

**Town of Sunset Beach
Town Council
Called Special Meeting Minutes
June 2, 2016**

MINUTES

Members Present: Mayor Ron Watts, Mayor Pro-Tem Carol Scott, Councilman Lou DeVita, Councilman Peter Larkin, Councilman Mark Benton and Councilman Rich Cerrato

Members absent: None

Attorney & Staff Present: Grady Richardson, Town Attorney; Susan Parker, Town Administrator; Dustin Graham, Public Works Director; and Lisa Anglin, Town Clerk

Mayor Watts called the Special Meeting to order and advised that the purpose of the Special Meeting was to discuss Senate Bill 875 introduced by Senator Rabon to de-annex the properties known as Sunset Beach West, Palm Cove and Sunset Commons from the Town of Sunset Beach.

Mayor Watts read a prepared statement outlining the activities the Council has taken since being notified of the Senate Bill. All five Council members and the Mayor met with Representative Iler (in pairs so as to not violate the open meetings laws). Mayor Watts, Mayor Pro-Tem Scott and Councilman Larkin met with Senator Rabon at his office in Raleigh. Four Council members and Mayor Watts attended the Senate State and Local Government Committee meeting. Mayor Watts thanked everyone including non-resident property owners for contacting their senators and representatives in Raleigh. The message received from Raleigh was to meet with the three (3) parties involved with the legislation and try to work things out. An invitation to meet with the full Council was extended to all three and the offer was declined. Two (2) of the parties agreed to meet with Council representatives. Mayor Pro-Tem Scott and Councilman DeVita met with the Sunset Beach West partners and Councilman Benton and Mayor Watts met with one of the Sunset Beach West partners. Councilman Larkin and Mayor Watts met with Representatives of the Palm Cove's 10 lot owners. Unfortunately, no direct contact has been made with the owners of Sunset Creek Commons. During each meeting, the parties were asked what the Town could do to have them request the legislation be stopped. Mayor Watts will share the responses with Council during the upcoming Closed Session and obtain legal advice from the Town Attorney. Mayor Watts offered the following options for the Council to consider:

1. Work with the parties to attempt to address their concerns and thereby eliminate the need for the legislation.
2. Work with the NC House of Representative members to block the legislation including hiring a lobbyist.
3. Take legal actions against one or more of the parties to attempt to block the implementation of the legislation.

Mayor Watts opened the floor for each Council member to make comments.

Councilman Larkin advised that the meetings have been constructive.

Councilman Cerrato advised that he did not meet with any of the parties citing back room meeting gives the appearance that the Town has done something wrong. Councilman Cerrato stated that the Town has no reason to compromise with the developers.

Councilman Benton agreed with meeting with the developers to attempt to deal with the issues.

Mayor Pro-Tem Scott voiced opposition to allegations of back room meetings/politics and conspiracy theories. Mayor Pro-Tem Scott agreed with meeting with the parties to resolve the issues quickly so the legislation can be stopped.

Councilman DeVita advised that the Council for many years has been in a win/loss position to which the Council has attempted to convert into a win/win position that has been realized in some situations. Councilman DeVita stated that the opportunity to serve the community as a Council member is not taken lightly and that great strives have been and can continue to be made by this Council.

MAYOR PRO-TEM SCOTT MADE A MOTION TO GO INTO CLOSED SESSION PURSUANT TO NCGS 143-318.11 (a) (3) TO CONSULT WITH AND OBTAIN LEGAL ADVICE FROM TOWN ATTORNEY RICHARDSON. COUNCILMAN LARKIN SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

The Council met in Closed Session for approximately 1.5 hours.

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

Mayor Watts advised that the Council has heard and determined the parties' requests to be reasonable and has received legal advice from Attorney Richardson concerning the request. The Council has instructed Attorney Richardson to communicate with each party to determine if an agreement can be reached and to report back to Council during the June 6, 2016 Meeting.

Public Comments

Cynthia Jahner 411 31st Street – Advised that de-annexation is bad for all municipalities and each should be concerned with the laws and procedures.

John Corbett 1313 Canal Drive – Voiced dissatisfaction with State Representatives introducing bills without the Town's knowledge; encouraged the Council to meet with the parties to resolve the issues.

Jim Skiff 414 33rd Street – Questioned if Town services would be extended to the de-annexed areas and the ownership of the Sunset Beach West property. Mayor Watts advised that fire department services would be extended due to fire district but police services would not unless requested by the Brunswick County Sheriff. Attorney Richardson advised that the Town has not determined itself to be the owner of the Sunset Beach West property, but is of the opinion that there is sufficient evidence to support that the Town is the owner; only a Court Judge can determine true ownership of the property.

Public Comments (Cont.)

Victoria Skiff 414 33rd Street – Questioned if action can be taken prior to ownership determination; advised that citizens have collected several thousand signatures opposing the de-annexation; encouraged everyone to sign the petition and send emails to the legislators.

Karen Joseph 915 Sandpiper Bay Drive – Voiced opposition to the bill and Senator Rabon for introducing it without the Town’s knowledge; advised that developers must be allowed to develop property as long as rules and regulations are followed; encouraged continued meetings with the developers to reach a resolution.

Ken Sekley 416 40th Street – Voiced opposition to the bill and requested Council to do everything to ensure the de-annexation doesn’t occur.

Richard Hilderman 407 37th Street – Agreed that developers have right to develop property if all rules and regulations are followed and the Town must ensure that all rules and regulations are followed; advised that the State is penalizing the Town for enforcing the rules and regulations.

Jo O’Keefe 30 Gate 3 Carolina Shores – Offered to provide an email address listing of all members of the House of Representatives.

Jan Harris 206 North Shore Drive – Offered to provide the contact information for all House of Representatives members.

COUNCILMAN LARKIN MADE A MOTION TO ADJOURN. COUNCILMAN BENTON SECONDED THE MOTION. MAYOR WATTS CALLED FOR A VOTE AND THE MOTION CARRIED BY UNANIMOUS VOTE.

Town of Sunset Beach

Carol Scott, Mayor Pro-Tem

Submitted by:

Lisa Anglin, Town Clerk