

**Town of Pine Knoll Shores Board of Commissioners**  
**Regular Monthly Meeting**  
**March 9, 2016**  
**6:00 PM**

**Call to Order and Pledge of Allegiance**

Mayor Ken Jones called the March 9, 2016, Regular Monthly Meeting of the Pine Knoll Shores Board of Commissioners to order at 6 PM and led the Pledge of Allegiance. Also present for the meeting were Commissioners John Brodman, Clark Edwards, Fred Fulcher, Larry Corsello, and Ted Goetzinger; Town Manager Brian Kramer; Town Clerk Scott Sherrill; Fire Chief Jason Baker; Police Chief Ryan Thompson; Attorney Neil Whitford; Public Services Director Sonny Cunningham; Deputy Town Clerk Sarah Williams; Building Inspector Jim Taylor; and 5 members of the public.

**Agenda**

The agenda was approved on a motion by Commissioner Edwards with a second by Commissioner Fulcher that passed unanimously.

**Disclosures and Conflicts of Interest**

Commissioner Fulcher stated that he would not vote if there were any discussion of the AMI project.

**Announcements**

Mayor Jones announced that the next Board meeting will be March 23; Town Hall will be closed on March 25; the Town Easter Egg Hunt will be March 26 at 10 AM at Garner Park, and the Pine Knoll Shores History display will open at the History Museum of Carteret County on March 11.

**Public Comment**

No members of the public wished to comment.

**Presentations**

**Resolution Naming the Public Beach Access at 511 Salter Path Rd. in Memory of Dr. Ed Erickson.** After Mayor Jones read it, the Board adopted the Resolution Naming the Public Beach Access at 511 Salter Path Rd. in Memory of Dr. Ed Erickson on a motion by Commissioner Edwards with a second by Commissioner Brodman that passed unanimously. Commissioner Edwards requested that the letter of the beach access be identified in the resolution.

**Police Officer of the Year**

Captain Nakamura and Chief Thompson recognized Officer Matthew Drake as the Police Officer of the Year for being a go-getter out in the community and an active practitioner of community policing.

**Consent Agenda**

The Consent Agenda, consisting of the Minutes from January 13, 2016, the Minutes from February 4-5, 2016, Tax Discoveries and Releases, a Surplus Property Resolution for a 1999 Mazda Truck, and the Town's Audit Contract, was approved on a motion by Commissioner Brodman with a second by Commissioner Fulcher that passed unanimously.

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#### **Town Manager's Report**

*Smart Meter Installation:* Town Manager Kramer informed the Board that he has been reporting monthly installation numbers, but he stated that he might be a better indicator if he provided the Board with the number of meters that are programmed. He informed the Board that 1,055 meters have been programmed. He informed the Board that the Town received the first set of alarm reports, and showed the Board a map of selected leaks. He informed the Board that this fall, the Town will be looking at doing retrofits of 32 compound meters at multi-family units because the units were installed over the past 4-5 years.

*Commissioner Corsello* inquired about broken pipe alarms, and *Public Services Director Cunningham* stated that there have been five, but the system is identifying any type of leak that lasts more than 24 hours. *Commissioner Edwards* inquired about the geography of leaks and the absence of leaks in particular areas.

*Beacon's Reach Public Beach Access Repair:* Town Manager Kramer briefed the Board that Boulia was the selected bidder for the Beacon's Reach Access repair. He stated that they bid \$28,400 for labor only, and the Town is purchasing the material such that the total project cost should come in a little under \$56,000. He stated that the completion deadline date is April 15.

*Municipal Services District Subcommittee:* Town Manager Kramer briefed the Board that the meeting scheduled for March 9 was cancelled on March 8. He stated that the Town corresponded with Representative McElraft about approaching the co-chairs of the committee, and the Town will send a letter to Senator Trudy Wade and Representative Ted Davis. He informed the Board that no members of the subcommittee represented communities that use municipal service district funds for beach renourishment.

*Solid Waste Collection RFP:* Town Manager Kramer informed the Board that there was a pre-bid meeting for the Town's Solid Waste Collection contract on February 26, which was attended by Waste Industries and GDS/Republic. He informed the Board that Waste Management will not submit a bid, but he anticipated bids from Waste Industries and GDS/Republic. He stated that the Town requested bids for solid waste, recycling, bulk waste, white goods, and to break down the quotes to make them easy to compare. He stated that the bid deadline is March 18 at 3 PM, and the Town will award the contract no later than April 13.

*Regional Water System Meeting:* Town Manager Kramer briefed the Board that he, Commissioner Fulcher, and Deputy Clerk Williams met on March 2 with Bogue Banks Water, Western Carteret, Carteret County, Atlantic Beach, and Morehead City. Beaufort and Newport were not able to make the meeting. He stated that the City of Jacksonville Public Works Director briefed the group on the regional water system group in Onslow County comprised of the City of Jacksonville, Lejeune, and ONWASA. He informed the Board that the discussion in the meeting centered on the fact that all of the Carteret County systems are drawing from the same aquifer, and there's nothing in place to evaluate the effect that neighbors' pumping patterns have on each other. He stated that the group concluded that it is a good idea to continue talking. He stated that with the assistance of ECU, the group will map the well locations, collect info on land surface elevations, screen intervals, and a lot of other production well information.

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*Code Enforcement:* Town Manager Kramer briefed the Board that an individual on Loblolly improperly removed a tree, and the homeowner has appealed to the Board of Commissioners. Town Manager Kramer briefed the Board that the property owner on the oceanfront with the boat in the dunes has partially disassembled the boat to reduce likelihood of damage, but Town Manager Kramer has stated that the owner could leave the boat on the soft sand portion of the beach during the summer at the property owner's risk.

*Commissioner Corsello* recommended looking at Emerald Isle's regulations regarding clearing the beach overnight. *Commissioner Edwards* recommended making contact with the major HOAs to identify conflicts.

*Road Maintenance Plan:* Town Manager Kramer briefed the Board that he, Commissioner Edwards, and Deputy Clerk Williams have met with Kyle Shepherd with Stillwater Engineering, who has worked for Leland, Bolivia, and Holden Beach, and Mr. Shepherd recommended doing a windshield tour instead of physical sampling of the roads. Town Manager Kramer stated that the windshield tour could be done in 30-60 days, and considering usage, he could provide a practical road maintenance plan. Town Manager Kramer reported that he asked Mr. Shepherd to provide the road maintenance plan to the Town by the General Fund budget meeting on March 23.

*History Committee Expenditures:* Town Manager Kramer reported that the History Committee spent \$4,091 mostly on graphics in conjunction with the display at the History Museum of Carteret County.

*Intern:* Town Manager Kramer reported that the summer intern attended the Mayor's Dinner on February 27 in Cary. He stated that the intern is looking for housing, and he informed the Board that he will probably send out an email with the intern's picture.

*Diesel Tank:* Town Manager Kramer informed the Board that the diesel tank at Town Hall is leaking. He stated that the Public Services Department and Davis removed all of the diesel, and Public Services Director Cunningham is looking into replacing the tank prior to the end of the fiscal year.

**Staff Reports**

*Assistant Town Manager/Finance Officer Anderson* reported that 99.3% of the regular ad valorem tax levy in addition to 99% of the beach tax. She reported that there were no prior year taxes left to collect. She reported that she had given the auditor a hard time due to the annual CPI increase, but there was no increase in this year's approved contract. However, Assistant Town Manager/Finance Officer Anderson reported that the state has randomly selected Pine Knoll Shores to conduct a separate audit of the pension system, so the Town will have to pay \$5,000 for the additional audit. She stated that the Board will have to prove another contract for the pension audit.

*Commissioner Edwards* recommended sending a letter to express the Town's concern about having to pay for an unfunded mandate to audit the State's pension system.

*Town Clerk/Planning Administrator Sherrill* reported that there is a printed update on his activities in the agenda packet. He informed the Board that he anticipated the release of transportation project quantitative scores on March 31, but that the RPO would be getting together prior to the release to discuss local input

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point methodologies. He reported that he has been discussing commercial signs in residential districts with Attorney Whitford. He reported that he has made progress on gathering digital photos for the Visual Preferences Survey. He reported that the April Strategic Planning Committee meeting will focus on water quality. He also reported that the Town is trying to get the video camera back up and running in response to feedback from Commissioner Corsello.

*Commissioner Edwards* stated that he attempted to look at the February 17 meeting on the stormwater issue, and expressed concern about the microphone issue.

*Attorney Whitford* followed up on Town Clerk/Planning Administrator Sherrill's report on the sign ordinance. He emphasized the question about regulating commercial signs in the residential zoning district. He informed the Board that he and Town Clerk/Planning Administrator Sherrill were receiving conflicting guidance from academics, so it may not be totally clear what the municipality is able to do when the ordinance arrives to the Board of Commissioners.

*Commissioner Edwards* asked for clarification on the sidewalk timeline. *Town Clerk/Planning Administrator Sherrill* clarified that March 31 is the release date for the quantitative scores; *Commissioner Edwards* expressed interest in speeding up the process between Mimosa and Arborvitae, even if the Town has to pay for it. The Board will wait to see how the projects score at the end of March.

*Building Inspector Taylor* provided an update on inspections for the end of February. He stated that his department issued a total of 75 permits with an estimated construction cost of \$640,000. The permits brought in a total of \$5,950 in permit fees. He informed the Board that the State Building Code Council has amended the 2014 National Electric Code for the State, and the update will be effective on April 1. He reported that the contractor intends to start the demolition on the 587 Forest Drive access site on March 10, and then after the demolition and construction are complete at one access, to proceed to demolition and construction of the second access. He reported that he has been tasked to provide a quote for providing a replacement for roof coverings on the building, and the quote to remove the existing roof shingles and install architectural shingles came in at \$46,000. To remove the roof and install a metal one would be \$123,000. Building Inspector Taylor stated that the asphalt shingles would last 25-30 years. He reported that it appears there is some life left in the existing roof.

*Commissioner Corsello* inquired about the updates to the electrical code, and *Building Inspector Taylor* stated that the building council backed off some of the requirements that would have driven up costs of construction.

*Public Services Director Cunningham* reported that the sand fence repairs have been completed and the fertilizer has been ordered for the beach grass. He reported that 1,360 meters have been installed, and 1,075 have been programmed. He reported that even those that have not been programmed are capable of detecting leaks. He reported that there are 300 more meters to install.

*Fire Chief Baker* reported that he has hired a new paramedic, JT Demauro, so the Town now has one paramedic per shift.

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*Police Chief Thompson* reported that he is looking to do a bicycle safety course and is exploring a couple of dates. He also suggested that pedestrians be careful and vigilant at crosswalks.

*Commissioner Edwards* asked if there had many reports on the IRS phone scam; *Police Chief Thompson* responded that the Town has received fewer reports, probably due to public education about the scam.

*Deputy Clerk Williams* reported that there will be a virtual dementia tour on March 24 at Town Hall.

**Unfinished Business**

**2016 Annual Agenda and Commissioner Reports**

*Mayor Jones* noted that regarding community availability, he and Town Manager Kramer held the Dinner with the Mayor in Cary. Mayor Jones also stated that he would continue engaging with other towns about the sharing of services.

**Indian Beach Tax Collection Agreement**

After discussion, the Indian Beach Tax Collection Memorandum of Agreement was approved unanimously on a motion by Goetzinger with a second by Commissioner Brodman.

**Water Asset Management Resolution**

The resolution was approved on a motion by Commissioner Edwards with a second by Commissioner Goetzinger that passed unanimously.

**New Business**

**Approved Grade/Building Height Ordinance**

Commissioner Brodman made a motion to call for a public hearing on the ordinance on April 13; Commissioner Goetzinger made the second, and the motion passed unanimously.

**Tree Diameter Ordinance**

Commissioner Goetzinger made a motion to call for a public hearing on the Tree Diameter Ordinance at the April 13 meeting; Commissioner Fulcher made the second, and the motion passed unanimously.

**Agenda Items for Next Meeting**

The next meeting will focus on the General Fund for the FY2016-2017 budget.

**Public Comment #2**

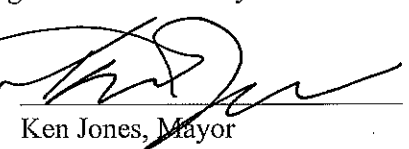
No members of the public wished to comment.

**Adjournment**

The Board adjourned at 7:22 PM on a motion by Commissioner Goetzinger with a second by Commissioner Fulcher that passed unanimously.

  
Scott Sherrill, Clerk



  
Ken Jones, Mayor

## **Town Manager Report March 2016**

### **Smart Meter Installation-**

- Sonny -brief on the meter installation numbers
- We have been reporting meter installation numbers to you. A better indication: meters programmed. 1,055 as of 7 March 2016
- Sheets---first group of alarm reports from CCEMC.
  - Hopefully can start tracking trends
  - 151 Loblolly---320 GPH
  - Could have been 460,800 if discovered after 60 days
- Compound meter retrofits---Fall

### **Beacons Reach Access Repair (FY 16 CIP)**

- Pre-bid---25 Feb-- five contractors
- 2 bids recv'd---Boulia selected
- \$28,400 (Boulia) + \$27K (material)
- Budget: \$58K
- Completion: 15 April

### **MSD study Committee at NCGA**

- Committee meeting scheduled for yesterday---canceled
- We corresponded w/ Pat M about approaching the 2 legislators who have called for this study
- To that end---Mayor letter

Sen Trudy Wade---Guilford County, Greensboro, Representative Ted Davis, Jr.---New Hanover County, Wilmington

On behalf of the citizens of Pine Knoll Shores I would like to share with you our position in regard to your study on Municipal Service Districts. Although I understand that you have concerns with special tax districts, allow me to explain why tax districts are critical to the Town of Pine Knoll Shores.

This town established special tax districts for the purpose of beach nourishment years ago. We simply have an oceanfront tax district and a non-oceanfront tax district with the oceanfront owners paying a slightly higher tax rate than those not on the ocean. Oceanfront homes, whose property abuts the beach, receive increased property protection by the town's efforts to nourish the beach after a hurricane or natural erosion. Inland owners, or non-oceanfront property owners, receive a similar benefit of "property value protection" but not to the same extent.

Pine Knoll Shores is predominantly a second homeowner community in that 73% of our property owners live elsewhere full time. If the resulting legislation, as previously proposed, allows for a petition by a set percentage of registered voters

3/9/2016

5:36:30 PM

in any given district, then the gross majority of our property owners will have no voice in the protection of their own homes. I am sure you can understand how that would be an unacceptable consequence.

It seems that N.C.G.S. 160A-542 may provide a safe haven for municipal tax districts of the beach erosion variety in its reference to N.C.G.S. 160A-491, however, if the abolishment referendum removes the authority to tax under 160A-542 within that district, will it take the 160A-491 authority with it? If not careful, beach erosion tax districts can become an unintended victim of such legislation.

As Mayor of the Town of Pine Knoll Shores, I implore you to uphold the authority of establishing Municipal Service Districts for the purpose of beach erosion control as it is the key to the preservation of this state's stunning coastline. As always I am willing to meet with any and all members of the Committee and will follow up with you both on this matter in the coming weeks.

### **Pre-Bid Meeting**

- Held on 26 Feb
- 2: Waste Industries and GDS/Republic.
- RFP's were also sent to Waste Mgmt and S&S
- Requested:

The Town shall receive a total of three (3) proposals for this service request. Each proposal shall be provided as a cost per site submittal or as otherwise indicated on the proposal form:

1. A proposal to provide the following services as outlined later in the specifications:

- a. **Residential solid waste, recycling, bi-annual bulk waste and white goods collection and disposal service**

2. A proposal to provide the following services as outlined later in the specifications:

- a. **Commercial solid waste collection and disposal and Commercial recycling service**

3. A proposal to provide the following services as outlined later in the specifications:

- a. **Commercial and Debris (C&D) disposal service**

- Bid deadline---18 Mar, 3PM
- Award nlt 13 april
- Contract commences 1 July

### **Regional Water System Meeting**

- Fred, sarah, and I met with BB Water, Western Cart, Carteret Cty, AB & MHC on 2 March
- Also: City of Jacksonville PSD----briefed us on the regional water system group in Onslow County
- Discussion centered on this issue: we are all drawing from the same Aquifer, and we have nothing in place to determine what effect neighbors could have

on us. This is especially the case with respect to the lack of knowledge of the production wells spread throughout the 8 systems in the County

- We recv'd word from all parties present that they believed that continuing to discuss this would be useful.
- With the assistance of ECU we will:
  - Attend the next J-ville/Onslow meeting
  - Collect the following on the production wells of all 8 systems;
    - Land surface elevation at each wellhead measuring point
    - Original data for each well from time of testing of original wells, including: well construction records, original specific capacity, well diameter, screened interval(s) by depth, any aquifer test data (drawdown vs time at what pumping rate in GPM), original chemical test data, and perhaps of greatest significance, any Geophysical Logs such as gamma, spontaneous potential, and electrical resistivity. Were any monitoring or test wells constructed during the process of initial production well testing?
    - Data related to current use of production wells such as current specific capacity, pumping rates, static water levels, and information related to changes in water chemistry.
    - Maps of locations of treatment plants and well locations.
    - Any information on how one production well impacts the water level in other nearby wells.
    - Status of any points of interconnection
    - Raw and finished water Hydraulic Models.

### **Two enforcement issues**

- Improper tree removal on Loblolly
  - Homeowner has appealed to BOC
  - Attorney rec: treat this as a quasi-judicial hearing as we did with Genesis
  - Mayor: special meeting
- Boat on the Beach
  - Boat owner has partially disassembled it
  - We will move it off the beach soon
  - In the summer, he may choose to leave it on the soft sand



### oad Maint Plan

- Met with Kyle Shephard, a P.E. (Stillwater Engineering) on 2 March
- He has done work for Leland, Bolivia, and Holden Beach
- He believes a windshield tour is the best option for PKS
  - Ride
  - Classify by street
  - Consider usage
- Could be done for us in 30-60 days
- Will give me a proposal in time for our budget meeting on 23 March

### Quick updates

- History Committee expenditures
  - \$4091
  - Mainly graphics
- Intern
  - Met him on 27 Feb at Mayor's dinner in Cary
  - Housing
- Diesel tank Leak
  - not leaking onto the deck,
- Main tank surrounded by an outside shell....diesel in between these 2 layers.