



Town of Beaufort, NC
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Board of Commissioners
Regular Meeting Minutes
6:00 PM Monday, March 09, 2026
Train Depot, 614 Broad Street

Call to Order/Pledge of Allegiance

Mayor Harker called the March 9, 2026, Board of Commissioners meeting to order at 6:00 PM. She invited everyone to join in reciting the Pledge of Allegiance.

Roll Call

Elizabeth Lewis, Town Clerk called the roll:

PRESENT:

Mayor Harker
Commissioner Gillikin
Commissioner Spiegler
Commissioner Matthews
Commissioner Cooper
Commissioner LoPiccolo.

Absent: None

Agenda Approval

Mayor Harker announced the need to amend the agenda to add a closed session pursuant to North Carolina General Statute 143-318.11(a) and (3).

Commissioner Gillikin made a motion to add the closed session to the end of the agenda, citing NCGS 143. 318. 11(a)(3) as the purpose.

The motion carried unanimously with a (5-0) vote.

Recognition of Volunteer Board Members

1. Becky Bowler (Planning Board)
2. Marissa Morris (Historic Preservation Commission)

Mayor Harker emphasized the value of community boards to the Town of Beaufort, recognizing that volunteers give their time and talents to further the Town's cause. She presented certificates of appreciation to Becky Bowler and Marissa Morris for their service on the Planning Board and Historic Preservation Commission.

Items of Consent

1. Meeting Minutes: January 29-30; February 9; February 23
2. Rotary Historic Beaufort Road Race
3. USDA Sewer Bond Resolution
4. Residential Solid Waste Fee Increase

Commissioner Gillikin made a motion to approve the Items of Consent as presented.

The motion carried unanimously with a (5-0) vote.

Quasi-Judicial Proceeding

1. Case #26-03 Special Use Permit: 201 Ann St Accessory Dwelling Unit

Mayor Harker explained the next topic to be a quasi-judicial proceeding for case number 26-03, a special use permit for 201 Ann Street as an accessory dwelling unit.

Commissioner Spiegler made a motion to open the floor for the evidentiary hearing.

The motion carried unanimously with a (5-0) vote.

Mayor Harker went through the overview of a quasi-judicial evidentiary hearing, noting it was similar to a court hearing, with specific procedures established by state law. The Board must base its decision on competent, material, and substantial evidence presented in the record. All applications for special use permits must demonstrate consistency with the land development ordinance and whether the proposed use is appropriate in the proposed location.

Mayor Harker instructed that witnesses should focus on facts and applicable standards, not personal preference or opinion. She noted the Board would hear relevant information from parties with standing, and at their discretion, other witnesses may present competent material and substantial evidence that is not repetitive.

Town staff (Kyle Garner) and the applicant (Eric Lindstrom) were sworn in by the Town Clerk.

Mayor Harker asked if any Board members had ex parte communications, conflicts of interest, or bias in the case, to which there were none.

Planning Director, Kyle Garner, presented the staff overview for Case #26-03, a special use permit for an accessory dwelling unit at 201 Ann Street. Mr. Garner requested that the staff report included in the agenda packet be made part of the official record.

Mr. Garner explained the property is located in the TR (transitional) zoning district and is consistent with the land use plan, which identifies the area as a traditional neighborhood where accessory dwelling units are mentioned as typical uses. The property is also within the local historic district, meaning if successful with the special use permit, the applicant would need to go before the Historic Preservation Commission for exterior elevations and ground features.

Mr. Garner shared that the existing structure at 201 Ann Street includes an existing shed that the applicant requests to convert into an Accessory Dwelling Unit (ADU). The ADU would add 400 square feet total, with the existing structure being 266 square feet and new construction of 134 square feet. The adjacent property includes the Episcopal Church and cemetery to the north.

Mr. Garner noted the proposed project meets height and setback requirements, with structures less than 16 feet in height allowed within 5 feet of side or rear property lines. He reviewed the required findings under General Statute 160D, noting staff found the application complete and consistent with the land use plan.

Commissioner Gillikin asked about additive massing, which was mentioned in the conceptual plans.

Mr. Garner explained it relates to historic district design guidelines for height, scale, mass, and proportion, ensuring the accessory dwelling unit is smaller in square footage than the main structure. The main structure is almost 80 feet in length and averages about 25 feet in width, making the ADU significantly smaller.

Applicant Eric Lindstrom presented his case, explaining he owns the 1817 James Davis House at 201 Ann Street, with his primary residence at 125 Ann Street. He explained he is seeking to renovate and expand an existing 300 square foot accessory structure built in 1985 by Dr. John Coslow into an ADU for family and friends, particularly those with dogs, as their main house cannot accommodate pets due to allergies.

Mr. Lindstrom provided detailed plans showing site layout, landscaping, parking for two cars, a proposed brick driveway, and the ADU location. He explained his interpretation of additive massing as additions that do not overwhelm the structure being added to, consistent with Beaufort's architectural character. He noted the use is allowed in both zoning and CAMA use plans, and historic design guidelines have criteria for accessory structures.

Mr. Lindstrom showed examples of other accessory structures and ADUs in the area, suggesting they are part of the historic district's character.

For safety requirements, Mr. Lindstrom explained the structure will have direct emergency access from Moore Street, meet required setbacks and building separation requirements, and comply with all building codes. He proposed a fully bricked driveway since there are no sidewalks planned for that section of Moore Street, and offered to execute an agreement with the Town for full responsibility should the bricks need removal in the future. He also included a stormwater cistern to address impervious surface concerns.

Commissioner Cooper asked for clarification about the proposed driveway, confirming there would be no new sidewalk but rather a full brick driveway from the drive area to the street.

Commissioner Spiegler complimented Lindstrom's thorough presentation and particularly liked the on-site stormwater proposal. She asked about the main house use.

Mr. Lindstrom confirmed it is a full-time rental with a tenant moving in for at least two years.

Commissioner Gillikin made a motion to close the evidentiary hearing.

The motion carried unanimously with a (5-0) vote.

Mayor Harker explained the Board would make two motions: one on findings of fact and another to approve or deny the special use permit.

Commissioner Gillikin made a motion to approve the finding of facts as set forth in Section 20 of the Town's Land Development Ordinance and referenced in the meeting packet, on page 86.

The motion carried unanimously with a (5-0) vote.

Commissioner LoPiccolo made a motion to approve Case #26-03 Special Use Permit: 201 Ann St Accessory Dwelling Unit.

The motion carried unanimously with a (5-0) vote.

Public Comment

Ken Hansen:101 Colony Point Street in Beaufort Club

Mr. Hansen addressed the Board about ongoing traffic concerns in his development. He reported that over a 31-day period, 10,866 vehicles traveled through the development on the single access road, despite a week-long closure due to snow and clubhouse/golf course closures. He expressed frustration that a promised second entrance had not materialized after three years of discussions, citing various factors including cost and road changes. He emphasized the excessive traffic burden on the two-lane road and safety concerns with children and construction vehicles. Mr. Hansen offered to email the Town of Beaufort Police Department traffic study to all Commissioners and called for action on the second entrance issue.

Old Business

1. Godette Hotel: 400 Pollock Street

Town Attorney, Arey Grady, updated the Board on developments since January when they authorized filing an abatement/demolition lawsuit against the Godette Hotel. His update is summarized below.

Before the Town's lawsuit was filed, Preservation North Carolina (PNC) started legal proceedings against the property owner on February 12th, citing violations of development and redevelopment agreements and deed restrictions. PNC filed their primary lawsuit March 5th, asking the court to find breach of deed restrictions and development agreements, and to enforce PNC's right to repurchase the property. PNC indicated through legal counsel their intent to reacquire ownership, stabilize and repair the building's exterior, then market it to someone who can further redevelop it. PNC requested the Town hold its demolition abatement action in abeyance, citing several factors: parallel civil lawsuits would introduce procedural and contractual uncertainties, the Town's action would negatively impact title dynamics during PNC's intended repurchase, increase legal expenses and administrative costs, and could undermine historic preservation goals.

Mr. Grady noted the Town's abatement action is 90 percent ready and can be filed at any time. The timeline for PNC's action depends on the defendant's response, with property owners having 30 days to respond (possibly extended to 60 days), and if no response, PNC can ask for default judgment.

Commissioner Matthews expressed strong concerns about backing off the Town's action, citing ongoing health and safety issues, particularly the dangerous overhang. He spoke with neighbors who have mixed feelings but understand the safety concerns.

Commissioner Cooper agreed with preservation efforts but emphasized the community's changing attitude toward the building due to its appearance. He suggested possible interim safety measures like barriers or roping off dangerous areas.

Commissioner Spiegler supported respecting PNC's request to maintain good partnership relations, noting PNC's importance for the Town's historic preservation needs. She felt the threat of abatement action had accomplished its goal of spurring action.

Commissioner Gillikin expressed concern that parallel litigation might damage the relationship with PNC, which could serve the Town well in future historic preservation needs.

Commissioner LoPiccolo supported allowing PNC to move forward, viewing their involvement as positive after years of no progress. He felt the property had been condemned for over 10 years and a few more months would not hurt if it meant potential preservation.

Mr. Grady confirmed the Town retains the ability to act unilaterally if the building becomes an immediate safety hazard, though this would require professional assessment of imminent danger and recent material changes to conditions.

Commissioner Cooper made a motion to put the brakes on the Town's abatement action and allow PNC to proceed with their legal actions against the Godette Hotel owner.

The motion carried with a (4-1).

Voting Yea: Commissioner Spiegler, Commissioner Gillikin, Commissioner Cooper, Commissioner LoPiccolo

Voting Nay: Commissioner Matthews

Mr. Grady noted that he would continue weekly monitoring of the case and provide updates on any developments.

2. UDO Project

Planning Director, Kyle Garner, presented an update on the Unified Development Ordinance (UDO) project, noting the discussion was not a new topic but rather an assessment of options following the recent work session. He explained that staff had requested the consultant provide a list of items within the UDO modules that could be completed without interfering with pending state legislation related to down-zoning.

Mr. Garner recommended that the Board move forward with Module 4, which includes updates to the subdivision ordinance and the flood damage prevention ordinance. He noted that the subdivision ordinance has not been substantially amended since 1998, with only minor updates in 2005, and identified several gaps that need to be addressed, including procedures for letters of credit and the lack of a minor subdivision option, as the current ordinance only recognizes exempt or major subdivisions. He further explained that the flood damage prevention ordinance requires updates in anticipation of FEMA's forthcoming flood map revisions for Beaufort's jurisdiction, sharing this need has been reviewed by both State Emergency Management and the Town Attorney for compliance purposes.

Mr. Garner emphasized that both the subdivision regulations and the flood damage prevention ordinance are separate from zoning under NCGS Chapter 160D and would not violate down-zoning prohibitions.

Commissioner Matthews asked Town Attorney, Arey Grady, to confirm that proceeding with Module 4, specifically Articles 5 and 6, would not violate current law.

Mr. Grady confirmed that subdivision regulations and flood damage prevention are separate from zoning and would not conflict with down-zoning provisions. He added that these regulations are prospective in nature and would not create nonconformity issues.

Commissioner Cooper expressed concern about the potential for the UDO project to become prolonged, referencing previous planning efforts and Board decisions that delayed the Comprehensive Land Use Plan. He noted concerns about continued consultant costs with limited progress.

Commissioner LoPiccolo shared concerns regarding uncertainty at the state level, noting that future legislative changes could impact work already completed and potentially require additional revisions and costs. He indicated support for focusing on Module 4 as a more secure path forward until there is greater clarity from the General Assembly.

Commissioner Spiegler agreed that moving forward with Module 4 represented a reasonable compromise and emphasized the importance of continuing implementation of the Comprehensive Land Use Plan. She also inquired about the continued role of the UDO subcommittee, which Mr. Garner confirmed would remain active throughout the process.

Mr. Garner added that if the legislature ultimately does not act on the pending bills, the two articles within Module 4 could stand alone as separate ordinances if necessary, providing a positive outcome even under less favorable circumstances.

Commissioner Matthews emphasized the importance of maintaining close involvement from Attorney Grady throughout the process, noting that the consultants do not serve as the Town's legal counsel.

Mayor Harker confirmed that the UDO subcommittee would remain in place as work continues beyond Module 4. She noted that many communities have paused UDO efforts due to down-zoning concerns, but Beaufort is in a position to continue work on components that are not impacted.

Mr. Garner indicated that Module 4 could likely be completed by late summer or early fall, which would align with the anticipated legislative timeline.

Commissioner Gillikin moved to prioritize the subdivision and flood prevention damage ordinances (Articles 5 and 6 in Module 4), followed by topics within other modules that are not relating to zoning as recommended by White Smith Cousino, Town staff, and Attorney Grady.

Commissioner Matthews requested clarification that any work beyond Module 4 would come back to the board with legal counsel's guidance before proceeding. The motion was clarified to include this requirement.

The motion carried unanimously with a (5-0) vote.

New Business

1. Letter of Support for Climate Smart Communities Initiative (CSCI) Grant Application

Mayor Harker asked for a motion to recuse Commissioner Gillikin from the discussion due to her close involvement with the project.

Commissioner Spiegler made a motion to recuse Commissioner Gillikin from the topic.

The motion carried unanimously with a (5-0) vote.

Todd Miller with the North Carolina Coastal Federation presented a proposal for the Climate Smart Communities Initiative, developed in coordination with Town staff to support Beaufort's long-term resiliency efforts. The project would focus on protecting the Rachel Carson Reserve, which serves as a natural buffer against storms and sea level rise, and would evaluate long-term risks such as erosion and subsidence.

Mr. Miller explained the grant-funded effort (up to \$115,000, 12-month timeline) would include partnership with the Town, Coastal Reserve, NC Coastal Federation, and Tetra Tech. The project would identify mitigation strategies and develop a long-term implementation framework to guide resiliency efforts over a 30- to 50-year period.

The Board discussed the project which included questions regarding grant competitiveness, staff time commitments, and potential impacts of future funding.

Town Manager, Matt Zapp, confirmed staff could support the effort and Mayor Harker highlighted the Coastal Federation's past contributions to the Town.

Commissioner Spiegler made a motion to approve the proposed letter of support for the Climate Smart Communities Initiative.

The motion carried unanimously with a (4-0) vote.

Commissioner Cooper made a motion to bring Commissioner Gillikin back into the meeting.

The motion carried unanimously with a (4-0) vote.

2. Case # 26-04 Final Plat: Beau Coast Phase 4

Mr. Garner presented the final plat request for Beau Coast Phase 4, to subdivide a 23-acre tract into 36 single-family lots. He shared the zoning is Planned Unit Development (PUD), currently undeveloped, located within corporate limits, and matches the Beaufort East Village preliminary plat approved in August 2022. It's served by Town infrastructure, with the developer requesting a bond for incomplete infrastructure in the amount of \$461,411.11.

Mr. Garner showed vicinity maps identifying the phase location within the overall plan and detailed lot layout. He noted some infrastructure has already been installed, and the final plat gives property owners the opportunity to record the plat for lot sales.

Commissioner Spiegler confirmed the final plat is consistent with the preliminary plat, which Mr. Garner verified.

Commissioner LoPiccolo asked about Planning Board comments.

Mr. Garner reported unanimous recommendation of approval from the Planning Board.

Commissioner LoPiccolo made a motion to approve the final plat for Beau Coast Phase 4.

The motion carried unanimously with a (5-0) vote.

3. Case # 26-05 Final Plat: Beau Coast West Phase 2 & 3

Mr. Garner presented Case # 26-05 for Beau Coast West Phases 2 and 3, a 43.483-acre tract to be divided into 225 total lots. He explained that like Phase 4, it's part of the PUD, undeveloped, within corporate limits, and the preliminary plat was approved by the Planning Board in September 2022. He noted the proposed bond amount is \$3,804,380.56 for incomplete infrastructure.

Mr. Garner showed vicinity maps for the remaining Beau Coast West Phase 2 and 3 areas, noting Phase 1 is nearly at full build-out. He confirmed multiple points of ingress and egress serve the neighborhood, helping disperse traffic.

Commissioner Cooper asked about traffic concerns from George Street.

Mr. Garner confirmed this area connects to Beau Coast West Phase 1 with multiple access points helping distribute traffic.

Commissioner Spiegler confirmed the final plat is consistent with the preliminary plat, which Mr. Garner verified.

Commissioner Gillikin made a motion to approve Case # 26-05 Final Plat: Beau Coast West Phase 2 and 3 as presented.

The motion carried unanimously with a (5-0) vote.

4. Award for Construction Contract: Source Capture Exhaust Removal System

Deputy Fire Chief, Jack Fleeman, presented the request to award a construction contract for source capture exhaust removal systems for Fire Station 1 and Fire Station 2. He explained that in September 2025, the Town received a Department of Homeland Security Assistance to Firefighters Grant for \$140,952 with a required match of \$7,048, totaling \$148,000. He noted the match is split between the Town and County and based on station responsibility. He shared that after review and bid tabulation, the Fire Department staff recommended awarding the contract to Air Cleaning Specialists in the amount of \$112,197.37.

Commissioner Cooper made a motion to award the contract to Air Cleaning Specialists.

The motion carried unanimously with a (5-0) vote.

5. Announcement Regarding Sunland Builders

Mr. Grady provided a brief update on the contractual dispute with Sunland Builders, noting that the Town has engaged with construction litigation counsel. He shared that a notice of default had been recently issued regarding performance under USDA Contract Number 2 and 3, asserting claims for damages, withholding of payments, and potential liquidated damages. He reported that a response from Sunland was pending.

6. Proposed Improvements to Commercial Dock Area

Mr. Zapp presented proposed safety improvements to the commercial dock area, with F3 Marina representative Lori Meehan present for technical input. Town Staff, in coordination with F3 Marina, identified deficiencies in the commercial slip area that warrant immediate attention. The proposed project includes installation of new pilings and conversion to a floating dock system to replace existing fixed access. The lowest responsive quote was received from C3 Scott Marine Contracting in the amount of \$68,500.

Ms. Meehan explained that the project would be funded using revenues generated by F3 Marina since January 1, 2026. She noted the improvements are necessary to provide safe access for commercial operators and patrons, support current and prospective vendors, and allow for better utilization of commercial slips. Construction is anticipated to begin in late April and take approximately two weeks, with efforts made to maintain operations during the construction period.

The Board discussed contractor qualifications, funding availability, and operational considerations. It was noted that adequate cash is available within the dock fund to support the project and that the improvements prioritize immediate safety needs over other deferred capital items. Additional discussion included long-term considerations such as dredging needs and future return on investment.

Commissioner Matthews made a motion to approve proceeding with C3 Scott Marine Contracting to complete the commercial dock improvements.

The motion carried unanimously with a (5-0) vote.

Manager Report

Mr. Zapp provided several updates to the Board. He reported that the Town's residential parking pass program is now live and active, with information recently shared through the *Beaufort Minute*. Residents may obtain passes either in person at Town Hall on Front Street, where parking representatives are available to assist, or through the Town's online submission form.

Mr. Zapp also presented a housekeeping matter regarding the Town's contract with First Tryon, which has been in place since March 30, 2023, under a three-year term. Finance Director Christi Wood recommended issuing a termination letter to allow the contract to sunset at the end of its term. Mr. Zapp noted that, over the past three years, the Town has developed sufficient internal data to support the FY2027 budget and ongoing rate analysis efforts with the subcommittee. The contract carries an annual cost of \$25,000.

Commissioner Cooper made a motion to allow the contract with First Tryon to sunset and not be renewed. The motion carried unanimously (5-0).

Mr. Zapp reported that the 100 block of Turner Street will require an additional closure to facilitate full-depth roadway reconstruction. The work will include excavation and replacement with approximately 11 inches of compacted stone, followed by a 2 to 2.5-inch asphalt overlay to achieve complete curb-to-curb rehabilitation. He further explained that Phases 2 and 3 will address the Front/Turner and Ann/Turner intersections separately in an effort to minimize impacts to nearby businesses.

Mr. Zapp also provided an update on the Town's broader infrastructure efforts, noting that the \$31 million USDA underground utility project necessitates an estimated \$4.6 million asphalt paving and patching initiative. Rivers and Associates is currently preparing design documents, with the project expected to go out for bid within 90 to 120 days. Paving is anticipated to begin in late 2026, with some areas extending into spring 2027 if additional underground work is required. In the interim, affected areas will receive temporary patching until full rehabilitation can be completed.

Regarding the fuel tank installation project, Mr. Zapp expressed appreciation to Lori Meehan and the F3 Marina team for their continued progress, as well as to David Johnson of Oakes Grading, who is serving as project manager. He reported that final inspections and permitting are underway, with the underground tanks currently being covered. Thomas Simpson Construction is completing the associated civil work and asphalt improvements. Mr. Zapp explained that the sidewalk will be shifted

approximately 10 feet to the south to accommodate a dedicated fuel delivery lane running parallel to Front Street, allowing for gravity-fed fuel deliveries without obstructing traffic. Construction is scheduled to continue through March, with fuel operations anticipated to begin in April 2026.

Mayor/Commissioner Comments

Commissioner LoPiccolo had no comments.

Commissioner Cooper asked that everyone keep servicemen involved in the current conflict in Iran, as well as civilians, in their thoughts and prayers, expressing hope for their safe return home.

Commissioner Gillikin thanked Town staff for their continued hard work and dedication.

Commissioner Spiegler thanked those participating both in person and online and expressed appreciation to F3 Marina and Town staff for their efforts in the dock transition. She noted that F3 attended the recent BWOFF meeting and shared that the committee has transitioned to a quarterly meeting schedule. She expressed enthusiasm about the fuel tank installation remaining on schedule and within budget and looked forward to a successful summer season on the docks. Commissioner Spiegler also noted that she and Commissioner Cooper would be attending the Main Street Conference in New Bern this week and plan to report back to the Board.

Commissioner Matthews recognized the significant amount of work completed related to wastewater treatment, water and sewer rates, and treatment plant flow data. He thanked Town staff for their responsiveness and for providing detailed information throughout the process. He noted the residential solid waste fee increase included on the consent agenda, attributing the adjustment to CPI-based increases from contractors. He further observed that, unlike solid waste, water and sewer rates have not been increased in approximately seven to eight years despite rising costs and existing debt, and stated his expectation that a sound and reasonable rate proposal will be presented in the near future.

Mayor Harker shared positive feedback received regarding Beaufort's cleanliness and organization. She relayed an observation from a resident who noted the energy, care, and pride demonstrated by Town staff while working at Grayden Paul Park and Eury Park, emphasizing that such feedback reflects positively on the entire organization. She thanked F3 Marina for their continued work on the docks and commended the Town Manager for his leadership, noting his strong work ethic and ability to lead by example. Mayor Harker also reminded the public of ongoing roundabout construction uptown, acknowledged its impact on local businesses, and encouraged continued support of Beaufort businesses during this time.

Mayor Harker asked for a motion to go into closed session pursuant to North Carolina General Statute 143-318.11(a) and (3). Commissioner Cooper made a motion to enter closed session at 8:10 p.m., under NCGS 143-318.11 (a) (3). The motion carried unanimously with a (5-0) vote.

Adjourn

Commissioner Spiegler made a motion to adjourn the meeting at 8:42 p.m. The motion carried unanimously with a (5-0) vote.

Sharon E. Harker, Mayor

Elizabeth Lewis, Town Clerk