

# *Town of North Topsail Beach*

Joann M. McDermon, Mayor  
Mike Benson, Mayor Pro Tem

Aldermen:  
Richard Grant  
Tom Leonard  
Susan Meyer  
Connie Pletl



Chief Younginer  
Interim Town Manager

Danyale Lundy  
Town Clerk

*Nature's Tranquil Beauty*

## **Board of Aldermen Regular Meeting Minutes October 7, 2021 Sneads Ferry Branch of the Onslow Public Library**

**Present:** Mayor McDermon; Mayor Pro Tem Benson; Aldermen Grant, Leonard, Meyer, and Pletl; Interim Town Manager Younginer; Finance Officer Elliott; Town Clerk Lundy; Public Works Director Anders; Fire Chief Soward; Planning Director Hill; Town Attorney Edes; HR Management Consultant Oxley.

**Via Zoom:** New Town Manager Alice Derian; Coastal Engineer Way; CPA Budget Analyst Doug Carter.

### **I. Call to Order**

Mayor McDermon called the Meeting to order at 6:30 PM. The new Town Manager, Alice Derian, was introduced and welcomed.

### **II. Invocation**

Alderman Pletl led attendees in an invocation.

### **III. Pledge of Allegiance**

Mayor McDermon led attendees in the Pledge of Allegiance.

### **IV. Approval of Agenda**

Mayor McDermon made a motion to approve the Agenda. Mayor Pro Tem Benson seconded.

During the discussion, Mayor Pro Tem Benson recommended the following changes:

1. Under Continuing Business (Item D) Advantages of a Shoreline Committee presentation by Mr. Chris Gibson, be removed due to Mr. Gibson not being able to attend the meeting. This item will instead be added to the November BOA Regular Meeting.
2. Addition of North Carolina Resilient Coastal Community Project/Community Action Team Update presented by Mayor Pro Tem Benson and Alderman Leonard after Closed Session.

\*All open forums are subject to a 3-minute limit

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Alderman Leonard recommended the following additions:

3. Addition of Status of North Topsail Beach Paid Parking Program under Continuing Business.
4. Addition of Upcoming NCBIWA Fall Conference under New Business.

Alderman Grant recommended the following changes:

5. Combine an Update on the Financial Planning Model under Continuing Business, section A along with Update on Capital Projects Model.
6. Add Consideration of Becker Morgan's Proposal after Closed Session.

Alderman Leonard made a motion to adopt the Agenda as amended during discussion. Mayor Pro Tem Benson seconded. The Motion passed unanimously, 5-0.

Alderman Leonard introduced the new Town Clerk, Danyale Lundy.

**V. Manager's Report**

Interim Town Manager Younginer delivered the monthly report. First, he spoke about the construction progress at Town Hall. They have encountered problems receiving the countertops; however, they should arrive any day now. Plumbing cannot be completed until countertops are installed. Interior doors are set to arrive between October 15<sup>th</sup>-20<sup>th</sup>. Finance Officer Elliot worked with Spectrum, and the internet is now installed inside Town Hall. Computer Warriors is currently scheduling dates to perform the IT hookups. Floors are complete. Touch-up and inspections are getting done soon. The storage container in the parking lot is empty and gone. The parking lot is scheduled to be refinished. Interim Town Manager Younginer believes the building should be operational and ready to move into by the third week in November.

Interim Town Manager Younginer announced New Town Manager, Alice Derian, is scheduled to start October 18<sup>th</sup>. Being Interim Town Manager Younginer's last board meeting; he thanked the board and staff members. Also gave a special thanks to Consultant Oxley and Town Clerk Lundy for all their help. Announced the Mayor's Report was wonderful communication to the citizens of North Topsail Beach.

Mayor Pro Tem Benson thanked Mr. Younginer for stepping into and serving in the role of Interim Town Manager.

**VI. Open Forum**

Town Clerk Lundy reported that one attendee, Mr. Will Evans, signed-up to provide public comment.

Mr. Evans reported he had moved to North Topsail Beach 26 years ago. He spoke to the poor condition of the house across the street from his residence on Seashore Drive. Mr. Evans stated the previous owners did a good job of

upkeeping the home; however, the current owner has been absent. To his knowledge, no one has been in the home for years. Mr. Evans reported his concern regarding the multiplying of rats, roof missing in places, and general condition of the home. Mr. Evans indicated he would like for the homeowner to be contacted and to be able to hear the owner's reasoning and story regarding the condition of the house. Mr. Evans made it clear his wish is not to tear the house down but would like the issue of the absent homeowner and lack of upkeep of the home to be addressed and taken care of.

Mayor McDermon asked Mr. Edes for an explanation regarding the process the Town would need to take to address this issue. Mr. Edes informed the BOA and public that Mrs. Oxley would give an update regarding this information under Continuing Business (Section E).

Mayor McDermon asked if any other attendees would like to address the Board. Hearing no requests, Mayor McDermon moved to the next Agenda item.

## **VII. Public Presentations**

### **a. Coastal Engineer Update**

Mr. Fran Way of ATM Consulting provided an update as follows:

- Phase 1 and Phase 2 Dune Truck Haul: Remaining -1.8 miles to be completed starting November 16.
- Hurricane Florence & Dorian Phase 5 FEMA Category G: Permit application submitted to CAMA/DCM.
- Hurricane Dorian Phase 1 FEMA Category G: Separated from Category 5 permitting due to sandbags.
- Phase 2 Nourishment included in Phase 1 nourishment permitting but Phase 2 has no FEMA funding.
- New River Inlet Management Master Plan EIS: Continued EIS processing and meetings.
- Working with NTB Finance Officer and DEC Associates regarding funding for upcoming FEMA and State Grant projects
- CAMA/DCM updates to sediment criteria related to shells and rocks. NTB sampling for the entire -11.1 miles shoreline (per new state-wide requirements).
- USACE Intracoastal Waterway and other pipelines/navigation dredging project not planned for NTB waterways this winter.
- Sea Oat Planting
- County Beach Access

Mayor McDermon stated she has been receiving questions regarding crossovers for oceanfront parcels. Mayor McDermon disclosed that her

understanding is that CAMA isn't currently approving any type of crossovers to be built. Mayor McDermon wanted to clarify her assumption that once the dunes are healthy and vegetated the restrictions would be lifted.

Mr. Fan Way agreed with Mayor McDermon's interpretation that as soon as the dunes are stable and contain sprigs on them; that is when CAMA should allow rebuilding of crossovers.

Mayor Pro Tem Benson stated that CAMA will not allow cross-overs until the dune is considered vegetated, which could take three years. He stated that springs alone are not justification for a dune to be considered vegetated.

Alderman Grant stated the most disappointing thing for him personally is the sprig placement and delay in planting. He relayed his concern regarding people walking across the dunes who have rented houses. Alderman Grant disclosed he realizes that the crew did have COVID delays; however, that is something the Town needs to stay on top of.

Alderman Grant revealed that during a conversation with a CAMA employee it was estimated it would take 18 months minimum (two years should be expected, maybe longer) for the sprigs to start counting as vegetation.

Aldermen Meyers had a question regarding the permitting for the Phase One area and asked Mr. Fran Way how confident is he that Phase One will get accomplished in the original timeframe?

Mr. Way assured Aldermen Meyers he is confident and doesn't foresee a lot of opposition.

Alderman Leonard commented regarding Mr. Way's slide displaying beach update details stating this slide is a good summary, and he hopes to see that continued each month in the update. Alderman Leonard requested it is placed on the Town's webpage.

Alderman Pletl wanted to the clarification that Phase 5 is set to begin January 2022, and the second portion will start November 2022. Coastal Engineer Way confirmed.

#### **VIII. Consent Agenda**

- a. Approval of Minutes (September 2, 2021; September 24, 2021)
- b. Department Head Reports
  - i. Finance Department
  - ii. Fire Department
  - iii. Inspections Department

- iv. Planning Department
  - v. Police Department
- 
- c. Committee Report
    - i. Planning Board & PPI Committee
    - ii. Board of Adjustment
    - iii. TISPC
    - iv. ONWASA
  - d. MOTV Tax Return

Alderman Leonard made a motion to approve the Consent Agenda as presented. Alderman Grant seconded. The Motion passed unanimously, 5-0.

**IX. Continuing Business**

- a. Update on Capital Projects

Alderman Grant presented. He spoke to Capital Projects being a lot more complicated than originally thought. Reminded everyone FEMA doesn't provide money upfront. The town must pay upfront costs and FEMA will reimburse. Alderman Grant also disclosed FEMA withholds around 25% at the end of the project and can withhold that amount for one to two years.

