

Board of Aldermen Regular Meeting
Wednesday, January 3, 2024
DRAFT MINUTES

The Town of North Topsail Beach Board of Aldermen held its regular meeting on January 3, 2024. A quorum of the board was present. Town Attorney Edes was in attendance.

Board members present: Mayor Joann McDermon, Mayor Pro Tem Benson, Aldermen Connie Pletl, Richard Grant, Tom Leonard and Laura Olszewski.

Board members absent: None

Staff present: Town Manager Alice Derian, IT Director Ricky Schwisow, Finance Officer Caitlin Elliott, Police Chief Younginer, Fire Chief Soward, Public Works Supervisor Al Cablay and Interim Town Clerk Nancy Avery.

Call to order

Mayor McDermon called the meeting to order at 11:00 am. Alderman Olszewski gave the invocation and led in the Pledge of Allegiance.

Approval of Agenda

Motion – Mayor Pro Tem Benson motioned to adopt the agenda as presented; seconded by Alderman Leonard; unanimously approved.

Closed Session

Motion – Alderman Leonard motioned to go into Closed Session at 11:03 am as per NCGS 143-318.11 a (3) to consult with the attorney; seconded by Mayor Pro Tem Benson; unanimously approved.

The Board returned to open session at 11:56 pm. Mayor McDermon stated the Board of Aldermen received information from the contractor that they are unable to obtain the quantity of sand from their sand source. The Board has directed the Town Attorney, Town Manager, and project engineer to take appropriate actions.

Manager's report

Fire Station No. 2:

- ✓ Finalized Bid Specifications.
- ✓ October 18, 2023 – IFB issued
- ✓ October 24, 2023 – Specifications made available.
- ✓ October 31, 2023 – Receive Audit and send to LGC.
- ✓ October 31, 2023 – Mandatory Pre-Bid meeting held.
- ✓ November 1, 2023 – Board of Aldermen to consider/approve Resolution with broad authorization (\$8 Million). The original estimate was \$6-\$7 million. I used \$8 million, so we do not have to start the process over with the LGC.

- ✓ November 1, 2023 – Board of Aldermen authorized Public Hearing for December 6, 2023.
- ✓ November 7, 2023 – 2 pm is the final day and cut off time for questions from bidders.
- ✓ November 14, 2023 – Final Addendums to be issued.
- ✓ November 21, 2023 – Bids Due with public bid opening at 2 pm. Six bids received. The bids ranged from \$6,102,689 to \$6,456,000
- ✓ November 21 – November 29 – Review of bids
- ✓ November 22, 2023 – RFP finalized to solicit institutions for an Installment Financing Contract
- ✓ November 19, 2023 – Bid Review completed with full recommendation for Board of Aldermen packet.
- ✓ December 5, 2023 – Application submitted to LGC.
- ✓ December 6, 2023 – Public Hearing and consideration by Board of Aldermen to approve construction contract pending LGC approval.
- ✓ December 13, 2023 – RFP responses due for the Installment Financing Contract. We received proposals from JP Morgan Chase, Truist and PNC Bank.
- ✓ December 14, 2023 – Meeting with Carter’s to review proposals and selection of lender and terms. JP Morgan provided the most favorable rates at 3.79% fixed, 15-years, tax exempt, bank qualified rate with no redemption. A sample amortization schedule is attached along with the schedule presented at last month’s meeting for comparison.
- ✓ January 3, 2024 – NC Local Government Commission Meeting – Receive approval/denial.
- ✓ January 15-17, 2024 – Anticipated closing.

FY 2024-2025 Budget

- Prior to the holiday break, an email was sent to Department Heads providing a FY 23-23 budget worksheet along with a current Budget to Actual report. Caitlin and I will be conducting department head meetings at the beginning of February and the Board will be provided with a proposed budget calendar prior to the February BOA meeting, which will be conveyed at the February BOA meeting.

Announcements

- On December 13th we rolled out the on-line store for people to purchase NTB merchandise on-line. As soon as it was rolled out, we received out-of-state purchases and sales continued almost daily. This is proving to be a good source of revenue and promotes the Town’s brand. We will continue to work to expand on this initiative. You can access the store through the Town’s website.
- NTB Grinding of the Greens – We are accepting and are prepped to grind natural, ornament free Christmas trees after Christmas. NTB residents can drop off their undecorated trees to the designated area at the Jeffries parking lot through January 14th. Grinding of the Greens will take place on January 17th and free mulch will be available after January 17th on a first come first served basis.
- Christmas light recycling initiative – I was able to obtain a partnership with Southern Metals Recycling who will be recycling string lighting that we collect free of charge. Bins were established at Town Hall prior to the holidays and remain outside for anyone looking to dispose of string lights. They will remain in place until January 16th.

- The Sledgehammer Beach Run will take place once again on North Topsail Beach this year on Saturday, February 3rd at 8 am at 2950 Island Dr. There Is still time to register for half marathon, 5k or 10k.

NORTH TOPSAIL BEACH FIRE STATION

Actual Contract Figures

	Principal	Interest	Total
Year 1	\$ 373,333	\$ 212,240	\$ 585,573
Year 2	\$ 373,333	\$ 198,091	\$ 571,424
Year 3	\$ 373,333	\$ 183,941	\$ 557,275
Year 4	\$ 373,333	\$ 169,792	\$ 543,125
Year 5	\$ 373,333	\$ 155,643	\$ 528,976
Year 6	\$ 373,333	\$ 141,493	\$ 514,827
Year 7	\$ 373,333	\$ 127,344	\$ 500,677
Year 8	\$ 373,333	\$ 113,195	\$ 486,528
Year 9	\$ 373,333	\$ 99,045	\$ 472,379
Year 10	\$ 373,333	\$ 84,896	\$ 458,229
Year 11	\$ 373,333	\$ 70,747	\$ 444,080
Year 12	\$ 373,333	\$ 56,597	\$ 429,931
Year 13	\$ 373,333	\$ 42,448	\$ 415,781
Year 14	\$ 373,333	\$ 28,299	\$ 401,632
Year 15	\$ 373,333	\$ 14,149	\$ 387,483
	\$ 5,600,000	\$ 1,697,920	\$ 7,297,920

Total Borrowed Amount: \$5,600,000
Term: 15 Years
Interest Rate: 3.79%

Open Forum - None

Public Presentation and Hearings

Coastal Engineer Fran Way provided the following update on Town beach projects:

- Phase 1 – placement of 20,000 cubic yards this winter
- New River Inlet Management Master Plan EIS – the draft is under development
- State Grant Nourishment – 303,000 cubic yards in Phase 4 and it connects with Phase 5 Truck haul project
- Phase 5 beach nourishment – 52,000 cubic yards placed this season with a total of 463,000 cubic yards
- He is working with the Finance Officer and DEC Associates regarding funding for FEMA and State funded projects
- Permitting coordination for all project is on-going
- November 16 – April 30 is the environmental window
- Phase 4 – hoping to start by February
- Surveyed the beach after the damaging storm last Sunday and the beach held up overall with some dune damage and escarpments due to wave activity. This was not a named storm so there will be no FEMA funding

Consent Agenda

Items on the Consent Agenda were minutes from the November 30, 2023, joint meeting with the Planning Board and the regular meeting minutes from December 6, 2023.

Motion –Alderman Pletl made a motion to approve the Consent Agenda as presented; seconded by Mayor Pro Tem Benson; unanimously approved.

Continuing Business

A. Resolution R2024-01 Installment Financing Contract with JP Morgan Chase

Mayor McDermon stated the Town Manager just reviewed this item in the Manager’s report. She requested a motion to adopt Resolution R2024-01 approving the installment finance contract with JP Morgan Chase for the new Fire Station No. 2.

Motion – Mayor Pro Tem Benson motioned to adopt Resolution R2024-01 Installment Financing Contract with JP Morgan Chase as presented; seconded by Aldermen Leonard; unanimously approved.

B. Code of Ethics for Appointed Board and Committee Members

Attorney Edes stated the Board is required by statute to adopt a Code of Ethics. What you have before you is my initial draft with comments from some of the Board members. This Code of Ethics will be applicable to appointed boards and committee members.

Alderman Pletl asked the attorney why the vote required in the ‘Sanctions’ section was a majority vote but in the ‘Removal’ section it is a two-thirds vote.

Attorney Edes replied that it was related to removal with cause and for no cause. He suggested the language “without cause” be added to the heading of “Removal”.

Alderman Grant said we talked about this. In terms of if somebody violates the ethics policy, a majority vote would be required. It is a higher standard for removal for no cause.

Motion – Alderman Olszewski motioned to adopt the Code of Ethics for Appointed Board and Committee Members with the amendment to add “without cause” to “Removal”; seconded by Alderman Grant; unanimously approved.

C. Policy and Procedures for Appointments for Town Boards, Commissions, Committees and Authorities

Attorney Edes stated we had general discussions over the past few months. What is before you is my initial draft with input from Board members.

Motion – Mayor Pro Tem Benson motioned to adopt the Policy and Procedures for Appointments for Town Boards, Commissions, Committees and Authorities as presented; seconded by Aldermen Leonard; unanimously approved.

D. Planning Board membership, meetings and appointments

Alderman Grant stated there has been a lot of discussion about the Planning Board. He believes we are looking at seven members with five of those full members and two alternates. We are two alternates short and we have three applications that he is aware of.

Motion – Alderman Grant motioned to appoint Stu Harness as an alternate on the Planning Board; seconded by Alderman Leonard;

Roll call vote – Interim Clerk Avery called the roll for the vote as follows:

Alderman Pletl – aye

Alderman Leonard – aye

Mayor Pro Tem Benson – aye

Alderman Olszewski – aye

Alderman Grant - aye

Interim Clerk Avery stated the motion carried.

Motion – Alderman Leonard motioned to nominate Fred Fontana as an alternate member on the Planning Board; seconded by Alderman Pletel; unanimously approved.

Roll call vote – Interim Clerk Avery called the roll for the vote as follows:

Alderman Pletl – aye

Alderman Leonard – aye

Mayor Pro Tem Benson – aye

Alderman Olszewski – aye

Alderman Grant - aye

Interim Clerk Avery stated the motion carried.

New Business

A. Ordinance Amendment Abandoned and Junked Vessels

Mayor McDermon asked for a motion to adopt the ordinance amendment 2024-01.

Alderman Olszewski stated she clarified with Manager Derian that during a state of emergency, these regulations come in second to the State of Emergency, they would be suspended during that time.

Motion – Alderman Pletl motioned to adopt Ordinance Amendment 2024-01 for Abandoned and Junked Vessels adding two new Divisions: 5 Abandoned/Junked Vessels generally and 6 Enforcement Responsibility and Authority for Abandoned/Junked Vessels as presented; seconded by Alderman Leonard; unanimously approved.

Open Forum - None

Attorney Report – None

Mayor Report - Mayor McDermon said she looks forward to 2024 and all the things we want to accomplish. I will work with the manager on having a half day work session when we do our budget workshops. I am not in favor of additional signs, but there are beach rules that are not being followed. For safety reasons, I want to brainstorm with the manager on a more creative way to get the information out.

Aldermen Reports

Alderman Grant said he is very happy with the financing for the fire station. Thank you to the County for the fire tax.

Alderman Olszweski clarified that the Planning Board is an advisory board. The decision-making body is the Board of Aldermen. This is to address some questions she has been getting from the public.

Mayor Pro Tem Benson - Happy New Year to everyone.

Alderman Leonard said the budget office is examining the CBRA bill to determine the impact of passage of the bill would have on the budget. This is a routine administrative event the bill has to clear before it gets to the floor of the House. By opening up the CBRA areas there will be more payment into the National Flood Insurance Plan (NFIP). Since the Town is a donor community, which means we pay more in premiums than we have received in claims, this would be a win for the government. The NCBIWA Board of Directors meets January 17th. The spring conference is May 9-10 in Emerald Isle and the fall conference is tentatively November 21- 22 in Wilmington.

Aldermen Pletl said we have had very nice events that have been well attended with the Howl-a-ween event and the Christmas tree lighting and the shrimp dip on New Year's Day. The sledgexhammer beach run is coming up. Some of these are Town sponsored events and some are Town partnership events. It is nice to have an event each month.

Adjournment

Motion – Mayor Pro Tem Benson motioned to adjourn at 12:32 pm; seconded by Alderman Leonard; unanimously approved.

Joann McDermon, Mayor

ATTEST: _____
Nancy Avery, Interim Town Clerk

