



Town of Southern Shores
Regular Council Meeting
November 4, 2020

The Town of Southern Shores Town Council met in the Pitts Center located at 5377 N. Virginia Dare Trail at 5:30 p.m. on Wednesday, November 4, 2020.

COUNCIL MEMBERS PRESENT: Mayor Bennett, Mayor pro tem Elizabeth Morey and Councilmen Matt Neal, Jim Conners, and Leo Holland.

COUNCIL MEMBERS PARTICIPATING REMOTELY: None

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Town Attorney Will Norrell, Town Manager Cliff Ogburn, Finance Officer/ HR Director Bonnie Swain, Deputy Town Manager/Planning Director Wes Haskett, Town Clerk Sheila Kane, Police Chief David Kole, Fire Chief Ed Limbacher, and Public Works Director David Bradley.

CALL TO ORDER / PLEDGE OF ALLEGIANCE / MOMENT OF SILENCE

Mayor Bennett called the meeting to order at 5:30 p.m., led the Pledge of Allegiance, and held a moment of silence.

AMENDMENTS / APPROVAL OF AGENDA

MOTION: Councilman Holland moved to approve the agenda as presented. The motion was seconded by Mayor pro tem Morey. The motion passed unanimously (5-0).

CONSENT AGENDA

The consent agenda consisted of the following items:

- Council Meeting Minutes – October 6, 2020
- Budget Amendments
 - #13-Cemetery Maintenance
 - #14- Additional Police Officer
 - #15-Town Website Upgrade
 - #16-Establish Beach Fund in Capital Reserve Fund

MOTION: Mayor Bennett moved to remove budget amendment #13 from the consent agenda and place it under new business-Item 5C. The motion was seconded by Councilman Holland. The motion passed unanimously (5-0).

MOTION: Mayor Bennett moved to approve the consent agenda as amended. The motion was seconded by Councilman Connors. The motion passed unanimously (5-0).

STAFF REPORTS

The following department heads presented department reports for the month:

- Deputy Town Manager/Planning Director Wes Haskett presented the department's monthly permit report for the month of October.
- Police Chief David Kole presented the Police Department's report for October.
- Fire Chief Ed Limbacher presented the Fire Department's report for October.
- The Town Manager presented the Manager's report on operations highlights:
 - NC 158 Paving- The NCDOT and their Contractor, RPC Construction, milling and re-surfacing on Hwy 158 from the Wright Memorial Bridge through the Southern Shores / NC 12 Intersection is due to be complete November 25th.
 - Beach Nourishment- 2020 Annual Monitoring and Initial Permitting Coordination
 - Task 1 – Annual Beach Profile Data Acquisition-98% complete
 - Task 2 – Annual Data Analysis and Report -55% complete
 - Task 3 – Inter-Agency Coordination / BOEM G&G Permitting -100% complete
 - Beach Nourishment- 2022 Permitting & Design
 - Task 1 – Environmental Documentation and Permitting -15% complete
 - Task 2 – Engineering and Design-15% complete
 - Task 3 – Borrow Area Investigations and Design-1% complete
 - Task 4 – Native Sampling -80% complete
 - Task 5 – Survey to Quantify 3-Inch Clasts on Native Beach-98% complete
 - In October, the Town received \$1,408,247.19 in grant funding from the N.C. Department of Environmental Quality's Division of Water Resources (DWR). The award from the Coastal Storm Damage Mitigation Fund will help fund the Town's beach nourishment project.
 - Two other grants (storm water related) will be coming up for future agenda items.
 - Recognize Police Department for being out and about on Halloween, community involvement.

GENERAL PUBLIC COMMENT

Mayor Bennett called for public comment and hearing no citizens wishing to speak, Mayor Bennett closed public comment.

BUSINESS ITEMS

Beach Nourishment- Resolution 2020-11-01-Resolution Declaring the Intent of The Town of Southern Shores to Reimburse Itself for Capital Expenditures Incurred in Connection with A Beach Nourishment Project from The Proceeds of Tax-Exempt Obligation.

Resolution 2020-11-01 ensures that all costs associated with the planned 2022 Beach Nourishment project are accounted for and paid by the funds borrowed for the project. The Town is permitted to reimburse the general fund for costs associated with planning for the beach nourishment project from the funds borrowed to pay for construction. The Federal Tax Code permits the Town to reach back 60 days for hard costs, which none have been spent to date. However, we can reach back as far as necessary to capture "preliminary expenditures", i.e. soft costs.

MOTION: Councilman Holland moved to approve Resolution 2020-11-01- Declaring the Intent of The Town of Southern Shores to Reimburse Itself for Capital Expenditures Incurred in Connection with A Beach

Nourishment Project from The Proceeds of Tax-Exempt Obligation as presented. The motion was seconded by Councilman Conners. The motion passed unanimously (5-0).

Amendment to the Unassigned Fund Balance Policy

At its October 20, 2020 Workshop, the Town Council directed staff to bring back to its November 4, 2020 regular meeting and amendment to the Unreserved Fund Policy to do two things:

- 1-Increase the minimum unassigned fund balance from \$1.75 million to \$3 million dollars, and
- 2-Include language to make clear that the primary use of these funds is for emergency purposes.

Town Manager Ogburn stated staff recommends that the Town Council adopt the attached amended fund balance policy. Doing so should present a commitment on the Town's behalf to continue its strong financial position and conservative approach to managing its revenue and expenditures while allowing the Town Council to exercise its discretion in prioritizing its spending above the minimum amount. A \$3 million dollar minimum is generally 50 percent of the Town's annual operating budget which will help ensure the town is prepared to handle the inevitable emergency circumstance.

Mayor pro tem Morey asked Town Manager Ogburn if the unforeseen emergency paragraph contained a description that Mr. Ogburn was clear and comfortable with interpreting. Mr. Ogburn stated this is just a policy statement and he is comfortable with the definition and clear intent.

Councilman Neal stated the policy states it is to be reviewed annually and the budget time seems like an appropriate time.

Town Manager Ogburn stated the policy review could be placed in the wording of the budget ordinance, forcing it to be reviewed.

MOTION: Councilman Neal moved to approve the amendment to the unassigned fund balance policy. The motion was seconded by Mayor pro tem Morey. The motion passed unanimously (5-0).

Dare County Tourism Board Appointment/Reappointment

In January 2020 the Dare County Board approved appointment for Councilman Leo Holland to complete Councilman Christopher Nason's term through January 2021. Councilman Holland fulfilled Mr. Nason's remaining term (one year) and is eligible for reappointment, to serve a full term or Council can nominate another member.

MOTION: Councilman Neal moved to reappoint Councilman Holland as the town representative on the Dare County Tourism Board as first choice; Mayor pro tem Morey second choice and Councilman Conners third. The motion was seconded by Mayor pro tem Morey. The motion passed unanimously (5-0).

Planning Board Appointment

The Southern Shores Planning Board Alternate Member 2 position is currently vacant. On October 10, 2020, Town Staff received an application from Janis Collins to serve on the Town Planning Board as an Alternate Member. This vacancy currently has a term that is valid until June 30, 2021.

MOTION: Mayor pro tem Morey moved to appoint Janis Collins to the alternate #2 Planning Board position. The motion was seconded by Councilman Conners. The motion passed unanimously (5-0).

Budget Amendment #13-Cemetery

Public Works staff has requested an expenditure from the Town Cemetery fund for cemetery maintenance. The original request of \$8,000 which would replace the stone in the existing driveway, repair markers and grind tree stumps, was reduced to \$2000 for minor maintenance at this time. The minor maintenance would consist of stump removal and marker repair.

MOTION: Councilman Holland moved to approve budget amendment #13-cemetery maintenance in the amount of \$2,000. The motion was seconded by Mayor pro tem Morey. The motion passed unanimously (5-0).

COUNCIL COMMENTS

Mayor pro tem Morey stated Covid has spread through our community and encouraged residents to stay vigilant by wearing a mask and practicing social distancing.

Councilman Holland reported on the Tourism Board:

- Occupancy is up 1% from last same time last year. It was up 27% year prior to that, hence the reason it is only 1% increase this year from last.
- Meals are still down (28%). Please do what you can to support the local businesses through these times.
- A committee has been put together to create plans for the event site but has not met since February because of Covid.

Councilman Holland also asked that we remember the families that were lost in the tragic fire down in Buxton.

Councilman Conners stated Bill Jones, the owner of Northeast Marine recently passed. He has done work for many residents in this Town over the years and will be missed.

Councilman Conners also thanked Town staff for their work ethics.

Mayor Bennett took a moment to reinforce Mayor pro tem Morey’s comments. Covid infections are on an upswing, please do not leave your masks at home, leaving yourself vulnerable.

ADJOURN

Hearing no other business, Mayor Bennett called for a motion to adjourn.

MOTION: Councilman Holland moved to adjourn the meeting. The motion was seconded by Councilman Neal. The motion passed unanimously (5-0). The time was 6:15 pm.

ATTEST:

Respectfully submitted,

Thomas G. Bennett, Mayor

Sheila Kane, Town Clerk