

TOWN OF ST. JAMES WORK SESSION MINUTES

August 20, 2026

The St. James Town Council held a Work Session on August 20, 2026, in the Earl Dye Council Chamber. Mayor Toner opened the Work Session at 10:00 a.m.

Council Members Present: Mayor Jean Toner, and Councilors Lynn Dutney, Dennis Barclay, and Bill Miller.

Absent: Mayor Pro Tem Jim Board

Staff Present: Town Manager Jeff Repp, Finance Director Pauline Haran, and Town Clerk Jamie Burns

Others Present: Jim Crum, Board President of the St. James Fire Department; Ed Reeves and Joe Mastropietro, St. James Fire Department Committee Members; State Port Pilot reporter Eliot Duke and 12 residents

Administration Update

Mayor Toner indicated an addition to the agenda. Town Manager Jeff Reff requested adding Item C-Beekeeping/Beehives to the Administration Update.

a. *St. James Fire Department Station #1 Renovation Project Presentation*

Jim Crum explained that the purpose of the presentation was to share the renovation concepts, provide background on the planning process, and open dialogue with the council. He introduced Ed Reeves, the board member charged with facilities management and Lieutenant Joe Mastropietro, who served as the primary planner given his extensive background designing fire stations in New York City.

Lieutenant Mastropietro presented two renovation options developed to bring the station into compliance with OSHA, NFPA, federal law, and local codes, while also addressing the department's growth and potential need for housing requirements involving staffing full-time employees. **Option 1:** Work within the existing building space at an estimated cost of \$341,560. This option was reviewed and rejected by the committee, as it would not achieve ADA compliance on the second floor and would fail to provide the required enclosed decontamination/bunker gear washing area. **Option 2:** Convert the first apparatus bay into administrative, decontamination, or storage space, and expand the second floor to include a new training room, bunk and locker room, elevator (for ADA compliance), conditioned EMS storage, and upgraded mechanical and electrical systems. This option was recommended by the committee at a total estimated cost of \$1,124,476, including \$102,226 in soft costs (design, IT, and filing fees).

Councilor Bill Miller asked several questions, including how swing space during construction would be managed (Lt. Mastropietro explained trailers would be used for administrative and EMS functions, with Station 2 absorbing some functions), whether the building footprint could be expanded (it could not, as the site was already at approximately 90% of allowable impervious coverage), and whether structural reinforcement of the first floor would be needed to support second-floor additions (Lt. Mastropietro indicated the existing 8-inch slab with rebar should be sufficient, with only

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minor column additions potentially required). Councilor Dennis Barclay asked whether features designed for a future paid or hybrid department could be deferred and Lt. Mastropietro advised that retrofitting later would cost approximately 1.5 times more.

Mayor Toner directed the question of funding to Town Manager Jeff Repp who suggested the remaining \$500,000-\$600,000 beyond the state appropriation could likely be handled through the annual budget process beginning in February 2027. Unsecured borrowing would be difficult and expensive given the town does not own the property. Mr. Crum noted that the department would work with Finance Director Pauline Haran to revisit the capital improvement plan, potentially deferring lower-priority items to accommodate the project. Mayor Toner emphasized that firefighter and public safety must not be compromised in any funding trade-off.

The council expressed consensus to allow the SJFD to proceed to the next phase. Mr. Crum requested and received authorization to proceed with a Request for Proposal (RFP) for design-build services.

Jim Crum, Ed Reeves, and Joe Mastropietro left the meeting at 10:34 a.m.

b. *July 2026 Event Center and Zoning Summary Report*

Town Manager Jeff Repp reported that 11 zoning permits were issued in July (1 for new construction and 10 for other uses). The 12-month running total stood at 29 new residential permits and 105 others. He noted new construction had slowed but anticipated an uptick in the next 6-12 months as St. James North comes online. Mr. Repp indicated that St. James North has submitted infrastructure plans and plans for parcel CN1, the primary commercial parcel, and that permit issuance for both the road network (approximately 40 percent of public roads in Phase 1) and the CN1 shopping center/commercial parcel is expected by end of the month. No residential permits have been submitted by the developer to date.

Regarding the Event Center, Mr. Repp reported that as of the end of July, 1,681 events have been held in 2026, generating \$61,412 in billable revenue, which is consistent with prior years. Eighty-six percent of events were Category 1 resident events with no charge. Mayor Toner noted positive feedback from a non-resident event that committed to holding their annual event at the Event Center going forward and directed staff to convey appreciation to the Event Center team.

c. *Beekeeping/Bee Hives update*

Town Manager Jeff Repp presented follow up information on a proposed town-facilitated bee relocation program. He summarized input received from the Town's attorneys and the Town's insurance carrier and asked how the Council would like to proceed.

The insurance company's response was non-committal – neither approving or excluding coverage—which raised concern among Mayor Toner and Council Dutney. They were not in favor of proceeding without a clear affirmative answer from the insurer, noting that

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the Town could face liability. Mayor Toner also questioned whether the Town is legally qualified to engage in such a program under the applicable state provisions, which appear to permit municipal involvement only for agricultural or economic benefit purposes—neither of which clearly apply. Councilor Miller expressed support for the program's broader environmental rationale. He acknowledged the ecological importance of pollinators and noted that the town funds other altruistic endeavors such as the Waterway Park and UNCW contributions. However, he stressed that several key questions remained unanswered and that more clarity was needed from attorneys, the POA, and the insurance company before committing. Councilor Barclay also expressed support for the concept but suggested the POA may be the more appropriate entity to administer the program.

The Council reached consensus that more definitive information was needed, particularly a clear insurance determination. Mr. Repp was directed to seek further clarification from the insurance carrier, the Town's attorneys, and any other relevant parties before the item is revisited.

Finance Update:

a. July 2026 Finance Report

Finance Director Pauline Haran presented the July 2026 finance report, noting it reflected a characteristically light first two months of the fiscal year, as the two largest revenue deposits are accrued back to fiscal year 2026 and cannot be counted in fiscal year 2027 revenues. She noted that total sales tax collected in fiscal year 2026 reached approximately \$3.6 million, roughly \$200,000 (approximately 5%) more than the prior year.

Ms. Haran provided several updates: the final payment on the town's long-term debt has been made, though she had not yet received written confirmation of payoff and planned to follow up. She reminded the council that the Volunteer Appreciation Luncheon was set for January 21st. Recent purchases at the Event Center included a new coffee machine (\$1,800), a new ice machine (\$6,000), and a large TV for the activities room (\$400). A new commercial-grade freezer is also needed due to compromised insulation, estimated at approximately \$8,000. The cones on the sidewalk leading from the parking lot to gazebo are to prohibit traffic due to degradation of the sidewalk. Mr. Repp will meet with the contractor to determine what is causing the erosion and report back to the Council when he has additional information.

Ms. Haran reported that the town received a \$299,000 reimbursement check from NCDOT for the streetlight carbon reduction grant sooner than anticipated. It will be accrued back to fiscal year 2026. She noted soil testing for the Event Center expansion project had been completed and results would go to the architect. Finally, she reported that auditors had completed their fieldwork with no urgent issues raised. A draft audit is expected by end of September, and a formal auditor presentation is anticipated at the December council meeting.

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Adjournment

Mayor Toner thanked members of the public for attending and asked if there were any questions or comments. Two residents indicated support for the bee relocation project.

Mayor Toner adjourned the Work Session at 11:03 a.m.

Respectfully Submitted,

Approved,

Jamie Burns, Town Clerk

Jean R. Toner, Mayor