



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
SPECIAL MEETING
TUESDAY, JUNE 3, 2025 – 6:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Special Meeting on Tuesday, June 3, 2025 at 6:00 p.m. 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; Public Works Director Chris Clemmons; Public Services Supervisor Chris Benton; Police Chief Jeremy Dixon; Inspections Director Tim Evans; and Finance Director Daniel McRainey.

PUBLIC COMMENT

No comments were made.

BUDGET WORKSHOP

Interim Town Manager Ferguson reviewed the budget calendar. The total budget is proposed at \$31,743,027. She reviewed budget priority areas. The proposed budget as required by statute shows the funds as balanced; the tax rate is 14 cents per hundred dollars of valuation; and takes into account contract spillover for HDR, Renee Narloch and Associates and Cohen Construction. It is proposed to increase the base charge for wastewater by \$3.90 and for removal of the free gallons for water and sewer. She reviewed challenges. The budget aligns with the Board's outlined priority areas.

The proposed General Fund is \$4.8 million. Highlights include \$300,000 for stormwater design and permitting; police restructuring; additional certifications for personnel; street paving; \$100,000 transfer to the Beach Inlet Capital Reserve Fund (BICRF); and ballistic vests replacement.

The proposed BPART Fund is \$5,757,489. Highlights include phasing in new playground equipment; AIWW/Bend Widener Project; the concert venue for Block Q; finishing the Block Q restroom; starting the pier design; and a \$600,000 transfer to the BICRF.

Canal Dredging Funds show balanced budgets and stay shovel ready.

Water & Sewer Fund is now balanced at \$2,873,651. Highlights include a cooling solution for lift station 1; ventilation for lift station 4; water system repair parts at \$120,000; and new tap construction at \$70,000.

Fund 31 illustrates changed rates based on early payoff of 796.

The Sewer Lift Station Fund, Fund 35 goes across budget years for the life of the project. Capital Reserve Funds and their amounts are listed on the slideshow.

Changes since April 17th workshop include:

- Required retirement contribution was more than originally presented.
- Stormwater – additional areas of concern contract is not up until July, with the presentation scheduled for August. Some funding would be paid out next fiscal year.
- Block Q restroom contractor will not be at 60% by June 30th. Adjustments needed to be made to what will be carried forward to next fiscal year.
- The bond attorney and financial advisor have been added to General Fund budget.
- Inspections Department requested that overtime be increased and travel and training decreased.

The Board needs to discuss the AIWW Crossing Project. Interim Town Manager Ferguson explained that for the Bend Widener Project, the amount presented in the Budget Message is \$250,000. Usually as we go into budget meetings, we do not have the number that the potential contract will be. The program manager from the Corps has what they think is a solid number. The government pays for the crossing, but the Town can piggyback and get sand from the bend widener, which is what keeps our east end whole. They believe the project will cost \$1.5 million. Normally the state will pay 75%. Our potential cost could go up to \$375,000. She reviewed options to move forward. After discussion, the Board agreed by consensus to wait until the final numbers are in before changing the amount in the proposed budget.

Mayor Pro Tem Myers suggested just doing the base rate increase for utility billing and not making any changes to the usage. How to move forward was discussed. Commissioner Paarfus thinks the concerns that drive the issue are valid and the Town needs to continue to look at it. He suggested having it added to the action tracker list that the manager keeps so the Board doesn't lose sight of this. Planning for the future and adding items to the Capital Improvement Plan were discussed. Interim Town Manager Ferguson provided information on water/sewer rates since 2011.

Motion by Commissioner Paarfus to accept the \$3.90 increase and delete the 2,000-gallon charge for water and sewer but to track this huge capital expenditure on the town manager's action tracker list; second by Commissioner Smith; approved by unanimous vote.

Mayor Pro Tem Myers would like to see a format change on the BICRP. The Board agreed by consensus.

REQUEST FOR EXCEPTIONAL PERFORMANCE MERIT BONUSES FOR EMPLOYEES DIRECTLY INVOLVED IN COMPLETING THE COMPONENTS OF THE ADA AGREEMENT

Commissioner Smith thinks staff went above and beyond with their work on the ADA agreement and should be compensated. He would leave it to the town manager to distribute bonuses. Interim Town Manager Ferguson went over the ADA items completed. \$772,000 in ADA improvements were made over the past three years. The funds all came from the BPART Fund. Interim Town Manager Ferguson explained there is no mechanism to issue bonuses without Board approval. Commissioner Paarfus thanked staff for completing the projects and getting them done by the deadline.

Motion by Commissioner Paarfus to approve merit bonuses as requested by the interim town manager for completing the components of the ADA agreement; second by Commissioner Smith.

Commissioner Paarfus amended his motion to add not to exceed \$5,000 in total. Commissioner Smith agreed to the amendment.

Commissioner Thomas said she fully supports this and added congratulations to Inspections Director Evans and staff for getting it done. Inspections Director Evans said it was a Town effort. He said they did do the items in the mediation agreement, but also added a lot of other improvements. Mayor Pro Tem Myers added his congratulations. He thinks it is a great accomplishment. Mayor Holden thanked the property owners who created rental activity to pay for this. Otherwise, the taxpayers would have needed to pay for it.

The motion was approved unanimously.

CLOSED SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTE 143-318.11(A)(6), TO CONSIDER THE QUALIFICATIONS OF PROSPECTIVE EMPLOYEES

Town Clerk Finnell read the reason to enter closed session.

Motion by Commissioner Thomas to go into Closed Session at 6:31 p.m.; second by Mayor Pro Tem Myers; approved by unanimous vote.

OPEN SESSION

The Board went back into Open Session at 8:25 p.m.

ADJOURNMENT

Motion to adjourn by Commissioner Smith at 8:25 p.m.; second by Commissioner Thomas; approved unanimously.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk