



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, NOVEMBER 19, 2024 – 5:00 PM.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday, November 19, 2024 at 5:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Tom Myers. Commissioners Rick Smith, Tracey Thomas, Page Dyer and Rick Paarfus; 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 McRainey; and Town Attorney Sydnee Moore.

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

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

Motion by Commissioner Thomas to remove item 20 (Review Conceptual Proposal for a Public Private Partnership for the Pier Building with Possible Action to Issue a Request for Proposals) from the agenda; second by Commissioner Paarfus.

Commissioner Thomas said the Board had this on the agenda twice before and said it was premature based on the plan adopted in April. The last time they directed the staff to ask the LGC what is needed for a public private partnership (PPP) and the report is not back yet. The Board is expecting the Request for Qualifications (RFQ) for the pier to come back on Monday. Mayor Pro Tem Myers stated while he is in favor of exploring this option to develop the property, he doesn't think it is the right time. He explained the Board needs to stick with the plan and not go off on a tangent. He thinks this is a diversion that could delay our progress and take us off the course. He said when we reach the point that there are specific plans for the project, we can explore this as a potential option. Mayor Pro Tem Myers thinks the Board should defer this until we are ready to take this step. Commissioner Dyer disagrees, we have put a halt to every plan that we have put into motion for the last two years. This doesn't have anything to do with the pier, if anything it would increase the interest in the pier. She said if we have a PPP that develops the building at no cost to the Town, she doesn't see how that would detriment the development of the pier. She said the Board has stopped projects at Block Q, boat parking and every single project for the last two years. If we don't move forward with accommodations and amenities for this town, first of all things will start to deteriorate. She said the building is an eyesore. Commissioner Dyer stated this is a perfect opportunity to get a private person in here to get a beautiful business that will help the Town. There

are numerous examples of this in North Carolina. Commissioner Smith said this seems to be a pattern. Everything the Board planned to move forward on over the past years, with a lot of planning, hard work and public input from property owners, it now seems they do not want us to have any amenities on the island. He said you have to think that everyone pays federal taxes. They pay for the beach so everybody owns the beach. He said we need to make it so they have a place to come to enjoy, eat and have ADA compliant restrooms. Commissioner Smith doesn't see why the Board can't listen to a way to get a \$2.2 million building built on our property and remove the old building. He asked why the Town can't at least explore the option. Mayor Pro Tem Myers said he is in favor of exploring the option, it is just a timing difference. He said the property needs to be looked at all together. The motion was further discussed.

The motion passed by a 3 – 2 vote, with Mayor Pro Tem Myers and Commissioners Thomas and Paarfus voting for the motion and Commissioners Dyer and Smith voting in the negative.

Motion by Mayor Pro Tem Myers that we pass the agenda as amended; second by Commissioner Thomas; approved by a 3 – 2 vote, with Mayor Pro Tem Myers and Commissioners Thomas and Paarfus voting for the motion and Commissioners Dyer and Smith voting in the negative.

CONFLICT-OF-INTEREST CHECK

No conflicts were disclosed.

APPROVAL OF MINUTES

Motion by Commissioner Smith to approve the minutes as written (Special Meeting of October 3, 2024 and Regular Meeting of October 15, 2025); second by Mayor Pro Tem Myers; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

Jim Bauer said he would like to see progress moving forward on emergency pumping.

Lisa Ragland said she is impressed with the staff on the audit results. She said now let's spend some money improving Block Q, the pavilion area and the pier property. She supports the plan submitted by the Parks & Recreation Advisory Board for Block Q. She provided her feedback on the plan.

PRESENTATION TO DEVELOPMENT SERVICES OFFICER JANNA PIGOTT FOR ACHIEVING FLOODPLAIN MANAGEMENT CERTIFICATION

Town Manager Hewett presented Development Services Officer Pigott with her certification and provided background on her position and the designation.

PRESENTATION OF FISCAL YEAR 2023 – 2024 AUDIT RESULTS – ELSA SWENSON, MARTIN STARNES AND ASSOCIATES

Finance Officer McRaney introduced Elsa Swenson from Martin Starnes and Associates. Ms. Swenson went over the highlights. The Town received an unmodified opinion, which is a clean audit opinion. She thanked staff for their hard work. The report was submitted on time and has been approved by the Local Government Commission (LGC). There were no internal control or compliance findings. The Total Fund Balance for the General Fund was \$5.6 million. There was stabilization by state statute of \$257,000. This gives the Town an Available Fund Balance of \$5.3 million. This is an increase in Available Fund Balance of \$188,000. This increase is due to overall increases in Fund Balance and a decrease in stabilization. Available Fund Balance as a percent of expenditures for the General Fund was 145.9% for 2024. You must maintain at least 16% per the LGC. Total Fund Balance was \$5.6 million, an increase of \$8,200. Revenues continue to exceed expenditures. Revenues in the General Fund for the year were \$4.8 million, an increase of 5%. Expenditures were \$3.6 million, a decrease of less than 1%. The top three revenues for the General Fund were property taxes, permits and fees and other taxes and licenses. Property taxes were \$3.3 million, an increase of 19%. The increase is due to the revaluation year. Permits & fees were \$506,000, a decrease of 36%. This is due to the parking revenues now being reported in the BPART Fund. Other taxes and licenses were \$437,000, a decrease of 17%. This decrease is due to street assessments received in the prior year, which were not received in the current year. The top three expenditures in the General Fund were general government, public safety and transportation. Public safety expenditures were \$1.5 million, an increase of 12%. This increase was due to an increase of capital outlay in inspections and the first full year of salary increases from the pay study. General government was \$1.1 million, a decrease of 7%. Transportation was \$537,000, a decrease of 14%. This decrease is due to a larger street project that was completed in the prior year, along with the Town now reporting parking in the BPART Fund.

The quick ratio for the Water Sewer Fund was 3.14. The LGC would be concerned if it was less than one. The performance indicator was at 17.56%. The LGC would be concerned if it was less than 16%. For the operating income performance for the water and sewer, there was an operating loss of \$272,000. Adding back depreciation and excluding debt service, there was an operating income performance of -\$142,000. This is a performance indicator of concern. The Board must provide a letter to the LGC within 60 days of this audit presentation.

ANNUAL MONITORING REPORT RESULTS – FRAN WAY, APPLIED TECHNOLOGY AND MANAGEMENT

Assistant Town Manager Ferguson introduced Fran Way from Applied Technology and Management. Mr. Way explained for the monitoring they look at volume change and shoreline change. Monitoring has occurred annually for the Town since 2001. It is important for nourishment planning & FEMA eligibility. He provided information on the 2023 hurricane season; we had Idalia and Ophelia. King tides are affecting erosion, in addition to hurricane events. We are 2.5 years after the 2022 nourishment and the beach still looks really good. He showed a slide with vegetation. The dune system is in good shape. There was some equilibration. Mr. Way reviewed how they measure volume analysis and reviewed the data they collected. He provided information on the cumulative benefits of doing two large nourishments in a row. For volume change, the beach did

lose sand. That was expected. Mr. Way showed where the sand is currently located. He provided information on the mean high water line. He detailed information on his inlet shoreline slide. They are monitoring the terminal groin on Ocean Isle. They also monitor Oak Island. The beach is in much better shape now than in 2000. The beach is doing great. We have in the works another offshore borrow area that we will permit this year for one million cubic yards. Mr. Way said we will have a permit in hand in case there is another FEMA storm or if we need another nourishment in a few years. Ongoing beach management activities include the Corps' 50-Year Study, FEMA coordination, Lockwood Folly Inlet Crossing and Bend Widener, Lockwood Folly Outer Channel Dredging/Navigation, west end analysis (Ocean Isle Terminal Groin) and the permit application for the offshore borrow area.

Commissioner Paarfus asked the total amount the Town has available in all the borrow areas. Mr. Way answered that the other two borrow areas are pretty much exhausted so it will be one million cubic yards. Commissioner Paarfus asked if there is a potential for other borrow areas. Mr. Way answered yes, the Corps in their 50-Year Study shared some areas that show promise. There are some other areas that show promise that we can revisit. Commissioner Smith asked if the terminal groin in Ocean Isle has caused any damage or helped. Mr. Way answered it is working. It may actually be working a little too well. It is keeping the sand updrift. Right now, they are putting sand on the downdrift side. He explained he doesn't think the Ocean Isle groin will affect the Holden Beach shoreline.

DISCUSSION AND POSSIBLE ACTION ON THE RESULTS OF THE TOWN OF HOLDEN BEACH 2024 PAVEMENT CONDITION SURVEY, SHANE LIPPARD RIGHT ANGLE ENGINEERING

Public Works Director Clemmons provided background on the survey and introduced Shane Lippard from Right Angle Engineering who was available to answer questions. Commissioner Paarfus asked about the additional costs that may be incurred as detailed in paragraph c on page 1. He inquired what percentage should be considered for budget forecasting. Mr. Lippard answered historically they haven't run into any other improvements other than fixing the road. As they look at each section every year, they would make sure there isn't anything outside the report. If you run into something like a bad drainage issue, that would need to be addressed, but not factored into a planning document. Commissioner Paarfus asked about mobilization and demobilization costs. Mr. Lippard responded they typically have factored mobilization costs into the unit cost. He doesn't recall if they look at mobilization costs individually. For a planning document perspective, they try to average that out. He said if you want to throw a number at it, 2% might be a normal number. Commissioner Paarfus said he is asking because if that cost made a significant difference, we may try to get a few more streets in on the contract.

POLICE REPORT – WRITTEN ONLY

INSPECTIONS DEPARTMENT REPORT – INSPECTIONS DIRECTOR EVANS

- Provided information on Development Services Officer Pigott's certification process. Very proud of her.
- Inspections are typical for this time of year. Reviewed numbers.

FINANCE DEPARTMENT REPORT – FINANCE OFFICER MCRAINEY

- The date on the top is a typo. The report is through the end of October.
- Ad valorem is lower because bills went out a couple days later this year than the previous year. It should catch up in next month's report.
- Parking revenue and occupancy tax continue to track a little above last year.

TOWN MANAGER'S REPORT – TOWN MANAGER HEWETT

- Greensboro Street Sewer Lift Station – there is a budget amendment on the agenda to increase the state funding for that. The engineering staff held a pre-construction meeting with the contractor and the Division of Water Resources representative earlier this month. We are waiting on the contractor's final insurance documents before we can issue the Notice to Proceed.
- Ocean Boulevard Bike Lanes – DOT is reviewing the requirements for whatever type of agreement is needed for the Town to conduct street sweeping operations. We do have a quote in hand for maintenance cleaning, but we need to see DOT's administrative requirements before we bring that forth to the Board.
- Key Bridge Agreement Items – looks like they made a good start on that walkway construction at the public access at 801 OBW. Believes they are awaiting handrails installation and the inspector needs to sign off on it. Avenue E Notice to Proceed has been issued. It is due February 1st. The contractor has mobilized.
- Tasker for Grills – met with realty companies. They were not too hot on the magnet idea. Had good dialogue and attendance. They shared that they currently provide information regarding open flame devices and shared some of the practical solutions they put in place.
- Upcoming Parks & Rec Activities – provided information on Turkey Trot, Tree Lighting and Santa Saunter and Reindeer Dash.
- Went over his worksheet on the Board's objectives. Doesn't like the format but will work on it. Commissioner Paarfus would like to see dates on the next version.

DISCUSSION AND REVIEW OF SITE PLAN FOR POTENTIAL CONCERT VENUE LOCATION

Assistant Town Manager Ferguson explained the Block Q site plan is before the Board so they can review the proposed location of the concert venue. Commissioner Paarfus encouraged the Board to look at pavilion area and Block Q collectively. He thinks it will take some work, but there is a lot of potential there. Commissioner Dyer thinks the placement of the concert venue is a good location. It backs up to a non-residential area and the open area goes towards the waterway. Commissioner Smith explained the background of the plan and said evidently there is some merit to this plan. Homeowners who own a boat need a place to park. He said the site design has been well thought out, dismissed and brought back. Commissioner Smith said the Board can at least start making plans to put the pavilion where it is on the map. He stated the Board needs to move forward. He said it could be a simple stage and cover and it could give us a place to hold other activities. Commissioner Thomas said the plan was rejected by the Board because it was not a good plan. The Board is only looking at where to place the pavilion/bandstand. The parking should

have been crossed out. She thinks it is a good start, but agreed with Commissioner Paarfus that she would like to see a comprehensive plan that includes Block Q, where the Pavilion used to be and the stuff under the bridge. Mayor Pro Tem Myers said the Parks & Recreation Advisory Board has been tasked and is hard at work looking for locations for pickleball courts. He understands that Block Q is under consideration as one of those locations.

After further discussion, the Board took no action on moving forward at this time.

DISCUSSION AND POSSIBLE ACTION ON THE SECOND DEQ OFFER TO FUND GREENSBORO STREET LIFT STATION

Assistant Town Manager Ferguson said the state sent the Town an offer to fund. A lot of the paperwork should look familiar because the Board passed it in May. We sent it into the state, everything was executed. Session law changed the administrative fee that DWR could charge. It was set at 3% of the total of the community directed grant. They decreased that amount. The original \$1.94 million has changed to \$1.97. They are telling us we need to re-do the process. The Board would need to accept the offer to fund, the resolution, the capital budget ordinance and the capital project ordinance.

Motion by Commissioner Thomas to do what Assistant Town Manager Ferguson said (the offer to fund, the resolution, the capital budget ordinance and the capital project ordinance) and to allow Town Manager Hewett to execute the documents; second by Commissioner Smith; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON ORDINANCE 24-18, AN ORDINANCE AMENDING ORDINANCE 24-11, THE REVENUES AND APPROPRIATIONS ORDINANCE FOR FISCAL YEAR 24 – 25 (AMENDMENT NO. 3, 796 OCEAN BOULEVARD WEST)

Finance Officer McRainey explained that the Board wanted to use the revenue from 796 Ocean Boulevard West to pay off the associated debt. This amendment gives us the ability to do so. The remaining proceeds will go to Fund Balance.

Motion by Commissioner Thomas to approve the amendment; second by Mayor Pro Tem Myers; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON PROPOSAL RECEIVED FOR ADA SELF-EVALUATION AND TRANSITION PLAN REQUEST FOR PROPOSALS AND ALTERNATIVE OPTION

Inspections Director Evans explained it was one of the Board's goals to do a self-assessment. We put it out to have the assessment done by an outside entity. One of these entities would probably make us go through a process that is designed for much larger municipalities and probably wouldn't be well equipped for the Town. The expense of it is extremely high. He requested that the Board allow staff in the Planning & Inspections Department to do the Title II Assessment. He thinks they are more than capable of doing it. There are plenty of guidelines to follow. He explained most of the assessments are made up of three basic requirements. They include communications and preparations, following the guidelines of building regulations and other areas. Inspections

Director Evans recommended that the Board allow staff to do the assessment. We probably have enough funds if we need to do any outside research. Staff can reach out to the Department of Justice. They have a ton of information for small towns and programs to follow to do ADA assessments.

Commissioner Paarfus stated he is receptive to the idea. He would like the staff to put a plan together. He was interested in making sure the Town is in compliance with state and federal regulations. Compliance of Town-owned structures was discussed. Commissioner Paarfus would like to see a plan so that the Board will know what they are getting back. He used the example of if staff looks at something built in 1995, we are not trying to put 2010 requirements on it, unless there is a program access issue. Inspections Director Evans said that portion of the assessment is only eight or nine of the criteria of the first part of the assessment. The Town is required to do a Title II Assessment, it is just the level of the assessment based on the size of the Town. He said a lot of what is being discussed, the Town has already started and is already doing. There are other parts that are required. Staff will be writing up a plan that will include recommendations for the Board. Commissioner Paarfus asked for an outline of what the Planning & Inspections Department is going to do. Mayor Pro Tem Myers asked if the Town is at risk of having to repeat ADA arbitration. Inspections Director Evans replied if the Town does not complete a Title II Assessment, he thinks the Town is setting itself up for another round. He would much rather do an assessment and be ready. He added he doesn't think we are in danger unless we don't follow onto the things that were remediated and on the work that was already being done before we got to that point (construction and ability for people to get to the amenities). He thinks where the Town is lacking is the other criteria like communications. Commissioner Thomas would like to know what you are legally required to do as a small town. Inspections Director Evans explained the staff will look at the Department of Justice's Title II small town assessment. Commissioner Smith said Inspections Director Evans knows how important it is to do this assessment. Once the assessment is done, the responsibility falls on the Board to make sure there are funds available to make the improvements that need to be made. Inspections Director Evans explained part of the assessment is creating a transition plan for items identified.

Motion by Commissioner Dyer to allow our staff to do the ADA assessment; second by Commissioner Smith.

Commissioner Paarfus asked Inspections Director Evans to bring an outline to the Board. Inspections Director Evans responded he will bring an outline of what it is and an outline of how long it will take. Commissioner Paarfus asked if he has the resources to do it in house or sufficient funds if they need to go outside. Inspections Director Evans agreed he did.

The motion passed by unanimous vote.

PUBLIC COMMENTS ON GENERAL ITEMS

Jim Bauer said the pier buildings are an obvious tear down. If they are torn down, they can be made into parking spots. He would love to come up with a plan to allow for public assistance for emergency pumping. Mr. Bauer said the bike lanes are causing erosion. He suggested the Town

take a look. He said not to pave Block Q, gravel can be used. Mr. Bauer suggested using a 40' trailer as a concert venue until a permanent solution is decided.

Sylvia Pate said kudos to staff and everyone involved for getting a good audit report. She knows we are now down three officers and the detective position and doesn't know the reason the Town can't recruit officers. She asked the Board to work with the chief to find a strategy to recruit. Ms. Pate is happy to see the Greensboro lift station moving. She was disappointed that a decision was not made to move the stage to Block Q. She said she was upset that the Town has three commissioners that wouldn't allow their two colleagues to discuss an item on the agenda. She encouraged the Board to look at options for a PPP.

Martie Arrowood said the pier house is one of the oldest buildings on the island. A PPP provides an opportunity to be able to fundraise and get the pier house rebuilt. She said great job to the Finance Department. It is proof that the Town's finances are on sound footing. She said it is time the Board took ownership of their own decisions and stop blaming it on the Board in the past.

Rick McInturf spoke on behalf of and provided information on the HB Community Alliance. He detailed information on activities they sponsored. Their primary focus remains on the repair and rebuilding of the pier. They wanted to remind the Board that the alliance still exists and is ready to assist the Town in any way possible.

Lisa Ragland agreed the Town needs to work together to put a plan in place to recruit police officers. She said it appears there are three commissioners that don't even want the public to hear the other two commissioners' plan regarding the pier building. She said they need to start listening to the public. Ms. Ragland said she has a connection to the company who does the A/V for Sunset Beach. She agreed the staff is capable of doing the ADA assessment. She suggested getting Town emails for the commissioners.

