



SURF CITY TOWN COUNCIL REGULAR MEETING AGENDA

Tuesday, May 2, 2023, 4:30 PM

Surf City Municipal Complex – 214 W. Florence Way

Stream Live: www.youtube.com/townofsurfcity

Council Present:

Mayor Teresa Batts

Mayor Pro Tem Donald Helms

Councilman Buddy Fowler

Councilman Hugh Cannady

Councilman Jeremy Shugarts

Councilman John Koloski

Staff Present:

Jodi Shepard, Director of Parks, Recreation and Tourism

Carla Citarelli, Town Clerk

Kyle Breuer, Town Manager

James Horne, Director of Emergency Management

Allen Wilson, Fire Chief

Chris Carter, Director of Facilities & Grounds

Amy Kimes, Director of Community Development

Melissa Moore, Director of Finance

David Price, Director of Public Utilities

Chris Wright, IT Specialist

Jason Lingle, Director of IT

Phil Voorhees, Police Chief

Brian Edes, Town Attorney

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| I | CALL TO ORDER - | <i>Teresa B. Batts, Mayor</i> |
| II | INVOCATION – | <i>Bobby Owings, The Gathering</i> |
| III | PLEDGE OF ALLEGIANCE – | <i>Brody Kosinski & Parker Fleege, Surf City Elementary School</i> |
| IV | SPECIAL RECOGNITION - | <i>Surf City Police Department- Mayor Batts gave a brief bio on Chief Voorhees and introduced the Police Department. Chief Voorhees introduced Officer Herring, Lt. Houser, Officer Arnold, and Officer Lum</i> |
| V | PROCLAMATION - | <i>National Day of Prayer- will be read at the ceremony on May 4
National Police Week – Read by the Mayor and presented to
Chief Voorhees
National Safe Boating Week – Read by the Mayor and</i> |

*presented to David Parker with the Power Squadron, who spoke about boating safety and life jackets.
National Beach Safety Week – Read by the Mayor and
presented to Chief Allen Wilson*

VI BEAUTIFICATION & ENHANCEMENT COMMITTEE AWARDS -

*Business of the Month: Ecological Marine Adventures- Presented by Sandi Monroe,
Chair of the Beautification & Enhancement Committee, owners not present*

*Home of the Month: 536 Montgomery Loop – Kurz Family – Presented by the same
and accepted by the homeowner*

VII MAYOR'S REMARKS -

We ask that all in attendance please set your cell phones to silent or vibrate mode. The Council offers the public an opportunity to speak during the meeting. Comments should be limited to three minutes each and must be directly issue oriented with agenda items for this meeting, or an issue upon which the Council has control.

Citizen speakers will be acknowledged in the order in which they sign up to speak and will address all comments to the Board as a whole and not one individual Council member. Speakers will address the Council from the speaker's podium at the front of the room and will begin their remarks by stating their name and address. Discussions between Speakers and members of the audience will not be allowed. Groups of individuals seeking to speak on the same topic of concern will need to pick an individual speaker to represent the group as whole. Public comment is not intended to require the Council to answer any impromptu questions. Speakers are expected to be civil in their language and presentation. Any comments where the primary purpose is to promote business or candidacy shall not be allowed.

In accordance with the Council's adopted Rules of Procedures, Council members shall reserve responses, if any, for the Council Forum on the agenda.

VIII ADOPTION OF THE AGENDA

Motion to adopt the agenda made by Mr. Helms, seconded by Mr. Koloski, all in favor, agenda adopted.

IX APPROVAL OF THE CONSENT AGENDA

Items under Consent are generally of a routine nature. The Board may take action to approve/disapprove all items in a single vote. Any item may be withheld from a general action, to be discussed and voted upon separately at the discretion of the Council.

1. Approval of Minutes- April 2, 2023 & April 21, 2023
2. Annexation – Resolution to Set Public Hearing PIN 4236-31-5339-0000
3. BOA to General Fund from ARPA
4. BOA General Fund 10 from ARPA
5. BOA General Fund to Mainland Park
6. BOA for Mainland Park from General Fund
7. BOA Town Hall Fund 10
8. BOA Town Hall Fund 52
9. March Tax Release & Discoveries

Specific Action Requested: It is requested that the Town Council consider approval of the consent agenda as presented.

