



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
SPECIAL MEETING
FRIDAY, MARCH 8, 2024 – 4:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Special Meeting on Friday, March 8, 2024 at 4:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Tom Myers; Commissioners Rick Smith, Tracey Thomas and Rick Paarfus; Town Manager David W. Hewett; Town Clerk Heather Finnell; Assistant Town Manager Christy Ferguson; Public Works Chris Clemmons; Inspections Director Tim Evans. Commissioner Page Dyer was unable to attend the meeting. Finance Officer Daniel McRainey arrived late.

PUBLIC COMMENT

Martie Arrowood reminded the Board of their vision statement. She said the statement makes the Parks & Recreation budget a high priority. She talked about the importance of ADA accessibility. Mrs. Arrowood suggested the land in the 800 block would be an ideal location for pickleball courts. She suggested treating the sand fund like the canal dredging funds and having a yearly assessment to all property owners and include a percentage of BPART to guarantee funding without having to take away budget items.

BUDGET WORKSHOP

Town Manager Hewett explained Finance Officer McRainey should be here by 4:30 p.m. He was at the Finance Officers' Conference. For the salary related items, he used the most recent CPI index and included a 3.2% increase for COLA and a 5% merit pool to get us started. Those numbers will be embedded in the budget numbers unless he is directed otherwise. He provided information regarding the current budget numbers. He explained how merit increases are issued.

Commissioner Thomas would like to add an ADA self-assessment of the Town as a must do. She suggested looking at all Town properties and determining needs. It doesn't need to be done immediately, but we need a plan. Town Manager Hewett said as long as the Board is asking that the self-assessment be conducted over the course of the next fiscal year to produce a document so that the items can be added to the Capital Improvement Plan, that makes sense. He doesn't know what that entails. Commissioner Paarfus suggested adding the word explore to the beginning of the item.

Assistant Town Manager Ferguson went over the three earmarks. Currently, the earmarks are any beach nourishment federal issues, which is currently the Coastal Storm Damage Reduction Study, the

stormwater and the Lockwood Folly operations and maintenance money so dredging will occur out of the federal budget.

The Board discussed scoring their priorities. For the pier items, they will score it as two items, pier building and the pier. Mayor Pro Tem Myers asked if there are any must do items required by the grants relating to the pier. Assistant Town Manager Ferguson will prepare a list.

The Board agreed to combine the April 3rd and April 12th meetings and hold the combined meeting on April 12th. Town Clerk Finnell will send an amended calendar.

Assistant Town Manager Ferguson explained this budget presents a dive into what expenses will look like for the next fiscal year built from a zero-based budget approach. It is more project and general operations based. It does not include any professional services for either the pier or Block Q because those are not known at this time. It also doesn't currently allocate any money towards pier repair because the process is on hold. It gives an estimate for stormwater for the part of Block Q where the bathroom and associated parking will be housed. In speaking to the architect yesterday, he thinks the amount will be \$200,000 rather than the \$150,000 in the notes. That means the next time around you would see the line say \$760,000 instead of the current \$710,000. The grant requirement is also included in that line. Assistant Town Manager Ferguson stated the budget also includes the ADA projects that the staff has communicated will need to be moved to next year as an obligation because they were not accomplished this year. It also takes care of your debt service for central reach, Block Q and the pier along with the associated debt interest. The note that is highlighted regarding the dumpster is an internal note. We have always had a dumpster, but it is usually housed in Access and Recreation. We need to cost it out of the Contracted Services Sanitation line. The numbers as presented gamble with the idea that \$83,000 will be enough for the dredging of the Lockwood Folly Inlet, coupled with what remains in the federal appropriation budget for operations & maintenance. If more maintenance is needed or another Miss Katie event is required, the Board would be looking at a budget amendment. She explained what money is in the current budget for Lockwood Folly dredging.

Town Manager Hewett explained the Corps' project on the east end is going pretty good. It should be finished by the middle of next week.

Staff answered the Board's questions. Assistant Town Manager Ferguson explained that only part of Ward and Smith's contract comes out of Professional Services in BPART. The other part comes out of canal dredging. She reviewed the other items in Professional Services. Town Manager Hewett said group insurance numbers are not updated yet because we have not received the new numbers. He will check on the increase in the Retirement line. Assistant Town Manager Ferguson said if you don't use the promotion money you would be out of compliance with BPART law. Items in the Promotions line item were discussed. Assistant Town Manager Ferguson said staff is working on deciding what is a tourism related expense and what is a sand related expense for this budget to determine compliance. The Chamber of Commerce is a tourism-related expense. Assistant Town Manager Ferguson explained what has been taken from the Contributions line in the past. Town Manager Hewett explained the policy for asking for a contribution.

Assistant Town Manager Ferguson explained the Key Bridge items are in the Access and Recreation line. Under the Halstead line, there is some handrail work that needs to be done. The estimate is based on what we have been paying for handrails. It could change.

The Salaries Beach Project line includes the rec tech and 75% of an employee in the Public Works Department. Town Manager Hewett will look at those retirement numbers also. The Beach Ranger Program was discussed.

The program for plantings was discussed. 441 NCLM Insurance is the insurance through the League of Municipalities. Town Manager Hewett and Assistant Town Manager Ferguson provided information on the calculation for the line for the Transfer County Accommodations Tax.

Public Works Director Clemmons explained there are no big needs for the Streets Department and Sanitation Department. He reviewed the Water & Sewer Department needs. He is requesting an F-150 truck for \$50,242. He needs a 150 kw genset and trailer at \$74,642. One of the biggest ticket items he needs is an air conditioning system for pump station #4. The verbal quote he received on the air conditioning system is \$47,800. That doesn't include the \$10,600 deck you need behind the building so the total would be around \$60,000. He needs to do an inventory check, but he may be able to absorb that cost into this year's budget if it was sent out to bid and the numbers came back in that amount. He would like to do more research. Public Works Director Clemmons would like to see the Pump Station #2 upgrade completed. One item that is not on the list is the portable vacuum skid. He would love to research it before moving forward.

The proposed list was discussed. Commissioner Paarfus would like to keep the portable vacuum skid on the list so the Board doesn't lose sight of the item. The proposed portable vacuum skid was discussed. Town Manager Hewett stated these requests would fall under Fund 30. Public Works Director Clemmons explained the requested genset would replace the generator at station #2 now. From his experience it is cheaper to purchase it outright than with the project. He said if he had to prioritize the items, his first item would be the pump station, air conditioning and the generator. He said in his mind, he can't do without any of the items he listed. Current vehicles in the Public Works Department were discussed. The proposed truck would replace an older truck currently in his department. Public Works Director Clemmons will check the spreadsheet on current vehicles.

Commissioner Thomas inquired about take home vehicles. Public Works Director Clemmons said they have late night calls. Take home vehicles save time and employees would have their tools. Also, when the employees were hired, take home vehicles were part of the package. Personal use is not allowed. The Public Works Department is usually the last group to leave and the first to return during storms. Parking spaces for personal vehicles would also be an issue.

The program regarding street assessments and repair was discussed. Public Works Director Clemmons said he will need to increase the sidewalk replacement line.

ADJOURNMENT

Motion by Commissioner Smith to adjourn at 5:08 p.m.; second by Commissioner Paarfus; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk