



Town of Beaufort, NC

701 Front St. - P.O. Box 390 - Beaufort, N.C. 28516
252-728-2141 - 252-728-3982 fax - www.beaufortnc.org

Town of Beaufort Board of Commissioner Work Session Meeting 4:00 PM Wednesday, December 18, 2019 - Town Hall Conference Room, 701 Front Street, Beaufort Minutes

Call To Order

Mayor Newton called the meeting to order.

Roll Call

Town Clerk Davis called roll and declared a quorum present for the meeting.

PRESENT

Mayor Everette Newton
Commissioner Sharon Harker
Commissioner Charles McDonald
Commissioner Ann Carter
Commissioner Marianna Hollinshed
Commissioner John Hagle

Agenda Approval

Mayor Newton asked for the agenda to be amended to move Items for Discussion #7 to #1. A motion was made to approve the agenda as amended.

Motion made by Commissioner Hollinshed.

Voting Yea: Commissioner Harker, Commissioner McDonald, Commissioner Carter, Commissioner Hollinshed, Commissioner Hagle

Public Comment

Lora Fasolino read the below information to the Board of Commissioners.

Good Afternoon Mayor, Commissioners, Mr. Day, & staff,

There is chatter around Town about the desire for artistic spaces, creative industry, maker spaces, development of skills in conjunction with the sales of products. Creative, placemaking economic development.

As the first new building applicant for the new Cedar Street Mixed-Use District, we were in a discussion with Town Staff yesterday when some questions of clarity arose.

In the LDO, the Cedar Street Mixed-Use wording currently stands

1) Mixed use is allowed = retail, commercial, service uses ... service uses is not defined. Commercial use is not defined.

2) Retail is defined as = A place of business where a commodity is sold to a consumer and not customarily subject to re-sale ... so technically, stuff is sold, not made, in a Retail Store.

3) You can have an Office: Business, Professional or Medical ... but ... not an Office: Small Business = the definition of Small Business is A business which is privately owned and operated with a small number of employees. Not allowed. Office is not defined.

4) The LDO's definition of Business is: A Business is an organization designed to provide goods, services or both to consumers and may include a trade, occupation, profession or franchise taxed under this Ordinance. What does taxed under this Ordinance mean? Can I practice my 'trade' in my office?

5) Personal Service Establishment ... hmmm ... not defined. I can assume that means hair, nails, tattoos, piercings, massage, spa treatments?

It seems like some of this wording will be subject to interpretation. That might lead to frustration, inequitable and/or biased decision making, or litigation.

It seems that CSMU zone does not allow for Working galleries, workshops that have product on display, basic repair services that support the community and/or bring in specific customers because of the specific nature of the repair.

In the definitions section of the LDO I did find two potentially helpful definitions:

Fabrication: Manufacturing, excluding the refining or other initial processing of basic raw materials such as metal ores, lumber, or rubber. Fabrication relates to stamping, cutting or otherwise shaping the processed materials into useful objects.

The definition of Light Industrial ... not to change CSMU, but to consider the wording within CSMU clarifications ... to provide for certain commercial establishments which, in their normal operations, have little or no adverse effect upon adjoining properties.

The Mixed Use definition, once clarified, could include fabrication mixed with retail, commercial, service uses as long as it does not have an adverse effect upon adjoining properties.

Thank you for your time

Items for Discussion and Consideration

- 1 Application for USDA Financing/Grants for Utilities Improvements – Contract with Rivers and Associates

Mark Garner and Scott Godefroy of Rivers and Associates presented the information for the USDA Financing/Grants for Utilities Improvements. Mr. Garner reported members of town staff and representatives of Rivers and Associates met with a USDA representative to discuss the opportunities for the town of receive grant funding or loans for utility improvements. Mr. Garner reported this all came about as Town Engineer Greg Meshaw started looking at the street paving needs and the infrastructure repairs that needed to be completed for water and sewer lines.

Mr. Garner indicated the group had developed a spreadsheet identifying the street re-pavement schedule for each year and the specific infrastructure work that needs to be completed prior to the pavement begin completed. The spreadsheet addressed the paving needs beginning in 2019 through 2024.

Mr. Garner indicated the USDA had two programs for the town's consideration. One is the environmental program dealing with water, wastewater and stormwater. The interest rate varies between 1.34% up to 2.2%. They also have a Community Facilities program which can be used for street improvements, parks, city halls, fire departments, etc. The interest rate for this program is 3%.

Mr. Garner informed the board members the maximum amount of grant for the environmental program is 75% which is rarely awarded. Mr. Garner also reported there is the opportunity for 45% funding through this program. Currently, the town is putting aside \$350,000 per year for improvement projects for water and sewer to be used. Mr. Garner indicated the sewer projects would likely receive a higher rate of grant percentage than the water projects since the sewer rates were so high.

Mr. Garner reported the group had identified approximately \$4 million worth of improvements needed in the sewer infrastructure that was located under the streets in town. Different applications need to be completed for the water projects and the sewer projects.

Regarding storm water, Mr. Garner indicated the town had approximately \$125,000 available for storm water projects. He reported the need for storm water projects was close to \$3.3 million.

Mr. Garner reported the application time period usually took approximately six months before submission. In order to apply for funding for the stormwater infrastructure repair needs, an enterprise fund would need to be established for the stormwater and an ordinance created.

Town Manager Day indicated the town did need to make considerations on how the storm water fee will be levied in the near future.

Street re-surfacing has to be determined as the sewer repairs and water repairs are being made and whether or not the USDA can be convinced the re-surfacing should be part of the sewer/water project repairs. If not, then the town does have available funding to complete some patching in areas. Mr. Garner indicated some of the issues will not unfold until the actual work begins.

Town Manager Day indicated the town was planning on re-surfacing the streets in a way to make it all work in conjunction.

In response to a question from Commissioner Hagle, Mr. Garner indicated it would take six months to get the application submitted and then several months before a decision will be made by the USDA. Mr. Garner estimated the town would have a response by next fall as to the amount of funding available for the projects. At that point he indicated the actual design process would be approximately 10 months with a total time of approximately 2 years before any work will begin.

Commissioner Carter indicated there were good deal of "ifs" related to the USDA funding and waiting two years is a long time. In response to a question from Commissioner Hagle, Mr. Garner reported there were almost ten miles of sewer to be designed resulting in construction in 2022. Town Manager Day indicated the alternative is to pay higher rates for loans and not get any grant funding. Mr. Day indicated the USDA representative felt confident grant funding would be available. Mr. Day indicated the public health issue will help in obtaining the grant funding. In response to a question from Commissioner Carter, Mr. Day reported the public health issue was related to a significant amount of human fecal levels in the storm water testing.

Commissioner Hollinshed asked how we can be assured to be a part of the submittals to receive funding. Mr. Day indicated once your funding was approved then the funds will be set aside. Mr. Garner indicated for the first six months the town would be responsible to cash flow the project. Mr. Garner indicated that once the contracts are awarded the USDA funds would be disbursed for the application process, permitting, bidding, etc.

Commissioner Harker asked for an amount of money the town would be accumulating for the application process, etc. Mr. Garner indicated the town would be looking at approximately \$40K-\$45K for each application for sewer and water. Town Manager Day indicated there was funding available to meet the needs for the application process.

Commissioner McDonald indicated some years ago the town entered into an agreement with Rivers and Associates for funding if our projects were shovel ready. He continued by saying the board was informed at the time the projects were shovel ready. Mr. Garner indicated repairs to certain areas and pipes just moved the issue to other areas and pipes.

Mayor Newton asked if the stormwater rehabilitation project would address stormwater outlets that were currently underwater. Mr. Garner indicated he had noticed some of those issues when looking at storm water data.

Town Manager Day indicated the contracts for sewer and water will need to be approved at the January meeting.

This item was placed on the agenda under Items for Discussion and Consideration.

2 Draft minutes of the November 18, 2019 Monthly Board Meeting and the November 25, 2019 Worksession Meeting

This item was placed on the agenda under Items of Consent.

3 Appointment to Volunteer Boards

Town Clerk Davis indicated there were two vacancies for the Historic Preservation Commission and three vacancies for the Planning Board. She also reported Planning Director Garner had spoken with the Town Attorneys regarding the lack of appointments by the Carteret County Board of Commissioners and whether or not the town could make those appointments. Ms. Davis reported the Town Attorney indicated the Town was eligible to make the appointment. In addition, the Town Attorney urged the commissioners to do their best to find someone residing in the ETJ and if they were not able to do so then an appointment of a in-town resident would be acceptable.

This item was placed on the agenda under Items for Discussion and Consideration.

4 FY 20 Budget Amendment #4

Finance Director Wood reported the budget amendment was for the additional cost of the Workers Compensation yearly premium. The reasoning for an increase in the premium was due to an increase in wages as a result of the merit raises and an increase in the pay rates for all employees as a result of the salary study and increase in wages across the board.

This item was placed on the agenda under Items of Consent.

5 November Financial Report

Commissioners noted they had several questions regarding the financial report and they would email Ms. Wood.

Commissioner Carter asked about the ZSR line item and the expenditure. Ms. Wood indicated it was related to the Z Smith Reynolds grant and the town had front some of the costs until the grant checking account was established. She reported the checking account had been established and the reimbursement would occur.

Commissioner Hagle asked about the Public Works budget and the expenditure of nearly 60% of the entire budget. Town Manager Day indicated there had been some big projects that were accounted for and all should be fine with the budget line item.

6 806 Cedar Street – Mixed-Use Project Site Plan Request

Town Planning Director Garner indicated the request was for the site plan approval of a proposed retail/residential building to be built on Cedar Street. He indicated this would be the first site plan review for approval since the new Cedar Street Mixed Use District (CSMU) was approved. He

reported the Planning Board unanimously approved the recommendation of approval by the Board of Commissioners.

This item was placed on the agenda under Items of Discussion and Consideration.

7 Road and Pedestrian Improvements Update

Town Manager Day indicated he and Finance Director Christi Wood had spoken with a representative of the Local Government Commission (LGC) regarding entering into debt for road and pedestrian improvements. He indicated the initial plan was to apply for USDA funding. During the discussion with the LGC it was learned it is not unusual for a bank to accept as collateral the asphalt for street paving projects. In light of that information, Mr. Day reported the town will be looking to secure funding through a bank which will move the project along quicker. He indicated the anticipated meeting with LGC for approval would be in March.

Additionally, Mr. Day reported there would also be some pedestrian improvements included in the loan funding. Specific areas for improvements are at Randolph Johnson Park and the 100 block of Turner Street.

Mayor Newton asked Town Engineer Greg Meshaw to please provide an updated listing of the streets identified and an estimated time line so he would be able to reference it in the newsletter.

Adjourn

Commissioner Harker wished everyone a Merry Christmas and Happy Safe New Year.

Commissioner Hollinshed indicated it seemed the town had a full schedule for 2020.

Commissioner Carter asked about the status of Cedar Street. Town Manager Day indicated he had not gotten any information from the state regarding when the project will start. He did indicated the State was having some issues with funding at the current time.

Commissioner Hagle wished everyone a Merry Christmas and Happy New Year. He encouraged everyone to be aware of their surroundings while out driving over the holidays. He indicated there was a good deal of work to get done in 2020.

Commissioner McDonald wished everyone a Merry Christmas and prosperous New Year. He indicated he was looking forward to working together with everyone in the new year.

Mayor Newton wished everyone happy holidays and indicated there was a good deal of work to be considered and accomplished in the new year.

A motion was made to adjourn the meeting.

Motion made by Commissioner Hollinshed.

Voting Yea: Commissioner Harker, Commissioner McDonald, Commissioner Carter, Commissioner Hollinshed, Commissioner Hagle

Mayor Everette S. (Rett) Newton

Michele Davis, Town Clerk