



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
PUBLIC HEARING/REGULAR MEETING
TUESDAY, MARCH 14, 2023 – 5:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Public Hearing/Regular Meeting on Tuesday, March 14, 2023 at 5:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Rick Smith; Commissioners Brian Murdock, Page Dyer, Pat Kwiatkowski and Gerald Arnold; Town Manager David W. Hewett; Town Clerk Heather Finnell; Assistant Town Manager Christy Ferguson; Public Works Director Chris Clemmons; Inspections Director Tim Evans; Finance Officer Daniel McRaney; and Town Attorney Rick Green. Police Chief Jeremy Dixon arrived late.

Mayor Holden asked for a moment of silence and then called the Public Hearing to order.

PUBLIC HEARING – PRELIMINARY ASSESSMENT ROLL FOR THE IMPROVEMENT OF SEAGULL DRIVE

Town Clerk Finnell reviewed the timeline for the special assessment process for Seagull Drive. The cost for the project was determined to be \$222,630. The preliminary assessment roll was mailed to the property owners. She explained the collection process. One public comment from Ed Cabiniss was sent via email and was provided to the Board.

Penny Noble is on the corner of Seagull Drive and Ocean Boulevard West so she has to pay for her lot twice. The side of her lot is 100' and is on Seagull. The front of her house is on Ocean Boulevard West. She said it is not fair that because her lot is situated differently, she would need to pay twice as much as everyone else. Ms. Noble said she purchased the lot behind her with a neighbor so she will need to pay for three lots. She said they were surprised at the cost.

Katie Lippard said they were quoted a total price of \$145,000 and \$1,450 per lot. She understands prices change, but it increased by \$77,629. She feels like they should have been notified and reassessed to see if they wanted to move ahead once it was realized how much the price would increase.

Mayor Holden closed the Public Hearing at 5:11 p.m.

REGULAR MEETING

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

Mayor Holden explained Chief Dixon is on official business and will be late. Mayor Holden suggested moving Chief Dixon's item to 19a.

Motion by Commissioner Murdock to approve the agenda as amended; second by Commissioner Arnold; approved by unanimous vote.

APPROVAL OF MINUTES

Motion by Commissioner Murdock to approve the minutes of the Special Meeting of February 16, 2023 and the Regular Meeting of February 21, 2023; second by Commissioner Arnold; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

No comments were made.

AMERICAN FLOOD COALITION – TONY MCEWEN, CAROLINAS DIRECTOR

Mr. McEwen went through a slideshow regarding joining the American Flood Coalition. They are not asking for any resources or membership costs from the Town. They are a well-resourced, national non-profit that advocates on behalf of flood resilience policy and develops flood resilience policies to be considered at the state and federal level. He reviewed their mission and background. Mr. McEwen talked about projects, grant funding and pending legislation. Town Manager Hewett explained he can see a lot of benefit in joining this group.

Motion by Commissioner Murdock that we adopt Resolution 23-02 (Resolution of the Board of Commissioners of the Town of Holden Beach Providing for the Town of Holden Beach to Become a Member of the American Flood Coalition) and become a member; second by Mayor Pro Tem Smith; approved by unanimous vote.

INSPECTIONS DEPARTMENT REPORT/REPORT ON COASTAL RESOURCES COMMISSION MEETING – INSPECTIONS DIRECTOR EVANS

- Things picked up this month. Went over numbers.
- Explained they stay pretty steady. If new homes start to fall off, remodels pick up.
- Attended the Coastal Resources Commission meeting. Provided information on Inlet Hazard Areas (IHA). Explained there is a minimum growing season for vegetation to be established now. Gave update on the beach mat installation process and requirements. Provided information on Ocean Isle getting a variance to use hay bales as an alternative to sand fencing. Another thing that was discussed was enforceable rules inside our CAMA Land Use Plan. Answered questions from the Board.

Inspections Director Evans and Town Manager Hewett provided information on steps the Town has taken on the IHA rules.

DISCUSSION AND POSSIBLE APPROVAL OF RESOLUTION 23-04, RESOLUTION CONFIRMING ASSESSMENT ROLL AND LEVYING ASSESSMENTS ON SEAGULL DRIVE PROPERTY OWNERS

Town Clerk Finnell said the Preliminary Assessment Roll is before the Board, which represents half of the cost of the project. The next step would be to adopt the resolution in the packet and it will be given to the tax collector for collection. Commissioner Kwiatkowski read from the comment provided by Ed Cabaniss online. He is asking for time to make the full payment without incurring interest charges. She asked if the 30 days is mandated. Town Manager Hewett answered it is prescribed by law. Town Clerk Finnell added it would have needed to be done in the original resolution the Board adopted. Anything past 30 days is assessed at 8% per year. Commissioner Murdock said he lives on Seagull Street. The Town sent a proposal with one number. Inflation is high, but he doesn't think anyone expected it to go up this much. He hopes in the future the Town can consider different terms. He doesn't like doing this, but it needs to be pushed through. It was not the Town's intention. Mayor Pro Tem Smith agreed and said it also cost the Town more, which was an unexpected expenditure. The road has been paved and it can help with property values.

Motion by Mayor Pro Tem Smith to approve Resolution 23-04 (Resolution Confirming Assessment Roll and Levying Assessments on Seagull Drive Property Owners) to start levying the assessments on the Seagull property owners; second by Commissioner Murdock; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON PROPOSAL FROM BOWMAN MURRAY HEMINGWAY ARCHITECTS FOR NEXT PHASE OF THE HOLDEN BEACH PIER PROJECT

Town Manager Hewett said we received the pier design proposal but Mr. Hemingway is not here. The Board agreed to revisit this in a few minutes.

DISCUSSION AND POSSIBLE ACTION ON PROPOSAL FROM PINNACLE ARCHITECTURE FOR NEXT PHASE OF BLOCK Q PROJECT

Town Manager Hewett explained Pinnacle provided a design proposal for Block Q as requested by the Board. Execution of the proposal can be provided within existing funds. This is a revision to the contract the Board initially adopted. Basically, Pinnacle omitted the fee associated with the road closure because the Town has already done the preliminary work and surveys for that.

Motion by Mayor Pro Tem Smith to approve the contract with Pinnacle to move forward with the Block Q Project; second by Commissioner Murdock; approved by unanimous vote.

DISCUSSION AND POSSIBLE APPROVAL OF CONTRACT BETWEEN THE TOWN AND MARTIN STARNES AND ASSOCIATES FOR FISCAL YEAR 2022 - 2023

Finance Officer McRaney explained that at the February meeting, the Board selected Martin Starnes and Associates as the audit firm to complete the audit this year. The fees for the contract are \$35,475.

Motion by Commissioner Murdock to approve the Contract to Audit Accounts between the Town and Martin Starnes and Associates; second by Commissioner Arnold; approved by a 4 – 1 vote with Mayor Pro Tem Smith and Commissioners Murdock, Dyer and Arnold voting for the motion and Commissioner Kwiatkowski voting in the negative.

DISCUSSION AND POSSIBLE ACTION ON PROPOSAL FROM MCGILL ASSOCIATES FOR SAILFISH PARK SITE-SPECIFIC MASTER PLAN

Assistant Town Manager Ferguson explained McGill Associates provided a contract for the Board's review. It is slightly over what was in the budget, however it can be accommodated through existing resources in the Professional Services' line. The total for the contract is \$34,680.

Motion by Commissioner Arnold to approve the contract; second by Mayor Pro Tem Smith.

Mayor Pro Tem Smith asked if we are going to explore getting grants if the Board moves forward. Assistant Town Manager Ferguson replied we will always explore that, but explained you don't go into a project because there may be a grant that will pay for it. Town Manager Hewett said we do not have a wetlands delineation in that area.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON PROPOSAL FROM BOWMAN MURRAY HEMINGWAY ARCHITECTS FOR NEXT PHASE OF THE HOLDEN BEACH PIER PROJECT

Assistant Town Manager Ferguson said she spoke with Mr. Hemingway. He is available to call in if the Board wants to talk about the pier project. After discussion, the consensus of the Board is for Mr. Hemingway to come to the next meeting.

DISCUSSION AND POSSIBLE ACTION ON CONTRACT FOR IMPROVEMENTS AT THE TOWN-OWNED PROPERTY LOCATED AT 796 OCEAN BOULEVARD WEST

Assistant Town Manager Ferguson explained staff secured the missing items from Mr. Robbins as directed by the Board at last month's meeting. His bid for repairs is \$48,440. He can begin 45 days after the award of contract and issuance of permits. He estimates the work will be completed in six weeks. It is a water asset. In order for the work to occur, the Board would need to approve a budget amendment.

Motion by Mayor Pro Tem Smith to approve the contract for 796 repairs and also the ordinance change 23-05, Amending 22-14, to direct the funds (Ordinance 23-05, An Ordinance Amending Ordinance 22-14, The Revenues and Appropriation Ordinance for Fiscal Year 2022 – 2023 (Amendment No. 12)); second by Commissioner Murdock.

Inspections Director Evans agreed the scope of work is satisfactory with what needs to be done. If the property will be rented was discussed. Assistant Town Manager Ferguson confirmed these repairs

would not get the property rental ready. Inspections Director Evans said the repairs would bring the structure into compliance with the Town's minimum standards. Commissioner Dyer said she thinks the Town needs a future plan to make sure the money would coincide with what will be done with the house.

The motion passed with a 4 – 1 vote with Mayor Pro Tem Smith and Commissioners Murdock, Kwiatkowski and Arnold voting for the motion and Commissioner Dyer voting in the negative.

DISCUSSION AND POSSIBLE ACTION ON NORTH CAROLINA PUBLIC BEACH AND COASTAL WATERFRONT ACCESS PRE-APPLICATION BLOCK Q

Assistant Town Manager Ferguson said the Board decided to pursue the bathroom component with the parking associated with the bathroom. Some sidewalks and landscaping were included. The total for the grant project we are applying for is \$560,000. Our match would be \$140,000. We would be asking for \$420,000 from the state. This is a pre-application process. We will be told between now and in the June timeframe whether the Town should submit in August.

Commissioner Kwiatkowski asked if it is possible to limit the land to the parcels associated with the bathroom and associated parking, instead of the entire Block Q. Assistant Town Manager Ferguson will find out. The Board discussed how to move forward. Town Manager Hewett explained if it is able to be tied to just those lots, we will need dimensions. He suggested moving forward with the pre-application, finding out an answer, then the Board can determine how to move forward with the formal application process.

Motion by Mayor Pro Tem Smith to direct the town manager to submit the preapplication for the Block Q restroom area; second by Commissioner Murdock.

Mayor Pro Tem Smith thinks the plan was to move forward with the parking area separate from the bathrooms anyways. Commissioner Kwiatkowski asked if there is a way to leave the amount of land committed open on the pre-application. Town Manager Hewett said staff will find that out and tell the Board. The Board can make the decision based on that for the formal application.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON AMENDING THE HOLDEN BEACH FEE SCHEDULE

Public Works Director Clemmons explained staff is proposing an increase in our current water tap fees. This amendment is necessary to cover the manpower, equipment and increased cost of materials associated with this service. The proposed rates will bring the Town's fees in line with Brunswick County.

Motion by Commissioner Murdock to approve 23-05 (Resolution 23-05, Resolution Amending the Holden Beach Fee Schedule); second by Mayor Pro Tem Smith.

Commissioner Kwiatkowski asked if the fees would go into effect tomorrow. Public Works Director Clemmons replied yes.

The motion passed by unanimous vote.

Public Works Director Clemmons would like the sidewalk fee under Inspections Director Evans' section to go up to \$2,000. Current prices, thickness and process for the fee were discussed. Inspections Director Evans reviewed the proposed changes to the fee schedule. The Town's fees are low compared to neighboring areas. It is basically a 25% increase across the board.

Commissioner Murdock asked about after hours inspections. Inspections Director Evans said it has always been on there. Commissioner Murdock asked if there is a possibility for same day inspections. Inspections Director Evans explained if they don't schedule an inspection, they can't monitor their time. He talked about the difficulties with that. Commissioner Murdock said he was thinking of that for open ditch inspections, not all inspections. Commissioner Kwiatkowski said if that was added, it would be viewed that the Town is promising it is a service the Town could deliver most of the time. She doesn't see how a staff of this size could do that. Inspections Director Evans agreed he would prefer to not have it on the fee schedule, but do as in the past where if they can do it, they will.

Inspections Director Evans would like to change the cost for the Temporary CO Extension to a minimum of \$150 to a maximum of \$2,000. He explained the reason behind the request.

Town Clerk Finnell said the proposed amendments to the resolution are to change the Temporary CO Extension to \$150 - \$2,000 and Sidewalks Deposit to \$2,000.

Motion by Commissioner Arnold to approve the resolution (Resolution 23-06, Resolution Amending the Holden Beach Fee Schedule); with the amendments; second by Commissioner Murdock; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON ORDINANCE 23-06, AN ORDINANCE AMENDING ORDINANCE 22-14, THE REVENUES AND APPROPRIATIONS ORDINANCE FOR FISCAL YEAR 2022 – 2023 (AMENDMENT NO. 13)

Town Manager Hewett stated the budget amendment in the amount of \$50,908 is based on an estimate of increased revenues that will result from the implementation of increased parking revenues approved by the Board last month.

Motion by Mayor Pro Tem Smith to approve Ordinance 23-06 to raise revenues for this year's parking; second by Commissioner Arnold; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON ORDINANCE 23-07, ORDINANCE AMENDING HOLDEN BEACH CODE OF ORDINANCES, CHAPTER 93: JUNKED VEHICLES AND EQUIPMENT

Inspections Director Evans explained this text amendment is to clear up who enforces this and to clear a loophole for junk vehicles. He reviewed the changes.

Motion by Commissioner Murdock to approve; second by Commissioner Dyer; approved by unanimous vote.

POLICE REPORT – CHIEF DIXON

- The biggest shock value from the report is the number of parking violations. With the shelling that is going on, the 800 block is a hot area. Officers are staying on top of it.
- Paid parking comes into effect April 1st.
- Working on in-service training. Have firearms qualifications coming up.
- Getting ready for Days at the Docks.

Presented a Traffic Investigation and Enforcement Certificate to Officer Alyse Wade and provided background on the achievement.

PUBLIC COMMENTS ON GENERAL ITEMS

No comments were made.

TOWN MANAGER'S REPORT

- Budget Season is underway. Last night we held the first of three scheduled budget workshops where the Board established their goals for the upcoming year and discussed some of the preliminary drafts of the staff budgets that were set forth. The next workshop is scheduled for April 20th at 5:30 p.m. He would encourage everyone to attend if possible.
- We have several state and federal appropriations/legislative requests that have been set forth. We formally requested several direct appropriations and some specific legislative requests for the Town at both state and federal levels. We asked for direct appropriations for the pier, sand, inlet maintenance, canal dredging and spoil areas, a second water tower, along with specific prohibitions regarding shark tournaments and the IHA expansion. We are engaged with the Town's advocates and representatives to attempt to dovetail those efforts with our budget season.
- Hurricane Damages Repair Project – we received good news that FEMA has finally issued a Congressional notification for the wrap up of the Town's hurricane repairs. It appears pretty strongly that the Town's remaining outstanding \$600,000 in reimbursements should arrive within the next weeks or so.
- Proposed Expanded Inlet Hazard Areas – we have already touched on this topic. The next CRC meeting is in Maneo April 26th & 27th. We will have presences there sharing our opinions on the IHA and any other item of interest that would affect the Town.
- Easter Sunday is four weekends away. The Nighttime Egg Hunt is April 7th.

MAYOR'S COMMENTS

- Next few weeks will be unusually busy. Has Hurricane Conference, Brunswick County's Hurricane meeting, two events in Raleigh, a Shoreline Protection meeting and needs to go to Washington, DC, along with some smaller meetings.

- Assistant Town Manager has lined up a good set of bands. The first concert is Memorial Day weekend. Looks forward to everyone being there.
- From what he is hearing from rental companies, rentals are looking good this year.
- IHA - cannot understand why the powers to be feel so threatened on the west end of the beach. He doesn't understand why it has grown as much as it has and HB West is being penalized the way it is.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Smith

- Congratulated Officer Wade for spending the time getting all of the education she needs to be a better officer. Thinks she is a great one now and hopes we are able to retain her.
- Looking forward to warmer weather. With warmer weather will come more people. Please be mindful of golf carts. Hopes enforcement of some of the issues will start early.
- Starting paid parking April 1st.
- Sorry we had to put off the progress of the pier another month.

Commissioner Murdock

- Thanked everyone for coming out and the ones listening.
- Thanked staff for their hard work.
- Attended a Lockwood Folly Inlet meeting last week. For those interested in having access to the ocean, the inlet is a constant problem and a constant battle of who will dredge it and who will get the sand. Sounds like it will be a while before we see a dredge. The Corps has a dredge down for repair. They are planning on getting us one when it leaves Carolina Beach, which is probably two – three months from now. Exercise extreme caution for now. Bend the ear of whoever will listen, state the importance of the inlet. Talk to your politicians. We need all of the help we can get to keep that highway to the ocean open.
- Wished everyone a happy Easter.

Commissioner Dyer

- Thanked everyone for coming out and staff for doing all of the work. Staff is working hard.
- Reiterated what Commissioner Murdock said about the Lockwood Folly Inlet. We need to keep working on that to get it taken care of.
- Clarified, she is not against the house at 796 becoming better looking. Her concern is that we need to move forward with at least part of the project, the bathrooms. It is a handicap accessible access and we need handicap accessible bathrooms. People have been parking there. There is no port-a-pottie in the offseason. Wants the house to look better, but doesn't want to put a lot of money into something that is a coverup. Thinks we need to do something that will be useful to the community.
- Happy Easter.

Commissioner Kwiatkowski

- Announced this is her last meeting as commissioner and provided her reasons. She and her husband are moving off the island. She thinks it is best that decisions be made by people with long-

term, vested interest. Thanked the people who voted for her and provided her with guidance and information.

Commissioner Kwiatkowski asked to be excused from Closed Session. Mayor Holden thanked her for her service. The Board agreed to excuse her. Commissioner Murdock said she is very valuable to the community.

Commissioner Arnold

- No comment.

CLOSED SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTE 143-318.11(A)(3), CONSULT WITH THE ATTORNEY

Town Clerk Finnell read the reason for Closed Session.

Motion by Mayor Pro Tem Smith that we go into Closed Session at 7:07 p.m.; second by Commissioner Arnold; approved by unanimous vote.

OPEN SESSION

The Board went back into Open Session at 8:28 p.m. No action was taken.

ADJOURNMENT

Motion to adjourn at 8:28 p.m. by Mayor Pro Tem Smith; second by Commissioner Murdock; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk