**City of Boiling Spring Lakes**

**Board of Commissioners**

**Citizens’ Forum Minutes**

**June 16, 2022 at 6:00 pm**

**City Hall**

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**1. Call to Order - Mayor Jeff Winecoff**

Mayor Winecoff called the meeting to order at 6:00 p.m.

**2. Attendance:**

Mayor Jeff Winecoff Commissioner Thomas Guzulaitis Commissioner Kim Sherwood Commissioner David Mammay

Finance Director Suzanne Tungate Chief of Police Kevin Smith

City Clerk Nancy Sims Captain Brad Shirley

**Absent/Late:**

Commissioner Teagan Hall (Late)

**3. Citizens’ Forum Comments and Questions**

**Mayor Winecoff** started off with the Pledge of Allegiance and then said we have a lot people signed up, so we will try to do a three minute comment per person. We are planning to hold other workshops in the future. The good news is, we received a $922,306 grant award that will take another Million Dollars off the dam project. We also have pretty good confidence that Monday night at the Brunswick County Commissioners meeting they will approve the $3 Million Dollars we asked for, so that is another $3 Million Dollars coming off the entire project.

**Mayor Winecoff** continued Representative Charlie Miller in Raleigh is working very hard to try and get us the rest of the money that we need. We were thrown a curveball by the Local Government Commission (“LGC”) who now says we need a bond referendum to hear from the citizens whether they want to proceed with getting a loan for the dams. This is the first step in that process. This is not saying we are moving forward with a referendum, this is just the first step in going through the process. Our intent is to keep fighting for more money. We have grant applications out for consideration and we are hoping for a $10 Million Dollar grant from Sunny Point as part of relations between military and cities. We are working diligently to get more money. There is a lot we are still pushing for and we are hoping our government gets behind us. We have been talking to Senator Tillis trying to get money from him but you all know how the federal government is. We are here tonight to see what you all want to do. We are not here to do anything against anyone. Anyone who wants to speak please sign up at the podium.

**Todd Ausborn, 948 North Shore Drive.** I am Chairman of the Grants Committee. The Grants Committee is still waiting to hear about a $2 Million Dollar DRM grant. Don’t think that the BOC members haven’t been working their tails off trying to get money for the dams. I have been hearing some talk about a 50% tax increase. When you look at your tax bill, only part of that is the BSL tax bill. Any increase will not be for the entire tax bill, just the BSL part. Also the tax increase will not start immediately if the bond passes. It won’t start until the loans are actually taken out so we still have 3 years to get money. Just want to set that straight.

**Mike Hartigan, 801 South Shore Drive.** The more I thought about speaking here tonight the more it became clear that the answer is simple. I am in favor of the referendum. All I want to say is let’s ensure that we have it on the ballot. This is an opportunity for every citizen to say yes or no. We do have time to try to get other funds. Also the City will continue to grow. Our tax base will continue to increase and that tax base will have an effect on tax rates. I would like to focus on the fact that this is an opportunity for everyone in the City to make their thoughts known. We need to move forward. One way to do that is to let the people actually say how they feel by voting. We can continue to look for money and grants but have to let the people say yes or no. If you don’t vote you can’t criticize the outcome. We also need to keep people informed and make them aware that we are not in charge of all the different agencies that make this stuff happen.  **Mayor Winecoff** replied he could not agree more. Anything can happen. This BOC has been here six months and none of us have stopped since we started. We want to have more workshops on this and we need to keep asking for more money.

**Tim Fullmer, 110 Pine Lake Road.** Since we are talking about money and where it goes, I want to know when somebody is going to show up and do the work needed! I know as a builder there is a lot of red tape. But if this had been started back in October, immediately after the storm, we would have been through the worst of it and working with the first number. I voted for the tax for the roads and yet these are the worst roads! Where is that money going? You are not doing what you said you were going to do with the money we have been giving you! **Mayor Winecoff** replied, again I will say I have been here six months. Most of us were not part of that initial budget but the money has gone toward the roads. When price of fuel goes up the price of paving goes up and we have less money to pave roads.

**Mr. Fullmer** continued, you cannot give anyone an accurate figure to build this dam. Because of that this referendum to raise our taxes will come up again as no one has a final line. It is not looking favorable that there will be water in the lake ever again. **Mayor Winecoff** said you’re right, the figure we have now is $52 Million Dollars. It started out at $41 Million Dollars. We have about $20 Million Dollars from FEMA and $14 Million Dollars from the State, and we are asking for more money. **Mr. Fullmer** asked what the City is doing with the money. **Mayor Winecoff** responded it is in the bank right now waiting for FEMA to approve the project, which they still have not done. **Mr. Fullmer** then asked if we could push FEMA. **Mayor Winecoff** replied we have, and FEMA is saying their report will be out by the end of July. They will not change how they do things; it is their way or it doesn’t get done. We have pushed every button we can to get them to move faster.

**Commissioner Hall** arrived at 6:17m p.m.

**Commissioner Guzulaitis** added this is not a project you can just start; everything has to be approved. **Mr. Fullmer** said I understand that, but if we had started this in October after the storm we would have cut through the red tape and we would have had a smaller number to work with. **Commissioner Guzulaitis** said I know it sounds simple in the face of it, but it doesn’t work that way. **Mr. Fullmer** stated I know how to build these things, I understand the process and I built things in shorter time than it took to start this, and it still isn’t built!

**Commissioner Hall** said none of us were in office when that happened. **Mr. Fullmer** then added he is also concerned because we don’t have a final number. I don’t want you coming back with a $70 Million Dollar number and saying we need to raise taxes even more. **Mayor Winecoff** said we won’t know until we get everything approved. **Mr. Fullmer** asked why we can’t just go with the smaller lakes. **Mayor Winecoff** replied because FEMA may come back and say they will need to take more time. We need that final approval before we start construction. We can’t put final bids out there because they may very well come back and say we are not going to approve this after all this time. We have to wait on their permits before we can do anything, and until we get that we don’t know what the final number is.

**Mr. Fullmer** then inquired if the City will be proposing a 25 cent tax increase? **Mayor Winecoff** responded we are not proposing a 25 cent tax increase. Right now if it passes it may be about 16 cents. **Commissioner Hall** said you will be able to vote on this. It is out of our hands at this point. **Commissioner Sherwood** added they are requiring us to do this; we have no say in it. **Mayor Winecoff** reiterated, this is the first step because we need to get loans to be able to pay the contractors when they start. **Mr. Fullmer** wondered, again, why this process wasn’t started in October. **Finance Director, Suzanne Tungate** replied they did start the process in October 2019. As soon as the debris was cleaned up, they started the process for rebuilding the dam. It has just taken this long to get through FEMA.

**Karen Hartigan 801 South Shore Drive.** She would like to reiterate what her husband said and request the referendum be on the ballot. She would also ask the City to hold several public meetings prior to the November vote to explain exactly what the impact of the bond will be. There are too many rumors going around and we need to set things straight. Also, we need to find a bigger place to house everyone. The Community Center probably will not be large enough either. If we publicize these meetings we can get all the residents active and involved. This is such a small city it is difficult to get the word out. This is an important subject for the City. We also need to rebuild Alton Lennon Road for first responders and all residents that live on that side of BSL.

**Fred Grebauer, 980 Holly Point Road.** This could have been prevented and it wasn’t. I have a beef with the cost and time factor. About 3 ½ months after the hurricane, when the roads weren’t done, I called Representative Iler and Senator Rabon’s office. The roads were then finished in about 2 weeks. The fact that it is taking 3 years to build this dam is what is increasing the cost. It only took 5 years to build Hoover Dam and with all that entailed! This is a joke!

**Gene Smith, 1350 North Shore Drive.** He has lived here for 35 years and there has never been a time when we went so long without doing a thing. He can remember after some hurricanes the city employees were right out there working on the dam and the flooding. Nobody was worrying about getting a permit or nothing like that. There was nobody out working after this storm. He thinks everybody on BOC should do everything they can possibly do to keep big lake going. If there is no referendum then do whatever else it takes. Do not abandon filling the big lake back up. People who don’t live on the lake also should have every reason to approve the referendum.

**Ron Ratliffe, 471 South Shore Drive.** He has lived here since 2012. I absolutely support the bond referendum as we need the big lake back. I asked for all residential construction since 2012 to be provided to show how much the tax base has increased. He then Read the list he was provided. There have been 515 new homes since 2012. We understand that it takes a lot of time to get things done. I offered my assistance as a consultant to the previous mayor and manager. The criticism of them is huge when it comes to how much they did not do. We need to make sure that this is put on the ballot for a referendum.

**Tommy Morrin, 757 Eden Drive.** Everyone talks about the dam, but that has nothing to with roads that are destroyed. All the ditches are clogged and it causes flooding when it rains with mosquitos everywhere. You have people on fixed incomes who can’t afford a tax increase. If the people on South Shore Drive want to spend their money on a dam let them spend it. But you have poor people who live on fixed incomes. They can’t afford a tax increase. We have to think about everybody. If we can’t get money from the state or federal government, then let it go. **Mayor Winecoff** responded that is why we want to leave it up to the people.

**Question from the audience:**  So, you are saying if we don’t have a bond referendum you won’t fill in the lake? **Commissioner Hall** responded, we are not going to give up trying. **Mayor Winecoff** added, we are not giving up on anything.

**Russ Cusick, 2241 East Lake Keziah Drive**. I have lived here for 4 years. I moved in 6 months before Florence. It is sad to see that mess at the dam, however, we can’t ignore the facts on the financing and how it went from $32 to $52 Million Dollars. I appreciate the hard work you are doing to get money, but we haven’t moved one shovel full of dirt. I have looked at the drawings and I must say the foundation does not look good. I’m happy to hear the LGC is requiring a referendum but disappointed with some of the BOC members’ reactions when they found out it was required. It was almost like they were afraid of the voters. Here are a couple of facts: the State has debt analysis reports on their website for municipalities with between 5,000 and 10,000 people. He then read the information from the state website. I am afraid we will remove all our margin to respond to emergency items. I spent 34 years as an engineer and always when there was a very critical decision there was a second opinion involved. He would encourage you all to have an experienced civil engineer look at the geophysical reports.

**Hank Troscianiec, 542 North Shore Drive.** It was a little disappointing to hear the BOC discussion at the meeting. To the builders, I appreciate what you do. There is no house being built now without permits. Going back and talking about things that happened yesteryears won’t help. We used to put chemicals in the rivers and we don’t do that anymore. Things have changed. The thought that we can’t get a bond referendum to pass is defeating ourselves before we even get started. There are all sorts of factors that go in the bond referendum. I can’t see reaching in someone’s pocket who is not on the lake to pay increased taxes. They may be having a hard time making ends meet. There are other ways to do it. You have benefit district abilities to assess. I want the lake back, but don’t want to do it at the expense of someone who can’t afford it. Maybe if you live on the lake you can have an annual water access fee and then second row can pay something also. I don’t want someone else paying for what is a luxury for me. I went on the County GIS and found out there are 543 lots on the lake. That is 543 lots for service debt district. On a low interest loan what does that equal? I also talked to people on the lake and asked what their tolerance was to live on the lake and have water in there. I have not gotten push back from anyone on the lake. It is worth so much for me to be able to look at water, but I don’t want someone not on the lake paying for it.

**Gerry Slovik, 443 South Shore Drive.** If we have a bond referendum and it goes down, who owns what was the lake, and what will they put there. Who makes that decision?

**Ken Hutton, 851 South Shore Drive.** One of the problems is we need to have communication before rumors start. I have heard there were to be goats in the lakebed and bulldozers in the lakebed. It needs to come out before rumors start. We need a point of contact for the dam.

**Joe French, 336 North Hills Drive.**  I bought my house 2 weeks before Florence. I keep hearing rumors about rats. Why is it taking so long to clear the lake out? There are big puddles of water in the lake. I would like to see something happen. I don’t live on the lake but would pay the extra tax.

**Allise Debro, 798 North Shore Drive.**  I want to move forward with the bond referendum. The lakes are the City’s identity. The name of city is Boiling Spring Lakes. You have been fighting hard over 3 years. We can’t give up the fight now. We have been patient and resilient. I truly believe without the lakes the value of the property and the City would be reduced drastically. We need to continue to fight for the lakes. Citizens have a right to vote on whether we want those lakes back. I Support the referendum.

**Marge Pennington, 301 South Shore Drive.** I want to talk about communication. I have lived here for 20 years and have attended every BOC meeting. I have also attended the Citizen’s Forums. The last Citizen’s Forum was 2 months ago and there were 19 people here. Where were you all? I’m trying to figure out how to get this many people to show up regularly. All the committees and the BOC are working hard. The lake is not the only issue in the City.

**Diane Tursi, 961 Palmetto.** I don’t live on the lake but have a vested interest in and enjoy the lake and want the referendum. If the referendum doesn’t pass what happens to the money already received? Is that earmarked specifically for that purpose? As the City is growing you still have time to get things done. I am concerned, as we are in hurricane season again. Southport and Oak Island have both been able to recover from hurricanes. We have watched those cities recover and grow and we haven’t been able to gain traction. We need to look at a plan B to see what happens with the money we have already gotten if we decide not to move forward with a referendum. **Response from the audience:** Those towns have tourism. Our City does not have tourism. That is why everything gets fixed in those places.

**Roger Dutton, 1011 South Shore Drive.** I think a valid question to ask is what are the consequences of not rebuilding the lake? There are sinkholes and other damage. It is almost impossible to get insurance for sinkhole damage and if we start to lose homes our reputation and tax base will start to go down. Was that in the equation, as it is a pretty expensive alternative?

**Kirk Mckenzie, 254 South Shore Drive.** I live on north dam and watched it go during the hurricane. I have been in construction all my life so when I found out that FEMA decided to rebuild the dam this way -- you need to have a second opinion. I have worked with them and they were so backward, they didn’t care because they got paid by the hour. There is another way; you can get an outside engineer. **Mayor Winecoff** replied we do have an outside engineer who took the design to NC Dam Safety for their approval. They had to go to FEMA for their approval. **Commissioner Sherwood** added we have one more permit we are waiting for and that hopefully will be by the end of June. Then we will be almost ready to put out the bids. Mr. McKenzie added, sometimes there is a better way to look at things.

**Mayor Winecoff** said I came from Oak Island and it was on the verge of bankruptcy when we first started. In my 9 years there we never raised the taxes. We were able to pay off our general fund debt. We went to Raleigh when the hurricanes came through and asked for money. I am a person of vision and of mission and our mission is to get money from everybody we can so we do not raise taxes. None of us have stopped. We have been full speed ahead; whether it is flooding, streets, dams. We have pushed and pushed and have not stopped. We formed the Grants Committee and went after every grant we could and are still going after them. FEMA is holding us up. Representative Charlie Miller is trying to get us the $15 Million Dollars we asked for. Hopefully we will get that. It will be sometime probably in March before we get anything going. We can’t take a shortcut. We have to go through FEMA’S long process to get things done. When we looked at maybe doing the dam project differently, it turned out it was a whole other process with FEMA. Even though they looked at everything already, we would still have to start all over again. FEMA should have already approved this, but they didn’t. They waited until we were ready to start and then said we needed an environmental assessment. Our engineers have been walking them through the process of showing them everything we already submitted to them. There is so much red tape. We will not stop until we get money. It is up to you all to vote on the referendum yes or no.

**Commissioner David Mammay.** We want to hear from you. We are here to represent you. I heard some good ideas tonight. Just so you know, at the last BOC meeting we approved the caterpillar so the lake will start to get cleared out in about 2 months. After the lakebed is cleared we will clean out the ditches. We want to use your money wisely. We want the lake back and everybody is working hard to get it done.

**Mayor Winecoff** said it would not hurt if everybody emails or calls Senator Tillis’ office. Congressman Rouzer hasn’t really done anything for us. Senator Tillis’ people came down to see the damage and were shocked. **Commissioner Sherwood** added that Representative Miller has also been working hard. **Mayor Winecoff** added we are working on the emergency response issue. The other thing is the highway traffic with all the schools.

**Question from the Audience:** What is the biggest issue funding or FEMA? **Mayor Winecoff** responded FEMA. **Commissioner Guzulaitis** explained that we need two types of loans, a short term construction loan that pays for various stages of construction -- because we pay the bill and then FEMA reimburses us. We do have $14 Million Dollars in the bank. FEMA also holds back 25% of their money, $5 Million Dollars, until the very end of the project. FEMA will hopefully commit to giving us 20 million. They will reimburse us anywhere from 6 months to a year after we pay.

**Question from the audience:** Have you looked at any private funding? **Commissioner Guzulaitis** responded, FEMA doesn’t want their money back so we will take their money. When everything is done whatever is left that we cannot pay for, that is the amount that will need to go to long term financing.

**Question from the Audience:** I thought that once it was approved by FEMA you have a guaranteed loan from the federal government. Then you can go to a city bank and get a construction loan. **Mayor Winecoff** replied we have to go to the LGC to get their approval to borrow money. We can’t just go out to any bank and do that. That is why we need to have the referendum. **Commissioner Guzulaitis** added the LGC is there to watch how much money municipalities are borrowing to make sure they can pay it back and don’t go bankrupt. We can’t just go willy-nilly on the street and ask for money from a bank without LGC approval. They are saying if you are going to take on this debt, you need to inform the citizens and they have to vote on it.

**4. Adjourn**

There was a **CONSENSUS** to adjourn the meeting at 7:12 p.m.

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**Jeff Winecoff, Mayor**

**ATTEST:**

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**Nancy Sims, City Clerk**  **Date**