

**Town of Beaufort, NC**

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**Town of Beaufort Board of Commissioners Regular Meeting Held Electronically  
Due to COVID-19  
6:00 PM Monday, June 08, 2020 - Minutes**

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**Call to Order**

Mayor Newton called the meeting to order. The meeting was held electronically through Zoom due to the COVID-19 pandemic.

**Roll Call**

Mayor Newton called order and declared a quorum present.

**PRESENT**

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

**Agenda Approval**

The agenda was amended to remove the Voluntary Annexation Request for 165 Lena Perry Lane and two move Item 2 Final Plat Gallants Point Subdivision to number 1 and put 511/513 Turner Street as item number 2.

A motion was made to amend the agenda as presented.

Motion made by Commissioner Hagle.

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

**Calendar**

Town Clerk Davis reviewed the events taking place. She noted the Farmer's Market was open each Saturday morning. Additionally, she noted the Big Rock Blue Marlin Fishing Tournament will be held June 5, 2020 through June 12, 2020.

1. June 2020 and July 2020 Calendar

Town Clerk Davis reviewed the calendars for June 2020 and July 2020. She noted the Big Rock Tournament would be taking place June 5th through June 12th. Additionally, the Farmers Market is open on Saturday mornings. She announced all meetings schedule for the boards will be held electronically,

**Public Comment**

Healthier Walker, 1013 Cedar Street, expressed concern over the Cedar Street and Live Oak District Overlay and whether or not it will put small businesses out of business. She also suggested forming a citizen review committee to discuss the overlay district. Ms. Walker also indicated she felt more waterfront community recreation access was needed.

Paula Gillikin spoke against the proposed structure at 511/513 Turner Street. She indicated she was a member of the Planning Board but she was speaking this evening as a citizen. She asked for the board to review the proposal and consider other issues such as does the town want multiple residences at this location, the risk of environmental impact and the aesthetics of the gateway into the town.

Larry Baldwin, the River Keeper, indicated he believed the development was wrong for Beaufort and the river. He too believes the environmental impacts are too big for the harbor. He asked for the board to please deny the request.

Rebecca Drohan of the Coastal Carolina Water Watch indicated the request was for placement of housing on what has been largely wetlands. She indicated that Town Creek was currently experiencing water quality issues. She asked the board to please deny.

Wendy Merrill, 311 Fairview Drive, indicated she felt the plan was unacceptable due to the it not being environmentally sensitive and what was being considered for storm water drainage was not enough. Ms. Merrill read the following email.

"Officially, the Planning Board case was for 511 & 513 Turner Street, Site Plan/Preliminary Plat, 3 Unit Townhome.

Staff stated the plan meets the requirements of the Land Development Ordinance (LDO). The problem is no information was presented regarding the CAMA impact for a 11,806 Square Foot (SF) lot of which 70% of its area is in an Area of Environmental Concern (AEC). The planned impervious area is 7291 SF resulting in an impervious surface ratio of 61.75%.

The lot is in an AE6 flood zone and with the free board requirement of 1 foot results in a minimum floor elevation of 7 feet. The lot's existing elevation within the building's footprint is 4 feet. The plans show that fill will be added to raise lot's elevation by about 5 feet.

This project appears to be such a gross environmental violation that it should not be approved until evidence is presented that proves otherwise. The LDO does not address environmental impacts of waterfront development and the planning department staff offered no information or insight addressing how the environmental compliance is satisfied other than vague statements about CAMA permits.

511 and 513 Turner Street are within the Entry Corridor (EC) Overlay District as defined in Section 10 of the LDO. Will this project enhance this entryway into Beaufort and help maintain the historical context and aesthetics of the community?"

**Project Updates**

Town Engineer, Greg Meshaw provided a power point presentation for discussion of the project updates. The power point presentation is attached to the end of the minutes.

Mr. Meshaw reported there are 14 active projects with three of them being Parks and Recreation projects, four of them are street and pedestrian improvement projects, six of them are utility projects and then one storm water project.

The colored squares in the power point presentation are representative of the stage of the project. Green means on schedule or ahead of schedule and yellow means we are a bit behind schedule.

Randolph Johnson Park is scheduled to be completed toward the end of July or first of August; this is slightly behind the time anticipated for completion.

The street rehabilitation project was awarded to a local construction firm and were given a notice to proceed date as of June 1, 2020. Currently they are anticipating beginning the street work and utility work concurrently.

The Tiller School crosswalk is behind where anticipated earlier in the year. We are awaiting comments from the NCDOT and whether an encroachment agreement was needed. An encroachment agreement will be needed before moving forward with the project. We hope for the project to be completed before the start of school.

The red block indicates the project is temporarily suspended, recently cancelled or behind schedule. The gray block indicates the project is just beginning with no time table established as of yet.

Topsail Park has been suspended since the Spouter Inn fire. The parcel is a bit reconfigured. The project will need to be worked. There has also been a request concerning allowing an adjacent property owner to procure a little bit of right of way in return for some consideration.

Cedar Street Park is further behind than has been anticipated. There is a consultant working on the project. The design proposal got lost in translation for a couple of weeks, but the work has started again.

The High Rate Infiltration System field work has been commissioned for test wells. The filed work will tell us how well infiltration will occur. The information should help with the decision regarding the mining of the basin while at the same time setting it up and configuration that will look much like the infiltration basin itself. We should be able to make decisions based on the information in four to five weeks.

The Meeting Street Drainage improvements are to alleviate the flooding of Meeting Street. The action plan essentially involves an immediate action plan and a long term action plan. The immediate action plan involves performing maintenance of the drainage ways downstream of the subdivision. A tour of Offsite Area 1 shows evidence of blockage along the ditch, accumulation of some sediment and some branches causing issues. The proposal is to trim the vegetation which does not harm the root system or the banks. Trimming the vegetation will help reveal further blockages in the streams. Additionally, there is a need to clear pipes of any sediment. All drainage of Meeting Street flows to the stream other than that which occurs from heavy rains that drains into the pond behind the subdivision. The pond has heavy vegetation but does not seem to block the drainage. The proposal is to trim the vegetation to help improve drainage. Concurrently, the proposal is to continue in-subdivision spot maintenance which is also overgrown and causing issues. Additionally, we would like to cooperate with NCDOT to clean out the pipes under the bypass. The proposal is to use town staff with the work being completed in 30 to 45 days with a cost between \$12k to \$18K. Rental equipment will need to be used for this project. Once all of this is completed, the next step will be to observe what then happens on Meeting Street during some significant rain falls regarding the drainage and flooding. The town does not have control over to which some of the storm water flows which has a pump. The pond takes up some of the water headed down stream. The management of the pond will also be observed before, during and after rain events. If the performed work does not help create an improvement, then some structural recommendations may need to be completed. Annual clearing needs to occur in order keep the areas clear of blockages. The property owners seem amenable to allowing the town to clean the offsite ditches, but if the land is sold there is not a guarantee future land owners will feel the same. So, easements will need to be obtained.

Commissioner Hollinshed thanked Mr. Meshaw for all of the work that has been done on the projects. She did ask if any of the flooding on Meeting Street is tidal. Mr. Meshaw indicated the down stream pipes do handle some tidal waters during storms.

Commissioner McDonald commented since the onset of the development the board has received complaints about the drainage in the area especially Meeting Street. He asked what obligations does the developer have to help with the costs of the project to alleviate the project. Mr. Meshaw indicated the developer was currently taking responsibility of the maintenance of the pond. In the past some maintenance has been done on the streams. Some would argue the developer is responsible and some would argue the town is responsible. Mr. Meshaw indicated the town needed a definitive drainage policy. Commissioner McDonald indicated he believed the town was obligated to the citizens to ask the developer to pay a portion of the costs.

Commissioner Carter indicated there was a legal agreement with the developer to maintain the pond, ditches and swales in the area which may not have been followed through. She indicated she felt this maintenance was beyond the normal town responsibility and asked if there was any recourse with the developer or the area because of the problems created there. Mr. Meshaw indicated Commissioner McDonald's comments were applicable and we could share in the cost with the developer. Mr. Meshaw also commented with drainage issues it becomes a civil matter.

Town Manager Day indicated one of the complications was that the problems were not on site but on offsite properties which is hard for the town to maintain. Town Manager Day indicated he would have town staff to look for the agreement and forward to the Town Attorney. Town Manager Day also reported there is some difficulty determining if the developer had paid the funds to the town as outlined in the agreement for the purpose of downstream work.

Commissioner Harker asked about the three step plan. She asked about the clearing of vegetation as Step 1 which would take approximately 30 to 40 days? Mr. Meshaw confirmed this for Commissioner Harker. She asked for a confirmation of the cost being \$12K to \$18K and when was the anticipated time of the work to be completed or started. Mr. Meshaw indicated the anticipated starting time is as soon as possible within a week. She asked if notification will be given of sufficient funding prior to the beginning of the project. Town Manager Day reported the Finance Director was currently reviewing the funding and would have an answer shortly. Commissioner Harker also asked how the town would grade if the improvements are working.

Commissioner Hagle thanked Mr. Meshaw for the hard work on putting this information together. He indicated there were a lot of parts to this complex storm water system. He indicated what he had seen was things had not been maintained as they should have been. Commissioner Hagle also stated he believed there had always been a question on to whom the responsibility belonged. He continued by saying he felt the town owed it to the citizens to clarify the agreement mentioned. He also suggested working on an agreement to help cover the costs and get it back to where it should have been all along. Further, Commissioner Hagle indicated this offsite issues makes this an even more complex issue. He continued by saying this was a tough issue to deal with and this would be a long term project. He closed by saying this is just one of the many storm water drainage issues all through the town.

Mayor Newton thanked Mr. Meshaw for providing the information on the current projects.

## **Manager Report**

In the aftermath of the killing of George Floyd there have been huge gatherings of people across the world demanding change. And not just change in policing techniques and violence against civilians, but change to bring about social justice and racial equity. In America we have a 400 year history of oppression and a

long history of falling short in our efforts to end that oppression.

I believe the convergence of events in the world has made this a pivotal time to make lasting and meaningful change. And that changes starts for us right here in Beaufort.

Last week in Beaufort there were two peaceful protests and I'm proud to say that both town staff members and elected officials participated. And now is the beginning of change.

The organizers of last week's protests are also organizing a virtual town hall meeting on the topic of "Building a Bridge Over the Racial Divide". It will be held June 23rd from 6pm to 8pm. Commissioner Harker and Chief Burdette are among the panelist for this event. We'll put out information later about how our residents can participate.

At the same time, town leadership is embarking on an effort to become educated and build readiness for the kind of change that lies ahead.

As we prepare for this change we must first stop and be aware of and present in the events unfolding around us. Then, we must listen to and learn from those who have been marginalized and haven't been heard. Next, we must engage with those folks and make sure we understand what they're saying and what they've experienced. Then, we must plan how we can all move forward together and determine what we can do as town leadership to affect the changes that are needed. Finally, we must act.

Now Chief Burdette is going to speak about the Beaufort Police Department in the context of current events.

Chief Paul Burdette reported the department has seen demonstrations all over the nation and the message that is resonating, we echo that message and we all want the same thing. What was seen on Tuesday and Thursday on Turner Street is what happens with the community and police department along with town leaders have a consistent and open dialogue. The dialogue has to be on going and relationships in place when times get hard. He indicated he could not be more proud of his staff and the community in recognizing the message.

Commissioner McDonald indicated he supported what is being in the Police Department and further stated the town leaders would need to be involved. He stated we need to go beyond reading a proclamation during Black History Month. He indicated we are in the position now to take what we say in the proclamation and do it now. Commissioner McDonald indicated we could be the beginning of bringing the small town together.

Commissioner Carter thanked those in town for the positive approach to the issue.

Commissioner Harker thanked Town Manager Day for what he stated. She thanked Chief Burdette for his leadership, support, and respect for members of the community and protestors.. She stated she was proud of the men and women of the department for their work. She stated this was the time for change and having a open dialogue and a difficult dialogue with listening and acting.

Commissioner Hagle indicated he agreed with Commissioner Harker. He commented the key words for him were listen and engage. He expressed to Commissioner McDonald he could hear his comments coming directly from his heart. He also stated everyone needed to talk with everyone and work hard to understand everyone.

### **Items of Consent**

A motion was made to approve the Items of Consent as presented.

Motion made by Commissioner Hagle.

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

1. Asset Inventory Assessment Wastewater
2. Repetitive Loss Area Analysis – 2020 Update

### Public Hearing

1. Voluntary Annexation Request for Old Seaport Development, LLC (153 Aqua 10 Road and 103 Aqua 10 Road) Doug Brady

Town Clerk Michele Davis gave the report for the annexation. She reported a request had been made for a voluntary annexation for 10.87 acres located at 153 Aqua 10 Road (PIN 130601053225000) and .585 acres located at 103 Aqua 10 Road (PIN 730601058167000). This is a satellite annexation request and both properties are currently zoned R8. The adjoining property owners are State of North Carolina (Maritime Museum Property) and the Michael J. Smith Airport. The anticipated impact to town services will be 6400 GPD for Water and 7770 GPD for Sewer. Currently Police and Fire serve the area. During the April 13, 2020 meeting the Board of Commissioners approved a Resolution Directing the Clerk to Investigate the Petition for Voluntary Annexation. During the May 11, 2020 meeting the clerk presented the Certificate of Sufficiency to the Board of Commissioners and recommended a Public Hearing be set for the June 8, 2020 meeting.

Town Clerk Davis reported this annexation was also related to the Final Plat for Gallants Point Subdivision which will be presented by Town Planning and Inspections Director.

Commissioner McDonald commented he could not think of a reason it should not be annexed.

Commissioner Hagle made a motion to open the Public Hearing. The vote was unanimous.

Ron Cullipher, Engineer for the Old Seaport Development, indicated he was requesting for annexation to be approved.

Heather Walker, 1013 Cedar Street, she indicated she was concerned about the severing of the oil and minerals rights for the property. Additionally, she asked about the storm water plan and could a situation like that on Meeting Street also occur.

Being no further comments, Commissioner Hagle made a motion to close the Public Hearing. The vote was unanimous.

The decision was made for final consideration to be done during the June 22, 2020 work session.

### Items for Discussion and Consideration

1. Final Plat – Gallants Point Subdivision (Aqua 10)

Town Planning and Inspections Director, Kyle Garner provided the background information for consideration of the Final Plat for Gallants Point Subdivision. Mr. Garner reported the plat is an 11 acre tract with 16 single family lots with 4.94 acres of open space. Infrastructure and improvements are progressing on the property. There is a requirement of a \$1800 recreational fees. The streets are private and will be maintained by the developer.

Commissioner Cater asked about grinder pumps for the sewer. Mr. Garner confirmed the system being put in does require grinder pumps. Also the developer will be required to give to the town two additional pumps and maintenance parts.

Commissioner Hagle asked about the storm water flow. Mr. Garner indicated this is a low impact development as recognized by the State of NC and does not require any storm waters ponds by taking advantage of the wetlands. Mr. Cullipher, Engineer for the developer, indicated the flow

was runoff from the curb and gutter outlets as well as drainage easements. The front yards drain to the streets and the backyards sheet flow to Gallants Channel/Town Creek.

Commissioner Harker asked about the clearing of the ditches. Mr. Cullipher indicated the roads were private so once it is completed it is the responsibility of the Homeowners' Association (HOA).

A motion was made to approve the final plat for the Gallants Point Subdivision as presented.

Motion made by Commissioner Hagle.

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

## 2. 511 & 513 Turner Street - Site Plan/Preliminary Plat

Town Planning Director, Kyle Garner gave the background information for the preliminary plat and site plan for 511/513 Turner Street. The request is to subdivide a .27 acre tract into three multi-family residential lots. If approved Recreational Fees in the amount of \$868.32 will be paid.

Commissioner Hollinshed commented about the storm water boxes and indicated she would like for the Town Engineer to please provide comments.

Commissioner McDonald indicated he noticed there is quite a bit of flooding of high tides or storms. He continued by asking if this structure would have any impact on those issues or would something be built to relieve those issues.

Town Engineer Greg Meshaw gave an overview of the storm water plan for the project. Mr. Meshaw indicated he questioned whether or not if this was part of the adjacent development. If it were, this development would have triggered the town's storm water ordinance where the post development runoff would need to equal the pre-development runoff. It involves less than a quarter acre of land disturbance so consequently it triggers nothing when it comes to the town. There are these storage devices being proposed to be put under the ground. Mr. Meshaw continued to say that since this is a CAMA project he knew they were over the impervious amount that a CAMA allows without having to do any storm water management. He indicated CAMA would allow in some instances the developer to put in storm water features that will allowance to go over the impervious amount. In this particular case they are over by about 30%. This type of system has been permitted by CAMA time and time again. Mr. Meshaw indicated the roof leaders that drain the runoff from the roof are directly connected to these storage bins. The water is supposed to drain out slowly into the surrounding ground. When the units are full the water bypasses and it runs out of a separately outlet down onto the ground and it sheets off of the property. Mr. Meshaw indicated the project engineer, Ron Cullipher, provide soils information from the adjacent property. The soil scientist concluded the pervious pavement on the adjacent site would indeed infiltrate. The assumption was that if the band was continued across to the new site, then by and large the project development would have the same conditions. The system is permitted by the Division of Coastal Management and none of the town ordinances apply when it comes to storm water.

Commissioner Hollinshed indicated Mr. Meshaw had explained the information very good.

Commissioner McDoanld asked about building on the property and whether or not that helped increase or decrease the drainage in the area. He continued by saying currently water stands in the area if there is a significant amount of rain and even a high tide. Mr. Meshaw indicated he believed there would be some increase in the runoff of the property. Mr. Meshaw also stated the developer was filling the property a foot to a foot and a half. Mayor Newton asked Commissioner McDonald if he was referring to the west end of Pine Street. Commissioner McDonald confirmed that for Mayor Newton. Mr. Meshaw indicated the west end of Pine Street was quite a bit lower than this property with it being much like a valley which was unfortunate.

Commissioner Carter asked about the retaining wall and if the opening for the dock would allow for storm water to runoff. Mr. Meshaw indicated he was not sure whether the retaining wall was

completely all the way across the site. He continued by saying if there was not a retaining wall there and it was graded down to the water's edge then he would guess the water would ingress on to the property. Engineer Ron Cullipher indicated the retaining wall was built by the Wesley's family some time ago. He indicated the water would sheet flow across the grass to the wall. The normal high water is farther out than the retaining wall with marsh grasses along the other side of the wall. He continued by saying the NCDOT owns the big drain on the adjoining piece Mr. Smith owns also that will be part of this drainage system.

Commissioner Harker asked if the storage boxes would take up the 30% of the impervious surface on just a normal rain and what happens if it goes over. Mr. Meshaw indicated once the boxes are full it the runoff will sheetflow out to the creek. Commissioner Carter asked if there was any debris that could possibly clog and cause a back flow. Mr. Meshaw indicated not typically from a roof.

Commissioner Hagle asked about the soils and the information from the adjacent lot. He asked if this was the lot to the south. Mr. Meshaw confirmed this for Commissioner Hagle. Mr. Hagle continued by saying he understood this lot to be fill and would it be an assumption this lot would be filled with the same kind of soils. Mr. Meshaw stated the report from the other lot noted that particular lot was also filled and noted it had toward the front good fills soils over some not so great soils. The report also provided toward the back of the lot were poorer fill soils with low filtration capacity over not good soils. Mr. Meshaw indicated he understood the soils sort of banded and considered it would continue to band all across the property. Mr. Meshaw indicated since there was not a particular policy addressing storm water then he felt he did not have the right to require any further actions. Commissioner Hagle also asked about the chambers for the long term and whether or not maintenance required. Mr. Meshaw indicated these were a maintenance column with a hose being insert from a jet truck and pump water into the tank to remove the solids and then reverse flow and suck the solids and sediments out. Mr. Meshaw indicated remember this is drainage from a roof. In response to a question from Commissioner Hagle, Engineer Ron Cullipher indicated he the first time he saw these type of cistern was for the Walgreens in Morehead City at the Atlantic Beach Bridge. Mr. Cullipher continued by saying he has been using these for the last five to seven years for residential projects. Mr. Cullipher indicated for this project they were placed in grass areas and they were shallow. Commissioner Hagle also commented the parking area was tight and concerned about the traffic flow.

Mayor Newton asked about the storm water plan already on Turner Street and if the water drained into the marsh grass and oyster beds in the creek. Mr. Cullipher confirmed this for Mayor Newton.

Commissioner Hollinshed indicated she would like to have this postponed until the work session so she would be able to get the Planning Board minutes and read them as well as the recording.

Commissioner McDonald was in agreement because he also wanted to talk with concerned citizens.

Commissioner Cater stated she had spoken with Ms. Merrill and indicated she had told Ms. Merrill the Planning Director had to follow the ordinances.

Commissioner Harker agreed with the postponement. She further stated the board was hearing alot about the environmental impact of this project and she would like some of the questions and concerns to answered and addressed.

Commissioner Hagle indicated he would like to see more information about the CAMA report and asked if a rough environmental impact report could be received. He continued by saying this information was critical since this property had not been developed before. He also stated he would like to ask the developer to reduce the size of the unit from three to two and reduce the amount of impervious surface.

Mayor Newton indicated the decision will be made during the work session.

### 3. Adoption of Pamlico Sound Regional Hazard Mitigation Plan

Town Planner, Kate Allen indicated the plan was required in order to receive FEMA public assistance. She indicated the current plan expired on June 3, 2020.

Commissioner Hollinshed indicated she would like to see it adopted if it helped with insurance ratings.

A motion was made to approve the Pamlico Sound Regional Hazard Mitigation Plan as presented.

Motion made by Commissioner Hagle.

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

4. FY 20 Budget Amendment #13

Finance Director Christi Wood reported the Budget Amendment #13 covered the General Fund and Utility Fund as listed below.

General Fund

Property Tax Revenue--Tax collections are higher than budgeted; therefore, tax collection expense is more than budgeted. An additional appropriation of \$15,000 is requested.

Decrease the appropriation in Public Works for a debt service interest payment that was budgeted for FY20 before the schedule was finalized for the street project. These funds are being transferred to the Capital Reserve Fund for Street Projects \$68,566. The first payment is due May 2021.

Decrease the appropriation in Public Works/Storm water and transfer the funds to the Capital Project Fund Utilities, Storm water, and Streets Improvements to include storm water line repair and replacement in the USDA application process \$45,000.

Utility Fund

This amendment requests a new appropriation in the amount of \$10,000 for engineer work to reapply for the HRIB permit.

Additionally, this amendment reverses prior amendments appropriating funds in the Utility Fund that were transferred in from the Capital Reserve Fund or appropriated fund balance. Capital Project Funds have now been created for Cedar Street Rehab/Replacement and Utilities, Storm water, and Streets Improvements. Budget for these projects will be in the Capital Project Fund:

1. Reverse part of Budget Amendment #1, appropriating Fund Balance for Cedar Street Rehab/Replacement Engineer/Design work \$62,000.
2. Reverse Budget Amendment #7, appropriating Capital Reserve funds for the USDA application \$87,000.
3. Reduce Budget Amendment #5, appropriating Capital Reserve funds for the sewer main repair to the actual cost. The appropriation was for \$30,000 but the actual cost was \$22,504. The decrease amount of the appropriation is \$7496.00.

Commissioner McDonald asked about the additional amount of taxes than what had been budgeted and what is the amount for the 2% paid to the county. The amounts paid to the county for collection to date is \$78,000 through March. We pay the county monthly by deducting the fee from the collection amounts and send to us a check. Within a year, what do they collect roughly in taxes for the town. Ms. Wood reported there was \$3.7M collected as of the March financial statement.

Commissioner Carter asked if it would be more cost effective for the town to resume the responsibility of tax collection. Ms. Wood indicated there should be a lot of things to consider to make that decision.

A motion was made to approve the amendment as presented.

Motion made by Commissioner Hagle.

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

5. Capital Project Ordinances

Finance Director Wood reported on the three Capital Projects.

Capital Project Funds are created for projects that are going to take more than one fiscal year to complete. Staff request that you adopt the ordinance to establish the project. Once the ordinance is adopted amendments can be made to the project as needed. Capital Project Funds last for the life of the project and do not terminate at the end of each fiscal year.

The three Capital Project Ordinances are:

1. Cedar Street Utility Rehab/Replacement
2. Utilities, Storm Water and Streets Improvements
3. Street Rehabilitation and Pedestrian Improvements

A motion was made to approve the Capital Project Ordinances as presented.

Motion made by Commissioner Hagle.

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

6. Capital Reserve Fund #3

Finance Director Wood gave the following report for amendment #3.

This amendment reverses prior amendments. Transfers were made between the Capital Reserve Fund and the Utility Fund for projects that are now part of a Capital Project Fund. Capital Project Funds have been created for Cedar Street Rehab/Replacement and Utilities, Storm water and Streets Improvements. Budgets for these projects will be in the Capital Project Fund.

1. Reverse Capital Reserve Fund (CRF) Amendment #2, appropriating \$87,000 for the USDA application work.
2. Transfer funds from the General Fund to the Capital Project Fund (CPF) for a debt service interest payment that was budgeted in FY20, prior to the final schedule \$68,566 with the first payment being due in May 2021.
3. Fund Balance transfer in the amount of \$98,864 for the Cedar Street Rehab/Replacement for the engineer design work.
4. Reduce CRF Amendment #1, for Capital Reserve Funds for the sewer main repair to the actual cost of \$22,504 which was \$7,496 less than appropriated.
5. Receive funds budgeted in FY20 General Fund Budget Transfer to Capital Reserve in the amount of \$460,433.
6. Receive funds budgeted in the FY20 Utility Fund Budget Transfer to Capital Reserve in the amount of \$333,930.

A motion was made to approve the Capital Reserve Fund Amendment #3 as presented.

Motion made by Commissioner Harker.

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

7. Voluntary Annexation Request for 165 Lena Perry Lane

This item was removed from the agenda permanently.

#### 8. Presentation of FY 2021 Budget

Town Manager Day summarized the budget by stating the General Fund is approaching \$9.2M and the Utility Fund is approaching \$4.7M. A copy of Town Manager Day's presentation is included in these minutes. The starting point for each budget year is based on what is projected for each year in the five year plan.

All of the commissioners indicated they had questions regarding the budget presentation but all of them indicated they would send a listing for Town Manager Day to review.

#### **Mayor/Commission Comments**

Commissioner Hollinshed joined the fellow commissioners when thanks were given to LEOs and citizens for the peaceful and passionate protest on Turner Street. She indicated there would be uncertainty as we move forward with the COVID19 pandemic. She noted the comment made by a citizen during the Public Comment period of not understanding some of the terminology. She stated most documents have a glossary for terms and explanations. Commissioner Hollinshed urged citizens to tune into the meetings.

Commissioner Carter thanked the staff for the hard work on the budget. She also thanked the staff for helping with the peaceful protests.

Commissioner Harker also thanked the staff for the excellent budget document. She indicated the hard decisions made in the past few years have helped the town to move forward with getting projects started. She stated she felt the budget was informative and also transparent. She thanked the Fire Department for giving her an up close and personal explanation of the new ladder truck. She indicated she was thrilled with how Randolph Johnson Park is coming. Commissioner Harker stated she like many other Americans were horrified on how George Floyd died. She continued by saying her heart was broken over the situation. Continuing she stated she was hopeful and concerned about the movement coming about. She indicated she was excited about the coalition that is coming together to bring about change and saying no more, no more injustice. She also stated she is concerned about the senseless actions that are occurring and highjacking the righteous moments of this movement. She encouraged everyone in the community to help come up with a solution acknowledging this does exist since this is the only way to make a change. She thanked the Police Department and Fire Department for being at the peaceful protests. She thanked everyone for wearing their masks since the COVID 19 pandemic is still occurring.

Commissioner Hagle expressed thanks to John and Christi who helped prepare the budget. The five year plan is key to our continuous improvement. He thanked the Public Services/Engineering Department for all of the work being done to tackle the issues and work that needs to be done in the town as well as the everyday tasks. There is change occurring in the country and it is amazing what has happened in the last four to five months. He commended the gatherings that took place on Turner Street. It was people expressing their concerns from the heart is what needs to happen. He encouraged all citizens to get to know each other and work to understand other's issues and how it impacts the community. He closed by saying he was looking forward to working with the board to make changes that will be everlasting.

Mayor Newton stated the town is still moving forward despite the pandemic. He indicated social distancing still needed to be followed with all of the visitors in town. He asked the board members to please think about environmental considerations when preparing the Unified Development Ordinance (UDO) and the historical nature of Beaufort. He thanked the staff for the work completed on the budget. The five year plan provides stability for the town and movement forward.

Commissioner McDonald stated everyone has praised the employees and to please keep in mind they need to be compensated.

#### **Adjourn**

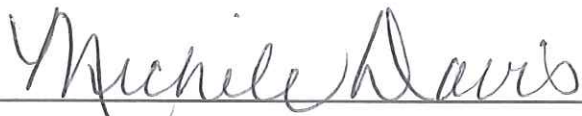
A motion was made to adjourn the meeting. The meeting adjourned at 8:51 pm.

Motion made by Commissioner Harker.

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

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Mayor Everette S. (Rett) Newton

A handwritten signature in cursive script that reads "Michele Davis". The signature is written in black ink and is positioned above a horizontal line.

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Michele Davis, Town Clerk