



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, OCTOBER 28, 2008**

The Board of Commissioners of the Town of Holden Beach met for a Regular Meeting on Tuesday, October 28, 2008 at 7:00 p.m. in the Holden Beach Chapel Fellowship Hall. Present were Mayor J. Alan Holden; Mayor Pro Tem Sandy Miller; Commissioners Ray Lehr, Don Glander, Ken Kyser and Gary Staley; Town Manager David W. Hewett; Town Clerk Heather Finnell; Planning & Inspections Director Jason Walker; Public Works Director Chris Clemmons; and Town Attorney Mac Tyson.

Mayor Holden presented the invocation and then called the meeting to order.

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

Motion by Mayor Pro Tem Miller to move the portion of the Executive Session to Discuss Holden Beach Harbor to after the minutes are approved and then add a Discussion of the Veteran's Day Meeting; passed by unanimous vote.

APPROVAL OF MINUTES

Motion by Mayor Pro Tem Miller to approve the minutes of the Regular Meeting of October 14, 2008 as written; second by Commissioner Kyser; approved by unanimous vote.

EXECUTIVE SESSION TO DISCUSS HOLDEN BEACH HARBOR DREDGING PURSUANT TO NORTH CAROLINA GENERAL STATUTE 143-318.11(A)(3)

Motion by Mayor Pro Tem Miller to go into Executive Session at 7:01 p.m.; second by Commissioner Kyser; approved by unanimous vote.

OPEN SESSION

The Board went back into Open Session at 7:10 p.m. Mayor Holden explained that the Town paid \$194,000 to the dredger. The Town has met with and verbalized our position with the bonding company. An agreement has been made and the bonding company has issued a check for \$100,000.

Motion by Mayor Pro Tem Miller to officially accept the agreement and to move forward with the legal documents; second by Commissioner Lehr; approved by unanimous vote.

DISCUSSION OF THE VETERAN'S DAY MEETING

Mayor Holden explained that there is a scheduled regular town meeting on Veteran's Day and they have been asked to reconsider the date of the meeting. The Board discussed if there was a need to hold the meeting at that time.

Motion by Commissioner Lehr to cancel the Regular Meeting scheduled for November 11, 2008 and if a meeting is needed, schedule a Special Meeting; second by Commissioner Staley; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

No comments were made.

REQUEST BY THE HOLDEN BEACH MERCHANTS ASSOCIATION TO DISCUSS THE POSSIBILITY OF BILLBOARDS TO BE LOCATED ON HIGHWAY 17

Ron Champion, VP of the Merchants Association thanked the Town for their support over the past few years. He explained that several meetings ago, one of their members suggested having a billboard on Highway 17 to promote the Town. It has been suggested that occupancy tax be used to fund this endeavor. The Merchants Association requested that the Town investigate the availability and cost of having a billboard(s) to direct more people to the island. Commissioner Glander asked if the Merchants have investigated locations and expenses. Mr. Champion replied no. Mayor Pro Tem Miller asked if they could do that and report back to the Board. Mayor Holden asked them to work with Town Staff. Commissioner Staley said it would be nice if we can find other municipalities that are doing that and get their feedback on how effective billboards are. The Board came to a consensus to have the Merchants Association work with Town Staff to look into the availability and cost of a billboard(s).

DISCUSSION AND POSSIBLE ACTION ON LOW BID AND DISCUSSION AND POSSIBLE ACTION ON AWARDING OF CONTRACT TO THE LOW BIDDER FOR THE HOLDEN BEACH MAINTENANCE DREDGING PROJECT

Town Manager Hewett explained that the Town held a bid opening for the dredging project on October 16th. There were three apparent responsive bids. The low of which was \$471,060 from Rowboat Dock and Dredge. The next highest bid was C. M. Mitchell at \$615,846. Marcol was the high bidder at \$695,340. Right Angle Engineering's bid tabulation sheet and their opinion on the apparent low bidder is included for the Board's review. They recommended that the Board make the award to Rowboat Dock and Dredge. The Town does not have the consent agreements with the property owners that own the spoil islands. The Board can vote and make it contingent on the Town obtaining the consent agreements and the permits. The consent agreement debate is expressed in Mr. Roberts' and Mr. Griffin's letter. Town Manager Hewett explained that their position is that they are in the position of seeking recompense for use of the property. Mayor Holden explained that the consent agreement has expired, so we have to get a new one. Commissioner Glander asked if we looked into the dredger sufficiently that we are confident that they will do the job. Town Manager Hewett explained that Howard Varnam, who recently retired from the Corps, speaks well of Rowboat and has specific experience working with them while he was working for the Corps. Commissioner Staley asked how the Board would discuss potential stipulations by the property owners regarding the spoil site. The Board discussed having a special meeting. Commissioner Lehr stated that it concerned him that no subcontracting would be allowed by the wording of the contract. The Board discussed if there was cause for concern since the bid from Rowboat came in so much lower than the other bids. Mayor Holden asked if there is a fuel clause in the contract. Town Manager Hewett replied no. Town Manager Hewett will make contact with Holden Beach Enterprises regarding the spoil islands.

Motion by Commissioner Kyser to approve the low bid with the provision that all permits, consents and documents are signed and approved by the Board before the Town signs the final contract; second by Commissioner Lehr; approved by unanimous vote.

DISCUSSION AND POSSIBLE APPROVAL OF RESOLUTION 08-27, DESIGNATION OF APPLICANT'S AGENT AND OF STATE- APPLICANT DISASTER ASSISTANCE AGREEMENT

Town Manager Hewett stated that someone has to be the person responsible to be the designated agent to fill the forms out for the FEMA reimbursement. This document names the Town Manager and Clerk as the agents. The next document is the actual agreement that lays out what the Town needs to do to obtain the money.

Motion by Commissioner Glander to approve Resolution 08-27, Designation of Applicant's Agent and the State-Applicant Disaster Assistance Agreement; second by Commissioner Lehr; approved by unanimous vote.

DISCUSSION AND POSSIBLE NOMINATIONS OF MEMBERS TO FILL EXPIRED TERMS ON THE COASTAL RESOURCES COMMISSION

Motion by Commissioner Glander to agree with Dara of the BBC to re-elect Frank Rush and J. Michael Moore and to elect Tracy Skrabal; second by Commissioner Staley.

Mayor Holden stated that he assumes these people are in harmony with the Town's position of current issues. Mayor Pro Tem Miller stated that the two that are being reappointed have the same ideas. Town Manager Hewett advised the Board of his past experience with Ms. Skrabal.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE APPROVAL OF THE IMPLEMENTATION OF THE "OLDEN" HOLDEN BIKE TOUR

John Lytvinenko explained that the Bike Task Force researched numerous NC counties and Towns and found that many are exploring bike friendly initiatives. He gave information on local towns and counties and provided background information on the research they conducted. Mr. Lytvinenko explained the process the Task Force went through to come up with the proposed brochure. Carol Byrnside and Becky Reinhart developed the bike routes. They are calling it the "Olden" Holden Bike Tour. He showed information on the three different routes. Carol Byrnside explained that they researched the types of signs needed and potential locations for them. They are recommending stencils on the street. They identified 23 points of interest. Canal Drive is the only street on the tour that is not paved. They are recommending that a four-foot wide multi-use path be paved on Canal Drive. Mayor Holden said he hasn't heard one negative comment about this endeavor. Mayor Pro Tem Miller asked about the cost of the stencils. The Board came to a consensus to have the Task Force come up with a wish list with the prices associated with them. The item will be added to the next agenda. Where the money to print the brochures would come from was discussed.

DISCUSSION AND POSSIBLE APPROVAL OF THE TOWN OF HOLDEN BEACH IDENTITY THEFT PROGRAM

Town Manager Hewett explained that this in response to the Federal Trade Commission imposing requirements that utilities have local protocols in place to protect information regarding its customers. Town Staff worked with the Audit Committee to establish the proposed guidelines. He recommended to the Board that they okay the program.

Motion by Mayor Pro Tem Miller to approve the program; second by Commissioner Kyser; approved by unanimous vote.

TOWN MANAGER'S REPORT

- Report on FEMA and Hanna money – Last week we hosted our kick-off work session with the FEMA representatives and the representative from the NC Emergency Management Office. Tomorrow has an all day work session scheduled with the FEMA Program Manager. They will fill out the forms related to expenses in preparation for the storm and the debris management. The sand and the beach costing will be determined at a later date.
- Turkey Trap Road – we need to have a special exemption permit from the County to use this property as a sand source. We have made an application. It is set to be heard by the County Board of Adjustment on November 13th. We have our State mining permit, but we still need the County's okay in order to conduct mining activities for the sand.
- Knows the press reported the Town's losses from Hanna were calculated at \$9 million. Congressman McIntyre's office had a budget appropriation announcement that coincidentally was in the amount of \$9 million. That money is for prior authorized 50-year projects. We do not have a current project authorized via the 50-year program. They are totally different programs. The 50-Year Project for Holden Beach has been an ongoing process for years. The next GRR meeting will be in November. The GRR has to be approved before a project can come to fruition at Holden Beach.

