

1 **MINUTES OF THE REGULAR SCHEDULED MEETING**
2 **OF THE EMERALD ISLE BOARD OF COMMISSIONERS**
3 **TUESDAY, FEBRUARY 9, 2010 – 6:00 P.M.**
4 **TOWN BOARD MEETING ROOM**
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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 6:00 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, and Parks and Recreation Director
21 Alesia Sanderson.
22

23 Also in attendance: Carteret County District One Commissioner Richard Hunt.
24

25 **3. Opening Prayer**
26

27 Caleb Meadows, youth member from Emerald Isle Chapel by the Sea offered the
28 Opening Prayer for the Town Board meeting.
29

30 **4. Pledge of Allegiance**
31

32 After opening prayer all who were present recited the Pledge of Allegiance.
33

34 **5. Adoption of Agenda**
35

36 Mayor Schools requested the addition to the agenda - Item 8.5 2011 Carteret
37 County Tax Revaluation.
38

39 ***Motion was made by Commissioner Hedreen to adopt the Agenda as***
40 ***amended. The Board voted unanimously 5-0 in favor. Motion carried.***
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2 **6. Proclamations / Public Announcements**
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4 Mayor Schools announced the following announcements for the public:
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- 6 • **Board of Adjustment – Wednesday, February 10 – 9 am – Town**
7 **Board Meeting Room**
- 8 • **Friday Free Flick – Friday, February 12 – 7 pm – Community Center**
- 9 • **Employee Appreciation Day / President’s Day – Monday, Feb. 15 –**
10 **Town Offices Closed, Community Center Open**
- 11 • **Planning Board Regular Meeting – Monday, February 22 – 6 pm –**
12 **Town Board Meeting Room**
- 13 • **Annual Budget Planning Workshop – Friday, February 26 – 8:30 am –**
14 **Town Admin Building Conference Room**
- 15 • **Musicians for Missions Dinner / Concert (Haiti Relief) – Friday,**
16 **March 5 – 6 pm – Community Center**
- 17 • **Board of Commissioners Regular Meeting – Tuesday, March 9 – 6 pm**
18 **– Town Board Meeting Room**
- 19 • **19th Annual St. Patrick’s Festival – Saturday, March 13 – 9 am – 5 pm**
20 **– Emerald Plantation Shopping Center**
21

22 Commissioner Wootten reminded the Board that the Planning Board meeting to
23 be held on February 22 would include the marina design.
24

25 **7. Consent Agenda**
26

- 27 a. **Tax Refunds / Releases**
- 28 b. **Budget Amendment – General Fund (Shorerush Drive Walkway**
29 **Contribution)**
- 30 c. **Resolution Declaring Craven County Parcels as Surplus Property**
31 **(10-02-09/R1)**
32

33 ***Motion was made by Commissioner Hoover to approve the items on the***
34 ***Consent Agenda. The Board voted unanimously 5-0 in favor. Motion***
35 ***carried.***
36

37 **Clerks Note:** A copy of Resolution 10-02-09/R1, and all Consent Agenda items as noted above are all
38 incorporated herein by reference and hereby made a part of these minutes.
39

40 **8. Public Comment**
41

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

45 There were no comments from the public.

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8.5 2011 Carteret County Tax Revaluations- (Item added to Agenda)

Mayor Schools read aloud a letter he had prepared and asked that the Board modify or agree that it be mailed to the Carteret County Board of Commissioners expressing the Town of Emerald Isle's opinion that the 2011 tax revaluation should proceed as originally scheduled and not be delayed.

Carteret County Board of Commissioners
Courthouse Square
Beaufort, NC 28516

Dear Chairman Harris and Fellow Commissioners:

At its meeting on February 9, 2010, the Emerald Isle Board of Commissioners voted to express our unanimous opinion to you that the 2011 tax revaluation should proceed as originally scheduled and not be delayed, for the following reasons:

- 1) The purpose of a tax revaluation is to insure that all property owners pay their fair share of county and municipal expenses. Real property values within Emerald Isle and throughout Carteret County have changed significantly since the last revaluation. It may be hard to determine current values because of few sales, but it is better to adjust based on available information than to leave values at unrealistically high levels.
- 2) The high tax values make difficult sales even more difficult. Real estate agents tell us that potential buyers don't like paying taxes on a value much higher than the selling price and may walk away from the deal.
- 3) The most frequent complaints that we get in Emerald Isle are about the high tax values. We were led to believe, and have been telling property owners that properties would be revalued by the County for the 2011 tax year. There are many property owners that will feel they have been misled.
- 4) Emerald Isle has applied to the NC Coastal Resources Commission (CRC) for an exception to the static vegetation line rule that has rendered many oceanfront homes and/or lots (a total of 168 in Emerald Isle) non-conforming. The tax value on these lots/homes was significantly reduced during the last revaluation because they were non-conforming. We expect the CRC to grant our request at their March meeting, and this should result in a significantly higher tax value for these properties with the next revaluation.

Thank you for allowing us to express our opinion, and for considering our concerns.

Sincerely,

Arthur B. Schools, Jr., Mayor

copy: Emerald Isle Board of Commissioners
Town of Atlantic Beach
Town of Indian Beach
Town of Pine Knoll Shores

Everett Long, local realtor, stated that he had canvassed all of the realtors, asking those companies to put a letter together because the majority of them were in agreement. Mr. Long spoke of the difficulties they faced trying to get

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2 sellers to put their houses on the market where it would appraise because they
3 had a piece of paper from the county that said it was worth more. Buyers say the
4 savings they would make buying in this market was lost by the time they paid the
5 taxes. Mr. Long said this past year they had been able to say there was a
6 revaluation coming up and now they were being told that would not be true. Mr.
7 Long felt that it was an unequal tax and should be distributed among everyone; it
8 was fair enough when values were high and now the pendulum should swing
9 back the other way.

10
11 Commissioner Wootten felt it worth noting that the Carteret County Tax
12 Administrator Carl Tilghman who went through the whole revaluation process
13 four years ago was recommending to the County Commissioners that they stay
14 with the 2011 revaluation.

15
16 The Board was in agreement that Mayor Schools should mail the letter to the
17 Carteret County Board of Commissioners.

18
19 Carteret County Commissioner Richard Hunt commented that he was gathering
20 information now in order to make a decision. County Commissioner Hunt felt
21 enough time needed to be allowed for citizens to build up some momentum on
22 an issue they thought was important. Commissioner Hunt said he leaned
23 towards doing a revaluation, not for the reasons Mayor Schools mentioned, but
24 as a taxpayer himself, he always liked the government to maintain their schedule.

25
26 **9. FY 10-11 Budget**

27
28 **a. Budget Calendar**

29 **b. Public Hearing – Early Citizen Comment on FY 10-11 Budget**

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

34
35 The Board is scheduled to formally initiate the FY 10-11 budget process with two budget-related items scheduled for
36 the February 9 meeting. First, the Board is asked to adopt the official FY 10-11 Budget Calendar, and second, the
37 Board is scheduled to conduct a public hearing to receive early citizen input on the FY 10-11 budget.

38
39 FY 10-11 Budget Calendar

40 A copy of the suggested FY 10-11 Budget Calendar is attached for the Board's review. This calendar outlines the
41 Town's budget process and includes key target dates in the process.

42
43 Please note that the FY 10-11 Recommended Budget will be presented to the Board at the May 11 regular meeting,
44 and that 3 special budget workshop meetings are tentatively scheduled for May 18, May 25, and June 1 (all on
45 Tuesday evenings). The official public hearing on the budget is planned for the June 1 workshop meeting, with Board
46 adoption planned for the June 8 regular meeting.
47

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2
3 The Board has the flexibility to adjust this schedule as we go through the budget process if necessary and/or desired,
4 however, the establishment of the FY 10-11 Budget Calendar will help to keep this lengthy process on track.

5
6 Public Hearing – Early Citizen Input on FY 10-11 Budget

7 We have scheduled and advertised a public hearing on the upcoming FY 10-11 budget for the February 9 meeting.

8
9 NC General Statutes require the Town to conduct a public hearing on the annual budget after the Town Manager
10 presents the Recommended Budget in May, but many communities also hold a public hearing prior to the start of the
11 annual budget process in order to get citizen input at the front-end of the budget process. The purpose of the February
12 9 public hearing is simply to receive comments or suggestions from our citizens regarding budget priorities for the
13 coming fiscal year before we begin the budget process. The hearing will give citizens a chance to voice their concerns
14 about the tax rate, the fairness of the Town's tax and fee structure, suggest funding for certain programs or projects,
15 encourage the Board and staff to address new issues that require funding, etc. As you know, the FY 10-11 budget
16 process is likely to also be difficult, as the Town will likely still be facing significant revenue challenges associated with
17 the recent recession.

18
19 I have attached some basic background budget information, and I will have this information available for the public to
20 review.

21
22 I will be happy to answer any questions about the FY 09-10 budget, the FY 10-11 budget process, and the preliminary
23 outlook for the FY 10-11 budget at the February 9 meeting. The Board will also receive a detailed presentation on the
24 Town's overall financial position and budget status at the special Board meeting scheduled for February 26.

25
26 ***Motion was made by Commissioner Wootten to adopt the FY 10-11 Budget***
27 ***Calendar. The Board voted unanimously 5-0 in favor. Motion carried.***

28
29 ***Motion was made by Commissioner Wright to open the Public Hearing for***
30 ***citizen comment on the FY 10-11 Budget. The Board voted unanimously 5-***
31 ***0 in favor. Motion carried.***

32
33 There were no comments from the public.

34
35 ***Motion was made by Commissioner Messer to close the Public Hearing.***
36 ***The Board voted unanimously 5-0 in favor. Motion carried.***

37
38 **Clerks Note:** A copy of the approved Budget Calendar as noted above is incorporated herein by
39 reference and hereby made a part of these minutes.

40
41 **10. Energy Efficiency Improvements**

- 42
43 **a. Strategic Energy and Water Management Plan**
44 **b. Resolution Authorizing NC Energy Efficiency Block Grant**
45 **Application (10-02-09/R2)**
46

47 Parks and Recreation Director Alesia Sanderson addressed the Board regarding
48 this agenda item. The following excerpt from her memo to Town Manager Frank
49 Rush is provided for additional background:
50

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1 In an effort to improve energy efficiency in Town facilities, a grant request in the amount of \$40,000 has been
2 submitted to the State Energy Office for funding provided by the American Recovery and Reinvestment Act. Four
3

4
5 Town facilities were targeted for these efficiency upgrades; Community Center, Parks Maintenance, Police and
6 Inspections and Public Works. If awarded, the grant will require a \$26,723 match.

7
8 Energy efficiency improvements mainly target lighting, insulation and window and door replacement. The following is a
9 list of improvements for each building.

10
11 Community Center:

12
13 Replace 73- 2x4 lay-in fixtures that have 4-tubes with T-12s with T-8s; replace 4- 4' long, 2-tube, surface
14 mounted T-12's with T-8s; replace 3 incandescent soffit lights that are 50 watt with compacts. Change 4 exit
15 lights to LED.

16
17 In the gym there are 4- 4'x5' grilles and 4- 2'x2' fan openings that were previously used but have now been
18 covered with plywood on the inside. These fans and grilles should either be restored and utilized or well
19 insulated with rigid insulation.

20
21 There is approximately 1500 square foot of R-13 batt insulation with plastic cover that has been damaged
22 and is no longer insulating the roof of the gym. Add R-13 batt back into these spaces and cover with similar
23 finish.

24
25 There are currently six 3'-0" x 7'-0" doors in the gym (in pairs) that have large gaps under these doors. Add
26 18 foot of threshold weather stripping.

27
28 In the Gym, current there are seven 18 square foot windows on the south and seven on the north that have
29 been boarded over on the inside with plywood. Suggest removing plywood, tripling the opening size, and
30 replacing glazing with a new clear glazing on the north and a clear glazing with blinds between the glasses
31 on the south. Additionally replace the 64, 2-tube, 4' long, T-12s with Sportlite type ganged fluorescent
32 fixtures. Add stepped day lighting controls with one photocell control.

33
34 Police and Inspections:

35
36 Inspections: replace 40-2x4 lay-ins with 4-tube T-12s with T-8s and replace one 8 foot long, 2-tube T-12 with
37 T-8 and replace 2-75 watt incandescent fixtures with compacts and replace 1 fixture with 2-50 watt
38 incandescent with compacts. Police: replace 59- 2x4 lay-ins, 4-tube T-12s with T-8s.

39
40 Install a motion sensor in men's toilet where there is one 2x4 fixture. Install a motion sensor in the women's
41 toilet where there are two 2x4 fixtures. Install motion sensor Police Records where there are three 2x4
42 fixtures.

43
44 In Inspections, install shading awning over two, west-facing 8'-0" wide x 5'-8" high clear glazed windows.

45
46 Parks Maintenance:

47
48 Replace 4 suspended, 8 foot, 2-tube T-12s with T-8s and replace 8 lay-ins, 4 tube T-12s with T-8s

49
50 There are currently two, 12' wide by 16' high un-insulated garage doors that are in the heated maintenance
51 garage area. The roll-up doors limit the amount of insulation that is possible but add 1/4" foil-faced insulating
52 blanket like has been added to the other door in the adjacent shop area (not part of this facility).

53
54 Add motion sensors to the office and snack room spaces.

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Public Works:

Replace 12, 2x4 lay-ins (each with 4, T-12 tubes) with T-8s

Currently the 4000 square foot shop area uses 12, 400 watt metal halide fixtures for lighting. Implement a day lighting strategy to provide for 60 plus foot candles, two-thirds of the daylight hours.

Currently there are 6, 12'-6" wide x 14'-0" high garage doors that fold in seven, 2 foot sections. These doors are not insulated. Insert 1.5" rigid insulation, with an aluminum finish on the exposed side, into the 2' x 14' x 1.5" slots.

The proposed energy efficiency improvements are projected to save the Town \$11,543 annually. If awarded, the work must be completed no later than December of 2010. This would permit the Town the ability to fund the matching portion from the 2010-2011 budget if the Board of Commissioners approve.

Mayor Schools said he was surprised to find out that the T-8 lighting actually gave off more illuminants than the T-12's, so there wouldn't be a diminish in light, there was actually more light but less wattage which would use less current, and they put off less heat which meant less air conditioning.

Commissioner Hoover questioned how long before they would start to see a return on the changes. Ms. Sanderson said that the return on the Town's investment from the stimulus money should be seen within 3 years.

Commissioner Wootten felt this was a good program and a good thing to do but he was nervous about making a commitment for \$26,000 at this stage of the game without knowing what else was facing them. Commissioner Wootten said he was willing to go with the grant application and formally approve, but he would like to personally add a caveat that when they get into the budget process that this may not be something they would want to do. Ms. Sanderson said that this could be done in next year's budget; the work had to be done by December 2010 so they still had the option to commit or deny.

Motion was made by Commissioner Messer to adopt the Strategic Energy and Water Management Plan. The Board voted unanimously 5-0 in favor. Motion carried.

Motion was made by Commissioner Wootten to adopt the Resolution Authorizing NC Energy Efficiency Block Grant Application. The Board voted unanimously 5-0 in favor. Motion carried.

Clerks Note: A copy of Resolution 10-02-09/R2 and the approved Strategic Energy and Water Management Plan are all incorporated herein by reference and hereby made a part of these minutes.

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2
3 **11. Potential Coast Guard Road Bicycle Path Extension**
4

- 5 **a. Budget Amendment – General Fund**
6 **b. Capital Project Ordinance Amendment**
7

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

11
12 The Board of Commissioners is scheduled to consider two budget amendments that would enable the construction of
13 an additional .2 miles of dedicated bicycle path along Coast Guard Road at the February 9 meeting. If approved, a
14 total of \$26,325 of additional unanticipated revenues from General Fund sales tax refunds would be appropriated for
15 this project, and would be supplemented by \$3,000 of proceeds from the 2009 Emerald Isle Triathlon that were
16 presented to the Board at the January 12 meeting. The two amendments provide a total of \$29,325 for this project.
17

18 As you know, the extension of the dedicated asphalt bicycle path along Coast Guard Road is a high priority. Because
19 this is a Town maintained road, it will likely be more difficult to secure grant funding, and the Town's approach has
20 been and will likely continue to be to fund this project in small segments over time as funds permit. The first small
21 segment of Coast Guard Road bicycle path from NC 58 to near the Pebble Beach entrance was constructed in 2007 as
22 part of the Coast Guard Road widening project. The second segment from near the Pebble Beach entrance to Deer
23 Horn Drive was completed in 2009. Combined, these two small segments represent approximately .2 miles, with an
24 additional approximately 1.8 miles along Coast Guard Road (all the way to Ring Street) included in the Town's long-
25 term plans. If the Board approves the two attached budget amendments, the bicycle path would be extended an
26 additional .2 miles from Deer Horn Drive to Sea Dunes Drive this spring. This extension would take the path almost to
27 the entrance to Emerald Isle Woods Park, and will hopefully encourage more bicyclists to visit the park.
28

