



# Town of Southern Shores

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Corrected

Council Meeting  
June 15, 2010  
8:00 a.m. - Pitts Center

The Southern Shores Town Council met on June 15, 2010 at the Pitts Center.

The following Council Members were present: Mayor Hal Denny, Mayor pro tem Jodi Hess, Council Members Kevin Stroud, Jim Pfizenmayer and George Kowalski.

Also present were: Town Manager Peter Rascoe, Town Attorney Ben Gallop and Town Clerk Carrie Gordin.

Mayor Denny called the meeting to order at 8:00 a.m. and led the Pledge of Allegiance. He stated several long-time residents recently passed away and he asked that a moment of silence be held for Lin Ward, Joe Mondelo, Randall Wrenn, one of the founders of the Southern Shores Volunteer Fire Department and our armed forces.

Mayor Denny then wished Webb Fuller a Happy Birthday.

## **APPROVAL OF AGENDA**

Mayor Denny moved to amend the agenda to include a closed session following Item XIII. Announcements. Council Member Hess seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye.

## **GENERAL PUBLIC COMMENT**-None

## **APPROVAL OF MINUTES**—April 20, 2010

Council Member Hess moved to approve the corrected April 20, 2010 minutes as presented. Council Member Pfizenmayer seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and voting aye.

## **CONSENT AGENDA**

### **FY 2009-2010 Budget Amendments #18 and #19 and Dare County Tax Pickups and Releases**

Council Member Hess moved to approve the Consent agenda as presented. Mayor Denny seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye.

[Clerk's Note: Copies of Budget Amendment #18 and #19 and Tax Pickups and Releases are hereby attached as Exhibit A, B and C respectively].

**PRESENTATION**- Canal Dredging Project-Tom Bennett, Project Manager

The Project Manager stated due to the change in methodology and site location, a permit modification is needed and review by the proper agencies has begun. He introduced Eric Wainwright of Byrd Brothers, and Bob Wilson of Row Boat Dock and Dredge. He stated he has had a positive experience working with them in planning for the completion of Phase I of the dredging.

Mr. Wainwright provided some background experience on his company's capabilities and stated a team agreement had been signed with Sampson in order to find a consultant to design a solution to the current canal dredging project. Bob Wilson of Row Boat Dock and Dredge has become involved in this process. Mr. Wilson provided an educational Power Point presentation for the upcoming dredging process.

Following his presentation, Mr. Wilson stated if all goes right and permits are granted, dredging can begin in October with some preparation beginning earlier. The process proposed is different from using geobags and will have less impact than the previously used hydrocyclonic process. He stated having available property provided by local property owners makes this process possible. He stated this is a tried and proven technology. As soon as permits are received, equipment can start being prepared. He stated 17,000 cubic yards of spoil can be dredged and disposed of in a few months.

Mr. Wilson stated CAMA is working cooperatively with the Town. Water and material sampling has been done and there appears to be no problems.

Following the presentation, Mayor Denny asked if the spoil containment area would be manned 24 hours a day. Mr. Wilson said there would be one safety person and another person on duty at all times.

Mayor Denny thanked the Ecks, who were present, for allowing the Town to use their property for the spoil disposal site.

[Clerk's Note: A copy of the Power Point presentation can be found on the Town's website].

**REPORTS** -None

**PROPOSED FY2010-2011 BUDGET**

Mayor Denny stated that at the last meeting Council had directed the Town Manager to prepare the FY 2010-2011 budget ordinance. Today the ordinance is being presented. Mayor Denny moved to adopt the Town's FY 2010-2011 Budget Ordinance 2010-06-01 as presented showing a \$6,404,650 budget with 14 cents on each one hundred dollars (\$100) valuation of taxable property. Of this tax rate 3 cents or approximately \$516,000 shall be designated for transfer to the capital reserve fund for Capital Projects identified in the 2010-2011 Capital Improvement Plan. Council Member Hess seconded. The motion passed with Mayor Denny, Hess and Kowalski voting aye and Council Members Stroud and Pfizenmayer voting no.

Mayor Denny asked for a clarification in Section VI. of the ordinance relating to the Town Manager's authority to increase salaries. The Town Manager stated that language was previously used, that he understood it, but that it could be amended at Council's request. No change was made.

[Clerk's Note: A copy of the 2010-06-01 Budget Ordinance is hereby attached as Exhibit D].

## **OLD BUSINESS**

### Appointment of Planning Board Members-Nancy Wendt and Robert Palombo

Member terms to expire June 30, 2010 and are up for re-appointment for a three-year term to the Planning Board.

Mayor Denny moved to re-appoint Robert Palombo for a three-year term. Council Member Hess seconded. The motion passed with Mayor Denny and Council Members Hess, Kowalski, Stroud and Pfizenmayer voting aye.

Mayor Denny moved to re-appoint Nancy Wendt for a three-year term. Council Member Pfizenmayer seconded. The motion passed with Mayor Denny and Council Members Kowalski, Stroud and Pfizenmayer voting aye, and Council Member Hess voting no.

**NEW BUSINESS** - None

## **OTHER ITEMS**

### Town Manager

The Town Manager stated it is his fifth day on the job. He thanked Webb Fuller and Chief Kole on helping him through the transition. He has been reading existing policies, interlocal agreements and contracts for the service providers. He has been evaluating administration and looking at the status on what challenges lie ahead. He has met with the Department Heads, the Fire Chief and Ocean Rescue Director. He will be meeting with the firemen and met with the lifeguards. He has met with the County Manager and the other Town Managers, the Town Attorney and the Auditor. He has met with Tom Bennett to be brought up to date on the canal dredging project.

### Town Attorney-None

### Mayor-None

### Council

Council Member Kowalski asked that the Town's FY 2010-2011 Budget Ordinance and the entire line item budget be put on the Town's website. The Town Manager stated it will be placed on the website.

Council Member Pfizenmayer welcomed the new Town Manager.

## **PUBLIC COMMENT**

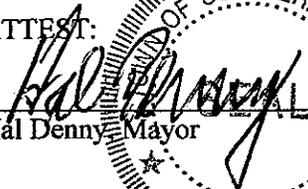
Sam Williams, 109 Pudding Pan Lane, stated he previously addressed Council on the approval process for the Town's Land Use Plan. He reminded the Council Members to submit their comments so the Land Use Plan could be submitted for Council approval at either the July 6 or the October 5 Council meetings. This will allow time to submit the plan to CAMA by February 2011.

Mayor Denny moved to go into closed session pursuant to NCGS 143-318.11(a)(3) to consult with the Town Attorney on the attorney/client privilege. Council Member Hess seconded. The motion passed with Mayor Denny, Council Members Hess, Kowalski, Stroud and Pfizenmayer voting aye.

Upon returning to open session and hearing no other business Mayor Denny moved to adjourn at 10:10 a.m. Council Member Hess seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye.

Mayor Denny moved to ratify and repeated his motion to adjourn at 10:10 a.m. (due to the door not being opened following the closed session) Council Member Hess seconded. The motion passed with Mayor Denny, Hess, Stroud, Pfizenmayer and Kowalski voting aye.

ATTEST:

  
Hal Denny, Mayor

Respectfully submitted:

  
Carrie Gordin, Town Clerk

Exhibit A

**Town of Southern Shores  
Budget Amendment Number # 18**

<b>Administration Increases</b>			<b>Administration Decreases</b>		
<u>Account Number</u>	<u>Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
40-39909	<b><u>Revenues</u></b> Undesignated FB	\$5,000.00			
42-50124	<b><u>Expenditures</u></b> Computer Services	\$5,000.00			

Explanation: To cover costs of an additional workstation, wireless access and Sonicwall

Recommended By:

J. Peter Rascoe, III

Approved By:

Hal Denny, Mayor

Date

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**Exhibit B**

**Town of Southern Shores  
Budget Amendment Number # 19**

**Administration  
Increases**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
40-39909	<u>Revenues</u> Undesignated FB	\$25,000.00
42-50104	<u>Expenditures</u> Legal Services	\$25,000.00

**Administration  
Decreases**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>

Explanation: To cover attorney fees

Recommended By:

J. Peter Rascoe, III

Approved By:

Hal Denny, Mayor

Date

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Exhibit C

**TOWN OF  
SOUTHERN  
SHORES  
TAX  
DEPARTMENT**

**6/15/2010**

**PICKUPS**

**RELEASES**

March Vehicle	\$8.59
April Vehicle	\$30.24
April Real	\$80.43
May Vehicle	\$7.62

**TOTAL**

**\$0.00**

**\$126.88**

Exhibit D

Ordinance No. 2010-06-01

**An Ordinance of the Southern Shores  
Town Council  
Adopting a Budget and Tax Rate for FY 2010-2011**

**BE IT ORDAINED** by the Town Council of the Town of Southern Shores, North Carolina that the following be the budget for FY 2010-11:

