

# CAROLINA BEACH

Town Council Workshop Minutes  
Wednesday, May 2, 2018 @ 9:00 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, May 2, 2018 at 9:00 AM at Council Chambers.

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

### 1. MAYOR BENSON CALLED THE MEETING TO ORDER AT 9:00 AM

### 2. OPERATIONS BUDGET PRESENTATION BY GIL DUBOIS

- a. **Environmental** \$3,408,238
  - Personnel & Benefits \$638,938
  - Maintenance & Operations \$2,568,945
  - Capital Outlay \$200,355
  - Total Budget \$3,408,238
  - Staff = 12 Full Time
  - Highlights
    - 1.Waste Industries Contract (increase 3.71%) \$1,692,900
    - 2.Landscaping Contract\$225,000
    - 3.Replacement of (2) Trucks\$61,000
    - 4.Replacement Backhoe (Financed in Debt Service) \$145,000
    - 5.Gazebo repair and upgrade: Canal end of Starfish Lane \$13,000
    - 6.Beach Access improvements \$100,000
  - OVERALL BUDGET 12% Increase

Council Member Shuttleworth asked about cost of solid waste and if it was appropriate.

Mr. Cramer replied that it is appropriate but he does not have the exact cost available at this time.

Council Member Pierce asked if the Town is just estimating the cost of Freeman Park. Mr. Cramer replied that they were. Council Member Pierce followed by asking if the residential and commercial customers are subsidizing the municipal waste. Mr. Cramer said that it was not. The

bill is separated by residential, commercial, and municipal waste. The Waste Industries contract expires at the end of 2018 and it will go out for bid.

Mr. Shuttleworth is concerned that the increase in trash is being passed along to the residents. They are not producing the waste and feels the residents are having to pay for it. He asked Mr. Cramer to provide accurate numbers for expenses to Freeman Park including trash.

**Public Works Administration** \$117,431

Personnel & Benefits \$48,531

Maintenance & Operations \$68,900

Capital Outlay \$ 0

Total Budget \$117,431

Staff = .5 Full Time

Highlights

1. EWECO Contract \$45,000

2. Sand and Debris Removal \$8,000

3. Boardwalk/Entry Way Landscaping \$10,000

OVERALL BUDGET 23% DECREASE

**GF Fleet** \$298,540

Personnel & Benefits \$0

Maintenance & Operations \$298,540

Capital Outlay \$0

Total Budget \$298,540

Staff = 0 Full Time

Highlights

1. Maintenance & Repair – Equipment \$40,000

2. Maintenance & Repair – Vehicles \$90,000

3. Maintenance & Repair-Tires \$30,000

4. Gas & Fuel \$126,000

5. Dues & Subscriptions-GPS Contract \$12,540

OVERALL BUDGET 7% INCREASE

Council Member Shuttleworth asked how many vehicles are serviced out of this fund.

Rebecca Wilkins replied that 99 were in this account. This does not include the utility fleet.

**Beach Maintenance** \$85,000

Personnel & Benefits \$0

Maintenance & Operations \$85,000

Capital Outlay \$0.00

Total Budget \$85,000

Staff = 0 Full Time

Highlights

1. Port-a-John replacement \$20,000

- 2.Campsite repairs \$10,000
  - 2.Toilet paper and chemicals \$5,000
  - 3.Parking lot improvements \$10,000
- OVERALL BUDGET 18% INCREASE

Council Member Pierce asked if the Town leases or purchases the Port-o-Johns.

Mr. DuBois stated that the Town owns them. There are approximately 20 on Freeman Park and 60 total.

Council Member Pierce said she does not like that the Town purchases them. She prefers that the Town only purchase what is needed and rent them for special events. Council Member Shuttleworth agreed. They do not like the way they look at Bridge Barrier Road and feel that they cost the Town a lot of money in maintenance.

Mr. DuBois said that he feels the Town would need to own about 40.

Mr. Cramer reminded Council that the previous Council wanted to purchase them versus renting. This is a policy decision and Council can make those changes. He also stated that the new City Works software will help track the cost of equipment and manpower to maintain Port-O-Johns.

**Utility Fund Debt Service**\$2,535,835  
Series 2016 Revenue Bond \$2,023,300  
Subordinate Debt \$512,536

- AMI Project \$77,902
- Vactor Truck & 2 Backhoes \$114,370
- Wilmington Beach Pond \$40,934
- Lake Park Sewer \$20,563
- I&I Loan\$104,647
- 801 Dow Road \$53,120
- Mower & Sweeper \$101,000

Total Utility Debt\$2,535,835  
OVERALL BUDGET 25.5% INCREASE

Council Member Pierce asked for a simple list on when capital projects are dropping off (debt service schedule).

Mrs. Hall replied that she had that information and would send it out.

**Water & Sewer Administration** \$1,276,311  
Personnel & Benefits \$445,331  
Maintenance & Operations \$830,980  
Capital Outlay \$0  
Total Budget\$1,276,311  
Staff = 6 Full Time  
Highlights

1. Transfer to General Fund (Increase \$125,000) \$725,000
  2. Aclara Software Maintenance Contract (\$25,000) \$22,400
- OVERALL BUDGET 8% INCREASE

Council Member Shuttleworth asked why there was an increase in the transfer to the general fund.

Mr. Cramer said that it is easier to charge items into the utility fund and then transfer back to the general fund.

**Wastewater Treatment Plant** \$1,275,033

Personnel & Benefits \$338,853

Maintenance & Operations \$641,180

Capital Outlay \$295,000

Total Budget \$1,275,033

Staff = 5 Full Time

Highlights

- Lewis Farms \$131,500
- Slurry Removal EQ Basin \$10,000
- Plant#2 Clarifier \$35,000
- Headworks/Grit Chamber upgrade \$50,000
- New Sewer overflow for EQ Basin \$60,000
- Capital Improvement: Filter Maintenance and Media \$120,000
- Capital Improvement: WWTP Diffuser \$25,000
- Capital Improvement: Effluent Chamber Coating \$150,000

OVERALL BUDGET 1% INCREASE

**Wastewater Collection** \$1,911,186

Personnel & Benefits \$777,546

Maintenance & Operations \$883,340

Capital Outlay \$250,300

Total Budget \$1,911,186

Staff = 13 Full Time

Add 1 FT Utility Worker \$49,352

Add 1 LS Operator/Well Operator \$53,494

Highlights

- Dump truck \$79,000
- CAT mini \$55,000
- Camera Head \$19,378
- (2) Replacements Trucks \$69,000
- Submersible Pump Replacement \$5,000
- MERT Trailer \$13,000

OVERALL BUDGET 3% DECREASE

**Water Distribution** \$1,404,895

Personnel & Benefits \$143,580

Maintenance & Operations\$1,126,615

Capital Outlay \$134,700

Total Budget\$1,404,895

Staff = 2 Full Time

Highlights

- Raw Well #7 Conversation from Raw Well to Distribution Well\$50,000
- SCADA Upgrades\$75,700
- Well house work @ McDonald Park \$9,000

OVERALL BUDGET 40% DECREASE

**Utility Fleet Maintenance** \$221,500

Personnel & Benefits\$0

Maintenance & Operations \$221,500

Capital Outlay \$0

Total Budget\$221,500

Staff = 0 Full Time

Highlights

- 1.Maintenance & Repair – Equipment \$65,000
- 2.Maintenance & Repair – Vehicles \$54,590
- 3.Maintenance & Repair-Tires \$20,000
- 4.Gas & Fuel \$82,000

OVERALL BUDGET .67% DECREASE

**Stormwater** \$1,389,284

Personnel & Benefits\$543,869

Maintenance & Operations \$684,235

Capital Outlay \$161,180

Total Budget\$1,389,284

Staff = 8.5 Full Time

Highlights

- Replacement Gator \$14,734
- Greenville Pump Station Generator\$56,443
- Hennikers Ditch Maintenance \$90,000

OVERALL BUDGET 1 % INCREASE

MPT Bridges said that two pumps are sending water to Hennikers Ditch so it needs to be maintained.

Mayor Benson asked to what extent the dimensions of the ditch could be modified.

Mr. Cramer replied that there is very little you can do to change the structural components of that ditch. It shows up on USGS as a stream. You would have to do a 401 and 404 Corps permit to allow the work. It would be expensive to do and the Town does not feel it is necessary at this time. The Town is required to do maintenance and MOTSU comes by and does inspections. It has not been maintained in a while. There has not been an overflow problem with this ditch so far.

Mr. DuBois said that the west side gets overgrown but the east side gets maintained pretty well.

Council Member Shuttleworth mentioned that the Town is allowed to maintain the historical depth so if it gets silt on the bottom, you can dig it out.

Mr. Cramer added that it has been dug out in certain areas.

Council Member Pierce asked if the Town meets with MOTSU regularly on maintenance issues.

Mr. Cramer responded that MOTSU security is in Carolina Beach every day and the Town can address them with any questions.

**Utility Fund Total** \$9,576,592  
Expenditures \$9,576,592  
Staff = 36.5 Full Time  
Expenditures  
Personnel & Benefits 2 additional employees \$1,811,637  
Maintenance & Operations \$4,387,940  
Capital Outlay \$841,180  
Debt \$2,535,835  
Total Budget \$ 9,576,592  
OVERALL BUDGET 7% DECREASE

Council Member Garza asked how hard does Council/staff need to push to get the new water tank.

Mr. DuBois replied that if you wait until next fiscal year, you have waited too long.

Mr. Cramer stated that he had a capital improvement plan that he will send out to Council. They are slowly making headway but unless you want to increase fees, the Town could not afford this project at this time.

Council Member Shuttleworth added that there is still a backlog of projects so you would have to raise taxes or parking rates to add more projects.

### 3. NON-AGENDA ITEMS

- a. Mr. Cramer asked if Council had any general questions that they would like for him to address at the next budget workshop.

Council Member Garza would like to see where the Town sees itself in 5-7 years versus just annually.

Mr. Cramer replied that the administrative departments are pretty static but the capital items will

be listed out.

Council Member Shuttleworth asked for ideas not specifics. For example, the police chief said he needs more space and the fire chief said he is going to need a new engine. There are issues coming that need to be addressed.

Council Member Shuttleworth asked Mr. Cramer to bring back and discuss the following:

The current property valuation town wide. What does one point equals in dollar value?

What is the gross parking revenue?

Should we go up on parking rates or continue to be affordable? He would like to understand parking revenue as well.

Where is our money coming from? How can we increase revenue without being punitive to the residents?

What is the 7 year plan for sand on the beach? There is a re-nourishment this year but what happens after this year?

What is the revenue for civil citations? Are we writing citations?

Kure Beach is charging high water users (mostly rental property). They are using a tier system.

We need to charge the visitors and not penalize the residents.

Do we get any revenue from utility and cable franchises? Wrightsville Beach gets \$400,000 per year.

Council Member Pierce would like to know the number of parking passes that are sold to residents versus non-residents.

Council Member Garza would like to know if you raise parking rates by 50 cents, how much revenue that would generate.

Mayor Benson would like to know the timing on the Waste Water Treatment Plant on design at 80% capacity and a project build at 90%.

Mr. Cramer stated the next meeting is May 16th from 9 am until 12 noon. He will be presenting the administrative department budgets.

#### **4. MAYOR BENSON MADE A MOTION TO ADJOURN AT 11:25 AM**

Submitted by:

Kimberlee Ward, Town Clerk

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