



BOARD OF ALDERMEN
AGENDA ITEM

1/07/26

ISSUE: Budget Amendment 2026-26.31 and
Contract Ordinance 2026-26.32

PRESENTED BY: Alice Derian, Town Manager

DEPARTMENT(S): Shoreline Protection - Fund 30

Background: This amendment is to award the Financial Advisory Agreement to DEC and Associates Inc for a maximum not to exceed \$40,000 (\$35,000 fee and \$5,000 reimbursement of expenses). This is funded from using \$40,000 of appropriated fund balance.

Attachments: Budget Amendment 2026-26.31 and
Contract Award Ordinance 2026-26.32

Recommendation: Approve Amendment as recommended

Action Needed: Yes

Suggested Motion: "I, _____, make a motion to
approve the Budget Amendment 2026-26.31 and
Contract Award Ordinance 2026-26.32 as
presented."

Funds: 30

Follow Up: Finance Officer

ORDINANCE NO. 2026-26.31
TOWN OF NORTH TOPSAIL BEACH, NC
Ordinance Amending the 2025-26 Shoreline Protection Fund (30)

THE TOWN OF NORTH TOPSAIL BEACH, NORTH CAROLINA DOES ORDAIN that the following annual budget ordinance is hereby amended:

Section I: Estimated Revenues and Appropriations. Shoreline Protection Fund is hereby amended by increasing estimated revenues and appropriations in the amount indicated:

	2025-26 Adopted Budget	Increase (Decrease)	2025-26 Amended Budget
ESTIMATED REVENUES			
30-301-00 Accommodation Tax	2,000,000	-	2,000,000
30-301-05 Ad Valorem Tax - Beach	1,653,225	-	1,653,225
30-317-01 County Grant Funding	150,000	-	150,000
30-329-00 Interest Income	125,000	-	125,000
30-345-00 Local Option Sales Tax	1,108,888	-	1,108,888
30-350-01 Paid Parking Revenue	336,375	-	336,375
30-399-00 Appropriated Fund Balance	-	40,000	(1) 40,000
Total Revenues	5,373,488	40,000	5,413,488
APPROPRIATIONS			
30-710-08 Lease Payments	36,900	-	36,900
30-710-10 Beach Lobbyist Contract	63,300	-	63,300
30-710-12 Beach/Access Maintenance	138,100	-	138,100
30-710-14 Beach Meetings/ Conferences	20,000	-	20,000
30-710-15 M & R Dune/Crosswalk	140,000	-	140,000
30-710-45 Contracted Services	305,070	-	305,070
30-710-59 Sea Oats Program	37,000	-	37,000
30-711-45 Tax Collection Fees	24,454	-	24,454
30-720-07 New River EIS Project	185,926	-	185,926
30-720-08 Contracts, Plans, Specs	68,300	-	68,300
30-720-10 Vitex	285,200	-	285,200
30-720-45 Contracted Services	-	40,000	(1) 40,000
30-720-50 2022B SOB Payment	1,884,803	-	1,884,803
30-720-57 2022C FEMA SOB Interest	1,721,043	-	1,721,043
30-720-60 30 Year Beach Plan	275,000	-	275,000
30-720-64 Sandbag Repair Project	188,392	-	188,392
Total Appropriations	5,373,488	40,000	5,413,488

(1) Appropriate \$40,000 of Fund Balance for the DEC and Associates Financial Advisory Agreement.

Section II: Copies of this ordinance shall be furnished to the Town Manager, the Finance Officer and to the Clerk to the Board.

Adopted this 7th Day of January 2026.

Motion made by _____, 2nd by _____

VOTE: ___ FOR ___ AGAINST ___ ABSENT

RICHARD GRANT
MAYOR

WAYNE JOHANNESSEN
FINANCE OFFICER

**ORDINANCE NO. CA 2026-26.32
TOWN OF NORTH TOPSAIL BEACH, NC**

THE TOWN OF NORTH TOPSAIL BEACH, NORTH CAROLINA DOES ORDAIN that the Financial Advisory Agreement is awarded to DEC Associates Inc.

Section I: In accordance with Ordinance 2025-25.25 Limited Town Manager's Contracting Authority to contracts under \$40,000 without Board Approval.

Section II: The Financial Advisory Agreement Contract has a not to exceed \$40,000. Cost is \$35,000 for the services and \$5,000 for reimbursement of expenses.

Section III The Finance Officer has determined that after adoption of Budget Ordinance 2026-26.31 sufficient funds are available in account 30-720-45 to cover the \$40,000 contract.

Section IV: The Town Board authorizes the Town Manager, Town Attorney and Finance Officer to finalize the contract documents before a Notice to Proceed is Issued.

Section V: The Town Board authorizes the Town Manager to execute the Contract and hereby authorizes the Town Manager to approve payments to DEC Associates Inc. up to \$40,000, subject to a pre-audit certificate thereon by the Town's Finance Officer.

Section VI: Copies of this ordinance shall be furnished to the Town Manager, the Finance Officer and to the Clerk to the Board.

Adopted this 7th Day of January 2026.

Motion made by _____, 2nd by _____

VOTE: ___ FOR ___ AGAINST ___ ABSENT

RICHARD GRANT , **MAYOR**

WAYNE JOHANNESSEN, **FINANCE OFFICER**

FINANCIAL ADVISORY AGREEMENT

The Financial Advisory Agreement (the "Agreement") is entered into as January 7, 2026 between the Town of North Topsail Beach, NC ("the Town") and DEC Associates, Inc. ("the Advisor"). The Agreement and associated disclosures are specific to general advisory services for the Town's Financial Planning for 2026, specifically "the Plan". This specific agreement is expected to end on or about December 31, 2026.

In connection with the Plan, the Advisor will perform the following services:

1. Review the current funding status for the Town General Fund and Beach Fund and any related Funds, review previous bond issues and paygo capital projects, current balance sheet status and resulting current financial needs and challenges to meet future year capital investments and beach nourishment,
2. Work in tandem with Town employees, Engineers and other Consultants to complete a funding plan including but not limited to cost of debt service, maintenance and other costs, for currently anticipated capital needs of the Town for general government capital and the Beach Fund for a Capital Improvement Plan period of 5 to 10 years (determined by the Town's CIP funding period),
3. Prepare funding models (General and Beach) that explore multiple financing options, repayment cycles and interest rates and pay as you go options relating to funding the capital needs,
4. Review the financing status of the Beach Fund and Shoreline Protection Plan and the ability of the Fund to pay for current and future estimated costs of beach nourishment provided by Town Engineers,
5. Assist the Town in working with the Local Government Commission, Bond Counsel, Town Attorney and others to review and describe the Plan, and
6. Deliver presentations as requested to discuss the Plan and potential capital funding solutions to Town staff, Town Council and others as needed.

For these services DEC Associates, Inc will charge as the fee a sum of \$35,000 plus up to \$5,000 of out of pocket expenses, with a total not to exceed \$40,000. Actual out of pocket expenses will be billed with the fee invoice. One half of the fee will be paid upon receipt of an invoice on March 30, 2026 with the remaining one half upon receipt of an invoice and delivery of the final plan on or about June 30, 2026. The implementation of the eventual project funding, whether borrowed or paygo, for the Plan is not included in this fee and these future services will be covered under separate contract. This fee does not include services rendered by others. Services rendered by others will require a separate agreement and approval by the Town and will not be governed by this Agreement.

This agreement is cancellable by the City or the Advisor with thirty (30) days' notice. Upon notice by either party, services provided by DEC will be prorated and billed to the Town for any amount over the initial payment.

Our firm is registered with the Securities and Exchange Commission (SEC) as a Municipal Advisor and has MA and MA-I filings with the SEC reviewable on www.SEC.gov. Pursuant to our best practices and registration requirements, our firm, after reasonable diligence, has no known conflicts of interest pursuant to this Agreement. Additionally, our firm is not aware of any material legal or disciplinary events applying to it.

(Agreement continues on Page 2)

**XXII. E-Verify Certification.**

As a condition of payment under this agreement, Contractor shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes to the extent legally applicable. Further, if Contractor provides services to Client utilizing a subcontractor, Contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes to the extent legally applicable. Contractor shall verify, by affidavit, compliance with the terms of this section upon request by Client.

XXIII. Iran Divestment.

Contractor certifies that it is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. § 147-86.58. Individuals or companies on the Final Divestment List are ineligible to contract or subcontract with Local Government Units. (G.S. § 147-86.60) It is the responsibility of each vendor or contractor to monitor compliance with this restriction.

XXIV. Israel Boycott.

Contractor certifies that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. § 147-86.81. It is the responsibility of Contractor to monitor compliance with this restriction.

Town of North Topsail Beach, North Carolina

Alice Derian

Town Manager

Title

Date of Signing

Date

DEC Associates, Inc.

Doug Carter

Douglas E. Carter

President & Managing Director

Title

Date of Signing

Date

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act. Maximum not to exceed \$40,000 \$35,000 invoiced as listed above with \$5,000 reimbursable expenses A change order will be required and new pre-audit for any costs above \$40,000. Account 30-720-45 \$40,000.

Wayne Johannessen
Finance Officer