



Town of Beaufort, NC

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

Beaufort Waterfront Operations & Finance Committee
1:00 PM Thursday, October 17, 2024
Train Depot, 614 Broad Street

Call To Order

Roll Call

Agenda Approval

Minutes Approval

- [1.](#) Beaufort Waterfront Operations & Finance Committee Meeting #2 Minutes 9.26.24

Project Updates

Items for Discussion and Consideration

1. Finance Update
2. Construction Update
3. Operations Update

Next Steps/Wrap-up

Adjourn



Town of Beaufort, NC
701 Front St. - P.O. Box 390 - Beaufort, N.C. 28516
252-728-2141 - 252-728-3982 fax - www.beaufortnc.org
Beaufort Waterfront Operations & Finance Committee
1:00 PM Thursday, September 26, 2024
Train Depot, 614 Broad Street

DRAFT

Call To Order

Chair Sarah Spiegler called the meeting to order at 1 p.m. and conducted a roll call.

Members Present: Chair, Commissioner Sarah Spiegler, Chair, Commissioner Paula Gillikin, Vice-Chair, Steve Bishop, Mike Bradley, Vic Fasolino, Dexter Matthews, Ted Morris, Becky Newton Bowler, Barry Slade, Craig Souza, Miriam Sutton and Weymouth Tillett

Members Absent: None

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

Mayor Sharon Harker and Commissioners Bucky Oliver and Melvin Cooper were in attendance in the audience. BOC members and the Mayor sat separately from each other and did not participate in the meeting.

Agenda Approval

Agenda was approved as presented by consensus.

Minutes Approval

1. Minutes: Sept. 6, 2024 Meeting – Approved by consensus.

Project Updates

Chair Sarah Spiegler reminded the audience that there would not be public comment and encouraged everyone in attendance to provide feedback via email after the meeting.

She provided the following updates:

- The Board of Commissioners (BOC) recently released closed session minutes from meetings concerning the waterfront project.
- Sub-committees would not be formed, rather members would be charged with researching topics
- Reiterated a quorum for this board is 7.
- Stated that Commissioner/Chair Paula Gillikin provided an update to the BOC during their September work session. During this update, the committee's intention to seek funding through grants, donations and appropriations was shared; the BOC agreed via a consensus to move forward in that direction.

- Garnered a consensus for a meeting schedule with dates and times as follows: 1 p.m. Oct. 17 & 30, Nov. 8, 12 p.m. Nov. 15 and 1 p.m. Dec. 5 & 19.

Meeting #2 Document #1 Meeting Dates

- Provided an overview of the agenda.

Items for Discussion and Consideration

1. Objectives & Goals

Chair/Commissioner Paula Gillikin provided a handout of draft objectives and stated she wanted to reach a consensus on the draft objectives.

Meeting #2 Document #2 Draft Objectives

Gillikin said the objectives are based on the questionnaire and discussions from meeting #1 as well as the Harbor and Waterways Master Plan Advisory Committee’s recommendations. She said the goal is to refine the objectives as the committee conducts research; they are intended as a guide and to provide a benchmark. The objectives and discussion are as follows:

- The Town contributes funding to components of the harbor improvement project related to the docks.
 - Town contributes up to <td amount/proportion> and/or types of funding.
 - This may be different depending on whether third-party only, Public-Private partnership, or municipal-run.

Gillikin said that when we (the Town) were speaking with Safe Harbor, they were going to put a lot of their own investment into the project, and now we're looking into possibly providing our own investment. We would have to figure out what amount or proportion that we might contribute and to what components of the project. Those things are blank for now, and we can fill those in as we continue our work. And this is going to be different depending, obviously, on whether a third party runs the dock or if it's a private, public-private partnership, or if it's a town-run dock.

After some discussion, a consensus was reached to add the word external: The Town contributes “external” funding to components of the harbor improvement project related to the docks.

Gillikin explained the second bullet point came from the conversation at meeting #1 and states to maintain aspects of the current dock design that work well and have been tested and refined over several decades.

- Maintain aspects of the current dock design that work well and have been tested and refined over several decades.
 - A continuous face dock to better accommodate super and mega yachts is not desired.

During the discussion, it was clarified that this doesn't mean to replicate the docks exactly as they currently are but rather to prioritize the functional aspects of the docks that work well now.

A consensus was reached to add the word "functionality" to the objective and to add a subsection to "Identify areas that can be improved."

The third bullet is to maintain and/or improve viewscape. Gillikin said she intentionally made this general so there could be a discussion about it within the scope of the master plan and the potential opening up of a viewscape at the end of Turner Street. Based on our conversation last time, we know we want to maintain the size of the gaps between the T heads.

- Maintain and/or improve viewscape.
 - Maintain the size of gaps between t-heads and avoid a continuous outer face dock that may block views to Taylor’s Creek and the Rachel Carson Reserve.

A consensus was reached with the caveat that the goal is to continue to accommodate larger vessels as the docks do now with the consideration of timeframes. It was discussed that a mega yacht staying 2-3 days wouldn't impact the viewscape much; however, if it stayed for 3 months or a year then it could become an issue.

The next objective, Gillikin explained, is to optimize utilization of the dock by various user groups. The idea behind the objective is to create opportunities for the many rather than the few by maintaining/increasing day dockage and maybe considering different pricing schemes to attract people who find the usual dock rates unaffordable.

- Optimize utilization of the dock by various user groups.
 - Based on the concept of services/opportunities for the many rather than the few.
 - Maintain or increase day-boater docking space.
 - Consider dynamic pricing to increase utilization of the docks during off-peak periods. This may open opportunities for more affordable dockage to those who currently do not utilize dockage due to cost.

Discussion ensued around the inclusion of existing commercial users such as the existing charter boat operations and the inclusion of adjacent waterfront space. A consensus was reached to include commercial users and to discuss including adjacent public spaces.

Gillikin led an interactive exercise to define how we would like to be recognized. Do we want to be one of the top five transient marinas on the Eastern Seaboard and what does that mean, what is the context? Why do we care about being a top-five transient marina? If you were the boater, what criteria would you be looking for? What things in this list (Objective 5) do you find that can bring relevance to being designated as a top five transient marina? Are there others to add? We are going to define what it means to be a top 5 transient marina and maybe we want to be that and maybe we don't.

- Achieve recognition as one of the top five transient marinas on the eastern seaboard.
 - How is recognition framed? What is the context?
 - Accommodate various sizes of vessels?
 - Hospitality?
 - In-slip fueling?
 - Amenities (non-fuel)?
 - Proximity to marine maintenance, repair, and haul-out services?
 - Proximity to ICW and Beaufort Inlet
 - Other?
 - A combination of the above?

Discussion centered around the use of the word "transient" vs. "destination" and other attributes of the marina to include: location inside a Class A Inlet, location halfway up/down the Eastern Seaboard, fuel availability, weather, proximity to maintenance, repair and haul-out services, access to town amenities, hospitality and ambassadorship, and small town character.

Members suggested adding transaction ease and efficiency to the list stating that currently, the docks are lagging in technological capabilities (online reservations/payment etc.). Several committee members reiterated a desire to focus on making the docks more accessible to the locals.

Gillikin asked members to vote on their ranking for each of the items on the list and a consensus was reached and a suggestion was made to change the wording to "a premiere destination facility." - Achieve recognition as one of the premiere destination marinas on the Eastern Seaboard

During the discussions, an additional objective was identified and a consensus was given to include it: "Optimize positive community and economic impact."

2. Finance Update

3 Buckets for Funding: 1) Grants 2) Donations 3) Appropriations

Appropriations: Dexter Matthews provided an update on the potential of hiring a lobbyist and shared he and Craig Souza had conducted several meetings in both Beaufort and Raleigh with potential lobbyists. The recommendation at this time is to hold off on hiring a lobbyist as there are several contacts that have offered to provide assistance at no cost. The feeling is that the Town has a positive chance of obtaining an appropriation in the next long session which begins in January.

Matthews asked if there is anything else needed to move forward to be able to say, "Beaufort is seeking an appropriation." Mayor Harker shared that the Board of Commissioners (BOC) had reached a consensus at their September work session and agreed to look into seeking an appropriation. She stated she did not think anything further was needed from the BOC at this time.

The BWOF Committee also reached a consensus that Beaufort is seeking an appropriation. Matthews indicated he needed to have an amount that the Town would be asking for in an appropriation.

Grants: Matthews shared that the Town has a grant writer under contract, Margaret Shields. Matthews asked Ms. Shields to review the list of grants from Meeting #1 and to create a list with information pertaining to grant submission deadlines, award and completion dates, grant award amounts, required monetary matches, and more. This list will provide an outline and direction to enable prioritization for applying. Matthews asked the committee to assist by having someone spearhead grant research.

Becky Bowler started a discussion about hiring someone to do this work and to not only hire them but to incentivize them much like in the private sector. It was suggested the committee move forward with compiling a list of grants and then consider getting assistance with the larger grants.

Donations: Craig Souza provided an update on donations. He said he is investigating starting a 501 (c)(3) to see if it fits for receiving private donations and if it could be ongoing.

Sarah Spiegler asked if someone was willing to look into grants and review, order, and prioritize them while working in conjunction with Ms. Shields to make recommendations. Paula Gillikin and Becky Bowler offered to assist.

3. Construction Update

Vic Fasolino provided a construction update.

Meeting #2 Document #3 - BWOF Draft Estimates

Fasolino stated that he was building upon the work of the Beaufort Harbor & Waterways Committee, the internal committee, BWOF, and Moffat & Nichols. He reviewed the 10 original recommendations from the Beaufort Harbor & Waterways Committee and the estimated costs associated with each item. He then showed a slide with the 10 recommendations with updates based on the most current information. He said based on his calculations there is about a \$2 million difference between the original recommendations and the updated recommendations. The savings comes largely due to a change in need from replacing the bulkhead to capping it.

Next Fasolino shared information on operating financials. There are several slides outlining the assumed current operations costs. Actual data from the existing operations is not available to the Town. Fasolino and other volunteers conducted a boat count that took place for a period of one year. The numbers in the Operations & Potential Financials slides are based on these manual boat counts. The slides also include columns with information from the 3 bidders' RFP responses for comparison.

Fasolino said his personal feelings of what we (the committee) should do next is to decide on our master plan, take the master plan to the BOC for approval, and simultaneously request the BOC to authorize the committee to proceed with funding and grant requests.

Sarah Spiegler said that while these are estimates, we (her and other committee members investigating finances) do feel they are accurate and that the Town could make \$1 million each year. This is an asset for the Town so what are the options for the Town knowing this is a potential revenue maker?

During the discussion questions were asked about factoring in losses for storm closures and insurance. It was suggested it should operate like an enterprise fund. Fasolino stated that the numbers are modeled on a self-insuring marina model and that he added a 10% soft costs and a 15% contingency to account for changing costs.

Fasolino asked if the 10 Recommendations from the Harbor & Waterways Master Plan is this committee's master plan.

Discussion on this topic revolved around lingering questions in the details of the Harbor & Waterways Master Plan Committee's recommended master plan and focused on clarifying that any master plan is changeable as additional information becomes available.

There was discussion on what the committee should recommend to the BOC including possible recommendations on operational structure and questions about what we would be seeking in a concessionaire in regards to management versus investment.

There was a consensus that it was largely dependent on how financing goes and any recommendation should be "If this...then this" as all of the financing options will not be complete at the time the BWOF committee makes a recommendation to the BOC. The committee agreed by consensus that they will provide recommendations with options.

After additional discussion, a consensus was reached to approve moving forward with the 10 original recommendations as the master plan under the understanding that it is a living document and with the consideration of maximizing the community-wide impact and ensuring the plan explains the community impact as that will be a key component in obtaining grants.

4. Operations Update

Sarah Spiegler asked for someone to volunteer to lead the charge on Operations. Barry Slade volunteered to lead the research into third-party management companies. It was suggested to look into operations at municipalities such as Southport, Vero Beach, and Little Washington.

Ted Morris provided an operations case study on Vero Beach, a public operation whose operating fund falls within the Town budget as an enterprise fund. The marina came to be due to citizen demand for the town to buy the land. The mission of the Vero Beach Municipal Marina is "to provide efficient first class service at reasonable cost to resident and visiting boaters in a manner that reflects well on the character of the City of Vero Beach."

Morris's research found there are 100 wet slips and 57 moorings with an occupancy of 20,000 overnight stays. All slips are for public use. He said that in an operations budget overview the numbers presented by Fasolino matched up very closely. Some of the amenities offered include live aboard sites, a dockmaster's house and fuel sale. Insurance costs are approximately \$213,000. The Vero Beach Marina is included in the town's CIP plan. The Master plan calls for replacing and demolishing parts of the marina. The anticipated costs in the Master Plan are similar to the numbers found in the committee's research. He encouraged everyone to take a look at the Master Plan as Vero Beach is a good case study for the Town.

Next Steps

Sarah Spiegler said the overall plan is to keep the master plan in focus. She stated she and Paula Gillikin would provide an update at the next Board of Commissioners meeting. Paula Gillikin is going to continue working on Goals & Objectives. Barry Slade was going to work on Operations with Ted Morris. Paula Gillikin and Becky Bowler are going to work on grants. She reminded everyone that finance would be an ongoing topic into 2025.

Adjourn

The meeting adjourned at 3:29 p.m.

Chair

Deputy Town Clerk