

**TOWN OF CALABASH  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
Tuesday, December 11, 2012—6:00 pm**

**AGENDA**

**CALL TO ORDER:** Mayor Knight

**PLEDGE TO FLAG:**

**ROLL CALL:**

**APPROVAL/ADJUSTMENT OF AGENDA:**

**MINUTES:**

**MAYOR'S COMMENTS:**

**BOARD COMMENTS:**

**PUBLIC COMMENTS #1:** (5 minutes per speaker)

**CORRESPONDENCE:**

**TOWN ADMINISTRATOR'S REPORT:** written report

**BUILDING INSPECTOR'S REPORT:** written report

**PLANNING & ZONING BOARD:** no report/no meeting

**COMMITTEE/LIAISON REPORTS:**

1. Calabash Fire Department—Commissioner Walton
2. Finance—Commissioner Nance
3. Town & Merchant—Commissioner Nance
4. Calabash Community Services—Commissioner Buccilli
5. Stormwater—Commissioner Walton
6. Emergency Management—Town Administrator Nance
7. Personnel—Commissioner Melahn
8. Long Range Planning—Commissioner Buccilli/Town Administrator
9. Safety—Commissioner Walton

**PUBLIC COMMENTS #2:** (2 minutes per speaker)

**OLD BUSINESS:** (Note: Commissioners please remember a motion to remove from table is needed if you wish to bring a tabled item back to the floor for action and/or discussion)

1. **Action Item:** to consider the request made by the developers of Oak Ridge Plantation to convey the subdivision's streets to the Town of Calabash. (**tabled item**-staff)
2. **Action Item:** to consider an expenditure of funds to replace the glass door in the foyer at Town Hall (hallway door) with a steel door. (**tabled item**-Commissioner Nance)
3. **Action Item:** to review the CPAs that were contacted by Town Administrator Nance at the direction of the Board during the Special Meeting of November 29, 2012—1:00 PM; the Board of

Commissioners to set the amount and select the CPA at which the Finance Director may approve such contract. (Town Administrator Nance)

**PUBLIC COMMENTS #3:** (2 minutes per speaker)

**NEW BUSINESS:**

1. **Action Item:** to consider a drainage repair project in Saltaire Village and direct the Town Administrator to get bids (Commissioner Walton)
2. **Action Item:** to consider an entertainment agreement/contract for a singer/performer for the New Year's Eve Bonfire; contract amount \$250.00. (Commissioner Buccilli)
3. **Action Item:** to consider an amendment to Section 32.04-Usage of Calabash Town Hall-of the General Code of Ordinances; add language that the Board of Commissioners can give prior approval to outside organizations/board/committees. (Commissioner Walton)
4. **Action Item:** to consider an amendment to Article III, Section 30.19 Order of Business-consider changing the order of business as suggested by Chris May of Cape Fear Council of Governments during the Workshop of December 5, 2012 and consider adding #(3) Presentations and renumber accordingly. (Town Clerk)
5. **Action Item:** to schedule a Special Meeting for the purpose of holding a Workshop on purchasing waterfront property gather public input, discuss grants that are available. Have Chris May from COG explain process and grant money (Commissioner Buccilli)
6. **Action Item:** regarding an amendment to Article 3, Section 32.12 (B) Mileage Reimbursement of the Calabash Coded of Ordinances. To exclude mileage within ten miles of Town Hall for elected officials as it is provided as a part of the monthly board allowance. (Commissioner Melahn)
7. **Action Item:** to remove the Town Administrator as Treasurer of the Community Services Committee as it is in violation of Gen Code Sec.32.05(C)(2)(a). (Commissioner Nance)
8. **Action Item:** make it a requirement to obtain Board approval to attend meetings by Mayor or Board members if they are going to request reimbursement by the Town. If Board votes to reimburse Board member or Mayor they are required to give a report of said meeting at next Regular Board Meeting. (Commissioner Nance)
9. **Action Item:** to set amount of expenditures made by Mayor or any Board member and to first be approved by Town Board in the "yay" or "nay" vote prior to purchase—Title III, Sec. 31.18 Finance Director, B-duties. (Commissioner Nance)
10. **Action Item:** spending of town funds in possible violation of Gen Code Sec. 32.10 A-E (D& E specifically) reference Mayor Knight's office flooring. (Commissioner Nance)

**CLOSED SESSION:**

1. Pursuant to G.S 143-318.11 (a)(6) Personnel Matters/evaluation
2. Pursuant to G.S 143-318.11 (a)(3) Consult with the Town Attorney

**ACTION AS A RESULT OF CLOSED SESSION:**

**PUBLIC COMMENTS #4:** (3 minutes per speaker)

**BOARD COMMENTS:**  
**ADJOURN:**

**TOWN OF CALABASH  
BOARD OF COMMISSIONERS  
REGULAR MONTHLY MEETING  
Tuesday, December 11, 2012  
6:00 PM-Sanborn Hall**

**MINUTES**

The Calabash Board of Commissioners held a Regular Monthly Meeting on Tuesday, December 11, 2012, 6:00 PM in Sanborn Hall, located at Town Hall, 882 Persimmon Road, Calabash, NC.

**MEMBERS PRESENT:** (NOTE: all members were present)

Mayor Mary Louise Knight  
Commissioner Sandy Melahn  
Commissioner Joseph “Jody” Nance

Mayor Pro Tem/Commissioner Emily DiStasio  
Commissioner Daria Buccilli  
Commissioner Charles “Buddy” Walton

**STAFF PRESENT:**

Town Administrator Chuck Nance  
Town Clerk Kelley Southward  
Town Attorney Mac Tyson

**GUESTS PRESENT:** there were approximately 25 guests in attendance.

**CALL TO ORDER/PLEDGE/ROLL CALL:** Mayor Knight called the meeting to order at 6:00 PM, the Pledge of Allegiance was recited. Roll call of Board members and staff was taken; attendance is reflected above.

**APPROVAL/ADJUSTMENT OF AGENDA:** *Commissioner Nance moved to adjust New Business by first moving all of New Business ahead of Old Business and also adjusting New Business items #6-#10 to items #1-#5 and making items #1-#5 items #6-#10; the motion was seconded by Commissioner DiStasio and carried unanimously.*

*Commissioner Buccilli moved to add item #11 to New Business: Discussion/Action to consider expenditure amount for door prizes raffle at the Town Christmas Party; seconded by Commissioner DiStasio and unanimously carried. Commissioner Walton asked that Mayor Knight call for the “Nay” vote; she did and there were no “nays” forthcoming.*

*Commissioner Nance moved to approve the agenda, as amended, seconded by Commissioner Melahn and the vote carried unanimously.*

**MINUTES:** It was noted that there were no minutes ready for the Board’s consideration this evening.

**MAYOR'S COMMENTS:** Mayor Knight wished everyone a Merry Christmas/Happy Holidays and a Happy New Year. Each Commissioner also wished everyone the same. Mayor Knight thanked those who assisted with the Spirit of Calabash Parade and Christmas Tree Lighting that took place on Friday, November 30<sup>th</sup>. She noted that she and Town Administrator Nance met with Chad Kimes of NC DOT regarding the sidewalk/pathway project. On November 29<sup>th</sup> at 1:00 PM the Board held a special meeting regarding the vacant Office Assistant position and sending out RFP's for a CPA to assist with certain aspects of finance for the next six months. On the same day there was a second special meeting to approve a resolution that would assist the fire department with bank financing for their new station; there is no financial obligation to the Town. On December 4<sup>th</sup> the Mayor attended a function in Bolivia and on December 5<sup>th</sup> the Board held a workshop regarding Article 3 of the General Code of Ordinances; this was facilitated by Chris May of Cape Fear Council of Governments (COG).

