



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
PUBLIC HEARING/REGULAR MEETING
TUESDAY, JANUARY 19, 2021 – 5:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Public Hearing/Regular Meeting on Tuesday, January 19, 2021 at 5:00 p.m. in the Town Hall Public Assembly. Present were Mayor Pro Tem Gerald Brown; Commissioners Woody Tyner, Brian Murdock, Mike Sullivan and Pat Kwiatkowski; Town Manager David W. Hewett; Town Clerk Heather Finnell; Inspections Director Tim Evans; Assistant Town Manager Christy Ferguson; Police Chief Jeremy Dixon; and Town Attorney Noel Fox. Mayor Holden was unable to attend the meeting. The meeting was streamed on the Town's Facebook page and an opportunity for public comments was provided prior to the meeting due to the restrictions in place for COVID-19.

PUBLIC HEARING: ORDINANCE 21-01 (FORMERLY 20-17), AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES, SECTION 94.03: FRONTAL DUNE POLICY AND REGULATIONS

Inspections Director Evans provided background on the proposed change. When the Town's frontal dune is different than CAMA's and CAMA's is further out, then you can go up to fifty feet on the other side on the toe of our frontal dune and have a pool. Mayor Pro Tem Brown inquired if someone on the oceanfront with a pool under the house could move the pool and build a larger deck under this proposed ordinance. Inspections Director Evans provided different scenarios on what could be done. Commissioner Sullivan asked if Inspections Director Evans has any concerns that placing pools between the two dunes will weaken the dune structure. Inspections Director Evans replied they require a letter from an engineer stating that the pool will not be a hazard to the properties on either side and it won't be a detriment to the existing dune system. Commissioner Tyner asked if they would need to build a walkway over the dune in that example. Inspections Director Evans answered that you are allowed to have a walkway to the toe of it and you can have a walkway all the way to the CAMA dune. They aren't allowed to damage a dune. The sand that is removed for the pool could be used to shore up the dune that is already out there as long as it is not taken offsite.

No comments were submitted by the public.

Motion by Commissioner Tyner to close the Public Hearing at 5:14 p.m.; second by Commissioner Murdock; approved by unanimous vote.

REGULAR MEETING

Mayor Pro Tem Brown asked for a moment of silence and asked everyone to keep Mayor Holden in their prayers to help him recover from COVID-19. He called the meeting to order.

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

Motion by Commissioner Tyner to approve the agenda as presented; second by Commissioner Kwiatkowski; approved by unanimous vote.

APPROVAL OF MINUTES

Motion by Commissioner Sullivan to approve the minutes (Public Hearing/Regular Meeting of December 15, 2020); second by Commissioner Tyner; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA/GENERAL ITEMS

No comments were submitted.

UNCW PRESENTATIONS – INLET INDUCED SHORELINE CHANGES AND DUNE VEGETATION CHARACTERISTICS (DR. SHERI SHIFLETT) AND BASELINE MONITORING (DR. JONI BACKSTROM)

Assistant Town Manager Ferguson provided background on the studies and introduced Dr. Shiftlett and Dr. Backstrom. Dr. Shiftlett reviewed her findings (hereby incorporated into the minutes). Her conclusions included that the Town should consider planting some additional species; the east end is an area to focus on; and the east reach needs additional efforts. She also suggested looking at the several areas of notable bare patches.

Commissioner Kwiatkowski asked if soil testing could be done to see if some of the bare spots are from overwash/salinity. She asked if there are alternatives that have a higher tolerance for high salinity if that were the case. Dr. Shiftlett replied you could compare those areas to non-bare areas to see if there is a difference. She said you could then look at species that would tolerate the soil. Commissioner Tyner asked if she compared us to other islands. Dr. Shiftlett said she is in the process of looking at Masonboro. They also have collected some post-hurricane data from Holden Beach.

Dr. Backstrom presented his study information on the inlets (hereby incorporated into the minutes). The Shallotte Inlet has been relatively stable. As the ebb channel changes orientation it has major impacts on the adjacent shoulders. Dr. Backstrom said when the main ebb channel is orientated towards Holden Beach, it tends to be accretional along the western area of Holden Beach. When the ebb channel is orientated in the southerly direction it tends to be accretional on both islands. When it is oriented southwest, we start to see some erosion taking place. The Lockwood Folly Inlet is in an overall stable position, though the midpoint has shifted 150 miles to the east since 1938. When the

main ebb channel is oriented southeast, we have erosion along the eastern side of Holden Beach. When the main channel is oriented south the erosion stops.

Commissioner Tyner asked if dredging has an impact on the inlet. Dr. Backstrom explained it is unlikely that it would have a major influence on the ebb channel here. Dr. Backstrom and Dr. Shiftlett reviewed the information that they will provide to the Town as part of their research. Commissioner Sullivan said if he heard correctly, it is Dr. Backstrom's professional opinion that the accretion on the east end is more the result of the flow of the inlet rather than the stabilization efforts we take by putting sand on the beach almost every other year. Town Manager Hewett added that the Town's nourishment efforts stop at Blockade. The Corps' dredge projects end at Blockade Runner, coming from the east, starting at about Amazing Grace. Every other year, the Corps is placing 100,000 – 200,000 cubic yards primarily from the inlet crossing and waterway. Dr. Backstrom said it is great to put it there, but he can't tell which is more dominant. Assuming from what they see, the influence of the inlet is significant. Commissioner Kwiatkowski asked if there is anything in the data that suggests we need to be doubling our inlet hazard area at each inlet. Dr. Backstrom said he thinks Dr. Cleary is probably talking about one kilometer from the inlet is probably where they are seeing the major changes. That is probably a place you would want to avoid any hard structures, infrastructure or anything that may become in peril, especially right near the water. If you are inside the dunes or places like that you are probably okay. Dr. Backstrom said he doesn't have all the data to base an answer on what the hazard area should be. Dr. Shiftless provided information on old topo maps she reviewed during her research.

POLICE REPORT – CHIEF DIXON

Chief Dixon said we made it through Christmas and New Year's. We recently swore in a new officer, Preston Conley. He will spend the next eight – twelve weeks in their field training program.

DISCUSSION AND POSSIBLE ACTION ON ORDINANCE 21-01 (FORMERLY ORDINANCE 20-17) AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES, SECTION 94.03: FRONTAL DUNE POLICY AND REGULATIONS

Inspections Director Evans explained this is the ordinance we presented at the last meeting and we just held the public hearing on. The Board can discuss it and then take action at the next meeting.

Motion by Commissioner Kwiatkowski that we put this on the February agenda for approval of this ordinance; second by Commissioner Tyner.

Commissioner Murdock inquired if the Board needs to approve this before then. Inspections Director Evans explained it is up to the Board, but he thinks it will be fine until the next meeting.

The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE SCHEDULING OF A DATE TO HOLD A PUBLIC HEARING ON ORDINANCE 21-02 (FORMERLY ORDINANCE 20-18), AN ORDINANCE AMENDING THE HOLDEN BEACH CODE OF ORDINANCES, SECTION 157.006: DEFINITIONS (HEIGHT MEASURING POINT)

Inspections Director Evans explained this item is to set the public hearing. We do have a consistency statement that was written by staff. The Planning & Zoning Board scheduled a meeting but did not have a quorum. It is adding an exemption into the height measuring point to allow those structures located in an X zone to be able to build to the same standards as those in A or V zones based on height restrictions. He provided background on the proposed change. If you choose to use this exception, you will gain four extra feet, but you will lose the ability to do anything under the structure, other than parking and storage. Commissioner Tyner asked if the Town has a lot of land in the X zone. Inspections Director Evans replied yes. He explained current impacts of building in X zones. Commissioner Sullivan asked if the four feet will allow more homes to be built that are three stories. Inspections Director Evans answered that X zones can already have three stories because they can build on the ground. It would be harder if you take the exception.

Motion by Commissioner Tyner that we put this on the agenda for a public hearing at our February meeting prior to the regular meeting; second by Commissioner Murdock; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON LAND USE PLAN

Inspections Director Evans explained once we do this, we will have a comprehensive Land Use Plan that will meet all 7b requirements under state guidelines. It will also help us meet the statutory requirements under 160d. He provided information on the process.

Motion by Commissioner Kwiatkowski that the Board of Commissioners adopt the new Land Use Plan as was presented with changes a couple of months ago; second by Commissioner Sullivan; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON PARKS & RECREATION MASTER PLAN RESPONSES

Assistant Town Manager Ferguson said we need to update our current Parks & Recreation Plan. She explained the solicitation process. She said staff recommends the update be awarded to McGill. Commissioner Sullivan asked what made McGill stand out from the other firms. Assistant Town Manager Ferguson responded that they had a better understanding and are currently working with the county on their update. They have technologies in place to host meetings during COVID-19. Also, their PARTF response outnumbered the other companies.

Motion by Commissioner Tyner that we select McGill and Company to help with the Town of Holden Beach Parks and Rec Master Plan and authorize the town manager to negotiate within his bounds; second by Commissioner Sullivan; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON LEGAL SERVICES PROPOSALS

Town Clerk Finnell said as directed, staff solicited for attorneys and received four responses. Commissioner Kwiatkowski explained the process from last time. She thinks it is best if the whole Board is involved in the interview process. After discussion, the Board agreed to eliminate the firm in Chapel Hill and to interview the other firms. They will get their availability to Town Clerk Finnell.

DISCUSSION AND ELECTION OF CHAIRMAN TO THE AUDIT COMMITTEE/SELECTION OF AUDIT COMMITTEE MEMBERS

Commissioner Kwiatkowski proposed that Commissioner Tyner's term be extended. Commissioner Tyner is willing to continue serving. Commissioner Sullivan said he has attended meetings and has confidence in the current members. He suggested they be reappointed for another term.

Motion by Commissioner Sullivan to have Commissioner Tyner remain as the chairman and the current members remain to serve another term on the Audit Committee; second by Commissioner Kwiatkowski; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON REVISITING THE HOLDEN BEACH CODE OF ORDINANCES, CHAPTER 50: SOLID WASTE

Commissioner Sullivan explained the background of the current trash ordinance. Since there are no rules on the timing of putting your cans out, the Town has hundreds of trash cans on Ocean Boulevard that can be there for two – ten days. He said in the ordinance that was replaced they had made accommodations for people who don't rent and put their trash out on a Sunday. In the offseason you could have your trash out 48 hours before pickup. He has never lived in a place that doesn't have a rule about when you have to put your trash out and take it back in. Commissioner Sullivan said if you look at the plan that had been put in place, it was a reasonable expectation of what people should do to keep this Town attractive. He said the ordinance had a six-month educational period before fines would be issued. He said they made a mistake, they tried to allow people to use a recycling can in place of the can the ordinance calls for depending on the size of your house. He said all that did was cause confusion. Commissioner Sullivan said at the very least that should be changed. He said it makes no sense to pay approximately \$55,000 a year to rollback trash cans if there is still going to be a couple hundred cans at the street. Commissioner Kwiatkowski added that the ordinance that had passed had designated rollback of all bins so they would be off the street. There was pushback that the trash would be under the house stinking. One of the major objectives was to get the cans off the street, on Saturday in particular. Obviously, that has not been achieved. Commissioner Kwiatkowski said that is not an unreasonable expectation, especially if safety and health are the objectives. She found the Emerald Isle example that is in the packet. In Emerald Isle, they specify times you can roll out your trash and they have a statement that rollout responsibility is the property owners'. They do rollback. They specify a distance, which she feels is appropriate. They seem to be doing what the Town's intent was. She said she was hoping to get public comment today. Commissioner Kwiatkowski would like to give another month for the public to comment. She agreed with Commissioner Sullivan that having hundreds of cans out is not a good thing and that it was a mistake to allow recycling to replace one of the required trash cans.

Commissioner Tyner agrees that seeing two hundred cans on the boulevard doesn't look good. He suggested that if the Board is going to make a change, he would like Commissioner Sullivan or Kwiatkowski to bring the exact change they would like the Board to vote on to the next meeting for discussion. He added the Board could then give the public 30 days to comment on the proposed change. The Board talked about what was in the packets and the proposed changes. Corrals were also discussed.

Commissioner Kwiatkowski said they will bring back the proposed ordinance to the next meeting. She asked for people to comment.

UPDATE ON THE PARKING COMMITTEE MEETING OF JANUARY 8, 2021

Commissioner Tyner summarized the first meeting of the parking committee. The committee agreed to four tasks. The tasks were to develop the costs and work estimates and estimate the number of potential spots that would result from building a bulkhead in the 800 block; develop costs and work estimates and estimate the number of potential spots utilizing the two cross-through streets between Ocean Boulevard West and Brunswick Avenue West; develop the cost and work estimates and estimate the number of potential spots by creating angled parking spots on Avenue A; and investigate the potential of using the space previously known as Hillside Drive where Ocean Boulevard East ends and McCray Street begins on the ocean side for potential spots. Meetings will be held on the first Friday of each month. At that time, staff will present their input on the items. Commissioner Murdock said he would appreciate as much input as possible from the public.

TOWN MANAGER'S REPORT

- Budget Report – The Water/Sewer Fund and the BPART Fund appear to be in the red, but they really aren't. We are on course for the revenues that are "like tax" collections (ad valorem, sewer capital and canal dredging fees). Major NC Distributed Revenues are up. Building Inspections continues to be strong. They are at 65% of budgeted revenues. We are seeing the continued manifestation of the "COVID Refugees" Syndrome. All of the revenues directly tied to occupancy tax are up. Water and sewer use charges are at 65% and occupancy tax is at 102%, even with the budget amendment adopted last month. That is at least \$100,000 greater than any other complete fiscal year before. Reviewed amounts per fund. We are about \$1 million ahead in the General Fund. The Water/Sewer Fund is in the red about \$653,000, as is BPART for about \$901,000. Canal dredging remains strong at \$235,000. The Water/Sewer and BPART are in the red, but they are really not. Those funds have interfund transfers and fund balances that have been appropriated. The lift station upgrade is \$1.5 million. We paid that up front. We only make fund balance recordations on the revenue side at the end of the year. We are ahead if you take that into consideration. We paid \$1.5 million of debt service on our special obligation bond in the BPART Fund, That doesn't reflect the interfund transfer offset from our Beach Capital Reserve Fund. The monthly budget to actual report is posted on the Town's website.
- Will be moving into budget season. Would like to possibly put it on the agenda for February to set up the budget calendar for the upcoming budget year.

- NCLM Legislative Agenda – The Town has been engaging with the NLCM to develop goals for the upcoming General Assembly’s legislative session. The result is there are 17 draft municipal goals that are being considered by the membership. The Town voted for the ten that are the Town’s goals. One in particular is to create a permanent and adequate funding stream for local infrastructure needs. We were able to get language included in this goal that specifically articulates beaches and parks. This effort has great potential for paying off for us in the long run, at least for getting beaches identified as infrastructure. That is critical to access the big dollars.
- Lockwood Folly Dredging – The Merritt has been here for three weeks. Included a survey for the Board to review with the progress made. After three weeks it looks like we have half of a channel to the inlet.
- Sand Fence Project Installation – well underway. Approximately 4,000 feet installed as of yesterday afternoon. They are moving from west to east and were at about Blockade Runner.
- Federal Work Plan – Last week he and Assistant Town Manager Ferguson held a next steps call with Ward and Smith regarding the Federal Coastal Storm Damage Study. Holden Beach is competing for a new study start as part of the Corps’ Fiscal Year 2021 Work Plan. The Wilmington District Corps has affirmed the Town is at the top of their priority list. Town staff is working with Ward and Smith to maintain formal contact with the Office of Management and Budget and the Corps to ensure that the continuity of the Town’s position is maintained through changes in federal administration. Ward & Smith reiterated that if the Town is included in the work plan, the Town would need to sign an agreement with the Corps committing the Town to participate in a study effort at a cost of \$1.5 million spread over three years. \$500,000 would need to be included in the Fiscal Year 2021 – 2022 budget. Right before this meeting, received a call from Bob Kistler, the program manager at the Corps. Holden Beach has been selected for initialization of a general revaluation report. It is number four on the Corps’ worklist and number one out of NC. Will have more specifics that he will provide to the Board as he gets it.
- Street Petition Status – Reached a majority for Seagull, however some of those need a wife or co-owner to sign. Haven’t had much from Deal and Canal. Street maintenance efforts will not be cost effective in the future without paving. It is an unrealistic service level expectation.
- Sewer Lift Station 3 – Has been in service over a month. Final inspection has been performed. There are some minor items to wrap-up. We are awaiting as-builts before a final certificate of occupancy is issued and the final bill is paid.
- System Development Fees – Draft review and discussion was held between staff and Raftelis last week. Should be on the March agenda.
- Canal Subdivision Dredging – The Scotch Bonnet site continues to improve. Seeing continued shrinkage of the material in the site. It was dry enough to plant and grow rye grass.
- FEMA – We are in the public notification stage for our Dorian project. That is required by FEMA before they issue project worksheets. If it is approved, it may be able to be included with the Florence/Michael Project.
- Parks & Rec Programs – Seems like more people are seeking outside activities. Bridgeview Park is bustling. Transient dock revenues are ahead of last year. Yoga has 100 more participants as of this time last year. Proceeding with the concert schedule in the hopes that the show can go on.

Commissioner Kwiatkowski asked about servicing dirt roads. Town Manager Hewett said Town maintained roads are normally responded to on a complaint basis.

Commissioner Murdock inquired on the timeframe to pave Seagull if the petition is affirmed. He said he is getting questions that he is unable to answer. Town Manager Hewett responded there are required public engagements, the plan needs to be developed, there is an assessment roll. He doesn't anticipate it will be done before Memorial Day. He was hoping they could dovetail the project with the paving of Brunswick Avenue, but we won't be able to get the administrative side done. He said we can do a public service announcement with information on the process. Stormwater concerns were a common theme when talking to people about the project. Any design for paving will need to have an engineered solution for stormwater.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Brown

- Hope for a peaceful transfer of power tomorrow.
- Would like to keep Mayor Holden in your prayers.
- Remain safe, keep the mask on, keep social distancing. Be thankful we live where we live.

Commissioner Murdock

- Encouraged everyone to stay safe.
- Thanked Town staff. There is a lot of work to do and we are pushing through it.
- Is not getting a lot of comments from the public. His decision to sit up here is to do the will of the community. We have things like parking, paving, trash and fees. Encouraged anyone with concerns to voice your opinions. Doesn't want to be held accountable for not doing what the community wants.
- Stay safe.
- Keep Mayor Holden in your prayers. We miss him up here.

Commissioner Kwiatkowski

- Thanks for listening.
- Echoed what Commissioner Murdock says. Anything that the Board is discussing, if you have something you would like to express, send it to Town Clerk Finnell before the meeting so the Board can discuss the comments and implement what the people want to see.

Commissioner Tyner

- Echoed what Commissioner Murdock said. We need the public's feedback and input. Would like to hear feedback on how things are going. We need input on trash and parking.
- Thanked staff for their efforts.
- Wished everyone a happy New Year.
- Keep Mayor Holden in your prayers.

Commissioner Sullivan

- Wished Mayor Holden the best and hopes he has a quick and full recovery. Hopes we all take the precautions necessary. Hopefully, we are at the light at the end of the tunnel and people will be vaccinated. Please take care of yourself and be kind and considerate to one another to limit the spread of this terrible sickness as much as we can.

- Thanked Town staff and also the people on the Land Use Plan Committee. It was a long, arduous endeavor. It takes a lot of time. A Town like this benefits greatly by the input of the people who live here. Thanked everyone on any committee and those who volunteer their time in any way.
- Happy New Year and be safe.

EXECUTIVE SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTE 143-318-11(A)(3), TO CONSULT WITH THE TOWN ATTORNEY

Town Clerk Finnell read the reason for Executive Session.

Motion by Commissioner Tyner that we go into Executive Session pursuant to North Carolina General Statute to consult with the Town attorney at 7:31 p.m.; second by Commissioner Kwiatkowski; approved by unanimous vote.

OPEN SESSION

The Board went back into Open Session at 7:53 p.m. No action was taken.

ADJOURNMENT

Motion to adjourn at 7:53 p.m. by Commissioner Tyner; second by Commissioner Murdock; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk