



CAROLINA BEACH
TOWN COUNCIL MEETING
MINUTES • MAY 2, 2017

Council Chambers

Budget Workshop

9:00 AM

1121 N. LAKE PARK BLVD.
CAROLINA BEACH, NC 28428

I. CALL TO ORDER

Attendee Name	Title	Status	Arrived
Dan Wilcox	Mayor	Present	
LeAnn Pierce	Mayor Pro Tem	Late	9:15 AM
Steve Shuttleworth	Council Member	Late	9:08 AM
Tom Bridges	Council Member	Present	
Gary Doetsch	Council Member	Present	
Michael Cramer	Town Manager	Present	
Ed Parvin	Assistant Town Manager	Present	
Debbie Hall	Finance Director	Present	
Kim Ward	Town Clerk	Present	

II. OPERATIONS BUDGET PRESENTATION

Mr. Cramer gave an update on the marina. FEMA is allotting \$550,000 +/- . We have a loan for \$520,000. They pay on reimbursement at 75% each time we request. At close out we get the final 25%. This will help complete the west side in the fall. This will extended our revenue by twice as much. The close out process could take 3- 6 months.

Gil DuBois presented the budget for all divisions of the Operations Department.

The total request for the Environmental Department is \$3,412,648 which is a 13% increase.

The total request for Public Works Administration is \$180,873 which is a 56% increase. That includes replacing vehicle #401, the EWECO contract and boardwalk landscaping.

The total request for the General Fleet budget is \$313,915 which is a 5% increase.

The total request for Beach Maintenance is \$585,000 which is a 7% decrease.

Council Member Shuttleworth asked about the Coastal Storm Damage Reduction line item at \$350,000 and if there should be a cap. Mr. Cramer said that we have about \$1 million in balance at the present time. Council Member Shuttleworth reminded Council that they have never set a cap on what they wanted to set aside. At the end of this year, we will have \$1,350,000. Do we need to take it to \$1,700,000 or raise property tax? Council Member Doetsch said that he agrees with setting a cap at some point. Mr. Cramer reminded Council that the Interlocal Agreement with the County states that Carolina Beach would have to come up with 17% which is \$1,400,000. You would want to be able to cover that.

Mr. Cramer reviewed the changes and cuts that he recommended. He recommended cutting \$457,510 of expenses/requests from the Operations budget.

The request for the Utility Fund Debt Service is \$1,940,595. This is a 25% decrease. The current debt includes: the AMI Project, vactor truck, 2 back hoes, Wilmington Beach Pond, Lake Park Sewer, and the I&I loan.

The Water and Sewer Administration budget request is \$1,135,310. This is a 1% decrease. This includes a transfer from the General Fund from FY15/16 and the Aclara Software maintenance contract.

The Wastewater Treatment Plant request is \$851,503. This is a 3% increase. This includes Lewis Farms, slurry removal from the EQ basin, facility design/survey, and a new digester design.

Council Member Doetsch asked about the potential for adding a lab at the Wastewater Treatment Plant. Mr. Cramer replied that it is possible and it would probably not need to be in this Fiscal Year.

The Wastewater Collection budget request is \$1,464,324. This is 3% increase. This includes a jetter and trailer, cut off and concrete saws, additional taps, infrastructure supplies, and pump replacements.

The Water Distribution budget request is \$1,258,779. This is a 2% decrease. This includes replacing Well House #2.

Council Member Doetsch asked if we are going to need a new water tank. Mr. DuBois replied that it is one of the most critical items we need but it will cost around \$3 million plus the lease of land.

Council Member Doetsch asked if we had a water tank fail, how long would it take to get one in place. Mr. Cramer mentioned that the fund balance in the utility fund is there for emergency situations. We could use those funds and then we would get loans to reimburse ourselves. It would take about 6 months to construct the tank.

Mayor Wilcox mentioned that the property at Advanced Heating and Air may be interested in selling that property. Mr. Cramer said that they would probably be talking with them soon.

The Utility Fleet Maintenance budget request is \$223,000. This is a 7% increase. This includes maintenance and repair of vehicles and equipment.

The stormwater budget request is \$1,383,322 which is a 45% increase. This includes new valves on Canal, replacing vehicle #433, Greenville and 4th Project, Charlotte Avenue Project, backhoe bucket, backhoe suspension, fuel trailer and vactor truck. The manager recommended cutting the vactor truck out of the budget at \$347,750. Currently, the Town can operate with what we have. The stormwater projects that have happened over the last 18 months have helped substantially.

The total Utility Fund request from the department head is \$8,256,450 and with the manager's reductions it is \$8,015,385 which is a 12% increase.

Mr. Cramer mentioned that this budget does not include adding any employees in the operations department.

The next meeting will cover rates and fees and what staff has changed over the last month. Council will have the opportunity to vote on the fees at the next Council

meeting. Staff has been working on development fees. We looked at how other communities handle their development fees. We are trying to make that easier to manage and easier for the developers to understand. It is currently too complicated.

Council Member Doetsch asked if we could stretch the fees out so the last fee is due just before they are issued their certificate of occupancy.

Mr. Cramer explained the process but said that it is a possibility.

III. NON-AGENDA ITEMS

Mayor Wilcox asked what the process is for requesting street lights and reporting outages. Mr. Cramer said we are the go between to Duke Energy. We send the request and they evaluate and prioritize it. We usually have to go back to Duke to request a follow up. Council Member Doetsch said a specific concern is on Rocky Mount Avenue and it already has a pole so it would not be a difficult install. Mr. Cramer said that the Town really does not have a lot of say in the timeline or priorities of Duke Energy.

Mayor Wilcox asked for a status on the Park Ranger. Mr. Cramer said that David Gale started yesterday and is working with Officer Sacewicz for training. He will be introduced at the May 9th Council meeting.

Mayor Wilcox asked if we are giving warnings regarding dogs on the beach. Mr. Cramer said that we gave warnings for about a month. There is also a discretionary piece to it if they do what the officer asked. Mayor Wilcox said we have two elements; locals should know the rules by now but visitors may need a warning if they are not in an area that has signage. Mr. Cramer said that we have all the signage in place but the problem is we cannot post signs on private property. Eric Jelinski is working on some pamphlets to give to property managers. Mayor Wilcox recommended to email it to the property managers for them to print. MPT Pierce said this may be a good task for the Marketing Committee.

Council Member Bridges mentioned that there was a branch in front of the word "NO" on the variable message sign that said "No dogs on the beach". He also asked for clarification on what areas are considered boardwalk. Mr. Cramer said there is the boardwalk district which includes the concrete and wooden portions where the businesses are.

Mayor Wilcox recommended designating a pathway for dog owners to cross over the boardwalk to the beach.

Council Member Doetsch asked about including dog restrictions in the entire Central Business District. Mayor Wilcox replied that once you get past Canal, it is less congested and doesn't feel a need to extend the area.

Mayor Wilcox mentioned that we may need to add no golf carts or scooters on the boardwalk to the current signage. There have been golf carts driving on the boardwalk stating they are handicap. Mr. Cramer said that the signs state no motorized vehicles on the boardwalk.

MPT Pierce mentioned that we may have an issue in that some people may not be able to afford a \$250 citation.

Mayor Wilcox asked what the Town's ability is to collect unpaid fines. Mr. Cramer said we can go to debt collections and sometimes you will not be able to collect.

Mayor Wilcox recommended a de-escalation process if you pay within so many days. The

fine is \$250 but if you pay within a certain amount of time, you can pay \$150.

Council Member Doetsch said that was not the purpose behind the penalty.

Council Member Bridges reminded Council that they voted on this amount and said we need to go through a season first.

Mr. Cramer said the police chief has the discretion to lessen the amount during the appeal process.

Mayor Wilcox asked about skateboards and bicycle penalties and was concerned about the fine only being \$10 for a skateboard violation.

Mr. Cramer said that these fines will be presented during the rates and fees portion of the budget meetings.

IV. ADJOURN

Meeting adjourned at 10:30 am.

Kimberlee Ward, Town Clerk

Date Approved