

1 **MINUTES OF THE REGULAR SCHEDULED MEETING**
2 **OF THE EMERALD ISLE BOARD OF COMMISSIONERS**
3 **TUESDAY, APRIL 14, 2015 – 6:00 P.M.**
4 **TOWN BOARD MEETING ROOM**
5
6
7

8 **1. Call To Order**
9

10 The regular monthly meeting of the Emerald Isle Board of Commissioners was called to
11 order by Mayor Eddie Barber at 6:00 PM in the Town Board Meeting Room.
12

13 **2. Roll Call**
14

15 Present for the meeting: Mayor Eddie Barber, Commissioners Tom Hoover, Floyd
16 Messer, Jim Normile, John Wootten, and Maripat Wright.
17

18 Also present during the regular meeting: Town Manager Frank Rush, Town Attorney
19 Richard Stanley, Finance Director Laura Rotchford, Town Clerk Rhonda Ferebee,
20 Police Chief Jeff Waters, and Interim Planning Director Jim Jennings.
21

22 Also in attendance: Rudi Rudolph, Carteret County Shore Protection Officer.
23

24 **3. Opening Prayer**

25 Police Chief Jeff Waters offered the opening prayer.

26 **4. Pledge of Allegiance**
27

28 Mayor Eddie Barber led the Pledge of Allegiance.
29

30 **5. Adoption of Agenda**
31

32 ***Motion was made by Commissioner Messer to adopt the Agenda. The Board***
33 ***voted unanimously 5-0 in favor. Motion carried.***
34

35 **6. Proclamations / Public Announcements**
36

- 37 • **Recognition of Jim Jennings, Interim Planning and Inspections Director**
38

39 Jim Jennings, Interim Planning Director was recognized for his service to the Town, and
40 presented with a service plaque by Mayor Barber and Town Manager Frank Rush.
41 Town Manager Rush noted that Jim had been with the Town since the previous August
42 and had been a lifesaver for the Town and had done a great job and thanked him for his
43 help during this time. Town Manager Rush noted that new Town Planner Josh

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1 Edmondson would begin work on Monday, and would have some time to work with Jim
2 Jennings.

3
4 • **Recognition of Police Lt. Bill Bailey, Advanced Law Enforcement Certificate**

5
6 Police Lieutenant Bill Bailey received a special recognition by Police Chief Jeff Waters
7 for receiving the highest law enforcement certificate awarded by the State of North
8 Carolina – the Advanced Law Enforcement Certificate. Chief Waters noted that this
9 award was given to select individuals who had obtained certain requirements from the
10 State through the North Carolina Criminal Education and Training Standards
11 Commission. Chief Waters noted that the Emerald Isle Police Department currently had
12 3 other officers that had already received their Advanced Law Enforcement Certificate;
13 Major Tony Reese, Senior Police Officer Tim Long, and himself, Chief Jeff Waters.
14 Chief Waters noted that this professional certificate program was designed to recognize
15 the level of competence of law enforcement officers serving governmental agencies
16 within the State, to foster interest in college education and professional law enforcement
17 training programs, and to attract highly qualified people into a law enforcement career.
18 Chief Waters noted that under this program dedicated officers may receive statewide
19 and nationwide recognition for education, professional training, and on the job
20 experience. Chief Waters noted the awards were based upon a formula that combined
21 formal education, law enforcement training, and actual experience as a law enforcement
22 officer, and outlined how the scores were computed. Chief Waters congratulated
23 Lieutenant Bill Bailey for achieving this award and presented his certificate from the
24 State of North Carolina, and felt it an honor to give this to one of his officers as it was
25 the highest advanced certificate you could receive from the State.

26
27 Lieutenant Bill Bailey said that he appreciated everything the Town does and
28 appreciated working for the Town, and he would tell anyone he didn't think there was a
29 better Police Department in the County.

30
31 The Board and everyone in attendance applauded the accomplishments of Lieutenant
32 Bailey.

33
34 Mayor Barber noted the following Proclamations and announcements for the public:

- 35
36 • **Proclamation – Municipal Clerks Week – May 3 – 9, 2015** (15-04-14/P1)
37 • **Proclamation – Bicycle Month in Emerald Isle – May 2015** (15-04-14/P2)
38 • **Proclamation – National Day of Prayer – May 7, 2015** (15-04-14/P3)
39 • **Proclamation – National Travel & Tourism Week – May 2 – 10, 2015** (15-04-
40 14/P4)
41 • **Walking Club – Fridays at 9 am – Community Center**
42 • **MCAS Cherry Point Joint Land Use Study Open House – Thurs, April 16 – 6**
43 **pm – Town Board Meeting Room**

- 1 • Summer Employment Job Fair – Saturday, April 18 – 10 am – 2 pm –
- 2 Community Center
- 3 • Regional Access Parking Fees Begin April 18
- 4 • Special Planning Board Meeting – Tuesday, April 21 – 3 pm – Town Board
- 5 Meeting Room
- 6 • Police Educating the Public – Tuesday, April 21 – 10 am & 6 pm – Ben &
- 7 Jerry's
- 8 • Coffee With A Cop – Thursday, April 23 – 9 am – Ben & Jerry's
- 9 • American Red Cross Blood Drive – Friday, April 24 – 2 pm – 7 pm –
- 10 Community Center
- 11 • Regular Planning Board Meeting Cancelled (Monday, April 27)
- 12 • Beach Driving Season Ends Thursday, April 30
- 13 • Summer Day Camp Registration – April 27 – May 4 – LOTTERY
- 14 PROCEDURE – Contact Parks & Recreation
- 15 • Bike the Banks – Crystal Coast Lighthouse Challenge – Saturday, May 2
- 16 • Friday Free Flick – Friday, May 8 – 7 pm – Community Center
- 17 • Board of Commissioners Regular Meeting – Tuesday, May 12 – 6 pm –
- 18 Town Board Meeting Room

19
20 Clerks Note: A copy of Proclamation 15-04-14/P1, 15-04-14/P2, 15-04-14/P3, and 15-04-14/P4 as referenced
21 above is incorporated herein by reference and hereby made a part of these minutes.

22 23 24 **7. Service Award – Jeff Waters, Police Chief – 30 Years**

25
26 Mayor Barber and Town Manager Rush presented a Service Award to Police Chief Jeff
27 Waters for his 30 years of service to the Town of Emerald Isle. Mayor Barber stated
28 that Chief Waters had been so instrumental in public service in Emerald Isle, and the
29 Town was very blessed and fortunate to have Jeff as our Chief of Police. Chief Waters
30 received a standing ovation from all in attendance.

31
32 Chief Waters thanked everyone and said it had been an honor and privilege to work for
33 a community such as Emerald Isle for 30 years. Chief Waters said he never thought
34 being a Police Officer would be so rewarding, helping, serving and protecting people.
35 Chief Waters recognized the great officers in attendance that were special and gave
36 tremendous support not just to him, but to the citizens as well. Chief Waters said it took
37 family, friends, and community support to make him successful. Chief Waters said they
38 had a special Police Department in Emerald Isle and we should be thankful for what we
39 had here living in paradise.

40 41 **8. Public Comment**

42
43 **Brief Summary:** The public will have the opportunity to address the Board about any
44 items of concern not on the agenda.

1
2 Paul Schwartz, Wyndtree Drive, remarked that they were experiencing severe erosion
3 at the inlet and in front of Wyndtree Drive to the point and the primary dunes were half
4 what they had been at this point and the stairs he was able to sit on last year were now
5 up to his chin. Mr. Schwartz noted that Carla Stevens planned to plant sea grass near
6 the ramp at the access to the Point. Mr. Schwartz said they would be doing this first
7 step of plantings on Thursday, May 7 at 1pm and they needed volunteers. He hoped
8 they would have people concerned about the erosion there to show up at the Point and
9 help get the grasses planted, and he thanked Carla Stevens for spearheading this
10 project.

11
12 **9. Consent Agenda**

- 13
14 a. Tax Releases
15 b. Minutes – February 10, 2015 Regular Meeting
16 c. Resolution Authorizing Pre-Positioned Hurricane Debris Removal Contract
17 (15-04-14/R1)
18 d. Resolution Authorizing Emergency Medical Services Contract Extension
19 (14-04-14/R2)
20 e. Resolution Authorizing EI EMS, Inc. Financial Administration Services
21 Contract Extension (14-04-14/R3)
22

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

25
26 Clerks Note: A copy Resolutions 15-04-14/R1, 15-04-14/R2, 15-04-14/R3 and other items as referenced above
27 are incorporated herein by reference and hereby made a part of these minutes.
28

29 **10. Commercial Plan Review – New Mixed Use Building, NC 58 / Crew Drive**
30 **(Transportation Impact)**

31
32 Interim Planning Director Jim Jennings addressed the Board concerning this agenda
33 item. The following excerpt from his memo to the Board is provided for additional
34 background:
35

36 Transportation Impact proposes to build its 3-story headquarters on Crew Drive. The structure will have offices and a 3-car garage on
37 the first floor, offices and a residence on the 2nd floor, and a restaurant plus another residence on the 3rd floor. The sprinklered, 40-foot
38 tall building will contain almost 4,000 square feet per floor. The rooftop area will contain seating for patrons of the restaurant, as well as
39 a separate, private area for the third floor residence. The properties are zoned Village West and the proposed uses are permitted uses.

40 The applicant has submitted extensive site information, including a color graphic of the north elevation. Attached are 8 Plan
41 sheets:

- 42
- 43 • Sheet CS-1 Cover Sheet with artist's rendering
 - 44 • Sheet SP-2 Grading/Dimensioning Plan
 - 45 • Sheet A-1 1st Level Floor Plan
 - 46 • Sheet A-1.1 2nd Level Floor Plan
 - Sheet A-1.2 3rd Level Floor Plan

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- 1 • Sheet A-1.3 Roof Level Floor Plan
- 2 • Sheet A-3 Elevations (11 x 17 and 2' x 3')

3 The proposed project complies with the requirements of the Unified Development Ordinance (UDO). Some of the more important or
4 pertinent facts are that 43 parking spaces are required and 49 are being provided; at least 25% of the site must be vegetated and 26% is
5 provided; no more than 35% of any façade may be glazed and the proposed glazing does not exceed 26% for any of the 4 elevations.
6 The UDO requires that the exterior wall faces that are viewable from a street have a visual break every 20 feet and that has been met.

7 The septic and repair fields will be located in the southwest quadrant of the property. The applicants are proposing to use Carter-Craven
8 EMC lighting to provide illumination for the parking areas and building grounds. Also wall-mounted lights will be located next to each of
9 the entrances. The dumpster will be located at the west end of the parking lot.

10 The Town's Technical Review Committee (TRC) reviewed the project at its March meeting. Town staff requested several clarifications
11 and minor revisions to the plan and noted several Fire Code issues that will need to be addressed in the building plans before a Building
12 Permit can be approved. The stormwater plan is currently under review.

13 At its March meeting, the Planning Board voted unanimously to recommend to the Board of Commissioners that they approve the
14 proposed headquarters building for Transportation Impact, subject to approval of the stormwater plan. Staff will be glad to answer any
15 questions regarding the foregoing information.

16 Interim Planning Director Jim Jennings briefly summarized the staff report for the Board and
17 public. Planning Director Jennings stated the Planning Board had recommended
18 unanimously that the Board approve the proposed headquarters building for Transportation
19 Impact subject to approval of the storm water plan, which was currently being reviewed by
20 the consultant.

21 Lee Dixon, Coastal Architecture on behalf of the applicants, stated that this was a fantastic
22 project for Emerald Isle and felt they would be proud of it.

23 Commissioner Wootten asked about the elevator heights because he knew there had been
24 discussion of that, to which Planning Director Jennings responded that by the time they
25 began construction there would be no doubt as to whether the elevator was an issue. Mr.
26 Jennings said that our Town Attorney had said that the current code should be interpreted to
27 mean that the proposed elevator does meet the code. Mr. Jennings said they were proposing
28 UDO language to correct any ambiguities.

29 Town Manager Rush followed up adding that our maximum building mean roof height was 40
30 feet, this was a flat roof building that was actually 38 ft. 6 in. to the top of the roof. Our
31 ordinance also allowed a 5 ft. roof top parapet, and this building did have that extending
32 above the top of the building. Our ordinance also based on our interpretation and the Town
33 Attorney's interpretation allowed up to 15 feet additional for an elevator shaft, so there was
34 one elevator shaft that is 15 feet above that elevation to bring it to a total of 53 ft. 6 in. just for
35 the elevator shaft which was the highest point as shown on the plans. There were a couple
36 stairwell shafts that extend 10 feet above the roof line and were considered to be similar to
37 elevator shafts and therefore consistent with our ordinance. Town Manager Rush stated that
38 the language in our ordinance was a bit confusing and after reviewing the issue with the
39 Town Attorney, the interpretation was that 15 ft. was acceptable, and that as Planning
40 Director Jennings mentioned they hope to bring an ordinance amendment to the Board at
41 some point in the future to clarify that along with other clarifications as well.

42

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1 Lee Dixon, Coastal Architecture, described that the first floor of the new building would be all
2 Transportation Impact offices, the second would include additional Transportation Impact
3 offices as well as a residential unit, and the third floor would consist of a restaurant area as
4 well as a small residential unit, the rooftop would be a rooftop plaza where approximately a
5 third of that space was a patio open air environment that would be used for watching
6 sunsets, and all the great things that Emerald Isle had to see. He felt this was a great
7 opportunity to extend their view from the top without putting a permanent roof on it. Mr.
8 Dixon stated in response to a question from Commissioner Wright that there would be dining
9 on the rooftop, and the elevator was to get those handicap patrons to the rooftop if the so
10 desired, and food. Mr. Dixon felt it would be a very popular place.

11 ***Motion was made by Commissioner Messer to approve the site plan, building***
12 ***elevations, color scheme, and lighting plan for the proposed Transportation Impact***
13 ***building, contingent upon the issuance of the appropriate storm water management***
14 ***permit. The Board voted unanimously 5-0 in favor. Motion carried.***

15 **11. Commercial Plan Review – Self-Service Ice Facility, Islander Drive (Relocation of**
16 **Existing Facility to Corner of NC 58 / Islander Drive / Reed Drive)**

17
18 Interim Planning Director Jim Jennings addressed the Board concerning this agenda
19 item. The following excerpt from his memo to the Board is provided for additional
20 background:

21 At its September 2007 meeting, the Planning Board recommended to the Board of Commissioners that they approve the proposed
22 original location. The Commissioners agreed with that recommendation and approved the proposal at their October 2007 meeting (see
23 the attached Minutes).

24 The potential new owners are requesting approval to relocate to the NW corner of Reed Drive and Islander Drive (about 20 feet from the
25 existing shrimp sales facility at the same corner).

26 The proposed project complies with the setback requirements of the Unified Development Ordinance (UDO). There will be one
27 handicapped parking space and one regular parking space (see attached Site Plan). The site is currently paved and there will be no
28 increase in the impervious surfaces.

29 Staff recommends that the Board of Commissioners approve the proposed re-location of the previously-approved Icehouse. Staff will be
30 glad to answer any questions regarding the foregoing information.

31 Planning Director Jennings summarized the request by the applicants to relocate the existing
32 Self-Service Ice Facility to the corner of NC 58 / Islander Drive / Reed Drive. Mr. Jennings
33 said there was existing parking there, they would provide marked off spacing for
34 handicapped, and they would have the same lighting they currently had now where the
35 dispensing occurred. Mr. Jennings noted a correction to the staff report that while staff did
36 recommend approval, the Planning Board did recommend unanimously that the Board
37 approve.

38 A representative of the applicants, G. Lancaster & B. Taylor, thought the Ice Machine would
39 be a great opportunity for Emerald Isle and a lot of people didn't know where it was in its
40 current location. He felt if they could get more visibility from the highway it would be a great
41 asset to the Town.

1 ***Motion was made by Commissioner Wright to approve the site plan, building***
2 ***elevations, color scheme, and lighting plan for the proposed relocation of the existing***
3 ***self-service ice facility from 211 Islander Drive to the corner of NC 58 / Islander Drive /***
4 ***Reed Drive. The Board voted unanimously 5-0 as approved. Motion carried.***

5 **12. Presentation – Outer Continental Shelf Oil & Gas Leasing Program (15-04-14/R4)**

6
7 Greg “Rudi” Rudolph, Carteret County Shore Protection Officer presented information
8 concerning this agenda item. The following excerpt from Town Manager Rush’s memo
9 to the Board is provided for additional background:

10
11 I have scheduled time on the Board’s April 14 meeting agenda to receive a presentation from Greg “Rudi” Rudolph, Carteret
12 County Shore Protection Officer, on the Outer Continental Shelf Oil & Gas Leasing Program. My intent in scheduling this
13 presentation is to better educate the Board and our community about this issue and begin to develop an Emerald Isle
14 perspective on this issue. I am not seeking a formal position from the Board on this issue at this time, although the Board may
15 certainly determine its official position at this meeting if so inclined.

16
17 As you will learn from the presentation, there remains some uncertainty about this issue as it pertains to Emerald Isle, and
18 overall it is a very complicated issue. Additionally, this issue involves a dynamic mix of national economic concerns (plentiful
19 energy supply), national security concerns (reduced dependence on Middle East nations and conflict in that region), local
20 economic concerns (tourism and retirement-based economy), offshore environmental concerns (impacts on marine life), local
21 environmental concerns (additional development and potential harm to nearby waters and wildlife from a potential spill), and
22 propaganda by various interest groups (both for and against).

23
24 To briefly summarize the key points on this issue:

- 25
- 26 • the Federal government has scheduled offshore lease sales off the coast of North Carolina for 2021,
- 27
- 28 • the potential lease areas are located 50 miles offshore or more (under current plans; note that there is speculation that
- 29 this distance could be decreased in the future),
- 30
- 31 • planning and testing activities are expected in 2015 and beyond, and the results of these activities will shape the
- 32 demand for and pricing of future lease sales,
- 33
- 34 • there are currently no mechanisms in Federal or State law to share significant revenues with the State and local
- 35 governments in North Carolina,
- 36
- 37 • State political leaders support offshore oil and gas development, and are actively seeking mechanisms that would
- 38 result in revenue sharing with North Carolina (potentially including additional revenues for beach nourishment,
- 39 dredging, and environmental protection initiatives),
- 40
- 41 • there is debate about the quantity of oil and gas available, and the economic viability of any significant oil and gas
- 42 production activities,
- 43
- 44 • actual production, if it occurs, is likely 10 – 15 years away, or longer,
- 45
- 46 • it is unclear how much resource may be located offshore of Emerald Isle, and how far away from the Emerald Isle
- 47 shoreline it may be located (past efforts have been focused more in the northern part of the NC coast), and
- 48

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- 1 • depending on the location of economically viable resources, onshore production facilities could be located in North
2 Carolina (Morehead City port?, Wilmington port?) or perhaps in Virginia (Norfolk port?) or other states.
3

4 From an Emerald Isle perspective, I don't believe we are qualified to answer industry questions about the amount of oil and gas
5 available, the economic viability of extraction of oil and gas off our coast, whether or not it will make a difference in our nation's
6 energy strategy, or whether or not appropriate environmental protections are in place to protect the natural environment. For
7 purposes of this memo, I am assuming that the industry will extract the oil and gas if it makes economic sense to do so, and that
8 appropriate environmental protections can be implemented to provide reasonable protections for Emerald Isle and North
9 Carolina. Having said that, I believe the following questions are valid to ask ourselves:
10

- 11 • does our community have a duty to allow overall beneficial activities for the nation "in our backyard" in order to support
12 national goals?
13
14 • are the risks of a potential oil spill just too great to risk our tourism and retirement based local economy?
15
16 • are the risks of a potential oil spill just too great to risk the relatively pristine nature of the natural environment in and
17 around Emerald Isle?
18
19 • will the associated on-shore development (if it occurs in Carteret County) be beneficial to the local economy?
20
21 • will the associated on-shore development (if it occurs in Carteret County) lead to more development overall in our area,
22 and will that harm the character of the area and the local environment?
23
24 • if the offshore oil rigs are 50 miles away (or simply far enough so they can't be seen from our beaches), does Emerald
25 Isle even care that they are out there?
26
27 • would any associated on-shore development of oil and gas facilities realistically impact Emerald Isle in a negative way
28 anyway? (the reality is that land is very expensive in our area, we are surrounded by Federal and State lands at Camp
29 Lejeune, Hammocks Beach State Park, and Croatan National Forest)
30
31 • can North Carolina, Carteret County, and Emerald Isle secure significant revenue sharing with the Federal
32 government, and invest these resources in beach nourishment, dredging, park land acquisition, and environmental
33 protection activities that will benefit our community?
34

35 I am sure there are many more uncertainties surrounding this issue, and many more pertinent questions to ask ourselves as we
36 consider this issue going forward, and I look forward to the presentation and additional questions and feedback from the Board
37 and the community.
38

39 Carteret County Shore Protection Officer Greg "Rudi" Rudolph provided an informative
40 PowerPoint presentation for the Board and public concerning the 2017-2022 Outer
41 Continental Shelf Oil & Gas Leasing Program (a copy of which is attached to the official
42 meeting minutes).

43 Shore Protection Officer Rudi Rudolph fielded several questions from the Board and public.

44 Following Mr. Rudolph's presentation and public comments the Board discussed their options
45 concerning this item.

46 ***Motion was made by Commissioner Messer to adopt a Resolution in opposition to***
47 ***seismic testing. The Board voted unanimously 5-0 in favor. Motion carried.***

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1
2 **Clerks Note: A copy of Resolution 15-04-14/R4 to be drafted as approved is incorporated herein by reference**
3 **and hereby made a part of these minutes.**

4 **13. Resolution Supporting Fair Sales Tax Distribution that Recognizes the Significant**
5 **Economic Contributions and Service Demands of Tourism Communities (15-04-14/R5)**

6
7 Town Manager Frank Rush addressed the Board concerning this Agenda item. The
8 following excerpt from his memo to the Board is provided for additional background:

9
10 The Board of Commissioners is asked to approve the attached resolution formally expressing the Board's opposition to proposed
11 State of North Carolina and Carteret County policy changes that would significantly reduce the amount of sales tax revenue
12 distributed to Emerald Isle.

