



Town of Southern Shores

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Council Meeting

March 16, 2010

8:00 a.m.- Pitts Center

The Southern Shores Town Council met on March 16, 2010 at the Pitts Center.

The following Council Members were present: Mayor Hal Denny, Mayor pro tem Jodi Hess, Council Members Kevin Stroud, Jim Pfizenmayer and George Kowalski.

Also present were: Chief David Kole, Interim Town Manager, Ben Gallop, Town Attorney and Carrie Gordin, Town Clerk.

Mayor Denny called the meeting to order at 8:00 a.m. and led the Pledge of Allegiance. He held a moment of silence for our troops serving around the world.

APPROVAL OF AGENDA

Mayor Denny moved to amend the agenda to add Budget Amendment #15 to the Consent Agenda; to add under Reports-(A) Planning Board and a (B) Canal Dredging update and (C) Shoreline Management Commission and under New Business remove item A, he stated this item had previously been approved by Council. Council Member Stroud seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye; no Council Member voting no and no Council Member absent.

GENERAL PUBLIC COMMENT

Gray Berryman, 37 Skyline Road, asked Council to give a clear and direct statement opposing the occupancy tax increase as requested by the Town of Nags Head.

APPROVAL OF MINUTES -None

CONSENT AGENDA

Council Member Hess moved to approve Consent Agenda as presented including FY 2009-2010 Budget Amendments 13-15 and approval of the Town's participating annual membership fee of \$1,000 for the Dare County Government Access Channels Committee 2010-2011 Budget. Council Member Stroud seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye; no Council Member voting no and no Council Member absent.

[Clerk's Note: Copies of Budget Amendments #13-15 are hereby attached as Exhibit A-C].

REPORTS

Planning Board

In Nancy Wendt's, Planning Board Chairman, absence Merrie Smith, Executive Assistant, asked upon recommendation from the Planning Board that Council set a public hearing at their April 6, 2010 Council meeting to consider proposed zoning text amendment (ZTA10-01) for height calculations. Mayor Denny moved and hearing no objection set the public hearing as requested for the April 6 Council meeting.

Canal Maintenance Dredging Project

Tom Bennett, Canal Dredge Project Manager, stated the Town needs to start working on Phase II of the dredge project and he would like Council to give him, working with Joe Anlauf and George Wood, the authority to move ahead to begin the search for additional grants and move ahead with Phase II. He stated Byrd Brothers is looking into all the options, including a new spoil site. He reported the North Marina is being cleaned up and hopes to be completed in April. He stated the SSCA has given additional time, to May, if needed to get the site cleaned up. He stated a 30-day notice of extension has been given by a letter to the contractor on the default issue.

Council Member Pfizenmayer stated he thinks the Town needs to make sure Phase I is moving ahead before starting on Phase II. The Project Manager stated we need to only spend minimal amount of resources to work on Phase II getting a permit and hopefully when Phase II starts we can piggy back with Phase I in getting it completed.

Council Member Pfizenmayer asked that an update be placed on the broadcast email.

The Project Manager stated all the pipe is gone and the debris is being cleaned up. The dredge and barge are in Wanchese and next week the site should be stabilized.

Mayor Denny moved to direct the Project Manager to move ahead on Phase II of the permitting process. Council Member Hess seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye; no Council Member voting no and no Council Member absent.

Mayor Denny stated the Town of Nags Head initiated a substantial request of the county for funds to increase the occupancy tax for support of beach nourishment. He stated Nags Head has presented this request to all the towns, the county and to the Shoreline Management Commission.

Council Member Hess reported from attending a most recent meeting of the Shoreline Management Commission and it was learned that the Town of Duck has identified a "hot spot" similar to what Nags Head has with shoreline erosion. She stated the County decides how the money will be distributed. A proposal has been made that would divide the available projected cash (\$24 million) among Duck, Nags Head, Kill Devil Hills and Hatteras. She stated she would like to hear what other ways would be beneficial in saving the ocean front structures; not just by using beach nourishment. She stated the County does not want to go to the legislators with a request for a 1% occupancy tax increase unless all the municipalities support it. She stated the Town of Kitty Hawk may be interested if the Board of Realtors supports the tax increase. She is interested in hearing from our Council members.

Council Pfizenmayer stated no one is in favor of a tax increase and he agrees we need to look into other solutions than beach nourishment to solve the problem. He stated we need to all agree as we are all in this together.