29 Under normal circumstances, we would not have presented this project for Board consideration at this time, however,
30 we recently learned that Bogue Banks Water Corporation must install a new water line along the south side of Coast
31 Guard Road from their new elevated water tank back the older ground storage tank behind Bell Cove Village. This will
32 result in rough clearing and grading along the route of the future bicycle path in this area, and will enable the Town to
33 reduce the cost associated with the construction of the bicycle path in this area. Bogue Banks Water Corporation will
34 construct the new water line in late February or March, and when they are complete there will essentially be a cleared,
35 flat pathway for the new bicycle path in this area. Because of this opportunity, we sought a quote from Johnson
36 Construction (the same contractor that built the majority of bicycle paths in Emerald Isle in recent years) for this
37 potential bicycle path extension. (The Board should note that this new water line will also result in the removal and
38 restoration of a portion of the bicycle path near Deer Horn Drive, and Johnson Construction has provided a quote to
39 Bogue Banks Water Corporation to fully restore the existing bicycle path in this area after completion of the water line.)
40

41 Johnson Construction has provided a quote for \$28,928 for all finish grading, rock base, and asphalt removal work
42 associated with the bicycle path extension from Deer Horn Drive to Sea Dunes Drive. This cost is consistent with the
43 Town's cost for the construction of the bicycle path segment in 2009, with adjustments for a slightly different scope of
44 work. The Board should note that the work includes the removal of the existing 3 ft +/- asphalt shoulder on the south
45 side of Coast Guard Road to enable the installation of a small grassy median between the vehicle travel lane and the
46 bicycle path, as was installed along the segment from Pebble Beach to Deer Horn Drive. The vehicle travel lanes on
47 Coast Guard Road would then be shifted to the north to further increase the separation between vehicles and users of
48 the new path. The quote from Johnson Construction does not include the actual paving of the path, and this cost
49 would be included in the 2010 annual street resurfacing contract to be awarded this spring and funded with Powell Bill
50 revenues. The total estimated paving cost for the path is in the \$12,000 - \$15,000 range.
51
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2 Additional tasks involved with the construction of the bicycle path from Deer Horn Drive to Sea Dunes Drive include the
3 placement of bollards, signage, and pavement markings, and also the potential construction of wooden retaining walls

4
5 in a few areas along the path. All of these tasks would be performed by Parks and Recreation staff upon completion of
6 the new bicycle path. Depending on the topography after completion of clearing and grading by Bogue Banks Water
7 Corporation, we expect to need to construct no more than 300 linear feet of 4 ft. high wooden retaining wall. We are
8 hopeful that the actual length necessary will be much less than 300 ft. depending on the outcome of clearing and
9 grading activities.

10
11 The Board should note that this plan also includes the resurfacing of Coast Guard Road in this area as part of the 2010
12 street resurfacing contract this spring. This section of Coast Guard Road has several repaired potholes and also a
13 repaired water line crossing near the new elevated water tank. This resurfacing would be followed by new pavement
14 markings in this area that would shift the vehicle travel lanes to the northern side of Coast Guard Road.

15
16 As noted above, there are two budget amendments for the Board's consideration that would provide the necessary
17 funding for the Johnson Construction contract. First, a General Fund budget amendment would formally recognize an
18 additional \$26,325 of unanticipated sales tax refunds for this work. Sales tax refunds are remitted by the State once a
19 year near the end of the calendar year for all sales tax paid by the Town during the previous fiscal year. The Town
20 recently received the FY 08-09 sales tax refund distribution from the State, and it was much higher than budgeted, due
21 primarily to the large amount of sales tax paid for materials associated with the construction of the new Town
22 Administration Building and the new EMS Station during FY 08-09. The attached General Fund budget amendment
23 formally recognizes these funds and authorizes the transfer of these funds to the capital project ordinance established
24 for new bicycle paths and sidewalks. The second amendment, to this capital project ordinance, formally recognizes
25 the transfer from the General Fund and also appropriates the recently received proceeds (\$3,000) from the 2009
26 Emerald Isle Triathlon for this project.

27
28 If funded, this work would be completed in March and April, and the new bicycle path segment would be open prior to
29 the 2010 tourism season.

30
31 The Board should again note that this project is only presented to the Board at this time due to the timing of the water
32 line work by Bogue Banks Water Corporation. It would be nice to complete the bicycle path in this area at the same
33 time as water line construction to get this area fully "cleaned up" and also make a little more progress on the overall
34 Coast Guard Road bicycle path. If the Board is not comfortable spending these funds right now, we can certainly have
35 the disturbed areas re-seeded and leave it "as is" for construction at a later date.

36
37 The Board expressed their desire to wait until further into the budget process and
38 to discuss again at the February 26 Budget Workshop.

39
40 **12. Interlocal Agreement – Master Beach Nourishment Plan / Programmatic**
41 **EIS**

42
43 Town Manager Frank Rush addressed the Board regarding this agenda item.
44 The following excerpt from his memo to the Board is provided for additional
45 background:

46
47 The Board of Commissioners is scheduled to consider the attached formal Interlocal Agreement between Carteret
48 County and the towns of Emerald Isle, Indian Beach, Pine Knoll Shores, and Atlantic Beach at the February 9 meeting.
49 The attached agreement was prepared by Town Attorney Richard Stanley and Carteret County Shore Protection
50 Officer Greg "Rudi" Rudolph after considering input from multiple Federal, State, and Town officials over the past
51 several months. The governing bodies of the other towns are also expected to consider the agreement in February or
52 March.

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1
2 The attached agreement is essentially a formalization of the current working relationships in place now among the
3 County and the towns on Bogue Banks, but is requested at this time because the Beach Commission / Shore
4

5 Protection Office is moving forward with the development of a "Master Beach Nourishment Plan" and "Programmatic
6 Environmental Impact Statement" (EIS) for future beach nourishment activities on Bogue Banks over the next several
7 decades. As you know, Emerald Isle is represented on the Beach Commission by Commissioner Tom Hoover and
8 resident Buck Fugate. Mayor Art Schools also serves on the Beach Commission in a slot designated for the Tourism
9 Development Authority.

10
11 The intent behind the "Master Plan" and "Programmatic EIS" is to secure a multi-decade, "blanket"-type permit for
12 future beach nourishment activities on Bogue Banks. The "Master Plan" and "Programmatic EIS" will essentially
13 complete all of the detailed analyses up-front, secure the "blanket"-type permit for future nourishment activities based
14 on pre-approved strategies (sand sources, dredging methods, timing issues, environmental mitigation efforts, etc.), and
15 then allow the County and the towns to secure greatly-expedited permit authorizations prior to each future nourishment
16 event. The completion of this process, with the ultimate outcome the award of the "blanket"-type permit, will insure that
17 the County and the towns can meet our future beach nourishment needs in the most economical, expedited, and
18 responsive manner.

19
20 The Beach Commission / Shore Protection Office has been working closely with the appropriate Federal and State
21 permitting agencies on this effort, and these agencies have requested that the County and the towns enter into a
22 formal interlocal agreement in order to facilitate this process. The lead Federal (US Army Corps of Engineers) and
23 State (NC Division of Coastal Management) permitting agencies recognize the proactive efforts in Carteret County and
24 recognize the value of the Beach Commission / Shore Protection Office model, but believe that a formal interlocal
25 agreement will strengthen our efforts and provide greater confidence among the full array of Federal and State
26 permitting agencies involved in beach nourishment activities.

27
28 The Beach Commission / Shore Protection Office recently approved a contract with Moffatt & Nichol, Raleigh, NC for
29 the development of the "Master Plan" and "Programmatic EIS", and initial work is underway. The total value of the
30 contract is approximately \$1.4 - \$1.7 million +/- and is funded completely by the Beach Commission / Shore Protection
31 Office. Work is expected to be complete within a 3-year period.

32
33 The attached Interlocal Agreement essentially formalizes what is already a very positive, cooperative relationship
34 between the County and the towns on Bogue Banks. The agreement was drafted in that same cooperative spirit, and
35 includes the following significant provisions:

- 36
- 37 • Emerald Isle, Indian Beach, and Pine Knoll Shores are the expected main beneficiaries of this effort, along
38 with unincorporated areas of Salter Path.
 - 39
 - 40 • Atlantic Beach is expected to continue to receive sand from spoils disposal associated with the regular
41 dredging of the Morehead City Harbor Federal Navigation Project, however, Atlantic Beach is included in the
42 agreement in the event that sand becomes unavailable or limited in the future in any way.
 - 43
 - 44 • The "Master Plan" and "Programmatic EIS" will outline sand sources, nourishment "triggers", dredging
45 methods, timing issues, environmental mitigation efforts, and other aspects of future nourishment activities.
46 The final product is expected to contemplate all reasonably foreseeable potential sand sources and
47 nourishment activities.
 - 48
 - 49 • Each town is responsible for providing necessary right-of-way, easements, staging areas, etc. for future
50 nourishment events in its jurisdiction.
 - 51
 - 52 • Each town is responsible for meeting applicable public beach access and parking requirements in its
53 jurisdiction.
 - 54

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- Each town is responsible for providing any costs not provided by Federal, State, or County room occupancy tax funds for future nourishment activities and events. As you know, the Board recently endorsed a plan to levy new special district taxes for the Town's projected future costs.
- The County or a particular town is authorized to be the lead administrator for future nourishment events in a particular town. For example, Emerald Isle could either receive room occupancy tax funding from the County and oversee its own construction events in the future (as has been the case in the past) or could choose to delegate this responsibility to the County (i.e., the Beach Commission / Shore Protection Office), depending on local preference at the time.
- If a project involves more than one jurisdiction, all nourishment costs for that event will be divided on a pro-rata basis. If a contract is not fully completed due to unforeseen events (turtles, tires, weather, etc.), the unit costs for sand actually placed will be allocated based on the actual amount of sand placed, but other costs (i.e., mobilization, demobilization, etc.) will be allocated according to the original pro-rata formula.
- Because the towns are the main beneficiaries, the agreement indemnifies the County.
- Any town has the ability to withdraw from the agreement at any time. This would appear to be an extreme action, as that town would then become ineligible for use of room occupancy tax funds earmarked for future beach nourishment activities.
- The Beach Commission, which has fair representation from each of the towns, plays the lead role in determining when and where nourishment events will occur. It is expected that these decisions will occur with great cooperation and coordination among the towns.

The Board should note that the attached Interlocal Agreement is intended to be a flexible document, and will likely be amended from time to time in the future as uncertainties become clearer over time. It is also likely that there will be more specific agreements executed among the parties for specific nourishment events, particularly those involving more than one jurisdiction. For example, the provisions regarding the allocation of construction costs between multiple jurisdictions if a project is not fully completed as planned will likely be clarified or amended prior to the actual construction event to incorporate specific issues associated with that particular nourishment event.

As noted above, the attached Interlocal Agreement simply formalizes and reinforces the already excellent, cooperative relationship that exists among the towns and the Beach Commission / Shore Protection Office. We have every expectation that this positive relationship to continue in the future. If for some unexpected reason this relationship deteriorates, the Town's interests will likely be protected by its strong representation on the Beach Commission, and can also be revisited politically with the affected parties at such time.

Town Manager Frank Rush highlighted key points of the draft agreement. Mr. Rush asked the Board to consider delaying this item until the March meeting agenda in order to incorporate some additional comments from the other towns.

13. Comments from Town Clerk, Town Attorney, and Town Manager

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

Town Manager Frank Rush mentioned to the Board that assuming the Board was comfortable with it the plan was to schedule a special meeting for the Board as a group to view the required Ethics Training Webinar from 4-6 pm on Thursday,

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1
2 March 25. Mr. Rush said any member unavailable at that time would have other
3 opportunities to complete the required training by December 31.

4
5 Mr. Rush gave the Board an idea of some of the things coming before them for
6 consideration at their March meeting: Bicycle and Pedestrian Master Plan,
7
8 Resurfacing Contract for this year, and depending on the Planning Board's
9 decision they could see the plans for the redevelopment of Island Harbor Marina
10 and the drystack facility.

11
12 The following is an excerpt from the Town Manager Comments memo to the
13 Board for additional background and items of importance:

14
15 **Annual Budget Planning Workshop – Friday, February 26 – 8:30 am**

16 This meeting is scheduled to discuss various issues with the Board and help determine the Board's collective priorities
17 for the FY 10-11 budget process. The meeting will be held in the Conference Room at the new Town Administration
18 Building.

19
20 **Required Ethics Training**

21 The UNC School of Government is offering a free webinar with the required training on Thursday, March 25 from 4 pm
22 – 6 pm. We are thinking about scheduling a special Board meeting for this time to complete this training as a group in
23 the Town Admin Building Conference Room. We can make other arrangements for the Board if this is not convenient.
24 Please let us know if this date and time will work for you.

25
26 **NC 58 Resurfacing?**

27 Mayor Schools and I recently received information from NCDOT that they are planning to complete resurfacing of
28 various segments of NC 58 between Cape Carteret and Salter Path later this year. We are awaiting a list of the
29 specific locations in Emerald Isle, and will work to address the worst areas with NCDOT. This is unexpected, but good
30 news!

31
32 **Letter to Oceanfront Property Owners Near Island Circle**

33 This letter was mailed to 22 oceanfront property owners between Point Emerald Villas and Channel Drive. To date,
34 I've received a response from 12 property owners. Thus far, 10 property owners have responded with a no (most very
35 polite, one or two that were not), 1 property owner said yes, and 1 other property owner remains open. The good news
36 is that there's still at least a chance to possibly work something out in the area closer to Point Emerald Villas (the 1 yes
37 and the 1 "open" are near each other, with many others in that area that I've not yet heard from). I will follow up with
38 the remaining 10 property owners in the next week or so.

39
40 **New Public Boat Launching Facility**

41 NC Wildlife Resources Commission staff continue to work on permit applications, and are getting close to finalizing
42 applications. I am still pushing them to begin work shortly after July 1 so we can hopefully meet our fall 2010 opening
43 date goal. I am becoming increasingly concerned about our ability to meet this target date, however, I believe that
44 WRC staff are working diligently to move the project forward.

45
46 We recently received formal notice of the award of \$500,000 from the NC Marine Resources Fund, and I expect the
47 grant contracts to be executed sometime in March. We are working toward a late March / early April closing for the 6th
48 lot. I am still seeking additional grant funding to complete the closing on the 7th and final lot before the September 1,
49 2011 deadline.

50
51

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1
2 **NC 58 Bicycle Path Extension**

3 SunLand Development and Construction continues to make good progress on the bike path. All clearing work is
4 complete, and they will soon begin grading the new path after telephone and cable TV utilities are relocated (currently
5 underway).
6

7 **Aquarium Pier at Emerald Isle**

8 Moffatt & Nichol and BJAC Architects have completed the pre-design report for the new pier based on input over the
9 past several months from the Advisory Committee, Aquarium officials, and Town officials. The next Advisory

10
11
12 Committee meeting is scheduled for Tuesday, February 16, and will be our first meeting with the new Pine Knoll
13 Shores Aquarium Director, Allen Monroe.
14

15 Moffatt & Nichol and BJAC's schedule calls for final design to be complete approximately one year for now. In the
16 meantime, we need to begin more focused work on securing construction funding.
17

18 **Residents and Visitors Guide**

19 We continue to work toward the publication of a new "Residents and Visitors Guide" this spring to better educate
20 residents and visitors about town services and regulations. I am seeking an attractive, brief, creative, easy-to-use
21 design for the update of this publication.
22

23 **2010 Street Resurfacing Contract**

24 Artie Dunn, Public Works Director, and I are currently finalizing the list of street segments for resurfacing, and will be
25 soliciting bids this month. We expect to present a contract award to the Board at the March 9 meeting.
26

27 **Bicycle and Pedestrian Master Plan**

28 Mayor Schools has drafted many significant improvements to this plan that was originally reviewed by the Board at the
29 January 12 meeting. The updated plan has been reviewed by Commissioner Wright, Parks and Recreation Director
30 Alesia Sanderson, and me, and will soon go back to the Bicycle and Pedestrian Advisory Committee for a final review.
31 We hope to have this plan on the Board's March 9 meeting agenda.
32

33 **Island Harbor Marina Re-Development**

34 Town staff are currently reviewing development plans submitted by the owners, and the Planning Board will review the
35 plans at their meeting on February 22. Depending on the outcome of the Planning Board meeting, this may be on the
36 Board's March 12 meeting.
37

38 **Planning Board Appointments**

39 The terms of Planning Board members Jim Craig, Linda Hughs, and Pete Wachter expire in March 2010. We will have
40 this item on the March meeting agenda.
41

42 **Chapel By The Sea Mission Work?**

43 I have attached a letter from the Emerald Isle Chapel By The Sea seeking mission work in our local area during the
44 week of July 25 – 31, 2010. Please let me know if you have any ideas.
45

46 **14. Comments from Board of Commissioners and Mayor**

47
48 Commissioner Hoover commented that the Board Meeting Room looked great
49 following its repainting.
50

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

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15. Adjourn

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

The meeting was adjourned at 6:45 pm.

Respectfully submitted:

Rhonda C. Ferebee, CMC
Town Clerk