MINUTES
Town of Atlantic Beach, North Carolina
Joint Town Council and Planning Board Meeting
125 West Fort Macon Road
and Electronically Via Zoom
Tuesday, May 26, 2026 - 6:00 p.m.

The regularly scheduled meeting of the Atlantic Beach Town Council and Planning Board was held Tuesday, May 26, 2026 at 6:00pm in the Council Meeting Room, 125 West Fort Macon Road, Atlantic Beach, North Carolina.

Council Present: Mayor Danny Navey; Mayor Pro Tem Harry Archer; Councilmembers: Renea Baker, Joey Dean, Joseph Starling, and Austin Waters

Planning Board Present: Neil Chamblee, Chair; Curt Winbourne, Vice Chair; David Johnson; Phil Jones; Llewellyn Ramsey; Billy Whitford (arrived at 6:03pm); and Sharron Wilson

Members Absent: None

Others Present: John O'Daniel, Town Manager; Katrina Tyer, Town Clerk, Jane Gordon, Town Attorney; Sabrina Simpson, Admin Services Director; Chelsea Humphrey, Finance Director; Elisabeth Webster, Planning Director; Mike Simpson, Fire Chief; Dave Clifton, Police Chief; Officer Starnes; Leghe Gerald, Water Superintendent; Nathan Tietjen, BOA Alternate Member; Abe Lazarus, Police Lieutenant (off-duty); Courtney Fry, Cullipher Group

CALL TO ORDER and PLEDGE OF ALLEGIANCE
Mayor Navey called the Joint Town Council and Planning Board Meeting to order at 6:00. He welcomed those in attendance, noting the good turnout, and offered brief remarks in recognition of the Memorial Day weekend, honoring those who gave their lives in service to the country. He led the Pledge of Allegiance.

EXCUSE ABSENT MEMBERS
Johnson made a motion *to excuse* Planning Board member Billy Whitford. Seconded by Councilmember Ramsey. Vote was unanimous, 6-0. Motion carried. He arrived at 6:03pm.

APPROVAL OF AGENDAS
Councilmember Baker made a motion *to approve* the agenda. Seconded by Councilmember Waters. Vote was unanimous, 5-0. Motion carried.

CONSENT AGENDA
a. Finance Report
b. Budget Amendments
c. Budget Transfers
d. Tax Collection Report
e. Tax Releases and Refunds Report
f. Approval of 2026-2027 Phase II Vegetative and C&D Debris Removal Contracts with State Tree Services (Primary) and DRC Emergency Services (Secondary)
g. Approval of 2026-2028 Emergency Pump Rental Agreement with Xylem Dewatering Solutions, Inc.

Councilmember Dean made a motion *to approve* the consent agenda. Seconded by Councilmember Starling. Vote was unanimous, 5-0. Motion carried.

CITIZEN REQUESTS/COMMENTS
Mayor Navey opened the floor for citizen comments on matters not related to the scheduled public hearings. There were none.

JOINT PUBLIC HEARING with PLANNING BOARD
MSUB 26-01: OLD CAUSEWAY DUPLEXES aka Sunset Villas
Elisabeth Webster, Planning Director, presented the preliminary Major Subdivision Plat submitted by The Cullipher Group, P.A., on behalf of James Maxwell III/Sleepy Creek Farms, Inc. (Goldsboro Milling Company, Inc.) to subdivide the lots at 103, 105, 107, 109, and 111 Old Causeway Rd. for the duplexes previously approved as part of MSP 24-01 in November 2025. She stated that this project has been referred to internally as "Old Causeway Duplexes," but the new plat refers to it as "Sunset Villas." The current application arose from a desire to reconfigure property lines during the building permit process. Properties at 105 and 107 Old Causeway Road are currently organized as a condominium; the goal is to consolidate them under a single

HOA structure, as there is a single owner for both properties. She noted that staff identified no issues during the Technical Review Committee (TRC) review, as all setbacks are governed by the parent property and were previously verified through the major site plan approval. She noted that the process mirrors a similar subdivision previously completed for the Showboat project, which was driven largely by lender requirements.

Entered Public Hearing at 6:06pm.

No comments from the Planning Board, Council, or the Public.

Out of Public Hearing at 6:07pm.

Jones made a motion *to recommend* approval of the presented Major Subdivision and to advance the project to Phase II. Seconded by Wilson. Vote was 7-0.

Councilmember Starling made a motion *to approve* the presented Major Subdivision of lots at 103, 105, 107, 109, and 111 Old Causeway Road and to proceed to Phase II. Seconded by Mayor Pro Tem Archer. Vote was 5-0.

MSP 26-01/MSUB 26-02 DAVIS BLVD. REDEVELOPMENT

Planning Director Elisabeth Webster presented the preliminary concept plan for MSP 26-01/MSUB 26-02, a proposed redevelopment of the 12 parcels owned by "Annie M Piner Family LTD PTNSP" has been submitted by James Stephenson. The proposed project includes 17 single-family residential lots along Davis Blvd. and North Charlotte Ave., as well as the replacement of 629 linear feet of existing bulkhead. 10 residential lots would have private docks with boat slips, and 7 residential lots would have deeded access to the 7 private community docks. She confirmed that no issues were identified at the Technical Review Committee, that the lots meet minimum dimensional standards, and that single-family residences are permitted uses in both applicable zoning districts. She confirmed the maximum height requirement of 45 feet and noted it would be formally verified in Phase II.

Mayor Navey took a moment to explain the rationale for the Town's two-phase subdivision review process, established several years ago to prevent applicants from spending significant money on engineering drawings before receiving preliminary feedback on fundamental matters such as setbacks, heights, and lot counts. He noted that if an applicant returns to Phase II with a substantially different proposal, such as an increased number of lots, the project would have to restart at Phase I.

Entered Public Hearing at 6:16pm.

Gina Bryan, LaGrange. 116 Davis Blvd., addressed the boards on behalf of the 39 families currently occupying the mobile home community on Davis Blvd. She read from a prewritten statement describing their deep attachment to the neighborhood, noting that some families have lived there for over 40 years. Even though they knew this could happen, they are heartbroken. She expressed grief and frustration over how residents were notified by the property owner of the impending displacement. She stated that some residents received a letter from the property owner shortly after Christmas, which she characterized as cold and threatening, with no compassion and that several families never received any notice at all. She argued that had residents been given a reasonable timeframe, approximately one year, they would have been better able to mentally and financially prepare. Some families can no longer afford to come to Atlantic Beach. She noted that some residents had recently paid lot rent, invested in new docks, boat lifts, and remodeling, unaware that displacement was forthcoming, and that many now face high costs to move or demolish their trailers. She expressed concern about the broader economic impact on Atlantic Beach, noting that these families regularly spend money at local businesses throughout the year, in contrast to the anticipated higher-income, primarily out-of-state buyers who may visit only occasionally. She closed by asking that, if the project must proceed, residents at least be allowed to remain in peace through the summer.

Chamblee acknowledged that this has happened a couple of times, and while the situation was deeply difficult, the fundamental issue was one of private property rights: the landowner has the right to decide what to do with their property.

Attorney Wes Collins, representing the property owner, stated that proper statutory notice had been provided to all occupants on December 22 and that the required 180-day notice period had been given, and extended until June 20. He indicated that the goal was full compliance with the timeline to vacate and that while no court action had been filed, that avenue remained available if necessary. He emphasized that his client wished to be reasonable and was willing to work with residents. He acknowledged that some leases were unwritten and noted that the situation placed both the property planners and the property owners in a difficult position. He is unable to verify at this time what action will be taken if the owners abandon the trailers and other personal property without having them removed.

Councilmember Baker noted she had personally owned a trailer in the park, expressed empathy for the residents, and asked whether there had been any discussions about allowing residents to remain through the summer season, given that being notified in December of a displacement before summer was particularly painful. She also inquired whether at least one resident who had paid yearly rent had been reimbursed. Attorney Collins indicated that those who vacated early and cleared their personal property would not be charged further rent and that refund situations were being worked through on a case-by-case basis.

Ms. Piner spoke from the audience, she feels six months is long enough to get the trailers removed. She stated she has not charged any rent this year; the December 22 letter stated that. She is continuing to pay taxes on the land. Even if this project does not move forward, this land will no longer house trailers. There are only eleven septic tanks to host all of the trailers, and they are failing. It is time to move on.

Webster clarified that, per the Town's ordinance, public hearing notices are sent to the real property owner of record, not to individual trailer occupants, as the Town does not maintain those personal property addresses. She acknowledged this was an imperfect outcome and confirmed that signs were posted and the hearing was advertised twice in the newspaper, but expressed regret that trailer residents may not have received adequate individual notice.

A lady in the audience stated that they were under the impression this was a done deal when they got the letter in December. Webster explained that a done deal with the property owner is different than a done deal with the town.

Out of Public Hearing at 6:20pm.

Wilson made a motion *to recommend* approval of the Concept Proposal for Major Site Plan and Major Subdivision and to advance the project to Phase II. Seconded by Ramsey. Vote was 7-0.

Councilmember Starling made a motion *to approve* the Concept Proposal for Major Site Plan and Major Subdivision proposal for redevelopment of the 12 parcels owned by "Annie M Piner Family LTD PTNSP" by James Stephenson for 17 single-family residential lots along Davis Blvd. and North Charlotte Ave., and to proceed to Phase II. Seconded by Councilmember Waters. Vote was 5-0.

The Planning Board was allowed to leave the meeting. Council resumed their portion of the meeting at 6:41pm.

FY2026-27 Proposed Budget
John O'Daniel, Manager, presented a summary of the proposed FY2026-27 budget for the benefit of those in attendance who may not have been present at prior work sessions.

- **General Fund:** $10,980,000
- **Water Utility Fund:** $2,400,000
- **No property tax increase** is proposed for the upcoming fiscal year.
- A **modest water rate increase** is proposed, with most residential customers expected to see an increase of approximately $1 to $3 per month, depending on meter size and usage.
- **Debt:** The Town carries a very small amount of debt relative to its budget, consisting primarily of the public safety building, a ladder truck, and one remaining bond, with combined annual payments of approximately $675,000.
- **Fund Balance:** While the fund balance percentage declined following the Town's purchase of property near the bridge, it remains at approximately 40-42%, well above the Town's self-imposed 35% threshold. He noted that having healthy reserves enabled the Town to act quickly on that purchase without financing.
- Adjustments from the prior work session included increases in Police Department salaries for part-time staff, increases to Police small equipment and uniforms, removal of a boat motor line item, an increase to the Fire Department's capital outlay for SCBAs, and use of the contingency fund to keep the budget balanced. The tax collection rate assumption was adjusted from 99.6% to 99.7%.
- **Fee schedule changes** include a $5 online beach driving permit fee, an increase in the Junior Life Park fee from $35 to $100 per child to offset operating costs, and updated fire and EMS fees to better reflect the cost of repeat violation calls.

Entered into Public Hearing at 6:47pm.

No Comments.

Exited Public Hearing at 6:47pm

Mayor Pro Tem Archer made a motion *to approve* Ordinance 26-05-01 FY26-27 Budget. Seconded by Councilmember Waters. Vote was unanimous, 5-0. Motion carried.

APPOINTMENT/RE-APPOINTMENT OF BOARD OF ADJUSTMENT MEMBERS AND ALTERNATES
The seats of Tony Engrassia, Bonnie Pitts, Harrison Smith, Stephen Rea, ALT, and Larry Williamson, ALT expire June 30, 2026. They all wish to continue serving the board. Staff is requesting they all be re-appointed for terms expiring June 30, 2029.

Shannon Vance has not attended a meeting, participated in any training, taken her oath, or contacted staff since her June 26, 2023, appointment. Staff is asking her to be removed from the board.

Councilmember Baker made a motion *to re-appoint* Tony Engrassia, Bonnie Pitts, Harrison Smith, Stephen Rea, ALT, and Larry Williamson, ALT to the Board of Adjustment with terms expiring June 30, 2029. Seconded by Councilmember Dean. Vote was unanimous, 5-0. Motion carried.

APPROVAL OF AGREEMENT WITH RIVERS AND ASSOCIATES, INC. TO UPDATE WATER SYSTEM GIS ATTRIBUTES, CONDUCT ASSESSMENT OF WATER SYSTEM ASSETS, PROVIDE 10-YEAR CIP FOR WATER SYSTEM, AND DEVELOP ASSET MANAGEMENT PLAN, IN THE AMOUNT OF $172,500
Mayor Pro Tem Archer made a motion *to approve* the Agreement with Rivers and Associates, Inc. Seconded by Councilmember Waters. Vote was unanimous, 5-0. Motion carried.

RESOLUTION 26-05-01: RESOLUTION SUPPORTING EXTENSION OF SHELLFISH LEASING MORATORIUM
Manager O'Daniel explained that our state legislator is seeking a two-year extension of the moratorium to allow time for meetings with coastal towns and stakeholders who wish to use the area for shellfish leasing purposes.

Mayor Navey indicated that it was important for the Town to formally express its support for the extension so that state-level elected officials are aware of the Town's position. A formal resolution was deemed to carry more weight than a letter from the Mayor's desk alone.

Councilmember Dean made a motion *to adopt* Resolution 26-05-01, a Resolution Supporting the Extension of the Shellfish Leasing Moratorium. Seconded by Councilmember Baker. Vote was unanimous, 5-0. Motion carried.

TOWN MANAGER REPORT
Manager O'Daniel provided the following updates:

- Beach Music Festival: The event concluded successfully. Final financial figures are still being tabulated and will be presented at the next work session, along with feedback and proposed adjustments for the following year.
- Town Park: Fully open seven days a week, 10:00am to 10:00pm through August, for the summer season.
- Channel Dredging: Work began that morning on the Anchorage channel, prioritized given the start of the Big Rock fishing tournament approximately one week out. The Causeway Channel and outer channel are to follow.
- Pier Improvements: A contract has been signed with Stroud Engineering. Boring/geotechnical testing is scheduled for the first two weeks of July, after which design work will commence and then the CAMA major permit process.
- Hurricane Season: Hurricane season begins June 1. Residents should expect increased notifications regarding re-entry passes and hurricane preparedness.
- Memorial Day Weekend: Fire and lifeguard staff performed excellently, keeping residents and visitors safe with no major incidents to report.
- Police Chief Transition: He wished outgoing Police Chief Clifton well in his new opportunity with the County and noted that staff is actively managing the transition to ensure continuity of operations. He confirmed that the internal recruitment process for the Police Chief position had begun, with approximately six to seven days for internal applicants to express interest before the search would open externally if needed.

MAYOR/COUNCIL COMMENTS
Mayor Navey noticed Indian Beach having problems with big holes left on the beach strand and inquired if we had any problems since it is turtle nesting season. O'Daniel reported we only have one nest at this time.

Councilmember Starling offered extended praise for the Atlantic Beach Police Department, describing the current department as the most personable and accessible in his 20 years of experience with the town. He specifically recognized officers for proactively introducing themselves to local businesses and residents, and commended Chief Clifton for his leadership. He also stated the group is so personable, you might even mistake them for firemen.

Mayor Pro Tem Archer echoed those sentiments, stating that residents feel safe, which is a fundamental expectation of the department's work. He expressed sadness at Chief Clifton's departure and wished him well.

ADJOURN
There being no further action taken or business before Council the meeting stood adjourned. The time was 7:03pm.

These minutes were approved at the June 15, 2026 meeting of the Atlantic Beach Town Council.

TOWN OF ATLANTIC BEACH

ATTEST:

(seal)

Katrina Tyer - Town Clerk

Danny Navey - Mayor