Council Member Stroud stated he is not in favor of the tax increase request but he would like to hear what the realtors and other businesses are saying before he would consider it.

Council Member Kowalski stated he talked to the Nags Head geologist engineer regarding his concepts of shoreline management. He stated once beach nourishment is started it is an on-going process. He stated Nags Head has public beaches and they can get FEMA money if an area is declared a disaster but Southern Shores can't; the taxpayers will have to pay because the beaches are private. He understands the dilemma but he is leaning towards not supporting the request.

Mayor Denny stated it is a quandary and he doesn't know but he would like to see something else done besides pumping sand on the beach. He stated he does not favor Nags Head's request as a way to cover their erosion problem. He recommends this issue be placed on the April 6 agenda for Council to make a decision.

OLD BUSINESS

Town Computer Policy

The Town Manager stated the Computer Use policy was presented to Council at the last meeting and it has been updated to replace the current one page policy. He stated Council asked for additional time to review the amended policy. He stated once the Town's IT program is improved an administrator(s) will be appointed by the new Town Manager.

Mayor Denny supports the policy as written.

Council Member Hess stated she is impressed with the new policy and she moved to direct the Town Manager to move ahead with the computer policy dated February 18, 2010 as presented. Council Member Kowalski seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye; no Council Member voting no and no Council Member absent.

Southern Shores Volunteer Fire Department (SSVFD)-Fire District Status

Mayor Denny stated during last year's negotiations on the SSVFD contract it was discussed that the SSVFD become independent from the Town and the SSVFD would cover the Town and Martin's Point under a County contract. He stated the contract entered into last year had a provision that states during the first year the parties would discuss this issue. He stated Council needs to go on record on how they feel about this issue.

Council Member Hess stated she has had lots of discussions with fire department members and Council; she sees no benefit in doing this. She stated if the county collected the tax the Town would receive less of the shared revenues because the Town's tax rate would be lower. She opposes it.

Council Member Kowalski stated being a member of the fire department for almost eight years and he is pro fire department but he agrees with Council Member Hess. He stated the Town has many expenses coming up with the fixing of roads, canal dredging etc. and will need all the tax money it can get. He sees some validity in being in a fire district but at this time he doesn't agree in becoming a part of a fire district.

Council Member Pfizenmayer stated he agrees with Council Members Hess and Kowalski and from everything he has heard and read the Town should stay as it is.

Council Member Stroud stated he didn't support it a year ago and he hasn't changed his mind. He doesn't see anything positive to this and he does not favor losing shared revenues and does not support it.

Mayor Denny stated he agrees. He is not in favor of losing shared revenues. He stated he strongly supports the fire department. He thinks the Town needs to engage in an annual negotiation with the fire department to discuss the level of service the Town wants to pay for, appropriately equipped with the best men and the best trained in Dare County and to keep it that way. He stated he is not inclined to continue this discussion and to move ahead negotiating with the fire department on the level of service the Town wants.

NEW BUSINESS-None

OTHER ITEMS

Town Manager

The Town Manager asked Bonnie Swain, Finance Officer, to provide information on amending the Town's Retirement Insurance Policy.

The Finance Officer stated the policy was amended in November 2007. She stated the state is now mandating that an annual Other Post Employment Benefits, (OPEB) retiree benefits, actuarial study be done with a certain amount of money to be put in the budget. She stated she is asking Council to clarify Part B of the policy by stating the retiree benefits are to stop after the age of 65 or to continue until death. She stated upon review of other towns every one is different, it is strictly Council's decision. She recommended Council pay until the person is Medicare eligible or at 65 of age. This item will be placed on the April 6 agenda.

The Town Manager continued his report by stating that Old Passage has been engineered and a cost for the improvements will be added to the Poteskeet Trail Road project.

Other items he reported on:

- The May Council meeting needs to be changed to Wednesday May 5 due to primary elections.
- The H/VAC project is on-going and the Pitts Center has been completed.
- The sand fencing project will begin soon.
- The Crepe Myrtle trees will be removed by the power company and the Town is no longer involved.
- He is working with the department heads on the proposed budget.
- He has asked Merrie Smith, Executive Assistant, to begin working on the Town's Emergency Plan updates for 2010.
- Received Tall Pine Bridge repair cost from NCDOT and he will bring recommendation to Council at next meeting.
- He and Deputy Fire Chief Shrader are the lead personnel on the 800 MHz radios for the County.

Town Attorney – None

Mayor

Mayor Denny stated negotiations will be held with the fire department regarding their request to increase their budget from .02 cents to .03 cents. Mayor Denny stated in the contract it reads Council may accept, modify or decline the increase request no later than April 1 but Council, at this point, are not far enough along in the contract negotiations to act on this and the next Council meeting is after April 1.

He would recommend that Council formally decline this request while negotiations are being made on next year's budget.

Mayor Denny moved to formally decline the fire department's increase request for .03 cents on their budget while we continue to negotiate the budget. Council Member Hess seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye; no Council Member voting no and no Council Member absent.

Council

Council Member Kowalski thanked the Town Manager and staff for the improvements to the Pitts Center by moving the light switch and changing out the H/VAC units. He stated he as well as the other Council Members attended the School of Government/NC League of Municipalities classes which he enjoyed. He stated he would share two things he found interesting regarding public records especially dealing with emails. He feels Council should have Southern Shores email addresses so the emails (@southernshores.gov) would be stored to meet the Sunshine Laws and if Council members send each other emails and reply to all it is considered a meeting.

The Executive Assistant stated she recently attended a workshop on this issue and email relating to town business on your personal computer is public record. It would be an easy way to separate your emails by being on the Town's server.

Town Attorney addressed the comments by saying all Council emails are public record and the benefit is the public records would be stored on the Town server. He stated Council is responsible for not losing public records. He stated a server can be designated as the Town email server to keep all emails.

Mayor Denny stated this issue be placed on the April 6 agenda for further discussion.

Council Member Pfizenmayer asked about the status of the parking permits. The Town Manager stated he would be interested in pursuing this. Mayor Denny stated Council Member Pfizenmayer and the Town Manager continue to work on this.

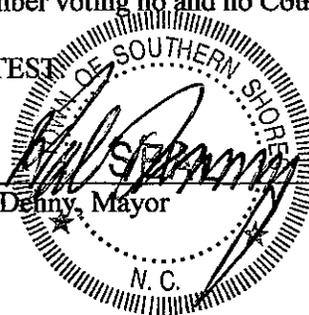
PUBLIC COMMENT

Bob Palombo, representing the Build the Bridge-Preserve Our Roads Committee reported the Turnpike Authority has approved the draft environmental impact report and public hearings will be set up and the bridge is still on schedule.

Ed Weam, 245 Ocean Boulevard, stated he recently attended the Planning Board meeting and now this Council meeting and he is impressed with the way the boards conducted the meetings. He thanked Council for their efforts.

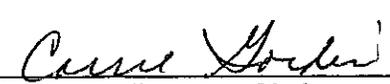
Hearing no other business Mayor Denny moved to adjourn at 9:35 a.m. Council Member Hess seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye; no Council Member voting no and no Council Member absent.

ATTEST



Hal Denny, Mayor

Respectfully submitted:



Carrie Gordin, Town Clerk

Exhibit A

**Town of Southern Shores
Budget Amendment Number # 13**

**Public Works
Increases**

Decreases

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
40-39909	<u>Revenues</u> Undesignated FB	\$15,615.00			
59-50927	<u>Expenditures</u> Town Bldg. Maintenance	\$15,615			

Explanation: To cover the costs of installation of poles and lights for parking lot at Town Hall/Pitts Center

Recommended By:

Approved By:

David Kole, Interim Town Manager

Hal Denny, Mayor

Date

Exhibit B

Budget Amendment Number # 14

**Administration
Increases**

Decreases

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
	Revenues				
40-39909	Undesignated FB	\$10,000.00			
	Expenditures				
42-50124	Computer Services	\$10,000.00			

Explanation: To cover the cost of upgrading the Police Dept. computers and server

Recommended By:

Approved By:

David Kole, Interim Town Manager

Hal Denny, Mayor

Date

**Town of Southern Shores
Budget Amendment Number # 15**

**Public Works
Increases**

Decreases

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
	<u>Revenues</u>				
40-39909	Undesignated FB	\$14,500.00			
	<u>Expenditures</u>				
59-50927	Town Bldg. Maintenance	\$14,500.00			

Explanation: Mold remediation and replace insulation at Town Hall, PD and Pitts Center

Recommended By:

David Kole, Interim Town Manager

Approved By:

Hal Denny, Mayor

Date