13
14 Both of these separate and distinct policy changes would base sales tax distributions solely on official population estimates.
15 Sales tax distribution formulae that are based on official population estimates completely ignore the significant economic
16 contributions and service demands of tourism communities, and always result in communities like Carteret County and Emerald
17 Isle receiving far less than their fair share of sales tax revenue. As you know, Emerald Isle's official population estimate is 3,784,
18 while the peak summer population is nearly 40,000 people, and this significant seasonal population is completely ignored by the
19 proposed policy changes.

20
21 Ironically, at a time when the NC General Assembly is considering a State policy change (to rely solely on official population
22 estimates to distribute sales tax revenues among the 100 counties in North Carolina) that would harm Carteret County and ALL
23 of the municipalities within Carteret County, the Carteret County Board of Commissioners is also considering the exact same
24 policy change within our County. The result of both of these proposed policy changes is that sales tax revenue would be taken
25 from our community simply to provide more sales tax revenue for other communities. In its simplest form, the proposed policy
26 changes are nothing other than a redistribution of wealth.

27
28 Proposed State of North Carolina Sales Tax Distribution Changes

29 The distribution of sales tax revenue in North Carolina and Carteret County is very complicated, and it is important to correctly
30 understand the current method used to distribute sales tax revenue at both the State and County level.

31
32 When a consumer makes a purchase, they pay total sales tax of 6.75% of the price. Of this 6.75%, a total of 4.75% is retained
33 by the State for State government operations. The remaining 2% is collected by the State, and is then distributed to the 100
34 counties in North Carolina for County and municipal governments. Of the total sales tax generated by this 2% local rate, 75% of
35 that total is distributed back to the specific county in which the sale occurred (based on "point of delivery"), and 25% of the total is
36 distributed back to the 100 counties based on relative population (the State uses official population estimates based on US
37 Census data). Under this mostly "point of delivery" formula, a resort community like Carteret County with a significant number of
38 second home owners and tourism visitors (that are not counted in the official population estimate) receives adequate "credit" for
39 the economic contributions of these second home owners and visitors (for 75% of the total sales tax collected).

40
41 A recent bill (S369) introduced by Senator Harry Brown (R-Onslow) includes a provision to eliminate the "point of delivery"
42 distribution method altogether, and rely 100% on official population estimates. The bill also includes a requirement that the
43 distribution of sales tax revenues within any county (more on this later in this memo) be distributed based on official population
44 estimates, and also other changes. If S369 is adopted as introduced, it would result in the loss of significant sales tax revenues
45 for Carteret County and ALL of the municipalities within Carteret County. There are different interpretations of this bill's impacts,
46 however, Emerald Isle would likely lose anywhere from \$850,000 - \$1.15 million annually under this bill (the equivalent of 3 - 4
47 cents on the Town's property tax rate). Carteret County government would lose anywhere from \$2 million - \$4 million+ annually
48 (the equivalent of 1.5 - 3 cents on the County's property tax rate). Leaders in Carteret County, Emerald Isle, and the other
49 municipalities within Carteret County are understandably concerned about this bill, and are working to affect desired changes
50 during the legislative process.
51

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1 To his credit, Senator Brown has informally indicated to County leaders that he plans to amend his bill to remove the requirement
2 that the distribution of sales tax revenues within a county be based on official population estimates. This amendment would
3 likely reduce Emerald Isle's annual losses under Senator Brown's bill to approximately \$200,000 - \$500,000 annually, depending
4 on interpretation and other amendments to S369. Senator Brown has also informally indicated he will be seeking a mechanism
5 to protect tourism communities (to result in no annual losses for Carteret County and Emerald Isle), thus recognizing the
6 significant economic contributions and service demands in places like Emerald Isle. I remain hopeful that he can devise an
7 appropriate mechanism to accomplish this goal, and that Emerald Isle will ultimately experience no loss of sales tax revenue in
8 the end. The attached resolution suggests that the # of housing units in a community is the best mechanism.
9

10 There is, of course, no way to predict how Senator Brown's bill will evolve as it is goes through the legislative process, and the
11 desired improvements may not materialize or more harmful provisions could emerge based on input from legislators in other
12 areas of the State. There is also at least one other sales tax distribution bill before the NC General Assembly (S608, sponsored
13 by Senator Bob Rucho, R-Mecklenburg), and it is also harmful to Emerald Isle (but less harmful than S369). S608 caps local
14 sales tax distributions at FY 13-14 levels, and then distributes any growth beyond that date based solely on official population
15 estimates. We estimate that Emerald Isle would lose approximately \$200,000 immediately if S608 becomes law, and EI would
16 then receive less sales tax revenue from future growth.
17

18 Additionally, and perhaps most importantly, Governor Pat McCrory has strongly expressed his opposition to S369, and is keenly
19 aware of the significant negative impacts on Emerald Isle. We are fortunate to have his support on this issue, and he appears
20 poised to veto S369 if it becomes law as introduced.
21

22 The attached resolution conveys Emerald Isle's general position that any sales tax distribution formula should be fair to tourism
23 communities, and should recognize the significant economic contributions and service demands in tourism communities. Under
24 current State law, the only authorized formula that accomplishes this is based on "point of delivery", and the preservation of this
25 formula is desired. The resolution also suggests that official population estimates should only be used if such estimates are
26 adjusted to include seasonal population, which would more accurately recognize the significant economic contributions and
27 service demands of tourism communities. Additionally, the resolution suggests the development of a new method based on the
28 number of housing units. As we've discussed many times in the past, I believe that the # of housing units is the most meaningful
29 measure to gauge the economic contributions, service demands, and complexity of tourism communities.
30

31 Proposed Carteret County Sales Tax Distribution Changes

32 As noted above, the distribution of sales tax revenue in Carteret County is also complicated, and it is important to correctly
33 understand the current method used to distribute sales tax revenue at the County level. It is also important to understand that
34 there are currently two separate and distinct policy changes (one at the State level and another at the County level) that pose a
35 serious threat to Emerald Isle's financial stability, and Emerald Isle must remain engaged on both.
36

37 As noted above, 2% of the sales tax paid by the consumer at the register comes back to Carteret County based on the State
38 sales tax distribution formula. The "pot" of money that comes back to Carteret County (from the 2% sales tax) is then distributed
39 among Carteret County government and the 11 municipalities within Carteret County using the "ad valorem" distribution method.
40 This method is one of two authorized methods for the internal County distribution; the other method is based on official
41 population estimates (the "per capita" method). The "ad valorem" method utilizes the total amount of property taxes levied (i.e.,
42 billed) by the County and each of the 11 municipalities, and distributes all sales tax revenue within Carteret County based on that
43 formula. Atlantic Beach, Pine Knoll Shores, Indian Beach, and Emerald Isle, with a significant number of second home owners
44 and tourism visitors (that are not counted in the official population estimate) receives adequate "credit" for the economic
45 contributions of these second home owners and visitors under the "ad valorem" method, and this method has been used by
46 Carteret County since the 1970s.
47

48 The only other authorized method for the internal County distribution is based on official population estimates (the "per capita"
49 method). Under NC law, the County Commissioners in each county are responsible for determining the internal County sales tax
50 distribution method, and must make any changes during the month of April (and only during the month of April) each year.
51 Carteret County, under pressure from mainland municipalities, most notably the Town of Newport, is considering changing the
52 distribution formula from "ad valorem" to "per capita", and this change is on the County Commissioners' April 20 meeting agenda.
53 This change would essentially transfer approximately \$2.2 million annually from the County government and the 4 municipalities

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1 on Bogue Banks to the 7 mainland municipalities. Emerald Isle alone would lose approximately \$670,000 annually from this
2 change (the equivalent of approximately 2.5 cents on the Town's property tax rate). Ironically, Carteret County government itself
3 would lose approximately \$260,000 or more by making this change. The biggest winner in this change is the Town of Newport,
4 which would gain approximately \$905,000 annually.

5
6 If this change is made, Emerald Isle's total annual sales tax revenue would decrease from approximately \$1.73 million to \$1.06
7 million in FY 15-16. To put this in perspective, Newport's annual sales tax revenue would increase from approximately \$440,000
8 to nearly \$1.35 million. Emerald Isle has an official population estimate of 3,784, while Newport has an official population
9 estimate of 4,786. When you compare the number of housing units, however, Emerald Isle has a total of 6,710 housing units,
10 while Newport has a total of 1,674 housing units. When one considers second home owners and visitors, it is simply not rational
11 on any level to suggest that the people in Newport make a greater contribution to the local economy than the people in Emerald
12 Isle, or that the service demands in Newport are greater than the service demands in Emerald Isle, but under the "per capita"
13 sales tax distribution formula the Town of Newport would receive 27% more sales tax revenue than Emerald Isle (\$1.35 million
14 vs. \$1.06 million). Additionally, the annual sales tax distributions for the towns of Bogue and Peletier would increase by more
15 than 1000% to an amount greater than their entire annual budget. The towns of Morehead City, Beaufort, Cape Carteret, and
16 Cedar Point would also realize significant gains. As you know, Emerald Isle has more housing units and more taxable property
17 value than any other municipality in Carteret County, but under the "per capita" method, Emerald Isle would receive less annual
18 sales tax revenue than Morehead City, Beaufort, and Newport. Additionally, the total taxable property value of Emerald Isle is
19 equal to the combined taxable value of Morehead City, Beaufort, and Newport.

20
21 As has been well-documented, the municipalities on Bogue Banks represent approximately 40% of the total County tax base, yet
22 represent less than 8% of the total school enrollment in the County. Emerald Isle alone is approximately 20% of the total County
23 tax base, with only 5% of the total school enrollment. To put this in perspective, Emerald Isle property taxpayers contribute
24 approximately \$13,500 per child enrolled in school to Carteret County each year, while Newport property taxpayers contribute
25 approximately \$400 per child enrolled in school to Carteret County each year.

26
27 It is also critical to note that if the County Commissioners approve this change at their April 20 meeting, it would have a
28 significant negative impact on the Town's FY 14-15 budget. Due to the timing of formula changes by the NC Department of
29 Revenue, the Town would lose approximately \$250,000 in the current year budget. This impact would be immediate and
30 dramatic, and would require the Town to immediately make significant budget cuts or utilize fund balance with only slightly more
31 than 2 months left in the fiscal year. It is hard for me to comprehend the County Commissioners making a decision with such a
32 dramatic, immediate, and harmful impact on any municipality in the County.

33
34 There has been some discussion among the County Commissioners about the creation of a "hybrid" sales tax distribution
35 method for use within Carteret County, however, any "hybrid" would require special legislation approved by the NC General
36 Assembly. Additionally, almost any "hybrid" approach envisioned by the County and the mainland municipalities would be
37 harmful to Emerald Isle and the communities on Bogue Banks. It is simply impossible to construct a "hybrid" method without
38 harming one or more municipalities within the County, and any municipality that is harmed would be understandably opposed.

39
40 As noted, the Carteret County Board of Commissioners will be considering this issue at its April 20 meeting in Beaufort. It is
41 important for the people of Emerald Isle (and Atlantic Beach, Pine Knoll Shores, and Indian Beach) to become engaged in this
42 issue by contacting County Commissioners, attending the April 20 meeting, and expressing concerns about this issue.

43
44 A Final Note

45 It is important to note that Emerald Isle is on DEFENSE for this issue. Emerald Isle is not proposing anything to harm any other
46 community or take revenues from any other community in any way. Emerald Isle has historically minded its own business and asked for
47 very little from Carteret County and the State of North Carolina. The proposed policy changes have emanated from others, and Emerald
48 Isle is simply trying to protect its historical revenue streams.

49 Town Manager Frank Rush explained the two current threats to the Town's sales tax
50 revenue, one coming from the State level and one from the County level. Mr. Rush said both

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1 threats were similar but both separate and distinct and ultimately would be decided by the
2 two different groups.

3 To put things in perspective, Mr. Rush said that in Emerald Isle they expected to bring in
4 somewhere around \$1.6 - \$1.7 million of sales tax this year. Mr. Rush said that was the
5 Town's second largest general fund revenue source, more importantly it was pretty much our
6 only revenue source that was growing at any significant pace and he would submit to them
7 that the reason they had been able to avoid a tax rate increases in recent years was because
8 of the sales tax. Mr. Rush said this would be a huge impact for the Town's budget,
9 essentially the equivalent of about 6 cents on the total tax rate.

10 Mr. Rush said the Resolution to be considered by the Board tonight really formalized the
11 Town's position on both of the issues. Mr. Rush said he wanted to begin to educate the
12 citizens of Emerald Isle about both of these issues so they could become engaged in the
13 process and communicate with their State leaders and also with their County leaders.

14 Mr. Rush outlined the sales tax distribution scenarios and provided slides for educational
15 purposes for both proposed policy changes, the State and the County, in great detail for the
16 benefit of the public and the Board, as additionally described in his memo to the Board noted
17 above.

18 Town Manager Rush stated that there was a serious proposal in Carteret County right now to
19 change the sales tax distribution within Carteret County to the per- capita format. Mr. Rush
20 noted it was on the Carteret County Commissioners meeting agenda for the following
21 Monday night, April 20, there would be a discussion of the issue and a Resolution had been
22 prepared if they choose to change it that would go into effect in July.

23 Town Manager Rush noted that the Resolution for the Board to consider included 3 policy
24 statements – 1) that the Board opposed Senate Bill 369 unless the official population
25 estimates took into account seasonal populations; second homeowners, visitors; 2) that the
26 Board opposed any change by Carteret County for the same reasons, that the Town really
27 didn't get credit for the second homeowners and visitors, and request they keep the ad-
28 valorem distribution method unless they come up with a way to incorporate all of the second
29 homeowners, visitors; and 3) essentially stated if they were going to look at trying to change
30 the distribution formula, if not on point of sale or point of delivery at the State level, if they
31 don't want to do on an ad-valorem basis at the County level, they could look at the number of
32 housing units which was the best measure of the complexity and economic contributions of
33 all the members of our community, and without the contributions from permanent residents,
34 second homeowners, visitors, and businesses, Emerald Isle would not be the same place.

35 Town Manager Rush stated that our tone was important, we are on defense. Mr. Rush said
36 that this issue was not proposed by anyone on the island, no one on the island had ever
37 proposed harming the seven municipalities in any way, so we were simply trying to protect
38 our historical revenue streams, which was the key thing for us; as an official of the Town of
39 Emerald Isle he felt it important to keep in mind, and important for the people in our
40 community to keep in mind as they were communicating with County Commissioners or

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1 people in other communities, that we were trying to protect what we had and we didn't bring
2 up ideas to take anything away from anybody.

3 (Copies of educational slides as presented by Town Manager Rush will be included in the
4 official minute book).

5 Town Manager Rush stated that the Resolution was a formal opposition from the Board of
6 Commissioners, and he hoped they would each attend the County Commissioners meeting
7 on Monday, April 20, he knew similar representation would come from the other towns, and
8 any residents so inclined to attend he hoped they would do so. Mr. Rush also encouraged
9 property owners to contact their County Commissioners and let them know about this
10 change. Mr. Rush concluded with again stressing how significant and harmful these changes
11 could be to Emerald Isle.

12 Mayor Barber indicated that he planned to attend and felt that all of the Commissioners
13 would be attending as well. Mayor Barber thought emails to the County Commissioner were
14 very important.

15 Commissioner Hoover encouraged everyone to go and if they could fill up the street over
16 there it would be great.

17 Commissioner Messer said this was serious business, and next to beach nourishment he
18 thought it was probably the most important issue he had seen in the 14 years he had been
19 on the Board. Commissioner Messer said this was catastrophic and he couldn't even fathom
20 it happening. Commissioner Messer said that we had always paid for the load for the whole
21 county. He said that the beach communities had paid the freight for the whole county, and
22 now that wasn't enough so they wanted more. Commissioner Messer said he had spoken to
23 someone that day about how important the beaches were and they said that nobody leaves
24 Raleigh on Friday night and says I can't hardly wait to get off work and get to Newport; and
25 he stressed people attend the meeting or call the County Commissioners.

26 ***Motion was made by Commissioner Wright to adopt the Resolution Supporting Fair***
27 ***Sales Tax Distribution That Recognizes the Significant Economic Contributions and***
28 ***Service Demands of Tourism Communities. The Board voted unanimously 5-0 in***
29 ***favor. Motion carried.***

30
31 **Clerks Note: A copy of Resolution 15-04-14/R5 as referenced above is incorporated herein by reference and**
32 **hereby made a part of these minutes.**

33 **14. Resolution Supporting S208 / H182 – “Property Insurance Fairness” Bill (15-04-14/R6)**

34
35 Town Manager Frank Rush addressed the Board concerning this Agenda item. The
36 following excerpt from his memo to the Board is provided for additional background:

37
38 The Board of Commissioners is scheduled to consider the attached resolution formally expressing the Town's support for
39 proposed Senate Bill 208 / House Bill 182 - Property Insurance Fairness, which is currently under consideration by the NC
40 General Assembly. This bill attempts to better control homeowners insurance costs and promote greater fairness and
41 transparency in the rate-making process. A copy of the bill is attached.

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1
2 As you know, Emerald Isle homeowners already pay homeowners insurance premiums as much as 5 times greater than many
3 inland counties. Emerald Isle homeowners have faced several significant rate increases in the past decade, and the premiums
4 are often several thousand dollars per year. All of these rate increases have occurred during a period of time when NC has
5 experienced relatively minor hurricane impacts. The Town and many others have been concerned about this issue for some
6 time, and I am pleased to see this bill introduced. S208 / H182 includes provisions to:

- 7
8
- increase public transparency of the rate-setting process,
 - provide authority for the NC Commissioner of Insurance to decrease rates Statewide,
 - reform the "consent to rate" practices used by some insurance companies to charge higher rates than approved,
 - authorize the issuance of "catastrophe bonds", which should enable overall lower rates than current insurance practices,
 - improve modeling practices used by the insurance industry, and
 - create a Joint Legislative Study Committee on Property Insurance Rate Making to study additional reforms intended to promote fairness.
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21 Town Manager Rush spoke in detail about this issue as outlined in his memo included above.
22 Mr. Rush stated the two bills proposed would put in place several reforms in the insurance
23 rate making process and explained those provisions. Mr. Rush noted one of the big things
24 they hoped would better control costs and therefore premiums going forward were the
25 authority to issue catastrophe bonds in those worse case events, those Hurricane Katrina,
26 Hurricane Sandy type events, which North Carolina had not experienced at least in the last
27 25-30 years on the coast. The catastrophe bonds would provide another revenue
28 mechanism and perhaps reduce the reliance on reinsurance. Mr. Rush hoped that the
29 insurance reforms would be enacted and would provide appropriate relief for homeowners in
30 Emerald Isle and other coastal areas going forward.

31 ***Motion was made by Commissioner Wootten to approve the Resolution Supporting***
32 ***S208 / H182 – “Property Insurance Fairness” Bill. The Board voted unanimously 5-0 in***
33 ***favor. Motion carried.***

34
35 Clerks Note: A copy of Resolution 15-04-14/R6 as referenced above is incorporated herein by reference and
36 hereby made a part of these minutes

37 **15. Appointments – Board of Adjustment (4 Vacancies)**

38 **Brief Summary:** The Board will appoint three individuals to fill vacant regular seats on the
39 Board of Adjustment with terms that expire in May 2018. The Board will also appoint one
40 individual to fill a vacant Alternate #2 seat on the Board of Adjustment with a term that
41 expires in May 2017.

42 ***Motion was made by Commissioner Wright to appoint John Kilgore, Henry Mahns, and***
43 ***Jim Osika to regular seats on the Board of Adjustment with terms that expire in May***
44 ***2018. The Board voted unanimously 5-0 in favor. Motion carried.***

45

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1 Town Manager Rush noted that with the move of Alternate #2 Jim Osika to a regular seat the
2 Board would need to fill that Alternate #2 seat.

3 Commissioner Wootten suggested they not fill that seat tonight; the Board hadn't met in 3
4 years, and if the need came they could do it then. The Board concurred.

5

6 **16. Comments from Town Clerk, Town Attorney, and Town Manager**

7

8 There were no comments from the Town Clerk or Town Attorney.

9

10 Town Manager Frank Rush pointed out the request received from the merchants at Bell
11 Cove Village Shopping Center that the Board revisit the restrictions on turns into the
12 shopping center. Currently going down Coast Guard Road you could only make a right
13 turn only into the entrance in front of Lazarra's Pizza, you cannot come in that entrance
14 from Reed Drive directly across the street or from Coast Guard Road. The merchants
15 had provided a written request signed by all the businesses in that shopping center
16 asking the Board to reconsider opening up that entrance without restrictions whether
17 right turn only or left. The Board discussed and agreed they were willing to try allowing
18 it on a trial basis and if didn't work they could put things back like it was. Commissioner
19 Messer suggested that the Town remove the concrete barrier with the understanding to
20 the shopping center owner that if things didn't work out then they were responsible for
21 putting it back.

22

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

25

26 **Emerald Isle Featured in "Where to Retire" Magazine**

27 Emerald Isle is featured as one of "8 Coastal Camelots in the Carolinas" in the May / June 2015 issue of "Where to Retire"
28 magazine. Other North Carolina locations featured include Beaufort, Wilmington, and Southport. Great press for Emerald Isle!

29

30 **Police and Fire Departments Gearing Up for Summer Season**

31 The Police Department is in the process of bringing on additional reserve Police Officers to provide extra service in the summer,
32 and the Fire Department has filled all lifeguard and Beach Patrol positions for the summer. We expect to deploy this additional
33 staffing beginning in mid-May, and continue through mid-September. I hope to formally introduce our summer staff at the May
34 12 Board meeting.

35

36 **FY 15-16 Recommended Budget**

37 The FY 15-16 Recommended Budget will be formally presented at the May 12 Board meeting. Department budget requests
38 have been submitted and reviewed, and we are currently working to balance the budget with an acceptable property tax rate.

39

40 **Recently Introduced Bills Could Impact Emerald Isle Planning and Inspections Activities**

41 H201 has been approved by the NC House, and is now under consideration in the NC Senate. H201 eliminates the "protest
42 petition" process for rezonings (which is not a big concern for Emerald Isle), but also includes a requirement that all adjacent
43 property owners be provided written notice of *any zoning ordinance amendment* at least 30 days before a public hearing. The
44 Town's current ordinance requires a written notice for *rezonings* at least 10 days before a public hearing, and this would increase
45 to 30 days (probably also not a big concern for Emerald Isle). However, it is unclear whether or not the language in H201
46 requires such written notice for *ANY zoning ordinance amendment*, and this would be a significant administrative burden if

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1 required for general ordinance amendments that apply to a large area of the Town (i.e., change setbacks, add a permitted use,
2 etc.). We are working with the NC League and Representative McElraft to clarify this requirement.
3

4 H255 / S324 is currently under consideration in the NC House, and, among many provisions, appears to prohibit municipalities
5 from requiring the submission of building plans for residential structures. As you know, it is standard practice in Emerald Isle
6 (and many places) to review residential plans prior to the issuance of a building permit. This review provides a helpful check for
7 the building inspector, contractor, and property owner, and likely prevents miscommunication later in the construction /
8 inspections process. We are working with Representative McElraft and the NC League to hopefully restore this authority in any
9 bill that might become law.

10
11 **New Town Planner**

12 Josh Edmondson, the new Town Planner, begins work on Monday, April 20. Josh will work with Jim Jennings, Interim Planning
13 and Inspections Director, for approximately one week, and also with Peggy Grammer, Permit Technician, for a few weeks in the
14 existing Planning and Inspections Office before assuming his permanent office in the Town Administration Building soon
15 thereafter. As you know, the Town will continue to contract with Carteret County for building inspections services.
16

17 **Upcoming UDO Amendments**

18 The Planning Board has recommended several amendments to the Unified Development Ordinance, and these amendments will
19 likely appear on the May 12 Board meeting agenda. Amendments clarifying the Town's regulations for elevator shafts, dunes
20 and vegetation permits for redevelopment properties, and storm water management reviews are forthcoming. Additionally, the
21 Planning Board has recommended an amendment to the Town's regulations governing commercial wall signs for businesses
22 that front on more than one street (increase total area allowed from 32 sq. ft. to 48 sq. ft., with no one side exceeding 32 sq. ft.).
23

24 **Request for Ordinance Amendment to Allow Certain Off-Premises Signs**

25 Mike Stanley, owner of Bogue Inlet Pier, attended the March 23 Planning Board meeting and requested consideration of an
26 ordinance amendment that would allow certain off-premises signs in Emerald Isle. Mike Stanley presented an example
27 (attached) of a low profile (4 ft. tall) ground sign with an attractive appearance. The Planning Board indicated a willingness to
28 seriously consider this request, perhaps limiting the use of such signs to businesses located far enough off of NC 58 and/or
29 fronting on the Atlantic Ocean or Bogue Sound. The Planning Board will discuss this issue, and the broader issue of signs, at a
30 special meeting on April 21 at 3 pm. The Board of Commissioners may be asked to consider an ordinance amendment at some
31 point in the future.
32

33 **Planning Board Special Meeting – Tuesday, April 21 at 3 pm**

34 The Planning Board will hold its April meeting on Tuesday, April 21 at 3 pm, and will not meet on the regularly scheduled meeting
35 date of Monday, April 27 at 6 pm. I have attached a copy of the draft agenda for that meeting.
36

37 **Upcoming Planning Board Vacancy**

38 Long-time Planning Board Chairman Jim Craig has informed us that he will be relocating to the mainland in June, and will be
39 stepping down from the Planning Board. His term expires in March 2016, and the Board will be asked to appoint a replacement
40 at either the May 12 regular meeting or June 9 regular meeting. Please let us know if you'd like us to solicit new Planning Board
41 candidates for Board consideration.
42

43 **Request Received to Allow Additional Turn Options at Bell Cove Village Shopping Center**

44 I received the attached request signed by all business owners at Bell Cove Village requesting that the restrictions on the existing
45 one-way in, right turn only entrance across from Reed Drive be eliminated, and allow unrestricted vehicle turn movements at that
46 location. Please consider this request in the coming weeks, and let me know your thoughts. If there is sufficient interest in this
47 issue, I will include it on the May 12 meeting agenda.
48

49
50 **Three-Way Stop Sign on Reed Drive?**

51 We recently received a suggestion to add a 3-way STOP sign intersection along Reed Drive between Mangrove Drive and Loon
52 Drive. As you know, Reed Drive is heavily travelled, and the Town often receives complaints about speeding on Reed Drive.
53 The Town has previously installed a 3-way STOP sign at the intersection of Sound Drive and Cedar Street, and also at the

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1 intersection of Inlet Drive and Channel Drive in an effort to slow down traffic in these areas. Is there any interest among the
2 Board in trying a 3-way STOP sign in the general vicinity of Reed Drive and Shell Drive?
3

4 **Regional Hazard Mitigation Plan**

5 The Town's current Hazard Mitigation Plan expires in 2016, and the Town will need to submit an update in order to remain
6 eligible for FEMA assistance in the future. Meanwhile, a group of area local governments has developed the Pamlico Sound
7 Regional Hazard Mitigation Plan, and I recently sent the attached letter indicating Emerald Isle's potential interest in falling under
8 this plan. I expect to present a copy of this plan for formal Board consideration in the next few months. A public hearing is
9 required before Board adoption.
10

11 **Vacant Lot at 7517 Emerald Drive**

12 The closing for this land purchase is expected to occur sometime this week. The additional 1/3 acre lot will be added to Town-
13 owned vacant land located directly west of the Town Administration Building, and will result in nearly 1 acre of land for
14 development of future Town facilities when needed.
15

16 **Regional Access Parking Fees Begin April 18**

17 Town staff will begin charging the regional access parking fee on Saturday, April 18, and will continue collecting the \$10 per
18 vehicle fee each weekend and holiday through September 13. Free parking permits for residents and taxpayers are available
19 now at the Town Administration Building.
20

21 **New Lottery Procedure for Summer Day Camp Registration**

22 The Town's Summer Day Camp program remains very popular, with parents often arriving very early on registration day or
23 camping out the night before registration. In an effort to make the registration process more convenient, the Parks and
24 Recreation Department is implementing a new lottery procedure for the open slots in the Town's 2015 program. Registration
25 forms must be submitted between April 27 and May 4. Registration forms are due by 12 noon on Monday, May 4, and Parks and
26 Recreation Department staff will conduct the lottery on Tuesday, May 5. Interested parents are encouraged to contact the Parks
27 and Recreation Department before April 27 to learn more about the process.
28

29 **Forthcoming CRC Amendment to Static Line Rules**

30 An ad-hoc committee has developed proposed rule language, and it will be presented to the CRC at its April 29-30 meeting. The
31 proposed rule language is favorable for Emerald Isle, and should resolve any outstanding hardships associated with the static
32 line in eastern Emerald Isle. The CRC appears poised to formally adopt these regulations later this year.
33

34 **Emerald Isle Static Line Exception Renewal Presented to CRC in April**

35 The Town's static line "exception" approved in 2010 (that allows the eastern oceanfront areas that were nourished to use the
36 actual first line of stable natural vegetation for oceanfront setbacks) expired in March, and the CRC will consider a 5-year
37 renewal at its April 29-30 meeting. We expect that the CRC will approve the renewal at that time.
38

39 **Update – 1400 Block Drainage Improvements**

40 Public Works staff has completed the drainage improvements in the 1400 block along the new bike path. We've not really had a
41 significant rainfall event since these improvements were completed, however, the system appears to be functioning well in the
42 minor rainfall events since the improvements were completed.

43 The only remaining work is to install sod in the area between the highway and the bike path, and this work is planned for this
44 week.
45

46 **Bike Path Paving Repairs**

47 All paving repairs are complete along the bike path, and all areas are open to the public. We anticipate that the new pavement
48 areas will bleach out in the sun and blend in with the existing asphalt path later this summer. There are still a handful of concrete
49 hog slats that will need to be removed next winter, and Public Works staff will schedule that work as time allows next winter.
50

51 **Paving of Park Drive on Soundside**

52 Morton Trucking has completed the paving of the short segment of Park Drive, and added a paved cul-de-sac at the end. This
53 work is funded by the WAMI grant, and is a part of the overall Eastern Ocean Regional Access Parking Area project.

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1 **Paving of 15th Street on the Soundside**

2 Morton Trucking has also completed the paving of the short segment of 15th Street on the soundside, improving the aesthetics of
3 this area after a new bulkhead and storm water improvements were completed last summer and fall.
4

5 **Update – Eastern Ocean Regional Access Parking Area**

6 SunLand Builders is nearing completion of this project, and we expect it to reopen to the public on Saturday, April 18. All storm
7 water and parking lot improvements are complete, and the only remaining work is the completion of a new beach access
8 walkway, plumbing improvements in the bathroom building, additional parking lot markings, and installation of new sod. The
9 entire facility looks terrific! This project is 100% funded by a State WAMI grant.
10

11 **Update – New Welcome Center**

12 The new Welcome Center is progressing nicely, and framing work is essentially complete. Initial plumbing work is complete, and
13 electrical work will begin soon. Jordan Building Company and I will complete a walkthrough with TDA staff this week to identify
14 electrical outlet and lighting locations. I am still optimistic that the new building will open to the public by mid-summer.
15

16 **Emerald Isle Marathon, Half-Marathon, and 5K Races**

17 These 3 races raised more than \$50,000 for future Emerald Isle bike path improvements and the American Heart Association.
18 The Race Committee will formally present the proceeds to the Mayor and Commissioners in the next few weeks. Nearly 1,600
19 runners registered for the races, with more than 1,300 finishing the 3 races.
20

21 **Upcoming Retirement**

22 Fire Engineer Sam Sawyer has announced his retirement, effective at the end of April. Sam has been with the Town for nearly
23 16 years, and the Fire Department will host a reception for Sam on Wednesday, April 29 from 11:30 am – 1 pm at Fire Station 1.
24

25 **New Parks Maintenance Worker**

26 The Parks and Recreation Department has extended a conditional offer of employment for the Parks Maintenance Worker
27 position, and we hope to have the new employee begin work this week (assuming all pre-employment checks are acceptable).
28

29 **Rip Current Refrigerator Magnets**

30 We have ordered an additional 1,000 rip current refrigerator magnets to distribute to vacation rental companies for placement in
31 rental units. We previously distributed magnets to the vacation rental companies, and believe this is perhaps the most effective
32 way to educate visitors about the appropriate reaction to a rip current.
33

34 **Town Website Redesign**

35 I have tasked VC3, our information technology consultant, with a redesign of the Town's website, and we hope to unveil the
36 redesigned site in the next few months. Rhonda Ferebee, Town Clerk, will be working closely with VC3 on this project. We have
37 been having recurring problems with our current website hosting service (not VC3) in recent months, and the software that we
38 use to update our current site is also outdated and no longer supported. The redesigned website will be cleaner, and will also
39 allow for easier updates to the website in the future.
40

41 **Coast Guard Road Resurfacing, Pavement Markings**

42 This work is now complete, and despite initial poor quality of the pavement markings (that were removed and reinstalled), the
43 finished product is a significant improvement to the road surface in this area.
44

45 **Residents & Visitors Guide**

46 I still hope to have this 2010 document updated in the coming weeks to more accurately reflect Town policies and services for
47 the 2015 season. Unfortunately, I have not had sufficient time to devote to this project.
48

49 **Bike the Banks Lighthouse Challenge**

50 The Bicycle & Pedestrian Advisory Committee presents the 1st Annual Bike the Banks Lighthouse Challenge on May 2. The ride
51 begins and ends at the Community Center and offers riders 3 distance options of 25, 45 and 85 miles. Destination one is the NC
52 Aquarium at Pine Knoll Shores. Destination two is Fort Macon in Atlantic Beach, and the final 85 mile route is the Cape Lookout
53

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Welcome Center in Harkers Island. Currently 12 participants have registered. Proceeds benefit the Town's bicycle path network.

Beach Access Walkway Replacements

B&P Services, the Town's contractor, has completed the new walkways at 1st Street and Shell Drive, and both look very good. Work has not yet begun on the Tracy Street walkway replacement, and if work does not begin soon this project will be delayed until after the 2015 summer season.

ISO Inspection Results

The Town was recently notified that the current ISO rating of "4" has been maintained after the recent inspection. I am pleased with this result, and proud of our Fire Department for providing exceptional service to our residents and property owners. Chief Walker noted that the Town just barely missed an upgrade to a "3" rating, and he is seeking an informal review by the Office of the State Fire Marshal to reconsider our rating.

Landfill Tour – April 28

The Coastal Environmental Partnership, operator of the Newport Transfer Station and the regional landfill in Tuscarora, has invited Town officials to tour the facility on Tuesday, April 28 at 10 am. Please let me know if you'd like to attend, and we'll get you signed up.

17. Comments from Board of Commissioners and Mayor

Commissioner Normile announced he was a Granddaddy again with a new grandson just born named Kross, everyone was healthy and his grandson had a one day old lifetime fishing permit so he was ready whenever his grandson was ready.

Commissioner Normile also stated on a business note that Frank had been working extra overtime on this taxation issue behind the scenes for weeks, our Town Manager, Mayor, all the Town Commissioners had been working diligently on this and he didn't want to leave without thanking Laura and Rhonda because he knew behind the scenes with all the numbers being emailed to the Board budget wise, statistics, he was guessing they were feeding some of that data and so he was appreciative.

Mayor Barber stated his grandson Daniel was still in critical condition at Duke, was 4 weeks old today, having come through his 16 hour heart surgery pretty well but that was followed by complications. He appreciated everyone's prayers and support during this time.

There were no further comments by the Board of Commissioners.

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18. Adjourn

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

The meeting adjourned at 8 pm.

Respectfully submitted:

Rhonda C. Ferebee, CMC, NCCMC
Town Clerk

