

**Town of Sunset Beach
Council Meeting
May 17, 2016**

MINUTES

Members Present: Mayor Ron Watts, Mayor Pro-Tem Carol Scott, Councilman Lou DeVita, Councilman Peter Larkin, Councilman Mark Benton and Councilman Rich Cerrato

Members absent: None

Attorney & Staff Present: Grady Richardson, Town Attorney; Susan Parker, Town Administrator; Bonnie Schwerd, Finance Director; Dustin Graham, Public Works Director; Rawls Howard, Planning and Inspections Director; Kevin Dempsey, Fire Chief; Richard Childres, Assistant Fire Chief; Lisa Joyner, Police Chief; and Lisa Anglin, Town Clerk

Mayor Watts called the Meeting to order at 9:00 am and the Pledge of Allegiance was recited by those in attendance.

Draft Agenda Review and Approval

The Council added the following to the agenda:

- New Business c – Discussion concerning SB 875 Draft Letter and Resolution
- Old Business c – Proof of Ownership UDO Amendment

COUNCILMAN DEVITA MADE A MOTION TO APPROVE THE AGENDA AS AMENDED. MAYOR PRO-TEM SCOTT SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Public Comments on Agenda Items Only

No comments heard.

Old Business

Discussion Concerning Council Chambers Audio/Video Upgrades

Councilman Benton is contacting audio companies for pricing to upgrade the system. Mayor Pro-Tem Scott advised that the equipment needed to video the meetings consists of a dedicated laptop, camera, and cables. The cost of airing the meetings on the recommended site is approximately \$2,400. Bonnie Schwerd advised that \$10,000 has been included in the 2016/2017 budget for the audio/video upgrades.

Consideration of Acceptance of the Planning Board Recommendation Concerning Proposed UDO Amendment to Appendix A Definitions to add Sand Dunes and Schedule a Public Hearing for June 21, 2016 at 9:00 am (Cont.)

Rawls Howard advised that the Planning Board is recommending the inclusion of a definition for Sand Dunes be added to Appendix A Definitions. Attorney Richardson explained public trust land and waters which include the dry sand beach that emerges at dead low tide between the mean low and mean high water marks. A brief discussion was held concerning the existing sand dune ordinance with regard to how it will be interpreted, applied and/or enforced and the impact that will have on a property owners' ability to construct a home.

Old Business (Cont.)

Consideration of Acceptance of the Planning Board Recommendation Concerning Proposed UDO Amendment to Appendix A Definitions to add Sand Dunes and Schedule a Public Hearing for June 21, 2016 at 9:00 am (Cont.)

MAYOR PRO-TEM SCOTT MADE A MOTION TO ACCEPT THE PLANNING BOARD RECOMMENDATION AND TO SCHEDULE A PUBLIC HEARING FOR JUNE 21, 2016 AT 9:00 AM. COUNCILMAN LARKIN SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Proof of Ownership UDO Amendment

Councilman Cerrato requested the Council to authorize Susan Parker and Rawls Howard to draft an ordinance containing the CAMA requirement language for proof of property ownership when applying for a permit. Parker reminded the Council that proposed UDO amendments require Planning Board review. Howard was requested to discuss this proposed amendment with the Planning Board during their May 19th meeting. The Town Clerk was instructed to add the proposed UDO amendment to the June 6, 2016 Council Meeting agenda.

New Business

Consideration of Adoption of Budget Ordinance Amendment for Stormwater Repair

Bonnie Schwerd advised that the emergency stormwater repair was authorized during the meeting last year at the same time that the current budget was being approved therefore the repair cost was not included in the budget. Council was advised then that a budget amendment would be needed.

MAYOR PRO-TEM SCOTT MADE A MOTION TO ADOPT THE 2015/2016 BUDGET ORDINANCE AMENDMENT TOTALING \$98,000. COUNCILMAN CERRATO SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Review upcoming Agenda Items and Identify New Agenda Items for June 6, 2016 Meeting

Discussion Concerning SB 875 Draft Letter and Resolution

The Council reviewed the upcoming Agenda Items and agreed to the following:

- Ordinance Amendment 30.66 Purchasing Agent moved to July 19th agenda
- Report of Park Dock/Pier Safety Cost moved to August 16th agenda
- Approval of Auditor Contract – added to June 6th agenda

Discussion Concerning SB 875 Draft Letter and Resolution

The Council discussed proposed Senate Bill 875 to de-annex property known as Sunset Beach West, Palm Cove and Sunset Commons Apartments from within the Town limits. Mayor Watts advised that the bill has been referred to the State and Local Government Committee. The Council reviewed and amended the draft letter and resolution. The final letter and resolution will be sent to all committee members. Mayor Watts will provide a copy to the area Mayors and the Brunswick County Commissioners and Parker will contact the NC League of Municipalities. The Council discussed that the Town was not contacted by Senator Rabon in advance of the Bill being filed and the Town was not contacted by any of the developers. The Council discussed scheduling a special meeting to meet with the developers to discuss their issues and concerns. Mayor Watts will notify the Council when and if the Committee places the Bill on the agenda.

