

# CAROLINA BEACH

Town Council Regular Meeting

Tuesday, May 14, 2024 - 6:00 PM

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



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## MINUTES

### CALL TO ORDER

Mayor Barbee called the meeting to order at 6:00 PM, followed by the invocation by Mayor Pro Tem LeCompte 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

Mayor Barbee said at the end of tonight's meeting, Council will recess until May 30 at 9:00 AM and hear item 8 at that time.

### 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. Amend Grant Project Ordinance for American Rescue Plan
3. Proclamation Recognizing May 15-June 15 as Tourette Awareness Month
4. Approval of Council Meeting Minutes

Mayor Barbee asked if the new volleyball court is included in budget transfers. Mr. Oakley said yes, there is an additional \$20,000 included in the activities fund. He said the Parks & Recreation

Department was able to fund the remainder along with donations raised by the Pleasure Island Volleyball group.

**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**

5. Events Update by Tim Murphy

Tim Murphy, Recreation Programs Superintendent/Community Events Coordinator, reviewed upcoming events:

- Carolina Beach Skate Park Ribbon Cutting – May 18 at Mike Chappell Park
- Pickleball Tournament for Compassion to Companions – June 1 at Mike Chappell Park
- Carolina Beach Music Festival – June 1 at Boardwalk beach strand
- Carolina Beach Market – begins May 25 at Lake Park and continues every Saturday through September 28
- Movies at the Lake – begins May 26 and continues every Sunday through September 1
- Family Night – begins June 13 at Lake Park and continues every Tuesday through August 20
- Boardwalk Bingo – begins May 29 at the Gazebo and continues every Wednesday through August 28
- Fireworks/Music – begins Friday, May 24, and continues every Thursday through the season with the exception of July Fourth (Wednesday, July 3) and Labor Day (Friday, August 30) shows

6. Manager's Update

Mr. Oakley gave an update on various projects:

- He and other staff members attended a meeting with the U.S. Army Corps of Engineers regarding Snow's Cut Park, which previously closed due to erosion. Funding in the amount of \$15 million is available to shore up some of the current erosion and prevent further progress, and there are plans for a total revetment there. Work will start in July, and it will be an 8-month project that will result in visual improvements as well as keeping the banks stable. Council Member Benson said this area will be dredged next winter, and the sand pulled out will end up on Freeman Park.
- The certificate of occupancy for the marina has been received, and the Town is just waiting for Duke Energy to install meters. A grand-reopening event is planned for June 3 at 4:00 PM, immediately followed by a public input session focusing on the south-side lawn.

Council Member Benson asked if there are any items on the punch list for the lake-dredging project that will take time. Mr. Oakley said crews need to get up all the mesh matting, which will hopefully start on Friday. He said he thinks the project will come in under budget, and they are looking at the possibility of adding another fountain or two.

Mayor Pro Tem LeCompte asked if the Town can put out information about the paddle boats at Lake Park. Mr. Oakley said staff has some ideas, and the Lake may not be the most appropriate place for them at this point due to shallow depth.

Mayor Barbee said he has heard some positive comments from the New Hanover County Tourism Development Authority (TDA) about possible help with marketing funds for a photo-op prop of some sort at the park in front of the marina.

Council Member Hoffer asked about the Ocean Boulevard sidewalk. Mr. Oakley said it's in the hands of the N.C. Department of Transportation (DOT), and the contractor is ready to proceed as soon as the Town gets the go-ahead.

### **PUBLIC COMMENT**

Alex Torres of 310 Spencer Farlow Drive said he and other concerned citizens have put together a petition with 1,348 signatures regarding the SeaWitch Café property. He said most of the people who signed live on the island or nearby, and he urged Council to listen to citizens and take petitions seriously.

JoDan Garza of 513 Atlanta Avenue, whom Mayor Barbee recognized as a former Council Member, spoke about several budget transfers. He recommended that Council develop a way to follow up with citizen concerns presented during public comment so people know they are heard. Mr. Garza said there is a need for shade and bathrooms at Town parks and near the beach stand. He suggested the Town look at bringing parking enforcement back in-house to save costs, and he said he'd like to hear an update about the walkway on Harper Avenue from Dow Road to 6th Street.

Elizabeth Howard of 501 Spartanburg Avenue said she would like to see a stop sign added on Spartanburg Avenue. She said the route's traffic has increased, and people tend to accelerate in that area, which is part of the commute for school bicycle traffic.

Joe MacPherson, owner of The Spot at 1006 South Lake Park Boulevard, said recent changes to rules regarding on-street parking have resulted in problems with employee parking. He suggested repealing the on-street parking law because it has pleased a few while punishing many local businesses and employees. Mr. MacPherson said this would be an easy and free solution for the current problems.

Crystine Good of 6 Tennessee Avenue said she is experiencing consistent problems with stormwater entering her property, and she worries that the flooding is starting to cause irreversible damage. She asked the Town to support appropriate drainage or provide help with elevating the house.

David Sink said he wanted to talk about the proposed Embassy Suites project. Mayor Barbee said Council has seen nothing from Embassy Suites, but Mr. Sink may still present his concerns. Mr. Sink said he and others would love it if Embassy Suites never went on the proposed site, but he would like to hear feedback from Council. He said he would like to know if there is a plan to add sand to the beaches. Mayor Barbee said the next nourishment project is happening during the winter. Mr. Sink said he was thrilled to hear the news about Snow's Cut, and he said he would like to find out more details

about the proposed tax increase. Mayor Barbee said a public hearing regarding the proposed budget is coming up next on the agenda.

Adam Priest of 314 Lumberton Avenue said the recent change with the right-turn lane into Food Lion also becoming a through-lane may be problematic now that summer traffic is coming. He suggested a sign letting people turning right from the shopping center onto Lake Park Boulevard know to look for through-traffic. Mayor Barbee said Lake Park Boulevard is a DOT road, and DOT determined through analysis that many motorists were driving through the right lane anyway, so their fix was to change it to make that legal.

## **PUBLIC HEARINGS**

### 7. Public Hearing to Receive Public Input on the 2024/2025 Budget

Council gave the public the opportunity to give input on the FY 24-25 proposed budget.

**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 said this is the 21st municipal budget he's submitted, and this is the first time he's asked for a tax-rate increase. He said he doesn't like it, but there are not many options due to inflation.

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 – May 7
- Revenue and Expense Projections – May 14
- Budget Message and State of the Town Presentation – May 28
- Budget Adoption – June 11

Mr. Oakley said May 30 is the actual date he will submit the budget message. He said the proposed budget is in line with past inflationary increases, and there are not a lot of wants included. Mr. Oakley said it's mostly a response to inflation, maintenance for completed projects, and recruitment and retention money to maintain the highly skilled Town workforce.

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

#### General Fund

- 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

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

Mr. Oakley said there are no amenities in the budget, and it is primarily needs-based. He said there are no new positions included in it.

Mayor Barbee said taking care of employees is important because turnover is expensive.

Council Member Healy said it's important to take care of staff, and he acknowledged that the cost of goods is very high. He said the Town is in a good place compared to other beach towns. Mr. Oakley said the Town is fortunate to have received a lot of outside funding during the past few years.

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

David Sink of 1006 Carolina Beach Avenue North said he does not like the idea of increasing dockage fees because fishermen are not making much money as it is, so their fees should stay low to enable them to make a living. He asked if there is a way to lower solid waste fees and said the Town should explore ways to use volunteers to help offset expenses. Council Member Hoffer said there are already lots of volunteer service hours given to this community.

JoDan Garza of 513 Atlanta Avenue pointed out fee increases in the proposed budget. He said the budget assumes room occupancy tax (ROT) funds will drop, but they usually skyrocket, and he said Powell Bill funds increased this year, which should take care of paving. Mr. Garza questioned a proposed wage increase of \$200,000 for the Planning Department. Mayor Pro Tem LeCompte said the Planning Department wages have increased because Project Manager positions were moved there from other departments.

Mark Miller of 702 Seafarer Drive asked if additional property tax revenue from Proximity and other large condominium complexes have been taken into account for the coming year. Mr. Oakley said the County will do an appraisal of the property, and this will be in next year's revenues.

Crystal Lee of 308 Ivy Lane asked about software maintenance costs for various departments. Mr. Oakley said this time is for comments and not questions, but anyone with questions can call or email

him and he will get answers. Ms. Lee encouraged the Town to seek grant money to help the community, especially with environmental and public safety matters.

Cathrine Robbins of 113 Winner Avenue said it's difficult to review a budget without clear information. She said it appears the tax increase is to fund wages and capital improvement, not inflation. Ms. Robbins said there is no need for a tax increase because property tax revenue will increase. She said this community loves to give money, so the Town should put together events to fund things such as non-profit requests. Ms. Robbins urged Council to not increase property taxes.

JoDan Garza said the Town share of the match for the Saint Joseph Street project increased.

James Sanderford of 418 Marina Street said he thinks the Town can find ways to get better prices on goods and services through the bidding process. He suggested using the N.C. Vendor Portal, implementing quality control on the back end to get better products, and possibly bidding out smaller projects.

Jama Hare of 408 Ivy Lane said projects such as improving the Fire Department's living quarters would be a good use of volunteer labor and donations.

Kristen Dunn of 907 Ocean Boulevard said she is not in favor of a tax increase, especially if it's just going to staff salaries. She said the proposed budget lacks expense details, and she thinks there are big cuts and tough decisions that can be made.

Crystine Good of 6 Tennessee Avenue said she thinks the tax increase is reasonable because it goes to pay for things the community wants, such as the Ocean Boulevard sidewalk. She said \$100 spread over 12 months is really pennies compared to what will be gained by fostering a great community. Ms. Good asked about proposed parking lot improvements and suggested the Town ensure affected residents are involved so they know what the implications are.

David Sink asked if there is a way to get tourism money to help pay for some of the items covered by the proposed tax increase. Mayor Barbee said ROT funds are all paid by visitors.

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*

Mayor Barbee said the process of things being paid for by ROT funding can be confusing to the public. He said the Town doesn't really donate money to the Chamber; that money is ROT funding that passes through the budget. Mr. Oakley said the Town files for reimbursements for those expenses.

Mayor Barbee asked how often the Town renegotiates contracted solid waste services. Mr. Oakley said the Town just renegotiated a new agreement for these services, and it was held to a 3% inflation cost increase.

Mayor Barbee asked about the 4% increase in water rates. Mr. Oakley said increases are spread out over many years instead of having a big increase during one year. He said there are nearly \$26 million of improvements to wastewater and water needed over the next 10 to 20 years, and the Town worked with a financial planner to determine how bonds can be paid without overburdening residents in any one year.

Council Member Benson asked about the possibility of automating the Freeman Park gate. Mr. Oakley said it would have to be done after the summer, but even if this is implemented there may still be a need for staffing there at times.

Council Member Healy said budget preparation is a 6-month process, and during the 2-hour budget workshop only 10 people showed up to learn more from department heads. He said he appreciates the people who came out to speak tonight and reminded everyone that numbers often go down to the wire, with Council getting figures at about the same time as the public.

Council Member Hoffer said he would like to see more clarity and line items in proposed budgets. He said below every department's budget there should be a written summary. Council Member Hoffer said he doesn't want a property tax increase, but he does want a really nice Town and will be glad to pay for that.

Mayor Barbee said he doesn't like tax increases either, but he doesn't know where the line is between that and what is needed for the Town.

8. Consider a Special-Use Permit Modification for Additional Boat Slips Located at 401 Marina Street – PID 313115.74.1321.000, 313115.64.9002, and 313115.64.8036 in the Marina Business and R-1B District  
Applicant: CBYC, LLC

(This item has been moved to May 30 at 9:00 AM.)

## **ITEMS OF BUSINESS**

9. Amend Grant Project Budget for Saint Joseph Bike/Ped Project

On October 25, 2023, the Wilmington Urban Area Metropolitan Planning Organization (WMPO) Board voted to approve an additional \$1,172,760 for Saint Joseph Street bicycle and pedestrian improvements. This is an 80/20 DOT grant (#12874). WMPO previously awarded the Town a grant for \$457,777 with a 20% match of \$114,445 (#10929). Grant Ordinance No. 24-1223 will amend the budget, adding the new grant award for a project total of \$2,038,172 (\$1,465,950 DOT and \$572,222 Town match).

New grant allocation:

DOT 80% – \$1,172,760  
Match 20% – \$293,190  
Total – \$1,465,950

Mr. Parvin presented the details.

Council Member Benson asked if additional costs for this project were anticipated. Mr. Parvin said yes, this was a planned second grant.

Mayor Barbee said if this request is not approved, the Town would have to kill the project and \$1.6 million would need to go back to WMPO.

**ACTION:** Motion to approve Budget Ordinance 24-1223 amending the previous budget to include the additional grant funding and expenditures associated with the Saint Joseph Street/Lewis Drive bike/ped project

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 the Saint Joseph project is something he's been supporting for a long time, and he's glad to pay for it.

Council Member Benson asked if it would be outrageous for the U.S. Army Corps of Engineers to draft two different contracts that use two different sites for sand for beach nourishment. He said the purpose would be for a contract to be ready to go if at the 11th hour there is permission to go back to the historical sand source. Mr. Oakley said staff can talk to them again because they also want to go back to the historical sand source. Mayor Barbee said there is optimism this will be allowed, but he agrees that it's getting late.

Council Member Hoffer reminded everyone about the Saturday ribbon cutting for the new Skate Park. He said he is proud the Town helped to fund that along with \$210,000 in private donations raised by the Skate Park Committee, showing they had skin in the game. Council Member Hoffer said the Town is already using donations as a source of partial funding for various items.

Mayor Pro Tem LeCompte said she would like an update on the AM radio station. She asked about training from the N.C. League of Municipalities for Council, the Planning and Zoning Commission, and the Board of Adjustment. Mr. Oakley said there was a recent training session from the Cape Fear Council of Governments for the Board of Adjustment, and there is an upcoming training session in Wilmington next week for the Planning and Zoning Commission that is also open to Council.

Mayor Barbee asked about the budget transfer item for additional legal fees for the Board of Adjustment. Planning Director Jeremy Hardison said the group had more legal fees than anticipated for its hearings, so money had to be transferred to cover those costs.



Mayor Pro Tem LeCompte said Kure Beach Mayor Allen Oliver recently thanked the Town's Police Department Detectives for assisting with a recent investigation. She said it's National Police Week and encouraged everyone to thank an Officer.

Council Member Healy said it was good to see the hot box out filling holes. He urged the public to use SeeClickFix to report problems.

Mayor Barbee said budget season is tough on everyone, but it's part of the job. He said the Town must find the line between what makes it better with amenities residents want and paying for them. Mayor Barbee said the Town is more than welcome to his share of the tax increase if it makes a better Town.

**RECESS**

At 7:45 PM, Mayor Barbee recessed the meeting until May 30 at 9:00 AM.