

Town of Swansboro
Board of Commissioners
May 13, 2025, Regular Meeting Minutes

In attendance: Mayor William Justice, Mayor Pro Tem Jeffrey Conaway, Commissioner Pat Turner, Commissioner Joseph Brown, Commissioner Douglas Eckendorf and Commissioner Tamara Pieratti.

Call to Order/Opening Prayer/Pledge

The meeting was called to order at 6:00 pm and Mayor Justice led the Pledge of Allegiance.

Public Comment

Cassandra Nichols, a representative from the Seaside Arts Council, spoke about their non-profit funding application for the 16th annual SwanFest concert series, scheduled to begin June 1st. Despite success with private sponsorships, the group still lacked funds to cover all expenses. Treasurer Martha Oyen reiterated the need for funding.

Mary Pat Smey, a representative from Tunnels2Towers, shared that she was present in case there were any questions about their non-profit funding application.

Linda Thornley spoke on behalf of the Swansboro Military Affairs Committee and their non-profit funding application to help provide support for Military Appreciation Day. She noted strong attendance in the previous year and anticipated a higher turnout this year.

Terri Herbert of 102 Oyster Bay Road expressed concerns about the proposed budget deficit and questioned the necessity of certain projects, such as Project Coffee and the land use plan update. She also raised concerns about a proposed tax rate reduction and the potential impacts of the Flybridge development.

Junior Freeman of 714 W. Corbett Avenue warned against the use of eminent domain for a 7-acre property, citing legal and financial risks. He encouraged transparency and alternative approaches to site use.

Jamie Petani of 2102 Holly Hill Court commented about traffic and shared that she felt the police department was understaffed.

Adoption of Agenda and Consent Items

On a motion by Commissioner Brown, seconded by Commissioner Turner, the agenda and the below consent items were adopted unanimously.

- February 20, 2025, Special Meeting Minutes
- February 25, 2025, Regular Meeting Minutes

- February 25, 2025, Closed Session Minutes
- March 11, 2025, Regular Meeting Minutes
- March 11, 2025, Closed Session Minutes

Appointments/Recognitions/Presentations

Proclamations: Boating Week, Onslow County Senior Games, National Public Works Week, National Police Week

Mayor Justice presented four proclamations recognizing important community observances. National Safe Boating Week was proclaimed for May 17–23, with a representative from the Coast Guard Auxiliary, emphasizing the value of vessel safety checks and offering free inspections to residents. Carolyn Harris, Senior Games Ambassador, encouraged community members aged 50 and older to participate in local events, which celebrated past medalists and invited new involvement. National Public Works Week was proclaimed for May 18–24, with the Board and staff commending the department's vital role in maintaining infrastructure and serving the public. A proclamation for National Police Week honored law enforcement efforts, especially along the busy Highway 24 corridor, and recognized May 15 as Peace Officers Memorial Day.

Business Non-Consent

Approval for Design-Build Delivery Method

Town Manager Barlow reviewed the request for the use of the design-build delivery method for the construction of the Emergency Operations and Public Safety Building. He explained that this approach would streamline project execution and allow the Town to better meet timelines and quality standards. Mr. Barlow reviewed the six criteria required by North Carolina General Statute 143-128.1 A(b), which include adequate project definition, time constraints, ability to ensure quality, feasibility of oversight, business inclusion goals, and cost-effectiveness. He stated that the project clearly met all criteria, particularly in terms of managing time and cost constraints while ensuring oversight and accountability.

On a motion by Commissioner Eckendorf, seconded by Commissioner Turner, utilization of the Design-Build Delivery Method for the Emergency Operations Center/Public Safety Building (EOC/PSB) based on compliance with NC 143-128.1 A(b) was unanimously approved.

Approval for Request for Qualification for the Design-Build of the Town of Swansboro Emergency operations Center and Public Safety Center

Town Manager Barlow reviewed the request for approval to issue a Request for Qualifications (RFQ) to solicit proposals from qualified firms for the previously approved Design-Build Delivery Method for the Emergency Operations Center/Public Safety Building (EOC/PSB). Mr. Barlow provided the Board with a draft RFQ and outlined the

evaluation process, reviewing that responses would be scored based on firm qualifications, project understanding, team experience, and approach to project management. This process would ensure the Town selects a contractor best equipped to handle the unique demands of the project.

On a motion by Mr. Eckendorf, seconded by Mayor Pro Tem Conaway, the RFQ for Design-Build services for the Town of Swansboro Emergency Operations Center/Public Safety Building (EOC/PSB) was unanimously approved.

Discussion on Updated Budget Draft FY 25/26

Town Manager Barlow reviewed that following the April 29th Budget Workshop, several adjustments were made to align projected revenues and expenditures. These updates ensured that the annual budget would be balanced in compliance with the North Carolina General Statute 159-8. Additionally, 3 non-profit funding applications were included for review/consideration that totaled \$10,500 and it was clarified that nonprofit contributions would be listed under the "contributions to agency" line in the budget.

Town Manager Barlow also reviewed the strategies for balancing the proposed FY 25/26 budget, reminding the Board that the initial draft presented on April 29th reflected a \$1.6 million deficit. Of that amount, approximately \$823,000 stemmed from discretionary capital projects, including \$150,000 for pickleball courts, \$250,000 for Project Coffee, and allocations for sidewalk work. Once those were subtracted, an \$812,000 shortfall in the general operational budget remained.

To address the gap, Mr. Barlow outlined a series of adjustments that included removing the \$365,000 that had been budgeted for a proposed EMS department, which the County later decided not to provide any funding for. Additionally, the Town also re-applied for a \$500,000 infrastructure grant from the Department of Defense, noting stronger backing from the military base this year. Additional revenue adjustments were made based on updated tax base figures—reflecting a \$2 million increase in valuation—and increased projections. Sidewalk projects were shifted to be fully grant-funded, reducing the need for reserve usage.

With these updates, the required fund balance appropriation was reduced to about \$170,000. Finance staff projected the Town's fund balance to be approximately 52% at the close of FY 24/25. If all budgeted funds were expended in FY 25/26, the balance would drop to 44%, which remains above the state average but below the Board's informal policy target of 50%.

Several commissioners expressed concern about reducing the fund balance below 50%, particularly given the approach of hurricane season. Others voiced confidence in the staff's historically conservative budgeting practices and reminded the Board that actual

revenues often exceed projections, resulting in year-end surpluses. There was discussion around the importance of maintaining support for community projects and avoiding unnecessary delays, especially for items already underway or grant supported. Commissioners also sought clarification on the long-term effect of certain capital commitments like Project Coffee, noting the expectation of future return on investment.

Ultimately, the Board expressed overall consensus to proceed with the staff's approach and directed Manager Barlow to formalize the recommended FY 25/26 budget for presentation.

Future Agenda Topics

Future agenda items were shared for visibility and comments. In addition, an opportunity was provided for the Board to introduce items of interest and subsequent direction for placement on future agendas. The following items were addressed:

- Future consideration for the extension of the Dockwalk from Bicentennial Park to Riverview Park was mentioned with staff confirming this was already part of future improvement plans.
- Recognition of Logan Walters at a future meeting was requested.

Public Comment

Terri Herbert of 102 Oyster Bay Road voiced her concerns about the lack of transparency in Project Coffee and questioned how a \$250,000 investment relates to the claims of a \$54 million development. She raised concerns about job numbers, environmental impact, freight access, utilities, and overall feasibility.

Junior Freeman of 714 W. Corbett Avenue urged the Board to retain and repurpose the visitor center for public restrooms, highlighting its importance for downtown accessibility and tourism. He also shared that he recalled that long-standing easement and connectivity concerns existed near Riverside Park in regard to extending the Town Dockwalk project past Bicentennial Park.

Board Comments

Commissioners thanked staff and the public for their participation. They emphasized openness to communication and commended staff for their work on the budget and ongoing projects.

Closed Session

On a motion by Commissioner Eckendorf, seconded by Mayor Pro Tem Conaway and with unanimous approval, the board entered closed session at 7:23 pm pursuant to NCGS 143-318.11 (a) (3) to consult with an attorney employed or retained by the public

body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege was hereby acknowledged.

Pursuant to a motion duly made and seconded in closed session the board returned to open session with nothing to report.

Adjournment

On a motion by Mayor Pro Tem Conaway, seconded by Commissioner Eckendorf, the meeting adjourned at 7:55 pm.