

BOARD OF ALDERMEN MINUTES

MAY 8, 2025, 5:30PM

TOWN HALL COUNCIL CHAMBERS, 321 CAUSEWAY DRIVE, WRIGHTSVILLE BEACH

The meeting was called to order at 5:30pm by Mayor Mills. After the Pledge of Allegiance, the invocation was provided by Riley Phelps, student minister, Wrightsville Beach Baptist Church. The following were present:

Board of Aldermen

F. Darryl Mills, Mayor
Hank Miller, Mayor Pro-tem
Jeff DeGroot, Alderman
Ken Dull, Alderman
Vivian (Zeke) Partin, Alderman

Staff

Haynes Brigman, Town Manager
Lance G. Heater, Town Clerk
Grady Richardson, Town Attorney
Tony Wilson, Director of Parks & Planning
Matt Holland, Fire Chief
Brian Murray, Finance Director
Jason Bishop, Chief of Police
Katie Ryan, Rec. Programs Supv.
Bailey Hartsell, Communications Mngr.

Upon motion by Mills, seconded by Miller and unanimous vote, the Board removed item 8b, consider approval of a waiver for an encroachment into the 15-foot riparian corridor setback at the end of Keel Street for Atlantic Marine, Inc., from the agenda with the understanding that it would be brought back before the Board at a mutually agreeable time.

PUBLIC COMMENTS

Julimaria Cullins, 137 Woodbury Ct., Wilmington, spoke in favor of free parking after 5pm Monday-Thursday stating that it would support local businesses, build stronger community relations, and foster support for the image of the Town as supportive of regular visitors who are not tourists.

Kaylan Ganus, 1615 Setter Lane, Wilmington, also spoke in favor of free parking after 5pm Monday-Thursday, citing the benefits of exposure to the water with regard to its effects on reducing stress and anxiety and that the removal of parking fees would promote mental health.

CONSENT AGENDA

Upon motion by Mills, seconded by Miller and carried unanimously, the Board approved the Consent Agenda. It consisted of 1) approval of the open and closed session minutes of the 4-10-25 regular meeting and the open session minutes of the 4-15-25 and 4-29-25 budget workshops; 2) acknowledgement of previously approved special events for June; 3) adoption of Resolution No. (2025) 2353 approving the Tenth Amendment to the AT&T Lease Agreement; 4) acknowledgement of Departmental quarterly reports for the months of January, February, and March, 2025; and 5) approval of Budget Ordinance (2025) 663-B funding Christmas decoration improvements.

PRESENTATIONS

The Board heard a presentation from the Cape Fear Sail & Power Squadron and considered adoption of Resolution (2025) 2354 declaring the week of May 17-23 as Safe Boating Week. Present to speak on the importance of boating safety, and particularly the use of automatic inflatable life vests, was Jim Kennedy, Executive Officer. Upon motion by DeGroot, seconded by Partin and by unanimous vote, the Resolution was adopted.

The Board considered a presentation on the FY25-26 draft budget. Brigman reviewed the budget process that had been undertaken thus far. Brigman noted that state statute required that municipalities publish a revenue-neutral tax rate as part of their budget for the fiscal year following the reevaluation of its real property, therefore, the Town had prepared its budget using a revenue-neutral tax rate. The budget was prepared using fund accounting, of which the Town has 3 types: General Fund, Enterprise Fund (Water & Sewer Fund) and Restricted Funds (such as the Powell Bill Fund and Capital Reserve Fund). Brigman listed the following budget priorities and objectives: 1) create a budget that meets the current and future needs of the Town; 2) revamp the Capital Improvement Plan to be an accurate guide for current and future capital needs; 3) focus on “Quality of Life” factors for residents (public safety concerns, amenity improvements, and aesthetics); 4) maintain healthy reserve funds (Fund Balance); preparing for future challenges and threats (bridge replacement projects, disaster recovery, and beach renourishment); 5) implement operational efficiencies and ensure departments deliver high-quality services; 6) foster a workplace environment that recruits and retains quality employees that support the values and mission of the Town; and 7) budget is balanced, with no use of Fund Balance (reserve fund), and no increase in the property tax rate.

Brigman stated that the draft budget was prepared using a Revenue Neutral Tax Rate of \$0.0531 per \$100 valuation, which is a reduction of roughly 42.5% from the previous Tax Rate of \$0.0923. Utilizing a Revenue Neutral Tax Rate reduces the Tax Rate to a commensurate level that allows the Town to generate revenue equal to the previous year’s revenue collection. Regarding property valuations, the average property value increased by 77%, however, some property owners will see a reduction in their tax bill, while others will see an increase.

In reviewing revenue impacts, Brigman stated that, due to New Hanover County’s sales tax distribution methodology, and other NHC jurisdictions adopting tax rates higher than revenue neutral, the Town will see reduced Sales Tax collections, estimated at \$200,000. Also, due to the merger with CFPUA, the General Fund will see a reduction in revenue of \$172,500 because of the loss of cost allocation revenues received from the Water & Sewer Fund.

Brigman presented a summary of the General Fund Capital Improvement Plan, and General Fund revenues and expenditures by category.

In reviewing General Fund compensation and benefit improvements, the following were noted: 1) implementation of a 2.6% COLA/CPI Increase and a 0-4% Merit Pool; 2) health insurance improvements including increasing employer contribution to the HSA plan and employer-paid vision insurance; 3) increase in Longevity Payments to tenured employees; 4) employer-paid short and long-term disability coverage; 5) implementation of a 120-hour Parental Leave policy; and 6) implementation of a Wellness Plan for coverage and benefit education. New personnel requests as follows: 1) two (2) new positions in Public Works to offset the loss of the Water/Sewer department as part of the CFPUA consolidation; 2) three (3) new positions in the Police Department to assist with quality-of-life concerns, add an additional officer to peak nuisance hours, and allow the creation of an internal Traffic Unit for the department that will focus on motor vehicle law, DWI, and vehicle nuisance issues; 3) three (3) new positions in the Fire Department to add an additional full-time staff member to each shift which will allow the Fire Department to schedule 4 firefighters per shift (currently schedule 3 per shift).

Other General Fund changes from the previous year were 1) moving health insurance and fringe benefit expenses have been consolidated into the newly-created Human Resources budget; 2) moving Information Technology (IT) expenses for each department into the Information Technology budget; 3) making the Parks & Recreation Manager a direct report to the Town Manager; 4) relocating the Park Rangers from Planning/Building Inspections to the Police Department; 5) making annual investments in road paving and maintenance by pooling funds from Capital Reserve and Powell Bill funds to allow the Town to allocate roughly \$235,000 annually to address road paving and maintenance needs, guided by the Pavement Condition Study; and 6) making significant

technology advancements across the Town for added security, greater ability to operate during emergencies, updating workstations and out of date software.

Regarding the Water and Sewer Fund, Brigman stated: 1) the total budget was \$4,237,000, with the merger with CFPUA on schedule to be finalized on September 30, 2025; 2) as a result of the merger, the Water & Sewer operating budget is consistent with the previous year's budget; 3) any capital needs between now and the merger will be brought to the Board for consideration on a case-by-case basis; 4) following the merger agreement, the Town has agreed to follow established CFPUA rates for water and sewer consumption rates and CFPUA has proposed a 6.9% increase for the FY26 budget, therefore the Water and Sewer Budget is prepared with a 6.9% rate increase resulting in an average 2-month bill increase of around \$20.

Brigman stated that the Fee Schedule will remain consistent with the FY2025 Fee Schedule, with the exception of the following changes: 1) Medium Impact Film Permit Fee increasing from \$1,000 to \$1,500; 2) High Impact Film Permit Fee increasing from \$1,500 to \$2,000; 3) Adult Basketball Fee increasing from \$600 to \$800; 4) Flag Football Fee increasing from \$600 to \$800; 5) Junior Lifeguard Program increasing from \$200 to \$205 for residents; \$240 to \$245 for non-residents; and 6) Strength Training & Conditioning increasing \$14 to \$15 for residents; \$17 to \$18 for non-residents. Parking Fees match what was adopted prior to the start of the 2025 parking season.

In conclusion, Brigman noted that draft budgets are available for public inspection at Town Hall, or the public may request a copy of the budget from the Town Clerk and that a Public Hearing on the budget will be held during the June 12th Board of Alderman Meeting, with the request for the Board to adopt the budget after the close of the Public Hearing on June 12th.

Miller noted that the Town currently has the highest film fees in the County and that the Town is proposing to increase those fees. In response to a question from Miller, Brigman confirmed that the Police Department currently had 4 vacancies, so with full staffing, there would be a total of 7 additional sworn officers versus the current situation. Also, in response to a question from Miller, Murray stated that all flotilla expenses and revenues had been removed from the budget pending discussions between the Flotilla Committee and the Town. Miller requested information related to funding for the turtle monitoring program prior to the next meeting. It was noted that there was no funding in the budget for possible salary adjustments relating to the internal pay and classification study that should be completed by mid-fiscal year.

CONSIDER THE AWARD OF BIDS FOR DISASTER DEBRIS REMOVAL AND DISPOSAL AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE CONTRACTS

Upon motion by Dull, seconded by DeGroot and carried unanimously, the Board approved the award of bids for disaster debris removal and disposal to State Tree Services (primary) and CTC Disaster Response (secondary) and authorized the Town Manager to execute contracts for those services.

CONSIDER APPROVAL OF BUDGET ORDINANCE (2025) 662-B FUNDING A SIDEWALK EXTENSION RELATED TO THE HISTORIC SQUARE IMPROVEMENTS PROJECT

Ryan stated that the Historic Square Improvements Project included reconfiguring the parking lot and adding sidewalks to connect the various buildings and park amenities. This project has been suspended pending CFPUA construction that is scheduled for later this year and will affect the Historic Square Improvements project area. Ryan stated that there is a change order from Timeless Properties to complete a portion of that project that extends the existing sidewalk at the tennis courts to the park parking lot and Historic Square with the goal of connecting the new pickleball courts once the CFPUA construction is completed. The scope of work also includes replacing the stone around the existing courts improving drainage and aesthetics. The current edging was installed with

the Town's 2010 PARTF grant. Upon motion by Miller, seconded by Partin and carried unanimously, the Budget Ordinance was approved.

OTHER ITEMS AND REPORTS

- A. **Town Attorney Richardson:** nothing to report.
- B. **Town Clerk Heater:** nothing to report.
- C. **Town Manager Brigman:** recognized Shell Island employee Evan Parrish in his efforts in assisting to rescue a distressed swimmer using one of the new rescue tubes recently installed by the Town.
- D. **Mayor Mills:** recognized the recent passing of Dee Reddick, thanking him and his family for their contributions to the Town and recognized the recent promotions of Sergeants Brian Nague and Jordan Smith to the newly created positions of Lieutenant.
- E. **Mayor Pro Tem Miller:** noted that the Town had received the resignation of Andrew Cooke from the Planning Board due to his moving from the Town and made a motion to appoint James C. Smith, 54 Pelican Dr., to fill the unexpired term of Cooke, ending January 2027; the motion was seconded by DeGroot and passed unanimously.
- F. **Alderman DeGroot:** nothing to report.
- G. **Alderman Partin:** nothing to report.
- H. **Alderman Dull:** suggested that the Town conduct a ribbon-cutting to recognize the opening of the new pickle ball courts.

There being no further business, the meeting was adjourned at 6:46pm.

Respectfully submitted,

Lance G. Heater, Town Clerk