



**TOWN OF HOLDEN BEACH  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
TUESDAY, AUGUST 20, 2024 – 5:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday, August 20, 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; Inspections Director Tim Evans; Police Chief Jeremy Dixon; Finance Officer Daniel McRaine; and Attorney Sydnee Moore.

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

**PLEDGE OF ALLEGIANCE**

**AGENDA APPROVAL**

*Motion by Commissioner Smith to approve the agenda as written; second by Commissioner Paarfus; approved by unanimous vote.*

**CONFLICTS-OF-INTEREST CHECK**

No conflicts were disclosed.

**APPROVAL OF MINUTES**

*Motion by Commissioner Smith to approve all three, our special meetings on June 7<sup>th</sup> and 12<sup>th</sup> (2024), as well as our last regular meeting on June 18<sup>th</sup> (2024); second by Commissioner Paarfus; approved by unanimous vote.*

**PUBLIC COMMENTS ON AGENDA ITEMS**

Chad Hock said the Town has put together a strong plan and asked the Board to approve the Stormwater Plan. He also spoke on behalf of the HB West POA and asked the Board to approve the plan.

Jim Bauer provided the Board with a picture of a Town-owned pump being used after Hurricane Debby and provided details on pumping water after the storm. He suggested methods on how to use the pumps for stormwater management moving forward.

Sylvia Pate encouraged the Board to accept the resolution to move forward with the Stormwater Plan. She also suggested looking into a more comprehensive plan as the Town moves forward.

Karen Toombs urged the Board to adopt the Stormwater Master Plan. She also asked the Town to use the pump in her area to help with their concerns.

Jim Toombs agreed with his wife and urged the Board to adopt the plan and implement it as soon as possible.

## **WARD AND SMITH LEGISLATIVE UPDATE**

Town Manager Hewett introduced Mike McIntyre from Ward and Smith and Roger Gwinn from the Ferguson Group. Stephanie Missert joined on the telephone.

Mr. McIntyre highlighted information from the monthly report. He said they were in Washington with Town Manager Hewett and Assistant Town Manager Ferguson in March and had a very active week working with our Congressional delegation and their staff. He said the Town continues to achieve remarkable success in the Federal appropriations process. Mr. McIntyre explained Representative Rouzer sponsored and submitted the Town's fiscal year 2025 appropriations request for Lockwood Folly Inlet Navigation Maintenance. Senator Tillis sponsored the request to continue the General Revaluation Report (GRR) under the Corps' Investigations budget. He provided information on the projects. The next step is to get support for the House Appropriations Committee and the Senate Appropriations Committee for both requests. The committees have advanced both requests. Subcommittees are then assigned to look at it in more detail. A lot of times subcommittees reduce the requested amount. The subcommittee did reduce the Lockwood Folly amount from \$1.5 million to \$655,000. The \$250,000 for the GRR was approved. Both requests are included in the fiscal year 2025 appropriation bills. The next step is for Congress to approve the bills. Mr. McIntyre provided a timeline for possible budget approval.

Mr. McIntyre provided information on dredge material disposal sites. The Water Resources Development Act (WRDA) includes a provision that was championed by Representative Rouzer. It allows non-federal entities to utilize a disposal site if certain conditions are met. He gave details on the provision. The WRDA bill includes a significant increase for the Corps' Section 5113 NC Environmental Infrastructure Authority, which provides grants to public entities in North Carolina for water resources projects, including but not limited to water, wastewater and stormwater infrastructure projects. There is \$13 million that has been there since 2007 that hasn't been used. In 2023, we asked for funding from that fund. \$100,000 was granted through an earmark request for the Town. That was just enough money to put together a Stormwater Plan and that the Corps would understand what the need is and be in the position to sign a Partnership Project Agreement (PPA). They worked with Representative Rouzer. The authorized amount has been increased to \$50 million. They are thrilled the amount is in the bill because of the needs of Holden Beach. The Town can't be designated by name, it is a competitive bid process, but the Town is in a good position. Mr. Gwinn and Mr. McIntyre talked about moving forward.

Commissioner Thomas asked the timeline the Town would need to follow to start the grant process for stormwater. Town Manager Hewett said it has been as soon as yesterday, where they have been in contact with Senator Budd's office. They were asking for more information so they could accommodate the request. Mr. Gwinn said they would work with staff in September to start the process of additional discussions about specifics.

Commissioner Paarfus asked if there would still be a tipping fee when placing spoil material. Town Manager Hewett said that is done on a case-by-case basis. Historically, when we used the Corps' spoil sites, there was a tipping fee. There is another aspect that is unique to Holden Beach. The legislation is written specific to the Corps' designated spoil sites. We have a Town spoil site that is in the Corps' easement. We want to get access to the Corps' sites and we want the constraint for using the Town site to be lifted.

### **POLICE REPORT – POLICE CHIEF DIXON**

- Reviewed the report. It includes two months since we missed the meeting last month.

Commissioner Smith asked if we had luck finding a detective. Chief Dixon replied no and he had an officer put in his two weeks' notice. With the vacant detective position, the Police Department will have three vacancies.

- Public schools start next week. Will start seeing buses on the road. Allow for extra time and watch out for kids.

### **INSPECTIONS DEPARTMENT REPORT – INSPECTIONS DIRECTOR EVANS**

- Included two months reports. Reviewed the information. There is a steady stream of work.

Commissioner Smith asked if they have seen a slowdown in people applying for permits. Inspections Director Evans responded that it is hard to judge at this time of the year, homes are being rented. He said they see a surge in new construction and remodels around the holidays. They will have a better idea of how we are doing in the housing market between September - December.

### **FINANCE DEPARTMENT REPORT – FINANCE OFFICER MCRAINEY**

- In June, the expense line for the General Fund looks inflated. That is because all the end of year transfers.
- In July everything is tracking pretty true.
- Speaking with the Audit Committee, there was interest in revamping the report. Commissioner Paarfus would like to see running totals for the year. He suggested running an example of that. Mayor Pro Tem Myers said he thinks the Audit Committee is working with Finance Officer McRaney. He provided information on what they have been working on.

## TOWN MANAGER'S REPORT – TOWN MANAGER HEWETT

- Lift Station 2 Upfit Status – We did not have a sufficient number of bids to proceed with the project for the first round. The second round is due August 22<sup>nd</sup>. We are optimistic it will be a favorable bid climate so we do not need to entertain any type of financing scenario. We have tried to position ourselves so that we might be able to do that should the circumstances require financing. If required and desired, the Board would need to take action on August 26<sup>th</sup> to meet the LGC October calendar. At the September meeting, the Board could move forward with making a contract award with the construction timeframe beginning in October/November.
- FEMA and NC Department of Public Safety Guidance –the guidance up until last week was in the event with a federal declaration 75% of all qualifying damages would be reimbursed through FEMA to the Town through the NC Department of Public Safety, with the remaining 25% maybe being reimbursed by North Carolina. Further clarification on that guidance is that there will be no disaster funding made for non-operational facilities and for any damages reimbursed, we would have to prove it with maintenance records for the operational facilities we claim damage on. As of August 14<sup>th</sup>, FEMA has stated that they are out of money and will need a supplemental appropriation of \$9 billion. Is informed that is a recurring process.
- Pier Request for Proposals (RFQ) – a request for proposals was tasked in May. We cannot do that, but we can develop a RFQ and have the Board entertain entering into a contractual agreement for the elements of work contained in the Pier Development Plan that was previously approved by the Board. The selection of the firms would be subject to the Board's approval and have to be made on the qualifications of the firm and not the price. Price is taken into consideration at the next step when the Board would enter into negotiations for the contract. Moving forward was discussed. A draft of the RFQ should be provided in the September meeting packets. Staff has talked to our bond counsel and financial advisors regarding a public/private partnership. In order to approach the Local Government Commission, we will need to know if we are going to rebuild or repair.
- 329.5 OBW Walkway – construction is complete. It is officially open with the exception of the beach mats.
- Canal Dredging – we are going to need to update our permits at the end of December. That is initiated and underway.
- Town-Owned Spoil Site at the Northeast End of Scotch Bonnet – the spoil area is not a Corps' spoil site that Mr. McIntyre is talking about. It does lie within the easement of the Corps. We have asked them to reconstitute our ability to use that site for Public Works' bulk storage and those kinds of things. We have been denied the ability to use it as a dog park again. We have received tentative approval so Public Works can use it. It is subject to a final review. We also have approval so the top of the levy can be used as a walking track so we can maintain that. This is an item of attention so we can gain unfettered use of that property and put spoils in it for future use.
- Block Q Bathroom – we have an economical, atypical stormwater solution in hand. Internal review of that is underway and we should have more information on what the final solution might be at the next meeting.
- Avenue E – our permit is in hand for ADA compliant parking, public and emergency access and restroom facilities. A request for proposals has been rough drafted. The intent is to have construction take place through the fall and winter.
- 114 Quinton Access and Restroom Facility – everything has been done. All ADA requirements are complete. We have a certificate of occupancy and are on the cusp of opening it up.

- 801 OBW Emergency and Public Access – we have decided what has initially been scoped was overkill. The refinement that has been made and the permit that has been applied for is to basically rebuild the walkway that was there before. We will keep the emergency access as uncompacted soil. That CAMA permit has been applied for. Once we get it, it is straightforward from there.
- 796 OBW – there is continued interest in the property. Assistant Town Manager Ferguson did a showing today. The current bid stands at \$520,000. The upset bids for the next evolution are due at 5:00 p.m. on August 26<sup>th</sup>.
- The note is paid on the EOC.

Commissioner Paarfus asked if the Town needs to start looking into requesting an extension on the deadline to complete the ADA bathrooms. Town Manager Hewett replied no, we are going to push as hard as we can to get it done. Inspections Director Evans is in close contact with Martha Myers to make sure she is apprised of the status. Commissioner Thomas asked for an update on the status of items after the next quarterly meeting.

Commissioner Paarfus asked if the Town needs to look at asking for an extension for the pump station #2 grant due to the difficulty we have had in awarding a contract. Assistant Town Manager Ferguson responded last year when the contract wasn't awarded, the EPA granted us an alternate date in the workplan so they have already allowed us to move it. We can ask, but they may not grant it.

## **DISCUSSION AND POSSIBLE SELECTION OF MEMBERS TO SERVE ON TOWN BOARDS**

Ray Edwards was selected to serve on the Parks & Recreation Advisory Board. Votes were as follows Jim Bauer – Mayor Pro Tem Myers and Commissioner Thomas, Ray Edwards – Commissioners Smith and Dyer, Randy Ballard – Commissioner Paarfus. Tiebreak vote – Ray Edwards – Commissioners Smith, Dyer and Paarfus, Jim Bauer – Mayor Pro Tem Myers and Tracey Thomas.

Ashley Royal, Kate Day, Chad Hock and Maria Surprise were selected to serve as Regular Members on the Planning & Zoning Board. Ashley Royal – Mayor Pro Tem Myers and Commissioners Smith, Thomas, Dyer and Paarfus, Kate Day – Mayor Pro Tem Myers and Commissioners Thomas and Paarfus, Chad Hock – Mayor Pro Tem Myers and Commissioners Thomas and Paarfus, Maria Surprise – Mayor Pro Tem Myers and Commissioners Thomas and Paarfus, Pete Pallas – Commissioners Smith and Dyer, Wade Coleman – Commissioners Smith and Dyer, Sylvia Pate – Commissioners Smith and Dyer.

The Board recessed from 6:26 p.m. – 6:31 p.m.

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

Mark Francis and Pete Pallas were selected to serve as Alternate Members on the Planning & Zoning Board. Votes were as follows – Pete Pallas – Mayor Pro Tem Myers and Commissioner Thomas, Mark Francis – Mayor Pro Tem Myers and Commissioners Smith, Thomas and Paarfus, Sylvia Pate – Commissioners Smith and Dyer, Wade Coleman – Commissioners Dyer and Paarfus. Tiebreak vote –

Sylvia Pate – Commissioners Smith and Dyer, Pete Pallas – Mayor Pro Tem Myers and Commissioner Thomas, Wade Coleman – Commissioner Paarfus. Tiebreak vote – Pete Pallas – Mayor Pro Tem Myers and Commissioners Thomas and Paarfus, Sylvia Pate – Commissioners Smith and Dyer.

## **DISCUSSION AND POSSIBLE ACTION ON RESOLUTION 24-07, RESOLUTION ADOPTING A STORMWATER MASTER PLAN FOR THE TOWN OF HOLDEN BEACH**

Town Manager Hewett provided background. This is a reconnaissance level, strategic plan that attempts to establish a framework which will allow projects to be fully developed, funded and constructed. It is not the final solution. In all likelihood, it will need to be refined and amended in order to optimize the tangible results townwide. It all depends on funding and would be subject to the annual budgeting process which is controlled by the Board. This is a classic planning, programming and budget exercise geared toward being the prima facie evidence needed to acquire federal and state money to fund it. Without it, you are on your own. Its adoption is not going to fix mosquito problems next week. This will be a long-term endeavor that will enable the succinct identification of projects to be taken down in bite sized chunks. The Town joined the American Flood Coalition last year. It is a formal outreach organization looking to deal with stormwater and coastal flooding issues. As briefed tonight there is \$13 million in the Corps' budget that is administered by the Wilmington District that we have our eyes on as the initial pool of money to draw from. The PPA is in development by the Wilmington District and should be coming our way soon for the Board's consideration. The ante has been upped to \$50 million by Congress. There has been a \$60 million nationwide funding appropriation made. Senator Budd's office has communicated with us on our needs. We are positioned to be first in line. Town Manager Hewett said based on conversations he has been privy to during the most recent storm, others have interest in this, Brunswick County specifically. He reminded the Board, although we are talking about the federal calendar, the NC General Assembly convenes January 15<sup>th</sup>. The approval of this plan will allow us to move forward on all of the fronts with strategic level, scoped projects that we can refine as we move forward on an annual basis.

Commissioner Smith said it is hard to ask for money if we don't have a plan.

*Motion by Commissioner Smith to approve Resolution 24-07, to adopt the McGill Stormwater Plan; second by Commissioner Dyer.*

Commissioner Paarfus stated he thinks it is important to move forward so we can get our hat in the ring for funding. He knows there are some design concerns with his colleagues but that can be knocked out if we start moving quickly. His understanding is the design criteria is for two-year and ten-year rain events of 24 hours duration. The stormwater plans are not aimed at solving the problems of a tropical storm or hurricane. He said it is a great first step, but is not the end of it. It doesn't address all the problems on the island. There is more work we need to undertake. Mayor Pro Tem Myers agreed the Board needs to support the resolution. We need to do something about the stormwater and take advantage of the money and we need a plan to move forward. He wants to make sure we have the flexibility to improve the plan before we commit to it. He suggested tweaking the plan over the next couple of months to get the items in there that need to be in there. He said as an example, he thinks we are missing east of Dunescape and the canals. He doesn't think Davis Street needs to be in there. The Town can just budget money and do it. Mayor Pro Tem Myers said we want to focus on the high



priorities and the right projects to do. Town Manager Hewett explained the Board would need to do that through the annual budgeting process. There are four major projects, all of those are along Ocean Boulevard. The primary selection measure on that was everyone has to go down Ocean Boulevard. The Board will have the flexibility to control and prioritize the projects. Commissioner Thomas said she supports it. She said Davis and Carolina were dry during this rain event. She asked if it will be project by project when the Town moves forward with the grant. Town Manager Hewett said the intent is to carry it forward for the whole amount, as much as we can get. To add to it, the Board will need to engage with McGill and amend the plan.

*The motion passed by unanimous vote.*

Mayor Pro Tem Myers mentioned areas he would like to be looked at to be added to the plan.

### **DISCUSSION AND POSSIBLE ACTION ON AMENDING TOWN ORDINANCE §94.06 PLACING OBSTRUCTIONS ON THE BEACH**

Mayor Pro Tem Myers said at the last meeting, Chief Dixon and Chief Todd discussed the problems they were having to get onto the strand and traveling down the strand due to beach equipment getting in the way. We have ordinance 94.06 to address obstructions and equipment. He provided details in the ordinance. There is nothing that deals with blocking emergency vehicle accessways. He is proposing adding a new clause that prohibits beach equipment from blocking emergency accessways. Commissioner Thomas reviewed the minutes from the last meeting and explained the proposed change would keep people from blocking the accessways. There is already an ordinance that says they should be 10 feet from the dune vegetation so that would be their access to go down the beach. After discussion, the Board did not move forward with making any changes at this time. More research needs to be done. The need for additional accesses was also discussed.

### **PUBLIC COMMENTS ON GENERAL ITEMS**

Rick McInturf talked about the summer concerts. He said it is not too early to move towards a permanent concert venue for next summer.

David Bond asked the Board to talk to Representative Charlie Miller to get an appropriation to build a new pier.

### **MAYOR'S COMMENTS**

- Concerned about the drownings up and down the North Carolina coast in recent weeks. Holden Beach has been fortunate. We have had some emergencies that have been addressed. Thank goodness nobody has lost their lives. Those of us that have pulled dead bodies out of the ocean before, have seen bad things before, we know what it is like. Once you see those kinds of things, you don't forget them. It is a serious concern. Please watch your neighbors in the ocean and be mindful of children.
- Storms – we have had our share of thunderstorms. We have also had the near misses with tropical storms. Knows there will be more activity. Begged people to make their plans and preparations. Pay attention to the announcements. Really happy with the communications

across the news world and weather predictions. They are unbelievably good and accurate now, though not perfect. Doesn't think the beach has ever been better to be prepared. Homeowners be mindful of the rising water we are experiencing this week. Has always said if can get to October 15<sup>th</sup> and there is not one immediately on the horizon we have made it. It is a long time until then so pay attention. Thinks the Town is prepared with our plans and actions. Been talking to staff regarding Tsunami plans. Be aware that the Town will be involved with moving along with a plan that conforms with the North Carolina and county plan.

- Doesn't remember comments being so positive about the appearance of Holden Beach, the homes, the streets, the rights-of-way and the garden at the entrance to our island. Thanked the property owners and all those responsible for having apart in that. It is nice to hear people coming from surrounding communities that are commenting on how beautiful Holden Beach looks.

## **BOARD OF COMMISSIONERS' COMMENTS**

### **Mayor Pro Tem Myers**

- Thanked everyone for attending, either physically in this room or virtually.
- Please don't hesitate to reach out if you have comments or suggestions. Wants to hear from you.

### **Commissioner Smith**

- This has been a great summer. Couldn't have been without the help of our Police staff, our maintenance team, Inspections Director Evans and his staff, Assistant Town Manager Ferguson and her staff. The rest of the staff keeps everything moving along smoothly and it is appreciated.
- There are golf carts going up the road that are going near 40 MPH. It is a dangerous situation, whether they have seatbelts or not. Thinks people are starting to get the hint about using the bike paths correctly. Thinks the signs in the beginning of the summer worked a bunch.
- School has started. When the stop sign comes out, stop. Be careful.
- Thanked all the people on our Parks and Recreation Advisory Board that have put in countless hours in the past.
- Labor Day is coming. The island will be packed. Please be patient with our visitors, with the golf carts. We all want everyone to have a safe and enjoyable Labor Day weekend.

### **Commissioner Thomas**

- Pulled out our list of objectives. Commended everyone, we are making great progress on the things we prioritized. The number one thing was completing the ADA compliance. We are making great progress on that thanks to Inspections Director Evans and the staff. The number three item was the sewer station upgrade. We are moving forward on that. We have the grants in hand. Hopefully this week we will get a bid in that we can move forward with. Number five was the stormwater study implementation plan. We talked about that tonight and adopted the plan. Number six was the ADA bathrooms for Block Q. We have the stormwater plan for that. Number 10 was 796 OBW. The first bid came in at \$345,000, now we are up to \$520,000. There are a few thing we will hopefully be able to bring that we haven't talked about like the fire station and audio video improvements. The staff is doing a great job and we are making progress on our top 10 priorities. Thanked everyone for that.



#### Commissioner Dyer

- Thanked Mr. McIntyre and Mr. Gwinn for the report Ward and Smith gave the Board. It shows how hard their staff and our staff have been working. We have a plan in place and are ahead of a lot of people. Also thanked them for all of the compliments they gave us on our beach. It is a good compliment on everyone's hard work.
- Thanked Assistant Town Manager Ferguson, the Police Department and the Public Works Department and everyone involved with the concerts. Received numerous compliments on our concerts. People are really enjoying them. Have heard comments from as far as Ash.
- Rip Currents – it is frightful to see the children and all the people distracted on the beach. There are all kinds of announcements on rip currents and it is frightful that people just don't get it. It is the week after a tropical storm and there are children out boogie boarding right next to a rip current. Please be aware of the rip currents. If you don't know there is a warning, just assume there is one.
- Lots of complaints on social media about the trash on the beach. You can put 15 trash cans out there and they will be full. Keeps bags in her beach bag. On July 4<sup>th</sup>, picked up six bags of trash at her access near the trash. Asked people to take a bag and take your trash with you. If the can is not full, she will put it in there. It will make the beach cleaner.
- Have a safe Labor Day.

#### Commissioner Paarfus

- Gave a big thanks to staff, particularly Public Works for keeping everything working while Debby was visiting. That's a job well done.
- Seeing people with charcoal fires under the house. Houses burn in threes around here. Would like to suggest people start thinking about what might be a reasonable approach to get the word out, perhaps the rental companies could help. Intention is to put this on the agenda next month. Think about what to do to get the word out.
- Thanked everybody who has attended or is online. It is important to participate and to communicate.

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

*Motion by Commissioner Smith to go into Closed Session at 7:24 p.m.; second by Commissioner Thomas.*

Town Clerk Finnell read the reason for Closed Session.

#### **OPEN SESSION**

The Board went back into Open Session at 8:50 p.m.

## ADJOURNMENT

*Motion to adjourn by Commissioner Thomas at 8:50 p.m.; second by Commissioner Paarfus approved by unanimous vote.*

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J. Alan Holden, Mayor

ATTEST:

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Heather Finnell, Town Clerk