

# CAROLINA BEACH

Town Council Workshop Minutes  
Wednesday, January 23, 2019 @ 8:00 AM  
Council Chambers  
1121 N. Lake Park Boulevard  
Carolina Beach, NC 28428

## ASSEMBLY

The Town of Carolina Beach Town Council Workshop was held on Wednesday, January 23, 2019 at 8:00 AM at Carolina Beach Fire Department.

PRESENT: Mayor Joe Benson, Mayor Pro Tem Tom Bridges, Council Member LeAnn Pierce, Council Member Steve Shuttleworth, and Council Member JoDan Garza

ABSENT:

ALSO PRESENT: Assistant Town Manager Ed Parvin, Finance Director Debbie Hall, Town Clerk Kim Ward, and Town Attorney Noel Fox

### 1. ED PARVIN CALLED THE MEETING TO ORDER AT 8:30 AM

- a. The following department heads were in attendance:
  - Lucky Narain, Future Town Manager
  - Sheila Nicholson, Administrative Assistant to the Town Manager
  - Jeremy Hardison, Interim Planning Director
  - Chris Spivey, Police Chief
  - Eric Jelinski, Parks and Recreation Director
  - Alan Griffin, Fire Chief
  - Jerry Haire, Grants Manager
  - Holly Brooks, Human Resources Director
  - Brian Stanberry, Public Works Director
  - Mark Meyer, Public Utilities Director

### 2. RETREAT DISCUSSION ITEMS

- a. Ed Parvin opened the meeting at 8:30 am by introducing Lucky Narain, the candidate selected to fill the town manager position. Lucky's official start date is February 25, 2019.

Lucky told staff a little about himself and his plans for the next couple of months. He is going to meet with each department head individually to get a feel for the organization. He will observe for three or four months before making any policy changes.

Ed Parvin reviewed the actual revenues for FY 2018/2018 and the Year to Date for FY 18/19. He is working with the Finance Director to get the projected revenues for FY 19/20.

The permit fees were waived after Hurricane Florence. That was state mandated until the end of

the year. It was approximately \$50,000. It is up to the State to decide if they are going to reimburse that.

Mr. Parvin reviewed the debt service balances and the payments scheduled for FY 19/20. The current debt balance in the general fund is \$5,778,433 with a payment of \$1,084,123 in FY 19/20. The current debt balance in the utility fund is \$33,734,694 with a payment of \$2,360,351 in FY 19/20.

Mayor Benson stated that after reviewing the debt service balances, the Town is not in financial peril.

Council Member Shuttleworth added that the amount the debt the Town owes is not bad for a town this size.

Mr. Parvin also showed a chart that laid out an estimated impact of a tax increase showing increments of .01, .02, and .03 per \$100. Estimated numbers are 1 cent - \$196,000, 2 cent - \$392,000, and 3 cent - \$58,506.

Mr. Parvin moved on to discuss the personnel portion of the budget. There are 124 full time positions, 5 part time positions, 14 paid per call positions, and 42 positions allocated for lifeguards. 20 employees fall into the exempt category. 12 employees have reached the maximum salary in their pay scale.

Staff will meet with Lucky to discuss some restructuring due to all the recent changes.

Council Member Shuttleworth stated that there needs to be a succession plan for the employees that have 20 plus years.

Chief Griffin added there are some employees who may have 5-10 years with the Town but may have 20-25 years with the Local Government Retirement System so they may go out sooner than it appears on paper. There are more people closer to retirement than what it looks like on the chart.

Mr. Parvin said the Town did a pay study for the Police Department in 2018 and the plan is to do one for the remainder of the Town this year. It cost a little over \$5,000 for the Police Department and will probably cost an additional \$5,000 for the remainder.

Council Member Pierce stated that the League of Municipalities gave a quote around \$30,000 to do an efficiency study. She feels that the Town could have paid a little more and got an efficiency study and pay study completed.

Council Member Garza said that with the efficiency study, he would like to evaluate the vehicles, the take home vehicle policy, outsourcing payroll, streamlining payments for water billing,

Council Member Shuttleworth added that when you look at the take home car policy, police needs to be taken out of the equation for reasons Chief Spivey can elaborate on. He also would like to see some sort of autopay or online bill pay with the billing department as well as some automation or outsourcing of payroll.

David Hill with the Maps Group reported the results from the police department's pay study. He showed the recommended grade changes.

Mayor Benson said that he would like to see the overall pay package that includes benefits.

Mr. Hill said that this study only included salary. If you start comparing benefits, it could take a very long time due to the various benefit options each employer offers. He said that more departments are starting the take home car program as a retention benefit. If the Town were to go with the recommended movement in pay grades, it would cost approximately \$160,000. That includes FICA, retirement, and 401k. If you do not move the entire scale, you will be right back into the salary compression issues that has been a problem in the past. He recommends moving the pay scale as presented but you can expect that most communities will give an average of 2% for a COLA in July.

Mr. Hill explained the new 25 year retirement option for sworn law enforcement regardless of age. He also reviewed the separation allowance and the new law that allows employers the option to negotiate a separation buyout to an officer who chooses to retire prior to reaching eligibility for the separation allowance. The new law also allows employers to fund the "transfer benefit" for members of the Local Government Retirement System.

Council Member Shuttleworth asked staff to start planning and budgeting for future separation allowances and what that liability will be. He feels this is a great option to be able to give the officer the buyout option.

Mr. Hill went on to say that there are limitations. Age 62 being one. Once the employee reaches age 62, the payments stop. The payments would also stop at the employee's death or if they go back to work full time for another agency that participates in the Local Government Retirement System. They would not stop if the employee go to work for a state or private agency.

Mayor Benson asked Chief Spivey what the retention rate is for 8 years of service.

Chief Spivey replied that most officers come to work for Carolina Beach and by year three they are looking to go to a larger department.

Mayor Benson asked if the turnover rate for his department was high.

Chief Spivey answered that at the 2018 Christmas party, he introduced 9 new officers from the previous Christmas party. It costs the Town approximately \$24,000 to onboard a new officer. That includes training, uniforms, and equipment. You're also paying another officer to do nothing but train that officer for 3-4 months.

Council Member Pierce asked if the Department could require a contract from the employee to work a minimum number of years.

Chief Spivey said that you could not require that.

Council Member Pierce asked if the Police Department sponsors and pays Basic Law Enforcement

students.

Chief Spivey replied that they just started doing that. They get paid 30 hours a week at \$13 per hour.

Council Member Shuttleworth asked Holly Brooks how the police department got so behind in salary if they had a pay study and adjustment 4 years ago.

Ms. Brooks explained that since the Council had not approved a COLA for three years and all other communities did, that's what put Carolina Beach behind other towns. This will be the case Town wide, not just the Police Department. When you approve a COLA, it adjusts the entire pay scale up.

MPT Bridges added that other communities have been doing more overall for their employees than Carolina Beach has.

Council Member Shuttleworth stated that in hearing the presentations from the Police Department and from the Fire Department yesterday, they are both saying they need an additional 10% to cover their personnel budget and Council is trying to find ways to cut the budget. In all fairness, the Town needs to be competitive and it is costing \$24,000 in turnover costs.

Mayor Benson told Chief Spivey that he was presenting something that was defensible.

Chief Spivey said you can't put a price tag on an officer who has been here for many years that knows the community and generations of family. Cpl. Henderson is a perfect example.

Council Member Garza stated that you can't lose that guy!

Mr. Narain asked Mr. Hill why a police officer would want to negotiate his separation allowance. Can you approve a tiered amount over a number of years?

Ms. Fox stated that you can only do what the legislature tells you that you can do.

Chief Spivey said that it gives the officer an option to take the lump sum if he has a special circumstance or financial need that may be immediate.

Council Member Shuttleworth said that it is the employee's choice if they want to take that option or not and the Town is not required to offer it.

Mark Meyer said that he feels his department is a training ground. He will get good employees and get them trained and then they move on to other agencies that pay them \$5 an hour more. He is trying to figure out some creative ideas for retention.

Mr. Narain reminded staff that if you bump the numbers up, you will also have to increase the dollar figures for overtime.

MPT Bridges said that it is not always a money issue. You can retain employees if they feel appreciated and respected. Employees like to feel like their employer is going to take care of them. If the surrounding communities are taking care of their employees better than we are, you can't do enough at that point to keep them.

Chief Spivey presented the Police Department's activities and goals. The department currently has 36.5 positions.

Council Member Garza asked if the number of cases justified the need for 7.5 detectives.

Chief Spivey replied that it would marry up for their case numbers.

Council Member Garza asked who the lead detective was.

Chief Spivey replied that it was Detective Hettinger. Not only does he manage CID, he is certified through the Secret Service to handle all of the digital forensics.

Council Member Garza asked if the need for staff was in uniform patrol.

Chief Spivey replied that there was an immediate need for patrol officers.

Chief Spivey went over the number of vehicles the department had.

Mr. Parvin explained that the take home vehicle policy was a benefit that most police departments have started using as a method of recruitment and retention.

Council Member Pierce said she would like to see what departments are using this as a benefit.

Chief Spivey presented the activities, training, and call statistics over the past three years. The Capital Improvement Requests for FY 19/20 include; vehicle rotation, continued surveillance equipment, and officer retirement buyout option.

They will be holding their first Carolina Beach Citizens Academy starting the first Wednesday in March. It will be a six week program. They are also looking at duty scheduling program. Right now, one person manages the schedule for 35 officers. That can be very difficult to manage. This program should help the department be more efficient with managing overtime.

The League of Municipalities has a new certification program that the department will be looking into. It is similar to CALEA but it is managed through the State at no cost. They review policy and procedures as well as best practices.

Chief Spivey stated that they would like to begin Phase 1 of the Police Department's structural enhancement expansion. The new plan is currently on the drawing board.

Council Member Pierce said she feels this is also a recruitment opportunity. She asked if there were any grant funding opportunities.

Mayor Benson asked the Chief to reach out and work with Carolina Beach Counseling's Loralie Grigas on the services she is providing for those battling addiction.

Chief Griffin presented the Fire Department's activities and goals for FY 19/20.

The Fire Department currently has 13 full time positions. Chief Griffin reviewed the number of vehicles and equipment he has in his fleet and his 10 year vehicle master plan. Chief also discussed the activities the department participates in and their call statistics. The Capital Improvement Projects they are requesting this year include; replacement engine and equipment to transition to the new 911 dispatch system.

Mayor Benson reminded Chief Griffin that he would like to host an Emergency Operations Symposium.

Chief Griffin said that he would be glad to take the lead on that since he wrote the Emergency Operations Plan. The goal would be to educate the public on the Plan, the Council's role in an emergency, and how the Town functions during a disaster.

Council Member Pierce asked about what calls fire and police get dispatched to and if they respond together.

Chief Griffin explained the Emergency Medical Dispatch system and that fire only responds to Delta and Echo type calls.

Chief Griffin reviewed the service and outreach programs that they do on an annual basis.

He spoke about career development and possible incentives for staff members who get state certifications.

The Fire Department is due an ISO inspection this year. The last ISO review took the Town from a rating of 5 to a 3.

Chief Griffin presented the Ocean Rescue goals and activities. They are asking to replace two four wheelers and establish a sub-station at Hamlet Avenue.

Ocean Rescue helps with weekly fireworks clean-up, they run the Jr. Lifeguard Camp, work the Beach Music Festival, and participate in the USLA Lifeguard Competition.

Council Member Pierce asked if lifeguards enforce Town ordinances on the beach. She gets asked a lot why a lifeguard just walks by a violation.

Chief Griffin explained that they may educate beach patrons of things like dogs on the beach or glass bottles but they do not take enforcement action. They will call the police if they see a violation. They are to be focused on the water if they get tied up having a discussion about a violation, they are not watching the water. He is also not in favor of sending an 18-year-old up to

someone to possibly get involved in a confrontation. A few years ago, a lifeguard was bit by a dog when he attempted to notify the owner that dogs were not allowed on the beach.

Council Member Shuttleworth added that he was not in favor of sending young adults to address problems on the beach, they need to be focused on saving lives.

Chief Griffin explained the placement of the lifeguard stands and how they will have the ability to move stands this year because they will be on skids. Not all stands are manned. They tend to staff stands where the rips occur most often.

Council Member Pierce asked for a list of areas that the lifeguards tend to have the most rip rescues. She would like to be able to pass along that information to visitors.

Chief Griffin explained that the rip current locations change frequently especially after a beach nourishment project.

Council Member Garza asked how recruitment and retention was for lifeguards.

Chief Griffin explained that it was the best it has ever been. They actually had to turn some guards away this year. Carolina Beach is the higher paying beach now so they are getting the cream of the crop. Not only did they get an increase in pay but they kept the guards on until the end of October this year. They Mayor had requested that. They usually were let go right after Labor Day.

Chief Griffin continued his budget presentation saying that he put the Hamlet Avenue substation on his list but they may fall more under Operations since they are looking to combine the restroom with the substation. Chad Soward is working with Mark Meyer on design.

Council Member Shuttleworth asked if this would replace the substation on the boardwalk. He would like to take the \$12,000 per year that is being spent on the lease of that building and put it toward the upgrade of the restrooms/sub-station on Hamlet. He also expressed an interest in moving the Pleasure Island Chamber of Commerce and the History Center to the boardwalk for better public access. A possibility would be where the current life guard substation is.

Eric Jelinski presented the Parks and Rec Department's activities and goals.

They currently have six full time and two part time employees. Mr. Jelinski reviewed the accomplishments of their department over the past four years. They have seen a significant increase in membership numbers and revenue. He presented his goals and ideas for FY 19/20.

Council Member Shuttleworth was the membership ratio was for resident versus non-resident.

Mr. Jelinski said that it is 75% resident, 25% non-resident.

Mr. Jelinski went on to review the goals and Capital Improvement Items for FY 19/20. Those include: complete Phase 1 of Joseph Ryder Lewis Civil War Park, expand rec programs, complete master plan for Lake Park, install energy efficient lighting at Mike Chappell Park, identify a location for sand volleyball courts, and install a new playground at McDonald Park.

Council Member Pierce asked what the expected completion date was for the Joseph Ryder Lewis Civil Ward Park.

Mr. Parvin replied that he wants to complete the project around the same time the Publix is completed which will be around July.

Council Member Shuttleworth suggested having the residents help with the building of the playground like they did at Mike Chappell Park to help off-set some of the costs. He also mentioned wanting to move the water tank on Cape Fear Boulevard to free up that space for community activities such as a pool, volleyball courts, community garden, etc.

Mr. Meyer was not in favor of this idea as the water lines that are currently in the ground at that location must stay in that location.

Council Member Shuttleworth stated that was Council's last choice for a location. They want to see it relocated to Dow Road on the MOTSU property or behind Town Hall.

Council Member Pierce asked to see a breakdown on what it would cost at each of the three locations for a water tank.

Mayor Benson had to leave the meeting but wanted to give some feedback before he left.

He reiterated that he wants to see the revenue numbers first, then work on the expenditures.

He would like to see the fund balance up to 30% as a goal.

He is not opposed to a tax increase but it must be defensible and they must calculate the risk if they don't increase the tax rate.

He asked to know if the requests for capital items are mission critical.

Jeremy Hardison presented the Planning activities and goals.

The Planning Department has 8 full time employees. In 2018, they issued 114 new residential building permits, 11 new commercial construction, and 18 new business registrations. Code Enforcement issued 253 violations in 2018.

Mr. Hardison listed the goals for the planning department for FY 19/20.

Council Member Shuttleworth asked for an explanation on vending permits. Mr. Hardison explained.

Council Member Shuttleworth reminded staff that Council has expressed a concern of over commercializing the beach.

Mr. Hardison said these topics will be coming up at the February 12, 2019 Council meeting.

Council Member Pierce questioned why ice-cream trucks are not limited.



Council Member Shuttleworth added to the question as to why they are regulated differently than a food trucks.

Ms. Fox clarified that there are specific ordinances that regulate this but this will be coming to Council in February.

Mr. Hardison reviewed the new electronic permitting process.

Mark Meyer and Brian Stanberry presented the Operations Department activities and goals. The Utilities Department has 25 full time employees and Public Works has 20. Both departments went over the number of vehicles and pieces of equipment that they have and the purpose they serve.

Council Member Shuttleworth questioned the need for so many vehicles and the duplication of certain pieces of equipment.

Mr. Meyer explained the need for all of the equipment that is currently in their fleet.

Mr. Stanberry and Mr. Meyer explained the goals for each division in the operations department.

Council Member Shuttleworth asked why the Town installs water services for new construction.

Mr. Meyer said that he does not feel comfortable allowing contractors to dig up Town roads. The Town is able to charge the contractor what it costs the Town but cannot charge any more than that.

Council Member Shuttleworth mentioned that a couple of committees have asked about reducing the number of blue trash barrels on the beach. If that were to happen, could you eliminate one of the can trucks?

Mr. Stanberry replied that you could but you would not be able to obtain the Town's standard of getting the trash off the beach before the morning visitors arrive. There is one employee that is dedicated to the trash pickup in Freeman Park. That position was approved by Council as a response to the concerns on Freeman Park.

Mr. Meyer gave an update on the rehabs on wells 2, 3, 5, 6, 8, 9, and 10. They are getting 20% more water production since they have been cleaned. The water quality is improving substantially.

Mr. Meyer reviewed the Wastewater Treatment and Water and Wastewater Utility Department accomplishments for 2018.

Mr. Stanberry reported the 2018 accomplishments in the Environmental and Stormwater Departments.

Council Member Shuttleworth asked if the benches on the boardwalk would be re-stained soon.

Mr. Stanberry said that it is on the list.

Council Member Garza asked if contractors are allowed to use Town employees or Town equipment to do what they are being contracted to do.

Mr. Meyer replied that they are not. He added that there has been a couple of times he has used Town equipment to load some rock but that was it.

Mr. Meyer reviewed the large projects scheduled for 2019. They include:

- 1.Stormwater Priority list 1-5
- 2.Marina south side and east side
- 3.Ground Storage water tank
- 4.Phase C ( water /sewer /stormwater)
- 5.North End project ( water /sewer /stormwater)
- 6.CBAN and Canal
- 7.Ocean Heights stormwater
- 8.Well and Water plant rehab filter expansion
- 9.Well 12 and well 7 improvements
- 10.Possible Lake Dredge
- 11.Hamlet and FEMA lot bathrooms
- 12.Henniker's Ditch clearing and maintenance
- 13.Well 15h on MOTSU
- 14.WWTP Headworks

Council Member Shuttleworth asked if they could plan to restack the rock revetment this year.

Mr. Stanberry said that they would evaluate it but it may be better to cover it with sand. They lose a good number of those rocks every year.

Council Member Shuttleworth added that the crosswalk at Salt Marsh Lane is critical.

Council Member Pierce asked if the blue trash barrels have been put out on the beach strand. She would like to reduce the number of them that get put out this year.

Mr. Parvin went over a list of requests that staff put together to present for the Joint Land Use Study. Below are the requests from staff:

#### OPERATIONS

- 1.Stormwater easements
- 2.3 million gallon water storage tank
- 3.“x” additional wells
- 4.Consolidated WWT and potential water treatment facility near the entryway to the WWT plant (remove “x” current buildings)
- 5.Spray field
- 6.Expansion of the WWT Plant
- 7.Storage of Spoils from Lake
- 8.Storage of construction materials from infrastructure projects (i.e. pipe, dirt, asphalt, etc.)

- 9.Underground Utility easements
- 10.Temporary Emergency Debris Management Site
- 11.Add well 15h into Distribution system

#### Parks and Recreation

- 1.Additional baseball/softball fields and soccer fields
- 2.Sand volleyball courts
- 3.Multiuse paved path, primitive trails, and mountain bike trails
- 4.Community garden
- 5.Disc golf course
- 6.Dog park
- 7.Pickleball specific courts
- 8.Bathroom building and park maintenance building
- 9.Swimming pool and splash pad
- 10.Paved parking lot

#### Public Safety

- 1.Training area (firing range, NIMS) 3-5 acres

Council Member Shuttleworth mentioned having some sort of off road BMX/mountain bike trail on the west side of Dow Road. The terrain on that side would be ideal.

Mr. Jelinski and Mr. Haire agreed that would be a great attraction.

Mr. Meyer expressed concern about the law enforcement side of using the west side since that is in MOTSU's jurisdiction.

Council Member Shuttleworth said that he feels the priorities should be for the operational needs and then the recreational.

Mr. Parvin said that he will draft a letter with these requests.

Town Council gave their feedback on their goals for FY 19/20:

Council Member Garza stated that he agreed with the Mayor that he would like to see revenues first, then work from there.

He added that residents are inclined to do a tax increase only to fill a gap.

He has had several requests to have more street art to jazz up the town.

The discussion on sustainability needs to continue (water, wind, solar, etc.)

Council Member Pierce said that she feels the citizens would possibly be in favor of tax increase for purchase of land that directly affects citizens. She added that the Town cannot look at doing a tax increase every year but she could not deny public safety and their needs to protect the citizens.

She feels they are looking at a tax increase either way.

Council Member Bridges said that he would like to see if there is a need for a tax increase before they make that decision. He would also like to see what services will go above and beyond if you approve the tax increase. He requested that staff provide Council a list of services that will be provided in order to defend the increase to citizens.

Council Member Shuttleworth asked for an update on the current capital projects and where we are with each phase. He would also like to evaluate what lessons were learned during these projects so we can be more proficient?

He would like to see the Town be more automated in areas such as billing and payroll. This could alleviate some of the pressure on staff and be more efficient.

He asked staff to look at the 1, 3, and 5 year needs and impacts it will have on the budget such as retirement and staffing. He feels that staff should start forecasting and preparing for that a little better.

He explained that the Town is not in bad financial shape. There should be more tax revenue next year based on the number of permits that were issued this year. 114 permits should take a \$60k lot to a \$400k home. He also agreed he would like to figure out where we are before we suggest a tax increase.

He would like to see more open space. The Town does not own a lot of unused land. Staff has trouble finding a place to stack pipes.

He asked that staff speak up when there are unbudgeted projects being discussed. If they hadn't spent the money on unbudgeted items, and not short on the income, there would not be a problem funding the needs to have a competitive police and fire department. He is a little hesitant on committing to a tax increase right out the gate. The Town needs quality police officers and we must be competitive to recruit and retain these officers. Council is not giving push back on salaries or staffing but they are going to ask Lucky to evaluate the vacant positions and whether they should be filled or not.

He would like to continue a good relationship with MOTSU and New Hanover County.

He feels that the Town should continue to advocate with the County to purchase Freeman Park.

The ROT funds need to be revisited. Council needs to figure out what works for Carolina Beach and be more aggressive. It could be 2% advertising, 2% activities, and 2% discretionary.

Attorney Noel Fox said that Lisa with the County pushed backed on every idea the beach towns agreed on and it got shut down from there after about 5 meetings.

Council Member Shuttleworth added that Wilmington gets no benefit because they allocate all of theirs to the convention center.

Ms. Fox said the County was the primary opponent. They were not a partner in those discussions. It has to go to a state level.

Council Member Shuttleworth asked at what point is enough advertising enough? Kure Beach and Wrightsville Beach are ready to gripe about it.

**3. MEETING ADJOURNED AT 2:30 PM**

Adopted at a regular meeting on February 12, 2019.

Recorded by Kimberlee Ward, Town Clerk