



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, JULY 15, 2025 – 5:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday, July 15, 2025 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; Interim Town Manager Christy Ferguson; Town Clerk Heather Finnell; Police Chief Jeremy Dixon; Inspections Director Tim Evans; Finance Director Daniel McRaney; and Town Attorney Sydnee Moore.

Mayor Holden called the meeting to order.

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

Motion by Commissioner Paarfus to remove the closed session. He said there seems to be no purpose for it at this point. It would be item 22. Commissioner Thomas seconded the motion.

Town Clerk Finnell said there is no new information since the Board met yesterday.

The Board unanimously approved the amended agenda.

CONFLICT-OF INTERESTS CHECK

No conflicts were disclosed.

APPROVAL OF MINUTES

Motion by Commissioner Paarfus to approve all three as written (Special Meeting of June 3, 2025, Special Meeting of June 16, 2025 and Public Hearing/Regular Meeting of June 17, 2025); second by Commissioner Thomas; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

Maria Surprise spoke on behalf of the Holden Beach Property Owners Association and urged the Board to hold a public information session before the proposed public hearing for the GO bond.

Jim Bauer thinks anything at Block Q should be temporary/mobile. He would like the Town to get a quote for straight demolition of the pier.

CONSIDERATION AND POSSIBLE ACTION ON REQUIRED ITEMS RELATED TO THE PROPOSED GO BOND REFERENDUM

Interim Town Manager Ferguson introduced Scott Leo, Parker Poe and Andrew Carter, DEC Associates. She reminded the public that the pier is uninsurable for wind and water driven events. She explained tonight the Board has two items before them: Introduction of the bond order and a resolution calling for a public hearing. August 19th is the date for the public hearing. The Board discussed having an additional public hearing on August 16th.

Motion to approve the Introduction of the Bond Order and to approve Resolution 25-06 (Resolution Calling for Public Hearing); second by Commissioner Thomas.

Commissioner Thomas asked that the resolution be included when an email blast regarding the public hearing is sent to the public.

The motion passed by unanimous vote.

Motion by Commissioner Paarfus to have another public hearing on August 16th; second by Commissioner Thomas. After discussion, Commissioners Paarfus and Thomas agreed to amend the motion to add the meeting time of 11:00 a.m. The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE ACTION TO REALIGN THE BLOCK Q BATHROOM CONTRACT TO THE CURRENT FISCAL YEAR

Interim Town Manager Ferguson explained this is a housekeeping exercise. We need to do a budget amendment; the contractor didn't complete as much work as they thought they would last fiscal year. The amount not spent fell back to fund balance and \$90,580 needs to be reappropriated to this fiscal year. This is what needs to be done to fulfill contract obligations. This morning, she was given additional information regarding the timeline that she will discuss during her report.

Motion by Commissioner Thomas to approve Ordinance 25-12 (An Ordinance Amending Ordinance 25-11, The Revenues and Appropriations Ordinance for Fiscal Year 2025 – 2026 (Amendment No. 1); second by Commissioner Paarfus; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON BLOCK Q SITE PLAN FOR CONCERT VENUE PLACEMENT

Interim Town Manager Ferguson introduced Randy Baker, Pinnacle Architecture. In the packets, there is a minimal drawing of a site plan. The purpose of this exercise was simply to take away everything else that was on the site plan that was presented earlier in the year and locate where the concert venue should go based on the study the architect had done and what the Parks & Recreation Advisory Board (PRAB) had brought to the Board. If the Board moves forward, Mr. Baker will come back with more advanced renderings. Mr. Baker said the task they were presented with was the location of the bandstand. The bandstand is approximately 40' x 60' and the dance area is 1,400 square feet. He explained why the proposed position is the best one for the site.

Mayor Pro Tem Myers said he thought Carolina Avenue was going to remain open for boat parking. Mr. Baker said he was not given that information. Commissioner Dyer said the road is already closed. Mayor Pro Tem Myers stated he thought it would be more of a bandstand similar to Ocean Isle's, instead of a big pavilion. Mr. Baker explained that is the Board's choice. Once the location is approved by the Board, the design would be created. He said the dance floor on the drawing is showing a "U" shape. It will not be designed like that. Mayor Pro Tem Myers asked if they would show how much audience seating is needed for peak time. Mr. Baker answered they can show that in the next rendering. Mr. Baker explained they are just looking for approval of location. They would need a scope of work to move forward. In their opinion, this is the best location. Commissioner Thomas asked about the minimum size required for concerts. Interim Town Manager Ferguson answered that each contract varies. The old pavilion was 36' x 36'. When they went through this exercise with the PRAB, yoga was asking that they not be forgotten with this space. She thinks the Board needs to look at something at least the same size as the old pavilion. Commissioner Thomas asked when the Board could give feedback. Interim Town Manager Ferguson suggested an agenda item in August to give direction. Commissioner Paarfus asked if the location is fixed. He said he is a proponent of figuring out all the pieces before hard structures are placed. He said the Board hasn't established the requirements that the architect needs to do a design.

Motion by Commissioner Dyer to move toward a more detailed drawing.

Commissioner Paarfus asked if he could make a motion to approve the approximate location. He explained it may need to move around a bit. Commissioner Dyer said she thinks when they did the request to do a site plan, the Board voted to move forward with the concert venue at this point. They do have the idea that other things will come along, but they said they would move forward with the concert venue. She said with the proposed location, there is still plenty of room around the area for other things. Commissioner Dyer added one of the major things we need for the community is to get the concert venue done. She explained she doesn't think seating will be a problem.

Commissioner Dyer amended her motion to approve the site plan and to move forward with a more detailed drawing; second by Commissioner Smith.

Mayor Pro Tem Myers said he doesn't know if the Board wants to approve the site plan, versus the location.

Commissioner Dyer amended the motion to approve the location of the stage and to move forward with a more detailed drawing. Commissioner Smith agreed with the amended motion.

Interim Town Manager Ferguson clarified that Mr. Baker will still need more direction before moving forward.

The motion passed by a 4-1 vote with Mayor Pro Tem Myers and Commissioners Smith, Thomas and Dyer voting for the motion and Commissioner Paarfus voting in the negative.

DISCUSSION OF HDR'S PRELIMINARY DESIGN, MAINTENANCE AND REPAIR PLAN FOR THE PIER

Interim Town Manager Ferguson introduced Will Fuller and Bill Kincannon from HDR. The Board received their draft preliminary design and maintenance and repair plan which they are calling life cycle analysis. Mr. Fuller said the pier ended up being 996' long. It will have an ADA ramp that leads up to the main elevation. From there it will be a straight walkway, 16' wide all the way to the T-head which will be a 48' X 48' ending of the pier. He provided information on the two additional egress points that will be added. There is a 30' X 30' covered structure on the T-head. For the cost breakdown, roughly 45% is the structure itself, 30% was due to the construction methodology and 25% was for contingency. The pier ended up being moved to the southwest by about 30 feet. He explained the rationale for that is when you are doing the demolition for the existing pier, you are likely to not get all the existing piles out of the water. In order to maintain the same footprint, you would need to send divers down to excavate those piles. For the life cycle analysis, which is the maintenance and repair plan wrapped in one, it took on an unconstrained approach. It can be further discussed later on. The life cycle is broken into five different buckets of activities: maintenance, preservation, rehabilitation, replacement and reactive. It came to about \$57,000 a year in annualized budget to cover the first four activities. Mr. Fuller said they received a note from the commissioners to add in the construction methodology to the full replacement cycle. That will bring the annualized cost up. They have not finished that analysis yet but it would end up in the \$60,000 - \$70,000 range. They also had an ask to discuss a reactive contingency budget. He said that breaks out to about \$80,000. Mr. Fuller said they are on track to have the final report submitted on August 4th.

Commissioner Paarfus said from the Not to Exceed (NTE) number, the estimated cost for demolition was \$200,000, the pier was roughly \$3.3 million for the structure, the trestle was \$2.4 million and \$1.4 million for contingency. He explained the numbers are on the website. Mr. Fuller went over information for repair cycles. Commissioner Paarfus talked about the importance of having those numbers for budgeting. Mayor Pro Tem Myers inquired about operational costs. Mr. Kincannon said it was not in the scope of work to look into operational costs. He reviewed some costs that would need to be looked at. They haven't done the homework to give a good answer. Operational costs were further discussed. Interim Town Manager Ferguson stated this is not in the scope of work. If the Board wants to have them do a calculation it will need to be added for an additional fee.

Commissioner Dyer asked if the Town will be able to obtain a permit if the pier is in a different spot. Mr. Fuller provided information on the permitting process and said they expect it to be permissible. Mr. Kincannon explained why a slight shift would be expected for the project. Inspections Director Evans provided additional information on the permitting process. Commissioner Dyer said \$2.5 million is a large expense and asked if the only scope for the project is using the trestle. Mr. Kincannon replied no, but they were asked for the NTE number. They are not dictating the method, so they do not know how the contractor would bid the job. Commissioner Dyer asked if the beach access with the Hatteras ramp would be closed during construction. Mr. Fuller answered there would be a time when you are tying into it, but it would not be closed the entire time. Inspections Director Evans explained how the Town could still provide access. Commissioner Dyer asked how much of the parking lot will be closed during construction and if it will be the whole time. Mr. Fuller replied that would be answered in the next phase. Commissioner Dyer asked them to find if the campsites will be accessible. Commissioner Paarfus asked if it is an appropriate time to send the drawings to the permitting agencies to see if they have feedback. Inspections Director Evans explained yes, they will try to set something up.

POLICE REPORT – CHIEF DIXON

- The officer from the shots fired call from last month didn't find anything. He explained it was most likely fireworks.
- Went over some of the incidents from the report.

Commissioner Paarfus asked about a disturbance call. Chief Dixon explained those types of calls are typical for this time of the year. Commissioner Smith spoke about violations he sees with LSVs.

INSPECTIONS DEPARTMENT REPORT – INSPECTIONS DIRECTOR EVANS

- Went over the information in his report. He went over what is not included in the report.

FINANCE DEPARTMENT REPORT – FINANCE DIRECTOR MCRAINEY

- General Fund – revenue is very comparative to last year's. Expenses look like they are over but that is from the fund balance appropriation.
- BPART Fund - revenue looks like it went down because of the transfer from the General Fund last year. Expenditures ended up the same.

Commissioner Thomas would like to see the numbers added back to the graph or have more of a difference between the colors.

INTERIM TOWN MANAGER'S REPORT – INTERIM TOWN MANAGER FERGUSON

- Greensboro Street Lift Station – had a progress meeting between the engineer, contractor and staff on June 26th. The fourth application for payment was submitted to the EPA. The state still lags in sending payments for three and four. They have switched to another computer system. We are complying with what we need to do on our end to get into the new system. A list of work projected for the next 30 days is listed on her report.
- Block Q Restrooms – the contractor did struggle to meet our expectations in the beginning. There is work going on that looks more promising. This morning rolls around, Mr. Baker said the August date is now projected to be October. Has spoken with Attorney Moore. There may be an executive session on next month's agenda. Mr. Baker said the contractor has had challenges. He reviewed some of the delays and provided information on the timeline of the project. Interim Town Manager Ferguson said the final walk through is scheduled for October 23rd. We did get an extension on the grant. The extension should get us into December, but that was to finish up all paperwork. Mr. Baker said liquidated damages are not in the contract.
- Ocean Boulevard Stormwater – the Letter Report that Bob Kiestler mentioned had the financial certification completed and we sent that back in. The Wilmington District was submitting the draft Letter Report for review.
- Pier Site – The third meeting with staff and HDR was held on July 10th. They were here today and had the draft report on the agenda for consideration.
- GO Bond Referendum – required advertising took place on June 27th. Staff submitted the application to the LGC on July 7th, with a final version on July 9th. Met with the bond attorney and financial advisor on June 24th to discuss how to proceed with the application.
- Employee Updates – Several Public Works employees received collections certifications: Chris Benton received Operator 2, Shane Barton Operator 1 and Mark Thomas Operator 2. Public Works Director Clemmons has announced his retirement at the end of the month after 29 years of service. We appreciate everything he has done for the Town. Austin Bell was sworn in on June 30th as our newest officer. Raqueel Archibald started as a technician in the Public Works Department on July 7th. John Trudeau resigned from the Police Department.
- Budget Adjustments – received an additional \$131,000 in occupancy taxes. On the expense side we have to remit our portion to the county. That was taken from Professional Services as a budget adjustment in last year's budget. We have Fund 30 with overtime that was over and retirement. The adjustment was in the Salary line. In Fund 10, Inspections had more overtime than what was planned. It was accommodated within the Benefit's line.
- Tomorrow the Coast Guard wants to conduct a study at the east end of the beach. The public should not be alarmed if they see emergency vehicles tomorrow afternoon.
- Public Works said there is some evening work that will occur near lift station 2.
- Reviewed the objectives tracker.

DISCUSSION AND POSSIBLE SELECTION OF MEMBERS TO SERVE ON TOWN BOARDS

Peggy Schiavone and Suzannah Tucker were selected to serve on the Parks & Recreation Advisory Board. Votes were as follows: Peggy Schiavone – Mayor Pro Tem Myers,

Commissioners Smith, Thomas and Dyer; Suzannah Tucker – Commissioners Smith, Dyer and Paarfus; Christina Page – Mayor Pro Tem Myers, Commissioners Thomas and Paarfus. The Board voted to break the tie between Suzannah Tucker and Christina Page and votes were as follows: Suzannah Tucker – Commissioners Smith, Dyer and Paarfus; Christina Page – Mayor Pro Tem Myers, Commissioner Thomas.

Kate Day was unanimously selected to serve as the Planning & Zoning Board Regular Member.

Mark Francis was unanimously selected to serve as Planning & Zoning Board Alternate Member. Christina Page was also appointed as an Alternate Member, with a vote from Commissioner Thomas.

Richard Roberts was selected to serve as a Regular Member to the Board of Adjustment. Votes were as follows: Richard Roberts - Mayor Pro Tem Myers, Commissioners Thomas and Paarfus; Rick McInturf – Commissioners Smith and Dyer.

DISCUSSION AND POSSIBLE ACTION REGARDING RECOMMENDED TASKS FOR THE AUDIT COMMITTEE

Mayor Pro Tem Myers explained the Audit Committee met and would like to draft a BPART fund balance policy. With BPART there are restrictions on how some of the money must be spent according to law. There are also reserves that are needed. They would like to draft a policy to establish the guidelines for management and use of the BPART Fund in order to balance the legal requirements, financial stability, adequate reserves and support for the Town's strategic initiatives.

Motion by Mayor Pro Tem Myers to task the Audit Committee to develop a draft BPART fund balance policy for consideration by the Board (they would bring it back to the Board); second by Commissioner Thomas.

Mayor Holden asked if appointed members are able to set policy for the Town. Mayor Pro Tem Myers said they would not set policy; they would draft a policy for consideration of this Board. Commissioner Dyer asked if staff should do that first. She was under the impression the Audit Committee is an advisory board. Mayor Pro Tem Myers replied Finance Director McRaney is involved. Attorney Moore talked about staff leading the effort. Commissioner Dyer suggested that the town manager look at the occupancy taxes. There may be budget associated with that. Mayor Pro Tem Myers said occupancy tax was going to be the second motion. The auditor can audit the taxes received, but there are people who should be paying taxes and are not. The thought was the Audit Committee would investigate what other towns are doing and make recommendations. Mayor Holden stated this has been an ongoing subject for the Town. The Town has been investigating behind the scenes. He said he helped write the legislation and encouraged the Board to not move too fast until their homework is done. Staff can help with that. Commissioner Thomas asked if Attorney Moore is saying the Board cannot ask the Audit Committee to draft a fund balance policy for the Board's approval. Attorney Moore answered that staff needs to be involved. She will do research to see if having Finance Director McRaney involved would meet the criteria. She recommended tabling the motion.

Mayor Pro Tem Myers withdrew his motion.

Motion by Mayor Pro Tem Myers to direct the attorney to investigate and report back to us at the next meeting; second by Commissioner Thomas; approved by unanimous vote.

CONSIDERATION AND POSSIBLE ACTION ON LETTER OF SUPPORT FOR UNCW GRANT

Interim Town Manager Ferguson explained that UNCW sent an email to stakeholders that attended the April 1st Sediment Management Workshop. They are applying for a grant with NFWF Coastal Resilience Fund and are asking for letters of support for the project. The main tasks are outlined in the emails that she has shared with the Board and public. She followed up to see if there was a financial obligation for participation of the Town and it says there is not. She went over the template for a letter of support. She needs to know if the Town would like to participate formally by sending the letter versus informally by attending the meetings and being a partner that way. She encourages the Town to be partners with the university any time we can. Her concern is that we haven't seen the grant paperwork and do not know what they are proposing. Mayor Pro Tem Myers said he attended the workshop and provided feedback from the meeting. He thinks there is a lot to be gained if we are involved with them. A lot of other towns are signing up and he thinks there is some opportunity. He thinks the Town should at least informally attend and participate. Commissioner Paarfus said it is his intention that we participate. They want a letter supporting them obtaining the grant. He thinks we should engage with them when doing their study, but he would like to know more about the grant before throwing an endorsement behind it. He is concerned how a regional plan can be used. He doesn't clearly understand the end goal. He said they definitely want to engage with this but he is hesitant to sign a formal letter of support. Mayor Holden said he wouldn't mind signing a letter that says the Town supports the concept if the Board agrees with it. Commissioner Paarfus suggested saying the Town approves the concept and look forward to engaging with your project. Mayor Pro Tem Myers said his sense is that this is to get grant money to keep the program going and take the next steps they were talking about. Interim Town Manager Ferguson explained examples of underlying risks to fully supporting the letter.

After further discussion, the consensus of the Board is to send a letter with a statement like Mayor Holden suggested.

PUBLIC COMMENTS ON GENERAL ITEMS

No comments were made.

MAYOR'S COMMENTS

- Reminded everyone it is hurricane season. Have your storm plan in place and ready to put into action.
- The no wake zone in the bridge area is not being enforced. The Corps would not go along with it because of an area of commercial traffic. The other arms of the government are

regularly seen in that area. Begged everyone to please slow down under the bridge and in that area. Somebody is going to get hurt.

- There was previous discussion about expanding the dance floor at the old pavilion. The size of that dance floor will not accommodate the crowds at the concerts. Encouraged a larger dance floor in the future plan.
- Ears have suffered greatly in regard to flags on the beach. Aware of the concern so many people have. Aware Ocean Isle started using flags. The Town has done significant research in the past. The Town is aware of the complaints of the lack of flags and also the lack of lifeguards. The budget would have to be radically amended to provide that service. He provided information on a study from a couple of years ago that talked about how beaches with lifeguards have had more drownings than the Town had with no lifeguards.
- Erosion – in the wintertime the west end suffered erosion in Holden Beach West. The escarpment line was up into the dunes in many parts of it. Assured the public that everything will come back and round off. At high tide now, especially at full moon tides, the tide does come up to the dunes again. Everything will be alright. There is about 250 – 300 yards more of dune area down there than there was back in Hurricane Hazel. Those that own property on the west end have gained 250 – 300 yards of dune protection. It will come back. The escarpment line in the pier area is rounding back off. We are monitoring that. Have engineers that measure the erosion factors and keep up with it. The tip of the east end is eroding, which is unusual. The old water line is exposed again. Asked Public Works Department to look at it. West end tip continues to create a fishhook effect unlike he has seen in his lifetime. The dune line is moving eastward. We are not in worse shape if you look at the past 50 years.
- Technology and Facebook – there is so much misinformation. Please verify information before you pass it on.
- Thanked the public and staff for being here.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Myers

- Thanked everyone who volunteered to serve on a board. Thank you for offering your service to the Town.
- Thanked people in the audience and those participating online for your involvement.

Commissioner Smith

- Will miss Public Works Director Clemmons. Wish there is some way the Town could recognize him officially. He has done a lot for us. He has done a lot of things that nobody else would do and doesn't anticipate will do in the future. Always been the go-to person when things needed to happen, whether it be day, night or weekend. Thanked him for all he has done for Holden Beach in the years he has known him. Wish him the best in the future.
- Be mindful, it is tourist season, grocery stores are packed and golf carts are everywhere. Please be patient, mindful and safe.
- Thanked everyone for coming out. We have a good crowd and people online.

Commissioner Thomas

- Thanked Public Works Director Clemmons for his service, always going above and beyond.
- Thanked everyone for coming out and for your support. Be safe out there.

Commissioner Dyer

- Thanked Public Works Director Clemmons for his service. He has gone above and beyond. During many king tide floodings on Scotch Bonnet, has watched him stand out there in the nasty water at the pump station.
- Reminded people that the time for no pets on the beach is not to punish anyone. It is very dangerous at this time of the year. She provided information on dangers from the asphalt and sand.
- Thanked people for volunteering for boards. Keep Melanie Champion who has served on boards for many years in your thoughts and prayers. She lost her husband last week. They are a prominent business on the island with Champion Resorts. With what they have done for the community, especially coaching children, be thoughtful of them.

Commissioner Paarfus

- Concerning Public Works Director Clemmons - has lived here for 20 years, everything he has been responsible for has been rock solid. Will miss him, but congratulations to him. Hopes retirement is excellent for him.
- Lifeguards - recently found an article regarding Wrightsville Beach. Went over the data from article. It is a complex problem and it is not cheap.
- Thanked everyone for coming out.

ADJOURNMENT

Motion to adjourn by Commissioner Paarfus; second by Commissioner Smith.

Mayor Holden said he failed to mention there is a problem on the beach strand. He asked that people please leave 10 feet for beach patrol and emergency vehicles. Do not put chairs or anything else that inhibits the use of the 10-foot-wide area above the high tide line.

The motion to adjourn passed unanimously at 7:02 p.m.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk