



Town of HOLLY RIDGE

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HOLLY RIDGE TOWN COUNCIL REGULAR MEETING January 10th, 2023 6:30 P.M.

Mayor Jeff Wenzel called the Regular Meeting of the Holly Ridge Town Council to order at 6:33 p.m. at the Holly Ridge Town Hall. Council members present were Councilman Sholar, Councilman Hines, Councilwoman Stanley, Mayor Pro-Tem Hall, and Councilwoman Bragg. Also present were Town Manager, Heather Reynolds; Deputy Clerk, Tracy Martin; Community Development Director Nate Rhue; and Attorney Kyle Fountain.

Invocation and Pledge

Dr Joe Martin – Liberty Baptist Church gave the Invocation and Mayor Wenzel led the Pledge of Allegiance.

Adoption of Agenda

Manager Reynolds added a Closed Session at the end of the meeting.

Pursuant to NCGS 143-318.11 (a)(3) for the purposes of consulting with an attorney employed or retained by the Town to preserve the attorney-client privilege between the attorney and Town in relation to the matter of Alexander Industries, LLC vs. The Town of Holly Ridge, North Carolina, Ewan Richards, and Lori Faircloth.

A motion was made by **Councilman Hines** and seconded by **Councilman Sholar** to adopt the agenda as amended. *All Agreed.*

Persons Wishing to Address the Council

Public Hearings

Discussion and Possible Approval of an Amendment to the Fiscal Year 2022-2023 Fee Schedule for Parks and Recreation Related Fees

Manager Reynolds said over the last couple of months this item has been given to the Town Council, there were differing opinions between a resident fee and non-resident fee. Manager Reynolds met with Parks and Recreation Director, Audrey Madia and increased the non-resident rate to reflect a 50% discount for residents. Manager Reynolds said this still gets us to the minimum hourly rate to break even on the building.

Mayor Wenzel stated the non-taxpayer fees were based upon a similar recommendation and that we would be higher than similar municipalities for the non-resident fees. Manager Reynolds said that is correct and that the median rate when presenting the fee analysis was \$591.00. Our full day is \$600.00 so we are nine dollars more, but still within a reasonable price point.

A motion was made by *Mayor Pro-Tem Hall* and seconded by *Councilwoman Bragg* to go into Public Hearing. *All Agreed.*

A motion was made by *Councilman Hines* and seconded by *Councilman Sholar* to return to Regular Session. *All Agreed.*

A motion was made by *Mayor Pro-Tem Hall* and seconded by *Councilwoman Bragg* to accept this fee schedule. *All Agreed.*

Town Manager Report

- Manager Reynolds said going into 2023 the town is situated to continue to grow and have a lot of accomplishments.
- We should have the Certificate of Occupancy for Phase II in the Camp Davis Industrial Park on Friday, January 6th, 2023. Construction is complete and Manger Reynolds and Public Works Director Mike McFann have their final walk-through Thursday morning.
- Manager Reynolds said the Town will be responsible for the landscape. That was not included in the original bid.
- Atlantic Seafood has a temporary Certificate of Occupancy, and we are looking forward to seeing them move their operation in the coming months.
- J & J Snack foods is expecting to be closing out their project around the March or April time frame.
- Public Works has begun working on a shower and bathroom in their facility.
- A grant was submitted to Marine Fisheries the week before Christmas for the extension of the pier located at Morris Landing.
- The grass in front of Dollar General has been brought up a couple of times. Community Development Director Nate Rhue said his department has tried enforcement through informal practice which did not work so they have been sent an official violation notice.
- The new RV park, Oceans Ridge is open and operational with a wait list, and they are adding some additional amenities.

Mayor Pro-Tem Hall asked about the sale of property at the corner of Highway 17 and Sound Road. Manager Reynolds said our Attorney has been working with their representatives and we will have to go through the upset bid process.

Councilman Hines asked how many tiny homes will be in the new Oceans Ridge RV Park? Manager Reynolds said she thinks it is between eight and ten.

Mayor Pro-Tem Hall said someone needs to clean up the entrance next to the house at the first entrance. Manager Reynolds said she thinks they are using that entrance as a construction entrance on phase II. Nate Rhue said a buffer will be installed at that location before completion.

Consent Agenda

- A. Approval of the Following Minutes
 - December 13th, 2023, Regular Meeting

- B. Department Head Reports
 - Finance Department
 - Fire Department
 - Police Department
 - Planning & Zoning Inspections Report
 - Parks and Recreation

- C. Committee Reports
 - Planning Board
 - Board of Adjustment
 - ONWASA
 - Re-Branding Committee

- D. Approval of Tax Refund Report

A motion was made by *Councilwoman Stanley* and seconded by *Councilman Sholar* to approve the Consent Agenda. *All Agreed.*

Old Business

Discussion and Consideration of the Proposal from Ten Nails Construction, Inc. for Renovations to the Town Hall Facility

Manager Reynolds said during budget sessions last year the remodeling of the Town Hall was a topic of conversation, and several options were discussed. One option was extending the offices to the Town Council chambers and having the meetings held in the Community Center. Another was utilizing the space we already have and add additional offices in the wasted space of the Town Hall. Surveyor Weston Lyall created a draft, and we were able to get a consensus from the Town Council on the design from Mr. Lyall. Manager Reynolds said we contacted Ten Nails construction for a bid on the renovations and we are significantly

under budget. Manager Reynolds said we allocated \$35,000.00 and Ten Nails estimate came in at \$125,000.00.

Manager Reynolds said Mayor Pro-Tem Hall suggested this item be continued in a workshop. Town Council agreed and decided to hold a Special Meeting on Thursday, January 19th, 2023, beginning at 5:30 p.m. in the Council Chambers.

Manager Update on the Street Repairs and Project Timeline Update for Pavement Condition Survey.

Manager Reynolds said we started in house with a color-coded spreadsheet of repairs. Public Works has continued to move forward making those repairs. In a previous Town Council meeting there was discussion about taking out loans or bonds to try and complete all the street repairs at one time and get them on a routine schedule for maintenance.

Manager Reynolds met with WithersRavenal and discussed different ways of leveraging the Powell Bill allocation that we currently receive from the State. They estimate it would take ten to fifteen years for a conventional loan or we could take ten to fifteen years from the Powell Bill funds and put that towards the loan. By the time that set of streets needs attention, we would have that loan paid off and go towards a different loan.

Manager Reynolds said the first step is the pavement survey which was approved by Town Council during our December 2022 Regular meeting. The proposal was signed, and Manager Reynolds and Public Works Director Mike McFann had the kickoff meeting today with the representative from WithersRavenal. They expect the pavement survey to take approximately three months and they hope to start the first week in February. They have a two-man crew that will look at every portion of every street which is seventeen miles long.

Manager Reynolds said WithersRavenal will put together the condition survey and prioritize. The gentleman that is handling the condition survey has thirty years of experience doing this type of work. Manager Reynolds said we are looking to verify that all the streets they imported from ONSLOW County GIS system are accurate and all the new streets have been added in Phase II of the Industrial Park, as well as Circle Drive.

Manager Reynolds said once we have the survey, they provide us with the cost to make the repairs and estimate on each street. WithersRavenal can then help us apply for USDA funds to back those repairs and leverage the Powell Bill money to pay that back, so it is not coming out of the tax base money. Manager Reynolds said the State no longer lets you stockpile money in the Powell Bill accounts.

Manager Reynolds said she is hoping late April or May to have the survey back and they will make a presentation to the Town Council, and we will move forward from there.

New Business

Presentation of the Parks and Recreation Project Timeline and Discussion of Upcoming Tasks

Manager Reynolds presented a timeline to the Town Council of park projects that includes items identified in the Master Park Plan at the April 2022 Town Council meeting.

Mayor Pro-Tem Hall requested a timeline for the park specifically. Manager Reynolds said she plans on attending some project management workshops to learn the software. Manager Reynolds presented everyone with a color-coded spreadsheet containing the 2022-2023 project timeline.

Projects per colors are listed below:

Green – Completed/On Going

Concession Stand Demo (Municipal Park)
Parking Lot addition Lib. Ft (Municipal Park)
Add Storage Closet (Community Center)
Submit Grant DMF (Morris Landing)
RecDesk Operational (Administrative)
Update Park and Recreation Policies (Administrative)

Orange – Waiting on Town Council/Outside Agency

Update Interior (Community Center)
Repair Turnaround (Morris Landing)

Gold – In Progress

Replace Ballfield Fencing (Municipal Park)
Dugout Fencing (Municipal Park)
Dugout Concrete (Municipal Park)
Update/Approve Fee Sch (Administration)
Feasibility Study Highway 50 Department of Transportation (Walking Trails)

Blue – Waiting on Supplies/Vendor

Parking lot addition Liberty Festival (Municipal Park)
Dugout benches (Municipal Park)
Dugout Roof (Municipal Park)
Engineering of Morris Landing Path (Walking Trails)
Engineering of Highway 50 Surf City to Holly Ridge (Walking Trails)

In reference to updating the interior of the Community Center, Councilman Hines said he has seen people decorate the inside of the building and it looked good. Councilman Hines said this is a lot of money to go in and paint the ceiling and walls and most of the wedding venues are

rustic looking anyway. Councilman Hines said we could use the money somewhere else when we get to that point.

Mayor Wenzel said he thinks rustic and unfinished are two different things. Mayor Wenzel said he thinks the Community Center looks terrible.

Mayor Pro-Tem Hall said they went to the Community Center as a Town Council and that the first thing said was how unfinished the inside looks. Mayor Pro-Tem Hall said she would like for Manager Reynolds to obtain a quote and bring the quote back before Town Council. Mayor Pro-Tem Hall ask if there was any information on a sound system for the Community Center. Manager Reynolds said she has reached out to Carson Smith's office, and she is still waiting on a response back from them.

Councilman Hines asks if we have been in contact with Senator Lazzara's office about funding from the Senate for any project we have going on. Councilman Hines said Senator Lazzara has given monies to both Swansboro and Jacksonville. Manager Reynolds said she would reach out to Senator Lazzara's office.

Councilwoman Bragg ask if the crosswalk across Highway 50 has been investigated. Manager Reynolds said it was touched on and this is part of the feasibility study.

Mayor Pro-Tem Hall said there are three properties on this list that are waiting on a surveyor, Weston Lyall. Mayor Pro-Tem Hall said Mr. Lyall is extremely busy and ask if we can negotiate with an agreement that he could assign someone to our work so that we are not having to wait for months. Manager Reynolds said she spoke with Mr. Lyall before the holidays, and he was trying to get additional help and that we were a priority.

Councilwoman Stanley ask if any discussion has been made regarding a crosswalk on Sound Road. Manager Reynolds said when we inquired before it was denied.

Discussion and Possible Approval of a Proposal from National Sports Services not to Exceed \$18,000.00 from Line Item 10-620-96-0 Parks and Recreation Capital Improvements.

Manager Reynolds said over the course of the last couple of months, Community Development Director Nate Rhue and Manager Reynolds have looked at different opportunities for recreation. We were able to schedule a meeting with the representative from the National Sports Center, which is a consulting company. They look at the geographical area as well as the demographics to put together an analysis to determine if some type of sports/entertainment would be feasible in this area.

Manager Reynolds said she feels there are two different goals when we are talking about local Government. One is the quality of life and the second is increase the government revenues so that our tax base stays strong. Manager Reynolds said she would consider this an investment which is why it was under line-item Parks and Recreation Improvements.

Manager Reynolds said the cost of the analysis is \$16,000.00 and they can build expenses, but they are capped at \$2000.00. Therefore, the proposal is not to exceed \$18,000.00. Turn around on the analysis is four months.

Manager Reynolds met with Mark Sutherland and Matt Perry. They are owners of six minor baseball teams and flew in from Chicago to meet. Manager Reynolds said she feel like if we were able to have this analysis done and couple that with some type of recreational incentive program, we may be able to draw a specific venue to the town.

Manager Reynolds stated, this type of analysis can position us for future growth moving forward. Manager Reynolds said there is not a lot to do in this area unless you travel to the beach, Wilmington, or Jacksonville. Manager Reynolds said this could raise the quality of life for our citizens and it could help us to draw more citizens to the area. Manager Reynolds said this is a great opportunity to get ahead of this and hopefully be a trend setter.

Mayor Pro-Tem Hall said we are sitting in the middle of growth all around us. Mayor Pro-Tem Hall said maybe we could partner with someone who is trying to bring something in that we can not handle. Mayor Pro-Tem Hall said she knows Manager Reynolds and Mayor Wenzel entertain a lot of folks asking about our area and the result of this is a tool that you can hand someone instead of entertaining someone that wants to build a huge park that we don't have the land for.

Mayor Pro-Tem said a professional analysis would be better than what the Town Council thinks they can handle. The other side is Manager Reynolds discussed addressing the local businesses to help with the cost of this analysis because they will come back and let us know what their customer base needs. Mayor Pro-Tem Hall said she does not think that is a high fee for those types of investments.

Manager Reynolds said the reason she did not go through Onslow County Tourism, The Chamber or any of the businesses asking for support is because of the Town Council showing the commitment towards the program. Approving the study shows that we want to make the quality of life better for our residents and we want to bring these recreational opportunities to the town.

Councilman Hines said these companies that want to put venues in should do their own demographic studies and we did not put this in our Parks and Recreation study. Councilman Hines asked if taking money out of our Parks and Recreation that has already been earmarked for other things. Councilman Hines said there needs to be a lot of consideration into this because \$16,000 to \$18,000.00 is a lot of money and we do not have the land to do this with. Councilman Hines said he does not see where this would be beneficial for us to do this.

Councilwoman Stanley said the biggest complaint she hears is there is nothing to do in Holly Ridge. Councilwoman Stanley said she did not think it necessarily needs to be in town but could be just outside of the town limits. Councilwoman Stanley thinks a hotel would be great

for Holly Ridge. Councilwoman Stanley said she thinks we need to proceed with this company because Mr. Perry seems to know what he is doing, and it would also bring jobs and people to the town.

Councilman Sholar agrees with Councilman Hines that they already have their mind made up on what will work due to our demographics.

Councilman Hines said a big problem the town has is not enough land for something like this. Manager Reynolds said the town would not have specific ownership in a facility like that. The town would be able to facilitate programs through a complex like that if we grew our athletics program. Councilman Hines ask would it not be prudent to find out what land is available before we spend \$18,000.00 to do this.

Mayor Pro-Tem Hall said in this case, the tool would establish what we can and can't accommodate as well as the surrounding areas. Once this assessment is done, there may be things we can bring in that only need two acres of land. This analysis would be a professional picture of what we can handle and what we can not handle.

Councilwoman Bragg said she does not think it is a bad idea to ask the businesses at all. Councilwoman Bragg said she thinks it would promote growth as well as help Holly Ridge so we would not have to spend our money in other townships. Councilwoman Bragg suggested adding to the motion to approach local businesses for donations.

A motion was made by **Councilwoman Bragg** and seconded by **Mayor Pro-Tem Hall** to approve the proposal from National Sports Services to be paid from line item 10-620-96-0 Parks and Recreation Capital Improvements for an amount not to exceed \$18,000.00 and the Town Manager is to solicit local businesses to help cover that expense.

Voting was as follows:

Councilman Hines – No

Councilman Sholar – No

Mayor Pro-Tem Hall – Yes

Councilwoman Stanley – Yes

Councilwoman Bragg – Yes

Motion Passes.

Persons Wishing to Address the Council

Dorothy Royal 127 Sound Road thanked Mayor Wenzel for attending the Surf City Town Council meeting tonight for the swearing in of Mayor Teresa Batts. Mrs. Royal said she would like to save the town \$18,000.00. The one thing that Holly Ridge can offer that no one else around here does is a community swimming pool. Ms. Royal said people in Hampstead, Sneads Ferry and all the surrounding beaches would attend. Ms. Royal said if Holly Ridge puts a large

swimming pool open from Memorial Day until Labor Day with the help of grants people from all over would come and those families would spend their money in the restaurants and other local businesses in Holly Ridge. Ms. Royal said we have an opportunity in town where we do not need 100 acres of land, it can be done with six or seven acres of land. Ms. Royal said we do not have the land for a big venue and like Councilman Hines was saying, those companies spend millions of dollars when looking for the right place to put their business.

Manager Reynolds said she was just given examples earlier on venues, but Manager Reynolds and Mark Sutherland have discussed the smaller venues such as a wave pool that has surfing competitions and have other activities going on at the same time. Manager Reynolds stated this company can help with what is needed for our area and then we have a professional analysis we can take to the Senate for help with funding.

Councilman Sholar clarified that the splash pool and the amphitheater we have set for park would still be on the table and the only thing we would not have is a pool. Manager Reynolds said that is correct.

Town Council Comments

Councilwoman Bragg thanked everyone for coming to the meeting tonight. Councilwoman Bragg thanked all the departments for the good job they are doing.

Councilwoman Stanley thanked everyone for coming to the meeting and she thanked all the departments for the work they are doing.

Councilman Hines said the Re-Branding committee was going to place a plaque on the old Camp Davis Industrial Park columns and Councilman Hines wanted all the shrubbery and trees removed. Councilman Hines asks if this was in the works to be done.

Manager Reynolds said Mike McFann has been in contact with the Department of Transportation and with the holiday's things have been stalled. Manager Reynolds said with the new year she hopes to move forward with this project.

Councilman Hines asked about the parking lanes on Sound Road. Manager Reynolds said we have worked with JUMPO over the last year. Community Development Director Nate Rhue said it is at the point where it can be submitted to the Department of Transportation but there are a couple of things in their portal that needs to be verified and cleaned up.

Councilman Hines said there were a couple of things that the Re-Branding committee needed and if they are going to be able to accommodate them by the 17th. Manager Reynolds said she is working on that, and she does not see a reason why it would not be ready by the 17th.

Councilman Hines requested an update on Project Gridiron. Manager Reynolds said Project Gridiron is a proposed client that will be coming in the Camp Davis Industrial Park. They plan to bring many jobs plus a large capital investment and the announcement regarding this must

come from the Governor's office. Manager Reynolds said we are currently working with the client and Governor's office for the announcement.

Announcements

Mayor Wenzel gave the following announcements:

- Monday, January 16th, 2023, Town Hall Closed in Observance of Martin Luther King, Jr. Day
- Tuesday, January 17th, 2023, Planning Board Meeting – beginning at 6:30 p.m. in the Council Chambers
- Tuesday, January 24th, 2023, Board of Adjustment Meeting – beginning at 6:30 p.m. in the Council Chambers
- Tuesday, January 24th, 2023, Four Town Meeting – beginning at 12:00 p.m. at the Surf City Town Hall – Hosted by Surf City

Mayor Wenzel said Teresa Batts was sworn in as the new Mayor of Surf City and Hugh Canady replaced Ms. Batts on the Town Council position.

Closed Session

Pursuant to NCGS 143-318.11 (a)(3) for the purposes of consulting with an attorney employed or retained by the Town to preserve the attorney-client privilege between the attorney and Town in relation to the matter of Alexander Industries, LLC vs. The Town of Holly Ridge, North Carolina, Ewan Richards, and Lori Faircloth.

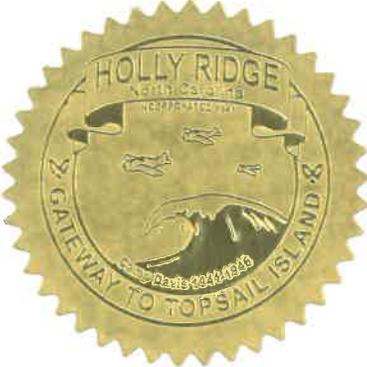
A motion was made by *Councilman Sholar* and seconded by *Mayor Pro-Tem Hall* to go into Closed Session. *All Agreed.*

Mayor Wenzel said Attorney Fountain gave the Town Council information pertaining to this case.

Adjournment

A motion was made by *Councilman Sholar* and seconded by *Councilman Hines* to adjourn at 8:10 p.m. *All Agreed.*

Attest:



Jeff Wenzel

Jeff Wenzel, Mayor

Tracy Martin Deputy Clerk

Tracy Martin, Deputy Clerk

These minutes were recorded and prepared by Deputy Town Clerk, Tracy Martin.