Keith Smith provided his feedback on the pier and the need to make progress. He said it has been a year and nobody is rebuilding anything. He said you vote, get elected and do what you want to; the problem is it is not looking good. He said he doesn't want the public to see what is occurring, we should be talking about moving forward. He thinks the Town can do better.

Maria Surprise explained she is disappointed in the Board and this didn't need to happen tonight. She said we have a great town and we want to work together for the betterment of it. She gave kudos to Mayor Holden. Their dunes are looking great thanks to his recommendation of putting 10/10/10 fertilizer out in the fall and spring. If you are not doing it. Now is the perfect time.

MAYOR'S COMMENTS

- Spent the last couple of days with NCBIWA, reviewing activities along the coast, terminal groins and jetties. A lot of information was exchanged. Mayor Pro Tem Myers was there. Thinks it should be noted that each one of these meetings we go to, he can't remember the last time there was a professional or individual speaking against jetties or groins. Went over local examples that were successful. The Town had a permit to put one in and the Board at the time

decided to do away with the permits and the \$750,000 investment went down the drain. The mood has changed on our coastline as new information comes in. Asked those opposed to look at the last research and data. Thinks they continue to prove themselves. Professionals attending these meetings are much more supportive of these types of erosion control measures.

- Town is in pretty good shape. We talk about finances and staff doing a great job. The phone is not ringing as much about the small things. The big thing is the lack of uniformity and moving forward as a whole. The divisiveness we continue to have is crippling the Town. We need to find something to move forward on. He doesn't know of anything we have moved forward on in 12 months, any new project we have undertaken or an old project we have completed that wasn't already pretty much done before the year started. Begged everyone involved to try to work together. Give thanks because it is Thanksgiving. For those of us who have been west and seen all the devastation there, it makes us even more thankful. The important thing about that is, those of us that live along the coast welcome the help the western part of the state sends to us whenever we have an emergency. It was our turn to give back. We need to remember our neighbors and be proud of what we have. We are all in this state together and this country. It is the time for us to work together better to solve our problems collectively. If every side gives a little bit maybe we can get closer to the middle and get something done.
- Wished everyone a happy Thanksgiving. Santa Claus will be peeping around the corner real quick. Enjoy the holidays and appreciate what you have.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Myers

- Very excited that we will get responses for the pier RFQ for professional engineering services on Monday. Very anxious to get that engineer on board to help us make decisions. It is a big milestone to get the RFQ and get responses. With regards to the PPP, as he said he is in favor of exploring the option. Thinks it is something we need to look at. Wanted to defer it, instead of putting it on the agenda and voting it down, which is where he thinks it would have ended up. This way it is still in play. We need to get the engineer on board and look at the pier. We need to see how to serve the pier first because if you put up a new building between the parking lot and the pier, it will just make the cost of building the pier that much more expensive. There is some logic behind this, maybe it is not well communicated. We can focus on the pier, then focus on the building and figure out the best way to go forward once we know what we want to do.
- Audit – it is great, fantastic results. Very glad to hear them. Was very vocal last year. His opposition was to the budget. The budget was the financial plan for the year. That budget that the commissioners voted on as a plan would have spent \$3.4 million more than what we would have brought in for revenue. We would have spent down fund balances and we would have borrowed another \$1 million. Still thinks it was a fiscally or financially irresponsible budget and is glad we didn't follow it. That is why the results of the audit are so good.
- Thanks for coming. Hopes everyone has a happy Thanksgiving.

Commissioner Smith

- The reason he wanted to be a commissioner was so he could report what the people wanted him to report. Wanted to be an individual that had his own ideas. When he has the general public come to him and ask what we are doing, it is great we are going to get information back from the engineers for the pier. He doesn't understand why in the world we can't at least communicate. We didn't have to take any action. You won't even let us talk about it. That is the part that really upset him.
- The staff does a great job. Staff keeps things going. We have a balanced budget. It was just as good as it was the year before. We still have a surplus.
- Thanked the Police Department for all their hard work for the Festival by the Sea. That was well attended.
- The Christmas lights are up. It is good to see them up again, bringing us into the holiday season. Looks forward to the tree lighting celebration and all the activities that go along with that.
- Congratulated Development Services Officer Pigott for achieving Floodplain Management Certification.
- As we move to the end of the year, several things come to mind. Reflecting on what everybody seems to be able to see, there is some division. The division started before most of these candidates were even elected. They were having meetings and pretty much decided what they wanted to do. Was really hoping that they would not come true, yet all the projects we have been working on for years stopped, the pier, Block Q. They did have a plan and did go forward with it. They told us the reason they were running was because the Town was broke and the funds were being used unwisely yet after 15 budget meetings, everything seems to be okay. We have a balanced budget. It is puzzling why there was so much misinformation before this started. Sad to see the projects the Town was working on stopped for money or it just wasn't their idea. Hopefully we can move forward. Seems like they don't want to have amenities on the island and have any reason for anyone to come and enjoy Holden Beach. Federal tax dollars pay for that beach. It is everybody's beach, whether they are from Holden Beach or Colorado. We need to make sure the people who live here who have kids and grandkids and the people that come to visit have a nice place to go. It was not a bad idea to talk about a new pier building and the possibilities of getting one at really no cost to the Town. There is no need to stop it before we can even discuss it openly. There are a lot of people who don't even know that is a possibility. Seems to be there is a small group that doesn't share the same ideas. It seems like we are getting a few people that do not represent the big group of people. Wants to work with his fellow commissioners to move forward. Glad we are getting the RFQ on Monday. Hope we can get some things moving. We really need to make Holden Beach great again.
- Happy Thanksgiving.

Commissioner Thomas

- Reminded people that we have already had the PPP on the agenda two times from Commissioners Smith and Dyer. We have listened to them two times and we have rejected their ideas so to bring it back a third time just seemed like a waste of everyone's time.
- For the budget, the only reason that there was a huge excess was because we didn't allow them to follow the budget that would have taken \$1 million from savings from the General

Fund, \$1 million from BPART to do a \$2 million pier project and to do \$450,000 paving of Block Q. Those things are why people voted us in so that we could stop the insanity. What we are doing is what's on our objectives list. The ADA compliance project is almost done; self-assessment, talked about that tonight, that it is going to be done; sewer station #2, that is moving forward very well, we got a bunch of money for it; stormwater study implementation, we are moving forward on implementing some of those things; ADA bathrooms in Block Q are also moving forward; plans for the new fire station, we talked about that, that is moving forward. Could go down the list, but we are doing what is on our objectives list that all the Board voted on and we are making things happen. We just aren't doing it irresponsibly with the money of the taxpayers. That's what we were voted in to do because that was the platform we ran on.

Commissioner Dyer

- Wanted to clarify, did ask for the RFP about PPP about 10 months ago and was told she didn't have enough information on what the plan involved. The reason she brought it back was because she has more information on what is involved with the PPP. The RFQ we are waiting on for Monday is for the pier specifically. What we are looking at with the PPP was the pier house. The advantages of a PPP are numerous, most of all taking a project that a government has that is seemingly impossible and slow moving, by involving a private entity it would make that timeline faster and get something done. When the Town initially purchased the pier property, it wasn't our intention to run the pier building. We were going to lease out whatever business went in there. The big dilemma was do we remodel it or tear it down to build another one. Both of those would cost a lot of money. Accepting the PPP proposal to construct a new pier building would eliminate the need for the Town to demolish, renovate, repair, rebuild or operate a business in the pier building. It would remove the Town's position as a competitor against other local businesses and save the taxpayers money. That would be the goal, saving money. If an oceanfront building with the approximate valuation of \$3 million was constructed on the pier property site, it would cost the Town nothing, without incurring additional debt. She asked what we have to lose. We could receive multiple proposals and have the opportunity to ensure that what is built on the site is in the best interest of the property owners. How much money would it save us if the entity that comes in for the pier building chooses to put in showers, an ADA compliant bathroom and an ADA compliant ramp to the pier. It will generate more money at our campground. The campground is what is paying the debt service for the pier property. Doesn't see how it would hurt us to direct the staff to put out a RFP to see if we get any proposals. We may even get a proposal for a PPP of the pier. The pier has been revisited as far as the agenda. Just wants the public to understand what a PPP is. New Hanover has three projects going on right now. They are talking about using a PPP for the bridge. Avalon Pier just signed a 21-year lease with their private entity to keep that going. That pier is in worse shape than ours. Oregon Inlet at the marina there has been a successful PPP for years. The state is encouraging everyone who has parks and recreation to enter into a PPP. It saves the taxpayers millions of dollars to have a private entity take care of these properties that are owned by the state.

Commissioner Paarfus

- Not so long ago we approved the pier plan, which talks about PPP and we talked about how we were approaching the pier and that is what we are doing. Then out of left field there are some people who want to make money on this possibly and jump in and do this. We are following the plan. Understands everyone wants stuff done overnight, but it is not going to happen overnight. With regard to other projects that were stopped, Block Q for instance, thinks we can do better. Before he was elected, he came to the Board and questioned whether or not we could do something with pervious parking and not give up 8,000 square feet of the property to drainage features. Asked if we could get together and speak with the architect, well they didn't want to do that. The pier plan or lack thereof needed to be developed because we need to understand what we are getting into. We need to have some idea of what it is going to cost. We don't have those things. You just heard a presentation about how great a PPP is, but they are not always great. They are very complicated. If you look at what is required for a PPP, it is included in the pier plan, it is complicated. It is not all roses. We need to figure out what we are even going to do with the pier. If you revisit the plan, you will see that the pier was established as the first thing to deal with because of its condition and then we would look at what we want to have on the property. What he is also hearing is that there is a foregone conclusion that we will have a pier house and all this other kind of stuff. Would like to see something there, but it has not been determined. Notably, we always hear from the same five or ten people complaining, and you are allowed. Talked to a lot of people too and not everybody is on board with what they are looking at. Knows everyone wants something there tomorrow, but he laid out a plan, it seemed to be reasonable when we laid it out. There were some in the room that thought it was alright. Now you want to jump right back into we want a pier house today. Not in favor of doing that. This needs to be done properly.
- Happy Thanksgiving.

CLOSED SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTE 143-318.11(A)(6), PERSONNEL

Motion by Commissioner Paarfus to go into closed session at 7:18 p.m.; second by Commissioner Thomas.

Town Clerk Finnell read the reason for entering closed session.

The motion passed unanimously.

OPEN SESSION

The Board went into Open Session at 7:35 p.m.

Motion by Commissioner Paarfus to terminate Town Manager David Hewett's contract effective December 4, 2024 in accordance with Section 11a of the agreement for employment as town manager/ finance director dated March 31, 2017 and amendments thereto. The town manager is to return all town property to Town Hall and remove his personal belongings from Town Hall by close of business November 20, 2024. The town manager shall be placed on administrative leave

starting November 21, 2024 through December 4, 2024. The town attorney is directed to work with the town human resources officer to complete the separation before December 31, 2024. Commissioners Thomas and Myers are to form a subcommittee to start the process of finding a new town manager; second by Mayor Pro Tem Myers.

Mayor Holden asked for discussion. Commissioner Thomas said they just said there would be no discussion. Mayor Holden asked the record to reflect that he was informed that there was not to be any discussion.

The motion passed by a 3 – 2 vote with Mayor Pro Tem Myers and Commissioners Thomas and Paarfus voting for the motion and Commissioners Smith and Dyer voting in the negative.

ADJOURNMENT

Motion to adjourn by Commissioner Thomas at 7:37 p.m.; second by Commissioner Paarfus; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk