by Commissioner Wootten to adopt the Resolution***  
33 ***Establishing New Municipal Service District – New Secondary Benefit***  
34 ***District. The Board voted unanimously 5-0 in favor. Motion carried.***

35  
36 Clerks Note: A copy of Resolutions 11-02-08/R4, 11-02-08/R5, and 11-02-08/R6 are incorporated  
37 herein by reference and hereby made a part of these minutes.

38  
39 **10. FY 11-12 Budget**

40  
41 **a. Budget Calendar**

42 **b. Public Hearing – Early Citizen Comment on FY 11-12 Budget**

43  
44 Town Manager Frank Rush addressed the Board regarding this agenda item.  
45 The following excerpt from his memo to the Board is provided for additional  
46 background:

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 13 of 30

1  
2 The Board is scheduled to formally initiate the FY 11-12 budget process with two budget-related items scheduled for  
3 the February 8 meeting. First, the Board is asked to adopt the official FY 11-12 Budget Calendar, and second, the  
4 Board is scheduled to conduct a public hearing to receive early citizen input on the FY 11-12 budget.  
5

6 General Comments

7 As you know, the FY 11-12 budget will be very challenging, as the Town is facing a projected \$430,000 decrease in  
8 sales tax revenues associated with the sales tax distribution formula (as it relates to the sunset of the existing beach  
9 nourishment special district taxes). We have already been working hard over the past several weeks to identify budget  
10 reductions to address this projected decrease, with a goal of presenting the Board with a revenue-neutral General  
11 Fund tax rate as part of the FY 11-12 budget. This work will continue over the coming weeks, and we will attempt to  
12 avoid or minimize any impacts on Town service levels and service quality associated with these budget reductions.  
13

14 Additionally, it will be important to monitor budget-related developments at the State level as the General Assembly  
15 addresses the State's budget challenges this spring. I remain hopeful that decisions at the State level will not further  
16 exacerbate the Town's budget challenges.  
17

18 2011 Tax Revaluation, Revenue-Neutral Tax Rates

19 Carteret County recently released the new 2011 tax values, and the total assessed value in the Town of Emerald Isle  
20 decreased from approximately \$4.28 billion to approximately \$3 billion, a decrease of approximately 30%. The FY 10-  
21 11 General Fund property tax rate of 8 cents per \$100 of assessed value will generate approximately \$3.4 million for  
22 the Town. In order to generate the same \$3.4 million of property tax revenue in FY 11-12, the General Fund tax rate  
23 will need to be approximately 11.5 cents (the revenue-neutral tax rate). The Board and the public should note that this  
24 rate may change slightly between now and June, depending on the number and degree of any adjustments to the 2011  
25 tax values.  
26

27 The total assessed value in the Primary Benefit (oceanfront and inlet-front) municipal service district for beach  
28 nourishment decreased from approximately \$1.16 billion to approximately \$780 million, or approximately 33%. If the  
29 Town re-establishes the new Primary Benefit district and adheres to the 3 cent rate discussed over the past year and  
30 based on 2007 tax values, the revenue-neutral rate would be approximately 4.5 cents. The total assessed value in the  
31 Secondary Benefit (non-oceanfront and non-inlet-front) municipal service district decreased from approximately \$3.12  
32 billion to approximately \$2.22 billion, or approximately 30%. If the Town re-establishes the new Secondary Benefit  
33 district and adheres to the 1 cent rate discussed over the past year and based on 2007 tax values, the revenue-neutral  
34 rate would be approximately 1.5 cents. Again, the Board and the public should note that these rates may change  
35 slightly between now and June, depending on the number and degree of any adjustments to the 2011 tax values).  
36

37 FY 11-12 Budget Calendar

38 A copy of the suggested FY 11-12 Budget Calendar is attached for the Board's review. This calendar outlines the  
39 Town's budget process and includes key target dates in the process.  
40

41 The FY 11-12 budget process officially begins at the February 8 meeting. The next most significant date in the process  
42 is tentatively scheduled for February 21 – the Board's annual budget planning workshop. I expect to provide detailed  
43 budget information at that meeting and learn more about the Board's priorities, concerns, ideas, etc. at that meeting.  
44 Town staff and I will then take that input and continue to develop a responsible budget during March and April.  
45

46 The FY 11-12 Recommended Budget will be presented to the Board at the May 10 regular meeting. Two budget  
47 workshop meetings are tentatively scheduled for May 17 and June 7 (both are Tuesday evenings) to review the  
48 Recommended Budget in detail. The official public hearing on the budget is planned for the June 7 workshop meeting,  
49 with Board adoption planned for the June 14 regular meeting. (Additional budget workshop meetings can be  
50 scheduled between May 18 and June 6 as necessary.)  
51

52 The Board has the flexibility to adjust this schedule as we go through the budget process if necessary and/or desired,  
53 however, the establishment of the FY 11-12 Budget Calendar will help to keep this lengthy process on track.  
54

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 14 of 30

1  
2 Public Hearing – Early Citizen Input on FY 11-12 Budget

3 We have scheduled and advertised a public hearing on the upcoming FY 11-12 budget for the February 8 meeting.  
4

5 NC General Statutes require the Town to conduct a public hearing on the annual budget after the Town Manager  
6 presents the Recommended Budget in May, but Emerald Isle has also historically held a public hearing prior to the  
7 start of the annual budget process in order to get citizen input at the front-end of the budget process. The purpose of  
8 the February 8 public hearing is simply to receive comments or suggestions from our citizens regarding budget  
9 priorities for the coming fiscal year before we begin the budget process. The hearing will give citizens a chance to  
10 voice their concerns about the tax rate, the fairness of the Town's tax and fee structure, suggest budget and service  
11 reductions, suggest funding for certain programs or projects, etc. Again, the FY 11-12 budget process will be  
12 especially challenging, and all thoughtful suggestions are welcomed and encouraged.  
13

14 Following discussion of the budget calendar ***motion was made by***  
15 ***Commissioner Hoover to adopt the budget calendar changing the May 17th***  
16 ***special meeting date to May 12<sup>th</sup>. The Board voted unanimously 5-0 in***  
17 ***favor. Motion carried.***  
18

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

22 Tom Minnick, 9803 Sandy Court, asked whether the public would have the  
23 opportunity as in past years to attend the budget meetings. Mayor Schools  
24 stated that all of the meetings were public meetings.  
25

26 Pat Etheridge, asked how they should suggest ideas. Mayor Schools said she  
27 could email the Town Manager or the Board, all ideas would be shared with the  
28 Board and she was welcome to attend the budget meetings.  
29

30 Commissioner Wootten encouraged any suggestions to help reduce \$430,000 in  
31 the budget.  
32

33 Tom Minnick, 9803 Sandy Court, said it would cost him more than some people  
34 but he would much rather they had a property tax versus using a rebate to offset  
35 the revenues because unless it was sustainable they were just kidding  
36 themselves. Mr. Minnick said they should be realistic on the property tax and if it  
37 should be 12 cents then have it 12 cents. He knew the Board would do an  
38 excellent job in minimizing the budget. He was disappointed when the beach  
39 renourishment rebate was going into the general revenue because the day of  
40 reckoning has happened.  
41

42 Commissioner Wootten said that the tax went into the general fund but every  
43 year that reduced the tax rate by 3 cents so people got the rebate in a reduction  
44 to their property taxes.  
45

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

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 15 of 30

1  
2 **Clerks Note: A copy of the FY 11-12 Budget Calendar is incorporated herein by reference and**  
3 **hereby made a part of these minutes.**  
4

5 **11. Implementation of Beach Access Parking Fee**  
6

- 7 **a. Implementation Plan**  
8 **b. Fee Schedule Amendment**  
9 **c. 2011 Beach Services Plan**  
10 **d. Budget Amendment – General Fund**  
11

12  
13 Town Manager Frank Rush addressed the Board regarding this agenda item.  
14 The following excerpt from his memo to the Board is provided for additional  
15 background:  
16

17 The Board of Commissioners is scheduled to consider several items that would establish a daily parking fee (on  
18 weekends and holidays only) at the Eastern Ocean Regional Access and Western Ocean Regional Access this tourism  
19 season. Additionally, the Board is asked to approve a General Fund budget amendment associated with the new  
20 parking fee revenues, and that will also allow the implementation of certain changes to the Town's 2011 beach  
21 services plan, most notably the addition of lifeguards at the two regional access facilities.  
22

23 **Background / Increasing Service Demands**

24 As we discussed at the Board's December and January meetings, with continuing budget challenges in general, and  
25 increasing demand for services at the Town's two regional beach accesses, it may now be prudent for the Town to  
26 begin charging a fee for beach access parking at these locations.  
27

28 The regional beach access facilities have been provided free of charge to the general public since opening in the mid  
29 and late 1990s, and the Town's taxpayers have funded the vast majority of the expenses associated with the  
30 acquisition, development, and operation of these facilities. Total land acquisition and development costs are estimated  
31 at approximately \$2 million, with the Town funding nearly \$1.5 million of this cost and supplemented by approximately  
32 \$500,000 from various CAMA grants over the years. The Town's estimated operating expenses for these two facilities  
33 are more than \$75,000 annually (personnel, operating, and capital costs), and this cost is funded by general tax  
34 revenues. (The Board should note that this \$75,000 annual cost does not include Beach Patrol services, beach strand  
35 trash collection services, other full-time Parks Maintenance personnel expenses, or indirect costs associated with  
36 these facilities, which would likely increase the total annual costs to more than \$100,000.)  
37

38 The public demand for services continues to increase at these facilities, and the Town continues to seek ways to meet  
39 these service demands in a cost-effective manner. The Town has always relied on seasonal help to keep the  
40 bathroom facilities at these locations clean, along with other routine maintenance tasks. In 2008, due to concerns  
41 about cleanliness and general order, the Town began utilizing a dedicated Park Attendant during the summer season  
42 at the Western Ocean Regional Access. There has also been more staff time devoted to the Eastern Ocean Regional  
43 Access over the years. In 2010, in response to concerns about inappropriate behavior, the Town began assigning a  
44 full-time Police Officer at the Western Ocean Regional Access during the summer season. I believe this additional  
45 staffing in recent years has greatly improved the beach visitor experience at the Western Ocean Regional Access, and  
46 these improvements have been well-received by the public. These improvements come at a cost, however, and make  
47 up a significant portion of the annual operating expense noted above.  
48

49 The Western Ocean Regional Access has always been heavily visited, and visitation at the Eastern Ocean Regional  
50 Access has continued to increase in recent years. As you know, there has been greater interest in recent years for  
51 more dedicated staffing at the Eastern Ocean Regional Access. Additionally, there remains strong interest in the  
52 addition of fixed lifeguards at one or both of the regional beach accesses. As you may recall, the Town has

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 16 of 30

1  
2 periodically stationed a member of the mobile Beach Patrol in a fixed location at the Western Ocean Regional Access  
3 on a temporary basis.

4  
5 As outlined below, the implementation of a beach access parking fee at the two regional beach access facilities will  
6 generate sufficient revenue to cover the Town's current annual operating expenses (that are currently funded by  
7 general tax revenues) and will also provide sufficient funding to add a lifeguard at each regional access facility this  
8 summer, should the Board concur with this approach.

9  
10 **Beach Access Parking Fee Implementation Plan**

11 Based on the Board's input and direction over the past two Board meetings, and further consideration by Town staff,  
12 the Board is asked to formally approve the following plan for beach access parking fees:

- 13
- 14 • Visitors to the Eastern Ocean Regional Access and Western Ocean Regional Access would be charged \$10  
15 per day per vehicle on Saturdays, Sundays, and holidays only, and only during the period from April 1 –  
16 September 30.
  - 17
  - 18 • The parking fee would be charged from 7 am to 4 pm. A town staff member would man the entrance to each  
19 regional access facility, and would collect cash and credit card payments.
  - 20
  - 21 • Parking would continue to be free at the two regional accesses on all weekdays throughout the entire year,  
22 and also on Saturdays, Sundays, and holidays from October 1 – March 31. Parking would continue to be  
23 free prior to 7 am and after 4 pm on weekends and holidays between April 1 – September 30.
  - 24
  - 25 • Parking would continue to be free at the Town's 3<sup>rd</sup> Street access and Station Street access, and the  
26 scattered handicapped parking spaces along Ocean Drive and other oceanfront streets.
  - 27
  - 28 • Emerald Isle property owners (taxpayers) and residents (including long-term renters) would be eligible for  
29 two free parking permits for the regional beach access facilities each year. These free permits, which would  
30 be verified and issued in the form of stickers in the same manner that beach driving permits are  
31 administered, would enable the permit holder to avoid the parking fee at the two regional access facilities.  
32 The free parking permit stickers would only be issued to the property owner and/or resident for a vehicle  
33 registered in that person's name.
  - 34
  - 35 • The property owner and/or resident would need to call or visit the Town Administration Building during  
36 normal business hours to obtain or make arrangements to obtain the free parking permit. The Town staff  
37 person on duty at the regional access facility would only allow someone to enter for free if they have the  
38 appropriate sticker affixed to the vehicle. Anyone who does not have the appropriate sticker would be  
39 required to pay the \$10 parking fee.
  - 40
  - 41 • Handicapped individuals, regardless of whether or not they are an Emerald Isle property owner and/or  
42 resident, would also be eligible for a free parking permit, which would be handled in the same manner as the  
43 free parking permits available for Emerald Isle property owners and/or residents.
  - 44
  - 45 • The system for the free parking permits would essentially be identical to the system used to issue beach  
46 driving permits.
  - 47

48 Town staff have already begun, and will further refine the appropriate internal procedures to insure the safety of the  
49 Town staff person collecting the fees and prevent theft and fraud. It is likely that two town staff persons would work a  
50 5-hour shift at each regional access facility each day, and the Police Department would assist with the safeguarding  
51 and transport of daily receipts.

52  
53 The Town staff person on duty at the regional access facility would also be responsible for monitoring the number of  
54 parking spaces occupied prior to 7 am, and throughout the day, to determine the availability of spaces. We would also

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 17 of 30

likely utilize a daily parking pass (small ticket or slip of paper to be displayed in the window) distributed to paying customers as a way of tracking the number of paying customers and available spaces.

Town staff have also been working on the appropriate policies for the new parking fee system, which may be troublesome for some constituents, but are believed to be necessary to insure a smooth and cost-effective operation. The following policies would be enforced by Town staff:

- Buses, large RVs, and vehicles with trailers would not be permitted to park at the two regional access facilities on Saturdays, Sundays, and holidays between 7 am and 4 pm due to their need to utilize 4 – 8 parking spaces. These vehicles could drop off passengers at the entrance and park in an alternate location free of charge on a first-come, first-served basis. Suitable alternate parking locations are the Town Hall complex and Fire Station 2 (likely only room for one such vehicle at Fire Station 2).
- If a vehicle pays the \$10 parking fee, and then decides to leave the facility for a short time period, the vehicle would lose the parking space and then be required to pay the \$10 fee again to re-enter.
- Replacement stickers for free parking permits would not be provided to Emerald Isle property owners and/or residents or handicapped individuals unless they scrape off and return the original sticker.
- The free parking permits would be issued annually, and an Emerald Isle property owner and/or resident or handicapped individual would need to secure a new sticker each year.

There are likely other issues that will arise in the coming weeks, and Town staff will continue to devise the best possible implementation plan by April 1.

#### Fee Schedule Amendment

The attached fee schedule amendment is the formal mechanism for the Board to approve the proposed beach access parking fee. The attached fee schedule amendment is consistent with the plan described above.

#### 2011 Beach Services Plan

The new beach access parking fee, as described above, is expected to generate total gross revenues of \$117,000 per year. A detailed revenue estimate, including the occupancy assumptions during each month, is attached for the Board's review.

The new fee would fund the following expenses associated with the Eastern Ocean Regional Access (EORA) and Western Ocean Regional Access (WORA) for the first year:

• Parking fee program operations	\$ 21,000
* • Dedicated Park Attendant, custodial services, and general operating expenses	\$ 46,000
• Dedicated Police Officer	\$ 18,000
• Dedicated lifeguards at each regional access	\$ 25,000
TOTAL	\$110,000

\* Parking fee program operating costs should decrease to approximately \$13,000 in future years.

This service plan leaves a surplus of approximately \$7,000 during year one (approximately \$15,000 in subsequent years), and hopefully more if actual revenues exceed our current estimates. Any surplus would be used to cover portions of full-time staff salaries providing services at the EORA and WORA, and/or would be retained and eventually re-invested back in these facilities in the form of future capital improvements and/or future service enhancements.

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 18 of 30

1  
2 In year 1, this service plan would enable the Town to shift approximately \$71,000 of expense previously supported by  
3 general tax revenues to parking fee revenues. This amount would increase to approximately \$79,000 in subsequent  
4 years.  
5

6 2011 Beach Services Plan Elements Dedicated to EORA and WORA – Supported by Parking Fees

7 The proposed 2011 beach services plan would include a dedicated Park Attendant at the WORA all day long on  
8 weekends only from April 1 – May 15 and September 15 – September 30. A dedicated Park Attendant would be on  
9 duty at the WORA all day long, every day of the week from May 15 to September 15. A Park Custodian would be on  
10 the exact same schedule, but would service both the EORA and WORA.  
11

12 A dedicated Police Officer would be assigned to the WORA all day long on weekends from April 1 – May 15 and on  
13 weekends from September 15 – September 30. A dedicated Police Officer would be on duty at the WORA all day  
14 long, every day of the week from May 15 to September 15. This dedicated Police Officer would also periodically visit  
15 the EORA. The EORA would also receive greater attention from other road Police Officers throughout the day.  
16

17 The 2011 beach services plan includes one dedicated lifeguard at both the WORA and EORA. The lifeguards would  
18 be on duty all day long, every day of the week from May 15 – September 15. The lifeguards would be on elevated  
19 lifeguard stands and would be responsible for water rescue activities at these two heavily visited locations. The  
20 lifeguards would be members of the Beach Patrol, and staff would rotate between the fixed lifeguard stations and the  
21 two roving Beach Patrol positions on the beach each day (roving Beach Patrol positions funded by general tax  
22 revenues, not parking fee revenues).  
23

24 2011 Beach Services Plan Elements Provided Along Entire Beach Strand – Supported by General Tax Revenues

25 The proposed 2011 beach services plan also maintains the other elements of the 2010 beach services plan  
26 implemented last year. The Town would continue to assign a dedicated Police Officer to the Bogue Inlet Pier area all  
27 day long on weekends only from April 1 – May 15 and September 15 – September 30, and all day long, every day of  
28 the week from May 15 – September 15.  
29

30 The Town would also continue to assign three roving personnel along the entire 12 mile beach strand on all-terrain  
31 vehicles (ATVs) for water rescue, ordinance education and enforcement, law enforcement, and general customer  
32 service purposes. A slight change is proposed, however. Two of these personnel would be the traditional Beach  
33 Patrol personnel who would be responsible primarily for water rescue duties, but would also perform Town ordinance  
34 education and enforcement duties and general customer service duties. The two Beach Patrol personnel would each  
35 cover approximately half of the beach strand (and would be supplemented by the two lifeguards stationed at the EORA  
36 and WORA, as described above).  
37

38 The third ATV would be manned by a (summer) uniformed Police Officer who would patrol the entire length of the  
39 beach strand. The Police Officer would not perform water rescue duties, but would be responsible for ordinance  
40 education and enforcement, law enforcement, and general customer service purposes. I am hopeful that a (summer)  
41 uniformed Police Officer (with the real and perceived stronger authority) will be more successful in educating and  
42 enforcing Town ordinances and relevant State laws on the beach strand than our traditional Beach Patrol personnel.  
43 In the future, if this approach is successful and if funds permit, I'd like to add a second Police Officer on an ATV during  
44 the summer.  
45

46 The three personnel on ATVs would work every day of the week from May 15 – September 15. The Town currently  
47 has three ATVs available for these personnel.  
48

49 The funding required for the 2011 beach services plan elements that are supported by general tax revenues is  
50 essentially identical to that provided in 2010. The same number of personnel are planned for 2011 as 2010.  
51

52 Summary of Overall 2011 Beach Services Plan

53 Without distinguishing between the funding sources, as was the case above, this section summarizes the overall  
54 staffing included in the proposed 2011 beach services plan:

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 19 of 30

1  
2 *All Weekends – April 1 to September 30*

- 3 • Parking lot attendant on duty at EORA  
4 • Parking lot attendant on duty at WORA  
5 • Park Attendant on duty at WORA  
6 • Custodian on duty and working at both EORA and WORA  
7 • Dedicated Police Officer at WORA  
8 • Dedicated Police Officer at Bogue Inlet Pier  
9

10 *All Weekdays – May 15 to September 15*

- 11 • Park Attendant on duty at WORA  
12 • Custodian on duty and working at both EORA and WORA  
13 • Dedicated Police Officer at WORA  
14 • Dedicated Police Officer at Bogue Inlet Pier  
15 • Lifeguard at WORA  
16 • Lifeguard at EORA  
17 • 2 roving Beach Patrol personnel on ATVs  
18 • 1 roving Police Officer on ATV.  
19

20 The Board should note that other Police, Fire, Public Works, and Parks Maintenance personnel on duty will also be  
21 providing services on the beach strand, at the EORA and WORA, and the Pier as needed, in addition to the staffing  
22 outlined above.  
23

24 The Board should also note that at this time I am assuming that the Public Works Department will continue to remove  
25 trash from the beach strand on a near-daily basis, however, as a part of overall budget planning we are exploring the  
26 idea of eliminating beach strand containers at the neighborhood beach access locations. Additional research is being  
27 completed on this particular issue, and will be discussed with the Board at the February 21 budget planning workshop.  
28

29 Finally, the Board should note that there may be minor tweaks to dates, schedules, and hours for the 2011 beach  
30 services plan as we actually implement the plan and discover more cost-effective approaches. The general outline  
31 presented above, however, would be followed.  
32

33 **Budget Amendment – General Fund**

34 The attached General Fund budget amendment recognizes the anticipated parking fee revenues from April 1 – June  
35 30, and formally appropriates these revenues for the elements of the 2011 beach services plan described above (for  
36 the period from April 1 – June 30).  
37

38 I am recommending including these revenues and expenditures in the General Fund for the remainder of the current  
39 fiscal year only for ease of administration. Assuming the Board approves the parking fee proposal and the 2011 beach  
40 services plan, the FY 11-12 budget (and subsequent years' budgets) will include a new, segregated Regional Beach  
41 Access Fund to budget and account for these revenues and expenditures.  
42

43 The attached budget amendment recognizes approximately \$45,000 of parking fee revenue between April 1 and June  
44 30. These funds would be appropriated for Police patrol services and lifeguards, and for associated expenses in the  
45 Parks and Recreation Department. A total of \$10,000 of this amount is earmarked for "start-up" expenses associated  
46 with the parking fee operation, while the remaining \$35,000 should "free up" revenues in the General Fund for the  
47 remainder of the fiscal year.  
48

49 **Final Thoughts**

50 As you know, the idea of implementing a parking fee has been discussed several times over the past few years during  
51 the budget process, and has recently been discussed in great detail at both the December and January Board  
52 meetings. While I am certain that this plan is far from perfect in everyone's eyes, a great deal of thought, research,  
53 and public input has gone into the development of this plan by the Town staff, the Mayor, the Commissioners, and

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 20 of 30

1  
2 myself. I believe we have all tried hard to devise the best possible plan to satisfy multiple (and sometimes conflicting)  
3 goals and various public concerns. This decision has not been made hastily or taken lightly, and the public access  
4 rights and privileges, budget realities, and moral implications have each been considered on an equal basis. Each and  
5 every public suggestion and comment has been incorporated into the overall decision-making process.  
6

7 The ocean beach is currently, and should always be free to the general public, and the Town of Emerald Isle would not  
8 want it any other way. Everyone, regardless of economic status, should have the ability to enjoy the pleasures of time  
9 on the beach. The land through which the beach is accessed, however, is not free, and that cost must be borne by  
10 someone. Fortunately, in our case, that cost has already been completely absorbed (mostly by the taxpayers of  
11 Emerald Isle), and is not of concern anymore. The costs to maintain that land and the facilities thereon that are  
12 provided to enable a clean, safe, and enjoyable family-friendly visit to the beach are also not free, and those costs  
13 must also be borne by someone. In our case, the Town continues to strive to provide the best possible beach visit  
14 experience for our guests, and any decision to implement a parking fee is based solely on assigning those costs to the  
15 users of these facilities. The services are not fee, and the cost must be borne by someone.  
16

17 As noted, and as you know, many different ideas were considered during the past few months. I have included a few  
18 of the more frequent ideas below, along with a brief explanation about why they were not included in the proposal  
19 being considered by the Board on February 8:  
20

- 21 • *The Town should use an hourly, automated pay station system.* This is a very valid suggestion that reduces  
22 the cost for someone to visit for a shorter period of time. This option was thoroughly investigated, and the  
23 high up-front capital costs associated with the automated pay stations did not make this a cost-effective  
24 option. In addition, a parking contractor was considered, but the contractor utilizes a very labor-intensive  
25 system with high overhead costs that did not appear necessary or prudent for our type of parking areas.  
26
- 27 • *There is a perception that the \$10 fee is too high for nearby, local visitors (from outside Emerald Isle) who*  
28 *use the beach frequently for walking, and for only short periods of time.* This concern is also completely  
29 valid, and is the primary reason why an earlier proposal to charge a parking fee every day from April 1 –  
30 September 30 was rejected by the Board. By charging only on the weekends, the weekdays would continue  
31 to be free for nearby, local visitors who use the beach frequently for walking or other short-term activities.  
32 Additionally, parking would be free after 4 pm on the weekends and holidays. Finally, other free parking  
33 alternatives remain in Emerald Isle (3<sup>rd</sup> Street and Station Street).  
34
- 35 • *The Town should offer an annual pass at a discounted rate to nearby, local visitors.* This type of system  
36 would involve additional administrative burdens and would make revenue prediction more uncertain. In  
37 addition, the amount of any annual parking fee would likely be at least \$50 or perhaps \$100, which may be  
38 perceived as too high. In the end, the Board's decision to charge only on weekends is an attempt to address  
39 the concerns of nearby, local visitors.  
40

41 Finally, we will certainly learn a great deal from experience, and will have the opportunity to add, delete, or modify  
42 certain aspects of the parking fee program in the future.  
43

44 I look forward to discussing these issues again with the Board at the February 8 meeting. Please note that it is  
45 important for the Board to finalize its decisions so that Town staff will have ample time to prepare for an April 1 start  
46 date and also to prepare for the 2011 tourism season in general. Town staff need to begin recruiting efforts for  
47 seasonal positions now in order to be ready with quality personnel for the tourism season.  
48

49 **Town Manager Rush following his summary asked the Board for their direction**  
50 **on these issues.**

51  
52 **Mayor Schools first asked for any comments from the public.**  
53

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 21 of 30

1  
2 Becky Coons, 125 Heverly, encouraged the Board to consider this proposal  
3 feeling it was something that was needed. Ms. Coons said if she understood  
4 correctly the parking fees would not totally cover everything so she would even  
5 encourage they charge the fees 7 days a week, feeling that \$10 to park for a  
6 carload of people coming to enjoy the beach was a deal. Ms. Coons liked the  
7 idea of handicapped people and Emerald Isle residents having free parking. She  
8 felt people coming here needed to pay a fee to park because they were using  
9 and abusing the parking lots, trash facilities, and not emptying much money into  
10 our coffers, carrying in their food and leaving their trash. She felt they should  
11 help pay for the parking lot, trash removal and security that they enjoyed as well  
12 as the lifeguards who would be patrolling the beach for them. Ms. Coons said  
13 they were not paying to spend time on the beach; they were paying to park in the  
14 Town which was nearby the beach.

15  
16 Mayor Schools stated that the money they believe they would collect was enough  
17 to cover all expenses at the two accesses, not enough to cover the other things  
18 on the beach but they couldn't use those funds for other things on the beach  
19 anyway.

20  
21 Commissioner Wootten added that this was a big experiment and they were  
22 taking it slow.

23  
24 Ms. Coons said that even at beaches that were located at State parks they  
25 charged a fee to park, not to enjoy the park, but to park in that lot.

26  
27 Doug Warren, 7903 Forest Drive, supported the proposal, but his concern was  
28 that there wouldn't be a charge before 7 am and he would be concerned with  
29 people gaming the requirement and droves of people showing up before 7 am  
30 and not paying.

31  
32 Jim Heatherly, 8512 Woodcliff, said he had been at the original meeting when  
33 they authorized buying the western access and at that time they had discussed  
34 charging \$5 per day for parking and now he found they had been spending  
35 \$100,000 per year just to support the facility, and they would expand it with  
36 lifeguards, and other ways. He encouraged the Board to be sure it was paid for  
37 by the people who come here using it, the day trippers who come leaving their  
38 trash. He said they were now embarking on expanding what was there now and  
39 he wasn't sure the fees would pay for it.

40  
41 Ned Parsons, 6822 Canal, spoke in favor of parking fees however he felt it  
42 should be 24/7 and they should have an automatic gate that could accept credit  
43 cards or cash, or a pass card which the Town could sell, have it preloaded with a  
44 certain number of entries. He felt in the long run they would make money. He  
45

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 22 of 30

1  
2 said they would pay the money up front for the equipment, but then it was just  
3 general maintenance, no need to have an attendant there being paid a salary.  
4

5 Jay Thomas, 115 Lee, asked the Town Attorney how this would affect the Town's  
6 liability by charging to park, feeling when it was free no would had a problem but  
7 people paying to park, he felt there would be lawsuits.  
8

9 Town Attorney Stanley said that the Town was insured and the fact that someone  
10 parked didn't create a situation where the Town was responsible for their  
11 personal belongings or car. All the Town was providing was a place to park and  
12 he didn't see additional liability.  
13

14 ***Motion was made by Commissioner Messer to concur with the regional***  
15 ***beach access parking fee proposal. The Board voted unanimously 5-0 in***  
16 ***favor. Motion carried.***  
17

18 Commissioner Hedreen stated she had some concerns with the cost of adding  
19 lifeguards. Commissioner Messer said he had the same concerns but was  
20 satisfied after discussing the issue with Town Manager Rush earlier in the day.  
21 Commissioner Hedreen wondered if they should consider Friday in addition to  
22 Saturday, and Sunday to give extra margin of funding. Commissioner Wootten  
23 said he was pleased and felt this was a great compromise as Commissioner  
24 Wright had suggested with Saturday, Sunday and holidays and this was going to  
25 be a trial and error process. He wouldn't charge another day but make sure they  
26 don't spend more than needed. Commissioner Wootten felt they should leave  
27 the beach plan alone and do what they did last year and see how this went this  
28 year without lifeguards until they knew for sure what would happen.  
29

30 Mayor Schools said he would encourage the Board to include the lifeguards,  
31 when you had a park with the massive amount of people there that it was a good  
32 service to provide. Commissioner Wootten had concerns about how much  
33 money would be made from the parking fees and didn't feel they should spend  
34 any more than they did last year. He felt lifeguards may be good but felt they  
35 should wait and see how the revenue came in and talk about again next year, he  
36 felt it was a financial consideration. He felt they should stay with the beach plan  
37 as they had the previous year.  
38

39 Mayor Schools allowed an additional comment from the public.  
40

41 Pat Etheridge, reminded the Board that last year lifeguards had been a big factor  
42 in the media and people had been going to Atlantic Beach because they had  
43 lifeguards there.  
44  
45

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 23 of 30

1  
2 Commissioner Hoover concurred with Commissioner Wootten that they could  
3 add lifeguards at a later date.  
4

5 Commissioner Wright asked Town Attorney Stanley if they were exposed to more  
6 liability by having lifeguards. Town Attorney Stanley said only because they had  
7 more employees on the beach so therefore more exposure but a lifeguard was  
8 like a Good Samaritan as long as they were doing their job they were not liable  
9 for someone drowning, it would have to be a case of gross negligence.  
10

11 Commissioner Hedreen thought then that it wouldn't be that much more  
12 exposure as they were trading some of the patrol officers for the lifeguards. Mr.  
13 Rush said they were called beach patrol but they had mobile lifeguards on the  
14 beach now – last year they had three mobile lifeguards driving an ATV on the  
15 beach so the lifeguards included in the proposal were doing the same thing as  
16 the beach patrol but rather than being on an ATV they would be on an elevated  
17 stand at the accesses. Mr. Rush said as far as the funding and assigning cost if  
18 the Town continued the plan as last year the 3 beach patrol personnel on the  
19 beach strand roving the entire time would need to be charged against the general  
20 fund, if they assigned lifeguard specifically to the two facilities they could charge  
21 those to the parking fee revenues and still have either 2 or 3 beach patrol  
22 personnel charged to the general fund. Mr. Rush said the beach patrol had done  
23 everything from water rescues to enforcing town ordinances; identifying problems  
24 needing law enforcement assistance, to general answering questions from  
25 people on the beach. Mr. Rush said the proposal put forth was to have two fixed  
26 lifeguards and two roving beach patrol.  
27

28 Commissioner Messer said the two stationary people from the parking funds  
29 instead of the general fund which was what convinced him. Commissioner  
30 Hedreen felt if they ran over a tad they had saved in the general fund.  
31

32 Commissioner Hedreen asked about the lifeguard's sphere of responsibility from  
33 the platform. Commissioner Hoover said they would have to rope an area off,  
34 and his concern with lifeguards was that the parents brought the kids out and  
35 thought that the lifeguard was a babysitter for them, and felt that was a big  
36 responsibility the Town was taking on, as much as you try to educate the public.  
37

38 ***Motion was made by Commissioner Hoover to adopt the plan as is except***  
39 ***for the lifeguards.***  
40

41 Town Manager for clarification said what was being proposed by Commissioner  
42 Hoover was to adopt the plan as is but not include the two lifeguards, so they  
43 would move forward on hiring the beach patrol personnel.  
44  
45

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 24 of 30

1  
2 Commissioner Wright said she wasn't initially in favor of the lifeguards but felt if  
3 they could pay one more beach patrol person out of the general fund that might  
4 be a good thing to do as opposed to having it come out of the parking fees.

5  
6 Mayor Schools called for a vote on Commissioner Hoover's motion approving the  
7 plan without the lifeguards.

8  
9 ***The Board voted a split vote of 2-3, with Commissioners Hoover and***  
10 ***Wootten in favor, Commissioners Hedreen, Messer, and Wright opposed.***  
11 ***Motion failed.***

12  
13 ***Motion was made by Commissioner Messer to concur with the proposed***  
14 ***2011 beach services plan as presented.***

15  
16 Town Manager Rush for clarification stated that the 2011 beach services plan as  
17 presented included the lifeguards, the two beach patrol personnel, on the other  
18 12 miles of beach, and as presented includes adding one additional Police  
19 Officer on an ATV on the beach strand in addition to what they had in the past.

20  
21 Commissioner Wootten and Hedreen agreed that the additional Police Officer  
22 was important.

23  
24 Mr. Rush said they would still have the dedicated Police Officer at the beach  
25 access and at the pier; he was talking about another Police Officer roving on an  
26 ATV on the beach.

27  
28 ***The Board voted a split vote of 3-2, with Commissioners Hedreen, Messer,***  
29 ***and Wright in favor, Commissioners Hoover and Wootten opposed. Motion***  
30 ***carried.***

31  
32 ***Motion was made by Commissioner Hedreen to adopt the Fee Schedule***  
33 ***amendment establishing a regional beach access parking fee. The Board***  
34 ***voted unanimously 5-0 in favor. Motion carried.***

35  
36 ***Motion was made by Commissioner Wright to adopt the General Fund***  
37 ***budget amendment. The Board voted unanimously 5-0 in favor. Motion***  
38 ***carried.***

39  
40 Clerks Note: A copy of Fee Schedule Amendment and Budget Amendment – General Fund are  
41 incorporated herein by reference and hereby made a part of these minutes.

42  
43  
44  
45  
46  
47

1  
2 **12. Additional Inmate Labor**  
3

- 4 **a. Plan for Additional Inmate Labor**  
5 **b. Purchase of Passenger Van**  
6 **c. Capital Project Ordinance Amendment – New Town Administration**  
7 **Building**  
8

9 Public Works Director Artie Dunn addressed the Board regarding this agenda  
10 item. The following excerpt from Town Manager Rush's memo to the Board is  
11 provided for additional background:  
12

13 The Board of Commissioners is asked to authorize the Town's use of additional inmate labor to augment Town staff,  
14 and also to authorize the purchase of an 8-passenger van to transport the inmates to and from the Newport  
15 Correctional Facility each workday. A capital project ordinance amendment is presented for the Board's consideration  
16 to formally appropriate funds for the purchase of the van.  
17

18 The Town's Public Works Department has relied on the services of 3 inmates from the Newport Correctional Center for  
19 the past several years, and this additional manpower has enabled the Town to accomplish more with less personnel  
20 expense in recent years. Notwithstanding some minor concerns, this program has generally served the Town well, and  
21 we are now seeking to utilize 3 additional inmates in the future – for a total of 6 inmate laborers to augment our Town  
22 staff.  
23

24 As you know, the Town is confronting significant budget challenges in FY 11-12, and the 3 additional inmates will  
25 enable the Town to eliminate a newly vacant position in the Parks and Recreation Department and also eliminate two  
26 seasonal laborer positions in the Public Works Department. This will result in total annual savings to the Town of  
27 approximately \$47,000. With the 3 additional inmate laborers, the Town should be able to maintain service levels and  
28 quality in these two departments.  
29

30 The inmates from the Newport Correctional Center are low-risk inmates, and the Town has not experienced any  
31 significant problems with our assigned inmates over the years. In a few cases, we have returned inmates who did not  
32 work well with our Town staff, but we have generally been fortunate to receive good workers in recent months. Public  
33 Works staff has completed required training for the supervision of the inmate laborers, and additional Parks and  
34 Recreation staff will also receive this training if additional inmate laborers are assigned to that department.  
35

36 The Town is required to transport the inmate laborers to and from the Newport Correctional Facility each workday, and  
37 has utilized an old Police Ford Crown Victoria for this purpose in recent years. The Crown Victoria can only  
38 accommodate 3 or 4 inmate laborers, thus if the Town adds 3 additional inmate laborers we will need to utilize a larger  
39 vehicle. After researching the vehicles available through the North Carolina State Contract, we have identified an 8-  
40 passenger Ford E-150 van for \$19,721, and would like to purchase this van to transport all inmate laborers. The Town  
41 does not have any existing vehicles that could be replaced and used for the transport of inmate laborers. Additionally,  
42 the new van may also be used by the Parks and Recreation Department on occasion for the transport of participants in  
43 our programs during times when it is not needed for inmate labor transport.  
44

45 The capital project ordinance for the new Town Administration Building currently has a remaining balance of  
46 approximately \$26,000, and these funds are available for appropriation for any purpose approved by the Board. I am  
47 requesting that \$21,000 of these funds be allocated for the purchase of the new 8-passenger van. (The additional  
48 amount would cover motor vehicle taxes and other minor expenses.) The attached capital project ordinance would  
49 formally appropriate these funds for the new van.  
50  
51  
52

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 26 of 30

1  
2 Artie Dunn, Public Works Director, has initiated the process to secure additional inmate labor, and is optimistic that the  
3 Town will be approved. If the Board concurs, and the Town is approved, we would expect to begin utilizing the  
4 additional inmates prior to the 2011 tourism season.

5  
6 Mayor Schools asked for comments from the public.

7  
8 Jim Hackett, recommended the Town look at purchasing a used vehicle.

9  
10 Mr. Rush said they thought about a used van and could pursue if the Board  
11 wished, but because the State contract price was so good with the \$19,721 they  
12 thought it might be wise to pursue a brand new van and have the certainty  
13 associated with that but they could certainly pursue a used van.

14  
15 ***The Board concurred with the plan to seek additional inmate laborers to***  
16 ***augment Town staff.***

17  
18 ***Motion was made by Commissioner Wootten to adopt the Capital Project***  
19 ***Ordinance amendment. The Board voted unanimously 5-0 in favor. Motion***  
20 ***carried.***

21  
22 **Clerks Note: A copy of Capital Project Ordinance – New Town Administration Building is**  
23 **incorporated herein by reference and hereby made a part of these minutes.**

24  
25 **13. Appointments**

26  
27 **a. Planning Board – 4 Vacancies**

28 **b. Eastern Carolina Council Board – 1 Vacancy**

29  
30 Town Manager Frank Rush addressed the Board regarding this agenda item.  
31 The following excerpt from his memo to the Board is provided for additional  
32 background:

33  
34 Planning Board – 4 Vacancies

35 The terms of Planning Board members Ed Barber, Tom Kelly, Bob Smith, and Ken Sullivan all expire in March 2011.  
36 All four members have expressed interest in being reappointed by the Board of Commissioners.

