

CAROLINA BEACH

Town Council Workshop

Tuesday, May 24, 2022 - 9:00 AM

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



MINUTES

CALL TO ORDER

Mayor Barbee called the meeting to order at 9:00 AM.

PRESENT

Mayor Lynn Barbee

Mayor Pro Tem Jay Healy

Council Member Joe Benson

Council Member Mike Hoffer

Council Member Deb LeCompte

ALSO PRESENT

Town Manager Bruce Oakley

Assistant Town Manager Ed Parvin

Town Clerk Kim Ward

DISCUSSION ITEMS

1. Employee Recognition

Town Manager Bruce Oakley recognized Fire Chief Alan Griffin for 10 years of service with the Fire Department. Mr. Oakley praised Chief Griffin for his hard work, reliability, and efficiency.

2. Manager's Budget Message

Mr. Oakley submitted the 2022/2023 Budget Message, which is required by State law and points out key details in the proposed budget. He said nothing has changed since the last draft of the budget, which was balanced with no property tax increase.

Budget Message 2022/2023

- General Fund: \$19,778,842
- Utilities: \$10,159,155*

*Includes 4% rate increase/\$0.40 stormwater fee increase and \$238,506 from Utilities Fund Balance

General Fund expenses

- Personnel
 - Communications Coordinator
 - Financial Analyst

- Human Resources Administrative Support
- 3 firefighters
- Projects
 - 4.5 miles of paving
- Fund Balance addition
 - \$150,000
- No property tax increase

Utilities Fund revenues and expenses

- 4% water/sewer rate increase
- \$0.40 stormwater fee increase
- Permit fee increases
- Phase I of water study
 - Preliminary engineering report – permitting
- Wastewater headworks
- Stormwater projects
- \$238,506 transferred from Utilities Fund Balance

Council Member Hoffer asked how much longer the Town has to pay CBP3 debt. Finance Director Debbie Hall said she thinks it's at least another seven or eight years.

Council Member Benson asked about timing of the grant submitted for the headworks projects. Mr. Oakley said he is not sure when it will be announced but thinks the Town will get the grant. If not, the budget has included some of the initial costs for that project, he said.

Council Member Benson asked if 40% of the Fund Balance is funds not committed to projects already designated to be undertaken. Mr. Oakley said yes, this is unreserved money, and much of it is the result of cuts at the onset of the COVID-19 pandemic due to economic uncertainty. In addition, he said staff has spent the past two years closely monitoring conditions to ensure revenues exceeded expenses, and money from the American Rescue Plan and State funding has also helped the Town accomplish things while putting back into the Fund Balance.

Council Member Hoffer said he has concerns about adding six new staff positions. He said he'd like to hear a second offer from Mr. Oakley about staffing requirements. Mr. Oakley said he has incorporated staggered hiring for the positions so they can be cut or frozen if there is an economic downturn that affects the budget.

Council Member Hoffer asked Chief Griffin to explain his request for three firefighters. Chief Griffin said the Fire Department has three shifts, so unless staff is added in threes there will be some days that have more coverage than others. He said to staff the ladder truck on a full-time basis, there will need to be three new firefighters added at one time.

Council Member Hoffer asked when the Fire Department last added new staff. Chief Griffin said three firefighters were added two years ago. He said the Occupational Safety and Health Administration (OSHA) requires the Fire Department to have four people on the scene before working a fire, which

was a challenge before the last staff additions. He said the latest request would address the current challenge of getting the ladder truck out the door in a timely manner, which is exacerbated by a declining volunteer force happening all over the nation.

Council Member Hoffer asked how many volunteers the Fire Department currently has. Chief Griffin said there are about 20, and the number fluctuates between 15 and 20 with roughly half living on the island. He said it can be difficult for those living off the island to get to the station in busy summer months when traffic levels are high.

Council Member LeCompte said she thinks Fire and Police are two of the most departments within the Town, but she is unsure about the other three proposed new positions. She said she's not sure that's the direction the Town needs to go now.

Council Member LeCompte asked about the proposed \$21,000 increase in donations to non-profit organizations. Mr. Oakley said this number brings Town contributions back to a normal level after drastically reducing those amounts at the onset of the COVID-19 pandemic due to economic uncertainty. He said the increased amount for the Pleasure Island Chamber of Commerce would be reimbursed with room occupancy tax (ROT) funds. Council Member LeCompte asked for a breakdown of the organizations receiving donations.

Council Member LeCompte asked about the \$35,000 allocation for dredging of the Carolina Beach Inlet. Mr. Oakley said the County bills annually for the Town's portion. He said there is some State funding this year to help with the cost. Council Member LeCompte said the inlet has not been dredged in a long time and it's still uncertain when that will happen. Assistant Town Manager Ed Parvin said it was scheduled to start next week.

Council Member LeCompte asked why grant money and State appropriations for the marina and other projects are not included in the budget. Mr. Oakley said these are capital project ordinances that Council approved separately, so these revenues and expenses are not part of the operating budget.

Council Member LeCompte asked about the \$215,000 amount for computer maintenance and repair. Mr. Oakley said this is part of an off-site computer management contract that will be up for renewal in a year. Mayor Barbee said in his experience, this is cheap for those services.

Council Member LeCompte asked about the \$100,000 interest on investments. Mr. Oakley said this is revenue generated by investing the Fund Balance and reserves.

Council Member Benson said it's going take some hard convincing to get him to see the need for the proposed additional personnel. He asked if the Utilities Fund reserves could be addressed based on what comes out of the bid for the lake dredge. Mr. Oakley said rates and fees can be adjusted throughout the fiscal year if the Town is in a better situation.

Mayor Barbee said the 4% utilities rate increase is well below what is actually needed to balance the budget. He said no one knows when inflation will stop, so he's worried about what the following year

will look like. Mr. Oakley said the Utilities Fund is impacted by inflation more than anything the Town does due to the cost of chemicals and materials.

Mayor Pro Tem Healy said when you have a business that grows, you need more people to run it. He said the Town is not just hiring for now but also for the future, especially regarding the Financial Analyst position. He said it will not be easy to fill Ms. Hall's role right away when she decides to retire, so someone will need to start training for this now.

Mayor Pro Tem Healy asked if the Communications Coordinator position is a 40-hour-per-week job. Mr. Oakley said yes because the position will handle social media, the website, CodeRED, and recording meetings. He said there is a lot more to the role than just information. Mayor Pro Tem Healy said he is all for it because for the past few years Council has heard from the public that messages are not always getting out and there are transparency concerns. He said he'd like to take a look at the responsibilities of that role and use that person somewhere else if the needs don't add up to 40 hours. Mr. Oakley said this would be a flex position that wouldn't have a regular 8:00 AM to 5:00 PM schedule.

Mr. Oakley said the Financial Analyst position is the result of the Town being a victim of its own success. He said the Town has received a lot of grants and State funding, and this comes with a lot of reporting requirements.

Mayor Barbee said he has done an analysis of the Town's staffing over the past 20 years, and the proposed new positions are on par with growth and within reason. He said the Financial Analyst position had been previously identified as a need, and the community has been vocal about the need for improved communications, which was identified in the strategic plan. Mayor Barbee said the only one that caught him off guard was the new Human Resources Administrative Support position, but he did some research and doesn't think people understand the challenges of running a seasonal municipality with lots of seasonal staffing. He said he's trusting Mr. Oakley to accurately convey what his staffing needs are. Mayor Barbee said he appreciates the plan to stagger the new positions because the worst thing would be to hire somebody and then have to lay them off. He said he supports Mr. Oakley's staffing requests.

Council Member Hoffer said he will give the proposed new positions some more thought, but right now they concern him.

Council Member Hoffer asked if ROT spending can be itemized. Mr. Oakley said he provided this at the last meeting, but in summary a big chunk pays for the lifeguard program with other money going to the new Hamlet Avenue Ocean Rescue and bathroom facility, fireworks, and music. Mayor Barbee said there are very specific rules about how to use ROT funds because in general they must generate tourism. He said the uses must be voted on by the New Hanover County Tourism Development Authority (TDA) and are not up to Mr. Oakley. Mr. Oakley said what the Town doesn't use it carries over, and that helped to pay for Freeman Park. Council Member LeCompte told Council Member Hoffer she just sent him a screenshot of the list that breaks down the Town's expenditure of \$901,000 in ROT reimbursement.

Chief Griffin asked to address Council again. He gave some call volume statistics that showed an average of more than five calls per day now, even before the busy Memorial Day weekend has arrived. He said in July the Fire Department can get more than 25 calls in one day or more than one per hour sometimes. Chief Griffin said also on the rise are overlapping calls, when the Fire Department is already on a call and another comes in so volunteers or another agency must respond, and he pointed to a larger population of full-time residents driving more calls all year long, not just during the summer.

Mayor Barbee said the message is clear regarding the need for three new firefighters. He said Chief Griffin has taught him that the Fire Department does much more than just squirt water on fires.

Council Member LeCompte said she wanted to publicly thank the Fire Department staff for quickly responding to her home recently.

3. Operations Advisory Committee Mission Statement Revision

Mr. Oakley presented a revised mission statement for the Operations Advisory Committee. He said he, Council Member Benson, Mr. Parvin, and Town Attorney Noel Fox met and decided this was clear but vague enough to offer opportunities for the committee to work on various projects.

Council Member Benson said the mission statement is ambiguous in places to allow for flexibility because the committee is dynamic by design.

The revised mission statement is as follows:

1. At the direction of Council, committee members will support operations-oriented Town projects; such projects fall under the directors of Utilities and Public Works. Examples could include attend open houses and provide notice of public events.
2. At the direction of Council, through study and analysis, committee members will determine large infrastructure project impacts to residents. The committee will work to determine recommendations on ways to best notify residents, businesses, and visitors about projects.
3. At the direction of Council, committee members will review operational long-range plans, then research and make recommendations to Council on courses of action for project implementation.

Council Member Hoffer said he is comfortable with this mission statement. He said it falls to Council to guide committees and keep them on track.

Council Member Benson said there was a suggestion that prospective committee members acknowledge the committee's mission statement at the time of application, so expectations are clear. Mr. Oakley said putting a committee's mission statement on its applications is a great idea. Mayor LeCompte said this has been done in the past with the Police Advisory Committee. Mr. Oakley said the Town will offer committee training in late June.

Mayor Pro Tem Healy said in the past some committee members have bashed the Town, which he has an issue with personally. He said he is all for freedom of speech but thinks there should be a message that this type of behavior doesn't look good for the community.

Mayor Barbee said a good message is that you have freedom of speech but not freedom from consequences of your speech. He said training is a good idea.

Council Member Hoffer said sometimes freedom of speech is messy. He said he fully supports the committee system, but Council must be prepared to deal with issues.

Council Member LeCompte said as a former committee member who has a history of speaking out when she doesn't see something going right, she thinks those who have something to say should be allowed to say it, especially if they think something is being done improperly. However, she said there are channels, such as going to Council or Mr. Oakley first. Council Member LeCompte said Council Members must have thick skin because they are never going to make everyone happy and somebody is always going to have something negative to say.

Council Member Hoffer said another channel is to run for Council if you are not happy with something.

ACTION: Motion to approve the Operations Advisory Committee mission statement as presented

Motion made by Mayor Barbee

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

Motion passed unanimously

Mayor Barbee added a closed session item regarding real estate to the end of the agenda.

COUNCIL COMMENTS

Council Member Benson said he would like to see a portable restroom back at the Ocean Boulevard beach access until there is a permanent facility. Mr. Oakley said it would cost the Town \$3,600 per week to contract this service, which would include maintenance trips, which are \$400 each, once per day on weekdays and two per day on weekends. He said using Town staff to service the restroom is not a good solution due to safety concerns regarding access during crowded times.

Mayor Pro Tem Healy said this is a lot of money. Mr. Oakley said he is trying to find money from the State or other possible sources to build a permanent restroom facility there. Mayor Pro Tem Healy asked where the closest restroom to the Ocean Boulevard beach access is. Mayor Barbee said the nearest facility is at Alabama Avenue, which is 600 yards away.

Mayor Barbee said the Town has been trying to get out of the portable restroom business due not only to safety concerns but also issues with equipment and permits. He said the cost to contract the portable restroom at Ocean Boulevard for the summer season is more than the gross revenue of the parking lot of that beach access during the same time frame.

Mayor Pro Tem Healy asked if the Town can put a permanent structure there. Mr. Oakley said the Town hasn't gotten approvals yet, but he thinks it would be consistent with Coastal Area Management Act (CAMA) regulations.

Mayor Pro Tem Healy said he thinks putting a portable restroom back there is fiscally irresponsible unless there are many people who are asking for it.

Mayor Barbee said this is the third meeting where this has been discussed, and no residents have had any input. He said the majority of the Island Greenway, State Park, and Freeman Park are more than 600 yards from a restroom facility, so he can't figure out what is special about this location. Mayor Barbee said putting a portable restroom back at Ocean Boulevard is a misuse of funds.

Council Member Hoffer said he thinks Council should have conversations to sort this out as many times as necessary.

Mayor Barbee said Council Members keep asking Mr. Oakley the same questions about the restroom situation.

Council Member LeCompte said discussion is how you get to a better decision.

Council Member Benson said it sounds like no one is in favor of putting a portable restroom back at Ocean Boulevard.

Council Member Hoffer said he wants Code Enforcement to remove advertising signage along rights-of-way on the stretch from Snow's Cut Bridge to the stoplight at River Road. Mr. Oakley said staff can look into this to see what can be done, but this area is technically not in the Town's territory.

Council Member LeCompte asked where things stand with parking signage that better indicates the two-hour limit and enforcement times at meters. Mr. Oakley said he will follow up on this right away.

Mayor Barbee said he wants Mr. Oakley to continue looking into the possibility of adding a permanent restroom at Ocean Boulevard. He said he doesn't want the discussion about portable restrooms mixed up with this.

Mayor Barbee asked about the rationale for a sign directing motorists to Kure Beach straight through the heart of the Town instead of turning right on Dow Road. Council Member LeCompte said this is likely a business decision to get people to travel past places where they may stop and spend money. Mayor Barbee said he's not suggesting a change but was curious whether it was a conscious decision and thought it might be worth a question to the N.C. Department of Transportation (DOT).

Mayor Barbee said he had some complaints from residents about using Text2Park and other parking issues and asked staff to look into them.

Mr. Oakley said he was unsure if he properly notified Ms. Fox about the closed session, so he recommended delaying this until the next meeting when she is present. Mayor Barbee removed it from the agenda.

ADJOURNMENT

ACTION: Motion to adjourn

Motion made by Mayor Barbee

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

Motion passed unanimously

The meeting adjourned at 10:12 AM.