



**TOWN OF HOLDEN BEACH  
BOARD OF COMMISSIONERS  
SPECIAL MEETING  
THURSDAY, APRIL 21, 2022 – 1:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Special Meeting on Thursday, April 21, 2022 at 1:00 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; Inspections Director Tim Evans; Public Works Director Chris Clemmons; Fiscal Operations Supervisor Margaret Lancaster; and Budget & Fiscal Analyst Daniel McRainey.

**PUBLIC COMMENT**

No public comments were made.

**AGENDA REQUEST**

*Motion by Mayor Pro Tem Smith to add 2A, Approval of Town Manager's Contract Amendment and Consideration of Ordinance 22-12 as item 2b (that has to do with adjustment of budget for bike path).*

Commissioner Kwiatkowski asked if the Board needs to action Town Manager Hewett to get the underwater inspection on the pier completed. Town Manager Hewett said Fran Way advised him the divers are supposed to be here at the end of the month. He told them if that was not going to happen, he intends to pursue other methods for the inspection.

*The motion was seconded by Commissioner Brown and approved by unanimous vote.*

**APPROVAL OF TOWN MANAGER'S CONTRACT AMENDMENT**

*Motion by Mayor Pro Tem Smith that we approve the amended town manager contract; second by Commissioner Brown; approved by unanimous vote.*

## CONSIDERATION OF ORDINANCE 22-12

Town Manager Hewett said we are ready to start passing money through for the DOT's project of resurfacing Ocean Boulevard that includes the construction of two bike lanes, five feet on either side. Refinement of the cost estimates are in. The total estimate is \$1.729 million. The Town's portion is \$723,393. We currently have \$700,000 programmed into the budget for our contribution. The budget amendment increases the Town's contribution by the extra \$23,393 and also recognizes the passthrough federal funds.

*Motion by Mayor Pro Tem Smith that we accept the amended ordinance for the price difference on the bike path; second by Commissioner Brown; approved by unanimous vote.*

## BUDGET WORKSHOP

Town Manager Hewett went over the budget schedule and reviewed how to read the budget sheets.

Town Clerk Finnell went over the Governing Body and Administration sections. In Admin, there are two things that will show up that aren't in the spreadsheets. The phones system was fried during a recent storm. A new system is needed. We are also looking at getting a quote to fix the security of the doors in the building. The Finance Department needs new software. The quote is for \$75,000. It is for payroll, taxes and water billing. Fiscal Operations Supervisor Lancaster answered questions on the new software and provided more detailed information. Town Manager Hewett explained cyber security is a concern. We do have a federal agency that is going to be conducting an evaluation of our systems' security in the fall.

Town Clerk Finnell said for salaries across all of the funds, we are proposing a 3% merit pool and a 7.4% COLA, which is based on the US Department of Labor's Southeast Labor Statistics.

Commissioner Kwiatkowski asked about Professional Services. Town Manager Hewett said it is the auditor, the lawyer, American Legal. Commissioner Kwiatkowski would like to see line item details for the Professional Services line item. She said it was asked for in the objectives.

Chief Dixon said in the Police budget one of the big asks is to maintain the 10 allotted positions and add one detective. They have been trying to fill two vacancies since November but cannot afford for the positions to go away. The Communications line dropped. He went over what it covers. The major part that was needed for Central Square is off of there now. The line includes the purchase of three portable radios. The Viper System currently being used is transitioning to Phase 2. Instead of purchasing the 10 plus radios at once, we have been purchasing two – three radios a year. After next year, all of the portable radios will be current and it will have us compliant with Phase 2 of the Viper System. Chief Dixon said we are looking at a significant increase in the Fuel line. The national average for fuel has gone up 34% since we did the budget last year. The largest purchase they are looking for is the integrated in-car/body camera system. The current in car system has been used for eight – 10 years.

What they record goes to an SD card. They have reoccurring evidentiary issues in court. The new system will cost approximately \$97,000. It replaces the in-car cameras in the entire fleet, gives body cameras to all of the officers, provides the back-office suite to run everything and provides recording equipment in the interview room. The recurring costs will be about \$1,500 annually for maintenance and storage. The Merchants Association has been collecting donations. If the cameras are approved, he has been told they are intending on donating towards the cost. He reviewed why the interview room recording is being requested. He also provided stats on states requiring body cameras. They are asking to replace one vehicle this year. The \$77,000 would make the vehicle turnkey ready once it is picked up.

Commissioner Dyer asked about salaries. Chief Dixon answered the spreadsheets does include 10 positions and a detective. The Board talked about overtime. Mayor Pro Tem Smith asked about the radios' technology. Chief Dixon explained that once we are in compliance with Phase 2, the radios should last a long time. He said for the cameras, they priced four companies. The best one for their needs is from Custom Signals. He explained why they chose them. The detective position is budgeted at \$48,000. Chief Dixon went over case statistics. Investigations would be the primary use, but they could help cover all aspects if needed. They are currently down two positions. He talked about recruitment and provided information on the lag time for vehicles right now. Town Manager Hewett added we may need to do a rollover into the next year for the already procured vehicles and then reappropriate the funds.

Inspections Director Evans said nothing specific is changing from last year in the Inspections' budget. They hired someone to fill the position in the Inspections Department. Travel and Training did go up. You need to allocate a certain amount in the budget for our CRS rating. The new person will need a lot of training to get certified. They will rollover one of the old vehicles for the new person. They will need to get equipment for the new person. Inspections Director Evans said he doesn't know how they will break out their Contracted Services because they do not know what that will be until that is engaged. Commissioner Kwiatkowski stated she wants Professional Services specifically. Building Official Evans said the Equipment line increase would be for the computer equipment for the old truck for the new person. He talked about revenues. His projection is lower than what we will actually take in if it continues in the same direction. He averages between low and high years to get a projection.

Commissioner Murdock asked about the current reinspection fee. Inspections Director Evans said it is \$50 for reinspection and it is \$75 for the same day fee. Increasing the fees was discussed. Inspections Director Evans would want to wait until the end of the fiscal year before determining new fees. He announced Carey Redwine would be filling the vacancy in his department. He provided information on the legislation where if money is taken in by the Inspections Department, it needs to be spent in the Inspections Department. Depending on the revenues received, a new truck may be able to be purchased for the new position. Overall, the Inspections' budget has come down. Inspections Director Evans said his intention is to try to get online payments, but not online permitting. Some of the issues with online permitting was discussed. The current process was discussed.

Public Works Director Clemmons went over the Streets and Grounds' budget. Not a lot changed, but a few lines have been adjusted due to increased costs of materials. He would like to add \$15,000 to Street Drainage Projects to try to put a French drain between Avenues B and C at about 285 and 283 Ocean Boulevard. He explained his proposed project. He talked about the Street Paving line item. Gas, Oil and Tires went up. Town Manager Hewett said \$200,000 of that funding for Street Drainage Projects comes from the American Recovery Act Program. We received the first half of it this year and are on schedule to get the second half in the first part of the upcoming fiscal year. We had generally directed those stormwater improvements to some type of solution in the 300 block. He talked about the program. It is not critical to spend it this year. It is tied to one of projects we asked for in the federal earmarks.

Commissioner Kwiatkowski asked about the numbers for on street and off-street parking. Town Manger Hewett explained the \$82,000 and the \$9,000 do not reflect the budget amendment the Board approved the other night. This was the original projection that the Board did last month. The numbers on the worksheets are not correct. Revenues and expenses will be the same.

Public Works Director Clemmons said he believes the streets scheduled for work in the upcoming budget are Pointe West, Tide Ridge and Ranger. Town Manager Hewett said the streets condition assessment is dated and we probably need to do an update. It takes a while to do, but it may be beneficial. Public Works Director Clemmons said the streets scheduled to be worked on are paved and will be resurfaced. Mayor Holden said there are two streets that are not open. The property owners have indicated they may request utilities and asphalt this year. He asked if there is anything that needs to be done concerning funding. Town Manager Hewett replied we need to receive a petition first and then do an engineer's cost assessment. Utilities are the same process as street paving. The budget for that would be considered at that point and time. Commissioner Brown asked if there are funds for stormwater. He provided information about the spot in the 700 block. Mayor Pro Tem Smith added there is a spot in the 800 block too. Commissioner Brown provided details about a new method that could possibly be used. Using the method was discussed.

Public Works Director Clemmons went over the Sanitation budget. There are funds for a pickup truck. He said he is also waiting on a truck he previously ordered. Public Works Director Clemmons went over Water Admin Expenses and Water & Sewer Fund Revenues. He explained he is concerned to see how the sewer use charges will go this year. The more people that install a second meter makes that revenue go down. He would love to look at tap fees for new construction. The county fee is a lot higher for the same type of system. Public Works Director Clemmons talked about the need to order supplies due to shortages. He explained why it was necessary for the M&R Water line in Operations to go up. He listed some of the items and costs associated. He shared his concerns that he may need to ask for money when the bike lane is put in. Town Manager Hewett said costs associated with the bike path installation should be borne by the BPART Fund, not the Water Fund. It is a recreational amenity. The Board did not disagree.

Public Works Director Clemmons talked about the hydrant replacement program.

Public Works Director Clemmons said he is requesting another generator this year. He hopes he can get it before the budget closes, otherwise the funds would need to be rolled into the new budget. There is funding for GIS equipment. There is also money under Contracted Services to try to continue the current effort. He is hoping to train one of his employees on GIS. He would love to see the Greensboro Street pump station work completed. He would love to get grants, but he doesn't like that you won't find out before November/December. Purchase for Resale is higher due to the rate increase from the county. It is the first full year of that rate. The pump station upgrade was discussed. Public Works Director Clemmons said Professional Services may need to be adjusted. The amount is the cost of the study for water capacity and the water tower. He needs to make sure there is enough money to cover what is normally spent.

Assistant Town Manager Ferguson went over the items in her Professional Services line. The Jordan Blvd Ops item may change. She provided information on the landscaping on the mainland side. She reviewed three options for the mainland section. Until she has the quotes, she does not know what the new number will be. She reviewed the costs associated with Public Restrooms. The Access & Recreation line includes the kayak launch for Sailfish Park, along with the other items that are typically in that line. There is the \$800,000 for the Coastal Storm Damage Reduction Study for the beachfront for the Corps. She thinks that would need to come from the Capital Reserve Fund. The fund balance will be too low if it is taken from Fund Balance Appropriated based on some of the other things the Board has done. Debt service for the pier is on the sheets. There is also some money to start the remodel at the pier and money for 796 Ocean Boulevard to begin the engineering and analysis there.

Assistant Town Manager Ferguson said on the revenue side we are looking at an increase in accommodations tax. Revenues for the pier property have not been included yet.

Commissioner Kwiatkowski said for 796, it is her understanding that BPART has to buy it from Water & Sewer if it is to be used as a recreational facility. Assistant Town Manager Ferguson responded that is not included. Commissioner Kwiatkowski stated for the Corps' study it could be taken from the General Fund or split between BPART because it is viewed as protection, it is not putting sand on the beach. Town Manager Hewett said it could be used however the Board chooses. It will have fund balance implications. He said we will be refining the numbers significantly over the next couple of weeks. Town Manager Hewett said the contribution by the Town for second year of the study will be directly tied to the president's budget. This is the Town's match.

Town Manager Hewett and Assistant Town Manager Ferguson confirmed the pier parking revenues are not reflected in BPART budget yet.

Town Manager Hewett stated the Board received an inquiry on insurance for 441 Ocean Boulevard the other night. He has a flood insurance bill for \$5,972 and League quote in amount of about \$2,000.

Mayor Holden said it has been suggested to have further discussion on the grant that was voted on at the last meeting. The Board agreed to hold a Special Meeting on Monday, April 25, 2022 at 4:30 p.m.

**ADJOURNMENT**

*Motion by Commissioner Brown to adjourn at 2:51 p.m.; second by Commissioner Murdock; approved by unanimous vote.*

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J. Alan Holden, Mayor

ATTEST:

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Heather Finnell, Town Clerk