

**Town of Sunset Beach
Monthly Council
Work Session, Regular Meeting & Public Hearing
June 29, 2015**

MINUTES

Members Present: Mayor Ron Watts, Mayor Pro-Tem Lou DeVita, Councilwoman Carol Scott, Councilman Wilson Sherrill, Councilman Mike Williams and Councilman Terry Johnson

Members absent: None

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

Mayor Watts called the Meeting to order at 6:00 pm.

Closed Session

MAYOR PRO-TEM DEVITA MADE A MOTION TO GO INTO CLOSED SESSION PURSUANT TO NCGS 143-318.11 (a) (3) TO CONSULT WITH ATTORNEY RICHARDSON CONCERNING LITIGATION WITH THE PALM COVE PROPERTY OWNERS, THE DEVELOPER OF JAGUAR'S LAIR AND WITHERS AND RAVENEL. COUNCILMAN SHERRILL SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

The Council met in Closed Session for approximately 30 minutes and discussed the Palm Cove settlement offer.

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

Work Session

The Work Session convened at 6:45 pm. Mayor Watts called for agenda amendments and general discussions by the Council.

Draft Agenda Review

Councilman Sherrill requested to add New Business 9b – Discussion concerning Sunset Beach ABC Board Member.

General Council Discussions

ABC Board – Councilman Sherrill advised that the ABC Board met and passed its 2015/2016 budget.

GSATS – Councilman Williams advised that the GSATS Committee voted to release \$733,000 for the initial phase of the Environmental Impact Study (EIS) for the extension of the Carolina Bays Parkway into North Carolina which will take approximately 3 – 7 years to complete at an estimated cost of \$2 to \$3 million. Senator Rabon and Representative Iler are securing additional funding for the EIS.

General Council Discussions (Cont.)

Annual Report – Mayor Pro-Tem DeVita reminded the Council to submit comments and corrections for the draft Annual Report that was emailed as soon as possible so Staff can complete the printing and mailing by mid to late July.

Community Meeting – Mayor Watts advised that the Community Meeting was held on June 23, 2015 with approximately 45 in attendance.

July 4th Banners and Celebrations – Mayor Watts thanked Susan Parker and the Town Staff for installing the fireworks prohibited banners. Mayor Watts advised that fireworks shows will be held at Ocean Isle Beach on Friday, July 3rd and at Calabash on Saturday, July 4th.

Sitathon – Mayor Watts advised the annual sitathon was held earlier today with 40 to 50 participants. The sitathon includes sitting in a chair at the water’s edge while the tide is rising without being knocked over. The last person sitting wins. All proceeds benefit the Turtle Patrol Committee.

Town Attorney – Mayor Watts introduced Grady Richardson as the Town Attorney.

Town Administrator Report

Staff Recognition – Susan Parker advised that Bonnie Schwerd has successfully completed the four (4) components required to be recognized as a certified finance officer.

Monthly Meeting

The Meeting convened at 7:00 pm and the Pledge of Allegiance was recited by those in attendance.

Approval of the Draft Agenda

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

Public Hearings

Article 10 Landscaping and Buffering Requirements

Mayor Watts advised that the proposal includes a re-write of Article 10 in its entirety.

COUNCILWOMAN SCOTT MADE A MOTION TO OPEN THE PUBLIC HEARING CONCERNING ARTICLE 10 LANDSCAPING AND BUFFERING REQUIREMENTS. COUNCILMAN WILLIAMS SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

David Stuart Agent for Carolina Dreams Golf LLC/Commercial Developer – Read a letter from the owners expressing opposition to the proposed amendment for Article 10 Landscaping and Buffering Requirements.

COUNCILWOMAN SCOTT MADE A MOTION TO CLOSE THE PUBLIC HEARING CONCERNING ARTICLE 10 LANDSCAPING AND BUFFERING REQUIREMENTS. COUNCILMAN WILLIAMS SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Public Hearings (Cont.)

Article 6 Section 6.06 (C) MR-3 Mainland Multi-Family Residential District (B)

Mayor Watts advised that the proposal is to amend the Minimum Required Mean Lot Area for any Single-Family Project: from 40,000 sq. ft. to 7,500 sq. ft.

COUNCILWOMAN SCOTT MADE A MOTION TO OPEN THE PUBLIC HEARING CONCERNING ARTICLE 6 SECTION 6.06 (C) MR-3 (B). COUNCILMAN SHERRILL SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

No comments heard.

COUNCILWOMAN SCOTT MADE A MOTION TO CLOSE THE PUBLIC HEARING CONCERNING ARTICLE 6 SECTION 6.06 (C) MR-3 (B). COUNCILMAN SHERRILL SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Article 6 Section 6.04 Table of Permitted/Special Uses – Outdoor Display and Storage of Merchandise Use

Mayor Watts advised that the proposal is to amend the use from a Special Use (SS) with supplemental regulations to a Permitted Use (PS) with supplemental regulations.

COUNCILMAN SHERRILL MADE A MOTION TO OPEN THE PUBLIC HEARING CONCERNING ARTICLE 6 SECTION 6.04 TABLE OF PERMITTED/SPECIAL USES. COUNCILMAN JOHNSON SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

No comments heard.

COUNCILMAN SHERRILL MADE A MOTION TO CLOSE THE PUBLIC HEARING CONCERNING ARTICLE 6 SECTION 6.04 TABLE OF PERMITTED/SPECIAL USES. COUNCILMAN JOHNSON SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Article 6 Section 6.06 Zoning Districts Development Standards (H) BB-1 Beach Business District (B) Residential Uses (2) Multi-family (g)

Mayor Watts advised that the proposal is to add maximum density requirements and to establish a non-conforming exemption for existing structures.

COUNCILWOMAN SCOTT MADE A MOTION TO OPEN THE PUBLIC HEARING CONCERNING ARTICLE 6 SECTION 6.06 ZONING DISTRICTS DEVELOPMENT STANDARDS (H) BB-1 BEACH BUSINESS DISTRICT (B) RESIDENTIAL USES (2) MULTI-FAMILY (g). MAYOR PRO-TEM DEVITA SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Sue Weddle 706 North Shore Drive – Voiced support for the proposed amendment to add maximum density requirements to the BB-1 district.

Public Hearings (Cont.)

Article 6 Section 6.06 Zoning Districts Development Standards (H) BB-1 Beach Business District (B) Residential Uses (2) Multi-family (g) (Cont.)

David Eastburn 424 32nd Street – Thanked Rawls Howard and the Planning Board for the proposed amendment and voiced support to add maximum density requirements to the BB-1 district.

Len Steiner 613 Kings Trail - Voiced support for the proposed amendment to add maximum density requirements to the BB-1 district.

Richard Dickey 707 West Main Street - Voiced support for the proposed amendment to add maximum density requirements to the BB-1 district.

Susan Parker, Town Administrator acknowledged that the Council had received numerous emails voicing support for the proposed amendment.

COUNCILWOMAN SCOTT MADE A MOTION TO CLOSE THE PUBLIC HEARING CONCERNING ARTICLE 6 SECTION 6.06 ZONING DISTRICTS DEVELOPMENT STANDARDS (H) BB-1 BEACH BUSINESS DISTRICT (B) RESIDENTIAL USES (2) MULTI-FAMILY (g). MAYOR PRO-TEM DEVITA 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

Minutes for Approval Consideration

COUNCILMAN JOHNSON MADE A MOTION TO APPROVE THE MAY 5, 2015 SPECIAL MEETING MINUTES, MAY 19, 2015 WORK SESSION MINUTES, JUNE 1, 2015 REGULAR MEETING MINUTES, JUNE 10, 2015 SPECIAL MEETING MINUTES AND JUNE 16, 2015 WORK SESSION MINUTES AS PRESENTED. MAYOR PRO-TEM DEVITA SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Departmental Reports

Police – Chief Joyner advised that 4th of July flyers have been distributed to area businesses and informational banners are being installed at the roundabout for on-going traffic and at North Shore Drive for out-bound traffic. Joyner advised that extra patrols have been added for the night of the 4th. Concerning the 4 vacancies in the department, Joyner advised that 2 officers have been hired and the remaining 2 positions will be filled after July 1st. Chief Joyner presented Officer Hall with a plaque for completion of the Traffic Enforcement and Investigation Certification Program.

Public Works – Dustin Graham advised that NCDOT has completed the repair to the bridge roadway dip on the island side. Graham advised that the roundabout replacement plantings (provided by NCDOT) have been completed.

Planning and Inspections – Rawls Howard advised that the Inspections Department recognized a decrease in the number of building permit applications for May however the daily inspections have increased. Howard advised that the permits for the senior living apartment project have been issued. Howard advised that the Planning Board is recommending that the stipend paid to them quarterly be

Departmental Reports (Cont.)

Planning and Inspections (Cont.)

reallocated for Board training. Schwerd will prepare a budget amendment for Council consideration. Howard advised that the public participation meeting for updating the CAMA Land Use Plan is scheduled for September 30, 2015.

Fire Department – Chief Dempsey advised that the Fire Department and Beach Patrol personnel are prepared for the July 4th holiday.

Finance Department – Bonnie Schwerd reviewed the May 2015 Finance Snapshot with the Council.

Old Business

Consideration of Acceptance of Settlement Offer with Palm Cove

Attorney Richardson advised that the Palm Cove Owners of Lot 1 – 10 and the Palm Cove Property Owners Association currently have three (3) cases pending in the Brunswick County Superior Court against the Town concerning vested rights and other legal bases to construct individual dune crossovers and residential swimming pools. The parties have been in negotiation with the Town Council and are prepared to offer the following mutual settlement agreement and release of all claims for Council consideration:

- To construct no more than three (3) dune crossovers in the subdivision extending from a common boardwalk spanning the lots in the subdivision, and
- To construct hot tub/Jacuzzi facilities in such a manner that it will be substantially flush or level with the decking surface supporting same and select hot tub/Jacuzzi facilities that are capable of use with salt water, and
- To continue the discussions with Brunswick County Public Utilities regarding sewer connections and to encourage the Lot Owners to connect to the Brunswick County public sewer system.

COUNCILMAN JOHNSON MADE A MOTION TO ACCEPT THE TERMS OF THE MUTUAL SETTLEMENT AGREEMENT AND RELEASE OF ALL OFFERED BY THE PALM COVE OWNERS OF LOT 1 – 10 AND THE PALM COVE PROPERTY OWNERS ASSOCIATION. MAYOR PRO-TEM DEVITA SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Consideration of Acceptance of the Planning Board Report for Amendment to UDO Article 6 Section 6.04 Permitted Uses – Swimming Pools

Palm Cove Attorney Ken Shanklin withdrew the text amendment request for Article 6 Section 6.04 Permitted Uses concerning Swimming Pools.

Consideration of Acceptance of the Planning Board Report for Amendment to UDO Article 6 Section 6.04 Permitted Uses – Dune Walkovers

Palm Cove Attorney Ken Shanklin withdrew the text amendment request for Article 6 Section 6.04 Permitted Uses concerning Dune Walkovers.

Consideration of Scheduling a Public Hearing for August 3, 2015 at 7:00 pm if Council is Considering a Text Amendment Approval for b) or c) above

With the swimming pools and dune walkovers text amendment request being withdrawn, the Council deleted this item.

Old Business (Cont.)

Consideration of Approval of Ordinance Amendment for Article 10 Landscaping and Buffering Requirements

Rawls Howard explained the proposed amendment. The group discussed the proposed changes, the point system and the commercial requirements.

COUNCILMAN JOHNSON MADE A MOTION TO TABLE THE APPROVAL OF THE ARTICLE 10 LANDSCAPING AND BUFFERING ORDINANCE AMENDMENT UNTIL THE AUGUST 3, 2015 COUNCIL MEETING IN ORDER FOR RAWLS HOWARD TO HAVE CLARIFICATION MEETINGS WITH THE PUBLIC AND THE COUNCIL MEMBERS THAT HAD QUESTIONS. COUNCILMAN WILLIAMS SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE. MAYOR PRO-TEM DEVITA, COUNCILMAN WILLIAMS, COUNCILMAN JOHNSON AND COUNCILMAN SHERRILL VOTED YES. COUNCILWOMAN SCOTT VOTED NO. THE MOTION CARRIED BY MAJORITY VOTE.

Consideration of Approval of Ordinance Amendment for Article 6 Section 6.06 (C) MR-3 Mainland Multi-Family Residential District (B)

MAYOR PRO-TEM DEVITA MADE A MOTION TO APPROVE THE ORDINANCE AMENDMENT FOR UDO ARTICLE 6 SECTION 6.06 (C) MR-3 (B). COUNCILWOMAN SCOTT SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Consideration of Approval of Ordinance Amendment for Article 6 Section 6.04 Table of Permitted/Special Uses – Outdoor Display and Storage of Merchandise Use

Mayor Pro-Tem DeVita corrected the Ordinance Amendment to show the MB1, MB2 and BB1 Districts being amended.

MAYOR PRO-TEM DEVITA MADE A MOTION TO APPROVE THE ORDINANCE AMENDMENT AS CORRECTED FOR UDO ARTICLE 6 SECTION 6.04 TABLE OF PERMITTED USES – OUTDOOR DISPLAY AND STORAGE OF MERCHANDISE USE. COUNCILMAN SHERRILL SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Consideration of Approval of Ordinance Amendment for Article 6 Section 6.06 Zoning Districts Development Standards (H) BB-1 Beach Business District (B) Residential Uses (2) Multi-family (g)

Rawls Howard advised the Council that this amendment is proposed to add maximum density requirements and to establish a non-conforming exemption for existing structures. The Council discussed the parking requirements, number of bedrooms allowed and the types of businesses that would be allowed if this amendment is approved.

Attorney Richardson advised the Council that this text amendment, if approved, will have no bearing on the vested rights case for Sunset Crest Lots 19-25 of Block 28 that was heard and tabled by the Board of Adjustments during the June 10, 2015 meeting as the completed application was received prior to the ordinance amendment adoption. Therefore if the Board of Adjustment during the July 8, 2015 meeting grants the vested rights for Sunset Crest, the UDO as written prior to the amendment will be applicable.

Consideration of Approval of Ordinance Amendment for Article 6 Section 6.06 Zoning Districts Development Standards (H) BB-1 Beach Business District (B) Residential Uses (2) Multi-family (g) (Cont.)

COUNCILWOMAN SCOTT MADE A MOTION TO APPROVE THE ORDINANCE AMENDMENT FOR ARTICLE 6 SECTION 6.06 ZONING DISTRICTS DEVELOPMENT STANDARDS (H) BB-1 BEACH BUSINESS DISTRICT (B) RESIDENTIAL USES (2) MULTI-FAMILY (g). COUNCILMAN JOHNSON SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE. COUNCILWOMAN SCOTT, MAYOR PRO-TEM DEVITA AND COUNCILMAN JOHNSON VOTED YES. COUNCILMAN SHERRILL AND COUNCILMAN WILLIAMS VOTED NO. THE MOTION CARRIED BY MAJORITY VOTE.

Consideration of Dissolving the Jaguar's Lair Negotiating Team

Mayor Watts thanked the members of the Negotiating Team for their service to the Town and questioned if the team should remain active. A brief discussion was held.

MAYOR PRO-TEM DEVITA MADE A MOTION TO TABLE THE CONSIDERATION OF DISSOLVING THE JAGUAR'S LAIR NEGOTIATING TEAM UNTIL THE AUGUST 3, 2015 MEETING. COUNCILMAN SHERRILL SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Consideration of Approval of the Non-Profit Agency Grant Funding Policy

Bonnie Schwerd reviewed the draft Non-Profit Agency Grant Funding Policy provided to the Council. The Council was requested to provide comments and suggestions to Schwerd. This item will be placed on the July 21, 2015 Work Session agenda for further discussion.

Consideration of Approval of 2014/2015 Ordinance Amendment

COUNCILWOMAN SCOTT MADE A MOTION TO APPROVE THE 2014/2015 BUDGET ORDINANCE AMENDMENT TOTALING \$142,000. MAYOR PRO-TEM DEVITA SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Consideration of Approval of Main Street Capital Project Ordinance

COUNCILMAN JOHNSON MADE A MOTION TO APPROVE THE MAIN STREET WIDENING CAPITAL PROJECT ORDINANCE TOTALING \$540,000. MAYOR PRO-TEM DEVITA SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE. MAYOR PRO-TEM DEVITA, COUNCILMAN SHERRILL, COUNCILMAN JOHNSON AND COUNCILMAN WILLIAMS VOTED YES. COUNCILWOMAN SCOTT VOTED NO. THE MOTION CARRIED BY MAJORITY VOTE.

New Business

Consideration of Approval of Resolution Expressing Opposition to the North Carolina General Assembly's Proposal in House Bill 97 to Remove the Historical 1879 New Inlet Dam

The Council held a brief discussion, requested Staff to provide additional information and tabled this item until the July 21, 2015 Work Session.

New Business (Cont.)

Discussion Concerning Sunset Beach ABC Board Member

Councilman Sherrill advised that ABC Board Chairman Bob Bobinski has tendered his resignation as Chairman of the ABC Board in order to continue working with the State ABC Board and the NC General Assembly to obtain health insurance for all of the ABC Store employees within the State by enrollment in the State Health Plan.

COUNCILMAN SHERRILL MADE A MOTION TO APPOINT HERB TINGER AS THE ABC BOARD CHAIRMAN EFFECTIVE JULY 1, 2015. COUNCILMAN WILLIAMS SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Public Comments

John Corbett 423 Sailfish Street – Informed the Council of the progress with the Veteran’s Memorial since the May 25th groundbreaking ceremony and the upcoming events scheduled.

Jan Harris 206 North Shore Drive – Thanked the Council for approving the Ordinance amendment concerning multi-family in the BB-1 district. Thanked the Planning Board and Rawls Howard for their work on the amendment.

Karen Joseph 915 Sandpiper Bay Drive – Criticized the Council for providing an email she sent concerning Jaguar’s Lair to an unaffiliated citizen.

Adjournment

COUNCILMAN SHERRILL MADE A MOTION TO ADJOURN THE JUNE 29, 2015 COUNCIL MEETING. COUNCILMAN JOHNSON 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 June 29, 2015 Minutes were approved by Council during the August 3, 2015 meeting.