



AGENDA ITEM COVERSHEET

PREPARED BY: Jarrett Anderson, Harbor Master

DEPARTMENT: Harbor

MEETING: August 11, 2026

SUBJECT: Budget Transfer and Contract Award – Marina Phase 4:
Harbor Master Office Construction

BACKGROUND:

Executive Summary

Town staff requests approval to award a construction contract to Ship Shape Builders for to construct a permanent, 600-square-foot Harbor Master office at the marina. Staff also requests a fund balance transfer to cover the remaining construction balance and architectural oversight fees, while utilizing existing project funds.

Background & Project Evolution

2023–2024 (Town Hall Operations): Harbor Masters initially operated out of Town Hall conference rooms. During Deputy Town Manager Parvin’s four-month Coast Guard deployment the Harbor Masters utilized his office and demonstrated the need for a fixed office. Staff later assigned them a vacant office in the Community Development Department. While functional, this setup required multiple daily round-trips between Town Hall and the Municipal Marina.

2025 (Temporary Marina Office): The Harbor Masters established a temporary office directly at the marina. This location proved highly successful. It placed personnel where operations occur, allowed face-to-face meetings with captains and transient boaters, and provided staff shelter from extreme weather.

Redesign Effort: The initial request for construction bids failed to produce an achievable price. In response, the Town hired Alternative Architecture in 2025 to redesign a low-maintenance, cost-effective structure.

Project Specifications & Bid Award

Structure: A 600-square-foot elevated building engineered to withstand severe coastal elements.

Materials: HardieBoard exterior siding, a metal roof, and hurricane-resistant windows to lower long-term maintenance costs.

Aesthetics: The building features a light blue color scheme. This maintains a coastal appearance while honoring local maritime history.

Bidding: The project was rebid in May, yielding four competitive bids.

Recommended Contractor: Ship Shape Builders submitted the lowest bid of \$329,000. The firm is owned by local builder John Batson, who is also a charter boat captain who operates the *Cheerio Lady* in the Municipal Marina. The Batson family has continuously run a charter fishing vessels at the marina since 1956.

Marina Project Phase History

Phase 1: Repaired critical infrastructure damage from Hurricane Matthew utilizing FEMA public assistance funding.

Phase 2: Utilized original pre-hurricane municipal funds reallocated following the storm recovery.

Phase 3: Funded comprehensive upgrades using a combination of the American Rescue Plan Act (ARPA), GoldenLEAF grants, Hurricane Florence FEMA funds, and fund balance transfers.

Phase 4 (Current): Completed capital improvements to Centennial Park, the main parking lot, and surrounding marina facilities. The final step is the construction of the permanent Harbor Master office.

Financial Impact & Funding Request

Account **27-004-074** currently holds **\$254,465.23** for the design and construction of this building. To bridge the gap between the existing project balance and the final construction costs, staff requests a budget transfer.

Required Construction Funds:	\$328,045.00
Construction Oversight:	\$6,025.00
Contingency and permitting:	\$20,000
Architectural Design:	\$237
TOTAL project cost:	\$354,307
Current Account Balance:	\$254,465.23

Funding Shortfall for Construction: **\$99,841.77**

ACTION REQUESTED:

Staff recommends that Town Council approve the contract award to Ship Shape Builders for \$328,045.00 and authorize the necessary budget transfer. This project delivers a long-term asset to our waterfront community and ensures efficient harbor operations for years to come.

MOTION:

Approve:

1. Budget transfer of \$99,841.77 from 10-409-015 (Debt Service for Future Projects) to 27-004-074 Capital Projects.
2. Award the construction contract to Ship Shape Builders for \$328,045.00