**BOARD COMMENTS:** Commissioner Nance said that in a few minutes the Board would be getting into some business that is pretty serious and asked that the audience allow the Board to discuss and deliberate without any distractions.

**PUBLIC COMMENTS #1:**

1. Bill Seip of Greenwood Court addressed the Board about two matters. First, he commented on an item of Old Business during the November 13, 2012 regarding a rezoning request. He felt it was ridiculous that the item lasted for almost one hour; basically due to the applicant's agent and the adjacent property owner being permitted to speak in a back and forth for such a long period of time. He said the Mayor has a responsibility to control the meeting and she should've stopped them early on explained to them that they had two minutes to speak. Additionally, they were given an opportunity to speak at the Public Hearing on the matter in September. Additionally, he felt the three presentations at the start of the November meeting were excessive as well. He felt a Commissioner should've called for "point of order". Secondly, he felt voting is the most important part of the meetings. He said for months the "nay" vote is not been asked for nor has the outcome of the vote been announced; he opined that November was the worst it has been. He said the affirmative vote is always asked for but rarely ever is the opposition vote. He noted that Chris May of COG said at last week's workshop that the affirmative and negative vote should always be asked for and that the outcome always announced; he did say that it is acceptable for the Clerk to announce the outcome but in most cases the Chair announces the outcome but it must be announced. Finally, Mr. Seip commented that Board members are still not using their microphones and it is very difficult for the audience to hear what is being said.
2. Randy and Vivian Beck of Calabash Acres: Mr. Beck requested the Board consider installing speed bumps in Calabash Acres. They have witnessed children, elderly people and pets all come close to being run over by drivers who speed in the neighborhood. The speed limit is 25 MPH but so many people disregard this and it's very dangerous. He said they have called the Sheriff's Department several times but they are limited to what they can do to enforce the problem. Mrs. Beck said they've asked for speed bumps in the past and they are even willing to pay for their own speed bump. She said that she being a home health care nurse, she visits many neighborhoods and many of them have speed

bumps. They are nice wide speed bumps; it makes people do the speed limit. She is fearful for her pets, grandchildren and the elderly in the neighborhood. One of her neighbors was almost hit the other day. She has heard that speed bumps are sometimes considered a liability by towns but feels it would be a much greater liability if someone got hit by a car. She asked the status of possible sidewalks to the business section of Calabash. Mayor Knight said that there was a meeting with DOT last week and they are supposed to forward final cost estimates this week; adjustments to the size (width of the pathway/sidewalk) might have to be made. Commissioner Walton asked how long it would be before we got to public safety as he could answer some the questions the Vick's have. Commissioner DiStasio noted that Committee Reports are coming up very shortly.

**CORRESPONDENCE:** Mayor Knight read an email from the Troop Leader of the Boy Scouts thanking the Town for allowing their participation in the Spirit of Calabash Parade and Tree Lighting event. They are also looking forward to utilizing the Calabash Community Park.

Mayor Knight then read a correspondence from former Commissioner John Melahn to the Board of Commissioners regarding Town Ordinances and how some have not been followed by the governing body; a copy of this correspondence is attached. Mayor Knight asked the Board if she could respond to Mr. Melahn as this time or if she should put her response in writing to him. Commissioner Melahn noted that the correspondence is to the entire Board not just the Mayor. Commissioner DiStasio commented that she too had recognized that some procedural ordinances were not being followed by the Board and that is why she requested the workshop with Chris May. The Board members said they did not have a problem with the Mayor responding to Mr. Melahn at this time. Mayor Knight offered an apology to Mr. Melahn for making him feel as though his hard work on the recodification of ordinances was a waste of time as referenced in his letter. She said that Mr. Melahn did a magnificent job on the recodifications he was involved in making. Her only regret is that he did not point out the mistakes that the Board was making sooner as she does not want to be making any mistakes and is sure no Board members want to make mistakes. She said she has turned to Mr. Melahn many times for direction and advice. Mayor Knight felt the on-going workshop with Mr. May will be helpful in this matter.

Mayor Knight read a letter thanking her for her time at the Community College speaking to high school students from the Brunswick County Department of Education.

Mayor Knight also noted that she attended a meeting at the Meadow Lands POA where she was presented a plaque for the Town.

**TOWN ADMINISTRATOR'S REPORT:** weekly reports attached hereto and made a part of these minutes.

**BUILDING INSPECTOR'S REPORT:** written report attached hereto and made a part of these minutes.

**PLANNING & ZONING BOARD:** there was no December meeting and therefore no report.

**COMMITTEE REPORTS:**

1. **Calabash Fire Department**—the old fire station has been demolished and the department has moved to their temporary location on Thomasboro Road. They had a Christmas Party last Saturday; it was a great time. There have been recently been two fires in Carolina Shores due to ashes from fire places. The loan is due to close this Thursday.
2. **Finance**—Commissioner Nance reported that the current Fiscal Year Budget is \$1,021,050 to date revenues of \$384,554.65 has been collected (38% of budget) and to date we have expended \$372,355.38 (36% of the budget). Currently revenues exceed expenditures. The current tax collection rate is 45%. There is a total of \$1,445,530.27 in the Town's two bank accounts. Commissioner DiStasio added that the partial expenditures spreadsheet she has been preparing will be upgraded to a complete expenditures report as staff will be able to furnish her with more information.
3. **Town/Merchant**—Mary Keefe of the Calabash Merchant's Association was in the audience and reported on their last meeting. She said they discussed needs and wants of the members and advertising avenues for the holidays. Suzy King will be looking into the county's concert series. She noted that it is difficult to stay in business in Calabash; she asked people to shop in Calabash. Mayor Knight asked if she could be provided with an opportunity to speak with their Association to pass along some information she learned in Charlotte that might be beneficial.
4. **Community Service**—Commissioner Buccilli reported that there was no meeting in December but they will be hosting a New Year's Eve Bonfire again this year. They hope to have "Elvis" perform. There will be food and fellowship. She said would be in line with the budget that was approved for this event during the budget workshops last spring. There is a contract for the live music that is on the Board's agenda tonight for their consideration; if it is not approved the event will still take place there will just not be any live entertainment. The event is taking place in the parking lot at the Hurricane Fleet on the riverfront.
5. **Stormwater**—Commissioner Walton said two main pipes in the stormwater system in the Saltaire Village subdivision are completely restricted. A contractor with a commercial rotor-rooter and a camera about the size of a pencil worked several hours for a couple of days trying to get the rooter and/or camera through but were completely unsuccessful. The conclusion has been made that these pipes need to be replaced as they were not pipes of the proper material for their function to begin with. If the Board feels this project needs to go out for bid, Commissioner Walton suggests the Town Administrator be given the authority to award the bid in order to expedite this project. It was noted that the matter is an action item under New Business this evening.
6. **Emergency Management**—Town Administrator Nance reported that the EMC will meet on January 29<sup>th</sup>. Karl and Linda Bennett have been working hard to update policy and procedures and are putting together documents for the next meeting. Mayor Knight thanked Mr. And Mrs. Bennett for their hard work and dedication.
7. **Personnel**—Commissioner Melahn reported that interviews have taken place for the vacant Office Assistant position as well as the search for a contract CPA. Hopefully the Board will come to decisions on both matters this evening.
8. **Long Range Planning**—Town Administrator Nance reported that the garden club should be putting together a plan for landscaping for the park that the LRPC will review. Mayor Knight thanked the garden club for their assistance with the park.

9. **Safety**—Commissioner Walton reported that he has researched the matter of speed bumps. He has found that the state of NC doesn't allow speed bumps unless 2/3rds of the community is in favor of installing speed bumps. He said that he passed this information on to a resident of Calabash Acres that had previously asked him about speed bumps. Since the neighborhood doesn't have an active POA the word might not have spread yet. The Beck's asked if it would be appropriate for them to start a petition in their neighborhood; Commissioner Walton felt that was appropriate if they want speed bumps. Town Administrator Nance added that he spoke with NCLM who provides liability insurance for the Town. They relayed that speed bumps are a liability issue but they recommend a "speed hump" which is more gradual and is less likely to cause damage to automobiles.

**PUBLIC COMMENTS #2:** none forthcoming.

**NEW BUSINESS:**

1. **Action Item: regarding an amendment to Article 3, Section 32.12(B) Mileage Reimbursement of the Calabash Code of Ordinances. To exclude mileage within ten miles of Town Hall for elected officials as it is provided as a part of the monthly board allowance. (Commissioner Melahn)**

Commissioner Melahn has suggested adding a minimum of 10 miles for reimbursement to Board members. She said she does not feel it is worth the time it takes to process the checks or the cost of the checks themselves for amounts paid out for reimbursements under 10 miles one-way. Commissioner Buccilli asked if this would only apply to Board members or would it apply to members of standing committees as well. Commissioner Nance asked for point of order, stating that a motion and second should be made before there is any discussion.

*Commissioner Melahn moved to approve the amendment to Article 3, Section 32.12(B) Mileage Reimbursement of the Calabash Code of Ordinances; seconded by Commissioner Nance and discussion ensued.*

Commissioner Melahn said it would apply to members of committees as well; to make a check for \$4.36 is not worth the time and effort it takes to create/print the check. She said if a committee member was going to make several trips then they could put in one mileage reimbursement with the multiple trips rather than multiple reimbursements for really short trips. Commissioner Buccilli asked if a volunteer committee member of the Community Service Committee held onto multiple receipts could they get reimbursed if they were to turn them all in at one time. Commissioner Melahn said she didn't see a problem with that and this amendment is mainly for the Board (of Commissioners). Mayor Knight opined that the code states the Commissioner in charge of Community Service Committee or another commissioner that does extra work would be entitled to extra reimbursement. Commissioner Nance pointed out that there is motion on the floor for a proposed amendment, as written. Commissioner DiStasio pointed out that the proposed amendment refers to Town Officials (not committee members).

*Mayor Knight called for a vote; the motion to approve the amendment to Section 32.12(B) of the General Code carried by way of a unanimous vote.*

- 2. Action Item: to remove the Town Administrator as Treasurer of the Community Services Committee as it is in violation of General Code Sec. 32.05(C)(2)(a). (Commissioner Nance)**

Commissioner Nance said he doesn't believe this item requires any action by the Board as it is already an ordinance that staff members only serve on committees as resources but not active members. He said he believes it was a simple over-sight and Town Administrator Nance simply needs to step down as Treasurer of the committee and have them elect a new Treasurer. Commissioner Buccilli asked when this would take effect. Commissioner Nance said it could be done at the committee's next meeting or right now and the position would just be vacant until the committee's next meeting. It was decided it would be done at the committee's next meeting.

- 3. Action Item: make it a requirement to obtain Board approval to attend meetings by Mayor or Board members if they are going to request reimbursement by the Town. If Board votes to reimburse Board member or Mayor they are required to give a report of said meeting at the next Regular Board Meeting. (Commissioner Nance)**

*Commissioner Nance moved that it be a requirement that the Mayor and Board members must obtain Board approval to attend meetings in which they will be requesting any reimbursement by the Town. If the Board votes to reimburse a Commissioner or the Mayor then they are required to give a report of the meeting they attended at the next Regular Board of Commissioners Meeting. Seconded by Commissioner Melahn and a discussion ensued.*

Commissioner Buccilli said the budget includes an expenditure line item for this purpose; it was discussed at Budget Workshops and voted on when the budget was approved. She doesn't understand why things are being changed mid-stream. Commissioner Nance said as life goes on, things change. He and some other commissioners he has spoken with don't feel that proper discussion and information has been relayed back to the Board by meetings that have been attended. He said most meetings are scheduled with plenty of advanced notice so it shouldn't be too much of an inconvenience to get prior approval. He said it will just make the Board more aware of what is happening. Commissioner DiStasio said the money is in the line item, they just want to be aware of what is going on; Commissioners Melahn and Walton concurred. Commissioner Buccilli said that in November she and the Mayor made a report to the Board regarding what they had learned at the NCLM conference in Charlotte in late October but no one had any questions for them. Commissioner DiStasio said it was reported that you learned a lot of things but no details were provided.

*Mayor Knight called for a vote to the motion and second on the floor, which carried by a vote of four (4) to one (1) with Commissioner Buccilli voting in the opposition.*

4. **Action Item: to set amount of expenditures made by Mayor or any Board member and to first be approved by Town Board in the “yay” or “nay” vote prior to purchase—Title III, Section 31.18 Finance Director (B) Duties. (Commissioner Nance).**

Commissioner Nance said “the reason for this will more or less come up a little later but what this will do is take an employee who is beneath the commissioners from being in a position where he/she may have to decide expenditures. *So we’ll set an amendment, whatever the Board decides, and this will be my motion, just as it was written, of whatever amount during discussion that the Board sees fit to set, anything up to that amount, you can make it the Finance Officer approves it or you can set any amount spent, whatever the Board wishes to do with this I just want where it can’t be put out there where somebody is aware of what’s going on. So, a second I guess and then we can discuss it.*” Commissioner Melahn, “I’ll second.”

Commissioner Melahn suggested the amount be set somewhere between \$250 and \$500. Commissioner Nance said he was thinking \$250; Commissioner Melahn felt that would be fine. *Commissioner Nance said that he wanted to add to his motion that this would exclude the day to day business and running of the Town by the Town Administrator. Rather, this would be for expenditures made by the Mayor and Commissioners. Commissioner Melahn amended her second to include this additional language. Mr. Tyson asked for clarification: is Commissioner Nance was making all of this as a motion, including the \$250 limit? Commissioner Nance said he was including the \$250 limit and also the stipulation to exclude the day to day operations of the town as being directed by the Town Administrator; he further clarified that such was to mean any expenditure \$250 and above. Mayor Knight requested that Commissioner Nance state his entire motion (which had already been seconded in pieces by Commissioner Melahn) for the record one time so that it is clear.*

*Commissioner Nance moved that expenditures made by the Mayor or any Board Member to be first approved by the Town Board of Commissioners with a “yay” or “nay” vote prior to purchase and that the Board has set that amount at \$250 and above, excluding the day to day business activities of expenses to run the Town by the Town Administrator. [Note: based upon the item description and the original motion, which was “as written” it was assumed that this was to be an amendment to the Calabash General Code of Ordinances, Title III, Section 31.18 Finance Director (B) Duties: add this language as (9).]*

Mayor Knight asked if this was to include the Community Service Committee. Commissioner Nance said it was only for the Mayor and Commissioners as committees have their own budgets. Mr. Tyson said he understood it to only be for elected officials; Commissioner Nance concurred. Mayor Knight said we have an elected official that must spend for the Town for the Community Service Committee (CSC). Commissioner DiStasio said they have their own budget. Mayor Knight explained that since the Town does not have an account with Sam’s Club this Commissioner on the CSC must use her

own credit card when purchasing town event supplies at Sam's; she then turns in receipts to the accounting department for reimbursement by check. Commissioner Nance felt this was not a good practice and suggested that Town Attorney write the Board an opinion on that scenario. Mr. Tyson said reimbursement of that nature is legal but it is up to the Board if they want to set a policy; it's totally up to the Board.

Commissioner Buccilli said that the Chairman of the CSC cannot use (sign for) the Town credit card, which means an authorized signature needs to accompany her for the purchase of supplies. So, if an elected official is shopping with the Chair of CSC for a CSC event and goes over that \$250, is it a violation? Commissioner Nance said they could not go over the \$250. Mayor Knight asked if in that case, multiple trips would have to be made for purchasing such supplies. It was clarified that several trips could be made but the better thing to do would be to get the Board's approval for amounts over \$250 prior to purchasing anything. It was again clarified that typical day-to-day purchases for the business of the Town are not included this. Town Administrator Nance added that if the CSC Chairman needs to purchase something normally staff could be made available to go with her or go themselves make the purchase with the Town credit card so that an elected official doesn't always have to go with her.

*Mayor Knight called for a vote on the motion and second that was still on the floor; the motion carried by a vote of four (4) to one (1) with Commissioner Buccilli voting in the opposition.*

**5. Action Item: spending of town funds in possible violation of General Code Section 32.10 A-E (D & E specifically) reference Mayor Knight's office flooring. (Commissioner Nance).**

**NOTE to reader: this item has been transcribed verbatim:**

Commissioner Nance: now this is the more serious, in my opinion, item of the evening. As finance officer I deemed it necessary to bring it before the board and the public. I ask the counselor to keep his ears opened, keep me straight and make sure that...(turning to Town Administrator Nance) Do you have the amount that was spent in the Mayor's office that she is now assigned to or has taken over?

Town Administrator Nance/Town Clerk both answered: \$1,152.

Commissioner Nance: \$1,152—okay. I am charging that Mayor Knight without the proper consent of the Board or ordinance procedure, took it upon herself, and I have talked with the Town Administrator, with no authorization from him, he even advised that she would have to take this up with board but under Article D purchase orders are not to be issued that exceed \$500 without obtaining 3 quotes and purchase orders that are \$1,000 or more or are expected to exceed this amount shall require a written specification which shall be submitted to the Board of Commissioners at the time of the purchase. Now, for us to get back on format like we have been doing so that we can let other commissioners weigh-in, I'm gonna have to make a motion before any of its discussed. If it needs to be retracted or it needs to be amended, we can do so. But I

deem this to be a pretty serious violation and some of the other commissioners might have insight on it or they may not. The motion I'm about to make is not only this but other situations that have occurred with expenses with the Board being disregarded. Another instance is, it's been called being a part of the budget, but the first office you were in Mayor, was completely remodeled without any insight from the Board; using town employees. Just on and on different things.

Mayor Knight: Can we do them one at a time, please?

Commissioner Nance: I'm gonna make the motion and then we'll go from there. *I make a motion at this time that this Board deem to remove the powers of Mayor Knight to just officiate meetings and public events. If anything of this motion is violated, if passed, the Board will then contact the LGC or the Council of Governments to see if and what further action may be needed. Now, that is my motion on the floor.*

**[NOTE TO THE READER: Please be advised that this note is NOT a part of the verbatim transcription but rather a "clarification to the motion" that was made on December 11, 2012 Minutes—clarification made during the January 8, 2013 Regular Meeting of the Board of Commissioners as per the majority of the Board of Commissioners. Commissioner Nance, during the January 8, 2013 Meeting, requested "clarification of his motion" that was made above (during the 12-11-2012 Meeting). This Clarification was stated by Commissioner Nance on January 8, 2013 as follows:**  
*Commissioner Nance said that neither he nor the Board was at any time trying to remove any powers given to the Mayor by North Carolina State Law. He said the Board does not have that authority and he was only trying to protect the Town's checkbook from further spending sprees and only such powers given to the Mayor by city ordinance; he believes that is what was done and therefore what he wants the minutes to show; that we were not trying to take any powers away from the Mayor that is given to her by State Statute. Again, this "clarification to the motion" of December 11, 2012, found in the verbatim transcription above was requested by a majority of the Board on January 8, 2013 and the Clerk was directed to add this "Note to the reader" and bring these December 11, 2012 minutes back before the Board of Commissioners on February 12, 2013 for their consideration. The December 11, 2012 Board of Commissioners' Regular Meeting Minutes were approved by a majority of the Board on \_\_\_\_\_ attested by: \_\_\_\_\_ Kelley Southward, Town Clerk]*

Commissioner Melahn: I'll second it.

Mayor Knight: for what reason?

Commissioner Nance: Now I said I would like to...

Commissioner Melahn: For expenditures. We have got to keep our spending in this Town down.

Mayor Knight: Has anyone spoken to me? Has anyone here spoken to me? Anyone at all? Have I spoken with Town Administrator Nance? Number one, let's start with one item, let's start with the office that was built. The office that was built by Sid.

Town Administrator Nance: The office that was built by Sid...

Mayor Knight: I would like somebody, anybody to tell me it was my doing; any idea that I was asking, persuading, anything. To have an office built; when did it become my idea? When did I personally approve of the idea? Where did I go with no office at all? Did I complain? Was I not in the back of this room for over two and half months? Never complained; never ever asked for a thing. Now if anyone can argue any one of those points...feel free.

Commissioner Walton: Excuse me Madam Mayor but I believe we are talking about expenditures we are not talking about who gave permission to anybody or anything else. We are talking about a violation of our orders is what we're talking about.

Mayor Knight: Commissioner Walton, I heard various charges; insults, just thrown at me.

Commissioner Walton: Madam Mayor, have you passed the gavel?

Mayor Knight: No, I have not.

Commissioner Walton: Then I don't think you have any discussion unless you do.

Commissioner Nance: In all due respect you do, should pass it to the Mayor Pro Tem so you can take part...

Mayor Knight: But I am the Mayor

Commissioner Nance: I'm just making a suggestion.

[Mayor Knight passes the gavel/meeting to Mayor Pro Tem DiStasio]

Mayor Knight: I would like someone to respond to the first allegation.

Commissioner Nance: the first allegation is this, just what I read, you took it upon yourself in disregard for this Board to go out and purchase laminate floor in that office...

Mayor Knight: No, you did not say that...Let's take them one at a time. You said that I took it upon myself to have that office built.

Commissioner Nance: You did

Mayor Knight: Okay...

Commissioner Nance: number two...

Mayor Knight: Second..

Commissioner Nance: excuse me...

Mayor Knight and Commissioner Nance talking over one another for two seconds...

Commissioner Nance: let me reiterate the main issue here tonight, which is a violation of general statute 32 dash 10 D & E; unauthorized purchase of material for the amount of \$1,152 without being duly authorized by the Board and without proper procedure.

Mayor Knight: No, that's not what you said.

Commissioner Nance: That's what the motion is about.

Mayor Knight: You said I did not speak with Town Administrator Nance; I did hear that. Town Administrator Nance informed me there was \$6,000 in the building fund to be used for this purpose. Now this Board took it upon themselves. The first room in the building was unusable as construction was going on for a window deal. The second room in the building was unusable because all the furniture and construction was going on in that room. I received an email on a Sunday evening that Monday, I was to move to the back room because that office was going to be used. Consequently I went back to the back room because this board did not give any concern as to the condition that the room was in. Furthermore, we found, upon inspection

[laughing from the audience]

Mayor Knight: Ma'm you can laugh all you want; it's not funny.

[From the audience] Lady #1: are you talking to me? You're not funny...

[audience] Gentleman #1: you aint either lady.

Lady #1: I'm not talking to you...

Lady #2: He's talking to you though...

Lady #1: I don't care...

Commissioner Nance: Madam Mayor Pro Tem, we are getting off subject

[from the audience] Carolina Shores Mayor Goodenough: nobody said it last time so I'll say it this time: POINT OF ORDER...POINT OF ORDER!

Mayor Pro Tem DiStasio bangs the gavel: Could we please have quiet in the audience and let these two finish.

Mayor Knight: I'm simply saying there is no way anyone could be using that office. Now we have three offices down. I go to Town Administrator Nance I said to him: 'sir, we need some flooring in there'. Number one the carpet was damp in the middle totally worn...[getting up from her seat and going to an area of carpet]...let me show you. The carpets are 12 years old. That carpet had a door that continued to go across it was mold in the middle. And I personally don't want you, the public, having to be sitting in there. It's a closed enough area as it is. Commissioner Nance [actually meant to say Town Administrator Nance] says 'yes' there's \$6,000 in the building fund here's the credit card and out the door I went. Now, if you would like to hold that against me, that's up to you. I know personally, the right thing was done for the right reason for the right people.

Commissioner Nance: Madam Mayor Pro Tem, the issue here that we are discussing is not offices, it's the expenditures made without due authorization of the Board and that's all I have to say.

Mayor Pro Tem DiStasio: That's...

Mayor Knight: Authorization from the Town Administrator. The Town Administrator has \$10,000 to his discretion. There was \$6,000 in the account that he could identify where it would go.

Commissioner Nance: [talking to TA Nance] one question, did you authorize the Mayor to make that purchase?

Mayor Pro Tem DiStasio: May I read something here out of the ordinance?

Commissioner Nance: Okay, I'm sorry.

Mayor Pro Tem DiStasio: Okay. All purchase orders that are in excess of \$500 or exceed the budget must be approved by the Board of Commissioners. Purchase orders must not be issued that are in excess of \$500 without three quotes. Purchase orders of \$1,000 or more or expected to exceed this amount shall require a written specification, which shall be submitted to the Board of Commissioners at the same time as the purchase order. This is what this is all about. The money was in there but permission was not granted.

Mayor Knight: it was granted by the Town Administrator...

Mayor Pro Tem DiStasio: No. He can't do it...

Mayor Knight: Hold on, hold on...the Town Administrator is in charge of this building. This building and its staff are under that man's direction.

Town Administrator Nance: All I'm going to say to this is and these are the facts: The Mayor came and asked me if she could replace her floor covering and asked if there was a line item in the budget to do it; she's correct, I checked and there is three line items in Public Buildings we can draw money from for those types of repairs. Um, at the time, we didn't discuss a price, I said there is a line item in the budget that would take care of carpet and it was my understanding that we were going to replace, that we were looking at carpet. That was the last I heard and I had no idea what the cost was going to be and I did give her the town credit card. She went and purchased the floor.

Mayor Knight: And this was done in good faith with him and through me; for the benefit of all. I have the exact amount of what the expenditure was for that day Mr. Nance: \$350.00 for a carpet; is one item. \$250.00 for the labor and we have a floor for \$294 and it has seal underneath so that there is no more leakage, there is no more bugs coming up through the floor. He put \$35 for a threshold and trim. If you would like to separate these items that's another thing.

[comment from the audience...unable to make out what the comment was from the audio recording]

Mayor Knight: Ceil, I'm not asking you, please; I'm discussing with these commissioners.

Commissioner DiStasio: Madam Mayor, it is not the question whether it needed it or didn't need it or what was meant to be good or bad; it's that fact that me being Finance Officer I am obligated to bring this before the Board.

Town Administrator Nance: And I would like to make one more comment. Because I didn't know the price of what was going to go in there; I did not tell the Mayor she needed a purchase order. I did not tell her.

Commissioner Melahn: Well don't we have a bunch of extra carpet squares lying around upstairs? Yes, the carpet in there...

Mayor Knight: The Mayor asked first if there were carpet squares that could go down in there; alright? And there were not. I was to be in that room the next day as people were coming to this building. I have used it since and Stanley has used it since; for his people that come for information. Enough. I mean we're...this is...I asked for permission, I asked for the credit card, I asked for carpet squares; if we had them first. I would have done anything. I'm very happy I did not put the carpet squares down because they would have been ruined in no time. Simple.

Mayor Pro Tem DiStasio: We have a motion, we have a second; do you want to take over for the discussion (speaking to Mayor Knight)?

[Mayor Pro Tem DiStasio turned the gavel/meeting back to Mayor Knight]

Mayor Knight: Would you care for a discussion, anyone?

Commissioner Nance: I'm finished, thank you.

Commissioner DiStasio: The point was, would you read your motion again please (asking Commissioner Nance).

Commissioner Nance: I was my motion to the Board, if so made, if they so see fit to remove the powers of the Mayor at this time to just officiate the meetings and public events if anything of this motion is violated the Board would then contact the Council of Governments or LGC, the League of Municipalities, is that what that is, I don't remember all the abbreviations, to see if whatever any further action may be needed.

Commissioner DiStasio: And then there was a second and now we are in discussion. I would just like to say the Mayor has now been made aware that she should've gotten a purchase order and she is in violation or she violated this but I cannot see taking her powers away.

Mayor Knight: Commissioner Melahn.

Commissioner Melahn: Well I agree just on the fact that we have so much money being spent in this town and it has got to stop.

Mayor Knight: But do you agree?

Commissioner Melahn: yes.

Mayor Knight: With what do you agree?

Commissioner Melahn: With Jody's motion.

Commissioner Walton: I see it as a clear violation. I also can see how other things can happen. Suppose I went out here and bought a dang on mower or something; like one of these riding lawn mowers or something because it was a good price or I thought it was a good price. And I came back in and asked the Town Administrator for the credit card, and he gave it to me and I told him I was going to get a mower; it's a real good deal, ya know, for whatever reason. And I agree with Sandy; there is a lot of money being spent in this town that's needless. And I think it needs to stop. I think we need to watch it for the people. That's what we are for; that's our job. I have never heard anywhere in court of law that ignorance is an excuse. I can remember getting changes of my ordinances and calling here to find out from Kelley because I was unsure of where to put them being brand new. She helped me out, I put my ordinances in there; it took me awhile to do it, I pulled them out, get confused a little bit but I know now that I better keep my eye on these ordinances. So that's all I have to say.

Commissioner Buccilli: I don't know what else to call this but a witch hunt. It's disgusting; the verbiage how that was presented. She was handed a card and told there was this much in the budget. She didn't intentionally just go out and spend money. If I can remember correctly, she was placed in that office by this Board. So, this Board has created this problem. The Mayor hasn't created this problem; I haven't created this problem. The Board, the four of you have. And I sit here month after month and I watch all that is going on here and I can't say one good

thing has come for our town or our residents; it's embarrassing and it's about time this Board sticks together again for the betterment of our community and stop this witch hunt; it's terrible.

Commissioner Melahn: This is not a witch hunt. We made the decision two months ago to move the office. The Mayor knew two months ago she would have to go into that office. She didn't have to have a laminate floor in there.

Mayor Knight: Responding to Commissioner Melahn, you can say that you are moving anyone anywhere. Where I was prepared to move you were not prepared to have me move. You were making the decision to do it; you did not make it possible to be transferred down there. You have people working in one office. Kelley's office had Sherri and Kelley...

Commissioner Nance: Point of order, Madam Mayor Pro Tem; I'm calling the question. We've discussed this quite a bit. I call the question.

Mayor Pro Tem DiStasio: He's calling the question; we have to vote on it.

Commissioner Nance: And I also, point of order request a voice vote that it be recorded individually.

Mayor Knight: I have one other thing to read.

Mayor Pro Tem DiStasio: Ah, but he called the question.

Commissioner Nance: I called the question.

Mayor Knight: look at the date. These items were all purchased prior to that.

Mayor Pro Tem DiStasio: I don't understand. (she examines what Mayor Knight is showing her) That doesn't matter right now; he called the vote. He called the question so you have to vote.

Commissioner Walton: "Aye"

Commissioner Melahn: "Aye"

Commissioner DiStasio: I'll say "Nay"

Commissioner Buccilli: "Nay"

Commissioner Nance: "Aye"

Town Clerk: the motion carried three (3) to two (2).

Mayor Knight: the Mayor Pro Tem will be filling in my responsibilities when I am not permitted by this group to be doing the job that I began. I will pass this around to the audience; this is the

note I received the day after the purchase. There is no one item that was purchased. This is the breakdown that you are welcome to look at and you can understand better what the Board is disregarding. We'll go back to the agenda please.

Commissioner Nance: Madam Mayor, may I ask for a short recess for the bathroom?

Mayor Knight: absolutely. All in favor

All: Aye.

Mayor Knight: the "Aye's" have it.

The Board took a brief (10 minute) recess.

After about 10 minutes the Board returned to their seats at the dais and Mayor Knight called the meeting [back] to order. New Business resumed.

**6. Action Item: to consider drainage repair project in Saltaire Village and direct the Town Administrator to get bids. (Commissioner Walton)**

Commissioner Walton noted that either a 12" pipe or an 8" pipe would work for the two sections that need to be replaced; there is a slight cost difference. He wanted direction from the Board as to which size pipe to use. *Commissioner Walton moved to approve the replacement of pipes in the Saltaire Village stormwater system using 8" or 12" pipe, whichever the Board prefers, and that the Town Administrator send out bid requests for this project and that the Board authorize the Town Administrator to award the bid to the lowest responsible, responsive bidder; seconded by Commissioner Nance and there was discussion.*

Commissioner Nance asked the location of the pipes that needed replacing; will it be within the development or does it go to Persimmon Road and/or beyond the development. Commissioner Walton said it begins on Deer Path near the ponds at the entrance to Saltaire Village and goes to those ponds that are located on Persimmon Road but the pipes do not go to Persimmon Road or beyond the development. Mayor Knight asked about construction and/or material guarantees. Town Administrator Nance said most construction projects of this nature have a 1-year guarantee through the contractor. Commissioner Nance said once the project is complete the pipes should be maintained by being "blown out" at least one time per year. Mayor Knight asked if we had anything to "blow-out" pipes at the present time. Commissioner Walton said we do not. Commissioner Buccilli asked if there is a sealer at the connections of the pipes. Commissioner Walton said at the joints some kind of sealer would be used. Town Building Inspector, Stanley Dills, asked to be recognized. He suggested going with the 12" pipe; Town Administrator Nance agreed. *Commissioner Walton amended his motion to include that 12" pipes should be used for the project; Commissioner Nance amended his second to concur with the 12" pipe size. Mayor Knight called for a vote and the motion carried by way of a unanimous vote.*

- 7. Action Item: to consider an entertainment agreement/contract for a singer/performer for the New Year’s Eve Bonfire; contract amount \$250.00 (Commissioner Buccilli)**

*Commissioner Buccilli moved to approve the contract for entertainment agreement by and between the Town of Calabash and James Haas, singer/performer for the New Year’s Eve Bonfire event, seconded by Commissioner DiStasio and unanimously carried.*

- 8. Action Item: to consider an amendment to Section 32.04—Usage of Calabash Town Hall of the General Code of Ordinances; add language that the Board of Commissioners can give prior approval to outside organizations/board/committees. (Commissioner Walton).**

*Commissioner Walton moved to amend General Code Section 32.04 to read as follows: “The Town Hall may be used for designated Town of Calabash Boards or Committees expressly sanctioned by the Town of Calabash Board of Commissioners” this reflects removing the words “business only” from how it currently reads. Commissioner Nance seconded the motion and there was discussion.*

Commissioner Buccilli inquired as to why this was being done; it was her recollection that this had been done two months ago. Commissioner DiStasio said the Board had approved the Fire Department using Sanborn Hall for their monthly Board of Director’s meetings while the new station is under construction. Commissioner Walton said this Board was in violation of the ordinance by allowing the Fire Department to use Sanborn Hall in the way in which the ordinance currently reads. This change will rectify that situation. Commissioner Buccilli wanted to know if anyone knew why the ordinance was originally written that way. Commissioner DiStasio said it was written in 2002 and there is no way of knowing why it was done at that time.

*Mayor Knight called for vote, which carried unanimously to amend Section 32.04 as stated above.*

- 9. Action Item: to consider an amendment to Title III, Section 30.19 Order of Business of the General Code of Ordinances; consider changing the order of business of Regular Meeting Agendas as suggested by Chris May of Cape Fear Council of Governments during the Workshop of December 5, 2012 and consider adding #(3) Presentations and renumber accordingly. (Town Clerk)**

Ms. Southward explained that a citizen/former Commissioner, John Melahn, had turned in the amendment related to adding “Presentations” to this section of the ordinance with some stipulations of time limits. She further explained that Chris May had suggested moving committee and administrative reports to after Old & New Business matters. She further noted that there are many items that are currently included regularly on agendas that are not in the listed items. The Board discussed tabling this matter until next month and have the Clerk prepare a proposal for the order of business.

*Commissioner DiStasio moved to table this matter until January 2013, seconded by Commissioner Nance and unanimously carried.*

- 10. Action Item: schedule a Special Meeting for the purpose of holding a Workshop on purchasing waterfront property gather public input, discuss grants that are available. Have Chris May from COG explain the process and grant money. (Commissioner Buccilli)**

*Commissioner Buccilli moved that a workshop be scheduled with Chris May for the purpose of looking into the process of purchasing waterfront property and grants that might be available to assist in purchasing property, seconded by Commissioner DiStasio and a discussion ensued.*

Commissioner Walton asked what piece of property was being considered. Commissioner Buccilli said none at this time; the workshop would be just to learn about the process of purchasing and applying for grants, if any are available. Commissioner Walton asked if it would be better to have a piece of property and a price in mind before holding a workshop. Commissioner DiStasio said it would be better to have an idea of the process before looking into a specific piece of property. She said that we first need to know what information is needed to apply for grants; once Mr. May shares with us that information the Board could decide to move forward or to not. Commissioner Melahn felt we needed to know what properties were available. Commissioner Buccilli opined that this is a good time to purchase property as real-estate costs are down as well as interest rates. She noted that two neighboring properties have taken advantage of property purchase and grants. Commissioner Nance said in trying to keep our tax base low he could not see purchasing property at this time. He said he doesn't even know of much waterfront property available in Town. He noted that the Kingfish Bay property is for sale and he heard the tax value is over \$4 million. Normally waterfront properties are in the millions of dollars range. He just doesn't see how the Town could venture into that kind of commitment because we would have to finance the money. Mayor Knight noted that this workshop is not a commitment but rather it would simply be to gather information. Commissioner Nance said he feels it would be better to look into this matter once the economy has recovered some because we wouldn't want to raise taxes on our citizens during a recession.

*Mayor Knight called for a roll-call vote, which was as follows:*

*Commissioner Walton: "no"*

*Commissioner Melahn: "no"*

*Commissioner DiStasio: "yes"*

*Commissioner Buccilli: "yes"*

*Commissioner Nance: "no"*

*The motion failed by a vote of two (2) to three (3). Commissioner Buccilli said this was a Long Range Planning issue that was in the works since 2004; Mayor Knight called Commissioner Buccilli out of order and asked to move on.*

**11. Discussion/Action regarding Christmas party door prizes for the Town Christmas party.**

*Commissioner Buccilli moved to have gifts for the Christmas party raffle (door prizes) like it has been done in previous years and noted that money had been included in the Community Services line item of the budget for this purpose. Commissioner DiStasio seconded the motion and there was a discussion. Commissioner Nance asked how much was in the budget. Commissioner Buccilli said \$400.00 was included for this purpose. He asked how much money someone could win. Commissioner Buccilli said a variety of prizes are bought that are of all different values; normally there are one or two larger ticket items that are considered the “grand prizes”. Commissioner Nance suggested the amount of up to \$400 be included in the motion. Commissioner Buccilli moved to amend her motion to include “up to a \$400 budget”; Commissioner DiStasio amended her second to include the \$400 maximum and the motion carried by a unanimous vote.*

**PUBLIC COMMENTS #3:**

1. Mrs. Cecelia Herman of 403 Deer Path addressed the Board. She commented on item #3 of New Business by suggesting that anyone; Board or staff member should be required to give a report of conferences/meetings/trainings they attend. She further suggested that these reports be submitted in writing. She then commented on New Business item #5 expenditures by the Mayor. Mrs. Herman said regarding the remodeling of the office in which the Mayor has moved out of, she can attest to the fact that the plan to increase the size of that office while reducing the size of the office that was formally for the Office Assistant and the Building Inspector was always a part of the plan. She doesn't believe that Mayor Knight ever had anything to do with the change to the office. Rather the Building Inspector and the Town Services employee who did the work; they had to come up with a way to relocate the staircase to the Building Inspector's office upstairs. She believes Mayor Knight only had input on the décor of the office. Mrs. Herman did however, state that she was in agreement with the majority of the Board this evening that the expenditure for new flooring for the office in which the Mayor has been relocated too was against the ordinance at \$1,152. She added that it is against NC Statutes to break-down the costs of an overall item to get below required purchase order price (i.e. when the Mayor said the material was “x” amount and the labor was “x” amount—this could not be done in multiple purchase orders). Finally, she said that she attended the first part of the workshop with Chris May regarding Title III of the General Code of Ordinances. She said that even when she served on the Board of Commissioners there were times when ordinances were not followed or taken into consideration. It was her belief that the citizens elected the seated board because they hoped that practice would change. She is sorry to see that it took a year for the workshop to take place but it is time for the Board to know the rules that they are required to follow. If the Board doesn't like the rules then they have the power to amend the rules.
2. Mr. Forrest King of River Road and Chairman of the Long Range Planning Committee (LRPC) addressed the Board. He noted that he missed a LRPC meeting a couple months ago and was surprised to the following Board of Commissioners' agenda had a

recommendation from the LRPC to purchase waterfront property; he wanted to set the record straight. The last time he heard anything about purchasing waterfront property in the LRPC was in about 2002. He said if it were discussed at the meeting that he missed then it, in his opinion, didn't get enough discussion as it is a large and serious purchase for the Town to consider. He said if he had been present he would've suggested more discussion and some fact finding before making a recommendation to the Board of Commissioners. He said if it is an item that the LRPC should be looking at, that can be done. He feels it would be more appropriate for the LRPC to look into the matter rather than the Board of Commissioners (BOC) holding a special meeting at this time. Mr. King said if it is some the BOC wants to examine it would likely be worth the LRPC's efforts. Mayor Knight responded to Mr. King stating that she didn't know if he had been made aware that Chris May wrote a couple months ago that there was \$700 million in grant money available for property purchase and as of December the money has supposedly come to a halt for bicycle and pedestrian paths. This money will not be around long; each month it is slipping away. She said that is why it was imperative to get it before the BOC to get Mr. May to come and talk about it; not for a decision at this time. Mr. King said there is no such thing as free money. If there is \$700 million out there then it came out of our pockets at some point/place. Commissioner Buccilli said if we don't take that grant another town will and we will have paid for it regardless. Mrs. King (from the audience) asked if there was a specific reason for the property. Mayor Knight said it's been included on the Land Use Plan (LUP) since at least 1992 for their long range plans. Calabash does not own any waterfront property and at this point and time the Calabash Community Park is the only venue the Town has to hold any kind of events. Commissioner DiStasio said during the public in-put workshop required during the formulation of the LUP it was one of the things citizens wanted to see for the Town (waterfront property) but it's just part of a wish-list; it doesn't mean that it will ever occur. Mr. King felt it should be examined further at the committee level.

#### **OLD BUSINESS:**

- 1. Action Item: to consider the request made by the developers of Oak Ridge Plantation to convey the subdivision's streets to the Town of Calabash (tabled item-staff).**

Town Administrator Nance said he has begun to review this matter but has not been afforded the time to gather all the necessary information. He recommended the matter remained tabled until January so that he can make a full report to the Board.

- 2. Action Item: to consider an expenditure of funds to replace the glass door in the foyer at Town Hall (hallway door) with a steel door. (tabled item Commissioner Nance)**

*Commissioner Nance moved to bring this matter back on the floor for discussion and action; seconded by Commissioner Walton and unanimously carried.*

*Commissioner Nance moved that the Board consider an expenditure of funds to replace the glass door in the front of Town Hall with a steel door; Commissioner Walton seconded the motion and there was discussion.*

Commissioner Nance said the current door that leads from the foyer at the main entrance of Town Hall into the main area of Town Hall is all glass with a wooden frame. Often times especially during lunch hours there might be only one female employee in the building. Given the amount of crazy people in the world today he feels that employees would be better protected if this door were replaced with a steel door that had a small area of glass so people on the other side could be seen. The estimated cost for this door replacement is \$675.

It was discussed and other Board members felt that it is in a long range plan to expand the foyer and the door could be replaced when those renovations are made. *Based upon the discussion, Commissioner Nance rescinded his motion; no action was taken on this matter.*

- 3. Action Item: to review the CPAs that were contacted by Town Administrator Nance at the direction of the Board during the Special Meeting of November 29, 2012—1:00 PM; the Board of Commissioners to set the amount and select the CPA at which the Finance Director may approve such contract. (Town Administrator Nance)**

Town Administrator Nance noted 4 firms and one individual (this individual has retired to Carolina Shores after working 34 years in municipal finance and was recommended by UNC SOG) responded to his inquiry for services. One of the firms does not have a CPA; just an accountant. The fees for services range from \$50/hour to \$150/hour. He explained that the first couple of months could go beyond the main duties of end of the month reporting/creating the bank reconciliation.

*Commissioner DiStasio moved that the Town Administrator contact Mr. Alfred Liner (the individual recommended by UNC) to work out a contract for these services for his proposed cost of \$50.00 per hour; seconded by Commissioner Nance and there was discussion.*

Commissioner Walton asked if a background check was necessary. Staff noted that background checks are not required for contracted services and reminded everyone that he was recommended by an expert of finance at UNC SOG.

Commissioner Buccilli said since there were so many problems shouldn't we get someone who can go all the way back and identify the problems. Ms. Southward said that the problem had been a combination of software problems (with the new software and the way in which data converted from the old software) and that some revenues and expenditures (draft revenues and expenditures) had not been entered into the software due to staff change-over. She noted that she has now entered all expenditures and revenues and as far as we know, all the software problems have been corrected. A budget vs.

actual has been provided to the Board this evening. She noted that at this point each account just needs to be reviewed to make sure that all expenditures were entered into the correct line items. During her work, she has found several data entry errors were expenses were mis-keyed into the incorrect line items but the overall expenses and revenues should be correct. Mayor Knight asked if Ms. Southward, having met Mr. Liner, would be able to pick up on how to use the software fairly quickly. Ms. Southward felt very confident that Mr. Liner would be a wonderful asset and that he would be able to easily learn the accounting software. Mayor Knight asked if it would be possible for Mr. Liner to meet with the Finance Director/Office before Mr. Liner ends his contract with Town. Town Administrator Nance felt Mr. Liner would provide a lot of guidance to the new accounts payable/payroll clerk.

*Mayor Knight called for a vote and the motion to contract with Mr. Liner carried by a unanimous vote.*

**CLOSED SESSION:** *Commissioner DiStasio moved that the Board enter into Closed Session pursuant to G.S 143-318.11(a)(3)&(6)-personnel matters/evaluation and consultation with the Town Attorney; seconded by Commissioner Buccilli and there was discussion.*

Commissioner Nance asked if there is any legal information that needs to be disclosed prior to entering closed session. Town Attorney Tyson said it could be disclosed for the record that consultation with the Town Attorney is regarding litigation that is filed and pending and potential litigation with regard to Devaun Park.

*The motion to enter closed session carried unanimously.*

**ACTION AS A RESULT OF CLOSED SESSION:**

1. *Commissioner Melahn moved to give Kelley Southward a 5% pay increase based upon her annual evaluation effective upon her anniversary date, seconded by Commissioner Nance and carried by vote of four (4) to one (1) with Commissioner Buccilli voting in the opposition and stating that she felt the pay increase should have been 7.5%.*
2. *Commissioner Melahn moved to hire Lena Holbrook for the position of Office Assistant contingent upon passing the required drug screening, seconded by Commissioner Nance and unanimously carried.*

**PUBLIC COMMENTS #4:**

1. Mr. Bill Seip addressed the Board again stating that his parting comment the first time he spoke this evening was a request for the Board to use their microphones. He said he sat through the entire meeting and the microphones did not pick up any voices. He said that something has to be done.

**BOARD COMMENTS:** The Board thanked the Calabash EMS for the Christmas treats they provided the Board. Commissioner Walton suggested the Town look into lapel microphones.

**ADJOURNMENT:** *Commissioner DiStasio moved to adjourn at 9:30PM; seconded by Commissioner Melahn and carried unanimously.*

(SEAL)

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Mary Louise Knight, Mayor

Attest:

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Kelley Southward, Town Clerk