SECTION I, GENERAL FUND

- A. Appropriations: The following amounts are appropriated for the operation of the Town government and its activities for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Administration Department	\$ 798,950
Code Enforcement & Inspections Department	\$ 281,755
Fire Department	\$ 523,000
Ocean Rescue	\$ 148,000
Police Department	\$ 1,315,745
Public Works Department	\$ 2,289,200
Sanitation Department	\$ 532,000
Contribution to Capital Reserve Fund	\$ 516,000
<b>Total General Fund Appropriations</b>	<b>\$ 6,404,650</b>

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B. Estimated Revenues: It is estimated that the following revenues will be available during the fiscal year beginning July 1, 2010 and ending June 30, 2011 to meet foregoing appropriations:

Property Taxes- Current Year	\$ 2,410,000
Vehicle Taxes- Current Year	\$ 40,000
Property & Vehicle Taxes- Prior Years, Penalties and Interest	\$ 9,800
Subtotal: Property and Vehicle Taxes	\$ 2,459,800
Land Transfer	\$ 125,000
Local Option Sales Tax	\$ 525,000
Occupancy Tax	\$ 665,000
Other Intergovernmental Revenues	\$ 423,500
Building Permits & Fees	\$ 61,100
Lease purchase proceeds	\$ 110,250
Canal dredging grant	\$ 750,000
Other Revenues	\$ 44,000
Powell Bill Fund Balance Appropriated	\$ 201,737
Transfer from Capital Reserve fund	\$ 1,001,000
Undesignated Fund Balance Appropriated	\$ 38,263
<b>Total General Fund Revenues</b>	<b>\$ 6,404,650</b>

#### SECTION II, CAPITAL RESERVE FUND

##### Appropriations Authorized:

Transfer to General Fund	\$ 1,001,000
<b>TOTAL CAPITAL RESERVE FUND APPROPRIATIONS</b>	<b>\$ 1,001,000</b>

##### Revenues Anticipated:

Transfer from General Fund	\$ 516,000
Capital Reserve Fund Balance Appropriated	\$ 485,000
<b>TOTAL CAPITAL RESERVE FUND REVENUES</b>	<b>\$ 1,001,000</b>

#### SECTION III, TAX RATE ESTABLISHED

There is hereby levied a property tax of fourteen cents (\$0.14) on each one hundred dollars (\$100) valuation of taxable property in the Town of Southern Shores, as listed for taxes for the current year by the Dare County Tax Department. Three cents (\$0.03), or approximately \$ 516,000 of this total is designated for transfer to the capital reserve fund for Capital Projects identified in the 2010-2011 Capital Improvement Plan attached hereto.

#### SECTION IV, AMENDMENT TO CAPITAL RESERVE FUND RESOLUTION

The resolution adopted March 6, 2007 creating the Capital Reserve Fund is hereby amended to include as its purpose the funding of the projects identified in the 2010-2011 Capital Improvement Plan attached hereto.

SECTION V. TOWN MANAGER TRANSFER AUTHORIZATION

The Town Manager shall be authorized to reallocate departmental appropriations among the various objects of expenditures as he believes necessary and is also authorized to make interdepartmental transfers, within the same fund, not to exceed 10% of the appropriated monies for the department whose allocation is reduced.

SECTION VI, TOWN MANAGER RESTRICTIONS

Council must preauthorize the use of any contingency appropriations.

Other than salary increases in the budget document, no salary increases may be made without the Council's approval.

Appropriations from the Capital Reserve Fund can only be used for the purpose of Capital projects and not for the use of meeting other departmental expenditures.

Interfund transfers that are not established in the budget document may be accomplished only with the prior authorization of the Council.

SECTION VII, UTILIZATION OF BUDGET AND BUDGET ORDINANCE

This Ordinance and the Budget Document shall be the basis of the financial plan for the Town of Southern Shores, North Carolina Municipal Government during the fiscal year 2010-11.

ADOPTED this 15<sup>th</sup> day of June, 2010

ATTEST:

\_\_\_\_\_  
Mayor Hal Denny

SEAL

\_\_\_\_\_  
Carrie Gordin, Town Clerk