



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
PUBLIC HEARING/REGULAR MEETING
TUESDAY, AUGUST 15, 2023 – 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, August 15, 2023 at 5:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Rick Smith; Commissioners Page Dyer and Gerald Arnold; Town Manager David W. Hewett; Town Clerk Heather Finnell; Assistant Town Manager Christy Ferguson; Inspections Director Tim Evans; Public Works Director Chris Clemmons; Police Chief Jeremy Dixon; Lieutenant Frank Dilworth; Finance Officer Daniel McRaney; and Town Attorney Rick Green. Commissioner Brian Murdock was unable to attend the meeting.

PUBLIC HEARING: FINAL APPLICATION FOR THE BLOCK Q RESTROOM FACILITY AS PART OF THE 2023 – 2024 PUBLIC BEACH AND WATERFRONT ACCESS GRANT

Assistant Town Manager Ferguson explained the Board reviewed the pre-application for the grant for Block Q several months ago. The Town was invited to submit a final application. It is due by August 28th. The site plan previously was approved by the Board in the past. During the pre-application process, the Board asked if the deed restrictions would apply to the entire property or only the parts of the property where the grant funding would pertain. That would include the bathroom, the parking lot connected to the bathroom and the landscaping on that side that is in the grant application. They said the Town could do that. If you look on GIS, it looks like it would involve 232NF004, 232NF003 and 232NF002. That would not need to be defined in the application. It would come along when we file the deed restrictions if the Town gets the grant.

No public comments were made.

Mayor Holden closed the public hearing at 5:02 p.m.

REGULAR MEETING

Mayor Holden asked for a moment of silence and then called the meeting to order. He announced Commissioner Murdock was under the weather and unable to attend the meeting.

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

Mayor Holden asked the Board to consider moving item 11 to 8a and removing item 12, unless someone would like to take over Commissioner Murdock's item.

Motion by Commissioner Arnold to accept the changes; second by Commissioner Dyer. The amended agenda was unanimously approved.

APPROVAL OF MINUTES

Motion by Mayor Pro Tem Smith to approve the minutes for our regular meeting and the public hearing on July 18th; second by Commissioner Dyer; approved by unanimous vote.

PUBLIC COMMENTS ON AGENDA ITEMS

Comments submitted online are posted on the Town's website.

Clayton Robinson provided the reasons he would like to change the hours of Section 94.06: Placing Obstructions on the Beach.

Tracey Thomas said she hopes someone will explain how it turned into a \$5 million loan application. She asked the Board to not be rushed into making a decision.

Tom Myers read his written comments (hereby incorporated into the minutes).

Brent Shaver suggested looking at things like the improvements to Sailfish Park when looking into identifying sources for funding the lift station.

POLICE REPORT – CHIEF DIXON

- July was a busy month. Went over numbers. The biggest issue we saw was an increase of criminal incident reports, which include B&Es, larcenies. They took a total of 23. Officers did an amazing job of tracking down leads and working the cases as they could. They closed out seven of the cases. We have 16 open. We really need an investigator. They are doing what they can with the resources available. Also saw an increase in parking complaints and violations.
- Something that came to their attention is the fine for prohibited vehicles on the strand. The fine is \$50. He suggested the Town may want to look at increasing that fine. Sunset Beach and Ocean Isle both have \$100 fines.

Mayor Pro Tem Smith has noticed this past month that officers have been more diligent with responding to LSV violations, especially when children are involved. They are doing a good job of weighing out how to respond.

INSPECTIONS REPORT – INSPECTIONS DIRECTOR EVANS

- Went over the numbers. It is very busy. People’s rentals are slowing down so they are now preparing to make repairs. Numerous lots have been sold; permits will be issued.
- When the world fell apart between 2008 – 2011 last time, Holden Beach held steady. Seeing a trend and thinks it will continue to hold steady.

DISCUSSION AND POSSIBLE ACTION ON IDENTIFYING ADDITIONAL SOURCES OF FUNDING FOR SEWER LIFT STATION

Mayor Holden reassured the public that the commissioners are aware of the concerns the public has. If you look in the past, there seems to be an ebb and flow of needs for funds for various projects. It comes in bunches. The Board and staff are continuously seeking funding and making contacts with the powers to be in Washington and Raleigh. The state’s budget has not passed yet. We have done a lot of communication with our state and federal representatives and have some things we are hopeful of. All the money is not going to be borrowed. We need to have multiple avenues of funding in case things get worse. He said if you have a credit card with a \$25,000 limit, it doesn’t mean you borrow \$25,000 on your credit card just because you have the ability to do that. Mayor Holden explained we are trying to have a source to cover our needs if we have to. Please don’t think that just because we have the ability to go get money, that we are going to do it. In the near future, the state budget will be passed. Mike McIntyre and our Washington contacts that represent us have some things going on as well to provide some funds for us. Mayor Holden is asking people to understand that just because funds may be available, we are not planning on using all the money that is available. He asked the public to hang in there.

DISCUSSION AND POSSIBLE ACTION ON THE FINAL APPLICATION FOR THE BLOCK Q RESTROOM FACILITY AS PART OF 2023 – 2024 PUBLIC BEACH AND WATERFRONT ACCESS GRANT (BLOCK Q)

Assistant Town Manager Ferguson said she covered most of the information during the public hearing. It is a reimbursement grant. We would pay for it up front and get reimbursed by the state. The deed restrictions are for 25 years. She read an email from the state confirming that you can limit the deed restrictions to only the parcels that have improvements through grant funding.

Motion by Mayor Pro Tem Smith to instruct staff to submit the application for the Public Beach and Waterfront Access Grant before the August 28th deadline; second by Commissioner Arnold; approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON RESOLUTION 23-11, RESOLUTION AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO

Assistant Town Manager Ferguson stated the resolution was prepared by our bond attorney. The bond attorney and the financial advisor are on standby if the Board would like to contact them. The resolution is necessary in our process of documents that have to go to the Local Government Commission (LGC) to obtain financing for Sewer Lift Station 2. The required public hearing notice is

also in the packets. The public hearing date has been updated to September 19th in the documents provided tonight since a quorum of the Board was not available on September 12th. The Notice to the Joint Legislative Committee needs to go out today. Assistant Town Manager Ferguson explained the not to exceed amount of \$5 million is the ceiling. That is for the worst-case scenario. The engineer is saying it would not be out of the ballpark to have the bids come in at \$4.5 million or more. It is also a strained bid climate. This is a limit. We cannot go back a second time to the LGC. The Town doesn't intend it to be a \$5 million number, but we do not know until the bids come in. Assistant Town Manager Ferguson explained at the last meeting the Board was under the impression that we were going to cut off the grant. We talked to the EPA. The ball was in their court, we had done everything we could. We said while we are running this calendar, we will let them play catchup, maybe the trains will align. We did not tell them we didn't want the money and we are still running both trains simultaneously and hoping they will come in by our deadline. The \$5 million gives the Town flexibility and is the prudent choice when we talked to our financial advisors. It doesn't take into account any of the cash on hand the Board would like to apply. This is a maximum number. She provided an example of a credit card limit. The \$5 million is if the grant doesn't come through, the bid climate is high and if the Board can't use cash on hand. Staff doesn't think the Town will need to use that much, but we won't know until bids are awarded. Assistant Town Manager Ferguson said to take action the Board would need to approve Resolution 23-11, as well as Exhibit A to set the public hearing and direct the town manager to notify the Joint Legislative Committee of the Town's intentions through execution of Attachment 3. She explained the LGC understands we are still trying to get the EPA grant and they hope to see it come through, but they know we need wiggle room in case it doesn't come through in time. She said we are basically proceeding at our own risk, following our own construction and financial calendars. If the EPA catches up, hopefully we can recoup some of the money. On Friday we were advised the Town doesn't need a full NEPA review.

Commissioner Arnold said it seems like we are in the deadline business, whether we want to be or not. In order to get the process started, we need to approve the application and other appropriate documents. He thinks it has been very well explained tonight. Looking at the success we had in the past, he knows the Town will make our best effort.

Motion by Commissioner Arnold that we get started with it, process it and go forward; second by Commissioner Dyer.

Mayor Pro Tem Smith said he is still having trouble with not being able to receive over \$2.5 million. He asked at what point the Town loses hope of having the funding available to us. Assistant Town Manager Ferguson said we will continue to try to push to try to get the money.

The motion passed by a 2-1 vote, with Commissioners Dyer and Arnold voting for the motion and Mayor Pro Tem Smith voting in the negative.

Assistant Town Manager Ferguson reminded the Board the public hearing is September 19th.

PUBLIC COMMENTS ON GENERAL ITEMS

Beverly Compton provided information on Candidate's Night.

Tracey Thomas doesn't buy into the analogy of a credit card. That is what a savings account is for and she thinks that is how the Town should be running their budget.

TOWN MANAGER'S REPORT

- Canal Dredging in Harbor Acres – we are setting up for a winter event, dredging of some selective areas. There are some high spots in there. Since it is a relatively small-scale project, it is probably going to be a bucket dredge operation, instead of a traditional hydraulic pipeline dredge. Our engineer is developing those specs.
- Lockwood Folly Inlet Crossing and Bend Widener Dredging Project – The Corps is going to be paying for about 80,000 cubic yards of sand. There is another 60,000 in the bend widener. The Town through the long-term MOA, along with Brunswick County helping out a little, is going to fund the \$535,000 project for the bend widener sand. All the sand together is about 140,000 cubic yards. It will be placed on the east end in the area of Amazing Grace back to the Winding River Clubhouse area. The state picks up 75% of the \$535,000 and the town and the county will split the residual 75/25%. For about \$100,000, we will receive 140,000 cubic yards of sand on the east end. Those funds have already been transferred. It will be a wintertime project. Hopefully that will dovetail nicely with the private firm's dredging through the Civil War historic district earlier this June.
- Ocean Boulevard Resurfacing and Bike Lane Project – based on the latest meeting with DOT from the contractor, the survey work for that project will begin as soon as September 11th, with construction starting in November. The GSATS Committee meets Friday and the project manager should be there so we can get more details.

MAYOR'S COMMENTS

- On GSATS Committee, doesn't have anything different than what was just reported on the resurfacing and bike paths.
- There are a couple of hurricanes out there. We are at the end of the summer. Be ready and be reassured the Town will do its best to do what's best for the Town to protect properties. We are as prepared as we can be.
- Warned people about the heat.
- Don't forget buses as school starts. Hard to believe the summer has almost ended. Looking forward to the fall weather.

BOARD OF COMMISSIONERS' COMMENTS

Mayor Pro Tem Smith

- Thanked staff, Inspections Director Evans, Town Manager Hewett and everybody for moving forward with the ADA work. Seems to be coming along nicely. Doesn't know how anyone can expect it to get done quickly if you don't get started. Thinks work they have done seems to be a cohesive effort to get this taken care of. It is appreciated.
- We are blessed with the miracle of being able to find four divers 60 miles offshore. It was a traumatic Sunday evening. Thank goodness they were highly qualified divers. If it wasn't for the

actions of the Navy and Coast Guard, they wouldn't be back on Starfish today. We are blessed to have such wonderful equipment that could be deployed that quickly.

Commissioner Dyer

- Thanked everyone for attending the meeting.
- Appreciates the staff, all they have done. We have a lot going on. Appreciates them helping move forward on some of these projects.
- Heat index has been terrible for humans. Keep in mind that animals need to be cool. Bring them inside, watch the asphalt and sand. If you aren't walking barefoot on it, you don't need to let them walk barefoot on it. Stay hydrated, safe and have a wonderful Labor Day.

Commissioner Arnold

- Agreed it was a blessing. It was a miracle to rescue all of them.
- Appreciates the staff. We do have deadlines we need to meet. You go through your best thinking, give your best hunches and expertise and we make the best judgement calls we can make. Thanked everyone for that effort.
- Respects everybody's opinions.
- Thanks for coming.

ADJOURNMENT

Motion to adjourn by Mayor Pro Tem Smith at 5:59 p.m.; second by Commissioner Arnold; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk