



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, FEBRUARY 15, 2022 – 5:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday, February 15, 2022 at 5:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Rick Smith; Commissioners Gerald Brown, Brian Murdock, Page Dyer and Pat Kwiatkowski; Town Manager David W. Hewett; Town Clerk Heather Finnell; Assistant Town Manager Christy Ferguson; Police Chief Jeremy Dixon; Lieutenant Frank Dilworth; and Town Attorney Rick Green.

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

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

Motion by Commissioner Kwiatkowski to add an update to the public on the LGC review of the financial package linked to the pier purchase after public comments (6a); second by Commissioner Murdock.

The Board unanimously agreed to approve the amended agenda.

APPROVAL OF MINUTES

Commissioner Kwiatkowski would like to add clarification on page 11, under her comments. She wanted to make sure it reflected that her comments were regarding the county commissioners and county staff. Town Clerk Finnell said she would listen to the minutes, but she doesn't believe that is what was said. She could note that in the minutes if it was said.

Motion by Mayor Pro Tem Smith to approve the minutes of the January 18th Board of Commissioners' meeting as presented; second by Commissioner Brown; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

Town Clerk Finnell said written comments were provided to the Board and placed on the website for the public's review.

Bob Bean talked about the shuttle pilot project. He inquired about the cost share and on the benefit of the transit project for the people on the island. He doesn't think the Town will see a measurable reduction in traffic. He suggested a Saturday trial.

Beverly Compton read a letter from the Brunos (previously supplied to the Board) regarding 796 OBW.

Mike Felmly is concerned with parking and the pier. He thinks people would support paid parking more if they knew what the end result would be. He recommended getting a community planning consultant to try and develop a strategy to keep the family beach.

Keith Smith would like the Town to implement the provision where if you park a certain number of times, it rolls over into a pass. He suggested that Otto doesn't police private property. He thinks there should be two free annual passes for homeowners.

Irvin Woods doesn't agree with 20 parking places on the one-way street on the east end. He thanked the Board for making the preliminary decision to remove it from the plan. He thinks overall the shuttle service is a good idea, but is opposed to stop #5. Mr. Woods talked about the pier. He appreciates the efforts the Board makes to try to do the right thing for the Town. He thanked the Board for the beach nourishment.

Jim Bauer said the parking plan is a disaster waiting to happen. He is concerned with access for the Fire Department's apparatus. He suggested the Town should make decisions based on if fire equipment/garbage trucks could access the streets when the parking plan is in place.

UPDATE TO THE PUBLIC ON THE (LOCAL GOVERNMENT COMMISSION) LGC REVIEW OF THE FINANCIAL PACKAGE LINKED TO THE PIER

Commissioner Kwiatkowski provided information on the finance application for the pier. She said a representative from the LGC notified the Town on January 19th that they had received numerous emails that were part of the public hearing and noted there were concerns expressed. At that point, they felt they should not put Holden Beach on the agenda in February. They would reevaluate the application for a March placement. It is still in the works to see if it can be on the March agenda.

Mayor Holden mentioned he received a copy of signatures that have been sent to Joe Futima. There are 700 signatures of support for the purchase of the pier.

DISCUSSION AND POSSIBLE ACTION ON THE BEACH SHUTTLE PILOT PROJECT

Town Manager Hewett explained in their annual goals, the Board has an item to specifically ask the county for help in establishing a shuttle service from the mainland. They have been working with the Grand Strand Area Transportation Study in order to investigate the potential for the service. He provided information from the Town's Land Use Plan. He introduced Jean Atkinson, Marketing/Mobility Director for the Brunswick Transit System (BTS).

Ms. Atkinson provided information on BTS. They are proposing using the existing vehicles they already have in their fleet and wrapping the vehicles with a beachy theme. They would add bicycle racks. BTS

would provide services for the fixed route at a fully allocated rate of \$52.66 per hour. She provided details on the calendar of services and the hours. She reviewed the proposed stops. The shuttle would run hourly.

