



**Town of Southern Shores  
Council Meeting  
January 21, 2014**

The Town of Southern Shores Council met at the Southern Shores Volunteer Fire Department located at 15 S. Dogwood Trail at 9:00 a.m. on Tuesday, January 21, 2014

**COUNCIL PRESENT:** Mayor Tom Bennett, Mayor Pro Tem Jodi Hess, Council Members David Sanders, Larry Lawhon and Leo Holland.

**COUNCIL ABSENT:** None

**OTHERS PRESENT:** Town Manager Peter Rascoe and Town Clerk Sheila Kane.

**CALL TO ORDER / PLEDGE OF ALLEGIANCE / MOMENT OF SILENCE**

Mayor Bennett called the meeting to order at 9:00 a.m., led the Pledge of Allegiance, and held a Moment of Silence.

**APPROVAL OF AGENDA**

**MOTION:** Council Member Holland moved to approve the agenda as presented. The motion was seconded by Council Member Sanders. The motion passed unanimously (5-0).

**CONSENT AGENDA**

The Consent Agenda consisted of the following items:

- Budget Amendment #8-Police Department AED Donation
- Insurance Rate Increase-Resolution 2014-01-02

**MOTION:** Council Member Lawhon moved to approve the consent agenda. The motion was seconded by Council Member Holland. The motion passed unanimously.

[Clerk's Note: A copy of the Consent Agenda items is hereby attached as Exhibit A].

**GENERAL PUBLIC COMMENT-** None

**OLD BUSINESS-**None

**NEW BUSINESS**

Organization and Operation Briefing-Southern Shores Volunteer Fire Department

Fire Chief Bob Harvey presented a detailed presentation that covered all the following areas:

- Department Organization
- Areas served
- Finances
- Strategic long range planning and concerns

Discussion and questions from Council members followed.

[Clerk's Note: A copy of Chief Harvey's Presentation is hereby attached as Exhibit B]

## OTHER ITEMS

### Town Manager's Report

The Town Manager addressed several issues:

- The Capital Improvement Committee has met and will be preparing its FY2014-15 recommendations in planned upcoming meetings of the Committee.
- Remaining FY2013-2014 street rebuild projects will be going out to bid with a spring start date.
- Appropriations for a long list of street repairs will be recommended in the FY 2014-2015 proposed budget.
- The Phase II canal dredging project is finishing up with the completion of the third increment and moving on to the final fourth increment. The completion deadline is February 15, 2014
- The Town Manager has met with the various organizations that have interest in the dredging of the exterior Ginguite Channel. Each has indicated a desire to begin setting aside funds annually to contribute for future dredging needs of Ginguite Channel. The Manager will be recommending to Council a capital reserve sub-fund for future canal and channel maintenance.
- Council has previously discussed the legal options for long-term canal bank stabilization and maintenance. The Town Manager would like direction from Council on proceeding again with such a discussion before Council.

The Mayor indicated to the Town Manager he would propose discussion of long-term canal bank stabilization and maintenance on the March agenda.

Following further discussion all Council consented to hold March and April budget workshop meetings on the appropriate dates (third Tuesday), both of which are to be video recorded.

Mayor's comments:

Council Members' comments:

## ADJOURN

**MOTION:** Council Member Holland moved to adjourn. The motion was seconded by Council Member Sanders. The motion passed unanimously. The time was 10:46 a.m.

ATTEST:

  
Tom Bennett, Mayor



EXHIBIT A

**Town of Southern Shores  
Budget Amendment Number # 8**

**Police  
Increases**

| <u>Account Number</u> | <u>Description</u>                               | <u>Amount</u> |
|-----------------------|--------------------------------------------------|---------------|
| 40-33500              | <b><u>Revenues</u></b><br>Misc. Revenue          | \$2,500       |
| 51-50151              | <b><u>Expenditures</u></b><br>Equipment purchase | \$2,500       |
|                       |                                                  |               |
|                       |                                                  |               |
|                       | <b>TOTAL</b>                                     |               |
|                       |                                                  |               |
|                       |                                                  |               |

**Police  
Decreases**

| <u>Account Number</u> | <u>Description</u> | <u>Amount</u> |
|-----------------------|--------------------|---------------|
|                       |                    |               |
|                       |                    |               |
|                       |                    |               |
|                       |                    |               |
|                       |                    |               |
|                       | <b>TOTAL</b>       | \$ -          |
|                       |                    |               |
|                       |                    |               |

Explanation: Donation for AED units for Police Department

Recommended By:

J. Peter Rascoe, III, Town Manager

Approved By:

Tom Bennett, Mayor

Date





## Town of Southern Shores

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RESOLUTION 2014-01-02

### OPPOSING ANY INSURANCE RATE INCREASE FOR ALL NC COUNTIES INCLUDING COUNTIES LOCATED IN THE NC INSURANCE UNDERWRITERS ASSOCIATION BEACH PLAN COVERAGE AREA

WHEREAS, the North Carolina Rate Bureau, in its capacity as a representative of the insurance industry, has requested yet another rate increase from the Department of Insurance resulting in a 25% rate increase statewide and up to 35% in coastal counties; and

WHEREAS, a rate increase just went into effect July 1, 2013; and

WHEREAS, many eastern North Carolina counties were previously hit with double-digit homeowners insurance rate increases when the new rates went into effect on May 1, 2009; and

WHEREAS, homeowners in coastal communities already pay premiums up to five times the rate charged for inland properties, in addition to having separate flood, as well as wind and hail policies; and

WHEREAS, the Town of Southern Shores, as well as other coastal towns in North Carolina, is still experiencing difficult economic times; and

WHEREAS, additional increases would once again place an undue and excessive burden on homeowners in coastal communities; and

WHEREAS, loss experience does not justify yet another rate increase, especially since significant losses were experienced in areas other than the coast of North Carolina.

NOW, THEREFORE BE IT RESOLVED, that the Town of Southern Shores Town Council hereby opposes any rate increase requested by the North Carolina Rate Bureau and finds it unjustified and unnecessary,

BE IT FURTHER RESOLVED, that the Town of Southern Shores Town Council encourages Southern Shores residents to participate in this governmental process by filing comments and making their position known regarding this issue by submitting written comments to the North Carolina Department of Insurance, Property & Casualty Division, 1201 Mail Service Center, Raleigh, NC 27699.

## EXHIBIT B

### **Good Morning and welcome:**

Please stop me at any time if you have a question or need clarification.

### **Why SSVFD**

#### **TOSS has 3 choices:**

- Do nothing and then Dare County would be required to provide the service. As they, Dare County do not have a fire department, they could contract some one like us and tax the citizens of the fire district.
- Provide the service through a municipal department; or,
- Contract with some one like us and pay a fee. TOSS has chosen this method and contracted with us to provide the service.

#### **So, who are we:**

We are a not for profit corporation, governed by an elected board of directors elected by our members from our membership, and chartered by the state to provide Fire Protection and First Responder services.

We are contracted by TOSS and Dare County to provide these services to the Martin's Point area of Dare County and to the Town of Southern Shores. This combined area is referred to as the **Southern Shores Fire District**.

Although we provide no water services, we do assist the Coast Guard and other agencies in water rescues on the Sound side; and your contracted life guard service on the Ocean side.

- We provide 1st Responder medical support to Dare EMS
- We provide mutual aid to our neighboring departments
- We assist the town as needed during adverse weather events
- We participate in Fire Prevention activities
- We have a Knox Box program and a residential smoke alarm inspection and servicing program
- While we've changed light bulbs in town hall and fixed ropes on flag poles, but we do not retrieve cats from trees.

## **Major Funding:**

- **TOSS** - Contract based at a set cents per 100 based on property valuation. Rate may be re negotiated based on need. Resets annually with assessments. We can also request special funding such as the radios. - .0275 + 50,000 - \$524,650
- **Martin's Point** - Collected by the County in our behalf. Cents per hundred based on property valuation. Rate may be reset based on request - 0375 - \$96,415
- **Donations** - Donations received are transferred to an earmarked account for special directed needs (non operational)
- **Other**

## **Major Expenses:**

- Debt Service - 36%
- People Costs - 30%
- Capital - 8%
- Insurance - 7%
- Repair and Maintenance of Equipment - 6%

## **Membership:**

Some of you have heard this story before; it doesn't change much. Our successes or failures are based solely on our ability to recruit, train and retain volunteers.

### **·We currently have:**

- 50 total members, unchanged
- 39 on State Roster, down 8 from last year
- 27 Firefighters, unchanged. Good news is we added enough new members to offset loses. Bad news is we traded leadership and experience for new. The circle of life!
- Basically we have to run hard to stay even



### **Bad news, of the 27 Firefighters:**

- 2, both senior officers of the Department, will retire at the end of June.
- 2 more senior officers may decide to retire this year.
- a couple members will just quit for whatever reason.
- 5 have birthdays in 1944 or earlier
- Our 3 Chief Officers are 71 or older; 2 are 75+

### **Vehicles:**

- 3 of our 4 engines are current, up to date, 1901 compliant; and 8 or less years old (20 years being the optimum lifespan)
- Truck 12 is 14 years old and 6 years from replacement.
- Command 12 is 3 year old. Rescue 121 (Formerly Command 12) is 9 years old and has over 80,000 miles. Rescue 121 (Ford Pickup ) is 12 years old
- Rehab 12 is virtually new. 4 ?
- 3 cars/SUVs are former PD vehicles with over 100,000 miles each. (we expect one of them to rust through any day) All will be retired with first major repair or whenever you offer us better ones

### **Equipment:**

Our major equipment is relatively new (less than 10 years old) in good condition and meets all current standards.

### **Buildings:**

- East Station - functionally obsolete, not to code and in the flood plain. Newer vehicles will not fit.
- South Station - At its limits. Can not expand. Newer ladder truck will probably not fit without significant modifications.

## Long Range Planning Thoughts

**Capital:** At the present we have no major Capital needs. There are always minor items needed but these should not exceed current budget levels.

Some unknowns:

- We depend on surplus PD cars to satisfy our vehicle needs. At present there aren't any cars available, nor in the foreseeable future (4 years+). What will our needs be going forward and how will we fill them.
- Air bottles and when will we have to replace them?
- Air packs and when will we have to replace them
- Radios Who knows. we are at the mercy of other agencies!
- Will there be a major change on something, such as turnouts, requiring a complete retro fit.

**Apparatus:** T12 is now on the short cycle for replacement.

- Do we replace it?
- If so, with what?
- This could be a million dollar question
- What are the operational implications

**Buildings:** This is a **repeat, but**, We currently own 2 functionally obsolete buildings that neither fit our current needs, nor house our current equipment efficiently,; nor can they be modified or expanded to fit future needs. It should be noted we are currently responding from one and using the other as a garage.

### Risks:

If we were a publicly held corporation, any audit would have to identify the greatest risk to the stockholders. For sake of argument, lets assume you our customer are our stockholder. I believe those risks would be identified as:



- Our membership level. Loose our volunteer base, and our costs go up exponentially .
- Our high ratio of fixed to variable costs. While a higher volume of calls could increase our costs, a reduction saves us very little if anything.
- Potential volatility of funding.

**The good news** - Our volunteers still turn out for calls willingly, 24/7 year around. They are well train, hard working and enthusiastic. In spite of our struggles to maintain membership, we, the department are adequately funded, and well equipped to do our job. We take a back seat to no one

Questions?

Thank you