Motion to approve made by Mr. Helms, seconded by Mr. Koloski, all in favor, consent agenda approved.

X PUBLIC HEARING

1. Annexation of PIN 4235-15-4094-0000- *Presented by Ms. Citarelli, town clerk. This is a petition to annex a 1.21 acre property off of Tortuga Lane, located adjacent to the existing Surf City Pet Hospital, owned by the same. PIN 4235-15-4094-0000. The Planning Board recommended a zoning of Rural Agricultural, which is the same as the pet hospital.*

A. Open Public Hearing - *motion made by Mr. Fowler to open the public hearing seconded by Mr. Helms, all in favor, motion carried.*

B. Public Comments – *No public comments*

C. Close Public Hearing – *Motion made to close the public hearing made by Mr. Fowler, seconded by Mr. Koloski, all in favor, motion carried.*

Motion made to approve the annexation made by Mr. Fowler, seconded by Mr. Helms, all in favor, motion carried.

2. Budget Ordinance FY 23-24 – *Presented by town manager, Mr. Breuer.*

In accordance with Section 159-11 of the NC General Statutes, I am pleased to present the proposed North Carolina Fiscal Year 2023-2024 (FY 23-24) Budget for the Town of Surf City for your review and consideration. The budget is a sound financial plan and follows the Council's goals and objectives. All sections of the proposed budget are in conformance with the Local Government Budget and Fiscal Control Act as amended. A balanced budget for the upcoming fiscal year, or an interim budget, must be adopted by June 30, 2023. The proposed FY 23-23 Town of Surf City budget is balanced and totals \$31,659,565.00 for all operations. The budget is spread over the following funds: General Fund \$17,239,432.00; Accommodation Tax Fund \$3,491,438.00; Water Enterprise Fund \$3,326,677.00; Sewer Enterprise Fund \$4,153,373.00; Beach Renourishment Fund \$3,448,645.00. The Town's Capital Improvement Budget is being included for consideration within the budget ordinance adoption process. The Town's largest single source of revenue continues to be from property taxes. Next year this figure is estimated at \$7,509,980.00 and amounts to some 44% of general fund revenues anticipated for FY 23-24. At the time this proposed budget was being prepared and based on numbers provided by Pender and Onslow County Tax Departments, the Town is using a tax base figure of \$1,929,698,408.00. This figure is applied to the current tax rate of \$0.41 per \$100.00 valuation, and a tax collection rate of 98.7%, generating \$7,509,980.00 in property tax revenues. Each cent of property tax generates about \$192,969.84 in revenues.

The second largest source of general fund revenue is derived from local sales taxes which is anticipated to be \$2,745,000.00 in FY 23-24; the third being Parking fees of \$1,250,000.00; the fourth being Solid Waste user fees of \$1,250,000.00 Water and sewer fees collected in the Town's Water & Sewer Fund generate \$7,480,050.00 for the utility's separate operation.

Other revenue sources such as interest income and a variety of State Collected Local Revenues are projected to be flat or slightly increase (i.e., Telecom & Cable TV) for the foreseeable future. There is a two to three-month lag in receiving some of these revenues, so the annual trend is not easily observed.

Expenditure estimates were compiled and formulated by the Budget Officer (Town Manager) and Finance Director based upon written requests and justification submitted by the various department heads. These requests were made available for Council review and included in the Budget Workbook.

Each department's request was given thorough consideration based on current and prior year expenditures, proposed work program needs, inflationary trends and a review of respective departmental operations. All revenue estimates in the budget are based upon recommendations provided by the NC League of

Municipalities, county tax values, current contracts, and figures provided by department heads that have revenue collection responsibility and actual revenues received during the current fiscal year.

This budget, like others, is influenced by a multitude of factors including current economic conditions affecting the price of goods and services sought, escalating personnel costs, as well as current economic activity regarding growth and development. Generally, expenditure requests exceed estimated revenues which require priority setting based on service delivery and goals. This year is no exception. Department Heads are commended for their foresight and intimate knowledge of the needs of their departments as well as how service delivery is impacted based on funding needs.

Continued funding for Beach Nourishment – a combination of occupancy tax, ad valorem tax, and paid parking revenues will provide for \$3,448,645.00 to be included within Fund 81. These funds are utilized to continue building the reserve amount in anticipation of the US Army Corps Coastal Storm Risk Management Project.

Continued investments into Public Safety – maintaining a reliable fleet for the police department includes the recommended acquisition of three new police vehicles; continued investment into technology to increase our ability to solve crimes utilizing resources such as Tsunami cameras as well as body camera technology and data storage; Computer-aided Dispatch (CAD) for mobile terminals.

For fire services, adding three additional personnel to continue working towards dedicated ladder truck staffing; full replacement of hydraulic tools necessary for rescue operations; funding for a new brush truck; Station 23 upgrades; generator replacement; and Station 25 expansion planning funds.

Growth and Development – funding to bring development ordinance and technical standards in alignment with the recently adopted Comprehensive Plan; additional funding for sidewalk and street construction/repair; and partial funding for a stormwater position for eventual long-term needs identification and implementation.

Parks, Recreation, and Tourism – continued funding for the Earl G. and Inez Batts Recreation Complex; Community Center future needs; increased funding for recreation and programming activities; special events and marketing funding; and beautification and enhancement funding.

Water and Sewer – continued funding for numerous capital projects; acquisition of equipment.

Personnel – recommended 3.5% Cost of Living Adjustment and 2.5% Performance Pay (merit) based on annual evaluations.

The recommended budget reflects a sound financial vision and plan for the Town, and I am proud of the Mayor and Town Council, Department Head's, to specifically include our Finance Director, and employees of the Town for their stewardship of the public dollar and reinvestment back into the quality of life for our citizens. I am not recommending a property tax increase or other service increases in solid waste, water, or sewer.

A. Open Public Hearing- Motion to open the public hearing made by Mr. Helms, seconded by Mr. Fowler, all in favor, motion carried

B. Public Comments – No public comments

C. Close Public Hearing- Motion to close the public hearing made by Mr. Helms, seconded by Mr. Fowler, all in favor, public hearing closed.

Motion to approve the Budget Ordinance for Fiscal Year 2023-2024 made by Mr. Helms, seconded by Mr. Koloski, all in favor, motion carried.

3. CAMA Adoption of Comprehensive Land Use Plan- Presented by Ms. Kimes, town planner. The town contracted with the Cape Fear Rural Transportation Planning Organization to update the Town of Surf City's Land Use Plan in June of 2021, last updated in 2005. The updated plan

was adopted by Council at the February 7, 2023 meeting. Once adopted as the CAMA Land Use Plan, it will be submitted to the Coastal Resources Commission for certification. Once certified the plan will be used for both Land Use Planning and CAMA Planning.

A. *Open Public Hearing- Motion to open public hearing made by Mr. Koloski, seconded by Mr. Helms, all in favor, motion carried*

B. *Public Comments- No public comments*

C. *Close Public Hearing- Motion to close public hearing made by Mr. Helms, seconded by Mr. Fowler, all in favor, motion carried.*

Motion to adopt the Comprehensive Land Use Plan made by Mr. Helms, seconded by Mr. Koloski, all in favor, motion carried.

4. *Topsail Tide Zoning – Presented by Ms. Kimes, town planner. Topsail Tide, LLC has submitted a site plan associated with a conditional rezoning request. The request of rezoning of approximately 6.3 acres from R-10 to C-3 conditional district to support a boat and RV storage facility. The project is located on NC 210. The project has completed TRC review and was recommended for approval with conditions at the April 13 Planning Board meeting.*

A. *Open Public Hearing- Motion to open the public hearing made by Mr. Helms, seconded by Mr. Koloski, all in favor, public hearing opened.*

B. *Public Comments – Charles Riggs, representing the applicant, feels this would be nicely integrated in this area. It will fill a convenient need for the area. They are in agreement of all conditions recommended with the exception of #6 concerning vegetation. They believe conditions #2 and #5 already address that. They are already required to screen the project with mature vegetation. 25' seems excessive and they are asking the council not to require that condition. The rule is 10' on the front but planning board requested 25' on the front and 10' on the sides. Mr. Cannady asked what the goal was and that was to be more aesthetically pleasing. They also intend on planting the vegetation dependent on the phases. Mr. Riggs is concerned because the conditions do not say anything about phasing and they've been planning to do the project in phases since the beginning. Michael Ellis, the applicant feels like they are going above and beyond already. He reiterated what Mr. Riggs said. The ordinance was referenced. Planning Board suggested more mature plants be planted initially. They don't feel it would look as good. Mr. Cannady asked what they planned to put in. Mr. Ellis said evergreen trees that would be approximately 5'. Anything larger requires a contract for growth.*

Ms. Kimes said the plantings have to be 6' tall. Condition 2 refers to Appendix A section 5, referring to ministorage facilities. There was concern that in case the area around it becomes residential in the future, there would be a larger buffer.

Mr. Cannady asked for clarification and the answer was they were being asked to vegetate the entire setback.

Mr. Koloski compared it to creating woods along the border.

Mr. Riggs said the 25' on front and 10' on the side was an excessive request. Planning board approved the rest of the plan.

Mr. Edes asked for more clarification. Mr. Ellis said they were asking to go by the ordinance.

Ms. Kimes referred the appendix again for the standard. Appendix A Section 5-11 says it has to be 6'tall. They are asking to go by the buffer of 10' wide along Hwy. 210 and 5' along the sides per the ordinance.

Mr. Koloski and Mr. Helms expressed that 25' seemed excessive.

Mr. Riggs reiterated that in summary, they are asking to only have condition 6 removed. They agree with all other conditions.

Mr. Edes asked Ms. Kimes if the plans still had to come back to council once they have the architectural plans. She said yes, it would go to council.

Mr. Riggs explained the phases they are proposing. They plan on Landscaping based on the phasing of the project. Phase one, phase two would be right behind it and phase three would be the two sides. It was discussed at planning board to allow a smaller plant to be planted if that phase wasn't done yet to allow it time to grow. What they are asking for is to follow the town code and follow the town's normal items but do away with number 6 of the conditions. If their plan follows the code then it would come back through planning boarding for architectural problems. Staff's recommendation initially had conditions one through three. Conditions four five and six were added during the planning board meeting. Their intention is to plant 10 feet wide. 10 feet deep six feet high along the front of 210 to a caliper that will screen the project. The sidelines will be five feet wide and they'll be planted with smaller items that will grow.

Mr. Fowler clarified which was staff recommendations and planning board's recommendations.

Mr. Riggs said again they would like to have the vegetative change removed. Also, if they phase the project, what is the expectation from the town. They would like to landscape as they develop the phases. He asked for clarification from Mr. Breuer as well. Mr. Breuer suggested the council needs to see a landscape plan which is to be approved.

Mr. Helms asked to continue the hearing, they bring back the landscape plan and then it be decided. He would like for it to be clear cut for the applicant and the town.

Mr. Riggs offered a preliminary landscape plan, which was not in their packet.

Mr. Edes suggested the requested number 5 conflicts with number 4.

He recommended continuing the issue until the work session.

Stan Griffin, citizen asked what the construction of the fence was. The answer is a 6' chain link fence with barbed wire at the top.

Mr. Helms made a motion to continue this matter until May 19. Seconded by Mr. Koloski, all in favor, motion carried, item continued.

PUBLIC COMMENTS -

Heather Allen of 336 Edgewater Way – Ms. Allen said she tries to make it to the beach cleanups. She is relaying a message from her neighbor who had to work and could not be here.

Co founder of Coastal Cleanup of Topsail. They would like to have volunteer passes for their weekly beach cleanups. Ms. Allen added that she's seen families come out to clean the beaches who live outside the city. It would be nice if they could get parking passes.

Sandi Monroe of 316 N. Shore Dr., Chairperson of the Beautification & Enhancement Committee – She wanted to give an update. Last month was the living shoreline educational program presented by the NC Coastal Federation. They are going to start meeting about the next mural project. Cigarette butt recycling containers have been installed.

XII MANAGER'S REPORT – Presented by the town manager, Kyle Breuer

Budget Process: Thank you again to Department Manager's for their work on developing the budget for the upcoming fiscal year. Also, thank you to the Council for your leadership and direction.

Phase II – Earl G. and Inez Batts Recreation Complex: P&R Director, Jodi Shepard, has submitted another grant application for Parks and Recreation Trust Fund monies to fund Phase II of the Earl G. and Inez

Batts Recreation Complex. These funds can be matched again with Land and Water Conservation Funds, to total another \$1 million. Phase II includes the construction of two additional multipurpose fields.

Skatepark Design/Build -Qualifications have been submitted by three design build firms for the design and construction of the skatepark within the new park space. These will be reviewed and the most qualified will be invited to begin the process of designing the new facility, utilizing all the hard work and input from the Skate Park Design Team.

CAMA Access Grant- Clerk Citarelli has submitted a grant application to the Division of Coastal Management to make accessibility improvements at the Nelva Albury Park and Broadway Beach Access. The Grant seeks funds to install handicap parking spaces, sidewalk connecting to the bathroom facility, as well as funds to install a beach mat to get rid of the Hatteras Ramp in this location. If accepted, the Town will be invited to submit a full proposal in August.

Development Ordinances: Qualifications have been submitted from firms to update the Town's development and technical standards related to zoning and subdivisions. These will be reviewed, and the most capable firm will be invited to negotiate a final scope and fee so that the project can start moving forward.

NCDOT Enhancement Project -The contractor will be replacing all dead/missing plant material this week and next and preparing the roundabouts for sod installation. All work should be completed by May 24th and will start the 12-month warranty period. I'll continue to work with the Division on any potential residual funds that may be utilized elsewhere for enhancement projects.

General Assembly: We continue to track numerous Bills making their way through the General Assembly, of note, HB 571, which addresses highly treated effluent discharge, which would be of benefit to the Town.

Bridge Jam: On May 20th we'll hold another Bridge Jam, honoring Elvin Padgett and Faye Batts, pending their availability. The event will be held from 12-5pm at Soundside Park.

NEW BUSINESS

1. Parks, Recreation and Tourism Committees- *Presented by the town manager, Kyle Breuer. This is a continued discussion from the conversation at the last work session. The recommendation of steps is laid out below.*

a. Resolution to Abolish Section 2-102 Committee Ordinance- *Motion to approve made by Mr. Helms, seconded by Mr. Koloski, all in favor, motion carried.*

b. Resolution to Modify Parks and Recreation Advisory Committee- *Motion to approve made by Mr. Helms, seconded by Mr. Koloski, all in favor, motion carried.*

c. Resolution to Create Promotions, Special Events and Tourism Advisory Committee- *Motion to approve made by Mr. Helms, seconded by Mr. Koloski, all in favor, motion carried.*

d. Adopt Amended Committee Handbook- *Motion to approve made by Mr. Helms, seconded by Mr. Koloski, all in favor, motion carried.*

Mr. Fowler made a motion to appoint Mr. Koloski as liaison to the newly established committee, seconded by Mr. Helms, all in favor, motion carried.

2. Paving Project & Paving Budget Ordinance Amendment- *Bid in the amount of \$126,582 from Able Paving. They will be prepared to start on May 17. Getting started will require a budget ordinance amendment in the amount of \$40,617.80*

Motion to approve subject to final negotiation of the contract to the lowest responsible bidder made by Mr. Helms, seconded by Mr. Koloski, all in favor, motion carried.

3. Mavis Tire Site Plan – Presented by Ms. Kimes – *Mavis Tire Supply, LLC has submitted a site plan for approval. This project has completed TRC review and was recommended for approval at the April 13, 2023 Planning Board Meeting. The proposed project would be at the corner of Kayda Way and W. Florence Way.*

Motion to approve the plan made by Mr. Helms seconded by Mr. Koloski, all in favor, plan approved.

COUNCIL FORUM

Mr. Koloski thanked everyone for coming out today. It was great to hear all the proclamations.

Mr. Fowler thanked the manager and department heads for the work done on the budget. He is pleased to hear they will not need to raise taxes. Along with that consideration, the town continues to be proactive in how they are spending the money. He appreciates all the citizens and those in attendance.

Mr. Helms said he appreciates everyone being here. He apologized for the long discussion but it needs to be clarified so things aren't left up in the air.

National Day of Prayer is Thursday. National Police Week holds a special place with him as a former highway patrol officer. Boat safety week is important, as well as beach safety week.

Mr. Cannady said he appreciated everyone who came out or watched. He appreciated the involvement in the community.

TOWN ATTORNEY REPORT

Motion to adjourn made by Mr. Koloski, seconded by Mr. Helms, all in favor, meeting adjourned at 6:22PM