

ROANOKE ISLAND COMMISSION MEETING

Call to Order

The **Roanoke Island Commission** met in the Art Gallery on Friday, **April 27, 2012** at 9:03 AM. Officers present: Sterling Webster, Chair; Perry White, Vice-Chair; Angel Khoury, Secretary; and Ellen Newbold, Treasurer. Members present: Betsy Brown; Eddy Browning (late arrival); Joe Bryan; Linda Carlisle, NCDCCR Secretary; Libba Evans; Malcolm Fearing; Jerry Jennings, NCDOT designee; Grayson Kelley, Attorney General designee; Robert Long; Elmer Midgett; Fountain Odom; Bob Quinn; John Robbins; Joanne Williams; and Earl Willis. Also present: Karen Blum, NCDOJ; Tod Clissold, Friends of *Elizabeth II*, Inc. Board Chair; Dwight Gregory, Friends of *Elizabeth II*, Inc. Board Treasurer; Lars Nance, NCDOJ; and John Wilson, RIC Historian. Staff present: Kim Sawyer, Executive Director; Fisher Essensfeld, Program Manager (early departure); Andrea Hanganu, Administrative Assistant; Amy Hinnant, Operations Manager; and Kathleen McLean, Manager of Education and Interpretation (early departure). Absent: Saint Basnight; Warren Judge, Dare County representative; and Dale Petty.

Introductions Welcome

Chairman Sterling Webster welcomed all in attendance and thanked Joe Bryan for hosting the reception the evening prior.

Ethics Statement Conflict of Interest

Ethics Liaison Ellen Newbold read the ethics statement and inquired of Commission members as to whether they had any known conflict of interest or appearance of conflict with respect to any matters coming before the Commission today. Angel Khoury noted that she serves on the board of the Friends of *Elizabeth II* and the board of the Outer Banks Conservationists. Libba Evans, Fountain Odom, and Malcolm Fearing noted that they own property within a mile of the Corridor.

Adoption of Agenda/ Approval of Minutes

The agenda was adopted by consensus.

On motion by Joe Bryan and second by Fountain Odom, the minutes of October 28, 2011 were approved by unanimous vote.

Committee/Staff Reports Executive Director

RIC Executive Director Kim Sawyer provided the Executive Director's Report as follows:

- Letters from school children were distributed for members.
- Education meeting yesterday (04/26/12) discussed 2013 being the 30th Anniversary of the launching of the *Elizabeth II*; (a film clip of the launching was shown from November 22, 1983).
- New RIFP Program Manager Fisher Essensfeld was introduced.

Fisher Essensfeld expressed appreciation for being at RIFP and pleasure in meeting RIC members.
* Fisher Essensfeld left the meeting at 9:08 AM. *

RIFP Education and Interpretation Manager Kathleen McLean provided the following update:

- March-June 2012: estimate of 9,486 students and adults from school and tour groups visiting RIFP.
- Working to get more scouting programs for Boy Scouts and Girl Scouts.
- Commemorating the 150th Anniversary of the 1892 Battle of Roanoke Island.

* Kathleen McLean left the meeting at 9:15 AM. *

Kim Sawyer continued the Executive Director's Report with the following:

- Review of *Roanoke Island Festival Park School Tours By N.C. Counties, 2002-2011* (distributed and filed as an attachment in the official Report Book).
- May 2012 *Our State* magazine, coastal landmark edition, includes *Elizabeth II*.
- Three events for DCR Second Saturdays.
- Discussing potentially sending the *Elizabeth II* on a training sail to Washington, NC in October 2012.
- May 1, 2012 Business After Hours Chamber of Commerce event.
- House Appropriations General Government Subcommittee presentation held April 25, 2012.
- July 1, 2012 RIC structure changes with special provision approved by the General Assembly.

Special Deputy for the Attorney General Karen Blum, representing DCR, reviewed a handout regarding the Roanoke Island Commission Fund to explain legislation changes, noting the following:

- View of legislation in the past, changes as of July 1, 2011, and changes effective July 1, 2012.

- July 1, 2012 changes: RIC Fund and RIC Endowment merge into one Historic Roanoke Island Fund, a non-reverting enterprise fund for everything including capital expenditures; no more transfers of monies to FOEII from appropriations.

Discussion was held regarding the RIC Fund handout review, with the following being noted:

- Verification that statute does not say how monies get transferred (Blum).
- July 1, 2012 there will be no Endowment; it all merges into the Historic Roanoke Island Fund (Blum).
- Unknown if part of the Historic Roanoke Island Fund can be deposited into something producing income (Blum).
- Agreement to check and report back of the possibility of putting some funds into the restricted (Carlisle).
 - Glad to help set up anything through the Treasurer's Office or go to Cash Management staff (Nance).
- Request to enter into the record an email from Grayson Kelley sent June 16, 2009: *speaking only as a Commission member I think the full Commission has a fiduciary responsibility to either directly approve the transfers to the Friends or at least delegate the authority to the ED to make such transfers and report back to the Commission. It further says, I'll be interested to see what the minutes reflect. Quite frankly I don't recall* (Fearing).
- Verification that all Commissions are unique; none have a similar situation as RIC (Carlisle).
- Forces requiring changes in RIC Endowment, synopsis of work done the last eight months, and next steps; verification that these are and have always been recurring funds (Carlisle).

Friends of
Elizabeth II, Inc.

FOEII Board Chairman Tod Clissold provided the Friends Report outlined as follows.

- RIFP has been doing construction on the Museum Store entrance as a result of some damage.
- Summer 2012 will likely be one of the busiest summers at housing; rates were increased.
- RIC members invited to be Friends members; members invited to visit the Museum Store.
- FOEII will work with Fisher Essenfeld and the committee to fill the Pavilion and bring in beach visitors.

Discussion followed regarding the Friends Report, with the following being noted:

- Verification the RIC Finance Committee discussed the day before the \$296,759.00 line item of Friends contribution to RIC; figure is added in on the funds available chart (Newbold).
- Friends memberships are down slightly; Friends members would benefit with free entry at RIC events (Clissold).
- Webpage is under construction for online purchasing; membership solicitation letters go out once a year (Clissold).

Education
Committee

Reporting for the Education Committee, Joanne Williams said the transfer has been approved for the Town of Manteo to take over the boathouse and the sailing program. The Town is leasing the RIC assets.

Roanoke Voyages
Corridor Committee

Elmer Midgett reported from the Roanoke Voyages Corridor Committee, noting the following:

- Met the day prior; Fountain Odom discussed underground utilities, which are desired along the Corridor.
- Discussed a potential Mother Vine grape arbor at a walking path by the Dare County complex.
- Several Crepe Myrtles have been cut; opinion sought from Attorney General's Office regarding prosecution.
- Committee presents a motion that the Chairman of the Roanoke Island Commission appoint a special committee from the members of the Commission as well as to request representatives of the Town of Manteo and the County of Dare to review and make recommendations with regard to the Corridor Regulations as well as the wayfinding regulations as well as the special legislation that was passed by the General Assembly this past year involving those same subjects.

Motion

Discussion followed with Malcolm Fearing noting a potential conflict of interest. Chairman Webster stated that it is not just the legality but coordinating with the Town, County, and DOT on issues and reviewing Regulations. With no further discussion, the motion carried with one abstention by Malcolm Fearing.

Vote

Elmer Midgett continued his report from the Roanoke Voyages Corridor Committee as follows:

- Discussed a cutoff date for submissions, with no action made.
- Likely his last meeting; thanks to DCR Secretary Linda Carlisle for what she has done.
- Details of cut Crepe Myrtle trees.
- Telephone lines going into trees on the north end will need to be addressed at some point.
- No bonds are held at this time; account balance is \$16,413.33 earmarked for Corridor upkeep not to be returned.

* Eddy Browning joined the meeting at 9:54 AM. *

Upon recommendation by Fountain Odom, the Commission provided a vote of appreciation for all the time and effort at no cost to taxpayers or anyone of the valuable work Elmer Midgett has done to protect the Corridor for numerous years. Joanne Williams also thanked the Commission for the opportunity to serve the past 18 years and noted this is likely her last meeting as well.

Visual,
Performing Arts &
Film Committee

Chairman Webster reported from the Visual, Performing Arts and Film Committee, noting the following:

- Moving in a different direction to better utilize the Pavilion and create income; some legislation has been re-worked for better latitude of Performing Arts funds; planning 1-3 events in 2012; blending in the most successful universities; remaining funds would support the overall Park mission.
- Committee's motion is for the Commission to request \$120K from the Friends to launch and sponsor the 2012 summer concert series. That will add to what the Finance Committee is requesting shortly.

Motion

Vote

With no further discussion, the motion carried with one abstention by Angel Khoury.

Concluding comments were made as follows:

- RIFP is renting the space for the October 2012 Bluegrass Festival (Sawyer).
- Concern of getting people from the beach to RIFP; need to research the least expensive marketing (Webster).
- Opportunity to partner with Manteo and other entities (Long); ancillary income other than ticket sales (Webster).
- Recommends RIC keep a separate account for the \$120K and contact the NC Art Museum (Evans).

Facilities and
Land Committee

Chairman Webster reported from the Facilities and Land Committee, noting he stood in as chair for Saint Basnight, who has a health issue. Kim Sawyer reviewed the following items discussed the day before:

- Museum Store structural damage—worked with DCR Capital Projects and State Construction; completed yesterday.
- Enhancement Project—Advisory Committee will be meeting; finalizing things previously reviewed.
- Hurricane Irene damage—received some funding and insurance money to begin repairs or needed work.

Discussion was held regarding the Facilities and Land Committee Report, with the following being noted:

- Committee discussed checking the legality of a Museum Store lease renting to Friends for nothing (Fearing).
 - Agreement to review the minutes and research the item (Webster).
 - RIC has desired a Friends lease for \$1.00/year; Outer Banks History Center (OBHC) lease is also needed (Webster).
- Committee discussed Museum Store emergency structural repair; set a \$25K limit (Robbins).
 - Was done as a motion (Fearing); in the Finance Committee (Newbold); to be addressed shortly (Webster).
- Agreement for DCR to confirm through Karen Blum that RIC can do the lease the way it is for \$1.00/year (Carlisle).

Finance
Committee
(Temporarily
Deferred)

Upon request by Treasurer Ellen Newbold, Chairman Webster allowed the Treasurer's Report to come before the Finance Committee Report. Treasurer Newbold reviewed p. 8 of the *State of North Carolina General Ledger System Authorized Monthly Budget Report for the Period Ending February 29, 2012* (previously distributed and filed as an attachment in the official Report Book):

- P. 8 summarizes pp. 1-7 of all RIC accounts: Operating, Endowment, Performing Arts, and Buzzy Lane.
- Cash Analysis: \$3,244,915.67 Beginning Balance; \$1,531,926.08 Cash Receipts; \$1,322,587.92 Cash Disbursements; \$3,454,253.83 Ending Balance.
- Other RIC accounts: 1) Corridor Committee Savings/Trust Account \$16,413.33 balance; 2) DCR's Capital Projects R&R Fund \$810,517.79 balance set aside for the Enhancement Project.

Treasurer

(Finance
Committee)

Ellen Newbold reported from the Finance Committee, noting the following:

- Met yesterday and reviewed the General Ledger Report in its entirety.
- Reviewed a tentative budget format for 2012/13; not ready to ask for approval.
- Committee approved a mechanism to ask Friends for money: *Policy/Procedure 1 – Roanoke Island Commission Request of Funds from Friends of Elizabeth II, Inc.* (distributed and filed as an attachment in the official Report Book); (policy was read out loud).
 - Bullet 3 language should be: *to the FOEII Chairman* (strike out *and*).
 - Committee moves this policy/procedure for approval by the Commission.

Motion

Discussion was held regarding the committee motion to approve the policy for RIC to request funds from FOEII, with the following being noted:

- Clarification of bullet 3: *and* should be removed to read *...Friends of Elizabeth II, Inc. Chairman* (Newbold).
- Clarification that Facilities and Land Committee motion dealt with the Chairman and Executive Director being able to respond to an emergency with \$25K; this motion deals solely with the Friends (Odom).

