

CAROLINA BEACH

Town Council Regular Meeting

Tuesday, June 11, 2024 - 6:00 PM

Council Chambers, 1121 N. Lake Park Boulevard, Carolina Beach, NC



MINUTES

CALL TO ORDER

Mayor Barbee called the meeting to order at 6:00 PM, followed by the invocation by Molly Painter and Pledge of Allegiance.

PRESENT

Mayor Lynn Barbee

Mayor Pro Tem Deb LeCompte

Council Member Jay Healy

Council Member Joe Benson

Council Member Mike Hoffer

ALSO PRESENT

Town Manager Bruce Oakley

Assistant Town Manager Ed Parvin

Finance Director Debbie Hall

Town Clerk Kim Ward

Town Attorney Noel Fox

ADOPT THE AGENDA

ACTION: Motion to adopt the agenda

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

CONSENT AGENDA

1. Budget Amendments/Transfers
2. Set a Public Hearing for July 9, 2024, for the Creation of the Town's first Unified Development Ordinance (UDO); Chapters 30, 32, 36, and 40 Will Be Repealed and the Existing Relevant Language Will Be Incorporated into the New UDO
Applicant: Town of Carolina Beach
3. Set a Public Hearing for July 9, 2024, to Consider a Text Amendment to Chapter 40 Article III Sec. 40-72, Article V Sec. 40-150, and Article IX Sec. 40-261 for Wine and Beer Shops
Applicant: Town of Carolina Beach
4. Set a Public Hearing for July 9, 2024, to Consider a Conditional Zoning at 2 North Carolina Avenue for a 2-Unit Planned Unit Development
Applicant: Michael Rose Properties, LLC
5. Approval of Council Meeting Minutes

Council Member Benson said there are a lot of transfers from accounts in June and wondered if this is end-of-fiscal-year housekeeping. Mr. Oakley said yes.

Mayor Pro Tem LeCompte asked if the \$10,000 raised by Pleasure Island Volleyball and the \$10,000 Town match also covers a walkway from the parking lot behind the Community Building to the Senior Center because a lot of senior citizens use the area to walk between facilities. Mr. Oakley said he doesn't think a walkway is in there, but staff can look to possibly find funding to include that.

ACTION: Motion to adopt the consent agenda

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

SPECIAL PRESENTATIONS

6. Marketing Advisory Committee Budget Presentation

Jeff Hogan, Chair of the Town's Marketing Advisory Committee, presented the FY 24/25 marketing budget. The total budget is \$1,424,148, a 2.65% increase from the current fiscal year. Mr. Hogan said this is money to be spent on advertising to get more folks into Carolina Beach, adding that when he first became a member of the committee years ago there was only \$250,000 to spend. He said since then Carolina Beach has become part of the Wilmington and Beaches campaign and gotten into magazines, ads, and other spaces that were unreachable with a smaller budget.

Mayor Barbee and Council Member Healy, who is the liaison to the committee, praised the efforts of Mr. Hogan and the other members. Mayor Barbee said the budget is all room occupancy tax (ROT) money paid by visitors and not property taxes.

Mr. Hogan said the committee was approached about funding an I Love CB sign, which would be a spot for visitors to take photos, for \$21,175 as well as an advertising campaign for the Town's centennial celebration proposed at \$100,000. He said both items would come out of the rollover fund. Mr. Hogan said initial conversations focused on a centennial budget of \$25,000 to \$30,000, but the committee was advised that would not be enough to be effective.

Council Member Hoffer asked if the \$155,000 contingency in the budget is general policy each year. Mr. Hogan said the contingency for the upcoming year went down to \$102,000 on the advice from the New Hanover County Tourism Development Authority (TDA) and State government, whose officials say the budget should not become a savings and loan and grow to an unlimited fund. He said the contingency money is mostly used for advertising campaigns following hurricanes.

ACTION: Motion to approve the marketing budget as presented

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member

Benson, Council Member Hoffer
Motion passed unanimously

Regarding the I Love CB sign, Council Member Hoffer said he would like to see something real and lasting purchased with the money.

ACTION: Motion to approve the sign as presented

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

Regarding the centennial celebration advertising campaign, Council Member Hoffer asked if any of that money would target the Wilmington area. Mr. Hogan said there is a fine line with how that money can be used because it's about getting people to spend the night in hotels, not just come down for the day. Mayor Barbee said this is by State statute. Mayor Pro Tem LeCompte said the Pleasure Island Chamber of Commerce would be in charge of local advertising.

Mr. Hogan said Council can make the centennial celebration advertising campaign any amount, but the committee was advised that anything below \$75,000 to \$80,000 would be ineffective and it would be better to reject it and do nothing.

Council Member Healy said he was unsure at first, but the more he thinks about it he realizes there is only one centennial and the advertising campaign should be done.

Mayor Pro Tem LeCompte said the money is well worth getting people here, and there will be a lot of fun activities for them to enjoy.

ACTION: Motion to approve the advertising campaign for the centennial as presented

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

7. Manager's Update

Mr. Oakley gave an update on various projects:

- Ocean sidewalk – This has been frustrating for everyone, including staff. They are trying to get on the same page with the N.C. Department of Transportation (DOT) engineer, and there is a sit-down meeting with everyone involved coming up soon. Some of the issues include equipment in the original plan not being made anymore and effects on stormwater.
- Saint Joseph multi-use path – They are working on a temporary construction easement, and plans call for this to go to bid in February with construction beginning in the spring.

- Boardwalk bathroom – The survey is complete, and the Coastal Area Management Act (CAMA) permit is in place. Staff is working on the construction and bid documents, and this will hopefully go out for bid later this summer.
- Lake pump house – There is a meeting this week to finalize the drawings on this, so things are moving forward.
- Marina – Regarding the I Love CB sign previously discussed, there was a meeting this morning about possible locations and other logistics, including what would happen to the sign during a storm. An engineer will work with the artist to see if there is a way to design the sign so it can withstand storms at a certain load. Staff received good feedback during the input session at the grand-reopening celebration, and there will be more about this project later in the budget discussion.
- Sunny Day Flooding Project – Planning Director Jeremy Hardison said officials from this project were here yesterday, and researchers want to come back to give an update at Council’s July workshop. He said a 20-member committee was randomly selected from respondents to community surveys sent out recently, and it was productive to get them together and enlightening to hear their perspectives. Mr. Hardison said the purpose of the first meeting was to discuss mitigation strategies, and the next meeting will model those strategies for further discussion.

Regarding the lake pump house, Council Member Hoffer asked if the pumps must be lifted so high. Mr. Hardison said they need to be elevated due to flooding events. He said the current ones were elevated inside the pump house, but this was still a challenge at times.

Council Member Healy said he personally would hate to live behind something that high.

Council Member Hoffer encouraged them to be lifted as high as required but suggested keeping the vertical dimension down as much as possible. Mr. Oakley said the Flood Plain Administrator tells the Town where they need to go. Mr. Hardison said they are looking at a potential mural project on the structure.

Council Member Hoffer asked what is going on with the fountains at the lake. Mr. Oakley said one is back up and running on the west side.

PUBLIC COMMENT

Cindy Dunn, Chair of Town’s Beautification Committee, said there is a problem with e-bikes on the Greenway riding through some of the planting areas. She said she would like to see an increase in patrols of the Greenway area and the Town as a whole regarding problems created by young people on e-bikes. Ms. Dunn suggested requiring community service in the gardens if the offenders are caught. Mr. Oakley said there are Police Officers on e-bikes now, so those patrols can be increased. Council Member Hoffer said a police presence never hurts, but a simple solution would be some split-rail fencing.

PUBLIC HEARINGS

8. Consider Adopting the Proposed FY 24/25 Budget

Mr. Oakley presented Budget Ordinance No. 24-1225 for Council's review and approval, and there was a public hearing to receive public input.

ACTION: Motion to open the public hearing

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

Mr. Oakley reviewed the calendar for the FY 24/25 budget process:

- Public Hearing for Non-Profit Requests – March 12
- Community Input Public Hearing – April 9
- Budget Workshop – April 23
- Budget Workshop (if needed) – April 30
- Budget Open House and Budget Submitted for Review – May 7
- Revenue and Expense Projections and Public Hearing – May 14
- Budget Message and State of the Town Presentation – May 28
- Budget Adoption – June 11

Mr. Oakley gave the following summary of the proposed FY 24/25 budget:

General Fund – \$22,416,261

- 2-cent tax rate increase – \$100 on a property valued at \$500,000
 - Inflation
 - Strategic goals
 - Employee recruitment and retention
- Fee increases
 - Dockage rates
 - Recreation Center memberships
 - Solid waste – residential/commercial/Boardwalk

Utility Fund – \$10,501,742

- 4% fee increase
 - Infrastructure bond planning
 - Water tank engineering and permitting
 - Lift station (Lewis Drive)
 - Wastewater treatment improvements
 - Stormwater improvements

Mayor Barbee asked if anyone from the public wanted to speak about the budget.

Mohamed Hassan asked why a tax increase is necessary if there are so many houses being built and adding revenue to the budget. Mayor Barbee said that question comes up a lot and explained that the largest piece of property tax is the property itself, whether or not there is a house on it, and there is a lag in the revaluation of a property once the home is built depending on when it's finished. He said

homes do eventually add to tax revenue, but it's not as big a number as many think. Council Member Hoffer pointed out that New York is growing like crazy, but their taxes are still high. Mayor Barbee said the more houses you have, the more Town services you need, which leads to more employees, etc.

No one else requested to speak.

ACTION: Motion to close the public hearing

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

Council Member Benson thanked Public Utilities Director Mark Meyer for his time discussing how his department lost a prized employee to another municipality. Mr. Meyer said the employee got a better offer, and this is an example of the competition the Town faces when it comes to staff retention. He said he is thankful for Council's efforts to address this with employee raises.

Council Member Healy said hiring and retaining good people will lead to a successful business, and turnover is when the wheels of motion stop. He said he thinks this budget addresses that.

Council Member Hoffer said the Town hasn't had a lot of turnover in a while, so people may have forgotten how troublesome it can be.

Mayor Pro Tem LeCompte said in the past the Town lost 9 Police Officers at one time, and she doesn't ever want to see that happen again.

Mayor Barbee said the Town's budgets have absorbed inflation over the past 2.5 years, and he still doesn't feel comfortable that a 2-cent tax increase is enough for what will be needed, but he trusts Mr. Oakley's judgment.

Mayor Pro Tem LeCompte said the Town owns its utilities, and residents are investors in the system. She said if the Town was to sell to an entity such as Cape Fear Public Utility Authority (CFPUA), their bottom line is making money and rates would climb, so the Town needs to protect what it has.

Council Member Hoffer said he has never voted to raise taxes and asking people for more money is tough, but he gave this a lot of thought and is prepared to vote for it. He said one of the things that swayed him is the upcoming agenda item about the Lake Park Boulevard sidewalk. Council Member Hoffer said the reason Council can have this discussion is because there is a healthy fund balance, and some of the things that are considered wants instead of needs are worthy of having.

Council Member Benson said Council Members are always welcoming and accessible when it comes to feedback.

Mayor Barbee said the budget process is always evolving, but it has become much more open in recent years. He thanked staff for their time and effort to make the process as transparent as possible. Mr.

Oakley said he is looking for further improvements next year, including more detailed narratives in the budget document.

ACTION: Motion to approve Budget Ordinance No. 24-1225 adopting the FY 24/25 budget as presented by the Town Manager

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

ITEMS OF BUSINESS

9. Text Amendment to Amend Chapter 16, Article II, Division 2, Sec. 16-79 – Sunset Provision for Golf Carts on Streets, for Golf Cart Taxi Businesses

Applicant: Sherice Boyack

In March 2023, Council approved a sunset provision for golf carts on streets to comply with State statute and due to safety concerns because of the growth in tourism and residents in the Town. The Town ordinance states that existing golf carts that received a permit prior to July 1, 2023, are permitted to renew their golf cart permits until December 31, 2027. The low-speed vehicle (LSV) and golf cart definitions in the ordinance are not specifically for taxis but include all vehicles in Town.

Applicant Sherice Boyack is the owner and operator of Beach Adventure Taxi. She has applied for a text amendment to the existing sunset provision for golf carts on streets, specifically for her existing business. Beach Adventure Taxi is the only Town-approved golf cart taxi business.

The applicant currently utilizes golf carts for her taxi business. She would like to add an additional gas-powered cart to her business to keep up with her business needs. Under the current ordinance, she is not permitted to add an additional cart. The Technical Review Committee (TRC) discussed allowing additional permits for the approved business, but the sunset clause would still apply to meet State statute. The applicant understands that the sunset provision will still apply. After December 31, 2027, the applicant would have to convert to electric vehicles.

Senior Planner Gloria Abbotts presented the details. She reviewed definitions in the Town ordinance:

- Golf cart – a vehicle designed for operation on a golf course for recreational purposes; it can't exceed 20mph
- LSV – a 4-wheeled electric vehicle with a top speed greater than 20 mph and less than 25mph; it must be registered with DOT and contain all listed features

Ms. Abbotts said State statutes changed the definition of LSV in 2023, defining it as a 4-wheeled vehicle that is either electrically powered or propelled by gasoline, which is different than the Town's current ordinance language. She said staff is proposing to update the Town's definition to include electric and gas in the LSV definition so it will comply with State statutes.

Mayor Barbee said the Town's goal was always to follow the State statutes, so this proposed change would allow the Town to meet that goal.

Ms. Abbotts said she spoke to someone with the State Department of Motor Vehicles (DMV) who said the definition change was somewhat hidden, and the Town just wants to be in line with it. She said she believes it solves Ms. Boyack's issues by allowing her to use existing vehicles and purchase a gas-powered LSV to add to the business.

Ms. Boyack said the State statute states gas-powered carts are permissible as long as they can be licensed, and therefore a text amendment is not needed and the sunset clause would not apply. She questioned whether the \$500 fee she paid to apply for the text amendment is still necessary.

Mayor Barbee said this is a valid question and will be addressed after Council votes on the ordinance.

ACTION: Motion to approve Ordinance 24-1227 to comply with the State statute for low-speed vehicles

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

Mayor Barbee said Ms. Boyack is asking for her \$500 fee to be returned because a text amendment is no longer necessary due to the change in State law that was only recently discovered. Mr. Oakley said it would be helpful for Council to make a motion.

ACTION: Motion to refund the applicant's \$500 because this would've had to change either way whether she applied or not

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

10. Sidewalk from Carolina Beach Lake to Carolina Sands

In May 2023, Mr. Oakley was in discussions with DOT about how the Town could get sidewalks added from Carolina Sands to Lake Park. Later that summer, funding from DOT was earmarked for this project. Several on-site meetings occurred with Town staff and DOT. In November 2023, a plan was given to the Town showing the sidewalk meandering from DOT right-of-way to private property. There were multiple conflicts with power poles, mailboxes, utilities, trash bins, signage, etc. The cost of purchasing the additional needed right-of-way was also a significant concern.

Staff worked with DOT on an alternative that would bump out curb and gutter and avoid all the conflicts. DOT met with Town staff on-site again and determined there was adequate drive aisle width to accomplish this task. However, when the estimate came back to the Town, it was \$1,691,153.08.

Staff talked to Council about this issue, and direction was given to see if the Town could get any aspect of the project completed (i.e. one or two blocks). Staff went back to DOT, and they agreed to look at the costs again on a block-by-block basis.

During the second review by DOT, their field crews identified some discrepancies in the stormwater infrastructure that were shown on their as-built surveys. This discovery allowed them to significantly reduce the costs. They were also able to break down the costs by block.

There are no funds allocated in the current proposed budget for this project, which will be run separately from the resurfacing of Lake Park Boulevard. If approved by Council, the project will be managed by DOT. It must be approved for connecting full-block sections. The proposed total cost of the project is \$640,000, and DOT has agreed to allocate \$183,118. The Town's share would be \$552,882, which includes a 15% contingency.

Mr. Parvin presented the details. He said there is no timeline for the project, and the Town will have to pay for any overages through the contingency built into the Town's share.

Council Member Benson asked if DOT's share includes engineering design. Mr. Parvin said he is not sure if they will charge for engineering design or take their labor out of their share. Council Member Hoffer said his understanding was that design and project management were in-kind. Mr. Parvin said DOT has been meeting with the Town for about a year and hasn't charged for any of that.

Mayor Barbee said his only concern is that for this project to be fully effective, it needs to go to Tennessee Avenue. He asked if there is still an opportunity to get pricing for that additional block because it ties into the Wilmington Beach area. Mr. Parvin said staff can work with DOT to get those numbers. Mr. Oakley said they made a request for a new estimate.

Council Member Healy asked if there was any discussion with DOT about doing this project at the same time as the paving project. Mr. Parvin said DOT requested to keep the projects separate, and there is not a timeline for the sidewalk.

ACTION: Motion to adopt Budget Ordinance 24-1226 to allocate the funds to build a sidewalk from Carolina Beach Lake to Carolina Sands

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

11. Annual Committee Appointments

The original agenda item was for Council to appoint committee members to terms expiring on June 30, but Mayor Barbee said he would like to address some confusion about alternates and delay the appointments until Council's next workshop. He said the proposal is to remove the alternates and put them on the ballot for full appointments, and this should encompass all committees except the Board of Adjustment, which is a legally required board and should have one alternate position.

ACTION: Motion to change the membership definitions for committees that have alternates to remove the alternate positions, putting the current alternates back on the ballot to be appointed to full positions if Council desires, with the exception of the Board of Adjustment, which will keep one alternate position because that's a legally required committee

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Benson, Council Member Hoffer

Motion passed unanimously

COUNCIL COMMENTS

Council Member Hoffer said he is feeling celebratory that Council passed the Lake Park Boulevard sidewalk project. He said the biggest challenge for bike and pedestrian projects is the fact that there is a highway running through the middle of Town.

Council Member Benson thanked Mr. Hardison for pointing out the Sunny Day Flooding Project committee meeting and said he would like to be a spectator. He said the Canal Drive remediation project was on the agenda for a previous workshop, so this might be a good time to tie in that topic.

Mayor Pro Tem LeCompte reminded everyone about the blood drive tomorrow and asked about the Spartanburg Avenue crosswalk. Mr. Hardison said they are coordinating with design and stormwater, and the engineer now has more details about what can be included in the design. Mayor Pro Tem LeCompte also asked that Council start getting quarterly reports from Pivot Parking again.

Mayor Barbee asked if the Boardwalk bathroom redesign will include a family room. Mr. Oakley said he will have to check. Mayor Barbee said he received some input about consideration of this. Mr. Oakley said he will look into it.

Mayor Barbee said he was convinced money should be allocated for a sidewalk on Lake Park Boulevard, which is a big investment for the Town, when he saw someone pushing a stroller down the street in front of The Veggie Wagon. He said it's the Town's job to give people a safe place to walk to avoid situations like that, so he is excited to get that project started and hopes it can be extended all the way to Tennessee Avenue.

ADJOURNMENT

Mayor Barbee adjourned the meeting at 7:20 PM.