MAYOR'S COMMENTS

- The festival was saved by the weather change. It was very positive. Thanked Public Works Director Clemmons and the Town maintenance staff because he had several comments about how good the island looked. The Merchant's Association did a good job on the Causeway. It feels good as Mayor when people come in to Town and notice the efforts of the citizens and Town staff. Had some nice comments about the traffic. It seemed to be better flowing this year. There seems to be a lot of good results from this festival.
- We have an election coming, please vote. The Chapel has a card with dates and locations for early voting which will be made available.

BOARD OF COMMISSIONERS COMMENTS

Mayor Pro Tem Miller

- Thanked the Bicycle Task Force for their good work. Thinks it is very exciting. Hopes to see lots of cyclists following the paths.
- Thanked Mayor Holden and Town Manager Hewett for negotiating with the bonding company and getting the Town \$100,000.

Commissioner Lehr

- Very happy that the Town made a settlement with the bonding company. The net of this will be a lot better than any prolonged litigation we could have gone into. The dredging project is kind of like pulling weeds. You pull a couple out and see six more appear. We will work hard to get everything resolved. Mayor Holden and Town Manager Hewett did a good job.

Commissioner Glander

- Hopefully the many sleepless nights associated with the dredging project are over. Thanked Mayor Holden and Town Manager Hewett for working so hard on it and getting such a positive result. Also thanked the Merchant's Association for increasing the size of the festival. Seemed like there were a lot of new things this year.
- Thanked the Bicycle Task Force for their hard work.

Commissioner Kyser

- Very pleased that the Holden Beach Harbor issue looks like it is finally coming to an end.
- Commended the Bicycle Task Force on a job well done. They spent a lot of time and effort to get it done so quickly. Thinks it will be a positive thing. Hopes we can have it on the agenda for the next regular scheduled meeting at the end of November.
- Merchant's Association did a tremendous job setting the festival up. Hats off to all that took part in the festival.

Commissioner Staley

- Doesn't think that anyone has a clue how difficult it is to organize everything unless you have worked on a festival. Gave a word of special thanks to Anne Arnold and Barbara Andrews. The parade almost didn't happen if they didn't pull it together at the last minutes. Had the pleasure of driving with Marcy Cuevas from Channel 3 in the parade. She was astonished that it was put together in such a short amount of time.
- Early voted today. It took about 8 minutes and was real easy.

PUBLIC COMMENTS ON GENERAL ITEMS

Sheila Young asked if the bid includes the three sets of canals. Town Manager Hewett replied yes. Ms. Young also inquired how the \$100,000 will be applied to the dredging. Mayor Holden explained that it will go back into the fund for Holden Beach Harbor. All the money that was collected for Holden Beach Harbor will be used for Holden Beach Harbor. If there is money left over, it will be given back in accordance with State statutes. If more money is needed, it will be collected. Ms. Young asked if it will change the tax burden. Town Manager Hewett stated that the assessment rate has been set and it can't be changed this year. Ms. Young asked how taxpayers are going to know about this. Town Manager Hewett explained that a blast can be sent out and that we have been working with the heads of the canal subdivisions. Ms. Young advised the Board that she will be working with Town Manager Hewett on a mission statement for the Shoreline Protection Committee and once it is established her Committee will begin meeting again.

Nancy Burgin provided information on early voting.

Marlene Hahn asked if the owners of the spoil areas were compensated in the past for giving their approval for the consent agreements. Mayor Holden stated not monetarily.

EXECUTIVE SESSION TO DISCUSS A LEGAL MATTER PURSUANT TO NORTH CAROLINA GENERAL STATUTE 143-318.11(a)(3)

Motion by Mayor Pro Tem Miller to go into Executive Session at 8:10 p.m.; second by Commissioner Kyser; approved by unanimous vote.

OPEN SESSION

The Board went back into Open Session at 8:32 p.m. and announced no action was taken.

ADJOURNMENT

Motion to adjourn at 8:32 p.m. by Mayor Pro Tem Miller; second by Commissioner Kyser; approved by unanimous vote.