- In case of an emergency the Finance Committee will make the decision not the full RIC (Newbold).
- RIC had no prior procedure (Webster); Fiscal Research staff requested a policy be in place (Sawyer).

Motion to Amend the Policy

Following discussion and a motion by Joe Bryan to amend the policy as stated, Ellen Newbold read the amended bullets as follows: (Bullet 3) *Upon approval of the Finance Committee or Commission, the Executive Director will submit a request to the Chair of the Friends of Elizabeth II, Inc.*; (Bullet 4) *The Chair of the Friends of Elizabeth II will respond to the request.* Perry White seconded the motion to amend. With no further discussion, the motion carried with one abstention by Angel Khoury.

Vote

Motion/Vote

Chairman Webster called for a vote for approval of the amended policy. With no further discussion, the motion carried with one abstention by Angel Khoury.

Ellen Newbold reviewed the *Report as of 3/31/12*, a request to the Friends presented by the Finance Committee (previously distributed and filed as an attachment in the official Report Book):

- Capital Improvements: Museum Store and Adventure Museum HVAC.
- Repair and Renovation – *Elizabeth II*: repairs based on 2010 ship survey; 2011/12 haul out.
 - Unknown how much will be needed; asking the Friends to be aware and ready to help when the time comes.
- Visual, Performing Arts and Film Committee made a motion to ask the RIC to ask Friends for \$120K to launch the RIFP summer concert series; \$120K will be added here to conform to the policy just adopted.
- Finance Committee learned the day before about an option for the Museum Store repair.

Kim Sawyer provided details regarding the Museum Store repair, noting the following:

- DCR Capital Projects requested emergency funds from Office of State Budget Management (OSBM) for RIC.
- OSBM was unable to provide funds; Secretary Linda Carlisle had shared that DCR could use funds to pay for the repairs; question was would RIC be able to pay for dredging in exchange.

Ellen Newbold added the following regarding the Museum Store repair and committee motion:

- 1983 agreement between the Town of Manteo and the state includes canal dredging, which is needed now.
- DCR cannot use funds for dredging but can pay the \$20K Museum Store repair.
- Committee presents a motion to modify the original request and take out the \$20K for the Museum Store, which would be paid from DCR funds. As a result of DCR's budget paying the \$20K, RIC will use up to \$20K to satisfy the MOU with the Town of Manteo for dredging the canal, but only up to \$20K. If the dredging cannot be done for that, it would be re-opened and discussed again because RIC does not want to start a project it cannot finish. In addition, the request includes another \$20K not to do the Museum Store but to pay for the dredging (a swapping of money).

Motion

Discussion was held, with the following being noted:

- Concerns regarding spending money, unknown length of the obstruction, and quality of spoil (Midgett).
- Verification that RIC will get the \$20K; DCR has an arrangement where funds will come from (Carlisle).
- Verification that it will not hamper DCR's operation in any way (Carlisle).
- Verification that DCR will fulfill its part before the end of the FY; dredging would be in the near future (Carlisle).
- Dredging survey and survey data is available upon request; details of an email from Mark Cooney (Sawyer).
- Potential source of dredging through the Department of Water Resources (Robbins); matching grant funds are available from a couple of sources that RIC can pursue (White).
- Project will be managed by DCR Capital Projects not by RIC; DCR welcomes input (Carlisle).
- Verification the RIC is party to the mutual agreement with the Town and DCR (Carlisle).
- Verification DCR gets in compliance with the agreement if RIC participates in the dredging (Carlisle).
- Request that DCR seek compliance with the Town of Manteo in the agreement (Fearing).
 - Likely getting beyond the RIC (Webster).
 - Unknown if agreement goes to other issues; agreement that she will examine the MOA (Carlisle).

Motion Reviewed

Ellen Newbold reviewed the motion for the Commission to request the Friends for money, which includes the Capital Improvement sheet, add up to \$20K for dredging for a total of \$54,885.04; and the bottom part is for \$8,992.64 for haul-out of the ship and awareness to the Friends that RIC will be asking for repair money for the ship; and another \$120K to launch the summer concert series.

Discussion continued as follows:

- Request should include funds for site dead tree removal as a priority before becoming a further liability (Robbins).
 - Verification the tree issue will be pursued immediately (Sawyer); as a safety issue (Webster).

Vote Motion carried with one abstention by Angel Khoury and one opposed by Malcolm Fearing. Mr. Fearing submitted for inclusion in the record of the Finance Committee the House Appropriation Government Task Force Report in its entirety and three other documents concerning finances of the Friends that relate to transfers (filed as attachments in the official Report Book).

(Facilities and Land Committee) Chairman Webster returned to the Facilities and Land Committee. He and Kim Sawyer reported the following:

- Capital Projects came after the company replacing the doors found a structural issue (Sawyer).
- Chairman Webster had verified the need for the repair but wanted to see if the state would pay; Capital Projects requested emergency funding of OSBM for the repairs (Sawyer).
- No mechanism exists for staff and/or RIC Chair for emergency action; funds are not in RIC's budget (Webster).
- Committee motion is to request of the Commission that in the event of an emergency, based on recommendation from staff, the RIC Chair and the RIC Executive Director are authorized up to \$25K (Webster).

Motion

Discussion was held regarding the Facilities and Land Committee Report, with the following noted:

- Question why RIC does not already have a contingency fund in its budget like most organizations (Bryan).
 - RIC should look long term to have emergency funds and some capital expenditures in the budget (Webster).
- Question if the amendment just passed about transferring funds takes care of that (Fearing).
 - May not come from the Friends; source of funds should not be a part of the emergency item (Webster).

Vote With no further discussion, the motion carried by unanimous vote.

Ethics Liaison Ellen Newbold provided the Ethics Liaison Report, noting the following:

- Statement of Economic Interest (SEI) should have been turned in by April 15, 2012.
- Reminder that members with expiring terms remain seated until they are replaced.
- Reminder for members to renew their ethics training, which is now available online.

Old Business DCR Secretary Linda Carlisle provided the following update:

- Thanks to RIC members for volunteer service; last year volunteer hours throughout DCR valued about \$2.5M.
- Performance Evaluation Division (PED) Report:
 - Committee accepted recommendation to not combine all DCR and DENR state attractions under one department.
 - DCR will come back to them by December 15, 2012 with another round of study and evaluation.
- Repair and Renovation (R&R) Funds:
 - DCR R&R Funds include repairing underneath OBHC and replacing the HVAC; strong potential that all R&R Funds in this year's budget may go away; highly probable there will be no R&R Funds next year.
- Departmental marketing:
 - May 9, 2012 DCR will unveil an upgraded, more interactive website with site-lets; Roanoke Island will have a strong presence.
 - Driving traffic to www.ncculture.com with collaborative advertising like billboards; primary market is families; advertising with *Carolina Parent* through the year; hope all entities can put a little money in the pot for billboards.
 - Working on legislative and private support for DCR to have marketing funds.

New Business No *New Business* was reported.

Notices and Announcements The following notices and announcements were made:

- Verification hand drawings by children can be turned back in or taken by members (Sawyer).
 - Good to put some on the new DCR website (Odom); agreement (Carlisle).
- Applause provided for RIC staff who have become like entrepreneurs working to get funds for a budget.
- Reminder for members to view the Art Gallery artwork from the three Dare County high schools (White).
- May 1, 2012 the Roanoke River Lighthouse in Edenton, NC will be moved at 1 PM (Willis).

The next meeting of the Roanoke Island Commission will be Friday, October 26, 2012.

Adjournment With no further business, the meeting was adjourned on motion by Malcolm Fearing and second by Ellen Newbold at 11:21 AM.

Minutes submitted by: Andrea Hanganu, Administrative Assistant

Upon a vote by the Roanoke Island Commission, approved by: _____
Angel Khoury, Secretary, Roanoke Island Commission