Alderman Grant thanked the board for hiring CPA Budget Analyst Carter to assist in building a Financial Model. Alderman Grant stated the need to get approvals with the LGC and go through their process, and disclosed the town is looking at spending about 20 million dollars over the next 18 months. Financial Officer Caitlin estimates the town is still owed about three million dollars from FEMA for the current project.

Alderman Grant informed everyone there is a commitment to the LGC that once the beach fund gets over five million dollars the money must go against the USD loan. Alderman Grant believes the town can get a line of credit (aka note) to borrow 10 million dollars to front the FEMA projects. CPA Budget Analyst Carter feels confident that the town is currently on target.

Alderman Grant confirmed that property taxes will help as well; however, without the loan money, the project cannot be funded. Alderman Grant affirmed the town has made a lot of progress. The town is looking at a total cost of around 20 million dollars. The current plan is to get funding sources in place with the 10-million-dollar loan note to be able to cover the invoices.

Alderman Grant also reminded everyone of another project, the South End Fire House construction, which will be several million dollars of more occurred cost next fiscal year. He stressed the importance of working with Mr. Carter to build the budget into a financial model to accommodate the vast complexities North Topsail Beach has as a town. Alderman Grant disclosed that collateral for the 10-million-dollar note the town will be borrowing will be FEMA funds as to not tie up town finances. Alderman Grand closed by summarizing the reality for North Topsail Beach in the next two years involves more expenditures in the sand and capital projects than has been seen in the history of the town.

Mayor McDermion thanked everyone for all the work they have done stating she realizes we have to be creative (being a small town with a small budget) so the town does not incur that type of debt. Mayor McDermion asked when will the board and town be able to see a draft financial model. CPA Budget Analyst Carter stated he and Caitlin were working on the draft and plan to use information from the end of the year financial audits to draft the model.

CPA Budget Analyst Carter disclosed the need to look to the general government side regarding paying for the South End Fire House rebuild while looking on the beachside concerning FEMA projects, and how we pay off the USDA loan. Mr. Carter indicated due to discussions with the LGB in January; the board can expect to hear initial results in December or January timeframe.

b. Committee Involvement

Aldermen Pletl stated she and Alderman Meyers are trying to inspire community involvement to bring things such as recreational activities, festivals, food truck rodeo, etc. to North Topsail Beach. The goal is for these events to be community-driven. Alderman Meyer confirmed they currently have three applications for The Parks and Recreation Committee but would like to extend the application period. The next step is to set up a meeting with the applicants to get the ball rolling in the next two weeks. Alderman Pletl pointed out how North Topsail Beach is unlike Surf City which contains Main Street where people can get together and get to know each other. Nevertheless, the goal is to create events, gatherings, and opportunities to bring everyone together as a community.

Mayor McDermon pointed out she would like to encourage the Parks and Recreation Committee as they move forward; to research any possibilities and utilize applying for grant funding if possible.

c. Shoreline Protection Update

Mayor Pro Tem Benson stated Coastal Engineer Way did an excellent job of covering the update. North Topsail Beach is still working with the homeowners at the North of the Island to get the restoration of sandbag redevelopment underway. Mr. Benson confirmed the sand that was placed over the winter has been a great barrier to keep the ocean waves off of the sandbags at the north end.

Mayor Pro Tem Benson explained sand is starting to migrate to the inlet offshore, and we need to get back to an agreement with an Engineer so we can get started with the restoration of sandbags per the settlement agreement from the lawsuit that occurred several years ago.

Mayor Pro Tem Benson mentioned Coastal Engineer Way permitted an extra 40,000 cubic yards of sand for the Topsail Reef area in Phase One in hopes to obtain a change in the state legislation which would allow us to use the million and a half dollars that was appropriated North Topsail Beach going back to Harry Brown's tenure in the Senate to put that extra sand at the reef because there is a tremendous need to protect that structure from erosion in the future.

Mayor Pro Tem Benson disclosed he received an update from our state lobbyists today. The language to change the use of funds from phase two into phase one through phase four is still in the documentation that the legislature is discussing with the governor as they tried to settle the differences between what the legislature wants in the budget and what the governor will sign.

d. Condemnation

Consultant Laura Oxley of HR Management Solutions stated she has been working with Town Attorney Edes and Building Inspector Canady regarding nuisance abatements. Mrs. Oxley disclosed Building Inspector Canady inspected and determined there are issues with a property in North Topsail Beach. Mr. Canady has given the property owner reasonable time to address the issues which to date has still not been done. The next step is for the town to set an Administrative Hearing to address the issue. Consultant Oxley disclosed the property owner will be contacted and given a chance to attend the hearing, the Building Inspector

will decide at that hearing, issue an order, and the owner will have 60 days to take corrective action.

Mayor McDermon asked if the property owner does not make corrections within the allowed timeframe, is it then within the town's legal right to be able to have the property taken down and a lean placed? Mr. Edes responded due process requires we have a hearing and allow the property owner to make their case. Town Attorney Edes explained if an order is issued the property owner has 10 days to appeal, and that appeal would go before the Board of Aldermen. In the event, an appeal is made the Board of Alderman will conduct a Quasi-Judicial Hearing. If the property owner does not appeal; the order becomes final and kicks into another statute. Mr. Edes clarified that depending on the unsafe condition of the building the town can put a lean on the property for cost although this is a drastic measure.

Mr. Edes explained the specific steps taken in the condemnation process are on a case-by-case basis depending on the nature and extent of the unsafe condition of the property. First, the Building Inspector has a right whether via a complaint or visual inspection to deem a property unsafe. In the event the property is deemed unsafe; notice must be sent to the property owner and physically posted on the property. If corrective action is not taken promptly, then the Building Inspector will issue a Notice of a Hearing which must allow the property owner at least 10 days. The process would then continue as Town Attorney Edes described previously.

Alderman Leonard inquired if the town knew where the property owner of said property lives. Mayor McDermon and Mr. Will Evans in attendance stated yes owner's residence and place of work are known.

Alderman Grant questioned Mr. Edes inquiring if a property was discovered to be a public danger could the town rely on Mr. Edes for guidance on the process.

Mayor McDermon stated the good news is Mrs. Oxley can provide additional assistance to address the issue promptly, and thanked Mrs. Oxley.

e. Paid Parking

Alderman Leonard announced the paid parking goal was \$750,000. As of October 1, 2021, the revenue for the current year is at \$682,000; keeping in mind this is not been a full year. Alderman Leonard noted paid parking has enabled the town to obtain money and revenue without having to raise



property tax, and instead is coming in from people who are utilizing North Topsail Beaches.

**X. New Business**

a. Donation of Land

Interim Town Manager Younginer stated he got a call from Mr. Rufus Murray who owns two parcels within a section of land in which the town owns 18 of 20 parcels. Mr. Younginer disclosed Mr. Murray's Company is replacing the roof at Town Hall. Town Attorney Edes advised this needed to be discussed in Closed Session due to Mr. Murray's ongoing contract with Town Hall.

b. NCBIWA

Alderman Leonard announced the annual fall conference for NCBIWA is scheduled to be held November 4<sup>th</sup> and 5<sup>th</sup> at the Coastline Center in downtown Wilmington. Alderman Leonard revealed the Agenda for the conference includes items that will be significant to the town such as Red Knot designation and update; as well as changes that are forthcoming to the National Flood Insurance Program. Alderman Leonard disclosed that historically the town has supported the event by attending as well as providing a sponsorship. North Topsail Beach has historically been a Gold Sponsor, which is \$1,500 which includes three registrations, and urged the Board to consider remaining a Gold Sponsor.

Mayor Pro Tem Benson made a motion to become a Gold Sponsor for the NCBIWA Conference. Alderman Meyer seconded. The Motion passed unanimously, 5-0.

**XI. Attorney's Report**

Town Attorney Edes reported that last month he identified a budget bill that passed in the house which addressed legislation that would limit the town's: regulation of trees, placement of billboards, fees on cell towers, short-term rentals, and stormwater maintenance issues. Mr. Edes disclosed the General Assembly has come up with a plan to informally submit a proposed budget to the Governor. On September 27<sup>th</sup> Mayor Karen Alexander of Salisbury, NC wrote a letter to the Governor on behalf of the NC League of Municipalities pointing out the above items and asking the Governor to work out an agreement that would take those specific items away.

Town Attorney Edes divulged there is a tentative settlement in the National Opioid Lawsuit against the three main drug suppliers. Tentative terms are 22.7 billion over a 20-year time frame. North Carolina is slated to receive 715 million dollars which will be split between the counties and 17 individual cities. The Town of North Topsail Beach is not eligible due to population size. However, in the event ONSLOW county receives funds it has the potential to help our community as well. Monies must be earmarked to treat opioid issues.

## **XII. Mayor's Report**

Mayor McDermon mentioned the mayor's report is going well and she is getting a lot of questions which are appreciated. Mayor McDermon expressed the best way to submit questions is via email or phone call.

## **XIII. Aldermen's Report**

Alderman Pletl stated she loves Mayor McDermon's monthly report and mentioned how great it is for the citizens of North Topsail Beach. Alderman Pletl thanked Chief Younginer for all his hard work as Interim Town Manager, as well as welcomed Town Clerk Lundy. Mrs. Pletl reminded everyone about Surf City Ocean Feast the upcoming weekend, Autumn with Topsail will occur the following weekend, and Sneads Ferry Shrimp Festival the week after that. Alderman Pletl announced turtle season is winding down and anticipates it will be done by the first of November.

Alderman Leonard thanked Town Clerk Lundy for the Agenda; as well as Chief Younginer for all his hard work as Interim Town Manager. Mr. Leonard welcomed New Town Manager Alice McDermon and addressed his appreciation for everything the Board is doing and how well they are working together. Alderman Leonard gave an update stating there is no news on COBRA appeal at this time.

Mayor Pro Tem Benson also thanked Chief Younginer for doing a great job as Interim Town Manager; as well as welcomed Town Clerk Lundy and new Town Manager Derian.

Alderman Meyer disclosed she went to the Onslow County Board of Commissioners meeting and listened to the social services annual report. Mrs. Meyer revealed everything has gone up from 1920-2021, EBT cards have almost doubled, new energy applications have gone up, and Medicaid

has risen by 14%. Alderman Meyer learned Onslow County has 40 licensed foster homes and 148 foster children.

Alderman Meyer mentioned the Onslow County Board of Commissioners gave a COVID update which disclosed five new fatalities of which four were under 65. However, all had preexisting health conditions. For more information, COVID updates can be found online at [onslowcountync.gov](http://onslowcountync.gov).

Lastly, Alderman Meyer noted New River Waterfront Park had damage from Hurricane Florence and they only received 100,000 dollars to fix the damages although the bill was 498,000 dollars. New River Waterfront Park also has a 40,000-dollar bill for professional services in which tourism money was used toward this bill.

Alderman Grant thanked CPA Budget Analyst Carter and Finance Officer Elliot for all of their hard work; as well as Police Chief Younginer for his service as Interim Town Manager. Mr. Grant welcomed Town Clerk Lundy and new Town Manager Derian. Alderman Grant affirmed his relief that utilizing the paid parking program is a great way to raise money without having to tax North Topsail Beach residents. Lastly, Mr. Grant reminded everyone to not forget to vote.

Alderman Leonard made a motion to enter into Closed Session for the matters stated on the Agenda. Alderman Grant seconded. The Motion passed unanimously, 5-0.

- XIV. Closed Session:** 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 is hereby acknowledged; to plan, conduct, or hear reports concerning investigations of alleged criminal misconduct; and To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the amount of compensation and other material terms of an employment contract or proposed employment contract.

Alderman Leonard made a motion to come out of Closed Session. Alderman Grant seconded. Motion was passed unanimously, 5:0.

Mayor McDermon announced that no action was taken in Closed Session.

**XV. North Carolina Resilient Coastal Community Project/ Community Action Team**

Alderman Leonard stated two applications, Michael Pawelko and Marianna Harness, were received for the North Carolina Resilient Coastal Community Project/ Community Action Team.

Alderman Leonard made a motion to nominate Michael Pawelko and Marianna Harness for the North Carolina Resilient Coastal Community Project/ Community Action Team. Mayor Pro Tem Benson seconded. Motion was passed unanimously, 5:0.

Alderman Grant made a motion to award a one-time bonus to the Interim Town Manager once the new Town Manager begins employment. Alderman Leonard seconded. Motion was passed unanimously, 5:0.

**XVI. Becker Morgan Proposal**

Based on Town Attorney Edes's advice, the Board decided more information was needed. The Board will discuss this at a later date.

**XVII. Adjournment**

Alderman Leonard made a motion to adjourn. Alderman Grant seconded. The Motion passed unanimously, 5-0.

The Meeting adjourned at 9:09 PM.