37  
38 The new terms are two-year terms that will expire in March 2013. A complete roster of Planning Board members is  
39 attached.

40  
41 Eastern Carolina Council Board – 1 Vacancy

42 Commissioner John Wootten currently serves on the Eastern Carolina Council Board, and his one-year term is  
43 expiring. The Board should appoint Commissioner Wootten, another Commissioner, or an interested citizen to  
44 represent the Town on this board.

45  
46 I have attached additional information about the Eastern Carolina Council (ECC), an association of local governments  
47 serving our region. Some of the services provided by and/or coordinated by the ECC are GIS assistance to Town staff,  
48 the Eastern Carolina Joint Land Use Study (for impacts from Cherry Point and Bogue Field), and the Down East  
49 Regional Planning Organization, which is involved in transportation planning issues and bicycle and pedestrian plans.

1  
2 ***Motion was made by Commissioner Wright to reappoint Eddie Barber, Tom***  
3 ***Kelly, Bob Smith, and Ken Sullivan to terms on the Planning Board that***  
4 ***expire in March 2013. The Board voted unanimously 5-0 in favor. Motion***  
5 ***carried.***

6  
7 ***Motion was made by Commissioner Hoover to appoint Commissioner***  
8 ***Wootten to a one year term on the Eastern Carolina Council Board. The***  
9 ***Board voted unanimously 5-0 in favor. Motion carried.***

10  
11 **15. Comments from Board of Commissioners and Mayor**

12  
13 There were no comments from the Town Clerk or the Town Attorney.

14  
15 Town Manager Rush updated the Board on several items of importance. Mr.  
16 Rush said he should have results back from Moffatt & Nichol on the engineering  
17 work on the Point Emerald Villas dune field and also Emerald Isle Woods Park  
18 later in the week and would discuss in more detail at the Boards special meeting  
19 on February 21. Mr. Rush said he found out the previous day that the Corps of  
20 Engineers had planned on dredging the intracoastal waterway crossing at Bogue  
21 Inlet, the actual portion of the ICW that was right at the entrance to Bogue Inlet in  
22 December, they had pushed it back to March and had now informed him that  
23 they were pushing that back to next winter. Mr. Rush continued to work on the  
24 EMS contract, and noted that the transition to the E-911 center had so far gone  
25 well.

26  
27 The following is an excerpt from the Town Manager Comments memo to the  
28 Board for additional background information provided for all items of importance:

29  
30 Engineering Analyses for Dune Discharge at The Point and Emergency Discharge at Emerald Isle Woods Park  
31 Moffatt & Nichol is nearing completion of the engineering analysis to determine how much storm water the dune field in  
32 front of Point Emerald Villas can receive from a future fixed pump at Island Circle. I should receive these results this  
33 week, and plan to discuss them and the options for Island Circle with the Board at your February 21 budget workshop  
34 meeting. As you know, the FY 10-11 budget includes \$175,000 for the purchase of dune field easements to receive  
35 storm water pumped from Island Circle. If the dune field discharge option is deemed viable, I will initiate formal  
36 negotiations with the Point Emerald Villas Property Owners Association to purchase the necessary easement. If the  
37 dune field option is not viable, I'd like the Board to consider using the budgeted funds for the installation of a fixed  
38 storm water pump at Island Circle.

39  
40 Moffatt & Nichol is also nearing completion of the engineering analysis for an emergency discharge at Emerald Isle  
41 Woods Park. If this analysis supports our ability to secure the necessary permits, I would like to pursue the installation  
42 of a natural swale discharge from the wetlands in the northwestern area of Emerald Isle Woods to upland areas  
43 adjacent to Bogue Sound. I believe this will be the most cost-effective solution for the Town. I expect to also receive  
44 these results this week, and have a meeting scheduled with staff from the NC Division of Water Quality and NC  
45 Shellfish Sanitation Section for February 11 to review the results. I also plan to meet with the Cape Emerald  
46 Homeowners Association in the near future to discuss the options with them. This issue will also be included on the  
47 Board's February 21 budget workshop meeting agenda.  
48

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 28 of 30

1  
2 **Archers Creek Storm Water Outfall Removal / BMP Study**

3 I have solicited a proposal from Moffatt & Nichol for this study, which will be funded by a Clean Water Management  
4 Trust Fund grant. I have placed this issue slightly on the "back-burner" for now, and have directed Moffatt & Nichol to  
5 focus on their work regarding storm water issues at The Point and Emerald Isle Woods Park. I hope to present a  
6 proposal to the Board at your March meeting.

7  
8 **Proposed Coastal Insurance Premium Increase**

9 I have attached a copy of a letter that Mayor Schools sent to the NC Department of Insurance to formally object to the  
10 requested 20.9 % average (State-wide) rate hike for dwelling property insurance policies. I have also attached copies  
11 of press releases from the NC Department of Insurance about this issue, along with excerpts from the actual rate  
12 increase request submitted by the NC Rate Bureau (the agency representing the insurance companies).

13  
14 I still have more to learn about this issue, but the Board should note that the requested increase for Emerald Isle  
15 appears to be higher than the 20.9% that has been widely reported. The increase is actually more complex, and is  
16 broken into 4 components. For Emerald Isle's territory (05/08), there is no change in "Fire – Buildings", a 12.1%  
17 decrease in "Fire – Contents", a 28.2% increase in "Extended Coverage (Wind) – Buildings", and a 33.7% increase in  
18 "Extended Coverage (Wind) – Contents". My guess is that the composite percentage increase for Emerald Isle will be  
19 higher than 20.9%, since wind coverage is typically much more expensive than Fire coverage.

20  
21 I will continue to learn more about this issue, and advise the Board and respond as appropriate. This issue is  
22 obviously controversial, and there are many groups working to reduce the amount of the rate increase.

23  
24 **Update – New Public Boat Launching Facility**

25 Construction continues on the new facility. The ramps and docks are complete, and SunLand Development continues  
26 work on the parking lot and storm water features. There have been no major setbacks thus far, and we are still on  
27 target for completion at the end of March. I hope to schedule an opening ceremony for sometime in April and open the  
28 facility to the general public at that time.

29  
30 We are still working through the bathroom building issue. NC WRC was concerned about the cost of a building similar  
31 to the bathroom building at Emerald Isle Woods Park, and we are currently exploring the purchase of a pre-fab  
32 bathroom building. The Town will be responsible for securing the bathroom building, but will be 100% reimbursed by  
33 NCWRC. It is unlikely the bathroom building will be in place by the time the facility opens to the public, but we are  
34 working to have it in place as soon as possible.

