



TOWN OF CALABASH
BOARD OF COMMISSIONERS
REGULAR MEETING
Tuesday, March 13, 2012—6:00 pm

AGENDA

CALL TO ORDER: Mayor Knight

PLEDGE TO FLAG:

ROLL CALL:

APPROVAL/ADJUSTMENT OF AGENDA:

MINUTES:

1. Board of Commissioners February 13, 2012 Budget Workshop #1
2. Board of Commissioners February 14, 2012 Regular Meeting (open session)
3. Board of Commissioners February 14, 2012 Regular Meeting (closed session)
4. Board of Commissioners February 20, 2012 Special Meeting (open session)
5. Board of Commissioners February 20, 2012 Special Meeting (closed session)

MAYOR'S COMMENTS:

PUBLIC COMMENTS #1: (General Public Comments—5 minutes per speaker)

CORRESPONDENCE:

TOWN ADMINISTRATOR'S REPORT: written report

BUILDING INSPECTOR'S REPORT: written report

COMMITTEE/LIAISON REPORTS:

1. Planning & Zoning—see written report/draft minutes
2. Calabash Fire Department—Commissioner Walton
3. Finance—Commissioner DiStasio
4. Town & Merchant—Commissioner Nance

5. Calabash Community Services—Commissioner Buccilli
6. Stormwater—Commissioner Walton
7. Safety—Commissioner Walton
8. Personnel—Commissioner Melahn
9. Long Range Planning—Town Administrator Nance
- 10.

MAYOR-COMMITTEE APPOINTMENTS:

1. Appoint Commissioner Walton to the Emergency Management Committee

PUBLIC COMMENTS #2: (Public Comments of Old Business—2 minutes per speaker)

OLD BUSINESS:

1. **Discussion/Action** regarding consulting proposal for maintenance of the Town’s website (\$35/hr) along with other options (tabled item). (Commissioner Buccilli)

PUBLIC COMMENTS #3: (Public Comments of New Business—2 minutes per speaker)

NEW BUSINESS:

1. **Discussion/Action** regarding a proposed amendment to Title 11, Chapter 111.34 of the General Code of Ordinances—privilege license fees for sweepstakes; accessory use from \$200/machine to \$500/machine and add a listing for sweepstakes as a primary use \$500/machine and \$2500 per establishment. (Commissioner Melahn)
2. **Discussion/Action** regarding upcoming proposed and approved events to be hosted by the Calabash Community Service Committee and their budget. (Staff)
3. **Discussion/Action** to consider request from Calabash Fire Department to waive all permit fees associated with demolition and building of their new firehouse. (Staff)
4. **Discussion/Action** to consider waiving sign permit fees for entrance sign at Village Green—sign was destroyed by a vandal. (Staff)
5. **Discussion/Action** regarding the Spring/Summer 2012 Edition of the Calabash Navigator (newsletter)—consider increasing the size, which will increase the cost. (Staff)
6. **Discussion/Action** to consider permitting Town Hall (Sanborn Hall) to be a host-site for training of new Southern Software/Citipak (tax/payroll) software in order to receive half-price cost of the software update. (Staff)
7. **Discussion/Action** to consider Agreement with Sunset Beach for them to provide building inspection support for the Town of Calabash (second/reciprocal contract that was approved in January). (Staff)

8. **Discussion/Action** to schedule Public Hearings for Tuesday, April 10, 2012 at Town Hall at 6:00 PM for the following UDO Amendments proposed by the Planning & Zoning Board:
 - a) Article 10-2(2)(A)(5)—fix a clerical error to reference correct section
 - b) Article 12-18(B)(M)—remove clerical error
 - c) Article 2—add a definition for “Bar”
 - d) Article 10-1—add “Bars” as a permitted use in the HC and CB with requirements
 - e) Article 10-2—add a Note for the requirements of bars
 - f) Article 11—Table of Area, Yard, and Height Requirements—reduce lot width and setback requirements in the R-8 district.
 - g) Article 17—Off Street Parking & Loading §17-9(B) add parking requirement for bars
9. **Discussion/Action** to consider Merchant’s request regarding upkeep and utilization of sign at state line on HWY 179/Beach Drive. (Commissioner Nance)
10. **Discussion/Action** to consider if merchants need permit to erect small tents on their property during a Merchant Sidewalk Sale and if so, consider waiving permit fees. (Commissioner Nance)
11. **Discussion** regarding Planning & Zoning Board members. (Commissioner Nance)
12. **Discussion/Action** to consider directing the Town Administrator to keep a journal of meetings. (Commissioner Walton)
13. **Discussion/Action** to consider approving a revised Contract for City Fire Service with the Calabash Fire Department. (Commissioner Walton)
14. **Discussion** Conduct of an Elected Official; regarding newspaper article; reference §32.11(B)(10)(b) of the Calabash General Code of Ordinances. (Commissioner DiStasio)

CLOSED SESSION:

1. Pursuant to G.S 143-318.11 (a)(6) Personnel Matters

ACTION AS A RESULT OF CLOSED SESSION:

PUBLIC COMMENTS #4: (limited to a maximum of 3 minutes per speaker)

BOARD COMMENTS:

ADJOURN:

**TOWN OF CALABASH
BOARD OF COMMISSIONERS
REGULAR MEETING
Tuesday, March 13, 2012—6:00 PM
Sanborn Hall**

MINUTES

The Calabash Board of Commissioners held a Regular Monthly Meeting on Tuesday, March, 13, 2012, 6:00 PM in Sanborn Hall, located at Town Hall, 882 Persimmon Road, Calabash, NC.

MEMBERS PRESENT: Mayor Mary Louise Knight, Commissioner Charles Walton, Commissioner Sandy Melahn, Commissioner Emily DiStasio, Commissioner Daria Buccilli, and Commissioner Jody Nance; all members were present.

STAFF PRESENT: Town Attorney Mark Lewis, Town Administrator Chuck Nance, and Town Clerk Kelley Southward.

GUESTS PRESENT: There were approximately 35 guests in the audience.

CALL TO ORDER/PLEDGE/ROLL CALL: Mayor Knight called the meeting to order at 6:00 PM and Commissioner Walton led the Pledge of Allegiance to the Flag. Roll call was taken; attendance is reflected above.

APPROVAL/ADJUSTMENT OF AGENDA:

1. Commissioner DiStasio requested to move item #14 of New Business to item #1 of Old Business and make current item #1 of Old Business item #2 of Old Business.
2. Commissioner DiStasio asked that Minutes #3 (Closed Session Minutes of 2/14/12) be removed from the agenda.

Commissioner Buccilli moved to approve the Agenda, as adjusted, seconded by Commissioner Melahn and unanimously carried.

MAYOR'S COMMENTS: Mayor Knight reminded everyone that it is day light savings time and therefore the perfect time to change the batteries in their smoke alarms. She thanked Food Lion Corporation for their continued sponsorship/support of the School of Governments' Essentials and Ethics Courses, which the majority of the Board recently attended. Food Lion awards scholarship money for the fees associated with the classes; Mayor Knight was awarded a scholarship and is very thankful to Food Lion Corporation. Budget workshops are underway; the Town Administrator and Finance Director/Officer have done a great job of explaining the budget and answering questions. She thanked Senator Rabon for showing interest and support of Calabash and taking the time to meet with her to discuss various projects that the Long Range Planning Committee has been developing and sharing with her the concerns of our county, region, and state. She complimented the Commissioners with great pride for their active membership on the Board. Their desires to learn, get involved, and move things forward for the

betterment of the town. She said that Calabash residents are very important and she wants them to know that.

MINUTES:

1. Board of Commissioners February 13, 2012 Budget Workshop #1. *Commissioner DiStasio moved to approve the February 13th minutes, seconded by Commissioner Melahn and unanimously carried.*
2. Board of Commissioners February 14, 2012 Regular Meeting Open Session. Commissioner Walton said that he had an amendment. He read from the subject minutes beginning on page 8 starting at the section "Action as a Result of Closed Session" all the way through to the end of the meeting on page 9. It took objection to the title "Action as a Result of Closed Session". Additionally, Commissioner Walton wanted some comments he had made during discussion of a \$1,000 bonus for Mr. Silvers included as they have been left out of the draft included in the Board's packets. Mr. Nance suggested that the Board table these minutes until the Closed Session minutes of February 14th (which had been removed from the agenda earlier) is brought to the Board for consideration. *Commissioner DiStasio moved to table the Open Session Minutes of the February 14, 2012 Regular Meeting until the Closed Session Minutes of the same meeting are brought to the Board for their consideration at the next meeting, seconded by Commissioner Walton and unanimously carried.*
3. Board of Commissioners February 20, 2012 Special Meeting (open session). *Commissioner DiStasio moved to approve the minutes of the Open Session of 2-20-12, as written, seconded by Commissioner Melahn and unanimously carried.*
4. Board of Commissioners February 20, 2012 Special Meeting (closed session). *Commissioner DiStasio moved to approve the February 20, 2012 Closed Session Minutes seconded by Commissioner Walton and unanimously carried.*

PUBLIC COMMENTS #1: there were none forthcoming at this time.

CORRESPONDENCE: Ms. Southward noted that the 3 items of correspondence in the Board's packets were pertaining to upcoming meetings for the Board to attend if they desire. She also noted that there had been an email correspondence of interest but that Commissioner Walton was prepared to share that during the Fire Department report. Mayor Knight said that she received a correspondence from a young woman interested in Calabash history and photos, which she has passed along to Suzy King.

TOWN ADMINISTRATOR'S REPORT: Mr. Nance noted that the reports included in the Board's packets are his weekly reports that he sends out each Friday by email. He said the reports detail everything he has worked on that week. He said that he did not have anything to add to the reports but would answer any questions that the Board might have; there were no questions forthcoming. He requested that if a Board member has a question after reading any weekly reports to call him and he'd be glad to discuss any matter with them. Mr. Nance's written report(s) is attached hereto and made part of these minutes.

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

COMMITTEE/LIASON REPORT:

1. Planning & Zoning Report—written report and draft minutes are attached hereto and made a part of these minutes.
2. Calabash Fire Department—Commissioner Walton said the engine of piece #1272 was rebuilt at a cost of roughly \$20,000. Another important piece of equipment is now in the shop for electrical repairs. When things get old they require repairs more often, he noted. He thanked the citizens of Calabash and Carolina Shores for their support of and donations to the Calabash Fire Department. The building recently purchased by the department (formally Granny Allyn's restaurant) is scheduled to be torn down around the first of April. An email correspondence received at town hall in response to Commissioner Walton's report from January is attached hereto and made a part of these minutes.
3. Finance—Commissioner DiStasio reported that the total of all town funds is \$1,488,094.36. Commissioner DiStasio had prepared a report of expenses for the month of February (does not include salaries), which were approximately \$15,529.
4. Town & Merchant—Commissioner Nance reported that a Merchant's meeting was held with great attendance. There were some internal matters discussed that the Merchant's will have brought before the Board of Commissioners at the appropriate time.
5. Calabash Community Services—Commissioner Buccilli relayed that during their meeting last week the details for the Egg Hunt on April 7th were ironed out. For Earth Hour on March 31st (8:30 PM—9:30 PM) there will be a candle light visual at Town Hall. Additionally elementary school age children are being asked to make posters in support of Earth Hour/Earth Day, which will be judged during the candle light event.
6. Stormwater—Commissioner Walton reported that the Riverview Drainage repairs for the west side of Riverview Drive have been completed. He thanked the Town Administrator and Mr. McCartney for their assistance in bringing the project to fruition.
7. Safety—Commissioner Walton reported that OSHA training is being examined for Town Services employees. He noted that if an employee is caught using a cell phone while operating town vehicles/machinery the employee could individually be fined \$200 and the Town would be fined \$1,600 or \$1,700 as well. The training is a little expensive but well worth it. When the employees are doing work on town streets or the right of ways (including mowing right of ways) they are to be wearing orange hats. He requested that citizens report to town hall if it's observed that town service employees are not wearing these hats. The purpose of the orange is hats are so the employees can be seen—so that they are safe. Mayor Knight asked if there was a fine for not wearing the hats. Commissioner Walton was unsure but speculated that it's likely there are fines associated with any violation of OSHA regulations.
8. Personnel—Commissioner Melahn was happy to report that Town Services is back up to a full staff. She thanked Mr. Marshall and Mr. Morgan for keeping the department going and doing a good job. She noted that the March debris pick-up ended last week and the next debris pick up would be from April 2 to April 6. She emphasized that the Town only offers curbside pick up the first full week of the month; the other three weeks of the month residents can bring their yard debris to the maintenance building on Monday mornings or Wednesday and Friday afternoons. Mayor Knight noted that Commissioner

Melahn recently conducted her first intergovernmental liaison by helping an elderly resident get some assistance.

9. Long Range Planning—draft minutes of their 2/16/12 meeting are attached hereto and made a part of these minutes. Matters discussed at the February meeting included funds needed for next year's budget, completing Phase 1 of the park, scope of work and design of Phase 2 of the park (including bathrooms and storage closet).

MAYOR—COMMITTEE APPOINTMENTS:

1. Appoint Commissioner Walton to the Emergency Management Committee (EMC). Mayor Knight appointed Commissioner Walton to the EMC and asked Mr. McCartney, Incident Commander, to comment on the EMC's status. Mr. McCartney noted there would be a meeting this Friday, March 16th at 10:00 AM. He also noted that he, Mayor Knight, Commissioner Walton, and Town Administrator Nance would be attending a FEMA training tomorrow. He said the EMC meets regularly to discuss the approved procedures prior, during, and after emergency events such as hurricanes. During events the EMC is ready to act. Mayor Knight thanked committee members Karl & Linda Bennett, Commissioner Buccilli and her husband, Commissioner Walton and his wife, and Mr. Ken Knight for all stepping forward to assist.

PUBLIC COMMENTS #2: There were no comments forthcoming.

OLD BUSINESS:

1. **Discussion-Conduct of an Elected Official; regarding newspaper article; reference §32.11(B)(10)(b) of the Calabash General Code of Ordinances (Comm. DiStasio).** Commissioner DiStasio read a prepared statement of "Outrage", which is attached hereto and made a part of these minutes. Her statement outlines her feelings regarding Commissioner Nance's statements to the Brunswick Beacon since the February Board of Commissioners Meeting as reported by Laura Lewis.

After Commissioner DiStasio read her statement Commissioner Walton was recognized. Commissioner Walton said that at a Special Board of Commissioners Meeting on January 5, 2012 Commissioner Nance stated the following: "talking to the press, I think every one of us has a first amendment right, if you want to speak to the press, it is your God-given right but I also feel if you choose to do so, this is the way I read it, don't talk to the press one-on-one about town business. I stay away from it because I never read what I say it's what they think I say. If you are going to do it, then I suggest you start out with 'this is only my opinion, I represent myself in what I am talking about.' And I wish this Board at some point would agree that all official statements from this Town should come only from the Mayor, Town Administrator, or Kelley in his absence. Now that's what I would rather see, this Board at a perfect time would amongst ourselves, agree to cut out any misunderstanding of how the official town and board members as a whole feel about an issue." (end quote). Commissioner Walton addressed Commissioner Nance by stating he is appalled by the way in which he (Comm. Nance) conducted himself towards Commissioner Walton and the rest of the Board members through the newspaper. He said Commissioner Nance seems to operate by "do what I say and not what I do". Commissioner Walton said that what Commissioner Nance did in the newspaper is

completely opposite of what he said he does during the January 5th meeting. He reiterated sections of the quote above and rhetorically asked if Laura Lewis (Beacon reporter) made up her recent story where Commissioner Nance is quoted. Commissioner Walton said he does not think that Ms. Lewis would be employed by the Beacon if she made up a story completing misquoting someone. Commissioner Walton commented Commissioner Nance's out-dated CPR training (CPR training recently offered at town hall but Commissioner Nance did not attend). Commissioner Walton stated that he attends one or two meetings per week to stay informed; apparently staying informed is not important to Commissioner Nance. Commissioner Walton said if things are running "too smooth" (an allegation from Commissioner Nance's newspaper article) maybe it's because the rest of the Board is taking the initiative to stay informed.

Commissioner Buccilli was recognized. She said that Commissioner Nance voted her to fill the commissioner seat that she now holds. For him to think that she would stoop to doing something unethical or dishonest is appalling and offending to her. She said that when she called Commissioner Nance to ask him questions about his agenda items, in an effort to keep herself informed, he was too busy to speak and did not bother to return her call when he had a free moment. She said that she contacts each commissioner about their agenda items so that she has a full understanding of what is being sought and why—she is just trying to stay informed not do anything unethical.

Mayor Knight asked Commissioner Nance to comment. Commissioner Nance said that he stands by what he said. Laura Lewis of the Beacon wrote the article just as he stated it to her and he stands behind it. He said he would not offer an apology. He said his first amendment write gives him the right to speak his opinions when he wants. He said his statement in the paper is just his opinion based upon what he's observed. He suggested everyone Google what can and cannot be said in a public meeting; people have a lot of leeway. He said that the previous Mayor had a situation once where the President of the Board of Directors stood up and asked people to vote for a certain candidate and was asked to sit down by the Mayor. Commissioner Nance said that he has learned that the Mayor was wrong by asking the person to sit down; the first amendment gives someone the right to do this sort of thing. Commissioner Nance said he stands on his first amendment right and will not retract any part of his statement.

Commissioner Walton said that he has a copy of the minutes from which he previously read where Commissioner Nance stated that he doesn't talk to the press. Commissioner Nance said he doesn't dispute the things he said in that meeting either. Commissioner Walton said "it's not do what I say, it's do what I do". He said Commissioner Nance does as he wants to do and he wants the rest of the Board to do what he tells them to do. He said Commissioner Nance had given that advice to the new Board members and when the newspaper called him, he did what Commissioner Nance suggested; which was not to say anything. Commissioner Walton said that he has a copy of the minutes where Commissioner Nance said not to speak to the press and that he doesn't speak to press if anyone wanted a copy.

Mayor Knight asked if there was any further discussion of this matter; there was none forthcoming.

- 2. Discussion/Action regarding consulting proposal for maintenance of the Town's website (\$35/hr) along with other options (tabled item) (Commissioner Buccilli).** *Commissioner DiStasio motioned to remove this matter from the table for the Board to address, seconded by Commissioner Walton.* Commissioner Buccilli said that the Calabash Community Service Committee has volunteered to take over the maintenance of the Town's website with committee member Ceil Herman heading up the maintenance. Mayor Knight asked if there was any comment or discussion on this matter. Commissioner DiStasio asked about the contract that was proposed at last month's meeting. She noted that it included both the website maintenance and the recodification of the General Code of Ordinances. She asked if the matter of the recodification needed to be put back on the table or could it wait until next month as that matter was tabled as well. Ms. Southward noted that matter was tabled until the website issue was squared away and, therefore it could wait until April. Commissioner DiStasio added that she was happy to see that the Community Service Committee has volunteered to maintain the website as it will save the Town some money. *Commissioner DiStasio moved that the Calabash Community Service Committee maintain the Town's website, seconded by Commissioner Buccilli and unanimously carried.*

PUBLIC COMMENTS #3:

1. Mr. Forrest King of 1062 River Road, Calabash, NC addressed the Board regarding 2 items. First, he commented on item 1 of New Business where it appears the Board is looking to increase privilege license fees for sweepstake machines from \$200 per machine to \$500 per machine and an additional \$2500 to those businesses whose primary business is sweepstakes. He said there are three businesses whose primary business is sweepstakes and several businesses that utilize the machines as an accessory use to supplement their incomes. He said he is fearful that if these proposed fees are implemented that there will be three more empty buildings in town. Someone in the audience corrected Mr. King stating that there are actually six businesses in Calabash primarily engaged in the sweepstakes business. He said there are enough empty buildings in town. The fees would be taking away the little bit of profit the businesses are making. He understands that the Town needs money too but no one needs this kind of extra expense in the current economy. He believes the state mandates that all fees of this nature are to be fair and equitable. Singling out one enterprise and charging such high fees is not fair and equitable in his opinion. He asked the Board to think strongly and reconsider. He said he has never played the machines and owns no interest in any of the machines but is concerned about more empty buildings in Calabash. Second, Mr. King commented on item #13 regarding the contract with the Calabash Fire Department (CFD). He stated that the citizens of Calabash, Carolina Shores and unincorporated areas of Brunswick County pay fire fees every year at tax time. He said the CFD gets an excess of \$800,000 per year from those fire fees. When you add in the money that the two Towns donate, including funds from the Calabash ABC store, and other donations given to the department that should be sufficient for them to operate. He said that for the

past couple of years the Town has been told by the CFD that they don't even have enough money to pay their firefighters. However, they were recently able to make a cash purchase an adjacent property. In these economic times we cannot continue to take money out of people's pockets from every direction to give to the fire department.

2. Mrs. Ceil Herman of Deer Path in Calabash addressed the Board. She said to certain extent she agrees with Mr. King. She suggests that the Town revisit the fees for the sweepstake machines. She understands the \$2500 fee for the businesses primarily engaged in sweepstakes. She suggested the Town look into taking a percentage of the businesses gross receipts. If they are making so little in the business then they might pay the Town less than they are currently paying now at \$200/machine. But if they are making high profits they might have to pay more but at least it would be an even percentage relative to what they are taking in. She said at one point she knew a manager of a freestanding sweepstakes business who relayed to her that \$1,000 per machine was not too much for them to pay. Second, Mrs. Herman said she did not see anything on the agenda for Item #13 of New Business that pertains to money for the revised contract for fire service. She said that the Town has always had a contract with the CFD for fire service. She said if the CFD is requesting the contract be renewed that Town either renews it or we don't have fire service in town. Commissioner Nance asked Mayor Knight if he could respond to Mrs. Herman; Mayor Knight granted his request. Commissioner Nance said that the revised contract includes hurricane coverage.
3. Mayor Walter Goodenough of Carolina Shores addressed the Board regarding Item #13 of New Business as it pertains to renewing the contract for fire service. Mayor Goodenough said that he understands citizen concerns about fire fees and taxes going to assist the fire department. However, if the CFD is allowed to fail the ISO rating for this area would drop and people's homeowner's insurance rates would likely double. Therefore, it is important to support the fire department to keep insurance rates as low as possible.
4. Penny Blaske, owner of Money Bags Sweepstakes on River Road, addressed the Board next. She asked if she could comment on Old Business; she was permitted. In regards to the Old Business discussion regarding Commissioner Nance's comments to the paper it was Ms. Blaske's opinion that what the members of the Board were accusing Commissioner Nance of, they have done to him this evening. She felt that they should've held a closed meeting to discuss those thoughts and feelings. Regarding increasing privilege license fees for sweepstake machines, Ms. Blaske asked why the Board wanted this change. Commissioner Melahn began to provide an answer but Mayor Knight pointed out that it was Public Comments only; not a question and answer period. She said another speaker spoke about what the sweepstakes business can and cannot afford. She suggested that the Board strongly consider that outlook. If the Boundary House, for instance, paid privilege license fees based upon income they'd probably be paying much higher fees than what they're currently. She said for one type of business to be so grossly overcharged compared to all other businesses is unfair and urged the Board to give the matter some serious thought before making any changes. Ms. Blaske claimed that a couple months ago a member of the current Board was unknowingly speaking with Ms.

Blaske's sister. During the conversation the Board members supposedly told her sister that sweepstakes machines would no longer be in the Town of Calabash. She asked other business owners to think how they would feel if the Town no longer wanted their type of business in Calabash. Ms. Blaske said she is very curious to know why the Board feels the need to increase sweepstake business privilege licenses and all other businesses.

NEW BUSINESS:

1. Discussion/Action regarding a proposed amendment to Title 11, Chapter 111.34 of the General Code of Ordinances—privilege license fees for sweepstakes; accessory use from \$200/machine to \$500/machine and add a listing for sweepstakes as a primary use \$500/machine and \$2500 per establishment (Commissioner Melahn)

Commissioner Melahn stated that Calabash is located on the NC/SC border. In NC, they are currently legal and currently illegal in SC. At present time Calabash charges \$200/per machine for privilege license fees, which is nearly the lowest amount charged of the 49 cities in NC included in a survey conducted by the School of Government (SOG). Calabash currently has 11 establishments with sweepstake machines; some as an accessory use some as a primary use. There are a total of 231 machines in Calabash. Should we change our claim to "The Sweepstakes Capital of the World"? The requested \$500/machine is a median fee based upon the SOG survey. Those businesses that use sweepstakes as an accessory use are charged a privilege license fee for their primary business use, which is a fee set by the state. It is proposed to charge the primary use fee of \$2,500 for businesses primarily engaged in sweepstakes. Whether primary or secondary use, any business would be charged \$500/machine (currently charged \$200/machine). Commissioner Melahn said that all the businesses currently located in town that are primarily engaged in sweepstakes are nonconforming. She said that she has done extensive research and has documentation. She said there have been a lot of violations at these businesses such as: signage, loud noise, food service without proper permits, & littering. She said that she is not trying to put anyone out of business. She chose the \$500/machine amount because she didn't want to put the little guys who are conforming (accessory use) out of business.

Mrs. Billie Mitchell from the audience got up to address the Board; Mayor Knight relayed that we were not in a public comments session and she would have to wait until the Board concluded their discussions.

Commissioner Buccilli opined that the fees should be higher than \$500/machine. She said that other municipalities, even some in Brunswick County including the neighboring town of Carolina Shores, are getting \$1,000/machine. She said that Calabash residents deserve that too. She said that Leland, a Brunswick County town, charges \$3,000/machine.

Commissioner Nance said he has the perspective that sweepstakes are just another type of business. He said he has a small engine repair business, restaurants are a business and sweepstakes are just another business. To set a fee for one type of business that is

inequitable to other types of business is unfair in his opinion. He felt if taken to court, it would be difficult to collect. He feels the town could be vulnerable to a lawsuit, where in his opinion only the attorneys would win. He said there have already been lawsuits regarding sweepstakes and there are more pending. In his research, it seems as though NC hasn't made any firm decisions on the matter. He said Calabash is Calabash; it's what we decided to do. We don't need to charge what Raleigh or Durham or anywhere else charges. He thinks it's highly discriminatory to do that to a certain type of business. He said he pays \$15 per year for his business and felt it would not be fair to charge sweepstakes \$2,500 per year plus \$500 for each machine inside the business. As far as violations go, Commissioner Nance said all types of businesses have sign violations and other types of violations as well; we have ordinances in place to address those types of things. He said he likes the county's approach; they pay a onetime for a special use permit and they're only allowed in certain districts—the county does not charge per machine. He said he has been a couple of the businesses and they are clean and nice. He said the sweepstakes business next to his business employees at least 4 or 5 people who would be out of work if it had to close because they couldn't pay the high fees.

Commissioner Walton asked Commissioner Nance to explain the county's fees again. Commissioner Nance said as he read the documentation in the Board's packets, it appears that the county only charges for the special use permit; a onetime fee. Commissioner Walton said the County and the State take a percentage from the business based on taxes. He asked Commissioner Nance if he feels that the Town should do the same. Commissioner Nance said he is not implying that; he stands on his previous statement and people can take that as they wish—what he said is what he means.

Mayor Knight said there seems to be a lot of interest in this matter with different points of view. She suggested that the matter be tabled tonight and a public hearing held. A public hearing would allow everyone to present their own thoughts, feelings and ideas on the matter. *Commissioner Walton moved to table this matter and hold a public hearing, seconded by Commissioner DiStasio and carried by a vote of three (3) to two (2) with Commissioners Nance and Melahn voting in the opposition.*

Mrs. Billie Mitchell addressed the Board even though Mayor Knight tried to explain that the Board was not accepting public comments at this time but they would accept public comments again at the end of the meeting. Mrs. Mitchell said that she has nothing to do with these businesses. However, the businesses give jobs to people who do not have jobs and the businesses pay taxes. She asked why these businesses should be charged more than other business in town. She thanked the Board.

The Town Clerk asked if the Board wanted to go ahead and set the date for the public hearing so that it could be properly advertised. Mayor Knight said she would appreciate it if the Board would schedule the public hearing this evening. Commissioner Nance asked to be recognized; Mayor Knight allowed him to have the floor. He said that he wanted the record to show that he voted "no" to holding a public hearing because he feels that the issue has already been addressed enough and he doesn't feel the fees

should be raised at all. Mayor Knight noted it had already been decided by a majority vote that a public hearing will be held; we are moving forward at this point to schedule the public hearing. *After some discussion, Commissioner DiStasio moved to hold the public hearing for sweepstakes fees on Tuesday, April 10, 2012 at 6:00 PM at Town Hall. Commissioner Nance suggested that the wording of the motion be changed to “hold a public hearing for the raising or lowering of sweepstakes fees”. Commissioner DiStasio amended her original motion to hold a public hearing on Tuesday, April 10, 2012, 6:00 PM at Town Hall for the raising or lowing of sweepstakes fees; seconded by Commissioner Buccilli and unanimously carried.*

2. Discussion/Action regarding upcoming proposed and approved events to be hosted by the Calabash Community Serice Committee (CCSC) and their budget. (staff)

Ms. Southward explained that the wonderfully active and enthusiastic CCSC is planning events which were not originally included in their \$3,000 budget. Currently they have \$1,234 remaining in their budget and feel they can complete all approved events as well as two additional events, an Easter Egg Hunt and Earth Hour Candlelight Visual, accomplished for this amount. *Commissioner Buccilli moved to accept the events and CCSC budget, seconded by Commissioner Melahn and unanimously carried.*

3. Discussion/Action to consider request from Calabash Fire Department to waive all permit fees associated with demolition and building of their new firehouse.

Mr. Nance noted that the Board has waived permit fees for other not for profit/charitable organizations. *Commissioner DiStasio moved to waive the permit fees for the Calabash Fire Department associated with demolition and building of their new firehouse; seconded by Commissioner Buccilli and unanimously carried.*

4. Discussion/Action to consider waiving sighn permit fees for entrance sign at Village Green—sign was destroyed by a vandal.

Mr. Nance noted that there has been precedence set in the past to waive sign permit fees for other subdivisions whose signs were destroyed by vandals or cars. *Commissioner Buccilli moved to waive the sign permit fees for Village Green for their entrance sign; seconded by Commissioner Melahn and unanimously carried.*

5. Discussion/Action regarding the Spring/Summer 2012 Edition of the Calabash Navigator (newsletter—consider increasing the size, which will increase the cost.

Staff noted that there is a lot of good information that is needed to get out to the citizens since the new Board has taken office. All this information will not fit in the usual 4-page newsletter. So, the information will have to be cut back or we could go with a 6 or 8 page newsletter; there is enough information to fill 8 pages. The costs are estimated as follows: 4-page \$1,400; 6-page \$1,700; 8-page \$1,990. Ms. Southward that a minor budget amendment (within the Administrator Department) would be necessary if a 6 or 8-page newsletter is sent but there are funds available. Commissioner Nance felt it best

to go with the 6-page Navigator for this edition and any information that is cut from it be put on the website and readers of the Navigator directed to the website. Commissioner DiStasio opined that the 8-page Navigator be best for this edition and then scale back for the Fall/Winter edition or evaluate what's necessary at that time. Commissioner Walton said he was prepared to support the 6-page newsletter but was unaware that there was enough information for the 8-page. He said he agrees that the website is a good tool for informing people but has found that many of our residents don't have or use computers. He said those people deserve to know all the good things happening with the new Board too. He suggested the 8-page Navigator for this edition and revisit the matter for the next. After discussing the matter *Commissioner Walton moved to go with the 8-page Navigator for this edition and reconsider the amount of pages for the next edition, seconded by Commissioner DiStasio and carried by a vote of four (4) to one (1) with Commissioner Nance voting in the opposition.*

6. Discussion/Action to consider permitting Town Hall (Sanborn Hall) to be a host-site for training of new Southern Software/Citipak (tax/payroll/accounting) software in order to receive half-price cost on the software update.

Ms. Southward explained that Citipak has contacted the Town about utilizing our space for training. There are a handful of municipalities in the area that use Citipak and would attend the training. If the Board is agreeable, they will give a 50% discount to the Town for our software update. The normal update cost is \$3,300 but with the discount the Town would pay on \$1,650. This savings would be helpful in that Town Hall software (two computers and the server) must be updated in order to accommodate the Citipak update. The Board members discussed the matter and felt it was a good idea to allow the training at Town Hall in order to save 50% especially with the associated costs for the new hardware. *Commissioner Buccilli moved that Southern Software be permitted to hold the new software training at Town Hall in order for the Town to save 50%, seconded by Commissioner Walton and unanimously carried.*

7. Discussion/Action to consider Agreement with Sunset Beach for them to provide building inspection support for the Town of Calabash (second/reciprocal contract that was approved in January).

Staff explained that the Board approved a contract in January that permits our inspectors to lend assistance to Sunset Beach. This contract is reciprocal in that it allows their inspectors to assist our inspectors. *Commissioner DiStasio moved to approve the Contract with Sunset Beach that allows building inspection support in Calabash, seconded by Commissioner Buccilli and unanimously carried.*

8. Discussion/Action to schedule Public Hearings for Tuesday, April 10, 2012 at Town Hall at 6:00 PM for the following UDO Amendments proposed by the Planning & Zoning Board:

- a) Article 10-2(2)(A)(5)—Fix a clerical error to reference correct section
- b) Article 12-18(B)(M)—remove clerical error
- c) Article 2—add a definition for “Bar”

- d) Article 10-1—add “Bars” as a permitted use in the HC and CB with requirements
- e) Article 10-2—add a Note for the requirements of bars
- f) Article 11—Table of Area, Yard, and Height Requirements—reduce lot width and setback requirements in the R-8 district.
- g) Article 17—off street parking & loading §17-9(B) add parking requirement for bars

Commissioner DiStasio moved to hold the above 7 public hearings on Tuesday, April 10, 2012 at Town Hall immediately following the public hearing for sweepstake fees at 6PM, seconded by Commissioner Buccilli and unanimously carried.

9. Discussion/Action to consider Merchant’s request regarding upkeep and utilization of sign at state line on HWY 179/Beach Drive. (Commissioner Nance)

Commissioner Nance reported that the Merchant’s Association is interested in leasing the sign (for a \$1 per year) from the Town to announce functions within the Town. The Merchants would maintain the sign. He said that the Merchants would vote as a group what would be on the sign when there was not an event to be advertised.

Mayor Knight said she spoke with Mr. McCartney about the sign who explained to her that the letters are falling off the sign because of the tracks. Mr. McCartney said he has tried to repair the tracks but they continue to have problems. He said the sign itself is in poor condition. He feels the sign needs to be replaced. He said one tract is completely destroyed; letters have been lost. Mayor Knight said the Town would like to continue to utilize the sign but some repairs need to be made.

Commissioner Nance said the Merchant’s are asking if the Town would like them to take it over for \$1 per year; if so, they would fix it up and utilize it. Mayor Knight asked for input from the Board. Commissioner Buccilli said she doesn’t think the Merchants should control the Town’s sign. Commissioner DiStasio agreed. Commissioner Melahn said that she understands the sign is in disrepair and it should be repaired. She said it’s a public sign and should be maintained and utilized by the Town. Commissioner Walton asked what kind of sign the Merchants wanted to put up. Commissioner Nance explained that the Merchants want to use the existing sign—they would fix it up and control the messages displayed on the sign. Commissioner Walton opined that a new sign is needed; he had previously given everyone a picture of the sign. He noted that the paint and composite is starting to separate and bubble up. Commissioner Nance said he has only been authorized to request utilizing the existing sign. Commissioner Walton said he was not in favor of that.

Commissioner Nance moved that the Merchant’s Association be permitted to lease the Town sign (message board at the state line) for \$1 per year use the sign and upgrade it to better Calabash. The motion died due to lack of a second.

Commissioner Walton moved that based upon tax revenues provided that merchants (24%) and citizens (76%) recommended that a committee consisting of 2 merchants and 8 residents be formed to decide what message is displayed on the sign and when so that

the merchants would have some say in what's on the sign and then come before the Board and have it approved. Mayor Knight asked Commissioner Nance if this is what the Merchants are asking for; Commissioner Nance said it is not. However, Commissioner Nance said he would be happy to bring it before the Merchants; he requested it be put in writing but he is not put obligating them to anything at this time. The motion died due to lack of a second.

Commissioner Walton moved that the concept of his previous motion be given to Mr. Nance to take before the Merchants Association for their discussion and consideration, seconded by Commissioner Nance and unanimously carried.

10. Discussion/Action to consider if Merchants need permit to erect small tents on their property during a Merchant Sidewalk Sale and if so, consider waiving permits fees. (Commissioner Nance)

Commissioner Nance said the term "sidewalk sale" is just a slogan to draw people in. Each business owner would be putting their products outside at their place of business. Some would like to put up small tents/canopies to shade themselves or products from the sun/weather. They are asking if there are any permit fees for small tents of this nature that the fees be waived for this event.

Commissioner Buccilli said she doesn't feel these fees should be waived; we don't waive fees for residents. Commissioner DiStasio said she does not see any problem with waiving fees for small tents if they're going to be in their own parking lots. Commissioner Nance noted that the Merchants Association is a tax exempt, not for profit organization. Commissioner Melahn said she feels it's alright to waive the fees. She asked if it's going to be a monthly thing. Commissioner Nance said there is nothing solidified yet they wanted to know what fees, if any, they would incur before making solid plans. Commissioner Melahn said she saw no problem in waiving the fees. Commissioner Walton said it's very vague at this point. He said the ordinance said it's only permitted twice per year and at this point we don't know if they are looking to do this once a month or every weekend or what? He said he doesn't want to give blanket permission. Commissioner Nance reiterated that he doesn't know any particulars at this time; they are trying to gather information before making any decisions. *Commissioner Walton moved to table the matter until there was more information; he then withdrew his motion.*

Commissioner Nance moved that if the Merchants Association decides to hold an event, no matter the name of the event whether it be called yard sale or sidewalk sale or whatever, that if the property owner erects a small size tent that the Town waive the applicable permit fees for such thing. The motion was seconded by Commissioner Melahn and carried by a vote of three (3) to two (2) with Commissioners Buccilli and Walton voting in the opposition.

11. Discussion/Action regarding Planning & Zoning Board members. (Commissioner Nance)

Commissioner Nance said that he nominated Commissioner DiStasio for the seat on the Planning & Zoning Board (PZB) that she currently holds and he feels she does a wonderful job. He said he has a concern that there is a conflict of interest in her serving on the PZB and on the Board of Commissioners. He said if a contractor comes before both boards she could vote for or against twice. Commissioner Nance said he knows that it is legal for her to serve on both boards but he still feels as though there is a conflict.

Commissioner Buccilli said there is no reason why Commissioner DiStasio should have to resign; she does a good job. Commissioner DiStasio said that it is legal for her to serve on an elected Board and an appointed Board. She stated that NC only recognizes three instances as being conflict of interest: 1) G.S 14-234 Self Benefiting; 2) G.S 133.32 Gifts and Favors; and 3) G.S 14-234.1 Insider Trading. She said she is not self benefitting, nor is she receiving any gifts or favors and she is not insider trading. As far as voting the PZB is only advisory; so there is not conflict. She said until there are more competent people willing to serve on the PZB she is going to remain on the Board. Commissioner Melahn stated she has no problem with Commissioner DiStasio serving on the PZB.

Commissioner Walton said he attends PZB meetings regularly. He said Mrs. DiStasio is the only member who asks questions and sitting in the audience her questions are helpful. Without her questions he would've been totally oblivious, as a member of the audience, as to what was taking place. He believes she should remain on the PZB. Commissioner DiStasio said that there is precedence. During the past two Mayors there have been Commissioners who served as members of the PZB; during Mayor Hardee's term Commissioner Herman and during Mayor Clemmons term Commissioner John Melahn served on the PZB. She said that those people were not asked to resign from the PZB.

Commissioner Nance moved that the Board of Commissioners ask Commissioner DiStasio to step down from the Planning & Zoning Board as it is his opinion that it is a conflict of interest for her to serve on both boards; motion died due to lack of a second.

12. Discussion/Action to consider directing the Town Administrator to keep a journal of meetings. (Commissioner Walton)

Commissioner Walton recommended that the Town Administrator (TA) keep a journal of everyone who comes to the office to have meeting; that the time in/out be noted, the name of the person who was meeting and the subject matter discussed. That this journal be kept and compiled together on Friday's and sent to the commissioners so that they will know what is going on. If someone has a lengthy meeting, there might be a problem and the commissioners could call the TA and inquire. He said he wants to be informed and know what is going on.

Commissioners DiStasio and Melahn had no comments on the matter. Commissioner Buccilli said she thought it might be a good idea to help them stay informed; if there is a problem the Board should be aware.

Commissioner Nance asked if he was suggesting that minutes of each meeting at town hall be kept. Commissioner Walton clarified that it was the in and out time, the person who was meeting and the substance of the meeting whether it be stormwater or personnel or what have you. Commissioner Nance said he has a problem with that being one of the employers of staff. He said he does not have a problem with the time he comes and goes but what he talks about with staff might be a private matter. He said he would like the Town Attorney to give some advice on the matter. Mr. Lewis said he has not given it any thought he said there might be some confidentiality conflict as employer/employee but he would have to look into that. Other than that, he doesn't see a problem with the journal. He said it might be a good idea to have a record of who is talking to whom.

Commissioner Walton clarified his request. He said if someone is talking to the TA he would assume they are discussing town business. Commissioner Nance said he is unsure that such would be the case; he said he is not on trial. Commissioner Walton said if town business is being discussed he wants to know what is going on. Commissioner Nance said Commissioner Walton is "nosey". Mayor Knight called Commissioner Nance out of order and requested everyone get back on track. Commissioner DiStasio asked to be recognized. She said a log would just have the person's name, date, time subject matter but no minutes of the meeting. Commissioner Nance said he did not have a problem with that.

Town Administrator Nance asked to be recognized. He said that he sends out (by email) a report every Friday of what he has done and who has met with that week. He said if he needs to add times to his weekly update that is not a problem. He said he wants to make sure everyone has been getting his emails and if they ever have a question, to please contact him.

Mr. Walton moved that a log be kept by the Town Administrator stating the time, subject matter, time out and who it was with, seconded by Commissioner Buccilli and carried by a vote of three (3) to two (2) with Commissioners Melahn and Nance voting in the opposition. Commissioner Melahn asked to be recognized but was denied the opportunity. Commissioner Nance moved to instruct the attorney to do some research on this matter but died due to lack of a second. Commissioner Melahn again asked to comment and was recognized by Mayor Knight. She said it is her feeling that Mr. Nance's Weekly Update states all the meetings he has had and things he has been working on throughout the week, which is why she voted in opposition to the log.

13. Discussion/Action to consider approving a revised Contract for City Fire Service with the Calabash Fire Department. (Commissioner Walton)

Commissioner Walton said the revised contract has to do with emergencies such as hurricanes and other natural disasters. The reason they need this contract is because they won't be paid by FEMA if they don't have the contract. He noted that there is a fee schedule by FEMA that lists every piece of equipment they could possibly use in order to control the costs. It is not a contract for money. It is a contract that says they will be there if needed and under a declared emergency they can be reimbursed by FEMA. He said the River of Life Baptist Church will give ten men to help with clean up after a disaster. He said the contract is for the people's protection.

Commissioner Nance asked the Clerk if the CFD Board of Directors had already approved the contract; do we have a signed copy from them. Ms. Southward said to her knowledge the contract had not yet been approved by the CFD Board and the Town does not have a copy signed by them. In his opinion the CFD Board needs to approve the contract first. Mr. Lewis said that was not necessary; if they don't approve it, the contract is void. He said the Town Board could approve it subject to their Board approving the contract. Mr. Nance said after discussion sometimes things change so, he'd like them to approve it first.

Commissioner Buccilli said she thinks the contract should be approved. Commissioner DiStasio said the only changed from the current contract to this proposed contract is that they would be paid during a declared emergency. She doesn't see why it can't be approved with the contingency that the CFD Board needs to approve it as well. Commissioner Melahn said she agrees with the Town Attorney. Commissioner Walton said there is no money involved unless we need them.

Commissioner DiStasio moved to approve the revised contract by and between the Town of Calabash and the Calabash Fire Department subject to approval by the Calabash Fire Department, seconded by Commissioner Buccilli and carried by a vote of four (4) to one (1) with Commissioner Nance voting in the opposition.

CLOSED SESSION: *Commissioner DiStasio moved that the Board enter into Closed Session pursuant to G.S 143-318.11(a)(6) to discuss personnel matters, seconded by Commissioner Buccilli and unanimously carried. The Board, Town Administrator and Town Attorney retired to the Town Administrator's office in Town Hall for the Closed Session.*

BOARD DISCUSSION/ACTION:

Upon returning to Sanborn Hall Commissioner Walton moved that the Board enter into Regular Session, seconded by Commissioner Buccilli and unanimously carried.

Commissioner DiStasio moved to give Mr. Jim McCartney a raise of 2.5% effective upon his anniversary date, seconded by Commissioner Melahn and unanimously carried.

PUBLIC COMMENTS #4: none forthcoming.

BOARD COMMENTS: none forthcoming.

ADJOURNMENT: *At 8:52 PM Commissioner DiStasio moved to adjourn the meeting which was seconded by Commissioner Buccilli and carried by way of a unanimous vote of the Board.*

(SEAL)

Mary Louise Knight, Mayor

Attest:

Kelley Southward, Town Clerk