

# CAROLINA BEACH

Town Council Regular Meeting

Tuesday, June 9, 2026 - 6:00 PM

Council Chambers, 1121 N. Lake Park Boulevard, Carolina Beach, NC



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## MINUTES

### CALL TO ORDER

Mayor Barbee called the meeting to order at 6:00 PM, followed by the invocation by Mayor Pro Tem LeCompte and Pledge of Allegiance.

### PRESENT

Mayor Lynn Barbee  
Mayor Pro Tem Deb LeCompte  
Council Member Jay Healy  
Council Member Wayne Rouse  
Council Member Vince Losito

### ALSO PRESENT

Town Manager Bruce Oakley  
Deputy Town Manager Ed Parvin  
Finance Director Debbie Hall  
Town Clerk Kim Ward  
Town Attorney Noel Fox

### ADOPT THE AGENDA

**ACTION:** Motion to adopt the agenda

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

*Motion passed unanimously*

### CONSENT AGENDA

1. Set a Public Hearing for July 14, 2026, to Consider a Text Amendment to Art. 3 Sec. 3.19 of the UDO to Allow for Temporary Structures Beyond the Pierhead Line  
Applicant: Noelle Holdings LLC
2. Annual Write-off of Outstanding Accounts Receivable
3. Budget Amendments/Transfers
4. Approval of Council Meeting Minutes

Mayor Pro Tem LeCompte raised a question regarding item 2, noting that several of the outstanding accounts were significantly large – one exceeding \$6,600 and another approaching \$10,000 – with many individual balances above \$1,000. She asked if it would be possible to craft a policy allowing the

Town to place a lien on a property once a water bill reaches a certain outstanding threshold so that if the property were ever to transfer title, the Town would have a mechanism to recover those funds.

Ms. Hall said the Town can't set a lien on property for utilities but can turn over the balance to debt setoff. Ms. Fox said she had previously reviewed legislation concerning Cape Fear Public Utility Authority, which had obtained a session law permitting them to collect outstanding sums at closing when a property transferred based on amounts owed on the property, not on the occupant. She noted she had not reviewed that legislation recently but expressed willingness to revisit it and evaluate whether a similar mechanism could be applied here.

Mayor Pro Tem LeCompte acknowledged that it was Mayor Barbee's birthday, prompting Council and those in attendance to briefly sing "Happy Birthday."

**ACTION:** Motion to adopt the consent agenda

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

*Motion passed unanimously*

## **SPECIAL PRESENTATIONS**

### 5. Events Update

Mr. Parvin reviewed upcoming events:

- Blood Drive – June 10 at the Rec Center
- Carolina Beach Market – continues every Saturday through October 3 at Lake Park
- Boardwalk Blast Fireworks/Music – continues every Thursday (exceptions are Friday, July 3, and Friday, September 4, the final date) at the Gazebo
- Movies at the Lake – continues every Sunday through September 6 at Lake Park
- Life Rolls On – surf event on July 25 on the Boardwalk beach strand and skate event on July 26 at Mike Chappell Park Skate Park

### 6. Marketing Advisory Committee Budget Presentation

Marketing Advisory Committee Chairman Jeff Hogan presented the committee's budget. He noted that Council had received the budget from staff and offered to provide a summary rather than go through the document line by line.

Mr. Hogan reported that the total budget was \$1,381,485. He noted a significant structural change this year: The committee had eliminated its agency of record, based in Charlotte, and was bringing marketing capabilities in-house. Mr. Hogan explained that the Charlotte agency had not always fully understood the character and dynamics of Carolina Beach and the unified campaign shared with Wilmington, Wrightsville Beach, and Kure Beach. He said the new in-house staff would be local, present, and directly familiar with the community.

Mr. Hogan also highlighted a \$100,000 allocation for a community and visitor engagement strategy, designed to deepen the committee's understanding of its customer base through surveys and direct engagement, such as learning why people visit, how long they stay, and what they are seeking. He also reported there is \$1.1 million in the rollover fund.

Mayor Barbee noted that a key goal of the strategic plan was to help residents understand the economic importance of tourism. He observed that social media forums often feature negative sentiment toward visitors and seasonal traffic and that the engagement work was intended to help the broader community appreciate tourism's outsized role in supporting local businesses and quality of life year-round.