New Business (Cont.)

Discussion Concerning SB 875 Draft Letter and Resolution (Cont.)

MAYOR PRO-TEM SCOTT MADE A MOTION TO APPROVE THE AMENDED LETTER AND RESOLUTION CONCERNING SB 875. COUNCILMAN BENTON SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

2016/2017 Proposed Budget Review

COUNCILMAN CERRATO MADE A MOTION TO REDUCE THE TAX RATE FROM .16¢ TO .118¢. COUNCILMAN BENTON SECONDED THE MOTION. MAYOR WATTS CALLED FOR DISCUSSION.

Mayor Pro-Tem Scott voiced opposition to reducing the tax rate due to the upcoming major projects and the associated costs such as the stormwater management plan including repairs and maintenance, dredging, Town Park completion, Fire Station repairs and the replacement of the fire truck. Councilman Cerrato stated the deductions to support the rate reduction include elimination of 50% premium payment for spousal medical and dental benefits, reduction of legal fees to \$175,000 and creation of Stormwater Capital Project Ordinance totaling \$300,000. Councilman Benton advised that when the project costs are known the funds could be taken from fund balance at that time. Councilman Larkin advised that the Council has agreed previously to have a comprehensive salary and benefits package study performed prior to making any decisions concerning the employee benefits package. Councilman DeVita advised that prior Council's planned and saved for the amenities that have now been completed and stated that now it's time for this Council to plan and save for upcoming projects and future development. Mayor Watts commended the Staff for coming in under budget for multiple years.

MAYOR WATTS CALLED FOR A VOTE. COUNCILMAN CERRATO AND COUNCILMAN BENTON VOTED YES. MAYOR PRO-TEM SCOTT, COUNCILMAN LARKIN AND COUNCILMAN DEVITA VOTED NO. THE MOTION DID NOT PASS.

Bonnie Schwerd reviewed the proposed budget with the Council noting the changes made during the prior Budget Workshops totaling \$5,511,019. The Council requested \$5,000 be included for the Ingram Planetarium.

Public Comments

Matt Nichols Palm Cove Attorney – Advised that the property owners are protecting their rights and the group will meet with the Council to discuss issues and concerns; submitted a public records request to Susan Parker.

Joe Santavicca 9109 Forest Drive – Questioned the properties requesting de-annexation; questioned employee insurance coverage cost. Parker advised that the Town pays 100% for the employee and 50% of the dependent coverage.

Kathy Fell 526 Great Oak Circle – Informed the Council of the stormwater problems in Shoreline Woods and suggested that the Council not reduce the tax rate but use the money to fix the stormwater problems.

George Johnson 215 Crooked Gulley Circle – Encouraged the Council not to reduce the tax rate but to plan now for the upcoming projects and control the spending.

Public Comments (Cont.)

Jan Harris 206 North Shore Drive – Questioned if the SB 875 Resolution would be placed on the website, Mayor Watts advised yes. Questioned how much money was included in the 2016/2017 budget for dredging, Mayor Watts advised no money has been included for the dredging project.

Charles Nern 647 Oyster Bay Drive – Suggested that some citizens are against any development or improvements to the Town, encouraged Council not to reduce employee benefits to balance the budget.

Closed Session

COUNCILMAN DEVITA MADE A MOTION TO GO INTO CLOSED SESSION PURSUANT TO NCGS 143-318.11 (a) (6) TO DISCUSS A PERSONNEL MATTER. COUNCILMAN LARKIN SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

The Council met in Closed Session for approximately one hour.

COUNCILMAN DEVITA MADE A MOTION TO RETURN TO OPEN SESSION. COUNCILMAN LARKIN SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

MAYOR PRO-TEM SCOTT MADE A MOTION TO RECONVENE THE OPEN SESSION. COUNCILMAN CERRATO SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

COUNCILMAN CERRATO MADE A MOTION TO APPROVE A \$400 PER MONTH CAR ALLOWANCE FOR THE TOWN ADMINISTRATOR. COUNCILMAN BENTON SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

MAYOR PRO-TEM SCOTT MADE A MOTION TO APPROVE THE ACCOUNTANT POSITION WITH A STARTING SALARY NOT TO EXCEED \$60,000. COUNCILMAN CERRATO SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Adjournment

COUNCILMAN CERRATO MADE A MOTION TO ADJOURN THE MAY 17, 2016 COUNCIL MEETING. COUNCILMAN DEVITA SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Town of Sunset Beach

Ron Watts, Mayor

Submitted by:

Lisa Anglin, Town Clerk

*The May 17, 2016 Minutes were approved by Council during the June 6, 2016 Meeting.