35  
36 **Update – Aquarium Pier at Emerald Isle**

37 The deadline for Moffatt & Nichol to complete the design work for the new Aquarium Pier has been pushed back to  
38 August 2011, which will not harm our efforts in any way.

39  
40 I continue to work with the NCDENR Secretary's Office to attempt to resolve the issues associated with the purchase  
41 of the land adjacent to Flip-Flops Mini-Mart. I hope to resolve this issue in the near future.

42  
43 Mayor Schools, Commissioner Hoover, and I recently met with Senator Preston and Representative McElraft to  
44 discuss the Pier project and the preservation of Aquarium funds for future construction. I will continue to work closely  
45 with them to attempt to preserve the necessary State funds for future construction.

46  
47 **Update – NC 58 Paving / Turn Lane**

48 Onslow Grading and Paving continues to work on the new turn lane at the new public boat launching facility, and has  
49 installed base-course asphalt. Onslow is currently working to adjust the elevation of the adjacent bike path just east of  
50 Scotch Bonnet Drive. An approximately 150 ft. segment of bike path will be lowered, along with one private driveway.

51  
52 Actual paving will not occur until there is a sustained period of air temperatures in the 50 – 60 degree range. Onslow  
53 has begun scraping back the vegetation from the edge of the roadway asphalt in anticipation of paving.

54

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 29 of 30

1  
2 **Update – NC 58 Bicycle Path**

3 We have placed advertisements for bids for the .2 mile segment of bike path along NC 58 near the Eastern Ocean  
4 Regional Access, and will open bids on March 3. Assuming everything is in order, we will have a construction contract  
5 on the Board's March 8 meeting agenda. I hope to have this segment completed and open to the public before Easter.  
6

7 **Update – Coast Guard Road Bike Path**

8 SunLand Development is ready to begin work on the .3 mile segment of bike path along Coast Guard Road between  
9 Deer Horn Drive and El Woods Park. We are waiting for Bogue Banks Water Corporation to complete water line work  
10 in this area before giving SunLand notice to proceed. I hope to have work on this bike path segment begin no later  
11 than the end of February, and have it completed and open to the public before Eastern.  
12

13 **EI EMS, Inc. Contract Extension**

14 The Joint EMS Committee will meet on Monday, February 14 to discuss the details of a 1-year contract extension with  
15 Emerald Isle EMS, Inc. The contract extension will include a requirement to revisit the best organizational structure for  
16 emergency medical services in the fall of 2011, and will hopefully include the transfer of financial management  
17 responsibilities from EI EMS, Inc. to the Town. I hope to have a contract extension on the Board's March 8 meeting  
18 agenda.  
19

20 **Banking Services**

21 Mitsy Overman and I recently interviewed 5 banks to learn more about their banking services proposals. We will  
22 complete additional review of their proposals in the next two weeks, and will make a recommendation to the Board at  
23 the March 8 meeting.  
24

25 **2011 Street Resurfacing Contract**

26 We are currently soliciting bids for the 2011 street resurfacing contract, and will have a contract recommendation on  
27 the Board's March 8 meeting agenda. We have a total budget of approximately \$140,000 for this year's contract.  
28

29 **Unattended Beach Equipment Exception Stickers**

30 We will soon begin accepting requests from oceanfront property owners between the Ocean Drive dog-leg (3000  
31 block) and The Point for unattended beach equipment (beach tents, etc.) exceptions. Oceanfront property owners  
32 (only) will be eligible for two stickers again this year, and these stickers will allow these owners to leave unattended  
33 beach equipment out overnight in front of their properties.  
34

35 The stickers issued last year will not be valid, and oceanfront property owners will need to secure new stickers for this  
36 summer.  
37

38 Oceanfront property owners located east of the Ocean Drive dog-leg are not eligible for exception stickers because the  
39 entire flat beach strand is owned by the State of North Carolina.  
40

41 **Portable Electronic Message Sign**

42 I reported in October that I authorized the Town to sign on to a joint grant application with the Town of Atlantic Beach  
43 and Carteret County Emergency Services for the purchase of portable electronic signs that could be used to convey  
44 emergency conditions to the public and also be used to educate the public about community events. I reported very  
45 soon thereafter that the request had been denied, and it was denied for funding from the previous grant year.  
46 However, I have recently learned that our application is still active and is now being considered for funding from the  
47 new year's grant allocation.  
48

49 The total cost of the sign is approximately \$15,000, and the Town's contribution would be approximately \$3,750. If  
50 grant funds are awarded, one sign would be permanently assigned to the Town of Emerald Isle, however, we would be  
51 required to deploy the sign if needed for use by the NC Ports Authority and/or Carteret County Emergency Services.  
52  
53  
54

MINUTES OF THE REGULAR MEETING  
OF THE EMERALD ISLE BOARD OF COMMISSIONERS  
FEBRUARY 8, 2011  
Page 30 of 30

1  
2 **July 4<sup>th</sup> Fireworks**

3 We are still working on a plan to return the July 4<sup>th</sup> fireworks to Bogue Inlet Pier this year. We have, however, received  
4 a price quote - \$15,000 - that is approximately \$5,000 more than anticipated. We will continue to work with the pier  
5 owner on the possibility of moving the fireworks back to the pier, and will also reach out to the Emerald Isle Business  
6 Association to perhaps partner with the Town on the cost. I remain hopeful we can work something out to return the  
7 fireworks to Bogue Inlet Pier this year.

8  
9 **Unclaimed Property Auction**

10 The Police Department recently completed an inventory of unclaimed items, and we have posted the required  
11 advertisement in the Carteret News Times to enable the Town to dispose of these items. Upon completion of the  
12 required 30 day claim period, these items will be available via an online auction beginning on March 15. A complete  
13 list of the items to be disposed is attached.

14  
15 **E911 Center Transition**

16 The Town officially transitioned to the new Carteret County E911 Center on January 21. Emergency communications  
17 have been provided by the County since that time, and the transition has gone smoothly. Police Chief Hargett and Fire  
18 Chief Walker will continue to work closely with County staff to resolve any issues that arise.

19  
20 The Town has maintained a Customer Service Assistant at the Police Station during evening and weekend hours since  
21 January 21, and will continue to provide general customer service to the public during evening and weekend hours.

22  
23 **15. Comments from Board of Commissioners and Mayor**

24  
25 There were no further comments from the Board of Commissioners or Mayor.

26  
27 **16. Adjourn**

28 ***Motion was made by Commissioner Messer to adjourn. The Board voted***  
29 ***unanimously 5-0 in favor. Motion carried.***

30  
31 ***The meeting was adjourned at 9:30 pm.***

32  
33 Respectfully submitted:

34  
35  
36  
37 Rhonda C. Ferebee, CMC  
38 Town Clerk  
39  
40  
41  
42  
43  
44  
45