Ms. Atkinson answered questions from the Board. They have a 15-passenger vehicle with wheelchair capacity and a 24-capacity vehicle. Ms. Atkinson said they will have a second vehicle if needed if the first one is full. Commissioner Kwiatkowski talked about her concerns with full shuttles at certain times and during bad weather and running a shuttle on Saturdays with the traffic. Ms. Atkinson stated the pilot would be about learning the feel of it. Commissioner Kwiatkowski said she knows Ocean Isle had some of the same concerns. They also had concerns dropping people where there aren't amenities, which is a concern for Holden Beach also. She stated it is a difficult program to see the benefit to the island. She is not sure the program is ready. Commissioner Dyer asked if the county is developing the parking lot on the mainland. Ms. Atkinson replied no. If the Town would like to develop it, it would need to be looked into. They have verbal permission from the county to use the property as a parking area. BTS has not asked them about turning it into a lot. It is already a flat, level area. Town Manager Hewett inquired if the local share of \$43,000 is the Town's responsibility or if part of that would be the county's responsibility. Ms. Atkinson said the county is not making a contribution, that is the Town's contribution. The Board discussed approaching the county to ask for their participation.

The Board agreed to wait, there isn't enough information tonight to make a commitment.

POLICE REPORT – CHIEF DIXON

- There is not a printed police report in the packets. They have been in the process of switching from Police Pak to Central Square. They did the integration in January. Next month the Board will have a report from the new program. Has been very impressed with the program. It will be a learning curve.

Commissioner Kwiatkowski thanked the Police Department for addressing contractor parking across the sidewalks. Chief Dixon responded they have tried to spend extra time on that recently. If you see it, call. They have seen a bit of a reduction as a result of their efforts. Commissioner Murdock asked for alternatives for contractors who are working on a home. Chief Dixon explained he was talking about parking on the sidewalk; side streets are different. When they encounter them on the sidewalk, they ask them to move. They can park on Ocean Boulevard; they just can't be on the pavement or sidewalk.

DISCUSSION AND POSSIBLE ACTION ON ITEMS NECESSARY TO PROCEED WITH PAID PARKING

Chief Dixon went over changes to the proposed ordinance and the Board discussed each change.

The definition for Park or Parking has been changed to reflect intended language.

The definition for Loading Zone was added.

The Board talked about the Public Right-of-Way definition. Attorney Green provided feedback on the use of the word unhindered in the definition.

Chief Dixon said there is the option of changing unhindered to unobstructed. There is also the option of using Kure Beach's definition that reads: a strip of land acquired for or dedicated to public transportation purposes over which is constructed a street or highway, and which includes areas adjacent thereto which may be used for, without limitations, sidewalks, planting strips, traffic circles, utilities, and/or medians.

The Board discussed the options.

The consensus of the Board is to use the Kure beach definition for Public Right-of-Way.

Chief Dixon went over the changes to §72.02(B). He said a proposal made after the document was put out was to add #8, from 2:00 a.m. to 5:00 a.m. in all public authorized parking areas except in the wildlife boat ramp and those at or adjacent to Jordan Boulevard. The Board discussed the proposal.

Motion by Commissioner Kwiatkowski to include this in the ordinance.

After discussion Commissioner Kwiatkowski amended her motion to (B)(8) as Chief Dixon will read be added to the working document that will come for Board approval at a subsequent session; second by Commissioner Murdock; approved by unanimous vote.

Chief Dixon read the proposed #8: From 2:00 a.m. to 5:00 a.m. in all public authorized parking areas except in the wildlife boat ramp and those at or adjacent to Jordan Boulevard. The Board agreed with the language.

Chief Dixon went over the changes to §72.02(D)(2) and (D)(9).

Chief Dixon reviewed the changes to §72.03. §72.03(B) Signage was discussed.

*The Board agreed to change the language under §72.03(B)(1) to Proper signage **may** be installed instead of **shall** as a result of Attorney Green's recommendation.*

Chief Dixon explained the changes to §72.04 Tow-Away Zones.

Mayor Holden wants the effective date blanked out.

Chief Dixon said he found several issues with the table. He reviewed the proposed changes.

Right-of-Way was changed to Authorized Parking Area. They added BT for boat trailer and HC for handicapped under designations.

Chief Dixon said Pump Station 3 (H2O) needs to be in lot. Town Manager Hewett recommended that all references to lots be removed and they be changed to addresses. The address for the pump station will be added to the chart. Commissioner Kwiatkowski said there were two handicap spots that are not reflected. She suggested adding that. There was no objection. Chief Dixon will confirm the numbers.

Chief Dixon reviewed further changes.

Davis Street should be 120 Davis Street.

Zones H41 and H44 were combined.

The language for Pump Station 1 was cleaned up.

The boat ramp was divided into two sections. Six spaces need to be moved to off-street.

The language for Quinton Street was cleaned up.

Halstead Street was removed based on the recommendations.

Chief Dixon explained his proposed changes for Ferry Street, Elizabeth Street and Ranger. The Board discussed how to handle these streets.

After discussion the Board agreed to keep Ranger and Elizabeth as they are set up currently per the residents' request.

Chief Dixon continued with the changes.

Mullet Street will read 220 Ocean Boulevard East. The spaces are designated in the right area.

Bendigo lot needs to come off, it is on street. The eight will be moved to the other column.

H64 should say both sides of street.

Mayor Holden called for a five-minute recess at 6:44 p.m. The Board reconvened at 6:51 p.m.

Chief Dixon explained why H64 was changed on the proposed ordinance.

The number of spaces for H70 was updated.

Avenue D is changed to on street and the 16 spots are moved to the other column.

Mayor Pro Tem Smith asked about Canal Street not being on the list. Town Manager Hewett explained on the north end of Canal Street there are privately owned parcels. If you allow parking there, it would encourage trespassing.

Mayor Pro Tem Smith asked about Cole Street. Chief Dixon provided information on Cole Street.

Mayor Holden said where the Board is at is that the clerk will get the changes to the attorney for his review and it will come before the Board for future consideration.

Motion by Commissioner Kwiatkowski that the Board approve Resolution 22-01 with the fee schedule as written on page 36; second by Commissioner Murdock.

Commissioner Kwiatkowski said at the last meeting there was discussion about talking to Otto about lowering rates. Otto has given their revenue estimate based on the lower fees and information about lowering the fees. Commissioner Murdock added that Otto added a transaction fee. Mr. Varner said they don't charge extra to the end customer, above the rates that the Town sets, which is \$3. The 30%, plus the \$0.49 per transaction is what Otto would retain. It would reduce the amount to the Town.

The motion passed by unanimous vote.

In regard to the contract, Commissioner Kwiatkowski, said she thinks it is best if Otto enforces the entire street system for consistency. She referred to Exhibit E and language that was crossed out. Mr. Varner explained that they made changes in response to the request that Otto only would be monitoring the designated areas. If the Board agrees that Otto will be doing everything, they will put that statement back in and enforce all the infractions as previously discussed. The Board discussed what Otto should enforce. Mr. Varner confirmed they would call the Police Department if they needed help. He reviewed what they would monitor. Who to call for violations was discussed. Mr. Varner will reinsert the language.

Commissioner Kwiatkowski asked about the year to date spend by license plate. Mr. Varner said if the Board approves that, the system will convert the permit to an annual permit. *The Board agreed.*

Mr. Varner will also adjust the statement of work based on the updated ordinance.

Mayor Pro Tem Smith inquired about having Otto Connect cooperate with the local golf cart companies as the Police Department does currently in order to notify them of tickets on their rentals so they have the ability to collect before people leave town. Mr. Varner said that is not in the Statement of Work. It would be more of a practice as they work with the local businesses, including the golf cart vendors. They will notify the companies to the extent that they can.

DISCUSSION AND POSSIBLE ACTION ON THE PARKS AND RECREATION ADVISORY BOARD'S (PRAB) RECOMMENDATIONS FOR 796 OCEAN BOULEVARD WEST

Assistant Town Manager Ferguson provided background information. John McEntire, chair, went through the PRAB's slideshow (hereby incorporated into the minutes). Mr. McEntire reviewed the options they considered and how they reached their findings. The options included: Option 1 - use the facility as it is, Option 2 - renovate the facility similar to Ocean Isle, Option 3 – a completely new structure, Option 4 – remove the structure and not build it back, use the space for parking and restroom and shower facilities and Option 5 – sell the property. The PRAB thought the best fit for the property was Option 2, assuming there are no community areas planned at the pier site. He went over the details of Option 2. Mr. McEntire went over potential costs and timing associated with the options.

Commissioner Kwiatkowski commented that the Town originally talked about using the upstairs as an office/break area. Mr. McEntire agreed that could be done, there just couldn't be public access because it wouldn't meet ADA requirements. Mayor Pro Tem Smith asked where people would park if there is a community center. Commissioner Kwiatkowski replied this was always linked to creating more 800-block parking. Mr. McEntire agreed the PRAB thought there is limited parking. He added you could

expect a minor contribution from rentals at the facility. Commissioner Kwiatkowski said parking is manageable with organization. Commissioner Murdock inquired about occupancy limits. Mr. McEntire was not sure.

Mayor Holden stated in the past, the Town put in place regulations on adding clubhouses in neighborhoods. He asked the town manager and attorney to look if we are violating our own ordinance. He is aware public facilities are allowed, but he would like that looked at. He said when the Town bought the property, a decision was made to save money by having that house there to make sure we are not in violation of the sound ordinance. Commissioner Kwiatkowski agreed it was purchased as a buffer for noise.

DISCUSSION AND POSSIBLE APPROVAL OF CONTRACT BETWEEN THE TOWN AND MARTIN STARNES AND ASSOCIATES FOR AUDIT SERVICES FOR FISCAL YEAR 2021 - 2002

Town Manager Hewett said at the December meeting, the Board received the Audit Committee's recommendation that the Town select Martin Starnes as the firm to conduct the audit for the fiscal year ending June 30th. Based on the recommendation, the Board directed the development of the annual audit contract with Martin Starnes. The attached contract represents what the Board would need to approve in order to select Martin Starnes as the audit firm.

Motion by Mayor Pro Tem Smith that we approve the fiscal year ending June 30, 2022 audit contract with Martin Starnes; second by Commissioner Brown; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON DEFINING BOARD OF COMMISSIONERS' OBJECTIVES FOR FISCAL YEAR 2022 - 2023

Commissioner Kwiatkowski explained the Board sets objectives every year. She explained the process. The objectives set for this year are in the packets. There will be a number of carryovers this year. She asked each member to pass their goals to Town Clerk Finnell. Town Manager Hewett said we will need to get the Board's calendars in conjunction with the process.

PUBLIC COMMENTS ON GENERAL ITEMS

Ken Rogers suggested having a strategic plan for the future. He said the Town also needs an external and internal review and evaluation process. He thinks the Town can manage time better and get better results.

TOWN MANAGER'S REPORT

- Happy to announce that our beach project to put down approximately 1.5 million cubic yards of sand over a four and a half mile stretch of beach is about one third of the way done. We are going to lose about another week, reduced down to about half the production capacity because one of the dredges had to go to Norfolk and get a Z drive repaired.
- Ordered the wetland delineation for the marsh streets and the 800 block lots. Hopefully that will be accomplished within the next two weeks.

MAYOR'S COMMENTS

- Had a Meet the Mayor gathering this week on our 53rd birthday anniversary. It was a very successful event. Appreciates those who attended. Thinks there were about 40 people there.
- Everything else seems to be moving well. Will do the best we can to make the tough decisions on things like parking, the pier, beach nourishment and everything else going on.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Smith

- Echoed Mayor Holden's comments for the gathering at the picnic shelter on Valentine's Day. The Town flag is a flag he flies outside his house continuously. It celebrates the 14th of February, 1969. It was a little cold, but we had quite a few people. Was able to talk to some of the residents and got to explain some things where there are some misconceptions on what we are trying to do.
- Over the past three – four weeks has been inundated with emails, calls and texts about the property acquisition of the pier. At current count there are over 600 people who have signed a petition to purchase the pier. A lot of the questions asked were on what the real plan is.
- Really enjoyed having this many people here tonight. Nice to see people come in. The Board's information is on the website. It's nice to have concerned people call and voice their concerns.
- Spent a lot of time on parking. We have come a long way. Still have some things to iron out.
- Thanked everyone for being here.

Commissioner Murdock

- Thanked everyone for showing up. Good to see a crowd. Appreciates everyone that talked and every email he gets. Reads them all.
- Thanked Chief Dixon, Lieutenant Dilworth and the Board for putting in timeless hours on parking. Fully expect we will not get it 100% right. Will need to make some corrections moving forward. Thinks we have done the best we can at this point. Hopes everything goes well with it.
- Hears about keeping this a family beach every day. The pier property is in the center of your family beach. If you want your family beach to be condominiums you will very well get your wish if we do not purchase it. The market has increased incredibly. Thinks the Town has a very good deal. Thinks they put together the best plan to pay for it. Would like to see the Town preserve every piece of property on the island it can afford to preserve. If you let it get away, it is gone. We all take a risk being over here. The pier is a risk, but the 350 feet of oceanfront property would hopefully remain there for people to continue to enjoy and access the beach for a long time. Let's all hope we can preserve it.
- Thanked everyone for coming. Wished everyone the best.

Commissioner Brown

- Thanked staff, Chief Dixon, Lieutenant Dilworth, Attorney Green and Town Manager Hewett.
- The nourishment project - it is amazing to go out and watch what is actually going on.
- Have a beautiful place to call home. Sometimes need to stop, look and reflect. There will always be disagreement. We are striving to do what's right for the Town and will continue to do that. Won't be able to please everyone. Remember the Town first and foremost.
- Have a good evening. Thanks for coming out. Glad to see a good crowd.

Commissioner Dyer

- Thanked Chief Dixon and Lieutenant Dilworth. They put together a really good plan. Thinks they have worked to try and iron out what the Parking Committee started. Thinks the parking plan moving forward will be beneficial. The east end has suffered enough with the crazy parking situation and we are moving in a positive direction to get that organized so they don't need to go through another summer of what they are going through. We know it is getting worse.
- Hopefully we can continue to move forward with the pier purchase. Keeping it is important to our community so we can keep that area green and not developed.
- Thanked the PRAB. It is a very thorough plan. They are moving in the right direction. Thinks we need something down there.
- Thanked staff and commissioners.

Commissioner Kwiatkowski

- Thanked everyone. Your comments are appreciated.
- We do have documents that direct us for a 10-year window. We have a relatively new Land Use Plan and a new Parks & Recreation Master Plan. We need to pull these together and pull out the priorities that our property owners have said they wanted to see. We do use those documents. One of those things that was highlighted was that people wanted to see bike lanes. We had an opportunity to get bike lanes and we jumped on the opportunity. We need to have a little bit of time to pull all of this together. We have a capital project plan that reflects the developments. It needs to be flushed out, but we don't operate totally blind and do not operate within only one year. Be patient and let us get through this budget session where we should be working on some of the things on where we will go with capital projects over the next couple of years. It will help people get a better idea of the direction that will be taken.
- Listened to Ocean Isle Beach's meeting. They were talking about doing more amenities for people using the beach, people on the island and coming from off the island. They need to have places to go to relax, to use the bathroom and to shower. We are a little bit ahead. We have identified that and have an idea of bathrooms. We have Jordan Boulevard; the pier purchase, part of it was to have ADA compliant restrooms; and 796 OBW, it's another area to try to have facilities. Have heard horror stories from owners on what they find in their outdoor showers when beach goers are looking for somewhere to relieve themselves. Facilities are a necessity and will be even more as the population of the county grows. It's not that we don't have ideas/plans. It is the money that we will need to plan carefully to get this into reality. Be patient.

EXECUTIVE SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTE 143-318.11(A)(5), TO INSTRUCT THE STAFF OR AGENT CONCERNING THE NEGOTIATION OF THE PRICE AND TERMS OF CONTRACTS CONCERNING THE ACQUISITION OF REAL PROPERTIES

Motion by Commissioner Brown to go into Executive Session at 8:19 p.m.; second by Mayor Pro Tem Smith.

Town Clerk Finnell read the reason for Executive Session.

The motion passed by unanimous vote.

OPEN SESSION

The Board went back into Open Session 8:54 p.m.

Motion by Mayor Pro Tem Smith that we approve the contract extension on purchasing the pier and the funds involved to do that, \$10,000, earnest money; second by Commissioner Smith; approved by unanimous vote.

ADJOURNMENT

Motion to adjourn at 8:54 p.m. by Commissioner Brown; second by Commissioner Kwiatkowski; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk