



**Town of Holden Beach
Board of Commissioners
Special Meeting**

**Friday, April 12, 2024
3:00 PM**

**Holden Beach Town Hall
Public Assembly**



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS' SPECIAL MEETING
HOLDEN BEACH TOWN HALL – PUBLIC ASSEMBLY
FRIDAY, APRIL 12, 2024 – 3:00 P.M.**

1. Call to Order
2. Public Comment
3. Fire Department Organization and Functions – Fire Chief Todd
4. Discussion and Possible Action on Division of Water Resources' Grant for Lockwood Folly Dredging – Assistant Town Manager Ferguson (Pages 1 – 11)
 - a. Resolution 24-04 – Water Resources Development Grant Resolution
 - b. Ordinance 24-05, An Ordinance Amending Ordinance 23-11, the Revenues and Appropriations Ordinance for Fiscal Year 2023 – 2024 (Amendment No. 5)
5. Budget Workshop (Pages 12 – 15)
 - a. General Fund Revenue
 - b. Tax Rate
 - c. BPART Fund Revenue
6. Adjournment

* Visit <https://www.facebook.com/holdenbeachtownhall/> to watch the livestream of the meeting. Public comments can be submitted to heather@hbtownhall.com prior to 9:00 a.m. on April 12, 2024.



Town of Holden Beach
AGENDA TOPIC COVER SHEET

TO: Holden Beach BOC

MEETING DATE: 4/12/2024

FROM: Town Manager Hewett

DATE SUBMITTED: 4/8/2024

ISSUE/ACTION REQUESTED: Discussion and possible action in adopting a resolution for submission of a DWR grant. The grant is for dredging of the Lockwood Folly Inlet using the Miss Katie.

BACKGROUND/PURPOSE OF REQUEST: The town was contacted about the availability of the Miss Katie to accompany the sidecast operation of the Corps scheduled in May with a follow up hopper operation. Should the Corps not be able to keep their calendar the Miss Katie could perform the sidecast and hopper functions prior to our main tourist season.

FISCAL IMPACT: (select one)

BUDGET AMENDMENT REQUIRED:	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/> N/A
CAPITAL IMPROVEMENT PLAN ITEM:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
PRE-AUDIT CERTIFICATION REQUIRED:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/> N/A
REVIEWED BY FINANCE DIRECTOR:	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

CONTRACTS/AGREEMENTS: (select one)

REVIEWED BY TOWN ATTORNEY:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
----------------------------	------------------------------	--

ADVISORY BOARD RECOMMENDATION: N/A

FINANCE RECOMMENDATION:

TOWN MANAGER'S RECOMMENDATION:

Recommend approval *DH*

ATTACHMENT: 1. Resolution

2. Survey

3. Grant Application

4. Budget Amendment



Date: April 5, 2024

To: Mayor Holden and Board of Commissioners

From: Christy Ferguson, Assistant Town Manager

Town Manager- In Turn

Re: Lockwood Folly Dredging

The attached resolution (attachment 1) is necessary to apply for grant funding through the State of North Carolina for a dredging project to aid deteriorating inlet conditions. The Corps revealed they plan to conduct a sidecast dredge operation in May using the Merritt. The Town was previously successful in obtaining a shallow draft inlet permit and is equipped to perform this operation should the Corps schedule vary, as well as, having hopper dredge capabilities using the Miss Katie in conjunction with this project. Using the hopper dredge will allow for a better end product for the upcoming tourist season and the dredge results to last longer than simply using the Merritt alone. The Town has coordinated with Dare County and the Oregon Inlet Task Force to obtain permission to use the Miss Katie which is a requirement should the BOC want to engage in this endeavor. The navigability of the Lockwood Folly Inlet impacts the fishing industry in Brunswick County as well as the many residents and visitors to Holden Beach that utilize the inlet for recreational water pursuits. Tourist season is knocking on our door and safety is a paramount issue. The attached image (attachment 2) shows the latest Corps' survey of inlet conditions. The resolution asks for \$656,625 in state funding which is 75% of estimated project costs and would leave \$218,875 as the projected local share of which Brunswick County has indicated a willingness to participate.

Attachment 1: Resolution

Attachment 2: Survey

Attachment 3: Grant Application

Attachment 4: Budget Amendment

Attachment 1



Water Resources Development Grant Resolution #24-04

Whereas, the Town of Holden Beach Board of Commissioners desire a sponsor for the Lockwood Folly Inlet Navigation Maintenance Dredging Project; and

Whereas, the navigability of the Lockwood Folly Inlet impacts the commercial fishing industry in Brunswick County and the many residents and visitors of both Holden Beach and Oak Island that utilize the inlet for recreational water pursuits; and

Whereas, the inlet is one of five federally authorized shallow draft inlets in North Carolina; and

Whereas, at the time of this request, the inlet is in a continuously deteriorating condition; and

Whereas, the project would allow the Town to use their SDI-5 permit to accomplish the task with the Miss Katie dredge on loan from the Oregon Inlet Task Force

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Commissioners of the Town of Holden Beach requests the State of North Carolina to provide financial assistance to the Town of Holden Beach in the amount of 75% of an anticipated total project cost of \$875,500, which equals \$656,625.
2. The Board of Commissioners assumes full obligation for payment of the balance of project costs;
3. The Town will obtain all necessary State and Federal permits;
4. The Board will comply with applicable laws governing the award of contracts and the expenditure of public funds by local governments;
5. The Town staff will supervise construction of the project to assure compliance with permit conditions and to assure safe and proper construction according to approved plans and specifications;
6. The Board will obtain appropriate easements, rights-of-way or suitable dredge material disposal areas that may be necessary for the construction and operation of the project without cost or obligation to the State;
7. The Board will ensure that the project is open for use by the public on an equal basis with limited restrictions.
8. The Board will hold the State harmless from any damages that may result from construction, operation and maintenance of the project.

9. The Board accepts responsibility for the operation and maintenance of the completed project.

Adopted by the Board of Commissioners of the Town of Holden Beach on this 12 day of April 2024.

Town Clerk

Mayor



Attachment 3

Water Resources Development Grant Program Shallow Draft Navigation Channel Dredging Application FY 2022-2023

North Carolina Department of Environmental Quality
Division of Water Resources

Contact Kevin Hart at Kevin.Hart@ncdenr.gov or (919) 707-3607

1. Project Title	Lockwood Folly Inlet Navigation Spring 2024
2a. Primary Contact or Project Manager	
Name	Christy Ferguson
Title	Assistant Town Manager
Organization Name	Town of Holden Beach
Organization Tax ID Number	56-0944997
E-mail address	christy.ferguson@hbtownhall.com
Mailing Address	110 Rothschild Street
City	Holden Beach
State	NC
Zip	28462
Telephone	910-842-6488
Fax Number	
2b. Execution Address (where contract will be mailed for signature) - Write "same as above" if it is the Primary Contact information in 2a.	
Name	David W. Hewett
Title	Town Manager
Organization Name	Town of Holden Beach
E-mail Address	david.hewett@hbtownhall.com
Mailing Address	110 Rothschild Street
City	Holden Beach
State	NC
Zip	28462
Telephone	910-842-6488
Fax Number	
2c. Payment Address (where invoice payments will be mailed) - Write "same as above" if it is the Primary Contact information in 2a.	
Name	same as above
Title	
Organization Name	
E-mail Address	
Mailing Address	
City	
State	
Zip	
Telephone	
Fax Number	



Water Resources Development Grant Program Shallow Draft Navigation Channel Dredging Application FY 2022-2023

North Carolina Department of Environmental Quality
Division of Water Resources

Contact Kevin Hart at Kevin.Hart@ncdenr.gov or (919) 707-3607

3. Project Description - Provide a short summary of the project
 The navigability of the Lockwood Folly Inlet impacts the commercial fishing industry in Brunswick County and the many resident and visitors of both Holden Beach and Oak Island that utilize the inlet for recreational water pursuits. The inlet is one of five federally authorized shallow draft inlets in North Carolina. At the time of this request, the inlet is in dangerous conditions for the summer season. The Corps announced at the March meeting that they plan to dredge the first part of May with the sidecast dredge, the Merritt. Following up with hopper dredging will allow a more thorough cleanout of the inlet before the main tourist season begins and provide a product that will last longer for those navigating the inlet. The town will use its SDI-5 permit for the project

4. Project Scope – Brief description of the project scope (what is being proposed) and justification (why is it being proposed)
 The project is being proposed so that the inlet is navigable prior to the start of our main tourist season and safe for the use of recreational and commercial fishing vessels by the public. Through its SDI-5 permit the town can execute a project working in collaboration with the Oregon Inlet Task Force.

5. Existing Conditions - Brief description of existing site conditions and land use within project area
 Site conditions are not good at this time as presented in the most recent survey attached

6. Anticipated Contract Start Date	5/1/2024	Anticipated Contract End Date	6/15/2024
---	----------	--------------------------------------	-----------

7. Project Location: Important to submit as completely as possible, especially the Lat/Long coordinates

Project Location	Lockwood Folly Inlet		
County Name	Brunswick		
Inlet/Channel/Waterbody Name	Lockwood Folly Inlet		
Position coordinates of project location	Latitude	33 54'53.6" N	
	Longitude	78 14'14.0	
Anticipated Total Dredged Material in Cubic Yards			



Water Resources Development Grant Program Shallow Draft Navigation Channel Dredging Application FY 2022-2023

North Carolina Department of Environmental Quality
Division of Water Resources

Contact Kevin Hart at Kevin.Hart@ncdenr.gov or (919) 707-3607

8. General Statute 143-215.72 states that in reviewing applications the Secretary shall consider Economic, Social, and Environmental Benefits provided by the project; Regional Benefits of the project to an area greater than the area under jurisdiction of the local sponsoring entity; The financial resources of the local sponsoring entity; The environmental impact of the project; Any direct benefit to State-owned lands and properties. Please provide your answers below for each category:

Economic, Social, and Environmental Benefits

There are 22,000 linear feet of canal property owners on Holden Beach that buy property to utilize their watercraft. When the inlet is shoaled this recreational pursuit is hampered. The commercial fishing industry can be crippled if they must take the extra time to travel to a different inlet to access the Atlantic Ocean. ROI is in the millions of dollars. Finally, a clogged inlet impacts water flow from the river and as a result water quality for the surrounding water bodies. Fish habitat also suffers.

Regional Benefits

The local, regional, and state benefit will be unimpeded travel for those making a living from commercial fishing and the many recreational boaters in the area.

Financial Resources

The local sponsor has the commitment to carry 25% of the project costs and will work with the County for a local contribution toward that percentage.

Environmental Impacts

As mentioned above under environmental benefits when the Inlet shoals in there is a decrease in water quality and fish habitat is impacted. Dredging will allow natural flow of water and keep the balance that is important for the system.

Direct Benefit to State-Owned Lands and Properties

Disposal will be near-shore placement of sand. Over time the sand placed in the near shore migrates onto the beach and provides a wider public beach for residents and visitors. It also builds habitat and protects property and infrastructure.

9. Disposal Area Placement Facility: Please describe the facility location, facility size and depth, method of placement, facility distance from navigation project, facility owner, required facility improvements, permit requirements and any additional information relevant for project completion.

A hopper dredge will be used and the placement will be near-shore just as in the case when the Murden is used from the Corps fleet. The SD-5 permit the town possesses allows for near-shore placement. Should the Corps not maintain their advertised schedule for sidecast work in May, the Miss Katie will also conduct that service as needed as part of this project.

10. Budget:

	State	Local / Municipal	Other Non-Federal	Federal	Local + Other Non-Federal	
	DWR	Match	Match	Contribution	Match Total	Category Total



Water Resources Development Grant Program Shallow Draft Navigation Channel Dredging Application FY 2022-2023

North Carolina Department of Environmental Quality
Division of Water Resources

Contact Kevin Hart at Kevin.Hart@ncdenr.gov or (919) 707-3607

Administration						
Cash	\$3,750.00	\$1,250.00			\$1,250.00	\$5,000.00
In-kind					\$0.00	\$0.00
Design						
Cash	\$3,750.00	\$1,250.00			\$1,250.00	\$5,000.00
In-kind					\$0.00	\$0.00
Permitting						
Cash	\$3,750.00	\$1,250.00			\$1,250.00	\$5,000.00
In-kind					\$0.00	\$0.00
Survey						
Cash	\$3,750.00	\$1,250.00			\$1,250.00	\$5,000.00
In-kind					\$0.00	\$0.00
Construction Oversight						
Cash	\$3,750.00	\$1,250.00			\$1,250.00	\$5,000.00
In-kind					\$0.00	\$0.00
Construction						
Cash	\$637,875.00	\$212,625.00			\$212,625.00	\$850,500.00
In-kind					\$0.00	\$0.00
Construction Materials						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Land						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Summary						
Cash Sub-total	\$656,625.00	\$218,875.00	\$0.00	\$0.00	\$218,875.00	\$875,500.00
In-kind Sub-total		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$656,625.00	\$218,875.00	\$0.00	\$0.00	\$218,875.00	\$875,500.00

DWR Total =	\$656,625.00	Local + Non-Fed Total	\$218,875.00	Non-Federal % =	100.00%
DWR Match % =	75.00%	Local + Non-Fed Match	25.00%	Federal % =	0.00%

Attachment 4

TOWN OF HOLDEN BEACH

ORDINANCE NO. 24-05

AN ORDINANCE AMENDING ORDINANCE 23-11, THE REVENUES AND APPROPRIATIONS ORDINANCE FOR FISCAL YEAR 2023-2024 (AMENDMENT NO. 5)

Be it ordained by the Mayor and Board of Commissioners of the Town of Holden Beach, North Carolina, that Ordinance No. 23-11 appropriating funds for fiscal year 2023-2024 be amended as follows:

REVENUES

DESCRIPTION	ACCOUNT #	AMOUNT	ACTION
NCDWR GRANT	50.0356.0000	656,625	INCREASE
MICELANEOUS BPART	50.0336.0000	5,705	INCREASE
	<u>TOTAL</u>	<u>662,330</u>	

EXPENDITURES

DESCRIPTION	ACCOUNT #	AMOUNT	ACTION
LOCKWOOD FOLLY DREDGING	50.0710.7200	662,330	INCREASE
	<u>TOTAL</u>	<u>662,330</u>	

The Finance Officer as may be appropriate is hereby authorized to effect such administrative actions as necessary to ensure compliance with the Local Government Fiscal Control Act and Governmental Accounting Standards Board.

This amendment is effective the 12th day of April, 2024.

ATTEST:

J. Alan Holden, Mayor

Heather Finnell, Town Clerk

GENERAL FUND REVENUES

	FY22-23 A/O 6.30.23	FY23-24 BUDGET	FY23-24 A/O 3.30.24	FY24-25 BUDGET
CREDIT CARD SITE FEE GENERAL	3,572	3,750	2,477	3,750
AD VAL TAXES - CURRENT	2,757,132	3,300,074	3,094,027	3,334,105 14 cent at a 99.2% collection rate
AD VAL TAXES - PRIOR	25,378	36,000	10,469	36,000
VEHICLE TAXES	38,452	28,000	12,671	35,000
PNLTY & INT - AD VAL TAX	14,330	15,000	6,928	15,000
VEHICLE STICKERS	1,380	5,000	1,175	1,500
INTRST ON SAV & INVEST	53,589	20,000	35,625	20,000
TAX PMTS TO BE REFUNDED	-	100	1,142	100
MISCELLANEOUS	20,795	20,750	9,163	20,750
SIDEWALK DEPOSIT	-	500	-	500
HOUSE MOVING SECURITY DEP	1,000	2,000	-	2,000
BRIDGE FEE	100	200	-	200
PLUMBING SCREEN SALES	328	300	341	300
BLUE CAN HOME RECYCLING	59,790	63,225	36,351	65,854
DONATIONS	26	500	-	500
UTILITIES FRANCHISE TAX	225,487	228,454	122,849	228,454
SALES ON TELECOMM-UTIL FR	5,451	4,000	2,698	4,000

GENERAL FUND REVENUES

	FY22-23 A/O 6.30.23	FY23-24 BUDGET	FY23-24 A/O 3.30.24	FY24-25 BUDGET
SALES TAX ON VIDEO PROGRAM	46,122	37,000	22,380	37,000
BEER &/OR WINE TAX	4,387	2,600	-	3,000
POWELL BILL	44,262	45,000	49,829	50,000
LOCAL SALES & USE TAX	424,660	390,000	220,384	400,000
CAMA CONTRACT	-	2,800	-	2,800
COURT COSTS	-	200	-	200
PARKING VIOLATIONS	6,000	6,000	2,225	6,000
ORDINANCE VIOLATIONS	-	1,200	1,550	1,200
Mosquito Contract	4,483	1,025	-	4,000
BUILDING PERMITS	190,104	231,041	263,116	241,612
CAMA PERMITS	7,735	5,000	5,195	3,366
ZONING FEES	12,065	10,500	9,805	11,192
ELECTRICAL INSPECTION	27,878	31,500	30,890	32,588
MECHANICAL INSPECTION	41,085	27,500	36,950	34,181
PLUMBING INSPECTIONS	12,582	16,500	20,110	19,317
ADMINISTRATIVE FEE-INSP	-	805	4,576	3,118
HOMEOWNERS RECOVERY FUND	680	1,500	590	1,500
REINSPECTION FEE	15,925	1,000	12,315	1,000

GENERAL FUND REVENUES

	FY22-23 A/O 6.30.23	FY23-24 BUDGET	FY23-24 A/O 3.30.24	FY24-25 BUDGET
SALES TAX REFUND	-	7,500	-	7,500
DEMOLISH PERMIT	700	2,000	700	2,000
SALE OF FIXED ASSETS	2,401	5,000	8,778	5,000
STREET ASSESSMENT	100,432		800	
Transfers from SRF Canal Dredging	82,226	84,273	-	87,892
FUND BALANCE APPROPRIATED	-	1,241,742	-	
Direct Federal Stormwater Corp	-	100,000	-	
Total for Revenue	4,230,538	5,979,539	4,026,109	4,722,480

BPART REVENUES

	FY22-23 A/O 6.30.23	FY23-24 BUDGET	FY23-24 A/O 3.30.24	FY24-25 BUDGET
CREDIT CARD SITE FEE BPART	278	100	140	150
ACCOM TAX	3,963,725	4,000,000	3,494,432	4,050,000
BRUNSWICK CO REFUND CRP	-	27,000	54,934	27,000
ACCOMMODATIONS TAX PENLTY		500	303	500
INTEREST ON INVESTMENTS	137,819	46,019	122,155	46,019
BPART CAP RES INTEREST	126	10	98	10
441 OBW RENTS	13,184	10,000	18,872	12,000
MISCELLANEOUS BPART	531,820	12,000	148,746	15,000 50-50, dock fees, facility rentals
RECREATION PROGRAMS	13,521	10,000	12,443	12,000 yoga, tie dye, pickleball, classes
CAMA GRANTS	166,484	50,239	0	420,000
DEQ GRANT	0	420,000	0	
SALES TAX REFUND	0	2,000	0	2,000
PARKING REVENUE		545,000	393,270	697,500 increased rates
OFF STREET PARKING	72,801	43,000	47,187	52,500 PIER PARKING
TRNSFR FROM GENERAL FUND	274,395	783,083	0	
TRANSFER FROM BEACH INLET CRF	871,892	346,920	0	
FUND BALANCE APPROPRIATED		584,273	0	
Total for Revenue	6,046,046	6,880,144	4,292,580	5,334,679