



Town of Beaufort, NC

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Town of Beaufort Board of Commissioners Budget Work Session 4:00 PM Wednesday, May 26, 2021 - Virtual Draft Minutes

Call to Order

Mayor Newton called the meeting to order

Roll Call

Allen Coleman called roll and declared a quorum present for the meeting.

PRESENT

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

Agenda Approval

Commissioner Hagle made motion to approve agenda, motion carried unanimously.

John Day: Items for review and approval. One of those are a revised proposal for Human Resources officer position. The second is stormwater outfall contamination analysis. The third thing is reviewing the American Recovery Plan funding. First regarding Human Resources

officer, changed from pay grade 25 to pay grade 22 and consider part time instead of full time. Any questions?

Commissioner Hagle: No questions

Commissioner McDonald: I think that we should have HR full time.

Commissioner Harker: The move in the pay grade is a good move. I think that fulltime would be more proficient for the employees. I am okay with trying to fill it part time first but think you will be unsuccessful, and it will end up being full time at the lower pay grade.

Commissioner Hollinshed: I agree with going with part time for the HR position.

Commissioner Carter: I agree with going part time. If the town decides it needs to go full time after trying part time, I request that the board be informed before that happens.

Mayor Newton: We have consensus on that. Three of the commissioners are saying that they're okay with this proposal. We've got one Commissioner who's saying that he wants a full time and then another Commissioner who said prefer a full time but okay with this, but not any expectations of being very successful in that recruitment effort of finding someone willing to do it part time.

John Day: The next item is a stormwater outfall contamination analysis. This is a follow up to previous research, and this would be performed by the Noble Lab, which is under the direction of Dr. Rachel Noble. The Town Creek outfall analysis would be \$36,000, the Orange Street outfall review \$6,200. So it's just a matter of whether the board would like to have this research performed.

Commissioner Hagle: The Orange Street would be good information. What will we do with this information once we get it?

John Day: It would tell us if what we did on Orange St was successful and Town Creek would be similar to what was done on Orange St.

Commissioner Hagle: It is good data to have but it is expensive. I support this.

Commissioner McDonald: I think it's a good idea.

Commissioner Harker: We start doing infrastructure work, are they going to come back and say, once this work is done, we want another \$6,000, to review to see if what you have done was effective? So they will come back, and we will be able to analyze it to review later on.

John Day: Yes

Mayor Newton: And also realize that because of our relationship with the Marine Science communities, this made us eligible for millions of dollars in extra USDA grants and loans.

Commissioner Hollinshed: I'm okay with Orange Street, provided that we move upstream, if that shows that there's still contamination there. I do not support the Town Creek portion of this.

Commissioner Carter: No, I would not do it. I don't think it's going to be that valuable to us at this time.

Mayor Newton: We've got three commissioners that are in favor of this. We have two that are not, one of those Commissioners is in favor of the Orange St outfall, but not the Town Creek outfall. So, we do have consensus to move forward on this.

John Day: Next item is the American Recovery Plan funding. First thing is the water treatment plant site evaluation and purchase. And that's an FY 22. That's a half a million dollars, and we discussed the importance of securing that site. The second item is sewer pump station number seven, which would span a two-year period, FY 22 and 23, there seems to be consensus on that, and that is \$740,000. Also, \$60,000 and I suggest that going to miscellaneous storm water work in FY 22. That can range from the actual purchase of some easements, to ditch cleaning, to flushing out some of our stormwater lines or under the road that we know have some clogs in them.

Commissioner Hagle: I think having that land is a good thing and the pump station is also a good use for the funds.

Commissioner McDonald: I also think we should move forward with it.

Commissioner Harker: I agree that purchasing the land is a good thing, and pump seven I have agreed with from the beginning. Also agree with the miscellaneous storm water work.

Commissioner Hollinshed: Agree on everything.

Commissioner Carter: So, we were looking at the water treatment plant site evaluation and purchase which I think's a good idea. But I also thought the money was to go for the securing of and making sure the wells sites at least two of them were suitable and securing those sites as well.

John Day: Because that testing is only good for two years what I'm suggesting is just purchasing an option on those properties, which shouldn't be all that expensive on one acre sites, and then go through this testing process as we get closer to the actual construction.

Commissioner Carter: Okay I support.

Mayor Newton: We have unanimous support for this.

John Day: Onto Miscellaneous pages, first would be the fire station two living quarters being moved from FY23 to FY 22, and this is based on funding stream from Carteret County Fire District. Also included in that is fire station two pumper truck debt service. The water treatment, plant, testing and purchase the wells changes to obtaining a purchase option in 22 and then moving all that other stuff to those years, just as I discussed. So that is all the changes for the CIP.

All Commissioners: Agreed Unanimously

Mayor Newton: We have unanimous support for this fourth bullet.

John Day: Next items are in the five-year plan. Annual cost for the body cameras for the police department would be \$17,500 and has to do with software and that would start hitting in FY 23. Also, we failed to add the filter media replacement costs for the wastewater treatment plant deodorizer that would hit an FY 26 possibly. Fire Station Number Two maintenance, firefighter positions and gear costs move from FY 22 to FY 23. The solid waste revenues and

expenses need to go up by \$10,000 in FY 22 and beyond, and that's just based on what we're actually getting.

Mayor Newton: Does the solid waste increase include a fee increase?

John Day: No fees will stay the same. We underestimated the revenue.

All Commissioners: Agreed Unanimously

Mayor Newton: We have unanimous support for this fourth slide.

John Day: Next is the annual budget. We have this same thing that I just talked about increasing the residential solid waste revenues, expenses by \$10,000. That's a wash. We've talked about this, adding the fire station 2 truck debt and living quarters, again that is a county funded project. Removing the fire station 2 maintenance, firefighter positions and gear from FY 22, as we talked about earlier, and this will show up in FY 23.

All Commissioners: Agreed Unanimously

John Day: All the Miscellaneous changes. I want to talk about here now is solid waste fees. On the residential side of things, the revenue for next year from fees falls \$11,000 short of covering costs. That shortfall is absorbed without a fee increase and we wanted to make you aware of that. On the waterfront business district side of things, where we have basically our commercial costs, the revenue in this case falls \$49,000 short of covering the cost. Again, we were able to absorb that. This shortfall comes from rollout trash containers and the fee with the compactor. We've got all this covered in the budget without increasing fees, so it is just a matter of whether you want to provide a slight subsidy to these things or keep the fees where they are?

All Commissioners: Agreed Unanimously to leave it the way it is.

Mayor Newton: Unanimous support for not increasing any fees.

BUDGET COMMENTS

Commissioner Hagle: As I've mentioned before, I guess my concern is rising costs. And I think we need to really begin to have a little more discussion about ways that we could be efficient and reducing cost. Also, in the utility area, we know that the revenue looks like it could be higher, and we need to monitor that in the coming year determining if there is a way that we could reduce our utility costs on our citizens our business. I think that's something we've looked at before, and we couldn't see a way, but I think we need to look at all aspects of that, because it is something that impacts all of us.

Commissioner McDonald: No Comment

Commissioner Harker: It's great when you have citizens being able to take advantage and look at the budget and ask their questions. There are some things that I would like to hopefully see next year, maybe some color coordination like Commissioner Hollinshed said on some of those areas that need to be pointed out, all housekeeping items.

Commissioner Hollinshed: I think some of this budget is fine. Some of its short sighted, I don't disagree with going further afield to look for an issue that we really won't have funds to react to, and that being the investigation of Town Creek. The other thing that I still am not satisfied with is the HR position. I believe that the sales tax revenue is grossly underestimated.

Commissioner Carter: I also agree that sales tax was grossly underestimated. And the other thing is, we now have the parking in the police department is the parking fund money coming? Just for downtown use or is the police department going to take some of that to account for some of the fact that they're in the police department.

John Day: With regard to the parking, that's all accounted for separately. At the end of the year, once we know what the actual expenses were, what the actual costs were, we'll provide that information to you, and you can decide how you would like to spend it. Regarding any revenues that are realized above the budgeted amount base they just go straight into fund balance.

Mayor/Commissioner Comments

Commissioner Hagle: Cost reduction and analysts analyzing the budget closely, we need to continue to look at that. My safety message would be that we have a very busy weekend possibly coming up with a lot of a lot of people driving and a lot of bikers and hikers and all on our streets and so be cautious drive defensively and be patient driving.

Commissioner McDonald: My final comments will be on citizens participation and involvement. We need to make sure to keep them updated and involved and to make sure they know that their comments and questions matter and are important.

Commissioner Harker: Memorial Day is coming up, and we're going to have a lot of traffic out on the road, people are traveling, I want people to enjoy each other. Do it as safely as possible. And this has come at a time where we've been all pinned up for a year, if not probably a little bit longer in some cases. So, enjoy your family. Enjoy your time together, be as safe as possible.

Commissioner Hollinshed: I think there's a lot of good things that we have in this budget. I still have some things that I'm not satisfied with, and I may pursue those a little bit further and get some clarification. So, everybody have a good weekend.

Commissioner Carter: It's going to be a very busy weekend. I hope the police department gets the boat out there and stays out there to kind of protect the creek.

Adjourn

Mayor Newton: Motion to adjourn please.

Commissioner Harker makes motion to adjourn – motion approved unanimously.

Mayor

Deputy Town Clerk