Mr. Hogan emphasized this point personally, noting that as an owner of three businesses on the island, the summer season is essential to his ability to remain open in the winter months. He recalled that when he moved to Carolina Beach in 1989, the Town was nearly empty after Thanksgiving, with residents needing to travel to Monkey Junction or beyond to find an open restaurant.

Council Member Healy commended Mr. Hogan's leadership of the committee.

Mr. Hogan credited growing tourism and the unified marketing campaign – which he noted had increased room occupancy tax (ROT) collections by as much as 50% for all four participating communities – for the Town's expanded year-round amenities.

Mayor Pro Tem LeCompte expressed support for the decision to bring the marketing function in-house, noting that a local team would understand the meaningful differences between the area beaches in a way that an out-of-market agency simply could not.

Council Member Rouse asked Mr. Hogan to explain, for the benefit of the public, where the \$1.4 million comes from and what the \$1.1 million rollover represents. Mr. Hogan said these amounts are funded entirely by ROT dollars, a tax applied to short-term lodging stays of less than 90 days at a rate of 6%, in addition to the existing 7% sales tax. explaining that the rollover is a contingency reserve that the committee has built up over time. He recalled that former Council Member Steve Shuttleworth was among the first to push for maintaining a 10% reserve and that the State has since cautioned against treating the fund as a savings account without a purpose. Mr. Hogan described how the reserve came into use following Hurricane Florence, when the committee spent approximately \$250,000 – combined with contributions from Kure Beach, Wrightsville Beach, and Wilmington – on a post-disaster marketing campaign to inform potential visitors that the area was open for business.

**ACTION:** Motion to approve the Marketing Advisory Committee budget as presented

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

*Motion passed unanimously*

7. Eagle Scout Presentation by Jacob Gann

Jacob Gann, a resident of 7th Street and a six-year member of Troop 210 on the island, described his proposal to build four community flower boxes, each approximately 3 feet long by 3 feet wide, to be filled with native plants and mulch to support pollinators and local wildlife. He said the boxes would be fitted with a hose and hose holder and secured with stainless-steel screws, and he presented a design rendering.

Council Members praised Jacob's public-speaking abilities.

Council Member Rouse asked where the boxes would be located. Jacob said they would be near the Federal Point History Center.

Mayor Barbee asked about the timeline for the project. Jacob said his goal was to have everything completed over the summer, but he first must present the project to the Eagle Board for approval, after which he could begin construction. Mayor Pro Tem LeCompte noted that Jacob was working with her and resident Cindy Dunn on logistics.

**ACTION:** Motion to approve the Eagle Scout project by Jacob Gann as presented

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

*Motion passed unanimously*

## 8. Manager's Update

Mr. Oakley gave an update on various projects:

- Saint Joseph multi-use path: Final easements have been secured on the project, and additional engineering is now underway. The project is expected to go out to bid in the fall, with construction work anticipated to begin in the spring.
- Canal Drive/Cape Fear Boulevard corridor: The Town has pivoted away from the idea of a sculpture due to concerns about damage from vehicles. Instead, staff is exploring the use of large decorative spheres – similar to those seen at Target stores – to line the roadway.
- Lake Park pump house: The project is essentially complete, with the only outstanding item being louvered covers that are delayed due to a supply-chain issue. The Certificate of Occupancy cannot be issued until those covers are installed. All pumps are online and operational if needed.
- Volleyball court: This project is already underway, with sand delivered. The only remaining items are the net and associated materials. Mayor Pro Tem LeCompte asked about the status of a nearby crepe myrtle; staff will follow up on whether it was still planned to be relocated. She said she would like to tree to remain if possible.
- Infrastructure projects
  - Advanced Metering Infrastructure (AMI): This project – part of the bond program – is the final stages of contract execution, with installation expected to begin shortly thereafter. Residents should expect a Town employee to visit their property to replace their meter, but the process will otherwise be minimally disruptive.

- Force Main: Engineering and bidding for this project are complete, the contractor has been notified, and work was expected to begin soon.
- Well 15H: Engineering and permitting are underway. Mayor Barbee noted that a portion of this project would increase the height clearance under the Spartanburg Avenue crossing, which may require a temporary closure of that thoroughfare. He said clear advance communication to residents would be essential.

Mayor Pro Tem LeCompte raised a concern about the slow pace of landscaping at the pump house site. Mr. Oakley said he thinks it has something to do with fencing and will look into it. Mayor Pro Tem LeCompte also noted that a tree just south of the building required trimming, as it was obstructing pedestrian access.

Mr. Parvin provided a detailed update on Freeman Park. He noted that temporary bathroom facilities would be installed at the entrance at 1810 Canal Drive by the end of that Friday, giving park users immediate access at that location.

On the broader Freeman Park Land Management Plan, Mr. Parvin reported that a public survey had been distributed and was open through July 17. He noted the Freeman Park Land Management Committee was expected to hold its first meeting in August, with multiple open-house sessions to follow for additional public input.

Council Member Rouse asked about the Spot Lane extension. Mr. Parvin provided an update on the stormwater project associated with this, confirming that engineering plans were complete and noting that the project involves ditching running from Texas Avenue to Henniker's Ditch. He said staff had directed the engineer to secure necessary permits and is coordinating with Military Ocean Terminal Sunny Point (MOTSU), though a formal response was still pending. Mr. Oakley confirmed that of the several projects currently pending with MOTSU, the well had already been approved.

Council Member Rouse asked whether a stop sign had been installed at the new 2nd Street extension. Mr. Parvin confirmed that it had.

Council Member Healy asked about the stoplight near Hoplite. Mr. Parvin noted that Duke Energy had flagged additional electrical issues that had required the N.C. Department of Transportation (DOT) to send revised plans back through the engineering process. He said DOT had communicated an update to Town staff that same day and that the Town's point of contact, Community Development Director Jeremy Hardison, had been actively pushing for progress. Mayor Barbee said the timing of turning on a new traffic signal in the middle of July – the height of tourist season – was not ideal, although Council Members acknowledged it would flash initially for one week before going fully operational.

Council Member Losito asked for a sidewalk update. Mr. Parvin reported that a mandatory meeting with the Wilmington Urban Area Metropolitan Planning Organization (WMPO) was scheduled for the following day to ensure the Town was meeting all requirements for its grant application. He also confirmed that DOT had responded indicating that the existing contract did not need to be modified to accommodate the additional funding and that DOT was moving forward with final designs based on Council's last motion. Mr. Parvin added that staff is working to obtain a more specific timeline for when

the project would go to bid. Council Member Losito asked if this would be just for the sidewalk or also include the crosswalk at Spartanburg Avenue. Mr. Parvin said the Town would do both at the same time.

### **PUBLIC COMMENT**

Maureen Lewis, President of the Carolina Beach Mural Project, spoke about the Stingray Stage at Lake Park, a community gathering space that she noted was also serving as a temporary home for 48 MuralFest panels. She described the current design as at least eight years old and proposed that the Mural Project be permitted to refresh it. Ms. Lewis said the envisioned concept is a geometric painted border pattern that the community could help paint in the fall, in a format similar to the kids' mural program at Mike Chappell Park, and she added that the Parks & Recreation Department is aligned with the vision. She emphasized there would be no cost to the Town, noting that the funding mechanism would be an NC Arts Council grant, with an application due June 30. Ms. Lewis said the Mural Project would pay for power washing, supplies, supervision, and sealing of finished artwork. She asked for Council's approval to move forward with applying for the grant and said a formal design would come back to Council for approval before any work commenced.

Ms. Lewis also expressed enthusiasm for the idea of decorative spheres on Canal Drive and offered that the Mural Project would love to engage local artists to paint creative designs on whatever structures the Town chooses to install, whether spherical or otherwise. She suggested this could become a larger beautification initiative extending through the business district.

Mayor Barbee asked Mr. Oakley whether there were any concerns about moving forward with the Stingray Stage project. Mr. Oakley confirmed that Parks & Recreation Director Eric Jelinski was fully supportive and reported no issues.

**ACTION:** Motion to support the Carolina Beach Mural Project's proposal for painting the Stingray Stage

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

*Motion passed unanimously*

Mayor Barbee confirmed that Mr. Oakley would also work with Ms. Lewis on the Canal Drive sphere beautification concept, with Mr. Oakley affirming.

Council Member Healy asked about the cost of the spheres. Mr. Oakley estimated this at approximately \$1,000 per sphere, with final pricing still being gathered.

Mayor Pro Tem LeCompte emphasized the importance of ensuring the spheres are placed in a way that still preserves the lane for deliveries. Mr. Parvin clarified that this was intended as a temporary design while the Town continues to develop permanent multi-modal and safety options for the one-way corridor. Mr. Oakley noted that the spheres could be reused elsewhere if a permanent solution is later implemented. Council Member LeCompte also noted that the existing crosswalk needs to be repainted, as it is barely visible.

## **PUBLIC HEARINGS**

### 9. Consider Adopting the Proposed FY2026-2027 Budget

**ACTION:** Motion to open the public hearing

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

*Motion passed unanimously*

Mr. Oakley presented the proposed FY2026-2027 budget and noted that the process has included nine meetings, including a two-day strategic planning session, two public open houses, two budget workshops, and three public hearings. He said staff has been working on the budget since before January, with formal presentations to Council beginning in late January.

Mr. Oakley outlined the guiding priorities established by Council at the outset of the process: an employee-focused budget aimed at recruitment and retention to make the Town employer of choice, a strong emphasis on public health and safety, and a commitment to fiscal responsibility, including improved cybersecurity and organizational efficiencies.

He reported the following key budget figures:

- Tax rate: a 2.95-cent increase, bringing the total rate to 17.12 cents
- Utility rate: a 9% increase, required by bond covenants tied to the recently issued infrastructure bonds
- Total budget: \$26,027,000 – a 13% increase over the prior year, driven primarily by inflation, rising fuel costs, and increased healthcare costs, as well as the employee compensation changes made for recruitment and retention
- General Fund balance: projected at 49%
- Enterprise Fund balance: net position in excess of \$7.5 million

Council Member Rouse emphasized for the public record that the 9% utility increase was not optional and was a requirement to have funds loaned to the Town. Mr. Oakley confirmed that these were infrastructure projects underway now and in the near future.

Mayor Barbee opened the floor to public comment. No one came forward.

**ACTION:** Motion to close the public hearing

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

*Motion passed unanimously*

Council Member Healy reflected that this was his sixth budget cycle with Council and characterized the FY2026-27 budget as the hardest of those years, driven by external pressures largely beyond the

Town's control. He expressed satisfaction that despite those pressures, staff had maintained a 49% fund balance.

Mayor Pro Tem LeCompte acknowledged the personal difficulty of voting for a tax increase, noting that her own property taxes had not come close to being revenue-neutral in the prior year following a 101% increase in the assessed value of her 1958-built home. She expressed empathy for residents in the same position but urged appreciation for the level of services the Town provides.

Mayor Barbee acknowledged that the Town had the option of drawing on the fund balance to avoid a tax increase but argued that approach was fiscally irresponsible over time.

Mayor Pro Tem LeCompte raised the challenge of employee retention, noting that the Town regularly loses staff to New Hanover County and the City of Wilmington.

Council Member Rouse noted that many of the cost drivers – fuel costs and health insurance premiums – were entirely outside the Town's control and praised staff for exhausting every available avenue to manage costs before accepting unavoidable increases.

Council Member Losito singled out the healthcare procurement process, noting that national healthcare inflation was approximately 30% and that even with improvements to employee benefits, the Town came in at roughly half that rate of increase, an outcome he credited to diligent staff work in a compressed time frame. He observed that when measuring the breadth of services provided against the tax rate and overall cost to residents, the Town comes out far ahead of anywhere else.

**ACTION:** Motion to adopt the proposed FY2026-2027 budget as presented by the Town Manager

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

*Motion passed unanimously*

#### **CLOSED SESSION**

10. Closed Session to Discuss Attorney-Client and Real Estate Matters Pursuant to NCGS 143-318.11(a)(3) and NCGS 143-318.11(a)(5)

**ACTION:** Motion to enter a closed session to discuss attorney-client and real estate matters pursuant to NCGS 143-318.11(a)(3) and NCGS 143-318.11(a)(5)

Motion made by Mayor Barbee

Voting Yea: Mayor Barbee, Mayor Pro Tem LeCompte, Council Member Healy, Council Member Rouse, Council Member Losito

*Motion passed unanimously*

Mayor Barbee called the meeting back to order and said Council took no action during closed session.

#### **ADJOURNMENT**

Mayor Barbee called the meeting back to order and said Council took no action during closed session.