



Town of Beaufort, NC

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Beaufort Waterfront Operations & Finance Committee

10:00 AM Thursday, September 05, 2024

Beaufort Train Depot, 614 Broad Street

MINUTES

Call To Order

BWOF Charge: The BWOF is tasked with reviewing the recommendations from the Harbor and Waterways Advisory Committee (HWAC), including evaluating how practical and feasible each recommendation is and updating the vision and goals to ensure they reflect the desired character of the Town and docks while meeting financial expectations.

Meeting Objectives: This is the kickoff meeting for the Beaufort Waterfront Operations and Finance (BWOF) committee to:

1. Review the purpose, roles and responsibilities of the committee
2. Discuss previous project objectives of the waterfront improvement project
3. Begin updating these objectives
4. Receive feedback from the committee

Chair Sarah Spiegler called the meeting to order at 10 a.m.

Members Present: Commissioner Sarah Spiegler - Chair, Commissioner Paula Gillikin - Vice-Chair, Steve Bishop, Mike Bradley, Vic Fasolino, Dexter Matthews, Ted Morris, Becky Newton Bowler, Craig Souza, Miriam Sutton and Weymouth Tillett. Member Barry Slade joined the meeting by 10:05 a.m.

Staff Present: Interim Town Manager Charlie Burgess, Public Information Officer/Deputy Clerk/Parks & Events Coordinator Rachel Johnson and Fire Chief Tony Ray

Commissioners Bucky Oliver and Melvin Cooper were in attendance and advised they could observe but could not conduct business. Mayor Sharon Harker also joined the meeting at 10:30 a.m. as an audience member.

Welcome & Introductions (20 Minutes)

Each member introduced themselves, shared their bio information and stated what they like the most about Beaufort. Bios are available at <https://www.beaufortnc.org/boardofcommissioners/page/beaufort-waterfront-operations-finance-committee-bios>

Staff Member Johnson advised the committee of procedures for open meetings laws, public records and rules of procedures.

Chair Spiegler reviewed BWOFF Committee Discussion Guidelines.

9.5.24. Meeting #1 Document #1 Committee Discussion Guidelines

Becky Bowler shared that the Beaufort Harbor & Waterways Committee made unanimous recommendations with everyone on the committee agreeing.

Agenda Approval

Agenda was approved as presented by consensus.

Review Past Project Objectives (20 Minutes)

Chair Spiegler led a discussion centered around a document she and Commissioner Gillikin created called "Background Summary of Fact."

9.5.24. Meeting #1 Document #2 Background Summary of Fact

The committee was asked to review the Summary of Fact sheet and the Harbor & Waterways Master Plan Committee's recommendations to the Board of Commissioners (<https://www.beaufortnc.org/media/6506>) and to take a quiz in advance of the meeting regarding the information in the two documents.

There was discussion praising the past work that has been done on the project. Dexter Matthews commented that it is amazing how much work has been done even prior to the work of the Beaufort Harbor & Waterways Committee's final recommendations.

An interest was expressed in hearing from Doug Townsend, the chair of the former committee and consultant to the Town on the waterfront project, in order to gain a better understanding of why the Town went in the direction they did.

Mike Bradley echoed Matthew's sentiments and stated this is an incredibly well-done document calling it top-notch stuff in reference to the Harbor & Waterways Committee's final recommendations to the Board of Commissioners and the RFPs issued by the Town.

Spiegler reiterated that the committee is not starting from scratch but rather reviewing prior objectives and updating them as needed.

Committee members were asked not to inundate Doug Townsend with questions but to rather communicate via one source. The thought is that at some point he will be asked to come and speak to the committee during a meeting.

9.5.24. Meeting #1 Document #3 Quiz Result Slides

Chair Spiegler presented a slide show reviewing the pre-meeting quiz results stating 9 out of 12 members completed the quiz.

Vice Chair Gillikin stated the quiz is a jumping off point to begin the discussion.

Design & Management Options (25 Minutes)

1. Design of docks for larger vessels vs. viewscape

Chair Spiegler asked Steve Bishop to facilitate a conversation on dock design.

Bishop circulated two concept images that were taken from the initial RFP submission by Safe Harbor. Images may be found on pages 17 & 18 of the RFP document at

www.beaufortnc.org/media/11051. He pointed out some differences between the existing dock layout and the conceptual images.

Bishop said that the Harbor & Waterways Committee explored issues surrounding the Harbor line and it was concluded that the Town can rebuild within its existing footprint. "We should assume that we must work within the existing docks," Bishop said. "I don't see 200-foot yachts coming into the docks. We currently have 150-foot plus yachts."

Chair Spiegler stated that the configurations on the conceptual images were updated as the Town negotiated with Safe Harbor.

Weymouth Tillett expressed that the "guys at the docks are experts at getting vessels in and out." He said that over the years they have put together a dock arrangement that makes sense. He also stated he felt the Town should repair and replace as funds become available.

Barry Slade said he has never thought that mega yachts made sense for the Beaufort waterfront and that it is hard to be all things to all people.

The Army Corps delineation that appears in the Moffat and Nichol report was referenced by Vice-Chair Paula Gillikin. The report may be found at <https://www.beaufortnc.org/media/6501>

Dexter Matthews asked if there was an updated design.

Chair Spiegler said there was and that she anticipated that information would be released in the closed session minutes.

Tillett commented that he felt the designs were squeezing out small to mid-sized boats and if you want to bring in the cruising community than the design is contrary.

Becky Bowler said she wants to ensure that we are maintaining a harbor that is accessible to everyone, not just transient boaters. She continued by saying that there are a lot of taxpayers who want to day boat and or use a kayak.

Vic Fasolino asked questions about finances. He stated he felt the Safe Harbor proposal was heavy on the docks and didn't take the landside recommendations from the Harbor & Waterways Committee into account. Mike Bradley agreed.

Miriam Sutton discussed how the Kaisen, a 159-foot keel boat that currently docks at the Town docks, must go away for storms or else it is at risk of pulling the pilings out.

Tillett discussed the existing storm policy at the Beaufort Docks and said that if a named storm is coming all boats must go.

Bowler said the Beaufort docks are a ghost town most of the year because the locals are being priced out and we need to get resident's boats in the slips.

Bradley said offering monthly/weekly rates attracts local residents. Barry Slade said there is a new pricing system much like hotels that opens a whole new world for attracting boaters.

2. Town-run or third-party management

Chair Spiegler asked Ted Morris to speak on the topic of Town-Run or Third-Party Management.

Morris explained his background in Economic Development involved working within the framework of the context of Place Making, a concept that considers what it takes to make great places with a focus on what makes a community special. He said it is important to ask who is the primary user and it is key to remember who the primary user will be.

Morris said Public Private Partnerships blend financial resources with expertise. He explained that there are two sides of the coin with the private sector assuming the risks and the public side making concessions. It is a financial model that a lot like economic incentives are viewed and criticized on the back side.

Morris said that whether or not a Public Private Partnership is necessary for the docks is not yet known and the questions that need to be asked include what does the community lack that

necessitates a public private partnership? Who owns the plan? "Never lose control of the plan," Morris said.

He continued to explain that you must understand the nature of the partnership - co-manage, co-develop, terms of arrangement, does the term of the lease make sense? There is a risk about the view of ownership. If it goes sideways, who wins? Who has the deep pockets? Ask how do we keep the time and talent in the community?

He reiterated that sometimes it is necessary to enter a public private partnership, but the question is, is it necessary?

Fasolino said always remember your master plan. Morris said, "we already have a master plan. It'll be tested in the market place and already has. It is important to preserve the vision crafted in the plan.

Dexter Matthews expressed that agreements have to be air tight to be successful and maintain the vision. He recommended there be an oversight group if a public private partnership is utilized.

Financing Options (25 Minutes)

1. Grants & Legislative appropriations

Chair Spiegler asked Dexter Matthews to provide information on financing options and more specifically grants and legislative appropriations.

Matthews explained there are 3 funding buckets: 1) Grants 2) Donations and 3) Appropriations. He explained that while grants are good there are many factors that relate to the success of the grant application including the economic need of the county. Carteret County is ranked as a Tier 3 county which is least distressed. This causes a hurdle in obtaining grants. He continued to explain that on a Federal level there is an environmental justice policy placing criteria focused on awarding grants to low-income & minority communities, most require a match, the timing is important and most of the time no work can be done before the grant is awarded, application and award dates may or may not coincide with the project and can complicate things and requires extensive planning and most are directed at the public. He said there are approximately 21 on NC Gov that have matching aspects to the Dock project.

Matthews outlined 7 different grants to include the BRIC grant which has an Oct. 4 letter of intent deadline. Interim-Town Manager stated the Town is pursuing this grant at this time and is in the process of preparing the required LOI to meet the Oct. 4 deadline. Another of the grants mentioned (Boating Infrastructure) was explored and the Town's application was denied.

Matthews continued and explained that in order to receive private donations the Town would need to establish a non-profit or other structure for donations to receive a tax advantage.

He stated his favorite funding avenue is appropriations because there are no strings attached like there are with grants. He outlined that there was a \$987 million surplus identified during the short session of the NC General Assembly. He said it is very important to have a request ready for the long session and this process needs to start now with the Board of Commissioners hiring a lobbyist that wants to coordinate and leverage connections.

Tillett said we need to explore a phased approach and look at the model used by Vero Beach.

Chair Spiegler discussed forming a Finance Committee led by Matthews. Mayor Sharon Harker volunteered as an ex-officio member of the BWOF committee to work with Matthews. (A sub-committee was not officially formed).

2. Necessary & desired improvements

Chair Spiegler said exploring a phased approach for necessary and desired improvements would be a future agenda item.

3. Updating of project costs

Chair Spiegler stated there are a few things in the goals and objectives provided by Mayor Harker for the committee that can be updated based on the meeting.

Related to the objectives for rebuilding the waterside assets, Chair Gillikin stated that these objectives will apply with or without a third party running the docks. She proposed presenting a draft set of objectives at the next meeting

Barry Slade said maybe advantageous to consider specific elements for possible public private partnership to assist in running certain aspects of the Docks.

Matthews said based on what everyone has said the design objective is to be user friendly. This whole issue is how do you fund it? Fund our own growth through our own revenues. And there are partners that can help us be more efficient in that.

Interim Town Manager Charlie Burgess encouraged everyone to review the financial presentation made to the Town by First Tryon (<https://www.beaufortnc.org/media/10991>) at their last board meeting as it shows the financial state of the Town. In the absence of substantial grants and appropriations, the Town is strapped financially. We have got to figure out that capital piece.

Update Project (Committee) Goals & Objectives (25 Minutes)

1. Based on desired character of the Town & docks and financial considerations
Delayed until next meeting.
2. Timeline: Mayor asked for December 2024 Report

Wrap-up (10 Minutes)

Audience member Daphne Littiken interrupted Chair Spiegler as she was giving final comments. The audience (about 30) was reminded that there is not public comment during these committee meetings and that they could email comments to r.johnson@beaufortnc.org to share with this committee or attend a BOC Regular meeting and speak during public comment.

1. Future meetings schedule
The next meeting was scheduled for 1 p.m. Sept. 26, 2024 at the Beaufort Train Depot.
Future meetings will be conducted on the following dates: Oct. 17 & 30, Nov. 8 & 15, Dec. 5 & 19.
Times were not yet set for these dates. Meeting dates are to be posted to the Town website.
2. Updates to BOC
Chair Spiegler discussed that the committee would provide monthly updates to the Board of Commissioners with a final update anticipated in December.

Adjourn

The meeting was adjourned at 12:15 p.m.

Chair

Deputy Town Clerk