

CAROLINA BEACH

Town Council Workshop

Tuesday, July 22, 2025 — 9:00 AM

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



AGENDA

CALL TO ORDER

DISCUSSION ITEMS

1. Employee Recognition
2. Presentation by Army Corps of Engineers on wetland permitting
3. Sunny Day Flooding Project Update
4. North End Town Update
5. Appropriate funds for Revenue Bond Financial Analysis
6. Authorization for the Bike/Ped Committee to draft an application for obtaining a “Bicycle Friendly Community” designation

COUNCIL COMMENTS

ADJOURNMENT



AGENDA ITEM COVERSHEET

PREPARED BY: Kim Ward, Town Clerk

DEPARTMENT: Clerk

MEETING: Town Council Workshop – 7/22/2025

SUBJECT: Employee Recognition

BACKGROUND:

The following employees will be recognized for their years of service:

Gloria Abbotts	Community Development	5 years
Ed Parvin	Executive	20 years



AGENDA ITEM COVERSHEET

PREPARED BY: Jeremy Hardison, Community
Development Director

DEPARTMENT: Community
Development

MEETING: Town Council 7/22/2025

SUBJECT: Presentation by Army Corps of Engineers on wetland permitting

BACKGROUND:

Council requested information from staff on ACOE permitting program for lots with wetlands. Staff requested Brad Shaver from the Army Corp of Engineers regulatory division to give a presentation to Council on the following topics:

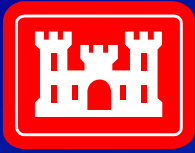
1. How long has the program been around and have the rules changed recently?
2. How does the program protect wetlands on different size properties?
3. Does the program do anything to mitigate potential issues with adjacent properties?
4. Why can someone pay to fill in wetlands if the money is used to buy wetlands in other areas outside of the Town

ACTION REQUESTED:

None required. Informational only.

MOTION:

N/A



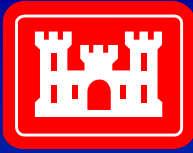
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Item 2.

U.S. ARMY CORPS OF ENGINEERS REGULATORY DIVISION WILMINGTON DISTRICT

July 22, 2025

**Brad Shaver, Project Manager,
Wilmington Regulatory Field Office**

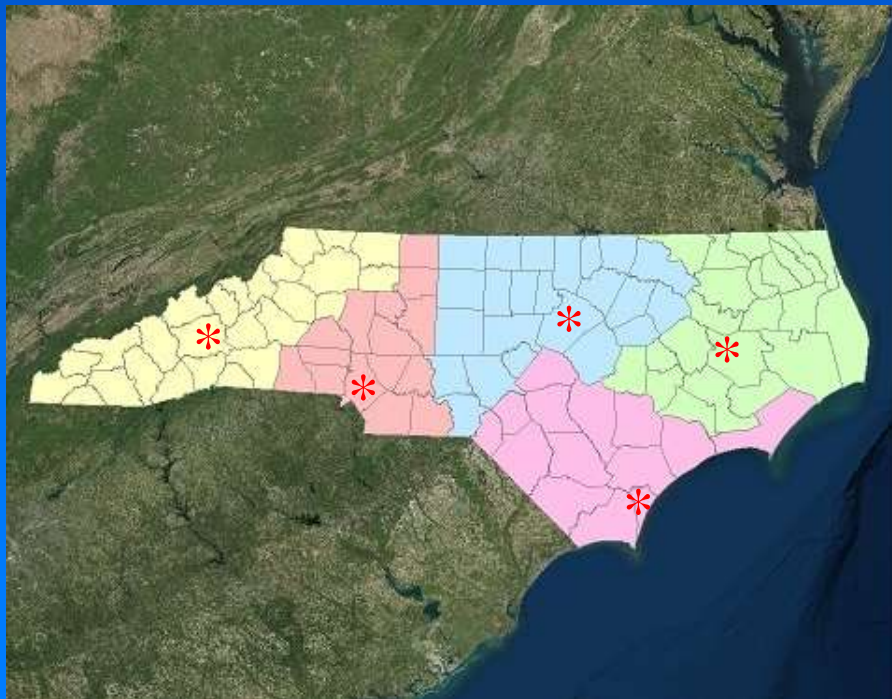



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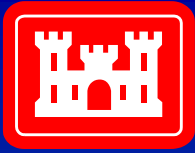
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Organization

SAW Regulatory Division's has a main office located in Wilmington and field offices located Wilmington, Washington, Raleigh, Charlotte, and Asheville.



Legend	
Corps of Engineers Wilmington District	
Regulatory Field Office - Counties	
ASHE	Asheville Field Office
CTL	Charlotte Field Office
ILM	Wilmington Field Office
RAL	Raleigh Field Office
WASH	Washington Field Office
	Regulatory Field Office



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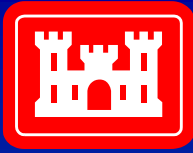
Authorities

Section 10 of the Rivers and Harbors Act (1899)

Protection of the Nations navigable waters

Section 404 of the Clean Water Act (1972)

To restore and maintain the chemical,
physical, and biological integrity of the
Nations waters.



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Authorities – Section 10 (33 U.S.C. 401, et seq.)

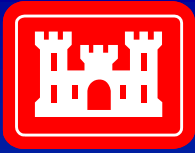
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Section 10 Rivers and Harbors Act of 1899

- Regulates activities that affect course, location, and navigable capacity
- Prohibits unauthorized obstruction or alteration of any navigable water of U.S.
- All work (dredging, docks, pilings, marinas, fill, etc)
- Authorizes the Secretary of the Army to issue permits in navigable waters



These actions are typically done in concert with the Division of Coastal Management(DCM). DCM is lead.



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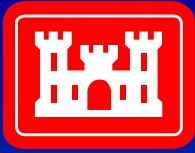
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Section 404, Clean Water Act

- **Regulates all waters of the United States, including wetlands, for the discharge of dredged and/or fill material; including mechanized land clearing**
- **Authorizes the Secretary of the Army to issue permits for the discharge of dredged or fill material.**

The State of NC has a
Section 401 Water Quality
Certification Program.





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Section 404, Clean Water Act

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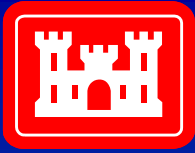
Geographic definition (33CFR 328.3 (a))

In Carolina Beach the Corps regulates wetland waters of the US and non-wetland waters of the US, ie **wetlands, streams, jurisdictional ditches, and open water areas** with downstream connections.

Wetlands must have three characteristics:

- Hydric soils
- Hydrology
- Hydrophytic vegetation

Non wetlands waters must have an ordinary high waters mark and downstream connection.



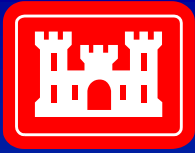
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Section 404 of the Clean Water Act

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WETLANDS

- Wetlands are jurisdictional provided they are adjacent to relatively permanent waters (RPWs).
- Previous rules allowed for a broader definition of adjacent but in general now wetlands must be abutting RPWs. (result of the Sackett Supreme Court decision) *Culverts do not sever jurisdiction through a RPW flow path.*
- EPA and the Corps are working on a new rule as we speak.



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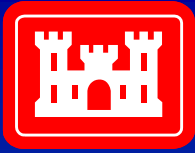
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Wetland Functions

Both jurisdictional and non-jurisdictional

- Storm storage (flood abatement)
- Nutrient reduction to receiving waters
 - Aquifer recharge
 - Erosion control
 - Wildlife habitat

One acre of wetlands holds between 330,000 and 1.5 million gallons of waters depending on depth above confining layer.



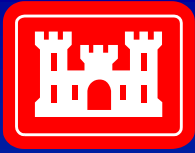
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Permitting

Types of Department of the Army Permits

1. Regional General: restricted to activities authorized within a specific state; generally did not have a notification requirement.
2. Nationwide General: for commonly recurring activities across the entire United States; activities with minimal adverse impacts, most have notification requirements.
3. Individual (Standard): for activities not eligible for Regional or Nationwide General Permits.



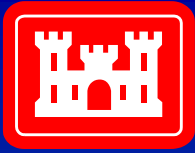
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PERMIT EVALUATION

Section 404(b)(1) Guideline Sequencing

- Avoidance of wetlands
 - Minimizing impacts on wetlands
 - Compensatory mitigation for unavoidable impacts
- The Corps must balance property rights with the environmental impacts.

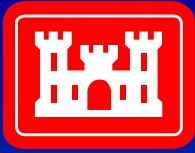


Questions from the Council

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- **How long has the program been around and have the rules recently changed?** The program started in 1972 handed down by the EPA to USACE. The most recent rule changes came in August 2023 in the form of the amended 2023 waters of the US Rule. Most recent guidance handed down after the Sackett decision concerning adjacency.
- **How does the program protect wetlands on different size properties?** The Corps program is a permit program not a protection program. Our mission is to regulate not protect. This again comes in the form of balancing property owner rights with environmental considerations. We are neither project opponents or proponents.
- **Does the program do anything to mitigate potential issues with adjacent properties?** When the project rises to a standard permit, we seek the input from adjacent properties and allow the applicant to rebut the concerns, but the Corps must make the final determination. Nationwide permits cover actions considered minimal impacts and does not have the same public notice procedures.
- **Why can someone pay to fill in wetlands if the money is used to buy wetlands in other areas outside the Town?** The Corps must follow the 2008 mitigation rule developed by the EPA addressing the hierarchy of mitigation options.



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Wilmington Regulatory Homepage

[https://www.saw.usace.army.mil/Missions/
Regulatory-Permit-Program/](https://www.saw.usace.army.mil/Missions/Regulatory-Permit-Program/)

Brad Shaver

910-251-4611

Brad.e.shaver@usace.army.mil



AGENDA ITEM COVERSHEET

PREPARED BY: Jeremy Hardison, Community
Development Director

DEPARTMENT: Community
Development

MEETING: Town Council 7/22/25

SUBJECT: Sunny Day Flooding Project Update

BACKGROUND:

The research Team will be presenting updates on the project to review how often did it flood in Carolina Beach in the last year, how important are tides vs winds vs rain in causing flooding, how are floods impacting Carolina Beach residents, and what strategies to mitigate flooding are preferred by Carolina Beach residents.

ACTION REQUESTED:

None- information item and answer any concerns or questions Town Council may have.

MOTION:

N/A



AGENDA ITEM COVERSHEET

PREPARED BY: Jeremy Hardison, Community
Development Director

DEPARTMENT: Community
Development

MEETING: Town Council 7/22/25

SUBJECT: North End Town Update

BACKGROUND:

Staff will give a presentation on updates on recent private and public infrastructure and projects on the north end.

ACTION REQUESTED:

None- information item and answer any concerns or questions Town Council may have.

MOTION:

N/A



AGENDA ITEM COVERSHEET

PREPARED BY: Debbie Hall, Finance Director

DEPARTMENT: Finance

MEETING: Town Council – 7/22/2025

SUBJECT: Appropriate funds for Revenue Bond Financial Analysis

BACKGROUND:

The Town is contracting with Willdan Financial Services to update the Revenue Bond feasibility model for the up coming bond issuance. The contract amount is \$54,800 which will be reimbursed to the Town when the bonds are sold. Reimbursement Resolution 25-2324 was approved on March 11, 2025.

Appropriations:

Appropriate \$54,800 to 30-800-046 W&S Admin Professional Services from the Utility Fund fund balance for the Revenue Bond Financial Analysis.

BUDGET IMPACT:

The appropriation will affect the budget.

ACTION REQUESTED:

Approval of appropriation as presented by the Finance Director.

**SUPPLEMENT NO. 6
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN WILLDAN FINANCIAL SERVICES AND
THE TOWN OF CAROLINA BEACH, NORTH CAROLINA**

**WATER, WASTEWATER & STORMWATER
REVENUE BOND FINANCIAL ANALYSIS**

This document represents Supplement No. 6 to the Professional Services Agreement (the “Agreement”) dated on November 20, 2015 by and between Willdan Financial Services (“Willdan” or the “Consultant”) and the Town of Carolina Beach, North Carolina (the “Client” or “Town”). All provisions of the Agreement remain in effect except as specifically defined in this Supplement.

Based on discussions with Town Staff, it is the understanding of Willdan that the Town is in need of utility rate and financial consulting services to support the issuance of bonds to fund various water, wastewater and stormwater utility capital projects. In accordance with the Agreement, this Supplement sets forth the Scope of Services and Professional Service Fees for the financial consulting services to be provided by the Consultant.

REVENUE BOND FEASIBILITY ANALYSIS

- Task 1:** ***Project Initiation*** – Lines of communication will be formalized between Consultant and appropriate Town personnel and working group members in order to finalize the project schedule and to ensure that the project objectives are clearly defined and understood by all parties. In addition, project deliverables and dates will be established based on the project schedule developed by the Town’s financing team.
- Task 2:** ***Data Collection and Review*** – A data request will be provided to the Town identifying necessary data for the project. The data will be used to develop the projection of revenues, expenses, customer base and other related items necessary for the analysis.
- Task 3:** ***Projected Revenues*** - The analysis will develop the projected customers, flows and resulting revenues for a 5-fiscal year Projection Period. Historical customer and billing data provided by the Town will be analyzed to identify recent growth trends and historical usage characteristics for each customer class. The historical data will be used to develop system customer growth projections. Further, future revenue projections will be developed based on the projected customer statistics for the Projection Period.
- Task 4:** ***Projected Expenditures*** – The development of projected expenditures will be performed based on assumptions utilized for system growth, current and future debt service obligations, anticipated capital requirements, historical cost escalation trends, general inflationary forces and discussions with Town staff based on the their first-hand knowledge of specific line-item cost escalations. This will entail a

review of the historical expenditures and operating results provided in recent audited financial statements, as well as the current budget and any available year-to-date financial information. The applicable operating costs contained in the current operating budget will be reviewed and necessary adjustments will be made to ensure consistency with the flow of funds as defined by the bond documents. The projection of operating, non-operating and capital costs to be recovered through the rates will be developed and include debt service payments and coverage requirements, capital outlay, General Fund transfers and renewal and replacement costs, as applicable.

- Task 5:** ***Five-Year Projected Operating Results*** - The revenue and expenditure projections developed under the previous tasks will be utilized to develop the 5-fiscal year projected operating results to document the estimated cash-flow transactions related to the operation of the water, wastewater and stormwater enterprise systems. The projected operating results will be developed for each enterprise separately, as well as on a combined basis. A review of the bond covenants will be performed to ensure the flow of funds is being followed based upon the methodologies required therein for the correct determination of projected debt service coverage ratios in each fiscal year of the Projection Period to ensure compliance with bond covenant requirements.
- Task 6:** ***Deliverable*** - A summary Agreed Upon Procedures (“AUP”) letter will be prepared which sets forth the necessary financial projections to support the issuance of the revenue bonds. An electronic PDF copy of the draft AUP will be submitted to staff and other members of the financing team for review. Based on the review comments received from staff and other participants, the draft AUP will be revised to incorporate the agreed upon changes. Iterations will be done as necessary to generate a final AUP letter that is approved by the financing team. Upon completion, an electronic PDF copy of the AUP letter will be delivered to the Town for use as needed to support the issuance of the bonds.
- Task 7:** ***Meetings and Presentations*** - Projects of this nature often require active participation and communication among the members of the project team to assure timely and satisfactory completion of the bond process. Therefore, the Consultant will participate in web-meetings and/or conference calls as needed with project participants associated with the issuance of the revenue bonds.
- Optional 1:** In conjunction with the issuance of the revenue bonds, the Consultant may be requested to assist the Town in presenting the financial projections to various bond rating agencies, either at the Town site or at the rating agency offices. Any consulting services provided by the Consultant relating to these presentations will be billed to the Town on an hourly basis at our current hourly rates, and any associated travel-related expenses will be billed to Town at cost.
- Optional 2:** The Consultant may be requested to attend a public meeting to present the financial projections to the Town Council. If so, such costs will be billed to the Town on an hourly basis at our current hourly rates, and any associated travel-related expenses will be billed to Town at cost.

GENERAL DISCLOSURE

Willdan is a registered municipal advisory firm with the U.S. Securities and Exchange Commission (“SEC”), as such we are providing the following disclaimer representing that we are not acting as a Municipal Advisor (as defined by the SEC), to the Client, in any capacity as it relates to the project proposed in this Development Impact Fee Study.

- (i) The Client uses the services of one or more municipal advisors registered with the SEC to advise it in connection with municipal financial products and the issuance of municipal securities;
- (ii) The Client is not looking to Willdan to provide, and Client shall not otherwise request or require Willdan to provide, any advice or recommendations with respect to municipal financial products or the issuance of municipal securities (including any advice or recommendations with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues);
- (iii) The provisions of this proposal and the services to be provided hereunder as outlined in the scope of services are not intended (and shall not be construed) to constitute or include any municipal advisory services within the meaning of Section 15B of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules and regulations adopted thereunder;
- (iv) For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the Client with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the Client, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the Client, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, including any revisions or amendments thereto; and
- (v) Notwithstanding all of the foregoing, the Client recognizes that interpretive guidance regarding municipal advisory activities is currently quite limited and is likely to evolve and develop during the term of the potential engagement and, to that end, the Client will work with Willdan throughout the term of the potential Agreement to ensure that the Agreement and the services to be provided by Willdan hereunder, is interpreted by the parties, and if necessary amended, in a manner intended to ensure that the Client is not asking Willdan to provide, and Willdan is not in fact providing or required to provide, any municipal advisory services.

PROFESSIONAL SERVICE FEES

On the basis of the Scope of Services described herein, Willdan's total labor billings and all out-of-pocket costs and expenses directly chargeable to the work performed and described in the Scope of Services section of this Supplement will be performed for a fixed fee of **\$54,800** unless specifically authorized in writing by the Town. Payment for such services shall be invoiced to the Town monthly based on the percentage of project completion.

IN WITNESS WHEREOF, the parties have executed this Supplement on the date(s) indicated below.

TOWN OF CAROLINA BEACH

By:

(Signature)

By: Bruce Oakley

(Name Printed)

Title: Town Manager

Date:

WILLDAN FINANCIAL SERVICES

By:

(Signature)

By: Jeff McGarvey

(Name Printed)

Title: Vice President, Managing Principal

Date:



AGENDA ITEM COVERSHEET

PREPARED BY: Ed Parvin, Deputy Manager

DEPARTMENT: Executive

MEETING: Town Council 7/22/2025

SUBJECT: Authorization for the Bike/Ped Committee to draft an application for obtaining a "Bicycle Friendly Community" designation

BACKGROUND:

At the Town Council's April meeting the new Bike and Pedestrian Plan was adopted by Town Council. Included in this plan was an implementation schedule that identified the League of American Bicyclist's program to designate municipalities across the country as "Bicycle Friendly Communities."

ACTION:

In accordance with the recent policy changes made by Town Council for Citizen Advisory Committees the following actions are warranted:

1. From Council Liaison, Mike Hoffer: Request for the Bike and Pedestrian Committee to a set number of meetings to work on completing the Bicycle Friendly Community application.
2. Adopt the Resolution supporting the Bicycle Friendly Community Designation.

MOTION:

Motion to approve Resolution 25-2336 and approve the Bike Pedestrian Committee to work on the Bicycle Friendly Community Applications for a set number of meetings that will be advertised by the Town Clerk.

Resolution



Town of Carolina Beach
Town Council

RESOLUTION NO. 25-2336

A RESOLUTION SUPPORTING THE TOWN OF CAROLINA BEACH'S DESIRE TO APPLY TO THE LEAGUE OF AMERICAN BICYCLISTS TO BECOME A BICYCLE FRIENDLY COMMUNITY

WHEREAS, Town Council, make decisions every day affecting the health and safety of our residents, the efficient conduct of commerce and delivery of government services, and the long-term quality of life in our communities.

WHEREAS, we recognize that increasing bicycle facilities and promoting bicycle use can improve the environment, reduce traffic congestion, improve safety and health, enhance recreational opportunities, boost the economy, and increase opportunities for residents of all ages to participate socially in healthier travel modes.

WHEREAS, the 2025 Bike and Pedestrian plan adopted by Town Council has identified the application to become a bicycle friendly community as a prioritized implementation action step.

NOW THEREFORE, BE IT RESOLVED that the Carolina Beach Town Council supports the Bike Pedestrian Committees effort to complete the League of American Bicyclists Application to become a Bicycle Friendly Community.

ADOPTED, this 22nd day of July 2025.

TOWN OF CAROLINA BEACH

Albert L. Barbee, Mayor

ATTEST:

Kimberlee Ward, Town Clerk