AGENDA
TOWN OF NAGS HEAD BOARD OF COMMISSIONERS
NAGS HEAD MUNICIPAL COMPLEX – BOARD ROOM
WEDNESDAY, APRIL 1, 2026; 9:00 AM
REGULAR SESSION

A. CALL TO ORDER/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE

B. ADOPTION OF AGENDA

C. RECOGNITION

1. FIFTEEN YEARS – Fire Captain Matthew Swain – Mar 2, 2011

   TWENTY YEARS — Police Sergeant Chris Braddy – January 31, 2006

   PROCLAMATION – Local News Day – April 10, 2026
   PROCLAMATION – Dark Sky Week – April 13–20, 2026
   PROCLAMATION – Tick-Borne Disease Awareness Month – April 2026
   PROCLAMATION – Child Abuse Prevention Month – April 2026

D. PUBLIC COMMENT

E. CONSENT AGENDA

1. Consideration of Budget Amendment #9 to FY 25/26 Budget
2. Consideration of Tax Adjustment Report
3. Approval of Minutes
4. Consideration of Fair Housing Month Proclamation
5. Request for Public Hearing to consider a Vested Right/Special Use Permit/Site Plan Amendment submitted by WithersRavenel on behalf of Outer Banks Hospital, for the Cancer Treatment Center located at 4927 S. Croatan Highway. The applicant is requesting a reduction in required parking spaces in order to utilize the spaces for other required infrastructure.

F. REPORTS AND RECOMMENDATIONS FROM THE PLANNING BOARD AND THE PLANNING AND DEVELOPMENT DIRECTOR

1. Update from Planning Director
2. Update on North Carolina Division of Water Infrastructure Septic Health Grant and Zero Interest Loan Program

G. OLD BUSINESS/ITEMS TABLED FROM PREVIOUS MEETINGS

1. Update and Discussion of the 2026 Beach Nourishment Project — Moffatt & Nichol - Time Specific 10:30 a.m.
   - Presentation of Project Schedule and Logistics
   - Request Approval of McKim & Creed Proposal to Conduct Post-Nourishment Monitoring Survey

2. Actions Necessary to Approve 2026 Beach Nourishment Project
   - Consideration of Findings Resolution

3. Review of Town Legislative Agenda

H. NEW BUSINESS

1. Committee Reports

2. Presentation of Classification and Compensation Study Report

3. Consideration of Resolution Supporting Continued Direct Local Citizen Input in Municipal Property Tax Program

I. ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN ATTORNEY

J. ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN MANAGER

1. Financial Update

2. Consideration of Unspent Capital Improvement Program Funds From Public Services Financing

3. Discussion of Upcoming Budget Preparation Meetings Schedule

K. BOARD OF COMMISSIONERS AGENDA

L. MAYOR’S AGENDA

1. Consideration of Board of Directors Voting Delegate for the North Carolina League of Municipalities (NCLM)

M. CLOSED SESSIONS

1. Request for Closed Session to Consult with the Town Attorney Regarding Matters Protected by the Attorney/Client Privilege and to Preserve that Privilege, to include the Cherry, Inc Litigation Pursuant to GS 143-318.11(a)(3)

2. Request for a Closed Session to Consider a Personnel Matter Pursuant to 143-318.11(a)(6)

N. OTHER BUSINESS

O. ADJOURNMENT/RECESS TO FY 26/27 BUDGET WORKSHOP

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM C.1.

FIFTEEN YEARS – Fire Captain Matthew Swain – Mar 2, 2011

TWENTY YEARS — Police Sergeant Chris Braddy – January 31, 2006

PROCLAMATION – Local News Day – April 10, 2026
PROCLAMATION – Dark Sky Week – April 13–20, 2026
PROCLAMATION – Tick-Borne Disease Awareness Month – April 2026
PROCLAMATION – Child Abuse Prevention Month – April 2026

Prepared by	Reviewed by
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation

Congratulations!

Specific Action Requested

Recognize employees; adopt proclamations

Summary

Recognition at the April 1, 2026 Board of Commissioners meeting will include the above-listed items; Local News Day, Dark Sky Week, Tick-Borne Disease Awareness Month, and Child Abuse Prevention Month Proclamations are attached for Board consideration.

Attachments

1. 4C Local News Day proc
2. 4C Dark Sky Week proc
3. 4C Tick-Borne Disease Awareness month proc
4. 4C Child Abuse Prev month proc

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

Local News Day Proclamation
April 2026

WHEREAS, Americans overwhelmingly say local news and information is the most important and most trusted source of news; and

WHEREAS, local journalism is a foundational element of a functioning and healthy democracy; and

WHEREAS, local journalism equips communities for civic engagement and action; and

WHEREAS, communities across the state are joining together to recognize and celebrate the importance of local news during the second week of April; and

WHEREAS, the Town of Nags Head community relies on trusted local news for reliable, vetted information, both in daily living and in moments of crisis; and

WHEREAS, the Town of Nags Head is served by several news outlets; and

WHEREAS, the Town of Nags Head recognizes the critical importance of local news in many forms;

THEREFORE, we, the Town of Nags Head Board of Commissioners, do hereby proclaim

April 10, 2026

as "Local News Day" in the Town of Nags Head and commend its observance to all residents.

This the 1st day of April 2026.

Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

Brittany A. Phillips, Town Clerk

Proclamation Supporting the Dark Skies, Bright Stars Initiative
April 2026

WHEREAS, the Town of Nags Head recognizes that the preservation of the night sky is essential for the protection of the natural environment, human health, safety, and the quality of life of its residents and visitors; and

WHEREAS, excessive and misdirected artificial light contributes to light pollution, which negatively impacts wildlife, disrupts ecosystems, wastes energy, and obscures views of the stars and planets; and

WHEREAS, dark skies are essential for the health of nocturnal species, including sea turtles, migratory birds, and other wildlife that rely on natural darkness for survival; and

WHEREAS, scientific research indicates that exposure to artificial light at night can disrupt human circadian rhythms, contributing to sleep disorders and other health issues; and

WHEREAS, the preservation of dark skies contributes to tourism, recreational activities, and the overall enjoyment of the natural environment, which are vital to the Town's economy and community identity; and

WHEREAS, the Town of Nags Head has launched the Dark Skies, Bright Stars Initiative to raise awareness about the importance of reducing light pollution and to encourage responsible outdoor lighting practices; and

WHEREAS, the Town of Nags Head is committed to promoting public education, voluntary residential light evaluation, and sky quality monitoring, particularly on new moon nights, to better understand and mitigate the effects of light pollution; and

WHEREAS, the Town encourages businesses, residents, and visitors to be respectful neighbors and allow others the peaceful enjoyment of their property, and to utilize fully shielded outdoor lighting fixtures, use lighting only when necessary, and choose warmer color temperature lighting (3000 Kelvin or less) to minimize glare and light trespass.

THEREFORE, we, the Town of Nags Head Board of Commissioners, do hereby proclaim support for the Town's Dark Skies, Bright Stars Initiative and Dark Sky Week, April 13-20 2026, and encourages the community to join in efforts to protect and preserve the beauty and integrity of the night sky.

BE IT FURTHER RESOLVED, that the Town will continue to work with local organizations, businesses, and residents to promote best lighting practices, enhance public education, and support efforts aimed at reducing light pollution.

This the 1st day of April 2026.

____
Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

____
Brittany A. Phillips, Town Clerk

Tick-Borne Disease Awareness Month Proclamation
April 2026

WHEREAS, tick-borne diseases, including Lyme disease, Rocky Mountain spotted fever, ehrlichiosis, and other vector-borne illnesses, pose significant public health risks in North Carolina; and

WHEREAS, the State of North Carolina has recognized April as Tick and Mosquito Awareness Month to promote prevention, early detection, and education regarding vector-borne illnesses; and

WHEREAS, certain tick-borne diseases, including Lyme disease, are serious bacterial infections that can affect the joints, heart, nervous system, and other organs if left untreated; and

WHEREAS, tick bites may go unnoticed due to their small size, and symptoms may not always include a recognizable rash, increasing the importance of vigilance and medical evaluation when illness occurs; and

WHEREAS, early diagnosis and prompt medical treatment significantly reduce the risk of long-term health complications associated with tick-borne disease; and

WHEREAS, prolonged or untreated tick-borne illness can result in significant physical hardship and may also contribute to emotional and mental health challenges for affected individuals and their families; and

WHEREAS, the Town of Nags Head's coastal and maritime forest environment creates conditions where tick exposure may occur through outdoor work, recreation, and daily activities among residents, visitors, and employees; and

WHEREAS, awareness, personal protective measures, routine tick checks, and proper tick removal techniques are effective tools in reducing the risk of infection; and

WHEREAS, fostering an informed and supportive community encourages individuals to seek timely medical care and helps reduce stigma associated with tick-borne illness and related health challenges;

THEREFORE, we, the Town of Nags Head Board of Commissioners, do hereby proclaim

April 2026 as Tick-Borne Disease Awareness Month

and encourages all residents, visitors, and employees to practice preventive measures, remain vigilant when engaging in outdoor activities, and support continued education regarding tick-borne diseases.

This the 1st day of April 2026.

____
Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

____
Brittany A. Phillips, Town Clerk

Child Abuse Prevention Month Proclamation
April 2026

WHEREAS, children are vital to our state's future success, prosperity, and quality of life, as well as being our most vulnerable assets; AND

WHEREAS, all children deserve safe, stable, and nurturing homes and communities that foster their healthy growth and development; AND

WHEREAS, child abuse and neglect are community responsibilities, affecting both the current and future quality of life of our communities; AND

WHEREAS, communities that provide parents with social support, knowledge of parenting and child development, and the resources they need to cope with stress and nurture their children help ensure that all children grow to their full potential; AND

WHEREAS, effective child abuse prevention strategies succeed because of partnerships among citizens, human service agencies, schools, faith communities, health care providers, civic organizations, law enforcement agencies, and the business community.

THEREFORE, we, the Town of Nags Head Board of Commissioners, do hereby proclaim

April 2026 as Child Abuse Prevention Month

and call upon all citizens, community agencies, faith groups, medical facilities, elected leaders, and businesses to increase their participation in our efforts to support families, thereby preventing child abuse and strengthening the communities in which we live.

This the 1st day of April 2026.

____
Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

____
Brittany A. Phillips, Town Clerk

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM E.1.

Consideration of Budget Amendment #9 to FY 25/26 Budget

Prepared by	Reviewed by
Amy Miller, Deputy Town Manager/Finance Officer	Amy Miller Brittany Phillips Andy Garman

Staff Comments/Recommendation

There is a justification included under the budget amendment which explains the purpose of the amendment.

Specific Action Requested

This item is provided for Board review and approval.

Summary

Attached please find Budget Amendment #9 to the FY 25/26 Budget which is provided for Board review and approval at the 4/1/2026 Board of Commissioners meeting. Budget Amendment #9 is in accordance with the FY 25/26 Budget Ordinance, adopted at the June 11, 2025 meeting.

Attachments

1. 4 E1 Budget amend 9 to FY25-26

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

TOWN OF NAGS HEAD

BUDGET AMENDMENT REQUEST
FY 2025-2026

BUDGET AMENDMENT NO. **9**
Amendment **9.1**

SOURCE OF FUNDS | USE OF FUNDS

CODE	ACCOUNT	AMOUNT		CODE	ACCOUNT	AMOUNT
900-599900	**General Fund** **Expenditures** Manager's Contingency	14,469.00		730-577200	**General Fund** **Fire Expenditures** Capital Outlay Buildings	14,469.00
TOTAL CHARGES		$ 14,469.00		TOTAL CREDITS		$ 14,469.00

JUSTIFICATION

Use manager's CIF contingency for additional funds needed for Station 16 generator.

ADMINISTRATIVE SERVICES 3/25/2026
RECOMMENDED BY DATE

APPROVED BY BOC: DATE

POSTED TO GENERAL LEDGER: INITIALS

TOWN OF NAGS HEAD

BUDGET AMENDMENT REQUEST
FY 2025-2026

BUDGET AMENDMENT NO. **9**
Amendment **9.2**

SOURCE OF FUNDS				USE OF FUNDS		
CODE	ACCOUNT	AMOUNT		CODE	ACCOUNT	AMOUNT
	General Fund				**General Fund**	
	Revenues				**Expenditures**	
10-430900	Golden LEAF grant	125,755.00		900-590093	Transfers to the Capital Investment Fund	125,755.00
	Capital Investment Fund				**Capital Investment Fund**	
	Revenues				**Expenditures**	
11-492000	Transfers from the General Fund	125,755.00		911-590087	Contribution to fund balance	125,755.00
TOTAL CHARGES		$ 125,755.00		TOTAL CREDITS		$ 125,755.00

JUSTIFICATION

Rebudget grant funds in FY 25/26.
Golden LEAF grant-S. Memorial Ave. drainage.

ADMINISTRATIVE SERVICES	3/26/2026		
RECOMMENDED BY	DATE	APPROVED BY BOC:	DATE

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM E.2.
Consideration of Tax Adjustment Report

Prepared by	Reviewed by
Jackie Szymanski, Tax Collector	Jackie Szymanski Brittany Phillips Andy Garman

Staff Comments/Recommendation
N/A

Specific Action Requested
This item is provided for Board review and approval.

Summary
Attached please find the list of adjustments to the 2025 Tax Levy (per information received from Dare County) for the monthly Property and MSD valuations.

These reports are submitted for your approval at the April 1, 2026 Board of Commissioners meeting.

Attachments
1. 4 E2 Tax Adj Town-Wide Report
2. 4 E2 Tax Adj MSD Report

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

Town of Nags Head, North Carolina
ANALYSIS OF CURRENT 2025-2026 TOWN WIDE TAX LEVY
2025 Tax Levy As of Mar 24 , 2026 for Apr 1, 2026 BOC

	Town-Wide Tax			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current 2025 rate	5,171,302,058	0.002320	11,998,450.08	11,998,450.08	
Registered Motor Vehicles at current 2025 rate	34,228,242	0.002320	79,408.39		79,296.98
Registered Motor Vehicles at 2024 year's rate	15,870,150	0.003300	52,371.50		52,371.50
Registered Motor Vehicles at 2023 year's rate	22,400	0.003300	73.95		73.95
Penalties			5,552.37	5,552.37	
Total	**5,221,422,850**		**12,135,856.29**	**12,004,002.45**	**131,742.43**
Discoveries & Adjustments:					
Current year discoveries & adjustments tax	41,768		88.55	88.55	
Town wide beach nourishment tax			8.35	8.35	
Corporate Utilities discoveries & tax	24,132,206		51,160.27	51,160.27	
Corporate Utilities beach nourishment tax			4,826.43	4,826.43	
Penalty Discoveries			0.00	0.00	
Total	**24,173,974.00**		**56,083.60**	**56,083.60**	
Releases & Adjustments:					
Current year releases & adjustments	(16,996,279)		(36,617.23)	(36,032.10)	(585.13)
Town wide beach nourishment			(3,399.26)	(3,399.26)	
Penalty Releases			(47.76)	(47.76)	
Total	**(16,996,279)**		**(40,064.25)**	**(39,479.12)**	**(585.13)**
Write-offs (under $1.00) or Adjustments:			0.00	0.00	
Total Property Valuation	**5,228,600,545**				
Net levy		**12,151,764.23**		**12,020,606.93**	**131,157.30**
Uncollected Taxes & Penalties		(33,150.06)		(33,150.06)	0.00
Uncollected Town Wide Beach Nourishment		(3,759.16)		(3,759.16)	
TOTAL UNCOLLECTED TAXES AS OF 03/24/26:		**(36,909.22)**		**(36,909.22)**	**0.00**
CURRENT YEAR TAXES COLLECTED:		**12,114,855.01**		**11,983,697.71**	**131,157.30**
CURRENT LEVY COLLECTION PERCENTAGE:		**99.696%**		**99.693%**	**0.000%**

Town of Nags Head, North Carolina
ANALYSIS OF CURRENT 2025-2026 MSD TAX LEVY
2025 Tax Levy As of Mar 24 , 2026 for Apr 1, 2026 BOC

	BEACH NOURISHMENT DISTRICT					
	MSD Valuation	Rate	Total Levy	MSD Excluding Registered Motor Vehicles	Registered Motor Vehicles	
Original MSD Levy:						
MSD Beach Nourishment at Current 2025 Dist 1 Rate	966,453,299	0.00090	869,807.94	869,807.94		
MSD Beach Nourishment at current 2025 Dist 2 Rate	826,305,310	0.00090	743,674.87	743,674.87		
MSD Beach Nourishment at Current 2025 Dist 3 Rate	1,764,477,822	0.00005	88,225.53	88,225.53		
MSD Beach Nourishment at Current 2025 Dist 4 Rate	1,181,551,706	0.00010	118,155.31	118,155.31		
MSD Beach Nourishment at Current 2025 Dist 6 Rate	0	0.00000	0.00	0.00		
Registered Motor Vehicles at Current 2025 Dist 1 Rate	1,730,130	0.00090	1,055.83		1,055.83	
Registered Motor Vehicles at Current 2025 Dist 2 Rate	1,257,930	0.00090	1,235.45		1,235.45	
Registered Motor Vehicles at Current 2025 Dist 3 Rate	4,845,900	0.00005	246.97		246.97	
Registered Motor Vehicles at Current 2025 Dist 4 Rate	2,986,811	0.00010	304.13		304.13	
Registered Motor Vehicles at Current 2025 Dist 5 Rate	0	0.00000	0.00		0.00	
Registered Motor Vehicles at Current 2025 Dist 6 Rate	0	0.00000	0.00		0.00	
Registered Motor Vehicles at 2024 Dist 1 Rate	271,252	0.00143	387.89		387.89	
Registered Motor Vehicles at 2024 Dist 2 Rate	822,517	0.00143	1,176.20		1,176.20	
Registered Motor Vehicles at 2024 Dist 3 Rate	1,754,200	0.00005	87.71		87.71	
Registered Motor Vehicles at 2024 Dist 4 Rate	1,618,500	0.00010	161.85		161.85	
Registered Motor Vehicles at 2024 Dist 6 Rate	1,342,600	0.00005	67.13		67.13	
Registered Motor Vehicles at 2023 rate	0	0.00143	0.00		0.00	
Penalties			0.00			
Total	**4,755,417,978**		**1,824,586.81**	**1,819,863.65**	**4,723.16**	
Discoveries & Adjustments:						
Current year discoveries & adjustments	0		0.00	0.00		
			0.00	0.00		
Total	**0**		**0.00**	**0.00**		
Releases & Adjustments:						
DMV Current year valuation adjustments	0		0.00	0.00	0.00	
DMV Current year tax releases	(1,394,194)		0.00	0.00	0.00	
Real/Personal Current year releases & adjustments	(8,604,956)		(7,774.64)	(7,774.64)		Dist 2,3 & 4
Total	**(9,999,150)**		**(7,774.64)**	**(7,774.64)**	**0.00**	
Write-offs (under $1.00) or Adjustments:			0.00	0.00		
Total MSD Valuation	**4,745,418,828**					
Net levy		**1,816,812.17**		**1,812,089.01**	**4,723.16**	
TOTAL UNCOLLECTED MSD AS OF 03/24/26:		**(5,701.04)**		**(5,701.04)**	**0.00**	
CURRENT YEAR MSD COLLECTED:		**1,811,111.13**		**1,806,387.97**	**4,723.16**	
CURRENT MSD COLLECTION PERCENTAGE:		**99.686%**		**99.685%**	**0.000%**	

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM E.3.

Approval of Minutes

Prepared by	Reviewed by
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for Board review and approval.

Summary

Attached for Board review and approval are the following DRAFT Board of Commissioners meeting minutes:

March 4, 2026 Regular Session
March 4, 2026 Budget Workshop
March 18, 2026 Recessed Session

Attachments

1. 4 E3 Mar 4 2026 DRAFT BOC mins
2. 4 E3 Mar 4 2026 DRAFT Bud Workshop mins
3. 4 E3 Mar 18 2026 DRAFT BOC mins

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

DRAFT MINUTES
TOWN OF NAGS HEAD
BOARD OF COMMISSIONERS
REGULAR SESSION
WEDNESDAY, MARCH 4, 2026

The Nags Head Board of Commissioners met at the Board Room located at 5401 S Croatan Highway, Nags Head, North Carolina on Wednesday, March 4, 2026 at 9:00 a.m. for a Regular Meeting.

Board Members Present:	Mayor Ben Cahoon; Mayor Pro Tem Megan Lambert; Comr. Bob Sanders Comr. Megan Vaughan; and Comr. Molly Harrison
Board Members Absent:	None
Others Present:	Town Manager Andy Garman; Attorney John Leidy; Amy Miller; Kelly Wyatt; David Ryan; Randy Wells; Perry Hale; Steven Anderson; Nancy Carawan; Joe Costello; Roberta Thuman; Karen Snyder; Katie Anzalone; Shane Hite; Terrance Whitley; Chris Trembly; Eddie Williams; Peggy Saporito; Lorrie Love; Lee Nettles; Diane Bognich; Dennis Robinson; Chris Greening; Paige Griffin; Courtney Gallop; Sara Hole; Richard Quidley; Michael Tillett; John Delucia; Mike Robinson; Mark Kasten; Randy Cartwright; Tony Parisi; Pam McCormick; Peggy Cathey; Chris Greening; Whitney Campbell Christensen; Marley Peterson; Mark Ballog; Andrea Sullivan; Jamie Chisholm; Sara Sampson; multiple audience members for GBC appeal; and Town Clerk Brittany A. Phillips

Mayor Cahoon called the meeting to order at 09:01 a.m. A moment of silence was followed by the Pledge of Allegiance.

ADOPTION OF AGENDA
MOTION: Comr. Sanders moved to adopt the March 4th agenda as presented. The motion was seconded by Comr. Vaughan, which passed unanimously.

RECOGNITION
NEW EMPLOYEE – Public Services Director introduced Sanitation Equipment Operator Terrance Whitley, who was welcomed by the Board to Town employment.

Network for Endangered Sea Turtles (NEST) Update and Consideration of Revised Memorandum of Understanding
Tony Parisi from NEST gave the Board an update on their recent activities and initiatives. The summary sheet read in part as follows:
"We have invited representatives from the Network for Endangered Sea Turtles to update the board on recent activities and initiatives to include sea turtle monitoring, turtle-friendly lighting, and educational campaigns. Staff recently met with NEST and suggested collaborating on these efforts. NEST would like to incorporate educational materials into signage at beach accesses. They are requesting an amendment to the existing MOU to allow for this, which would read as follows:

'In addition to the one educational sign currently authorized at each designated beach access, this Memorandum of Understanding permits N.E.S.T. and the Town of Nags Head to collaborate on the development and installation of additional educational signage related to light reduction and sea turtle protection.

'Staff would suggest working with NEST on educational information related to our Dark Sky Initiative and turtle-friendly lighting to include additional signage at our beach accesses."

The Board thanked Mr. Parisi and NEST for their work.

MOTION: Comr. Harrison moved to approve the modifications to the MOU with NEST as presented. The motion was seconded by Comr. Sanders, which passed unanimously.

The presentation by NEST is attached as Addendum "A" and the updated MOU is on file in the Town Clerk's office.

PRESENTATION — Arts & Culture Committee
Event Coordinator Paige Griffin presented a slideshow that summarized the report, which read in part as follows:
"Planning Staff and members of the Nags Head Committee for Art and Culture will be providing a brief presentation to the Board of Commissioners at their March 4, 2026, meeting. The intent of the presentation is to highlight efforts by the Committee during the 2025/2026 Season, and to provide information on what the

Committee would like to achieve during the upcoming 2026/2027 Season.

'2025 Season

'2025 Farmers Market Season

The 2025 Farmers Market season continued to reflect the strong attendance, energy, and popularity of the Town's signature community event. Consistent with the Committee's direction, priority was again given to returning vendors in recognition of their ongoing commitment and the relationships they have built with patrons. Due to the high number of returning participants, no permanent vendor spaces were available for new applicants this season. To provide opportunities for emerging vendors, the Committee implemented three (3) rotating vendor spaces, allowing for the introduction of new products and participants while maintaining continuity among established vendors. As in previous years, preference was given to vendors offering consumable goods such as fresh produce, cheeses, baked items, and specialty food products. Attendance remained strong throughout the season, with July continuing to generate the highest turnout. Parking remains the primary logistical constraint associated with the market's success. Overflow parking at Nags Head Elementary School and the YMCA continues to be utilized; however, peak summer attendance frequently results in parking pressures in the surrounding area. Despite these challenges, the market remains one of the Town's most well-attended and positively received community events.

'Summer Concert Series & Family Fun Times

The 2025 Summer Concert Series expanded to twelve performances and continued to be a well-attended and anticipated part of the Town's summer programming. Attendance continues to grow, with many familiar faces returning week after week, along with new attendees discovering the series for the first time. The series has developed a consistent rhythm within the community, with families and visitors alike incorporating the concerts into their regular summer routine.

Family Fun programming transitioned from evening to morning events in 2025, resulting in increased participation. The weekly, kid-friendly offerings were well received and featured a diverse lineup including the Corolla Wild Horse Fund, Ascension Music, storytelling, and interactive variety shows.
The Police and Fire Departments once again participated in a special Kids event, fostering positive engagement with families. Overall visitation trends indicate that both programs continue to grow steadily, with strong and sustained community enthusiasm.

'Public Art Initiatives

In 2025, the Committee for Art and Culture continued its efforts to expand and maintain public art facilities throughout the Town. While another crosswalk project was not undertaken this year, the Committee remained focused on advancing ongoing initiatives and introducing new creative elements in public spaces. The Art Mast Project continues to move forward, with two additional pieces currently underway by local artists Noah Snyder and Brent Nultemeier. Additionally, a Nature Loom was installed at Town Park, accompanied by educational signage. The interactive installation is already being utilized and provides creative, hands-on experience that encourages engagement with natural materials and the surrounding environment.

'Community Fitness, Programming and Partnerships

• Yoga on the Lawn & Fitness Fridays – Participation continued to grow in 2025, with both residents and visitors incorporating these wellness offerings into their regular routines. The programs have developed a steady following and are now an expected and well-supported part of the Town's seasonal programming.

• School & Community Partnerships – While a Young Entrepreneur Fall Market was not held this year, the Town partnered with Nags Head Elementary School during the annual Pumpkin Fair to host a Halloween movie, maintaining collaboration and engagement with local students and families.

• Movies in the Park – Several movie screenings were hosted in 2025, including events supported through community partnerships. Attendance and interest continue to build, reinforcing the program's value as a low-cost, family-friendly evening activity.

• Waggin' Wednesdays at the Dog Park - Waggin' Wednesdays was introduced in 2025 as a summer dog park program, held from late June through early August. The weekly sessions were well received in their first season, providing a casual opportunity for dog owners to connect while their pets socialized. Managed by part-time seasonal employee Emma Ortega, the program included interactive activities such as paw print paintings. Due to summer heat, staff anticipate adjusting the start time earlier next season to improve comfort for both pets and participants.

'Holiday & Winter Events

• Holiday Markets – Three Saturday Holiday Markets were held in 2025. An evening market was not scheduled this year due to lower attendance and vendor participation in prior seasons. The Saturday markets averaged approximately 60 vendors and 325 attendees per event. Community response remained strong, with many residents expressing appreciation for the opportunity to shop locally during the holiday season.

• 5th Annual Tree Lighting Ceremony – This year's celebration continued to grow in both attendance and programming. Enhancements included additional lighting throughout Dowdy Park (with support from Public

Services), the arrival of "Sprinkles the Elf" delivered by the Police Department ahead of Santa's arrival via the Fire Department, and musical performances by the Manteo High School Choral and String Ensemble as well as Ascension Music students. A limited number of commemorative ornaments were distributed during the event. The overall atmosphere and community participation reflected the continued success and evolution of this holiday tradition.

• 4th Annual Flashlight Candy Cane Hunt – The event experienced record participation this year, with approximately 175 attendees. As in previous years, participants were divided into two age groups, and more than 750 candy canes were hidden throughout the park. This event continues to grow in popularity and has become a highly anticipated tradition for local families.

• Winter Markets – The Winter Market series remains well attended and appreciated by both vendors and residents. January and February markets have been successful, with March and April dates forthcoming. These events continue to provide access to fresh foods and locally made products during the off-season.

'Social Media & Community Engagement
Community response on social media remains positive, reflecting strong support and enthusiasm for these events. Overall, the 2025 season was a success, with increased engagement across various programs. The Art and Culture Committee looks forward to building on this momentum in the coming year.

'2026 Season
The Committee for Art and Culture has been actively planning the upcoming season of events in 2026. Below is an overview of anticipated programming and initiatives:

'Dowdy Park Farmers Market – 2026 Vision
The 2026 Dowdy Park Farmers Market season is scheduled for Thursdays, June 11 through August 20, from 9:00 AM – 1:00 PM, allowing for eleven (11) markets. As in previous years, the schedule aligns with the Nags Head Elementary School summer break to avoid parking conflicts once school resumes. The market continues to experience strong vendor demand and community attendance. Based on outreach to prior participants, we anticipate most 2025 vendors returning, resulting in limited availability for new artisans. To balance consistency with opportunities for emerging vendors, staff intends to:

• Maintain a core group of full-season vendors.
• Offer a limited number of rotating vendor spaces to introduce new artisans and producers.
• Prioritize producers and consumables where possible to maintain product diversity.

'Staff conducted a vendor survey in Fall 2025 and held an after-action meeting to review feedback. The discussion provided helpful insight into vendor operations, customer flow, and overall market experience. Lessons learned from that process will inform minor operational refinements for the 2026 season. Once both full-season and rotating vendors are selected, staff will host a pre-season, in-person meeting to review expectations, logistics, and program goals to ensure a smooth and successful market season. Staff will continue to evaluate market operations, vendor mix, and site logistics to ensure the Dowdy Park Farmers Market remains vibrant, well-managed, and responsive to both community demand and emerging artisan interest.

'Summer Concert Series
The Summer Concert Series will continue in 2026 on Wednesday evenings from 6:30 PM – 8:00 PM, running from mid-June through early September. The season will expand to feature fourteen (14) performances, reflecting the program's continued growth and popularity. The series has developed a strong following among residents and visitors, with many now anticipating the weekly concerts and incorporating them into their summer routines. The 2026 lineup will include a thoughtful mix of familiar favorites and new performers, maintaining variety while building continuity and audience loyalty.

'Community Wellness and Enrichment Programs
The Town will continue expanding its Fitness & Wellness programming in 2026, building on the strong participation and positive feedback received in 2025.

'Adult Wellness Programming
• Yoga on the Lawn: Tuesdays, 7:30 AM – 8:30 AM
• Fitness Fridays: Fridays, 7:30 AM – 8:15 AM
• Wellness Wednesdays: New for 2026, introducing an additional mid-week wellness offering to further diversify morning programming and broaden participation.

These programs have developed a steady following among residents and visitors, many of whom now incorporate them into their weekly routines.

'Youth & Family Programming
Kid-friendly events will continue on select Tuesday and Friday mornings, featuring interactive, educational, and movement-based activities. Staff will invite vendors and organizations whose work aligns with each event theme,

including makers, growers, performers, and conservation-focused partners.

'Collaborations may include returning favorites such as:

- Corolla Wild Horse Fund
- Riptide
- Ascension Music
- JEF
- Storytelling and interactive variety performances

'The popular Kids Back-to-School Event will return in 2026, continuing to serve as a well-attended and anticipated end-of-summer tradition for families. As programming grows, staff will continue refining scheduling and partnerships to maintain a balance between wellness, creativity, and family engagement while preserving the welcoming and relaxed atmosphere of Dowdy Park.

'Movies in the Park

The Town will continue offering Movies in the Park, with an emphasis on fall scheduling when earlier sunsets allow films to begin at dusk while remaining compatible with young children's evening routines. Summer showings proved more challenging due to later start times that conflicted with family schedules. Staff will continue seeking sponsorships and community partnerships to support the program and enhance offerings. Plans are underway to incorporate a special feature aligned with the Town's Dark Skies, Bright Stars initiative, with a focus on engaging children through themed activities and educational elements.

'Waggin' Wednesdays at the Dog Park

Introduced in 2025 at the Satterfield Landing Dog Park, Waggin' Wednesdays provided a fun, low-key opportunity for residents and visitors to connect while their dogs socialized. The first season was well received, though warmer mid-morning temperatures highlighted the need for earlier start times. For the upcoming season, staff anticipate shifting the program to 8:00 AM or 9:00 AM to ensure a more comfortable experience for both pets and their owners. As with many new initiatives, participation is expected to build over time as awareness grows and the program becomes a seasonal staple. Budget impacts remain minimal.

'Holiday and Off-Season Markets

• Holiday Markets – The Holiday Market format has been refined to three Saturday markets, as the evening market was discontinued due to lower vendor participation and attendance. The Saturday markets continue to be extremely popular with locals and have become an anticipated seasonal tradition within the community.

• Tree Lighting Ceremony – The Tree Lighting Ceremony will continue building on the enhancements introduced in 2025, which were very well received. Highlights will again include Sprinkles the Elf, Santa, the Manteo High School choral and string ensemble, Ascension Music students, and a limited number of commemorative Town of Nags Head ornaments. Staff will explore opportunities to incorporate an additional special element to further enhance the experience while maintaining the event's charm and community feel.

• Flashlight Candy Cane Hunt – The Candy Cane Hunt experienced record attendance last year and has quickly become a local family favorite. The Committee will continue investing in this event, adding new elements each year to keep it fresh, engaging, and memorable for returning families.

• Winter / Off-Season Markets – Monthly Winter Markets will continue, providing residents with access to fresh foods and perishables during the off-season. These markets have been well received, fostering a loyal customer base and supporting a small but high-quality group of local vendors.

• Dowdy Park Enhancements – Following the installation of additional electrical infrastructure and expanded holiday lighting in 2025, staff plans to maintain these improvements and continue incrementally adding décor and enhancements to elevate the park's seasonal atmosphere.

'Other Art and Cultural Projects

• Art Mast Project – The Art Mast Project will continue in the upcoming season, with participation from local artists. Carol Hennessey and Dawn Gray Moraga (Red Dawn) are planning to provide new art panels, ensuring continued rotation and fresh creative energy throughout the program.

• Public Art Crosswalk Project – Building on the success of the Bonnett Street installation, the Committee intends to pursue another public art crosswalk project in the coming season, further blending pedestrian safety with creative placemaking.

• Proposed Temporary/Rotating Public Art Installation at Dowdy Park – Artist Piper Allison, in collaboration with the Dare County College of The Albemarle (COA) Campus, is developing a conceptual outdoor sculpture titled "Hometown Swell." The proposed installation would feature 14–16 donated or locally sourced surfboards arranged in a rising spiral around a central steel pole, reaching approximately 15 feet in height. The spiral form is intended to evoke the motion of a breaking wave and symbolize the energy, movement, and coastal identity of the Outer Banks. The artist has expressed interest in temporarily displaying the sculpture at Dowdy Park, should the project move forward. The concept remains in the early development stage and is contingent upon grant funding. Staff shared the proposal with the Committee for Art & Culture, where it was received very positively.

• Honoring the Legacy of Kerry Oaksmith Sanders – The Committee is deeply honored to be developing plans to celebrate and recognize the life and legacy of Kerry Oaksmith Sanders. Kerry's passion for art, movement, wellness, and inclusive community programming helped shape the spirit and energy of so many of the Town's events and gatherings. Her ability to bring people together through creativity and shared experience left a lasting imprint on this community. As plans take shape, the Committee's goal is to create a meaningful and lasting tribute that reflects Kerry's vibrant spirit and commitment to connection, expression, and joy. We look forward to sharing more as this project evolves.

'Whalebone Park – Future Programming Opportunities
With the recent upfit of Whalebone Park, including the addition of a covered pavilion, restrooms, and picnic area, the Town now has new infrastructure that supports expanded programming opportunities. The Committee for Art & Culture, with significant input from Event Coordinator Paige Griffin, has begun discussing potential new programs and events that would thoughtfully activate this space. Given the park's location at a highly visible and active intersection near Jennette's Pier, staff recognize that summer scheduling may present logistical challenges due to traffic and seasonal congestion. As such, early discussions are centered around possible Spring and Fall programming, when the area is more conducive to community-focused events.

'This concept is still evolving, and staff will continue to provide updates through the monthly Directors Report as ideas develop. While anticipated budget impacts would be modest, a small future budgetary request may be necessary to successfully launch programming at this location.

'Staffing & Support
The Town's events and community programming continue to grow in both scope and community expectation. The Event Coordinator position is a department of one, responsible for planning and implementing year-round initiatives including the Farmers Markets (in-season and winter), Summer Concert Series, Movies in the Park, fitness and wellness programs, holiday events, dog park programming, sponsorship coordination, vendor management, and support to the Art & Culture Committee. These programs are highly visible and valued components of the Town's community engagement efforts.

'Seasonal part-time support during peak months is appreciated and necessary; however, it does not address the year-round workload or the operational vulnerability created when institutional knowledge rests with a single full-time staff member. Each season requires re-training, limiting the ability to advance longer-term initiatives while managing ongoing programming. To strengthen sustainability, maintain program quality, and reduce vulnerability within this function, staff will be requesting that the Board of Commissioners consider funding a new part-time, year-round support position as part of the upcoming budget discussions. Additional details regarding the proposed role will be presented during the budget process.

'Members of the Planning & Development Department, Event Coordinator Paige Griffin, and representatives from the Committee for Art & Culture will be available following this presentation to address any questions and receive feedback from the Board of Commissioners. Thank you for your continued support of arts, cultural programming, and community-building initiatives in Nags Head."

Paige thanked all the groups that make Nags Head events successful. Board members thanked the committee and staff for their work and noted that they are looking forward to honoring Kerry Oaksmith-Sanders.

PUBLIC COMMENT
Town Attorney John Leidy opened Public Comment at 09:32 a.m.

Courtney Gallop — League of Women Voters'—on behalf of the Dare County League of Women Voters (LWV), a non-partisan organization, presented the 2026 annual Citizen's Guide for Dare County containing contact information for local, state, and national governmental agencies, voting information, emergency numbers, and more.

Randy Cartwright — Nags Head resident — requested that the Board review, and amend if needed, the Group Demonstration ordinance to ensure constitutional compliance. He requested a response to the four questions he presented at the February 4th meeting, which were:

1) Has the town attorney issued a written opinion concluding that criminalizing participation in an unpermitted sidewalk demonstration complies with the First Amendment?
2) Does the town's ordinance contain or does the town interpret it to contain an exception for spontaneous demonstrations responding to breaking news or unforeseen events?
3) What specific objective criteria govern approval or denial of a demonstration permit? And what is the guaranteed timeline for that decision?
4) How does the town reconcile our current ordinance with federal decisions that permit requirements cannot

function as a prior restraint on protected political speech?

There being no one else who wished to speak, Attorney Leidy concluded Public Comment at 09:40 a.m.

CONSENT AGENDA
The Consent Agenda consisted of the following items:
- Consideration of Tax Adjustment Report
- Report of Tax Delinquent List
- Approval of Minutes
- Consideration of Cart Rollback Contracts for May-Jun and Jul-Oct 2026
- Consideration of Annual Audit Contract
- Consideration of Memorandum of Agreement between the Town and the NC Sedimentation Control Commission
- Consideration of Memorandum of Understanding with Surfrider Foundation for Adopt-A-Beach Program

MOTION: Comr. Vaughan moved to approve the Consent Agenda as presented. The motion was seconded by Comr. Sanders, which passed unanimously.

The Tax Adjustment Report, as approved, is attached to and made a part of these minutes as shown in Addendum "B".

The Tax Delinquent List summary, as approved, read in part as follows:
"At the February 4th Board of Commissioners meeting, Board approval was received to advertise tax liens in the newspaper on Wednesday, March 18, 2026 in accordance with NCGS 105-369.

'Attached please find the preliminary tax delinquent listing as of Wednesday, February 25, 2026.

'(Property owners have until Friday, March 13, 2026 to pay and be removed from the tax delinquent listing before the advertisement is posted.)"

Consideration of Cart Rollback Contracts for May-Jun and Jul-Oct 2026, as approved, agenda summary sheet read in part as follows:
"Because this contract crosses fiscal years, Board authorization is required. For the purposes of planning and continuity of operations, staff requests that the contract be approved for the full 2026 summer season. The Town has received a number of positive comments and the beach road looks significantly better with this service in place.

'Attached for Board review is the proposed contract for cart rollback with Trash Detail, LLC for the May-June timeframe and for the July-October timeframe. The contract fee is $207,648 for the calendar year, reflecting a 3% increase from 2025 that totals $6,048.

'Staff would like to continue the positive cart rollback experience for the upcoming season and is requesting Board authorization to execute the contract as presented. There will be no changes to the service.

'Request authorization for Town Manager or his designee to execute a contract for cart rollback services from May-June 2026 and July-October 2026 with Trash Detail, LLC."

The contracts, as approved, are on file in the Town Clerk's office.

The summary sheet for the consideration of the Annual Audit Contract, as approved, read in part as follows:
"At the February 2, 2022, Board of Commissioners meeting, a contract with Potter & Company, now operating as DMJPS, for audit services for the next five (5) years was approved with the understanding that the contract is to be submitted for Board approval each year. This year the audit fee was increased by $500. Because state and federal grants require special audits, this year we have a fee for each major grant. This is directly related to the amount of awards expended during the audit period. Detailed examinations ensure compliance with grant agreements and regulations and incur separate fees. These types of audits are mandated for both state and federal awards. This year, the separate fee for each major program is $3,500, bringing the total contract not to exceed $61,500, which accounts for both a required federal and state single audit.

'Would recommend continuing our relationship with DMJPS to perform the annual audit. 'Request Board approval of attached contract with DMJPS for FY 25/26 audit services." The contract, as approved, is on file in the Town Clerk's office.

Consideration of Memorandum of Agreement between the Town and the NC Sedimentation Control Commission, as approved, summary sheet read in part as follows:
"Similar to the Division of Coastal Management's Coastal Resources Commission, the Sedimentation Control Commission oversees the Division of Energy, Mineral, and Land Resources. The Land Quality Section of this Division and delegated local erosion and sedimentation control programs administer the regulations of the Sedimentation Pollution Control Act of 1974. Nags Head is one of the locally designated programs and the Town's regulations are found in our Unified Development Ordinance (UDO) Article 11, Part II, Soil Erosion and Sedimentation Control.

'The Sedimentation Control Commission (SCC) has approved an updated Memorandum of Agreement (MOA) between the Delegated Local Governments and the Commission. The last mass update was over 10 years ago and Nags Head's last MOA was signed in 2012. This updated MOA includes new language of "Part III, F-Termination of Local Program" that outlines the process of terminating your program's jurisdiction either in whole or in a select area (such as a County program who covers a Town and no longer wishes or is able to do so). This is simply to set out a process and timeframes that should be met for various steps to ensure a smooth transition. This update will also bring us in line with the current language, such as removing mention of "Approvals with Performance Reservations", which has long been removed from the General Statutes.

'The attached updated MOA is to be signed by the Mayor and Town Attorney. It outlines the responsibilities of the program and will not change the Town's authority or the process by which the Town carries out the requirements for local and state sedimentation and erosion control."

The MOA, as approved, is on file in the Town Clerk's office.

<u>Consideration of Memorandum of Understanding with Surfrider Foundation for Adopt-A-Beach Program, as approved, summary sheet read in part as follows</u>:
"At the March 4, 2026 Board of Commissioners meeting, request Board consideration of an updated Memorandum of Understanding (MOU) with the Surfrider Foundation for the Adopt-A-Beach Program. The original MOU was approved by the Board on February 6, 2008. This updated MOU adds three additional locations to the agreement: Isabella St., James St., and Surfside Dr. The Town's Public Services Department works with the Surfrider Foundation for the sign installation."

The MOU, as approved, is on file in the Town Clerk's office.

PUBLIC HEARINGS
<u>Public Hearing to Consider a Special Use Permit/Site Plan Review Submitted by Albemarle & Associates, Ltd on behalf of Coastal Bluewater Capital, LLC and TW's Bait and Tackle for a Group Development to be Located at 2230 S. Croatan Highway, Nags Head</u>

Notice of the Public Hearing was published in the Coastland Times on Wednesday, February 18, 2026 and on Wednesday, February 25, 2026 as required by law.

Attorney John Leidy opened the Public Hearing to consider a vested special use permit/site plan amendment for Coastal Bluewater Capital, LLC and TW's Bait and Tackle. He explained that the Board sits as a quasi-judicial body and must make its decision based on competent material and substantial evidence presented at today's meeting by sworn-in witnesses. Board members must be recused if there is a basis for believing that they would not be able to be an impartial decision maker — to include a commissioner having a fixed opinion not susceptible to change. The time was 09:41 a.m.

Attorney Leidy confirmed with the Board that they had no financial conflict, had not received ex parte communications, and have no preconceived opinions or bias on the outcome of this application to disclose. He reminded them that their decision must be based on competent, substantial and material evidence properly entered into the record of this hearing.

Mayor Cahoon disclosed that he had participated in a meeting with the applicant and the Town Manager. Attorney Leidy then received confirmation from Mayor Cahoon that he will be able to base his decision solely on today's hearing.

Town Clerk Brittany Phillips swore in John Delucia with Albemarle and Associates, Mark Kasten with Cahoon and Kasten Architects, and Planning Director Kelly Wyatt.

Planning Director Kelly Wyatt summarized her report which read in part as follows:
<u>"PROJECT General Information</u>
<u>'Applicant:</u> Albemarle & Associates, Ltd. on behalf of Coastal Bluewater Capital, LLC and TW's Bait & Tackle.

<u>'Application Type:</u> Special Use Permit/Site Plan Review.

<u>'Purpose/Request:</u>This Special Use Permit/Site Plan Review includes the following elements:

- Conversion of the recently approved 4,774 square foot storage area (connecting the principal retail building and the existing storage building) into retail. This would result in the building containing 14,024 square feet of retail space and 4,250 square feet of storage space.

- Construction of a new 6,750 square foot detached building, divided into two units. Unit 1 is proposed to consist of 2,500 square feet of retail space and 1,000 square feet of accessory storage space. Unit 2 is proposed to consist of 3,250 square feet of storage, accessory to TW's Bait & Tackle.

- The above two buildings are proposed to be connected via a 12' x 20' covered sidewalk.

- Construction of a new 3,000 square foot detached building consisting of 2,000 square feet of art gallery use and 1,000 square feet of storage, accessory to the art gallery.

'Property Location: 2230 S. Croatan Highway, Nags Head. As required by the November 5, 2025, Board of Commissioners approval for the infill storage development, the lot located immediately west of the existing TW's Bait & Tackle has been properly recombined with the subject property.

'Existing Land Use: Retail with Accessory Storage (TW's Bait & Tackle). 'Zoning

Classification of Property: C-2, General Commercial.

'Zoning Classification of Surrounding Properties: Property to the north, directly across Satterfield Landing Road, is zoned C-2, General Commercial and developed commercially (Outer Banks Professional Center/OBX Bowling). Property to the south is zoned C-2, General Commercial and developed commercially (Plaza del Sol Shopping Center). Property to the west is zoned C-3, Commercial Services and is developed commercially (Village Real Estate Rental Management Facility). Property to the east, directly across US Highway 158 is zoned C-2, General Commercial and is developed commercially (Beach Mart Office).

'Flood Hazard Zone of Property: Property is located in an X Flood Zone. Per the Town of Nags Head local ordinance, the property is subject to a Regulatory Flood Protection Elevation (RFPE)/Local Elevation Standard (LES) of 9 feet. The proposed first floor of habitable space must be elevated above the 9-foot RFPE. All the proposed new structures are projected to have a first floor elevation of 11 feet, and are therefore compliant. Under Construction and Final Elevation Certificates will be required to ensure compliance.

'Land Use Plan Map/Policies: The 2022 CAMA Land Use Plan/Comprehensive Plan Future Land Use Map classifies this property as General Commercial. This proposal is consistent with this land use classification and stated land use policies.

'Specific Information:
Applicable Zoning Regulations:

'Use Regulations: Section 6.6, Table of Uses and Activities lists Commercial Mixed Use Group Development as a Special use in the C-2, General Commercial Zoning District. Furthermore, Section 7.32 of the UDO, General Provisions, lists the uses that are acceptable within Commercial Mixed Use applications. Retail, accessory storage, and art gallery are noted as permissible uses within Commercial Mixed Use developments.

'For informational purposes, Appendix A, Section A.4 (Definitions) defines a Group Development as a group of buildings on a single site that are occupied and used for professional offices, retail, personal services, indoor recreation facilities, and/or restaurant uses. Appendix A.4 also defines General Retail as establishments providing goods directly to the consumer for immediate purchase and removal.

'In addition, Appendix A.4 defines an accessory structure or use as one that is incidental and customarily found with the principal use; subordinate to and serving the principal use; subordinate in area, extent, or purpose; and contributing to the needs or convenience of the principal use.

'As such, storage areas within the proposed development must function in an accessory capacity to the designated principal use. The applicant has indicated that the proposed storage components will remain incidental and subordinate in extent and purpose, and will function solely to support the principal retail operation.

'Lot Coverage: Total allowable lot coverage for this site is 55% of the total lot area. Proposed lot coverage is 54.3% and is therefore compliant.

'Height: The maximum allowable building height within the Town is 35 feet. However, pursuant to Section 8.2.1, Dimensional requirements, total height may be increased to 42 feet with the use of an 8:12 roof pitch or greater. The applicant has proposed both Building A and Building B/C with a maximum overall height of 35 feet. Accordingly, the proposed buildings are compliant with the Town's height requirements. A Height Certificate will be required during construction to verify compliance.

'Architecture Design Standards: Following the Planning Board's January 20, 2026, discussion, the project architect worked collaboratively with staff and submitted revised elevations (dated February 10, 2026 and attached). The updated design eliminates the previously proposed gambrel roof form, introduces steeper roof pitches, incorporates stepped roof planes, enhances porch articulation, and adds architectural detailing consistent with Section 10.85.2 of the UDO, including dormers, gable brackets, varied siding treatments, residential-style double-hung windows, faux shutters, and improved façade rhythm.

'These revisions represent a meaningful response to the Board's concerns regarding scale, massing, and architectural character. Staff is satisfied that the revised design meets the intent of the Town's Commercial Design Standards and Division II, Building Design Standards of the UDO.

'Parking: Pursuant to Article 10, Table 10-2, Required Parking by Use, parking requirements for a Group Development are calculated separately for each principal use, based on the standards applicable to each use. Accessory storage does not have an associated parking requirement, as it is considered incidental to and supportive of the principal use, and serves the comfort and convenience of patrons of the principal use. In this case, the principal uses within the proposed group development are retail and art gallery.

'The proposed site plan indicates that the combined existing and proposed area devoted to retail use totals 16,524 square feet. The required parking standard for general retail is one (1) parking space per 250 square feet of gross floor area, plus one (1) parking space per employee, with a minimum of two (2) employee spaces per retail establishment. Based on this standard, 66 parking spaces are required to serve the retail component of the development.

'Required parking for art gallery use is one (1) parking space per 300 square feet of gross floor area open to the public. With 2,000 square feet of art gallery space proposed, seven (7) parking spaces are required. The applicant has indicated that the group development will employ seven (7) employees, resulting in a total minimum parking requirement of 80 spaces.

'In January 2023, the property owner received approval through the Special Use Permit process for a reduction of three (3) required parking spaces in exchange for providing three compliant bicycle racks in accordance with Section 10.15.2.5 of the UDO. With this approved reduction applied, the total required parking is 77 spaces. The proposed site plan depicts 79 parking spaces, and therefore, the project is compliant with the Town's parking requirements.

'Buffering/Landscaping: Several sections of the Unified Development Ordinance (UDO) speak to Buffering and Landscaping as it applies throughout this proposed site.

- Section 10.92.6.2 of the Unified Development Ordinance (UDO), Parking and Drive Aisle Setbacks, requires that when off-street parking is located between a building and the street right-of-way, a parking buffer with a minimum width of ten (10) feet be provided between the parking area and the street right-of-way. The submitted site plan depicts a compliant ten (10)-foot-wide buffer along W. Satterfield Landing Road, as shown on Sheet C203.

- Section 10.93.3.2 of the Unified Development Ordinance (UDO), Commercial Transitional Protective Yards, requires enhanced landscaping to be provided and maintained when non-residential land uses abut residential uses or residential zoning districts. Further, Section 10.93.3.2.2 specifies that where a high-impact use abuts a residential zoning district, a buffer strip with a minimum width of twenty-five (25) feet shall be provided along the entire length of the shared property boundary. The required buffer must consist of three (3) rows of acceptable plant material.

- A Group Development is classified as a high-impact use for the purposes of this section. The submitted site plan depicts a compliant twenty-five (25)-foot-wide buffer, inclusive of three rows of plantings, provided along the entire southern property boundary, which abuts property zoned R-2, Medium Density Residential. Therefore, the proposal is compliant with the Commercial Transitional Protective Yard requirements, as shown on Sheet C203.

- Section 10.93.3.7. of the UDO, Interior Parking and Landscaping, requires parking lot landscaping be provided at a minimum rate equal to ten percent of the total area of the parking spaces. The minimum area necessary for compliance is 660 square feet of vegetation. The applicant has proposed 680 square feet of vegetation and is therefore compliant, shown on Sheet C203.

- Section 10.93.3.8 of the Unified Development Ordinance (UDO), Vegetation Preservation/Planting Requirements, requires that new development projects either preserve a minimum of ten (10) percent of the lot's total area with existing natural vegetation and/or dune elevations, or provide new vegetation in lieu of preservation. Where existing vegetation cannot be preserved, the ordinance requires the planting of a minimum of fifteen (15) percent of the lot's total area.

  The subject site has been previously cleared; therefore, preservation of existing natural vegetation is not feasible. Based on the site's total area, a minimum of 7,939 square feet of new vegetation is required. The applicant has proposed approximately 9,000 square feet of new plantings. Therefore, the proposal exceeds the minimum planting requirement and is compliant with Section 10.93.3.8 of the UDO.

'Lighting: A lighting plan, including photometric data and fixture specifications, demonstrating compliance with Article 10, Part IV, Outdoor Lighting, of the Unified Development Ordinance (UDO), shall be submitted to and approved by the Town prior to the installation of any new site lighting.

'Signage: The site plan depicts a proposed freestanding sign located in a compliant position adjacent to Satterfield Landing Road. Prior to any installation, the applicant shall submit detailed sign specifications, including height and area calculations, demonstrating compliance with Section 10.24, Signs Permitted in Commercial Districts, of the Unified Development Ordinance (UDO).

'Water and Sewage Disposal: An Improvement Permit has been issued by Dare County Environmental Health for the wastewater system necessary to support the proposed scope of work (see attached).

'Traffic Circulation: Traffic circulation has been reviewed and approved by the Town Engineer as proposed.

'Stormwater Management: Stormwater management has been reviewed and approved by the Town Engineer as proposed. Appropriate erosion and sedimentation control measures must be installed prior to any land-disturbing activity to prevent sediment from entering the infiltration basin.

'Fire: This project will be required to comply with all applicable NC Fire Prevention Code requirements as part of the development permit application review and issuance.

'Public Works: The Public Services Director has reviewed and approved the proposed site plan as presented.

'ANALYSIS & STAFF RECOMMENDATION
The proposal is consistent with the applicable use and development standards of the Unified Development Ordinance (UDO).

'At the Planning Board's January 20, 2026, meeting, concerns were raised regarding architectural compliance with the Town's adopted Commercial Design Standards. In response, the applicant submitted revised elevations dated February 10, 2026, reflecting coordination with planning staff and incorporating substantive architectural modifications. These revisions include the elimination of the previously proposed gambrel roof form, the introduction of steeper roof pitches and stepped roof planes, enhanced porch articulation, and additional facade detailing consistent with Section 10.85.2 of the UDO.

'The Town's adopted Land Use Plan emphasizes the importance of high-quality architectural design and compatibility, particularly along highly visible commercial corridors. Staff finds that the revised architectural design addresses the Planning Board's concerns related to scale, massing, and overall character, and now meets the intent of Division II, Building Design Standards and the Commercial Design Standards of the UDO.

'Pursuant to Section 3.8.4.6 of the Unified Development Ordinance, the Board of Commissioners shall issue a Special Use Permit if it has evaluated an application through a quasi-judicial process and determined that:

1. The use will not materially endanger public health and safety if located where proposed and developed according to the plan as submitted.

2. The use, as proposed, will not overburden the firefighting capabilities and the municipal water supply capacity of the Town as such facilities and capabilities will exist on the completion date of the conditional use for which application is made.

3. The conditional use will be in harmony with the existing development and uses within the area in which it is to be located.

4. Adequate utilities, access roads, drainage, parking, or necessary facilities have been or are being provided.

5. Adequate measures have been or will be taken to provide ingress and egress so designed as to minimize traffic congestion in the public streets.

'Staff finds the proposal consistent with applicable use and development standards, as well as relevant land use policies, and therefore recommends approval of the Special Use Permit and Site Plan as presented.

'PLANNING BOARD RECOMMENDATION
At its January 20, 2026 meeting, the Planning Board reviewed the proposed project and found it generally compliant with applicable use and dimensional standards, including lot coverage, height, and buffering. However, concerns were expressed regarding the architectural design and its alignment with the Town's Commercial Design Standards. The Board requested that the applicant work with staff to refine the architectural renderings and return with revisions, while allowing the project to proceed procedurally, including scheduling the required public hearing.

'Following that meeting, the project architect coordinated closely with planning staff and submitted revised renderings, which are included in your packet. At its February 17, 2026, meeting, the Planning Board re-reviewed the request with primary focus on the updated architecture. Based on the revised plans and staff's analysis, the Planning Board voted unanimously to recommend approval of the Special Use Permit and Site Plan for Group Development as presented. Board members expressed appreciation to the applicant and architect for their efforts to revise the design to a compliant and ordinance-consistent standard."

Comr. Harrison inquired about future use regulations if the property sells. Director Wyatt explained that new owners would need a change of tenant approval, and parking constraints would prevent approval of uses requiring more spaces than currently provided. The balance between principal and accessory uses would remain key.

Responding to an inquiry from Comr. Vaughan, John Delucia explained that sprinkler protection was triggered when the connecting building caused the square footage threshold to be exceeded. He also noted that they are waiting for the storm water permit from the state, which has been transferred into the new owner's name.

Attorney Leidy concluded the public hearing at 10:01 a.m.

MOTION: Comr. Harrison moved to approve the special use permit/site plan amendment as presented. The motion was seconded by Comr. Vaughan, which passed unanimously.

MOTION: Comr. Vaughan moved to approve the five findings of fact as presented. The motion was seconded by Comr. Sanders, which passed unanimously.

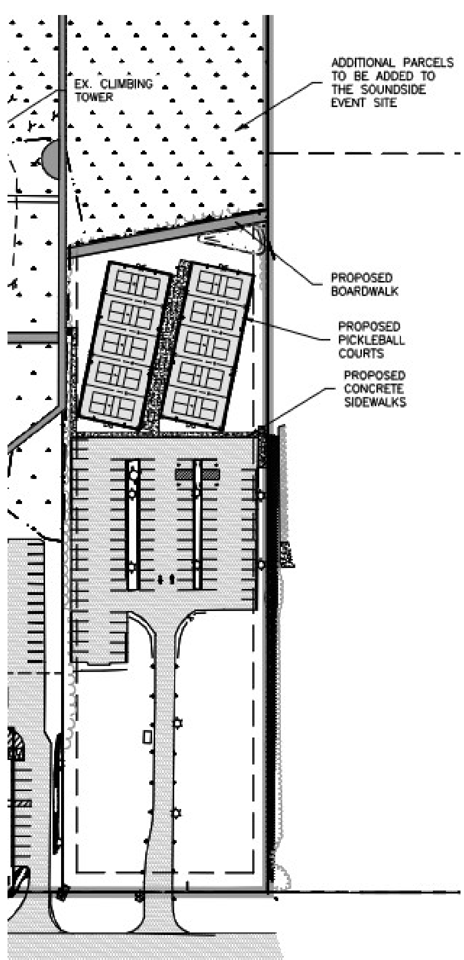
Public Hearing to Consider a Text Amendment to the Unified Development Ordinance (UDO) Submitted by Albemarle & Associates, Ltd. on behalf of Dare County to Amend the Lighting Ordinance for Publicly Owned and Publicly Accessible Pickleball Courts

Notice of the Public Hearing was published in the Coastland Times on Wednesday, February 18, 2026 and on Wednesday, February 25, 2026 as required by law.

Attorney John Leidy opened the Public Hearing at 10:03 a.m.

Planning Director Kelly Wyatt summarized her report which read in part as follows:
"Albemarle & Associates, Ltd., on behalf of Dare County, has submitted a proposed text amendment to the Town's Unified Development Ordinance (UDO) to modify illumination standards for outdoor pickleball courts. If adopted, the amendment would increase the maximum average maintained illumination level from 15 footcandles to 30 footcandles for recreational play, with the ability to increase illumination levels up to 50 footcandles for competitive or tournament play.

'The request is associated with the development of ten (10) publicly accessible pickleball courts by the Dare County Tourism Board. This Special Use Permit/Site Plan was approved by the Board of Commissioners at their January 8th, 2025 meeting. An excerpt of this site plan is provided below. However, it should be noted that text amendments are not necessarily site specific, and thus would apply town wide to any publicly owned and publicly accessible pickleball courts.



'The Town's current outdoor recreational lighting standards are intentionally conservative and are designed to balance recreational use with land use compatibility and environmental protection. Key components of the existing ordinance include:

- A maximum average illumination level of 15 footcandles for tennis and handball courts, which currently includes pickleball by interpretation;
- Strict limits on light trespass, including minimal allowable illumination at property lines and prohibitions on glare directed toward public trust waters;
- Mandatory fixture shielding, pole height controls, and curfews; and
- An overall emphasis on minimizing glare and offsite impacts.

'While the Town has not formally pursued Dark Sky Certification, the structure and application of our current lighting ordinance reflects many Dark Sky-aligned principles and are consistent with the Town's recently established and community-supported "Dark Skies, Bright Stars" initiative.

'The applicant has cited guidance from the Illuminating Engineering Society (IES) which recommends 30 footcandles for recreational pickleball play and up to 50 footcandles for competitive or tournament play. These recommendations are widely used by designers and sports lighting professionals and are based on visual task performance considerations such as ball visibility, player safety, and lighting uniformity during active play.

'Staff notes that IES guidance are technical recommendations, not regulatory standards. They are intended to inform design under peak play conditions and do not take into consideration broader land use considerations such as proximity to residential areas, coastal and estuarine environments, wildlife sensitivity, time of day limitations, or cumulative impacts on night sky quality/skyglow. Those considerations would be addressed through local zoning and development regulations.

<u>'STAFF ANALYSIS</u>

Staff finds it important to distinguish between the level of illumination that supports a particular sporting activity and the level of illumination that is appropriate within a specific land use and environmental context. The higher illumination levels cited for competitive pickleball are intended to support peak conditions, such as organized tournaments which will be intermittent/sporadic.
Everyday recreational play will be the predominate use of these courts. Authorizing lighting infrastructure capable of operating at 50 footcandles represents a significant policy shift when such levels would be used infrequently. Staff notes that infrastructure is not typically sized solely for rare peak events, particularly where there are potential off-site impacts. This is consistent with broader land use planning principles and with guidance from Dark Sky–focused organizations, which emphasize using the minimum illumination necessary, strictly controlling glare and uplight, and limiting the duration and timing of higher lighting levels.

'Staff also notes that pickleball has unique noise characteristics that differ from tennis. Pickleball involves a hard paddle striking a hard plastic ball, producing a sharp, impulsive sound that is more repetitive and acoustically distinct than traditional tennis. This sound is often perceived as more noticeable, particularly during sustained or competitive play. Given the proposed soundside location, staff further notes that sound may carry farther over open water, where there are fewer physical barriers to dissipate or absorb noise.

'While pickleball is a common public recreational use, staff recognizes that noise associated with pickleball courts has generated concerns in other communities, particularly near residential areas. As a result, staff has incorporated language into the proposed ordinance that would require additional mitigation measures if noise impacts extend beyond the site, including sound attenuating measures such as acoustic fence wraps, sound dampening panels, or some other comparable mitigation along the perimeter of the court(s). These measures may also provide ancillary benefit by reducing light trespass and visual impacts.

<u>'LAND USE POLICY CONSIDERATIONS</u>

LU-1 — Ensure that the character of Nags Head is preserved as a single-family residential beach community with ties to its natural environment. This character is defined by:

- A visible and dark night sky maintained by lighting that is minimal and carefully designed.
- Land uses that are compatible with the community and with adjacent properties that don't create excessive noise, light, unsafe conditions or other nuisances.
- Encourage land uses that serve the needs of both year-round and seasonal residents in support of the town's overall vision for the community.

LU-16 — Preserve the dark night sky through implementation and enforcement of quality lighting fixtures and codes, dark sky education, and citizen support.

- Evaluate and modernize the lighting ordinance to reflect best practices for being a dark sky community.
- Research and consider applying to the IDA for the Dark Sky Designation.

LU-17 - Maintain current regulations which prohibit lighting of the ocean beach or estuarine waters to protect marine species and limit unnecessary intrusions into natural areas.

<u>'STAFF RECOMMENDATION</u>

After reviewing the proposed text amendment, applicable technical guidance, including recommendations from the Illuminating Engineering Society (IES) and DarkSky International's

Outdoor Sports Court Lighting Guidelines, and the Town's adopted policy framework, staff recommends adoption of a tiered, context-sensitive approach to pickleball court lighting that:

- Retains a maximum average illumination level of 15 footcandles for private courts, sports clubs, neighborhood-scale courts, and HOA-serving courts;
- Allows publicly owned and publicly accessible recreational courts to increase illumination levels up to 30 footcandles, provided enhanced performance standards are met;
- Treats illumination levels above 30 footcandles as exceptional, limiting such levels to competitive or tournament play conducted as part of an approved Crowd Gathering Event, with higher lighting levels permitted on a temporary basis only and with an automatic return to standard illumination levels following the event; and
- Retains Town authority to require additional mitigation where substantiated noise complaints are received or where field measurements demonstrate noise levels exceeding acceptable thresholds, including the installation of sound-attenuating measures such as acoustic fence wraps, sound-dampening panels, or other comparable mitigation along portions of the court perimeter.

'Staff notes that the sound attenuating measures may also provide ancillary benefits, including reductions in light trespass and visual impacts. Any required mitigation would be the responsibility of the applicant or facility operator and would be implemented to ensure continued compatibility with surrounding properties.

'Based on the review, staff recommends adoption of the proposed UDO text amendment as presented. Staff finds that this approach appropriately acknowledges applicable technical guidance while preserving the Town's long-standing emphasis on land-use compatibility and environmental protection.

'Dark Sky Review Material
Outdoor Sports Lighting Guidelines can be found HERE Outdoor Sports
Lighting Program can be found HERE
Dark Sky Pickleball Complex, Champaign, Illinois can be found HERE

'If the Board of Commissioners is inclined to adopt this proposed text amendment, please reference Appendix A for the Statement of Consistency with the Town's adopted Comprehensive Land Use Plan requirements (attached).

'After reviewing the proposed text amendment, applicable technical guidance, including recommendations from the Illuminating Engineering Society (IES) and DarkSky International's Outdoor Sports Court Lighting Guidelines, and the Town's adopted policy framework, staff recommends adoption of a tiered approach to increased outdoor pickleball court lighting. Staff notes that the applicant has reviewed the proposed tiered approach and has indicated that they are generally comfortable proceeding under the framework as recommended.

'PLANNING BOARD RECOMMENDATION
At its January 20, 2026 meeting, the Planning Board voted unanimously to recommend approval of the proposed UDO text amendment, with the following revisions:

- Extend the lighting curfew for pickleball courts from 9:00 p.m. to 10:00 p.m., except for the Satterfield Landing fields, which would retain the existing 9:00 p.m. curfew. This recommendation was based on seasonal daylight conditions, particularly during summer months when it is not fully dark by 9:00 p.m.
- Clarify that the 10:00 p.m. lighting curfew does not apply to approved Crowd Gathering Events. Lighting associated with such events may remain on for the duration of the event; however, illumination levels must be reduced to the standard 30 footcandles for recreational play immediately following the conclusion of the event.
- Extend the allowance for increased illumination levels (up to 30 footcandles) to pickleball courts located within commercial developments, including facilities such as the recently approved courts at the Outer Banks Sports Club.

Comr. Harrison asked about extending curfew times to other courts, such as basketball. Director Wyatt explained that the amendment presented today specifically addresses pickleball courts, but suggested discussions to broaden the amendment in the future. Attorney Leidy recommended the same as not change the character of what was presented.

Comr. Sanders inquired about security lighting after 10 p.m. Director Wyatt confirmed low-level security lighting is allowed for maintenance and safe exit.

Comr. Harrison asked if we'd received noise complaints from Dowdy Park pickleball courts. Director Wyatt was not aware of any complaints.

John Delucia, Albemarle & Associates, Ltd., thanked Director Wyatt for her work on this project and confirmed the Tourism Board courts would use dimmable controls and on-demand systems similar to successful implementations at other recreational facilities.

Attorney Leidy concluded the public hearing at 10:19 a.m.

MOTION: Comr. Vaughan moved to adopt the ordinance amending the Lighting Ordinance for Publicly Owned and Publicly Accessible Pickleball Courts. The motion was seconded by Comr. Harrison, which passed unanimously.

The ordinance, as adopted, is attached to and made a part of these minutes as shown in Addendum "C".

REPORTS AND RECOMMENDATIONS FROM THE PLANNING BOARD AND THE PLANNING AND DEVELOPMENT DIRECTOR

Update from Planning Director

Planning Director Kelly Wyatt summarized her report which read in part as follows:
"This memo provides an overview of selected Planning and Development Department activities, projects, and initiatives. If requested, staff will be prepared to discuss any of this information in detail at the Board of Commissioners meeting on Wednesday, March 4, 2026.

'Monthly Activity Report

In addition to permitting, inspections, code enforcement, and Todd D. Krafft Septic Health Initiative activities, staff were involved in the following meetings or activities of note during the month of February:

- Tuesday, February 3rd — Technical Review Committee Meeting
- Wednesday, February 4th — Board of Commissioners Meeting
- Wednesday, February 11th — Committee for Art and Culture Meeting
- Thursday, February 12th — Board of Adjustment Meeting (no hearings)
- Saturday, February 14th — Dowdy Park Winter Market 9am - noon
- Tuesday, February 17th — Planning Board Meeting
- Wednesday, February 18th — Board of Commissioners Mid-Month (not scheduled)
- February 26th & 27th — Board of Commissioners Retreat

'Planning Board — Pending Applications and Discussions

The Planning Board most recently met on Tuesday, February 17, 2026. At that meeting, the Board took the following actions:

- Consideration of a Special Use Permit/Site Plan Review submitted by Albemarle & Associates, Ltd., on behalf of Coastal Bluewater Capital, LLC and TW's Bait & Tackle, for the construction of a Group Development consisting of detached buildings to accommodate retail space, art gallery space, and associated accessory storage. The property, located at 2230 S. Croatan Highway, is zoned C-2, General Commercial. The Planning Board voted unanimously to recommend approval of the Special Use Permit/Site Plan Review as submitted with revised architectural renderings demonstrating compliance with the Town's Commercial Design Standards.

- Consideration of a Site Plan Review for construction of an 8,305 square foot Dare County EMS Station and associated improvements. The property is zoned SPD-C Village Commercial-1 and is located at 105 W. Seachase Drive. The Planning Board voted unanimously to recommend approval of this Site Plan Review as presented.

- Deputy Planning Director, Joe Costello provided updates on the Estuarine Shoreline Management Plan and the ongoing review of the Commercial Outdoor Recreation Overlay District.

'The next Planning Board meeting is scheduled for Tuesday, March 17, 2026, and at this time will include consideration of a Vested Right/Special Use Permit/Site Plan Amendment submitted by WithersRavenel on behalf of the Outer Banks Hospital. The request involves a reduction in required parking to accommodate a 280-square-foot expansion of the existing HVAC mechanical area. The expansion is necessary to support operational and equipment needs associated with the existing Cancer Treatment Center. The property is located at 4927 S. Croatan Highway and is zoned SPD-C, Village Hotel.

'Board of Adjustment – Recent and Pending Applications - There were no items for the Board of Adjustment's consideration in February 2026.

'Additional Updates

- DWMP/Septic Health Advisory Committee — The Septic Health Advisory Committee met on February 24, 2026, and received updates on program performance and related water quality initiatives. The Septic Health Initiative remains strong at the midpoint of the fiscal year, with seven loans issued to date. A total of 87 inspections have been completed thus far, including 30 inspections in October alone. Staff noted a measurable increase in participation following distribution of the CRS letter and promotion through *Nags Head Lines* newsletter. To date, 83 property owners have received program credits.

  Staff discussed an upcoming town-wide mailer aimed at further increasing awareness of the program. The Committee also explored the potential for surveying residents who have not participated in order to better understand barriers to engagement.

Additionally, staff shared positive news regarding the Division of Water Infrastructure (DWI) zero-interest septic loan repair program. The Scope of Work submitted in December 2025 appears to have received approval, and staff is awaiting formal acknowledgment prior to initiating implementation for high-risk properties.

- Estuarine Shoreline Management Plan — Deputy Planning Director Joe Costello is scheduled to update the Board of Commissioners at their March 4, 2026, meeting on the progress of projects associated with the implementation of the Estuarine Shoreline Management Plan (ESMP).

- Sand Relocation and Dune Management Cost Share Program – Planning staff continue to process applications for both the Sand Relocation and Dune Management Cost Share programs. As of February 24, 2026, the Town has received 166 sand relocation applications, including 40 submitted since last month’s update, as well as 75 dune management cost share applications. To date, approximately $215,000 of the $400,000 allocated for these programs has been committed, reflecting continued strong participation.

- Dowdy Park Events/Farmers Market/Holiday Markets/Art & Culture — The first two Winter Markets of the season were very well attended and continue to demonstrate strong community interest in off-season programming. Vendors have reported positive participation, and the monthly markets will continue through March and April, with the next scheduled for Saturday, March 14th.

  'The Committee for Arts & Culture met on February 11th and continued preparations for the upcoming event season. Sponsorship commitments have been secured for the proposed new Wellness Wednesday program, and instructor scheduling is underway.

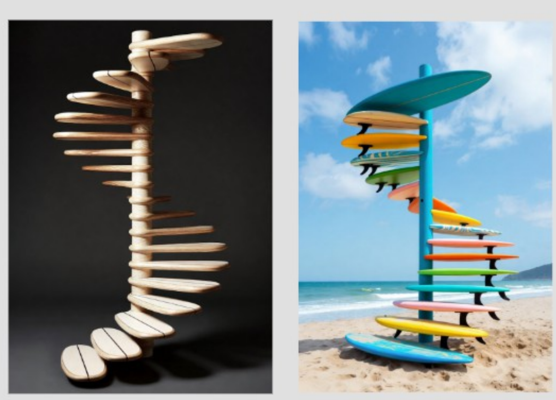
  'The Committee also reviewed and expressed strong interest in a potential public art installation at Dowdy Park. Artist Piper Allison, in collaboration with the Dare County College of The Albemarle (COA) Campus, is developing a conceptual outdoor sculpture titled “Hometown Swell.” The proposed installation would feature 14–16 donated or locally sourced surfboards arranged in a rising spiral around a central steel pole, reaching approximately 15 feet in height. The spiral form is intended to evoke the motion of a breaking wave and symbolize the energy, movement, and coastal identity of the Outer Banks. The artist has expressed interest in temporarily displaying the sculpture at Dowdy Park, should the project move forward. The concept remains in the early development stage and is contingent upon grant funding. Staff shared the proposal with the Committee for Arts & Culture, where it was received very positively. At this time, no formal action is required; this update is provided for informational purposes as staff continues to monitor the opportunity.

  'The Committee also discussed potential Spring and Fall programming opportunities at Whalebone Park following recent infrastructure improvements, including small-scale community events and partnerships with local organizations. In addition, staff shared that Trillium has agreed to fully fund the purchase of a new fully inclusive “We-Go” swing at Dowdy Park, with installation anticipated later this year.

'Upcoming Meetings and Other Dates

- Tuesday, March 3rd — Technical Review Committee Meeting
- Wednesday, March 4th — Board of Commissioners Meeting
- Wednesday, March 11th — Committee for Arts and Culture Meeting
- Thursday, March 12th — Board of Adjustment Meeting (no hearings)
- Saturday, March 14th — Dowdy Park Winter Market 9am - noon
- Tuesday, March 17th — Planning Board Meeting
- Wednesday, March 18th — Board of Commissioners Mid-Month (if scheduled)

'Please find attached a monthly update from Planning Director Kelly Wyatt that includes permitting and code enforcement data through January 2026."


These images were created digitally, and this is essentially how I would like my sculpture to be shaped

The Board thanked Director Wyatt for her efforts.

Consideration of a Site Plan Review for Construction of an 8,305 Square Foot Dare County EMS Station and Associated Improvements at 105 W Seachase Dr

Planning Director Kelly Wyatt summarized her report which read in part as follows:

"General Information

'Applicant: Timothy Oakley, of Oakley Collier Architects on behalf of Dare County.

'Application Type: Site Plan Review.

'Purpose/Request: Construction of an approximately 8,305 square foot Dare County Emergency Management Services (EMS) station and all associated site improvements. Note that "Future Additions" are not included as part of the Site Plan Review.

'Property Location: 105 W. Seachase Drive, Nags Head. 'Existing Land

Use: Office/Municipal Use.

'Zoning Classification of Property: SPD-C Village at Nags Head, Commercial 1 District.

'Zoning Classification of Surrounding Properties: Properties to the north, directly across W. Seachase Drive, and to the west are zoned SPD-C, Village Commercial-1 (OBX Mall and Rusty Crow Quilt Shop). Property to the east, directly across US Hwy 158 is zoned SPD-C, Village at Nags Head Commercial-2 (Village Realty). Property to the south is the zoned SPD-C, Village at Nags Head Institutional (Fire Station 16).

'Flood Hazard Zone of Property: Property is located in an X Flood Zone. Per the Town of Nags Head local ordinance, the property is subject to an RFPE/LES of 9 ft. The proposed first floor of habitable space will be elevated to or above 13 ft. msl and is therefore compliant.

'Land Use Plan Map/Policies: The 2022 Comprehensive Plan, Future Land Use Map classifies this property as General Commercial. While the use is more institutional in nature, it remains consistent with this land use classification and stated Land Use Policies.

'Specific Information:

'Applicable Zoning Regulations:

'Use Regulations: Pursuant to the text amendment adopted by the Board of Commissioners at their November 6, 2024, meeting, "County EMS Station" is a permitted use within the Village at Nags Head Commercial 1 District.

'Lot Coverage: Pursuant to Section 9.21.8.5 of the UDO, Table of Development Standards within the Village at Nags Head the maximum allowable lot coverage is 80% of the district area. The Village Commercial 1 District consists of The Outer Banks Mall, including the outparcels for Urgent Care and Outback Restaurant, the subject property, 111 W. Seachase Drive (Rusty Crow Quilt Shop) and the 7-lot subdivision, Sandcastle Village. While we do not have an updated survey for all improvements within this district, the lot coverage proposed for the redevelopment of this property for the EMS Station is reduced from 69.7% of the total lot area, to approximately 51% of the total lot area. Lot coverage is therefore compliant.

'Height: The maximum allowable building height within the Town is 35 feet; however, pursuant to Section 8.2.1, Dimensional requirements, total height may be increased to 42 feet with the use of an 8:12 roof pitch or greater. The applicant has proposed a structure with an overall height of approximately 34 feet measured from grade. Therefore, height is compliant. A height certificate will be required to verify overall height compliance during construction.

'Architecture Design Standards: Section 10.82 of the UDO, Applicability, states that Commercial Design Standards shall apply to all building construction or remodeling projects requiring a special use permit or site plan review. This project must adhere to the Commercial Design Standards set forth within Part VI of the UDO. As proposed, this project will comply with standards set forth in Division II – Building Design including a human scale design, various roof articulations including a watch tower, residential style windows, exterior masonry with board and batten and shingle siding, workable shutters, and gable brackets. 'This structure is located within the Village at Nags Head and as such should be reviewed and approved by their Architectural Control Committee (ACC). The applicant has provided the Village ACC with the architectural renderings and is awaiting their review comments.

'Parking: At their November 6, 2024, meeting, the Board of Commissioners adopted a parking standard for EMS Stations of one (1) parking space per employee on duty and one (1) parking space per 200 square feet of training facility and customer service areas. The applicant has noted a maximum of 12 employees at shift change, requiring 12 parking spaces, no training areas and approximately 100 square feet of customer service area, requiring one parking space. This use is required to have a minimum of 13 parking spaces; 22 spaces have been provided. Therefore, parking is compliant.

'Section 10.92.14.4 of the UDO, Surface Materials Appropriate for use, requires that a minimum of twenty (20) percent of the surface area of the parking area and drive aisles be constructed using permeable surface materials. The applicant has proposed 22.6% of the parking area be provided in an approved permeable surface. Therefore, this requirement is compliant.

'Buffering/Landscaping: Several sections of the Unified Development Ordinance speak to Buffering and Landscaping as it applies throughout this proposed site:

- Section 9.21.7.14, General Provisions with the Village Commercial-1 District states that a buffer shall be maintained along property lines abutting any neighboring lots not a part of the shopping center (implying C-1 designation). The buffer shall be a 50-foot-wide grassed open space or a vegetated buffer of a minimum width of 5 feet that will reach a minimum height of 10 feet within five years. Sheet 2 of 5 of the Site Plan review packet demonstrates compliance with this provision, including preserving and maintaining a significant stand of mature vegetation along the southern property boundary.

- Section 10.92.6.2 of the UDO, Parking and Drive Aisle Setbacks, requires that where off-street parking is provided between the building and the street right-of-way line, a parking lot buffer of at least ten (10) feet in width shall be provided between the parking lot and the street right-of-way. A compliant buffer has been proposed along the northern property boundary, adjacent to W. Seachase Drive, and along the eastern property boundary adjacent to US Hwy 158. Note that this includes preserving and maintaining existing mature vegetation in these areas.

- Section 10.93.3.5 of the UDO, Buildings Adjacent to Street Frontage, states that building walls adjacent to a street frontage shall include foundation landscaping directly adjacent to the building to screen any crawl space, stem wall, lattice work, or open parking areas. The applicant proposed landscaping along the building foundation adjacent to US Hwy 158 and W. Seachase Drive and is therefore compliant.

- Section 10.93.3.7 of the UDO, Interior Parking Lot Landscaping, requires parking lot landscaping be provided at a minimum rate equal to ten percent of the total area of the parking spaces. The applicant has proposed 25.4% of the total area of parking spaces in compliant landscaping. Therefore, interior parking lot landscaping is compliant.

- Section 10.93.3.8 of the UDO, Vegetation Preservation/Planting Requirements, requires that new development projects either preserve a minimum of ten (10) percent of the lot's total area with existing natural vegetation and/or dune elevations or plant new vegetation in lieu of preservation. When existing vegetation cannot be preserved, the planting of a minimum of fifteen (15) percent of the lot's total area shall be required. The applicant has proposed to preserve all the existing mature vegetation onsite, resulting in 11% of the total lot area, in addition to the proposed new plantings. Therefore, vegetation preservation requirements are compliant.

'Lighting: A lighting plan compliant with the requirements of Article 10, Part IV of the Unified Development Ordinance will be required prior to the issuance of any development permits. In addition, a light audit will be required prior to issuance of occupancy permits.

'Signage: No additional signage is being proposed at this time.

'Water and Sewage Disposal: The Village at Nags Head is served by a wastewater treatment facility. Carolina Water Service provides this service and has provided a letter stating they are able to serve the utility needs for this project as presented (attached).

'Traffic Circulation: Traffic circulation has been reviewed and approved by the Town Engineer as presented, noting that an NCDOT right-of-way encroachment agreement will be required prior to issuance of the building permit.

'Stormwater Management: Section 11.4.1 of the Unified Development Ordinance states, Redevelopment of property within existing commercial uses does not require submission of a stormwater plan under the following circumstances:

11.4.1.1. The development is consistent with the zoning regulations of this UDO relating to redevelopment and nonconformities;
11.4.1.2. The redevelopment does not result in a net gain of built upon area;
11.4.1.3. The redevelopment does not include the importation of any fill material.

'Fire: The Deputy Fire Chief has reviewed and approved the proposed site plan as presented. The project will be required to comply with all applicable NC Fire Prevention Code requirements as part of the building permit application review and issuance.

'Public Services: The Public Services Director has reviewed and approved the proposed site plan as presented.

'Staff finds the proposal consistent with all applicable use and development standards, as well as relevant Land Use Plan policies, and recommends approval of the Site Plan as submitted. This recommendation does not include approval of any future additions shown on the plans; any such expansions would require a separate Site Plan Amendment under the regulations in effect at that time.

'This project was previously reviewed and approved by the Board of Commissioners on December 4, 2024. In accordance with Section 4.15.1 of the UDO, site plan approvals are valid for twelve (12) months. Because a building permit was not issued within that timeframe, the prior approval expired on December 4, 2025.

'The applicant has now resubmitted the plan for re-approval. The plans remain substantially the same as those previously approved, with one architectural modification: the roofing material has been changed from standing seam metal to cedar shake, consistent with the required design elements of the Village at Nags Head.

'PLANNING BOARD RECOMMENDATION
At their February 17, 2026 meeting, the Planning Board voted unanimously to recommend approval of the Site Plan Review as presented."

MOTION: Mayor Pro Tem Lambert made a motion to approve the site plan for the Dare County EMS Station at 105 W Seachase Drive as presented, pending approval of the Village Architectural Control Committee. The motion was seconded by Comr. Sanders, which passed unanimously.

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN MANAGER
Review of Town Legislative Agenda - Time Specific 10:30 a.m.
Manager Garman introduced this item and representatives from our lobbying firm, Whitney Campbell Christensen and Marley Peterson. The summary sheet read in part as follows:
"Staff met virtually with our lobbying firm, Ward and Smith, P.A. on January 13, 2026 to review the status of the Legislative Agenda established in 2025. Based on the status and feedback from staff, a DRAFT Legislative Agenda for 2026 has been created.

'Whitney Campbell Christensen and Marley Peterson from Ward and Smith, P.A. will be in attendance at the March 4, 2026 meeting to review and collect feedback on the legislative agenda and advise the board on the upcoming short session.

'Attached is the draft legislative agenda for the upcoming year as well as the legislative agenda from last year with status updates on each item.

'Largely, this is a continuation of the town's legislative agenda from last year since very little was accomplished by the legislature during the last session. We acknowledge that there are several new board members who may have questions/comments regarding these items. Staff, as well as representatives from the town's lobbyist, Ward and Smith, will present the items and answer questions for the board.

'Request board feedback/modifications and approval to move forward with the updated 2026 Legislative Agenda."

Ms. Christensen began by praising the town's engagement level and effectiveness in working with the General Assembly, noting the mayor and town manager's quick responses to hot-button issues and detailed letters about land use and zoning bills' impacts on destination communities. She then presented a NC Legislative and Political Update to the Board. Some highlights include:

- The 2025 long session was a new biennium with new leadership including Governor Stein and House Speaker Destin Hall. The session's main purpose was to enact a comprehensive state budget, which failed due to intra-party gridlock between House and Senate Republicans over tax policy disagreements. Senate President Pro Tem Phil Berger held firm on continuing scheduled tax cuts despite economic forecasts showing potential deficits, while House Republicans, House Democrats, and Senate Democrats supported pausing cuts to avoid North Carolina's first deficit in recent memory.

- The gridlock resulted in extremely low legislative output — only 77 session laws from over 1,800 bills filed, compared to the typical 300-400 passage rate. They did achieve Helene relief packages totaling $1.2 billion in March and June.

- Several bills remain awaiting veto override in one or both chambers, primarily DEI-related legislation and constitutional carry. The legislative calendar includes limited special sessions with minimal accomplishments beyond some redistricting and Irena's Law for pretrial release changes.

- North Carolina's fiscal health shows strong economic indicators: fourth in GDP growth, number one for economic development by Business Facilities Magazine, significant job and capital investment additions, and leading domestic immigration. However, the state faces hiring recession conditions with low job-changing activity.

- Revenue increases included healthy individual income tax growth but minimal corporate income tax increases. The low corporate rate limits impact despite business growth.

- The 2026 short session beginning late April will have limited bill eligibility including conference reports, local bills, study committee recommendations, and items addressing litigation. A House select committee on property tax reform has been conducting thorough monthly meetings since December, while a Senate working group recently recommended a 12-month moratorium on revaluations, potentially retroactive to Guilford County's situation.

- They promised one more Helene relief package around $500 million, representing remaining available funds, though inadequate for the estimated $50+ billion in damage. The longest period without a state budget in modern history continues, with continuation funding based on outdated 2023 levels despite population and demographic changes.

- Senator Hanig and Representative Kidwell received high praise for their accessibility and advocacy, though both will be replaced by freshmen in 2027.

- Election results included Phil Berger's shocking primary defeat by two votes to longtime Rockingham County Sheriff Sam Page, potentially ending his 15-year senate leadership (Provisional ballots are still being considered and there is likely to be a recount.). This could alleviate House-Senate tensions and tax standoffs that have prevented budget passage and bill flow, benefiting the town's appropriations priorities.

Mayor Cahoon questioned Ms. Christensen about the likelihood of engaging with legislators during the short session. Despite expectations that the next legislative session will be shorter and less controversial, stakeholders (e.g., construction and real estate groups) are expected to continue pushing these changes. The Board was advised to remain vigilant, as such provisions could reappear, especially in conference reports.

Updates were provided on prior advocacy efforts regarding state land use and zoning bills that would have reduced local government authority (e.g., on ADUs, lot sizes, density, and parking regulations).

Town leadership’s advocacy—particularly a letter from the mayor and manager—was effective in highlighting local impacts (such as emergency access concerns), resulting in removal of certain provisions from proposed legislation. Although key bills (HB 765 and SB 221) ultimately stalled during the last session, similar measures may be reintroduced in 2026.

Mayor Cahoon confirmed if there were any hard deadlines for the Board to be aware of for considering the legislative agenda. Ms. Christensen said that an agenda by early April would be enough time. The mayor asked if there was a particular issue on the agenda that needed to be addressed or if the agenda could be brought back due to the time constraints of the next item on their agenda for this meeting.

Manager Garman noted that there have been questions about the item supporting terminal groins, which is currently listed as a lower priority. It was highlighted that the Coastal Resources Commission is in the process of developing a report on hardened coastal structures, and its findings may provide important guidance.

Given this ongoing review and concerns expressed by some Board members, he suggested removing the terminal groins item from the priorities list for now.

MOTION: Comr. Harrison moved to withdraw the terminal groins item from the updated 2026 Legislative Agenda as presented. The motion was seconded by Comr. Vaughan, which passed unanimously.

There was some discussion about the town's appropriation requests, especially the replacing of asbestos water lines, but it was Board consensus to bring the priorities list back for full review at their March mid-month or April 1st regular meeting.

The draft legislative agenda for the upcoming year, the legislative agenda from last year with status updates on each item, and Ward and Smith's presentation are attached to and made part of these minutes as shown in Addendum "D".

The Board took an informal recess to transition to the next time specific item.

NEW BUSINESS

Consideration of Appeal by Garage Band Charities, Inc. regarding the Denial of a Crowd Gathering Permit Application Submitted January 21, 2026 - Time Specific 11:15 a.m.

Manager Garman and Attorney Leidy introduced this item. The summary sheet read in part as follows:
"At the March 4, 2026 Board of Commissioners meeting, the Board will consider an appeal by Garage Band Charities, Inc., related to the town's denial of the Crowd Gathering Permit Application for the OBX Rod & Custom Festival submitted on January 21, 2026.

'After careful review by the Crowd Permit Review Team, which includes the Town Manager, Police Chief, Fire Chief, Fire Marshal, Planning and Development Director, Public Services Director, and Chief Building Inspector, the Town denied the permit pursuant to Ordinance No. 25-12-002, Chapter 4, Article I, Sections 4-7 and 4-8 of the Town of Nags Head Code of Ordinances (Crowd Gathering Activities and Group Demonstrations).

'The request for the appeal was received on Monday, February 23, 2026. Attached is the crowd gathering permit application, the town's denial letter, the applicant's appeal, and Chapter 4 of the Town Code. Staff is compiling a file consisting of information that was used as the basis for the denial. This will also consist of the town's response to the comments in the applicant's appeal. This will be provided to the Board and the applicant ahead of the meeting."

Attorney Leidy opened the hearing at 11:17 a.m. He stated that the Board is sitting as a quasi-judicial body and must determine how the applicable law applies to the specific facts presented in the evidentiary record.

Attorney Leidy explained that the appeal arises under Chapter 4, Article I of the Town Code, and that the Board must hear the matter de novo, meaning the Board is not bound by the Town Manager's prior decision or findings and may substitute its own judgment. He advised that the Board's responsibilities are to determine contested facts and apply the ordinance standards to those facts. The Board may only apply existing standards in the ordinance and may not modify them.

Attorney Leidy stated that, in deciding whether to issue the permit, the Board must consider the application materials and may consider evidence related to potential conflicts with other events, the burden on public agencies, adequacy of security, traffic and crowd control, health and safety conditions, and the capacity of the event site.

Attorney Leidy further stated that the Board must determine whether the proposed activity will unreasonably interfere with public health, safety, welfare, or recreation; whether adequate public services are available; whether the event is likely to incite violence, crime, or disorderly conduct; whether it will impose an undue burden on public agencies; and whether it will interfere with other scheduled events.

Attorney Leidy outlined that the permit may be denied if the event is likely to result in disorderly conduct, endanger public safety, cause property damage, violate public health or safety laws, or violate Town policies. He noted that prior violations by the applicant may be considered but cannot serve as the sole basis for denial and must be evaluated in relation to current conditions and potential impacts.

Attorney Leidy stated that the permit must be issued if the ordinance requirements are met and the Board finds that the event will not unreasonably interfere with public access, that adequate plans for security, traffic control, crowd control, and sanitation are in place, and that the applicant is capable of carrying out those plans. The Board may impose reasonable conditions on any approval consistent with the ordinance.

Attorney Leidy further advised that Board members must not participate if they have a direct and substantial financial interest in the outcome and must disclose any such conflicts. Members were also instructed to disclose any prior communications regarding the application and to avoid participation if they have formed a fixed opinion or bias. He emphasized that the Board's decision must be based on competent, material, and substantial evidence presented during the hearing, including sworn testimony. Unsworn statements, such as letters or emails, may only be used to supplement sworn evidence and cannot serve as the sole basis for a decision.

The hearing procedures were outlined, including the applicant's right to present evidence, cross-examine witnesses, and offer rebuttal evidence. Board members may question witnesses, and participation from the public is limited to recognized parties through cross-examination.

Attorney Leidy stated that, at this time, if any Board member needed to recuse themselves from the hearing due to a financial interest that could substantially impact their ability to be fair and impartial, they should disclose that now.

No Board member disclosed a financial interest or recusal.

Attorney Leidy then requested that Board members disclose any conflicts of interest or ex parte communications related to the matter.

Mayor Cahoon stated that the Board had received a handful of emails regarding the application and appeal. He explained that the emails were acknowledged and responded to with a message indicating that the matter would be discussed at today's meeting. Mayor Cahoon also disclosed that he had been contacted by two Dare County Commissioners, whose concerns were primarily related to the timing of the events. He stated that he explained that the matter would likely be subject to appeal.

Attorney Leidy then asked the mayor whether any of those prior communications would prevent him from hearing the matter and serving as an unbiased decision maker. Mayor Cahoon responded that they would not. He further asked whether those communications would cause him to have any predetermined decision regarding the outcome of the hearing. Mayor Cahoon stated that they would not.

Mayor Pro Tem Lambert stated that she would like to disclose that her business, Booty Treats, had participated in the scavenger hunt, specifically the ice cream scavenger hunt. She stated that she had spoken with Michael Tillett several times while organizing that. She also stated that last year she spoke with Mr. Tillett after the event. She further noted that he had indicated to send him anything observed, such as cars doing burnouts, and that she had sent Mr. Tillett two pictures and a video and spoke with him afterward.

Attorney Leidy asked the mayor pro tem whether any of the prior communications or disclosures she mentioned would cause her to be biased in the outcome of the proceeding. Mayor Pro Tem Lambert responded that they would not. He then asked whether those communications would cause her to have a predetermined idea of what the decision should be based on the appeal. Mayor Pro Tem Lambert stated that they would not. Lastly, he asked if she could be fair and impartial despite those prior communications. Mayor Pro Tem Lambert responded that she could.

Comr. Vaughan stated that she had a phone call from Lee Nettles, Executive Director of the Tourism Board. She explained that she serves as the Town representative on the Tourism Board and that they had a brief conversation immediately following the denial of the application.

Attorney Leidy then asked the commissioner whether any of those communications would cause her to be anything other than an unbiased and open-minded decision maker in the proceeding. Comr. Vaughan responded that they would not. He further asked whether the communication would cause her to have any predetermined idea regarding the outcome of the appeal. Comr. Vaughan stated that it would not.

Attorney Leidy then asked if there was anything else that anyone needed to disclose; which there was not.

Attorney Leidy stated that the decision in the case must be based on competent, substantial, and material evidence in view of the entire record. He explained that any testimony must be presented through sworn testimony of witnesses who have been recognized. He then asked that the applicant and any other witnesses they intended to call, as well as any staff witnesses who would be presenting evidence regarding the matter, approach the Town Clerk so that she could administer the oath.

Town Clerk Brittany Phillips swore in Sara Hole, Michael Tillett, Richard Quidley, Lee Nettles, Mark Ballog, Andrea Sullivan, Jamie Chisholm, Town Manager Garman, and Police Chief Hale.

Town Manager Garman addressed the Board and audience and stated that a brief introduction would be provided, followed by presentation of evidence. He noted that information compiled over the past three years had been provided to both the Board and the applicant. He indicated that the Police Chief would present additional details regarding that information.

Manager Garman stated that the Town received and accepted a complete application from Garage Band Charities for the OBX Rod and Custom Festival on January 14. The point of contact was identified as Sara Hole, with Richard Quidley and Michael Tilllet also listed as event organizers. He reported that the application estimated total attendance at approximately 1,250 people, with peak attendance exceeding 900, and that the event is classified as Tier III under the Town’s ordinance. The proposed event includes a three-day schedule beginning Thursday, April 30th, from 12:00 p.m. to 5:00 p.m. as a preview, followed by events on Friday and Saturday from 10:00 a.m. to 5:00 p.m., with the site to be vacated by 6:00 p.m.

Manager Garman explained that the application was reviewed by the Town’s Crowd Permit Review Team, consisting of department heads from police, fire, public services, planning, and administration, with his office serving as coordinator of the review process. He further explained that the ordinance requires applicants to provide plans addressing impacts on parking, streets, highways, traffic control, and public safety. He referenced provisions of the Town ordinance governing permit decisions, including standards allowing denial where an event is likely to create disorderly conduct, endanger public safety, result in significant property damage, or violate public health and safety laws, including noise violations, trespassing, and unauthorized use of property.

Manager Garman stated that the OBX Rod and Custom Festival has been held in the Town since approximately 2019 and that the Town has reviewed applications for the event annually. He reported that the event attracts participants from outside the area and that the Town has compiled a history of violations and complaints associated with the event. These include vehicle noise complaints, particularly late at night; speeding; careless and reckless driving; burnouts on Town and NCDOT streets; and unpermitted gatherings at multiple locations throughout the Town, with some incidents involving trespassing.

Manager Garman mentioned that the Town has worked with event organizers over several years to mitigate these issues, including holding pre-event and post-event meetings and forwarding complaints to organizers. He stated that the event has evolved over time, with off-site gatherings occurring at different locations, and that some of these activities were permitted while others were not. He further stated that organizers have made efforts to encourage compliance with Town ordinances and to coordinate permitted activities.

Despite these efforts, Manager Garman stated that violations and complaints have continued to occur. He stated that, based on prior history and review of available information, there is no indication that future events would successfully mitigate these issues. He concluded that issuance of the permit would likely result in continued violations. Based on these findings, the Crowd Permit Review Team denied the permit and issued a denial letter to the applicant. He noted that the applicant exercised the right to appeal the decision, resulting in the present hearing. He further stated that the Board has the authority to uphold the denial or to issue the permit with or without conditions.

He concluded his presentation and requested that Police Chief Hale provide additional information regarding law enforcement experience and evidence related to the event.

Police Chief Hale addressed the Board and stated that the review team meets for each crowd gathering permit and reconvenes after events to evaluate issues. He stated that, in reviewing this application, the team discussed ongoing concerns including noise, careless and reckless driving, and "pop-up" gatherings occurring in parking lots and other off-site locations. He acknowledged that many of these activities occur off the permitted event site and noted that the Town has held after-action meetings with Mr. Quidley and other organizers. He stated that organizers acknowledged limitations in controlling off-site behavior but have made efforts to communicate expectations through social media and encourage participants to obtain permission for gatherings and avoid disruptive conduct such as burnouts.

Chief Hale stated that a significant number of complaints received by the Police Department relate to noise. He described the vehicles involved as visually impressive but noted that noise levels are substantial and occur throughout the duration of the event. He stated that complaints have been received both during daytime hours and into the evening, including from residents and visitors.
Operational challenges associated with the event were described, including pedestrian crossings on a heavily traveled roadway. He stated that during the initial event in approximately 2019, attendance exceeded expectations and required immediate response to manage pedestrian crossings. Since that time, event organizers have been required to provide a designated crosswalk with off-duty personnel and advance warning signage for motorists.

Chief Hale stated that noise complaints frequently involve vehicles revving engines while stationary in parking areas, including near the 10.5 shops, and described instances of spinning tires, reckless driving, and visible tire marks on roadways. He reported that in 2024, the Police Department obtained authorization from property owners to enforce trespassing and loitering violations in certain locations, allowing officers to disperse gatherings more effectively. He further reported that groups associated with the event have relocated between locations after being dispersed and that similar issues have been reported in neighboring jurisdictions. Additional concerns included vehicles blocking access to ATMs, prompting calls from businesses and requiring police intervention. It was stated that previous event-related activities at other locations, including the Ben Franklin site, resulted in complaints and required additional enforcement measures, including off-duty officers to discourage unsafe driving behavior upon exiting the area. He described ongoing concerns with spectators gathering along roadways and encouraging unsafe driving behavior, including burnouts. He stated that there were reports of individuals placing water on road surfaces to facilitate tire spinning.

Chief Hale reiterated that noise complaints also stem from vehicles idling and revving engines in residential areas during early morning and late evening hours. He explained that enforcement under traditional decibel-based noise standards is difficult but identified a Town ordinance provision making it unlawful to operate a vehicle in a manner that disturbs the peace through engine noise. He stated that this provision allows for enforcement without the need for sound measurement equipment and could result in civil or criminal citations.

Chief Hale stated that, if the event were to proceed, the Police Department would consider increased enforcement of applicable ordinances. He also reported that discussions have occurred with the North Carolina State Highway Patrol and DMV inspectors regarding potential vehicle compliance issues, including the legality of certain modifications, use of racing slick tires, and possible concerns related to fuel types. He noted that some vehicles appear to be constructed for racing purposes and may not meet standard equipment or registration requirements for highway use. He stated that coordination with state agencies could allow for additional enforcement efforts during the event.

Chief Hale stated that event organizers, including Mr. Quidley, have been responsive when contacted and have taken steps to address concerns such as traffic backups. He noted that adjustments to event logistics have reduced congestion compared to prior years, although traffic impacts had previously extended along the bypass. He provided enforcement statistics from prior events, stating that in 2023 the department issued eight careless and reckless driving citations, along with a total of 28 citations and 42 warnings during the event period. Chief Hale stated that complaints are received both through official channels and directly to him, including reports of unsafe driving behavior in residential areas. He emphasized that while organizers have expressed support for strict enforcement, officers cannot be present at all locations at all times to prevent violations. He further stated that staffing remains a challenge, noting the need for officers at designated crosswalks, limitations due to staffing shortages, and reliance on overtime and assistance from partner agencies, including the Sheriff's Office and State Highway Patrol.

Chief Hale concluded his remarks and responded to inquiries from the Board and the applicant.

Mr. Quidley asked Chief Hale whether the offenders involved in burnouts had been identified in these situations. Chief Hale responded that during the very first year, when there were eight recorded burnouts, the offenders were identified because they were charged with a citation and had to appear in court to address those violations. He noted that many of the other incidents occurred after the fact, with calls coming in afterward, by which time the offenders were already gone.

Mr. Quidley asked Chief Hale about registration stickers provided by Garage Band Charities (GBC) for every registered car attending the event and whether he had noticed those stickers. Chief Hale responded that he had not noticed the stickers and asked Mr. Quidley if placement of the stickers was required. Mr. Quidley confirmed that they were to be placed where the inspection sticker used to be, on the driver's side lower windshield. He explained that the stickers are updated each year and that vehicles without a sticker cannot access the event area. Mr. Quidley noted that in years when police security was stationed at Ben Franklin's, only vehicles with stickers were allowed in. The people without stickers were turned away, which likely contributed to crowding at the Food Lion.

Mr. Quidley recalled a prior conversation asking Chief Hale to identify offenders so they could be banned from future events. Chief Hale explained that it was against the law to share such information prior to adjudication through the court system. He further clarified that, while police cannot release information about charges directly, anyone can call the Clerk of Court's Office to verify if someone has been charged.

Mr. Quidley asked Chief Hale if he had any suggestions for what could have been done at the event site to help prevent the observed issues or to educate attendees. Chief Hale responded that it was a difficult question. He acknowledged that efforts had been made to educate participants but noted that not everyone will follow all the rules all the time, which is part of why the Department has job security. He compared it to a high school party where uninvited guests arrive and cause damage after leaving, emphasizing that those responsible for having the party are ultimately accountable for the consequences.

Mayor Pro Tem Lambert asked Chief Hale about Section 16-76 (a)(4)(h) of the Town Code, which states that no sound device is required. She asked if there is no written complaint, can an officer still issue a citation based on their own observation without a sound device. Chief Hale responded that an officer can indeed issue a citation based on their own observation even if no written complaint is received and no sound device is used.

Comr. Sanders asked Chief Hale whether, when contacting applicants about violations or pop-ups, they were generally willing to work with the Department or felt as if they were unable to control what was happening off-site. Chief Hale responded that most applicants have been willing to work with the Department. He explained that the Department's role is not to create havoc for anyone, and if people treat the officers well, the officers treat them well. Chief Hale stated that most participants ask why actions are taken, and when given an explanation, they generally understand, often acknowledging that previous "bad apples" caused issues. If participants do not comply, staff issues a final warning, after which citations for trespassing or arrests are carried out if necessary. He provided an example from the previous year when two individuals attempting to camp in prohibited areas were eventually removed without incident. Chief Hale noted that applicants themselves are generally easy to work with and receptive. He added that he has always had good communication with Richard, Michael, and Sara, who try to follow the Department's suggestions. While he expressed frustration over receiving noise complaints during off hours, he emphasized that the applicants are cooperative and have "open ears," and that the challenge lies in trying to coordinate and enforce all necessary regulations.

Comr. Vaughan asked Chief Hale about traffic backup to Seachase Drive related to registration at the event, specifically whether it was only an issue on one day. Chief Hale explained that the backup occurred as cars pulled off into the lane leading into the event site. Once that lane ended, cars were stacked on the road, causing delays. Efforts were made to have registration earlier and at Surfside Plaza, which has helped. He noted that attempts to start registration the day before (Thursday) had been made, but some participants still arrived on-site that day. He added that if traffic issues arise on Thursdays, additional crosswalk management would be implemented. Chief Hale emphasized that the main backups occurred on Friday, the day of the event, when traffic extended to Seachase Drive and caused southbound lane congestion on US 158.

Comr. Vaughan then asked whether noise could be dangerous in addition to being annoying, specifically if it could prevent people from hearing traffic signals or horns. Chief Hale responded that noise could potentially prevent someone from hearing a horn at an intersection. He acknowledged that working the event causes his ears to ring, but he has not observed noise creating a chronic safety problem on the highways. He confirmed that while noise could interfere with hearing, it has not caused issues with responding to sirens or traffic.

Chief Hale stated that vehicle noise could be significant enough, in certain situations, to interfere with a person's ability to hear other sounds, such as a vehicle horn at an intersection. He acknowledged that while working the event, prolonged exposure to engine noise had resulted in temporary effects such as ringing in his ears. However, Chief Hale stated that he has not observed instances where noise from the event has directly resulted in motorists or pedestrians being unable to hear emergency sirens, horns, or other critical warning signals in a way that caused a documented safety incident.

Comr. Harrison inquired whether burnouts constitute merely a nuisance or rise to the level of a safety concern. She further asked for clarification as to what a burnout entails, including whether it involves rapid acceleration or other specific driving behavior. Chief Hale described a burnout as a vehicle accelerating rapidly from a stopped position, causing the tires to spin due to the high torque of the vehicle. He stated that this action produces smoke and leaves rubber residue on the roadway, often visible as black marks. He further explained that in some instances, vehicles may "fishtail," which he described as the rear tires losing traction and moving laterally, indicating a loss of control. He stated that such conditions reflect a situation where the driver no longer has full control of the vehicle. He further noted that while some drivers may believe they maintain control, any mechanical failure or loss of traction during such activity could result in a dangerous situation.

Richard Quidley addressed the Board and began by expressing appreciation to the Commissioners and Mayor for hearing the appeal.

Mr. Quidley referenced prior post-event meetings held with Town staff, noting that such meetings occurred following past events, with the exception of years when the event was not held. He stated that many of the issues discussed by staff appeared to relate to the 2023 event and noted that a post-event meeting occurred in 2023, but not after the 2024 or 2025 events.

Mr. Quidley asked Manager Garman why no post-event meetings were held following those later events if issues remained a concern.

Manager Garman responded that he did not have a specific reason why meetings were not held. He stated that changes in staffing and internal processes, along with workload demands such as budget preparation, may have contributed. He noted that a new staff member had recently been hired to coordinate crowd gathering permits around that time. He further stated that while he was aware of ongoing concerns through communications received, post-event meetings are conducted as a courtesy and are not required by ordinance.

Mr. Quidley then referenced a slide in the staff presentation indicating a "three-plus year escalating pattern" of issues and questioned whether the data presented for 2023, 2024, and 2025 reflected a reduction in incidents when viewed collectively.

Town Manager Garman responded that, based on the slide presented, that characterization was correct.

Mr. Quidley indicated he had no further questions at that time.

Mr. Quidley introduced the purpose of Garage Band Charities (GBC) and called Michael Tillett, founding partner and promoter of the OBX Rod and Custom Festival, to explain how GBC's handles vehicular traffic at the event site. Mr. Tillett stated that GBC manages event traffic with approximately 30 volunteers. Registration was moved to Surfside Plaza to keep vehicles off the highway, and volunteers guide attendees safely through the site. He then asked Mr. Tillett to explain the efforts made to make sure things are run smoothly and safely at the event. Mr. Tillett noted they have fire extinguishers, first aid kits, and two-way radios are used for safety. Crowd managers are trained through an online course. When asked if there had been any injuries since 2019, he reported that no injuries at the event site have required emergency services.

Mr. Tillett was asked to discuss his promotion efforts. He explained that he began traveling in 2013 to promote both the Outer Banks and this specific event. As a car enthusiast motivated by a desire to give back, he visited many places across the U.S.—including New Jersey, Georgia, Florida, Washington, D.C., Texas, and even Las Vegas—to raise awareness and attract the event to the Outer Banks. His goal was not only to showcase the location but also to create something that could benefit people in need.

Comr. Harrison asked about how other towns handle outside events at other car shows. Mr. Tillett noted that other towns often allow burnouts and similar activities. She further questioned if they make it clear that Nags Head doesn't allow those activities. He emphasized that participants are informed that burnouts, speeding, and reckless driving are prohibited at this town's event, communicated through literature, social media, and the website. He referenced the motto: "Come on vacation, leave on probation," warning participants that illegal actions could jeopardize the event.

Comr. Harrison asked if, since participants often gather off the event site, GBC has ever made attempts to offer alternative legal gathering locations with property owner approval. Mr. Tillett stated that most of their events are held at local restaurants that sponsor the event. He explained that business owners in Nags Head, Kill Devil Hills, Kitty Hawk, and Manteo offer "cruise-in dinners" or "cruise-in breakfasts." He emphasized that the goal is to direct participants to sponsor locations, which benefits the community financially. He added that the event's motto is "family fun and fellowship, ride to eat and eat to ride." Mr. Tillett acknowledged past issues but stated that providing structured evening activities has reduced infractions.

Mayor Pro Tem Lambert asked if the registration stickers, as mentioned in discussion with the Police Chief, have been issued every year. Mr. Tillett replied yes and samples of the stickers were passed around for viewing. She asked if there was anything identifying on the registration stickers specific to the vehicle. Mr. Tillett that there was not. She then asked whether there is a way to estimate how many unregistered vehicles attend the event in addition to registered participants. Mr. Tillett responded that there is no precise way to determine that number since those individuals are not registered. He stated that while organizers know the number of registered participants, additional individuals often attend after learning about the event. He further stated that some of the issues discussed, including burnouts, may involve local individuals as well as participants. He referenced an incident near Booty Treats and stated that organizers were unable to identify the individuals involved due to poor video quality, making it difficult to determine whether they were registered participants. Mayor Pro Tem Lambert noted that this concern relates to whether registration stickers could be used for identification purposes.

Mayor Pro Tem Lambert asked whether, in other areas where burnouts are permitted, those activities occur throughout the town or are restricted to designated, controlled locations to ensure safety. Mr. Tillett responded that such activities are conducted in controlled environments, where streets are closed and barricaded on both sides. He stated that these are organized as controlled burnout contests.

Comr. Vaughan asked if there was a registration fee. Mr. Tillett responded that there was a $50 fee if paid in advance and $60 fee if paying during the weekend of the event.

Comr. Sanders asked whether the registration process ensures that participating vehicles are street legal, referencing concerns about racing tires and fuel. Mr. Tillett responded that vehicles are expected to be street legal. He explained that some vehicles use what are referred to as "DOT slicks," which resemble racing slick tires but include minimal tread and are designed for both road and track use. He noted that these tires come in various sizes and configurations and are intended for dual-purpose operation.

Mayor Pro Tem Lambert asked whether event participants are required to provide lodging information during registration to assist in locating them if needed. Mr. Tillett responded that participants are not required to provide lodging information. He stated that organizers collect contact information such as phone numbers and indicated that, if issues arise at lodging locations, hotel or motel management could contact organizers to address concerns with individuals involved.

Mayor Pro Tem Lambert asked if he had an idea of how many registrants they were expecting this year. Mr. Tillett responded that they are expecting about 700.

Comr. Harrison asked whether proof that a vehicle is street legal is required as part of the event registration process or if it is only suggested. Mr. Tillett responded that it is not a requirement but a suggestion. He stated that most participants operate vehicles on public highways and therefore typically ensure their vehicles are registered, noting that compliance would reduce the likelihood of receiving citations if stopped.

Comr. Vaughan asked whether the applicant has previously coordinated and obtained permits for off-site event locations in addition to the primary event site. Mr. Tillett responded that permits have been obtained for off-site locations, including prior coordination with the Ben Franklin site, where property owners supported the event due to business benefits. He stated that permits were secured in subsequent years, with law enforcement presence, until the activity outgrew the location. Mr. Tillett stated that organizers have not experienced difficulty obtaining permits and have made efforts to provide permitted gathering locations associated with the event. He confirmed that organizers have worked to direct participants to approved locations. Mr. Tillett further stated that additional permitted activities have been held at locations in Kitty Hawk, including cruise-in events, and that permits were obtained without issue, with no reported problems. He addressed prior concerns at another commercial location, stating that issues were attributed to local individuals rather than registered participants. He stated that organizers addressed the behavior directly with those individuals, after which the issues ceased. Mr. Tillett also stated that a property owner later expressed support for hosting event-related activity and interest in participating in the event, noting positive feedback from tenants and businesses.

Manager Garman asked whether the organizers have previously utilized volunteers or personnel to monitor activities occurring outside the event site throughout the Town. Mr. Tillett stated that event organizers, including himself, Mr. Quidley, and Ms. Hole, have personally monitored off-site activity during evening hours. He noted that this included observing conditions and addressing concerns as needed. He further stated that volunteers are not typically asked to perform these duties at night due to the extent of their daytime responsibilities and the charitable nature of their participation.

Manager Garman asked whether issues such as burnouts and related problems have improved over time. Mr. Tillett responded that conditions have improved significantly. He stated that organizers have emphasized to participants that continued violations could jeopardize the future of the event. He noted that both organizers and attendees have taken steps to discourage prohibited behavior, including addressing individuals directly when issues arise.

Manager Garman stated that the burnout area is an interesting idea but that the expanse of residential areas in Nags Head would make it difficult.

Mr. Quidley asked Sara Hole to the podium. She identified herself as a founding partner of GBC and stated that she is responsible for registrations and preparation of permit paperwork, ensuring submissions are completed in a timely manner. Ms. Hole provided registration figures for the referenced years, stating there were 915 participants in 2023, 1,073 participants in 2024, and 1,024 participants in 2025. Ms. Hole further stated that participants are not limited to North Carolina and Virginia, noting that in the most recent year participants represented 27 states and included at least one international attendee from Australia.

Mr. Quidley asked what actions Garage Band Charities has taken since 2022 to communicate expected participant behavior both at the event site and throughout the Outer Banks. Ms. Hole responded that messaging has been communicated through multiple methods, including large banners displayed at the event site and on the registration trailer. She stated that registration materials include an information guide emphasizing responsible behavior, including directives such as "act responsibly," "drive smart," and "no burnouts," along with reminders that participant actions impact the future of the event. Ms. Hole stated that these materials have been distributed for several years and that additional messaging addressing noise concerns will be included in future materials. She also noted that announcements are made during the event reminding participants to behave responsibly both on-site and within the community.

Mr. Quidley asked how registration funds collected by Garage Band Charities benefit the local community. Ms.Hole responded that 100% of registration fees are donated to local charities in Dare County and neighboring counties, including Hyde and Currituck. She stated that operational expenses, such as infrastructure, tents, and portable restrooms, are funded through sponsorships and grant support rather than registration revenue.

Mr. Quidley asked who is responsible for paying for officers assigned to the police-guarded pedestrian crosswalk at the bypass. Ms. Hole responded that Garage Band Charities pays for the officers. He then asked how much Garage Band Charities has spent on the police-guarded crosswalk. Ms. Hole responded that approximately $3,400 was spent in the previous year for two days of coverage. She stated that over the past three years, total expenditures have exceeded $10,000. She further estimated that costs for the current year would be approximately $4,800, subject to any additional time required. Mr. Quidley asked whether there is any expense to the Town associated with the crosswalk. Ms. Hole responded that, to her knowledge, there is no additional cost to the Town.

Mr. Quidley asked Ms. Hole for an overview of the timeline used by Garage Band Charities to plan events of this size. Ms. Hole responded that planning begins well in advance, with preparations for the following year starting several weeks before the current year's event. She stated that materials such as "save the date" cards are prepared in advance and distributed during the current event. She further stated that shortly after the conclusion of each event, organizers meet to review and begin planning for the next year, resulting in a continuous, year-long planning process.

Mr. Quidley stated that Garage Band Charities has significant investment in the event, including merchandise, promotional materials, and insurance, and Ms. Hole agreed.

Comr. Vaughan asked when the permit for this year's Nags Head event was applied for. Ms.Hole replied that the application was submitted around mid-January, approximately the 15th to 20th.

Mayor Pro Tem Lambert asked how many applicants are expected this year and about the timing of registrations. Ms. Hole replied that currently they are expecting around 700 applicants, which is fewer than last year, noting that many people wait until the last minute. She explained that registration opens January 1st, and some participants register immediately at midnight, with 100 registrations occurring in less than four minutes. She also noted that local participants often wait until the day of the event, especially if weather might affect their attendance.

Comr. Vaughan asked whether participation has been trending upward and whether there is any reason to expect fewer participants this year. Ms. Hole replied that participation has definitely been on an upward trend and she has no reason to expect a smaller turnout; the timing of registrations is just later.

Manager Garman asked whether GBC has a timeline for applying for the event permit and why they do not apply sooner. Ms. Hole responded that while the ordinance allows applying up to a year in advance, GBC has historically submitted applications according to the provided guidelines. She explained that this year she could have applied sooner but waited because the permit process was being reworked. She also noted that certain promotional activities cannot be done until the permit is issued, so the event's location is not explicitly advertised on materials until then.

Mr. Quidley asked Jamie Chisholm to the podium and requested that she introduce herself and describe her role in the community. Jamie Chisholm responded that she is the President of the Outer Banks Hotel Motel Association and the Director of Sales and Marketing at the Hilton Garden Inn. She explained that the GBC and OBX Rod & Custom Festival have a significant economic impact on the local hotel and motel industry, particularly during the shoulder season after Easter, by bringing in numerous room nights across hotels in Nags Head, Kill Devil Hills, Manteo, Kitty

Hawk, and Corolla.

Mr. Quidley asked if she had experienced any problems related to the event. She noted that the only issue she experienced was trailer parking at her hotel. She brought that issue to the organizers, and they resolved it by coordinating alternative trailer parking nearby, benefiting both event participants and a local Walgreens. She confirmed that there were no problems with hotel guests during the event.

Mr. Quidley asked Andrea Sullivan to the podium and requested that she introduce herself and describe her role in the community. Andrea Sullivan introduced herself as the president of the Outer Banks Restaurant Association and general manager of Jolly Roger Restaurant.

Mr. Quidley asked how GBC and the OBX Rod & Custom Festival have impacted the restaurant industry. Ms. Sullivan replied that the impact is similar to the hotel industry: an early-season revenue boost, increased dining traffic, extended stays, more hours for employees, and overall support for local business growth. She emphasized that the event helps keep employees working and businesses thriving while providing tourists with things to do.

Mr. Quidley asked if the event had created any specific burdens on her business or others in the network. Ms. Sullivan responded that she is not aware of any burdens.

Mr. Quidley asked Mark Ballog to the podium and requested that he introduce himself and describe his role in the community. Mark Ballog introduced himself as the owner of Lucky 12 Tavern in downtown Nags Head.

Mr. Quidley asked how the Garage Band Charities and the OBX Rod & Custom Festival have impacted his business. Mr. Ballog responded that, similar to others, the event brings cars into his parking lot that otherwise wouldn't be there, noting that the growth over the last five years has been noticeable. Mr. Quidley asked if the congregating cars had created any issues for his business. Mr. Ballog replied that they have not; the cars typically come in, dine, and leave, allowing other customers to use the space afterward.

Mr. Quidley asked Sara Sampson to the podium and requested that she introduce herself and describe her role in the community. Sara Sampson stated she is the Executive Director of the Children and Youth Partnership for Dare County.

Mr. Quidley asked her to state how many years donations have been received from GBC? She said GBC has provided donations to the Partnership since 2019. She reported that the total donations received from GBC since the beginning amount to $112,520, including $30,000 in the most recent year. Ms. Sampson confirmed that these donations directly support the work of the organization in Dare County, assisting children and families. When asked, she stated that she knew of no negative impacts from the event being in the community. She noted that part of the organization's participation includes providing volunteers to help manage the event site, including parking. Ms. Sampson handed out a written statement to the Board.

Mr. Quidley called on Lee Nettles and asked him to describe the Visitors Bureau's process for evaluating application at the event site. Mr. Nettles stated he oversees the process for evaluating applications to use the Soundside Event Site. He explained that any party seeking to use the site must first complete an application based on the town's crowd gathering permit. The application includes event dates and times, setup and teardown plans, traffic flow, tent and porta-potty placement, crowd management, emergency planning, trash disposal, alcohol service, sales, insurance, and projected attendance. Once completed, the application is submitted to the Visitors Bureau for review. If all items are satisfactorily addressed, Mr. Nettles approves the application and submits it to the town for final review.

Mr. Quidley asked what was considered for the determination for the OBX Rod & Custom event. Mr. Nettles stated the application was submitted on time and approved by the Visitors Bureau. He cited that the event is well-planned, responsibly manages attendance, and has provided a safe, family-friendly environment with no alcohol served. Off-duty police officers are hired for bypass crossings. He noted the organizer's willingness to implement changes to address concerns and improve the event experience. He also felt that while the number of attendees had grown, the incident rate had fallen.

Mr. Nettles highlighted the economic impact of the event, estimating over $2 million annually for the community. He stated GBC donations to local nonprofits have exceeded $100,000. He noted that 4.6 million in occupancy tax collections we were received by the town in FY 24-25. Furthermore, he referenced the town's $36 million beach nourishment project in 2026, of which $13 million that is being provided by Dare County is mostly from occupancy tax. Without tourism revenue, town taxes would need to increase.

While acknowledging that some noise and minor incidents may occur despite event guidelines, Mr. Nettles emphasized the significant progress achieved. He concluded by respectfully requesting that the town grant the event permit, allowing continued collaboration between the organizer and town staff to further improve the event.

Comr. Vaughan asked about the timing of the permit application. Mr. Nettles explained that it's actually a shared process. There is one application that's filled out, primarily for the town's crowd gathering permit. Town staff works with the event organizer to help gather information and ensure it aligns with expectations. The goal is to provide a safe experience on site and minimize negative impacts. Once the application is approved by him, it is sent to town staff for their consideration.

Comr. Sanders asked about the capacity of the event site and how large an event could grow. Mr. Nettles replied that it depends on whether the event is self-contained. For summer markets, there is a mandate to avoid negatively impacting neighboring businesses, so the event must be self-contained. Capacity is largely based on the number of parking spaces available at the original event site, Pamlico Jack's, and Dairy Queen, along with the town's three-per-car requirement. The layout of the event also affects capacity. Overall, the site can host upwards of 8,000 to 10,000 people, such as during the Seafood Festival, but at that scale, a shuttle system is necessary to safely bring people in and out.

Manager Garman asked Chief Hale about off-duty staff for the event. Chief Hale clarified that off-duty officers are assigned at the request of the Town, not the event organizers, to staff crosswalks and ensure pedestrian safety. He explained that each crosswalk requires four officers, with additional vehicles and signage to manage traffic. Officers are scheduled from 10:00 a.m. to 6:00 p.m., though actual shifts may vary depending on operational needs. Chief Hale described the department's normal weekend staffing: a sergeant, two patrol officers, one K9 unit, and additional officers on staggered shifts. He noted that on-duty staff are not diverted from normal responsibilities for the event; off-duty personnel work overtime to cover event-specific duties. These officers monitor the event, address any issues, and respond to traffic violations but are not pulled from major emergency calls unless necessary.

He then asked if Chief Hale felt like the violations logged and presented adequately characterized what was actually occurring. Chief Hale acknowledged that not all violations are observed or cited. He stated the department aims to minimize incidents and complaints, including noise and traffic concerns, and referenced discussions with other jurisdictions regarding enforcement strategies, such as towing. Officers are instructed to prioritize safety, enforce rules as able, and maintain community standards without relying on quotas, consistent with North Carolina law.

Mr. Quidley introduced himself as a founding partner of GBC and a longtime Dare County resident, graduate of Cape Hatteras High School. He explained that he and his partners sought to share their passion for cars with the community in a way that also raises money for local charities. He highlighted that since 2019, GBC has donated over $246,000, including more than $112,000 to the Children and Youth Partnership.

Mr. Quidley described the origin of the event, noting that it began as a dream of his partner Michael and emphasized the organizational support that makes the event possible. He explained how the GBC car show differs from typical car shows by being mobile, allowing participants to display their vehicles and then continue to explore the community. He shared examples of participants traveling from out of state, attending local businesses, and engaging in impromptu drives that showcase the Outer Banks.

He noted that some participants, particularly those with high-performance "Pro Street" cars, use significant amounts of fuel, but that their visits contribute to the local economy through lodging, dining, and general tourism. He also mentioned instances where event attendees later became residents, demonstrating the long-term community impact.

Mr. Quidley concluded by emphasizing the time, energy, and financial investment GBC has committed since 2017, and he requested the Board's approval to continue the event, stressing its importance to the community, local businesses, employees, and charities.

Comr. Vaughan asked an open-ended question regarding whether Mr. Quidley had any suggestions for helping the town and the Board address concerns and maintain ongoing cooperation, beyond holding meetings. Mr. Quidley responded that maintaining open dialogue is important and emphasized that meetings are key to ensuring mutual understanding. He reflected on prior years, noting that adjustments had been made to improve the event experience. He described operational changes, including relocating registration to Surfside Plaza to better manage arrivals and prevent traffic backups. He noted that some challenges only become apparent during the event and stressed that solutions are continually refined year-to-year to improve efficiency and safety.

Comr. Vaughan asked how open dialogue could be improved and whether there had been any lapses in communication. Mr. Quidley responded that they were unaware of dissatisfaction. He noted that he maintains cordial communication with the chief and feels comfortable discussing any concerns. He emphasized the importance of being informed of issues promptly to allow corrective action. Mr. Quidley reiterated that while he enjoys burnouts, they are not appropriate on public streets. He explained that certain cars, particularly Pro Street vehicles, have very high horsepower and no traction control, making burnouts more impactful. He stated that intentional violations should be strictly enforced, including potential use of rollbacks if necessary. He stressed the importance of protecting the integrity of the event for the community and ensuring that a few individuals do not spoil it.

Mayor Pro Tem Lambert asked whether street-legal status, currently a suggestion on the application, could be made a requirement. Mr. Quidley responded that GBC does not have the authority to enforce traffic laws and making it a requirement could create liability if they certified a car as legal, and it later was found not to be. He noted that most cars drive to the event, which reasonably implies they are street legal. He added that antique cars have different inspection requirements and cited his own 1979 Camaro as an example. He concluded that, for a drive-in car show, street legality is generally implied rather than formally required.

Mayor Pro Tem Lambert asked why the registration form asks whether a vehicle is street legal. Mr. Quidley explained that the form does not explicitly require street legality; it is implied because most participants drive their cars to the event. He noted that some vehicles, such as drag race cars brought on trailers, are display-only and not driven on public roads. He added that vehicles with North Carolina or out-of-state tags are generally assumed to meet legal requirements. Mr. Quidley concluded by stating that if the Board desires, a stipulation requiring street legality could be added to the application. Ms. Hole confirmed that the application requests the make, model, and type of car, but does not ask if it is street legal.

Mayor Pro Tem Lambert asked if there is a way to communicate the seriousness of requiring street-legal cars, noting that some participants use trailers to transport vehicles that may not be road legal. Mr. Quidley explained that most participants trailer their cars due to their high value, often $200,000 to $300,000 vehicles, and not because they are illegal to drive. He gave examples of out-of-state participants with expensive vehicles who trailer them to protect the investment. He noted that many trailers themselves cost more than the cars being transported. She then asked if they would be open to having extra officers on duty so that we don't have to take away from town staff. Mr. Quidley said they are open to it, but it takes money away from charity.

Mr. Quidley asked Chief Hale if there have been any traffic accidents involving participant cars in the last three years. Chief Hale clarified that their crash reports do not specify if someone was participating in the car show. Narratives contain factual details of the incident, but do not note attendance at the event, as that information is not used for statistical purposes.

Mayor Pro Tem Lambert stated that while she understands the event raises money for charity, her concern is safety. She noted the burnouts in the pictures show participants losing control across the road. Additional officers could enhance safety and help alleviate the Board’s concerns.

Attorney Leidy asked the Board if there were any other questions for Mr. Quidley. The Board said no. Mr. Quidley stated he had nothing further to present at this time.

Attorney Leidy asked if the Board wished to receive any additional evidence. Mayor Cahoon responded, confirming the Board’s authority to address issues related to the event. He clarified that the applicant is responsible for activities on and immediately around the event site, including traffic and noise, and that the town can address issues that extend throughout the community during the event.

Attorney Leidy explained that the town’s ordinance allows the Board to consider and deny a permit. Even if all conditions for approval of the crowd gathering activity permit are met, the Board can deny it if, in their informed judgment, the special event is likely to create the imminent possibility of disorderly conduct, endanger public safety, result in significant property damage, violate public health or safety laws—including trespassing, noise violations, or unauthorized use of property—or result in violations of town policy or law.

Mayor Cahoon asked Chief Hale about the issue of street legality, specifically how practical it would be to determine if a vehicle is street legal based on noise, tires, or other modifications, and whether a vehicle could be stopped if it appeared noncompliant. Chief Hale responded that it is difficult to determine on the side of the road because statutes address mufflers if altered, but officers are not necessarily mechanics. He explained that while reasonable suspicion is sufficient to stop a vehicle, a full inspection requires more equipment or a DMV inspector. He noted that many custom-built vehicles are not immediately obvious as noncompliant, which is why he suggested having inspectors available during events.

Mayor Cahoon asked Chief Hale about repeated infractions at past events, whether those issues have tapered off over the years, and who bears responsibility for addressing them. Chief Hale explained that while there have been repeated infractions, overall the number of complaints has trended downward. He noted that some incidents, like burnouts occurring as cars exit the event site, are frustrating because officers cannot immediately address every situation, especially when they are managing traffic and pedestrian safety. Hale emphasized that the purpose of enforcement is not personal gain—the funds from citations do not go to the police department but to charity programs like buying school books for children. He stressed the importance of collaboration between the town and the event organizers but said the primary responsibility for controlling behavior rests with the applicant, since the problems only exist when the event is held.

Mayor Cahoon asked Mr. Quidley, representing the applicant, about the repeated infractions at past events and who bears responsibility for addressing them. Mr. Quidley explained that the applicant has the best conduit to communicate with potential offenders, though it is not always the same individuals each time. He emphasized that simply telling people not to misbehave is not enough. There must be a partnership with law enforcement, such as a coordinated message or PR campaign showing collaboration with the police. He described specific measures they have implemented, like creating a no-spectator zone at the event exit to prevent onlookers from encouraging burnouts. He also noted that different car groups and crews cooperate well with the organizers, spreading word to prevent unsafe behavior, though some independent attendees are harder to control. Mr. Quidley highlighted the use of social media and one-on-one communication with participants to reduce infractions, aiming for continuous improvement. While achieving zero violations is unrealistic, he stressed that proactive messaging and collaboration can significantly reduce problems.

Attorney Leidy asked if the Board wished to receive any other evidence before concluding the hearing and if there was anything further from the applicant.

Attorney Leidy concluded the public hearing at 1:35 p.m. and noted that the Board may begin its deliberations. He stated that to guide the discussion, the Board has at least three potential actions: deny the permit application, direct staff to approve the permit application, or direct staff to approve the permit application with conditions.

Mayor Cahoon asked if the Board had a starting place and then turned to Manager Garman for a recommendation from staff. Manager Garman explained that staff had discussed ways to improve the event and created a list of suggested conditions to enhance safety and compliance. The first suggestion was a 9:00 p.m. curfew for engine noise. Staff would provide additional on duty personnel during the event, monitor for burnouts, tire spinning, and unsafe activity, and communicate violations to participants, potentially removing them from current and future events. Vehicles must be street legal or transported via trailer. The applicant would also help monitor unauthorized off-site gatherings of more than 100 people. Staff recommended the applicant pay for the additional law enforcement, not to exceed $4,000, based on a $75 hourly rate for two officers from 5:00 p.m. to 11:00 p.m. daily. Manager Garman clarified that compliance with these obligations would be part of future permit considerations, emphasizing practical enforcement rather than strict zero tolerance. Finally, he suggested adding registration numbers to stickers for tracking purposes, though this might not be feasible for the current year.

Mayor Cahoon opened the discussion to the Board and asked for their input.

Comr. Vaughan began by emphasizing that the Board did not want to eliminate the event if it could be done safely. She acknowledged the benefits the event brings while also noting the responsibility to address safety and community concerns. She expressed appreciation for staff efforts and highlighted that both staff and the applicant agreed the applicant bears primary responsibility for managing participant behavior. She recommended mandating an after-action meeting to review the event and stressed that extra law enforcement staff would be necessary to monitor activity throughout the town, given the large crowds and their impact on the community. She concluded by noting the need to balance supporting the event with ensuring safety, echoing Chief Hale's earlier comments.

Comr. Sanders stated that while he was not personally a fan of the noise, his opinion was irrelevant. He expressed appreciation for the applicant's efforts, both for past events and for coming prepared to address the Board. Sanders acknowledged that the improvements in prior events, reflected in the declining number of incidents, were due to the applicant's proactive measures. He agreed with Comr. Vaughan on the need for additional enforcement, noting that while the funding comes from charitable sources, it supports public safety and assists the chief in monitoring the event to ensure it runs smoothly with fewer problems. He concluded by thanking the applicant for their cooperation and efforts.

Comr. Lambert echoed the sentiments of Comrs. Sanders and Vaughan. She highlighted Mayor Cahoon's question about who should be responsible, the applicant or the town, and noted that while some might think the drivers themselves should be held accountable, the reality is that neither the applicant nor the town can control everything. She commended the applicant for their willingness to cooperate and recognized the limitations of town oversight. She emphasized that a few "bad apples" are inevitable, which is why additional police enforcement is the most effective way to address problematic behavior. She stressed that trained officers are essential to identify and manage these bad drivers, whether they are locals or visitors. Finally, she addressed the concept of zero tolerance, stating that while zero incidents may not be achievable, zero tolerance combined with increased police presence can significantly reduce occurrences.

Comr. Harrison stated that she wants the event to continue in town and appreciates the applicant's willingness to cooperate and consider conditions. She agreed that for this year, having additional police presence to monitor what is happening would be beneficial, above and beyond the regular officers. She noted that this could help establish a message that Nags Head has zero tolerance, which might reduce the need for extra enforcement in future years, and ideally the funding could still go to charity. She emphasized that having street-legal vehicles is important for both the applicant's and the town's liability, acknowledging that while some may misrepresent their vehicles, at least there is a record that they confirmed compliance.

Mayor Cahoon asked if the Board is essentially endorsing the list of conditions suggested by the manager, including additional enforcement at the applicant's cost and the after-action meeting that Comr. Vaughn mentioned. He noted that the after-action meeting should include all parties, including the town. Mayor Cahoon acknowledged the challenging position of the applicant, comparing it to permitting factories and managing offsite impacts, and praised the applicant's efforts, the economic benefits, and charitable contributions. He emphasized the importance of protecting the character of Nags Head while allowing the event to continue. He concluded by endorsing the suggested conditions, the after-action meeting, and the granting of the permit with those conditions, then asked if the Board was ready to make a motion.

Town Attorney Leidy recommended that, based on the discussion, the motion should be to direct staff to approve the permit requested by the applicant with the specified conditions as listed.

MOTION: Comr. Sanders moved to direct staff to approve the permit with the presented conditions, including the after action meeting. The motion was seconded by Comr. Vaughan, which passed unanimously.

Manager Garman and Chief Hale's slides, Children Youth Partnership's letter and the presented permit conditions, as approved, are attached to these minutes as Addendum "E".

RECESS/RECONVENE – The Board took a brief recess at 1:52 p.m. and reconvened at 2:12 p.m.

Update on Estuarine Shoreline Management Plan — Catfish Farm/Causeway Living Shoreline Project
- Consideration of the revised scope from McAdams for Soundside Road
- Consideration of scope from Environmental Professionals for Soundside Road
- Consideration of scope from Environmental Professionals for Catfish Farm/Causeway
- Consideration of Budget Amendment 7.1
- Consideration of Capital Project Amendment #11

Deputy Planning Director Joe Costello introduced this item. The summary sheet read in part as follows:
"Harvey/Soundside Event Site Living Shoreline Project
The major permit package was submitted to the Division of Coastal Management on January 14th and is currently under review. Construction is likely to take place in the fall of 2026.

'Villa Dunes Drive Project Area
The town has contracted with Environmental Professionals, Inc. to engage with Villa Dunes Drive property owners to better understand site-specific concerns and identify alternative, implementable solutions.

'Soundside Road Project Area
Staff has asked the RCCP grant team for a scope change to exclude the offshore breakwaters and to instead allow the town to focus funds on the resiliency berm section along Soundside Road. As a part of this scope change request, staff has also requested the use of previously awarded RCCP funds for the design of stormwater management components as part of the project. Staff recommends the town contract with McAdams who will utilize Moffatt and Nichol as a subconsultant for assistance with design and permitting of the resiliency berm and stormwater management in the project area. Staff recommends contracting Environmental Professionals, Inc. to do necessary outreach as a part of this project. The scopes of work from McAdams and Environmental Professionals, Inc. are attached for the Board's review and approval.

'Catfish Farm/Causeway Living Shoreline Project
Staff has asked the RCCP project team for a scope change to fund a living shoreline design at the Catfish Farm/Causeway project area as an alternative to the offshore breakwaters at the Villa Dunes and Soundside Road sites.

- The area was identified in the ESMP as an alternative pilot site location.
- This location includes the Causeway, which is crucial public infrastructure that will likely be 'riprapped' by NCDOT if the marsh in front continues to erode. Given the huge amount of fetch coming up to this site, this is likely without intervention. People note this area is a hub of speckled trout and a variety of species of birds and fish.
- Potential spat in the area may allow for oyster reefs and/or other innovative natural approaches to erosion control. More groundwork is needed to confirm anecdotal evidence that the area can support oysters, but oyster reefs or other natural shoreline treatments would be preferable to gray infrastructure as they provide water quality and habitat benefits in addition to erosion protection.
- The town owns the 'catfish farm' parcels adjacent to Sugar Creek to the east. These are wetlands that provide crucial habitat and water quality benefits but are eroding and need intervention to protect them in the long term. These parcels are already under a conservation easement. Living shorelines have been confirmed as allowable within the terms of the conservation easement.

- The 4.7425 town-owned tract, pin #080019624199, the .0574 acre tract owned by Virginia Campbell, pin #0800119614808, and the 2.8471 tract owned by Sugar Creek LLC, pins# 080019514133 and 08001196127, are included in this design scope.

'Attached is the scope received from Environmental Professionals, Inc. for design and permitting services for the Catfish Farm/Causeway site. Staff recommends the Board approve the attached contract for a living shoreline design and permitting assistance at the site.

'This is a follow-up from January's presentation. Staff has received a scope from George Wood to assist the town with a living shoreline project design adjacent to the town's Catfish Farm property. Additional funding of $8,979 is requested to be used from the manager's capital contingency to fund the remaining scopes involving Soundside Road and the Catfish Farm projects as part of the RCCP phase 3 grant. The funds would be used to complete the grant deliverables using the updated scopes provided by Environmental Professionals at both Soundside Road and the Catfish Farm, and the updated scope from McAdams at Soundside Road."

Comr. Sanders noted that he was happy to see it all come together and acknowledged staff's effort on the project.

Comr. Harrison discussed potentially reconvening the Estuarine Shoreline Management Plan committee for progress updates and staff was amenable.

MOTION: Comr. Harrison moved to approve the McAdams scope at Soundside Rd, the Environmental Professionals scope at Soundside Rd, the Environmental Professionals scope at the Catfish Farm/Causeway, budget amendment 7.1, and Capital Project Ordinance Amendment #11. The motion was seconded by Comr. Sanders, which passed unanimously.

The scopes, as approved, are on file in the Town Clerk's office. Budget amendment 7.1 and Capital Project Ordinance Amendment #11, as adopted, are attached to and made a part of these minutes as Addendum "F".

OLD BUSINESS/ITEMS TABLED FROM PREVIOUS MEETINGS

Action Necessary to Approve 2026 Beach Nourishment Project

- Consideration of Notice to Proceed to Weeks Marine, Inc.

Town Engineer David Ryan introduced this item. The summary sheet read in part as follows:
"At its February 4, 2026 meeting, the Board of Commissioners issued a Notice of Award to Weeks Marine, Inc. for the 2026 Beach Renourishment Project and authorized the Town Manager to execute the construction contract. The contract has been fully executed. The next procedural step is issuance of the Notice to Proceed with construction. Accordingly, staff requests that the Board authorize the Town Manager to issue the Notice to Proceed."

MOTION: Mayor Pro Tem Lambert moved to authorize the Town Manager to issue the notice to proceed to Weeks Marine for the 2026 Beach Nourishment project. The motion was seconded by Comr. Harrison, which passed unanimously.

The notice to proceed is on file in the Town Clerk's office.

Committee Reports

Mayor Pro Tem Lambert – Acknowledged Planning Director Wyatt's report on the Septic Health Committee

Comr. Sanders – Thanked Deputy Planning Directo Costello for his report on the Estuarine Shoreline Management Committee

Comr. Vaughan – Reported that the Dare County Tourism Board adopted a MOU with Dare County for the pickleball courts at the Soundside Event Site. She confirmed with the DCTB the understanding that any large pickleball events would need to comply with the Town's Crowd Gathering Permit requirements. She noted that the Soundside Event Site has a busy schedule starting this month.

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN ATTORNEY

Attorney Leidy noted that his firm will be proposing a fee increase after the CPI calculation for February is reported. The last increase was in 2023.

BOARD OF COMMISSIONERS AGENDA

Mayor Pro Tem Megan Lambert – Consideration of Government Education Access Channel Committee FY 26/27 Budget

Mayor Pro Tem Lambert introduced this item. The summary sheet read in part as follows: "At the March 4th Board of Commissioners meeting, Mayor Pro Tem Lambert will present the attached proposed budget for 2026/2027 for the operation of the Government Education Access Channel. The proposed budget, which has been approved by the Government Education Access Channel Committee, must be approved by the governing board of every participating member, which includes Nags Head."

MOTION: Comr. Sanders moved to approve the GEACC FY 26/27 Budget as submitted. The motion was seconded by Comr. Vaughan, which passed unanimously.

Mayor Pro Tem Lambert requested that everyone share the Beach Nourishment video posted by the Government Education Access Channel.

The GEACC narrative and FY 26/27 budget, as approved, are attached to and made a part of these minutes as shown in Addendum "G".

MAYOR'S AGENDA

Request for Nominations for Lightkeeper/Nags Header Awards

Mayor Cahoon announced the annual request for nominations for the Lightkeeper and Nags Header Awards, with nominations due to the town clerk's office by April 15, 2026. Nomination forms are available on the Town's website under the "Honorariums" page.

The Nags Head Lightkeeper honors living persons who have shaped the town's image and direction through significant community contributions via time, actions, talents, and dedication. Nominees should be outstanding individuals involved in community service through boards, commissions, task forces, agencies, volunteer organizations, or community groups, demonstrating sustained commitment and leadership recognition by citizens.

The Nags Header recognizes a special deceased person who made a difference in the town and who has shaped Nags Head's culture since 1961 incorporation. These awards are presented to family members in meaningful ceremonies that are profoundly appreciated.

ADJOURNMENT/RECESS TO FY 26/27 BUDGET WORKSHOP
MOTION: Mayor Cahoon moved to recess to the FY 26/27 Budget Workshop. The motion was seconded by Comr. Sanders, which passed unanimously. The time was 2:26 p.m.

____
Brittany A. Phillips, Town Clerk

Date Approved: ____________________________

Mayor: ______________________________
Benjamin Cahoon

DRAFT MINUTES
TOWN OF NAGS HEAD
BOARD OF COMMISSIONERS
BUDGET WORKSHOP
WEDNESDAY, MARCH 4, 2026

The Nags Head Board of Commissioners met in the Board Room located at 5401 S Croatan Highway, Nags Head, North Carolina on Wednesday, March 4, 2026 for a FY 26/27 Budget Workshop that followed the Regular Meeting.

Board members Present:	Mayor Ben Cahoon; Mayor Pro Tem Megan Lambert; Comr. Bob Sanders Comr. Megan Vaughan; and Comr. Molly Lambert
Board members Absent:	None
Others present:	Town Manager Andy Garman; Amy Miller; Roberta Thuman; Nancy Carawan; Perry Hale; Kelly Wyatt; Joe Costello; David Ryan; Stephen Panaro; Randy Wells; Shane Hite; Katie Anzalone; and Town Clerk Brittany A. Phillips

CALL TO ORDER
Mayor Cahoon called the Budget Workshop to order at 2:26 p.m.

PRE-BUDGET OVERVIEW
Manager Garman introduced the pre-budget workshop noting that the session would serve as a workshop-style overview of the prior year's activities and expectations for the upcoming year. He explained that the presentation would focus primarily on revenue forecasting, as well as major projects and high-level initiatives anticipated moving forward.

Manager Garman noted that the discussion was intended to be largely informational and would not require significant Board input, although members were welcome to provide comments if they wished. He added that the Capital Improvement Plan (CIP) workshop is planned for the April meeting. He said the strategic plan should shape the CIP, with few surprises or new information. He then turned over the presentation to Deputy Town Manager/Finance Officer Amy Miller.

Deputy Town Manager/Finance Officer Amy Miller presented her slides which are attached to and made a part of these minutes as shown in Addendum "A".

The Board thanked Amy for her presentation.

ADJOURNMENT
Mayor Pro Tem Lambert moved to recess to a mid-month meeting on Wednesday March 18, 2026 at 9:00 a.m. in the Board room. The motion was seconded by Comr. Sanders, which passed unanimously. The time was 2:45 p.m.

____
Brittany A. Phillips, Town Clerk

Date Approved: ________________________

Mayor: ________________________
Benjamin Cahoon

DRAFT MINUTES
TOWN OF NAGS HEAD
BOARD OF COMMISSIONERS
RECESSED SESSION
WEDNESDAY, MARCH 18, 2026

The Nags Head Board of Commissioners met at the Board Room located at 5401 S Croatan Highway, Nags Head, North Carolina on Wednesday, March 18, 2026 at 9:00 a.m. for a Recessed Meeting.

Board Members Present: Mayor Ben Cahoon; Mayor Pro Tem Megan Lambert; Comr. Bob Sanders; Comr. Megan Vaughan; and Comr. Molly Harrison

Board Members Absent: None

Others Present: Deputy Town Manager/Finance Officer Amy Miller; Kelly Wyatt; David Ryan; Perry Hale; Nancy Carawan; Roberta Thuman; Karen Snyder; Katie Anzalone; and Town Clerk Brittany A. Phillips

Mayor Cahoon called the meeting to order at 08:59 a.m.

ADOPTION OF AGENDA
MOTION: Comr. Sanders moved to adopt the March 18th Agenda as presented. The motion was seconded by Comr. Vaughan, which passed unanimously.

PUBLIC COMMENT
Mayor Cahoon opened Public Comment at 09:00 a.m.

There was no one present who wished to speak during Public Comment.

CONSENT AGENDA
MOTION: Comr. Sanders moved to approve the Consent Agenda as presented. The motion was seconded by Comr. Harrison, which passed unanimously.

Budget Amendment #8.1, as approved, is attached to and made a part of these minutes as shown in Addendum "A".

The resolution authorizing the surplus and donation of police dept items to the Edenton Police Department, as adopted, read in part as follows:
"WHEREAS, the Board of Commissioners of the Town of Nags Head, North Carolina desires to surplus and dispose of certain Town owned property; AND

'WHEREAS, the Police Department has three (3) Applied Concepts Stalker DSR-E Radar Units which were taken out of service in 2026.

'NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Town of Nags Head that:

'In accordance with GS 160A-280. *Donations of personal property to other governmental units.* the following described Town owned property is hereby declared surplus and authorized to be donated to Edenton Police Department:

Fixed Asset Number	Description	Original Cost ($)	Reason for Surplus	Disposal Method
N/A	(3) Applied Concepts Stalker DSR-E Radar Units	N/A	Items were replaced with vehicle replacement schedule and are no longer under warranty.	Donation"

The Request for Public Hearing to Consider text amendments to the UDO submitted by Albemarle & Associates, Ltd on Behalf of Blue Moon Five-2, LLC (Blue Moon Restaurant), to Create a New Accessory Use Titled "Restaurant Waiting Lounge" and Associated Supplemental Regulations, as approved, read in part as follows:
"Albemarle & Associates, Ltd., on behalf of Blue Moon Five 2, LLC (Blue Moon Beach Grill), has submitted a request

to amend the Town of Nags Head Unified Development Ordinance (UDO) to create a new accessory use category titled "Restaurant Waiting Lounge." The proposed amendment was prompted by operational challenges experienced by Blue Moon Beach Grill during peak dining periods, when patrons frequently arrive prior to tables becoming available and wait outside the restaurant. The request seeks to allow an indoor waiting area located within a separate structure that remains operationally tied to the restaurant.

'The proposed ordinance would establish a definition and supplemental regulations for a Restaurant Waiting Lounge and would allow the use as an accessory use to a Restaurant, Sit Down through approval of a Special Use Permit in the same zoning districts where restaurants are permitted. The ordinance is structured to ensure that a waiting lounge remains clearly subordinate and accessory to the principal restaurant use and cannot operate as an independent establishment, through the approval of a Unified Development Plan.

'The amendment also introduces a definition for Bar, Tavern, or Drinking Establishment and clarifies that such establishments are not permitted as principal uses within the Town, consistent with the Town's longstanding policy framework. Additional provisions require the waiting lounge to be an indoor, enclosed permanent structure, limit operations to the same hours as the restaurant, and require that the lounge serve restaurant patrons only.

'STAFF RECOMMENDATION
Based on staff's review of the request and the proposed ordinance language, staff believes the amendment provides a reasonable regulatory mechanism for restaurants to manage customer waiting areas while maintaining the Town's longstanding policy of not allowing stand-alone bars or drinking establishments. The ordinance establishes clear definitions, operational safeguards, and parking standards to ensure that a Restaurant Waiting Lounge remains subordinate to a principal restaurant and cannot operate independently. Staff therefore recommends approval of the proposed Unified Development Ordinance text amendment creating the use category "Restaurant Waiting Lounge" as presented.

'PLANNING BOARD RECOMMENDATION
There will be a recommendation forthcoming subsequent to the Planning Board review.

'Consideration of scheduling the Public Hearing at the Board of Commissioners April 15, 2026 meeting."

<u>The Request for Public Hearing to Consider a Special Use Permit/Site Plan Amendment Submitted by Albemarle & Associates, Ltd on Behalf of Blue Moon Five-2, LLC (Blue Moon Restaurant) Seeking Approval of a Unified Development Plan for Blue Moon Restaurant and a proposed Restaurant Waiting Lounge Pursuant to the Supplemental Standards Proposed in Section 7.31.3 of the UDO. The Subject Properties are Zoned C-5, Historic Character Commercial District, and Located at 101 & 102 E. Dove Street, Nags Head. Approval of this Item is Contingent upon Adoption of the Proposed New Accessory Use, "Restaurant Waiting Lounge", as approved, read in part as follows</u>:
"Albemarle & Associates, Ltd has submitted this Special Use Permit/Site Plan Amendment review on behalf of Blue Moon Five 2, LLC. The applicant requests approval of a Special Use Permit and Unified Development Plan to allow the establishment of a Restaurant Waiting Lounge accessory to Blue Moon Beach Grill located at 102 E. Dove Street, utilizing the structure located at 101 E. Dove Street.

'The request is being heard concurrently with a proposed Unified Development Ordinance (UDO) text amendment creating the use category "Restaurant Waiting Lounge." The Special Use Permit request is contingent upon adoption of the proposed ordinance amendment.

'Blue Moon Beach Grill relocated to its current location at 102 E. Dove Street in 2023. The site plan for the restaurant was reviewed and approved by the Board of Commissioners through the standard development review process and constructed in accordance with the approved plans. At the time of construction and final inspection, the project was found to comply with all applicable development standards, including compliant use, lot coverage, building height, commercial architectural design requirements, parking, interior and site landscaping and buffering, lighting, signage, traffic circulation, stormwater management, NC Fire and Building Code Compliance. The restaurant has become a highly popular dining destination within the Town. During peak service periods, patrons frequently arrive prior to seating becoming available, resulting in guests waiting outside the restaurant or circulating within the parking area and patrons parking along nearby roadways.

'In late 2024, the owners of Blue Moon Beach Grill purchased the property located at 101 E. Dove Street, directly across the town street from the restaurant. The structure on this property was previously approved and constructed as an Indoor Public Assembly/Event Space (Keepers Galley) and was reviewed and approved by the Board of Commissioners at the time of construction. The building was also found to be compliant with all applicable development standards. Since acquiring the property, the owners have primarily utilized the site to provide additional parking relief for the restaurant.

'The applicant now proposes to utilize the existing structure at 101 E. Dove Street as a Restaurant Waiting Lounge accessory to the Blue Moon Beach Grill restaurant. The proposed use represents a change of use from Indoor Public Assembly to Restaurant Waiting Lounge. Under the Town's development regulations, the change of use itself would not require Planning Board or Board of Commissioners review and could be processed administratively. However, because the applicant proposes to utilize the structure in conjunction with the restaurant through a Unified

Development Plan and Special Use Permit, the request is being presented to the Planning Board and Board of Commissioners for review.

'The Unified Development Plan would encompass both properties:
102 E. Dove Street — Blue Moon Beach Grill (principal restaurant use)
101 E. Dove Street — Proposed Restaurant Waiting Lounge

'Both properties are already fully developed and compliant independently with applicable zoning and development standards.

'Both properties are zoned C-5, Historic Character Commercial District. The C-5 District permits Restaurant, Sit Down as a permitted use. The proposed text amendment would allow Restaurant Waiting Lounge as an accessory use through approval of a Special Use Permit within the same district. Therefore, both the principal restaurant use and the proposed accessory restaurant waiting lounge use are appropriate within the C-5 zoning district.

'The Unified Development Plan does not propose any modifications to the existing site layouts, including: building footprints, traffic circulation, parking layout and design, stormwater management, landscaping and buffering, architectural design, site lighting and signage. The purpose of the Unified Development Plan is simply to allow the two properties to operate in conjunction as a single coordinated restaurant development consistent with the proposed ordinance amendment.

'The proposed Restaurant Waiting Lounge would be located within the existing building at 101 E. Dove Street. The applicant has provided a floor plan identifying the customer service area of the proposed waiting lounge as 1,249 square feet. For reference, Blue Moon Beach Grill has a customer service area of 2,513 square feet. The proposed Restaurant Waiting Lounge would have a customer service area of 1,249 square feet. The restaurant waiting lounge area is therefore less than half the size of the principal restaurant customer service area, supporting the ordinance requirement that the use remain accessory and subordinate to the principal restaurant.

'Parking for the unified development has been evaluated using the Town's existing parking standard for Restaurant – Sit Down, which requires one parking space for every 55 square feet of indoor customer service area. The proposed ordinance amendment clarifies that the square footage of a Restaurant Waiting Lounge must be included in the calculation of indoor customer service area for the associated restaurant. The applicant has accounted for parking based on the combined customer service area of both buildings. Note that 72 parking spaces are required, and 86 spaces are being provided, therefore parking remains compliant.

'The proposed ordinance amendment establishes several operational safeguards intended to ensure the waiting lounge remains clearly accessory to the restaurant, including:

- Approval through a Special Use Permit and Unified Development Plan
- Limiting operation of the lounge to the same hours as the restaurant
- Requiring the lounge to serve patrons of the associated restaurant
- Prohibiting the lounge from operating as an independent bar, tavern, or drinking establishment
- Requiring signage to incorporate the associated restaurant name

'These provisions ensure that the waiting lounge remains operationally tied to the restaurant and cannot function as a separate commercial establishment.

'The Unified Development Plan proposed appears to be consistent with the proposed Restaurant Waiting Lounge ordinance amendment, which establishes the use as an accessory use permitted through a Special Use Permit in districts where Restaurant – Sit Down is allowed.

'Please keep in mind that approval of the Special Use Permit/Site Plan Amendment is contingent upon adoption of the proposed text amendment creating Restaurant Waiting Lounge use.

'STAFF RECOMMENDATION
Both properties included within the proposed Unified Development Plan were previously reviewed and approved by the Town and remain compliant with all applicable development standards independently. The proposed Unified Development Plan does not introduce new site impacts or physical changes to either property and instead provides a mechanism for the properties to function together as a coordinated restaurant development. Staff finds that the proposal:

- Remains consistent with the Town's development standards.
- Maintains compliance with parking requirements.
- Preserves the accessory relationship between the restaurant and restaurant waiting lounge.
- Provides an operational solution to manage customer waiting areas, while not exacerbating parking problems.

'Staff therefore recommends approval of the Special Use Permit and Unified Development Plan, contingent upon adoption of the proposed Unified Development Ordinance text amendment creating the use category Restaurant Waiting Lounge.

'PLANNING BOARD RECOMMENDATION
There will be a recommendation forthcoming subsequent to the Planning Board review.

'Consideration of scheduling the Public Hearing at the Board of Commissioners April 15, 2026 meeting."

NEW BUSINESS
Consideration of Construction Bids for FY 25-26 Sidewalk Projects
Town Engineer David Ryan presented this item. The summary sheet read in part as follows:
"Bids were solicited for five sidewalk improvement projects located throughout the Town, including three base bid items and three additive alternates. The base bid projects include sidewalk construction along West Baymeadow Drive between South Croatan Highway and Bays Edge, West Windjammer Drive between South Croatan Highway and West Lookout Road, and East Admiral Street between South Wrightsville Avenue and South Virginia Dare Trail. The West Baymeadow Drive and West Windjammer Drive projects were originally programmed for FY 2024/25 but were delayed to allow additional coordination with residents along the West Windjammer Drive corridor. This coordination included a neighborhood survey and an on-site meeting with residents to discuss project alignment and design considerations. The East Admiral Street project, currently programmed for FY 2025/26, includes a sidewalk extension coordinated with planned drainage improvements identified in the Stormwater Master Plan.

'Three additive alternates were also included in the bid package. The West Windjammer sidewalk extension was segmented into two parts along with the East Grouse Street sidewalk extension, originally scheduled for FY 2027/28, included as an additive alternate to allow for potential acceleration of the project in anticipation of a proposed traffic signal to improve pedestrian crossings near the Soundside Event Site. An additional bid alternate includes a sidewalk connection along the western portion of Dowdy Park to provide a looped pedestrian connection between the restroom facilities and the main park entrance. This project is to be coordinated in conjunction with the Arts and Culture Committee.

'Tourism Impact Grant funding has been awarded for all projects included in the bid package with the exception of the Dowdy Park sidewalk connection.

'Four informal bids were received on March 10, 2026. Hatchell Concrete, Inc. is the apparent lowest responsive and responsible bidder, with a total bid amount of $282,710.50. Individual bid prices for each project are provided in the attached Bid Tabulation. The total bid amount exceeds currently available funding by approximately $7,010. Staff recommends including an approximate 10 percent contingency and processing a total budget amendment of $35,000 to adequately cover construction costs and contingencies.

'Staff recommends accepting the bids, including all add-alternates, and authorizing the Town Manager to execute construction contracts for all items"

Mayor Cahoon asked whether the creative work for the Dowdy Park sidewalk was included in the budgeted amount. Engineer Ryan responded that a contingency had been built in and should cover those costs. Mayor Cahoon then asked Engineer Ryan to outline the primary concerns related to the North Ridge sidewalk project. Engineer Ryan explained that the most significant issue was the potential disruption to right-of-way parking availability.

Mayor Pro Tem Lambert expressed appreciation for the drainage improvements that will be completed as part of the East Admiral project.

Comr. Sanders asked about the total length of the Dowdy Park sidewalk upon completion of the project. Engineer Ryan stated that he would provide the Board with that information following the meeting.

Comr. Harrison moved to approve budget amendment #8. The motion was seconded by Comr. Sanders, which passed unanimously.

Mayor Pro Tem Lambert moved to authorize the Town Manager to enter into a construction contract with Hatchell Concrete Inc., in the amount of $282,710.50. The motion was seconded by Comr.
Vaughan, which passed unanimously.

Budget Amendment #8, as approved, is attached to and made a part of these minutes as shown in Addendum "B".

The contracts, as approved, are on file in the Town Clerk's office.

Consideration of Construction Bids for Gray Eagle Street Dune Walkover Replacement
Town Engineer David Ryan presented this item. The summary sheet read in part as follows:
"Facilities Maintenance routinely inspects the Town's dune walkovers to ensure safe public access to the beach. During a recent inspection of the Gray Eagle Street dune walkover, staff identified significant deterioration of the

supporting structural framework, resulting in a compromised condition that requires full replacement. In response, replacement plans were developed and the project was advertised for bid.

'Two bids were received on March 10, 2026, with Shane Clark Marine identified as the lowest responsive and responsible bidder at a cost of $42,500. While this project was not originally budgeted, cost savings realized from two previously funded dune walkover projects at Gulfstream Way and June Street are sufficient to cover the Gray Eagle Street replacement. Staff recommends reallocating these savings, along with a minor contingency allowance, to fund the project and restore safe pedestrian access.

'Recommend Authorizing the Town Manager to Execute the Construction Contract; Authorizing the Use of Leftover CIP Funds for this Project"

Comr. Sanders moved to approve budget amendment #8.3 which uses leftover CIP funds for the project. The motion was seconded by Comr. Vaughan, which passed unanimously.

Comr. Sanders moved to authorize the Town Manager to enter into a construction contract with Shane Clark Marine in the amount of $42,500. The motion was seconded by Comr. Harrison, which passed unanimously.

Budget Amendment #8.3, as approved, is attached to and made a part of these minutes as shown in Addendum "C".

The contracts, as approved, are on file in the Town Clerk's office.

BOARD OF COMMISSIONERS AGENDA
Comr. Vaughan – shared that she attended the Kellys' St. Patrick's Day Parade, noting that the weather was beautiful and the town looked fantastic shortly afterward. She also extended a special thank-you to everyone who helped ensure everything was quickly cleaned up.

ADJOURNMENT
MOTION: Comr. Vaughan moved to adjourn. The motion was seconded by Mayor Pro Tem Lambert, which passed unanimously. The time was 9:19 a.m.

____
Brittany A. Phillips, Town Clerk

Date Approved: ______________________________

Mayor: ______________________________
Benjamin Cahoon

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM E.4.

Consideration of Fair Housing Month Proclamation

Prepared by	Reviewed by
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for Board review and approval.

Summary

This year is the 56th anniversary of the enactment of the The Fair Housing Act. This Act was signed on April 11, 1968, by President Lyndon Johnson. The month of April is recognized as Fair Housing Month annually. The Outer Banks Association of Realtors (OBAR) has been asked by the National Association of REALTORS to share this proclamation with local governments and is requesting adoption at April board meetings.

Attachments

1. 4 E4 Fair Housing Month proc

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

Fair Housing Month Proclamation
April 2026

WHEREAS, The Fair Housing Act, enacted on April 11, 1968, enshrined into federal law the goal of eliminating racial segregation and ending housing discrimination in the United States; and

WHEREAS, The Fair Housing Act prohibits discrimination in housing based on race, color, religion, sex, familial status, national origin, and disability, and commits recipients of federal funding to affirmatively further fair housing in their communities; and

WHEREAS, The Town of Nags Head is committed to the mission and intent of Congress to provide fair and equal housing opportunities for all; and

WHEREAS, Our social fabric, the economy, health, and environment are strengthened in diverse, inclusive communities; and

WHEREAS, More than fifty years after the passage of the Fair Housing Act, discrimination persists, and many communities remain segregated; and

WHEREAS, Acts of housing discrimination and barriers to equal housing opportunity are repugnant to a common sense of decency and fairness.

THEREFORE, we, the Town of Nags Head Board of Commissioners do hereby proclaim

April 2026 as Fair Housing Month

in the Town of Nags Head as an inclusive community committed to fair housing, and to promoting appropriate activities by private and public entities to provide and advocate for equal housing opportunities for all residents and prospective residents of the Town of Nags Head.

This the 1st day of April 2026.

____
Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

____
Brittany A. Phillips, Town Clerk

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM E.5.

Request for Public Hearing to consider a Vested Right/Special Use Permit/Site Plan Amendment submitted by WithersRavenel on behalf of Outer Banks Hospital, for the Cancer Treatment Center located at 4927 S. Croatan Highway. The applicant is requesting a reduction in required parking spaces in order to utilize the spaces for other required infrastructure.

Prepared by	Reviewed by
Kelly Wyatt, Planning Director	Kelly Wyatt Brittany Phillips Andy Garman

Staff Comments/Recommendation

Staff finds that the proposal remains consistent with the applicable use and development standards, as well as relevant land use policies. Additionally, staff finds that the criteria necessary to allow a reduction in parking pursuant to Sections 10.15.2.1 and 10.15.2.6 of the UDO, in conjunction with the submitted parking analysis, have been satisfied. Based upon staff's review of the proposal, staff recommends approval of the Vested Right/Special Use Permit/Site Plan Amendment as presented.

PLANNING BOARD RECOMMENDATION

At their March 17, 2026, meeting, the Planning Board voted unanimously to recommend approval of the Vested Right/Special Use Permit/Site Plan Amendment as presented.

Specific Action Requested

Schedule the Public Hearing for the Vested Right/SUP/Site Plan Amendment at the Board of Commissioners May 6, 2026, meeting.

Summary

The applicant, WithersRavenel on behalf of Outer Banks Hospital, requests approval of a Vested Right/Special Use Permit/Site Plan Amendment to allow a reduction of three (3) parking spaces at the Cancer Treatment Center located at 4927 S. Croatan Highway. The reduction is necessary to accommodate an approximately 280-square-foot expansion of the existing HVAC mechanical area and associated stormwater improvements, which are required to support ongoing operational needs and maintain appropriate treatment conditions within the facility.

The proposed modification will reduce on-site parking from 57 to 54 spaces. Based on the operational characteristics of the facility, including appointment-based scheduling and a limited number of treatment bays, as well as findings of a third-party parking analysis/utilization study, staff finds that the existing and proposed parking supply exceeds the actual demand. The expansion does not increase patient capacity or staffing and will not generate additional parking demand.

The request remains consistent with all applicable use and development standards, including lot coverage, landscaping, stormwater management, and traffic circulation. The proposal satisfies the required findings for a parking reduction under Sections 10.15.2.1 and 10.15.2.6 of the UDO and supports continued access to critical healthcare services without creating adverse impacts to adjacent properties or public infrastructure.

Attachments

None

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM F.1.

Update from Planning Director

Prepared by	**Reviewed by**
Kelly Wyatt, Planning Director	Kelly Wyatt Brittany Phillips Andy Garman

Staff Comments/Recommendation

Please find attached a monthly update from Planning Director Kelly Wyatt that includes permitting and code enforcement data through February 2026.

Specific Action Requested

This item is provided for Board information and update.

Summary

This memo provides an overview of selected Planning and Development Department activities, projects, and initiatives. If requested, staff will be prepared to discuss any of this information in detail at the Board of Commissioners meeting on Wednesday, April 1, 2026.

Monthly Activity Report
In addition to permitting, inspections, code enforcement, and Todd D. Krafft Septic Health Initiative activities, staff were involved in the following meetings or activities of note during the month of March:

- Tuesday, March 3rd — Technical Review Committee Meeting
- Wednesday, March 4th — Board of Commissioners Meeting
- Wednesday, March 11th — Committee for Arts and Culture Meeting
- Thursday, March 12th — Board of Adjustment Meeting (no hearings)
- Saturday, March 14th — Dowdy Park Winter Market 9am - noon
- Tuesday, March 17th — Planning Board Meeting
- Wednesday, March 18th — Board of Commissioners Mid-Month
- Tuesday, March 24th — All-Hands Staff Meeting

Planning Board — Pending Applications and Discussions
The Planning Board most recently met on Tuesday, March 17, 2026. At that meeting, the Board took the following actions:

- Consideration of a Vested Right/Special Use Permit/Site Plan Amendment submitted by WithersRavenel on behalf of Outer Banks Hospital, requesting a reduction in required parking spaces to accommodate a 280-square-foot expansion of the existing HVAC mechanical area and redesigned stormwater management infrastructure. The expansion is necessary to support ongoing operational and equipment needs of the

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

existing Cancer Treatment Center. The property is zoned SPD-C, Village Hotel, and is located at 4927 S. Croatan Highway. The Planning Board voted unanimously to recommend approval of the Special Use Permit/Site Plan Amendment as presented.

- Consideration of text amendments submitted by Albemarle & Associates, Ltd., on behalf of Blue Moon Five-2, LLC (Blue Moon Restaurant), to create a new use titled "Restaurant Waiting Lounge," together with associated supplemental regulations, parking requirements, and definitional clarifications. The Planning Board voted unanimously to recommend approval of the proposed text amendment, with additional language to address pedestrian connectivity between contiguous lots.

- Consideration of a Special Use Permit/Site Plan Amendment submitted by Albemarle & Associates, Ltd., on behalf of Blue Moon Five-2, LLC (Blue Moon Restaurant), seeking approval of a unified development plan for the principal restaurant and a proposed Restaurant Waiting Lounge pursuant to the supplemental standards outlined in Section 7.31.3 of the UDO. The subject properties are zoned C-5, Historic Character Commercial District, and are located at 101 and 102 E. Dove Street. Approval of this request is contingent upon adoption of the proposed "Restaurant Waiting Lounge" use. The Planning Board voted unanimously to recommend approval of the Special Use Permit/Site Plan Amendment with the condition that pedestrian connectivity be provided between the principal restaurant and the Restaurant Waiting Lounge.

- Deputy Planning Director, Joe Costello provided updates on the Estuarine Shoreline Management Plan and the ongoing review of the Commercial Outdoor Recreation Overlay District.

The next Planning Board meeting is scheduled for Tuesday, April 21, 2026. At this time, no formal action items are anticipated, and the meeting will provide an opportunity to focus on staff updates and ongoing departmental initiatives.

Board of Adjustment – Recent and Pending Applications — There were no items for the Board of Adjustment's consideration in March 2026.

Additional Updates

- <u>DWMP/Septic Health Advisory Committee</u> — The next meeting of the Septic Health Advisory Committee (SHAC) is scheduled for Monday, April 27th. Staff have worked with Access Design to update a townwide mailer postcard aimed at increasing awareness of and participation in the Town's Septic Health Initiative. The updated mailer emphasizes that the program is voluntary and intended solely to provide education, resources, and support related to septic system health and maintenance. Staff recognize that some property owners may be hesitant to participate due to concerns about regulatory implications; however, the initiative is focused exclusively on septic system function and water quality, not broader code enforcement. The mailer is anticipated to be distributed in the coming week.

  In addition, the Town has officially received approval for the scope of work associated with the DWI zero-interest loan program. Staff will provide a brief presentation at the meeting with additional details regarding program implementation and next steps.

- <u>Estuarine Shoreline Management Plan</u> — Work continues to advance multiple priority project areas identified in the ESMP, with several projects moving through design, coordination, and permitting phases.

  <u>Harvey/Soundside Event Site Living Shoreline Project</u> — The major permit application was submitted to the Division of Coastal Management on January 14th and is currently under review. Construction is anticipated to occur in fall 2026.

  <u>Villa Dunes Drive Project Area</u> — The Town has contracted with Environmental Professionals, Inc. to

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

coordinate directly with Villa Dunes Drive property owners to better understand site-specific concerns and identify feasible, implementable solutions for this area.

Soundside Road Project Area — Staff have requested a scope modification to the RCCP grant to remove the previously proposed offshore breakwaters and instead focus funding on the design of a resiliency berm along Soundside Road. The request also includes expanding the scope to incorporate stormwater management design as part of the project. A project kickoff meeting was held on March 26th. This effort is focused on developing a nature-based shoreline stabilization approach that reduces wave overtopping, enhances habitat, and protects public infrastructure. Public engagement and due diligence will continue through the summer, with permit application anticipated in January 2027 and design development and permitting targeted for completion by April 2027.

Catfish Farm/Causeway Living Shoreline Project — Staff have also requested a scope modification to redirect RCCP funding toward the design of a living shoreline project at the Catfish Farm/Causeway area, identified in the ESMP as an alternative pilot site. This location includes critical public infrastructure and environmentally sensitive areas that are experiencing ongoing erosion. The project area presents opportunities for nature-based solutions, including potential oyster reef establishment and other habitat-enhancing stabilization techniques, which may provide both erosion control and water quality benefits. The Town-owned Catfish Farm parcels, which are under conservation easement and confirmed to allow living shoreline treatments, are included within the proposed design scope along with adjacent properties.

Staff have submitted all requested scope and location modifications to the RCCP grant team, and all project areas remain active and moving forward.

- Sand Relocation and Dune Management Cost Share Program – Planning staff continue to process a high volume of applications for both the Sand Relocation and Dune Management Cost Share programs. As of March 27, 2026, the Town has received a total of 235 sand relocation applications (nearly 70 of which have been submitted since last month's update) as well as 115 dune management cost share applications. To date, approximately $340,000 of the $400,000 allocated for these programs has been committed.

- Dowdy Park Events/Farmers Market/Holiday Markets/Art & Culture — The Committee for Art & Culture met in March and continued preparations for the upcoming event season. The Committee voted to maintain the current Farmers Market structure, including retaining all returning full-time vendors and continuing the rotating vendor program without advancing additional vendors to full-time status at this time. This approach reflects a desire to maintain a consistent and manageable market size given space and operational considerations.

  The Committee also reviewed and approved updates to the market rules, including the establishment of a Vendor Compliance and Progressive Enforcement Policy. The policy introduces a clear, tiered approach to enforcement, ranging from warnings to suspension and potential removal, and is intended to address challenges related to vendor compliance. The goal is to ensure a consistent, well-managed market environment while maintaining flexibility to respond to more serious or safety-related concerns. The policy will be reviewed by the Town Attorney prior to implementation.

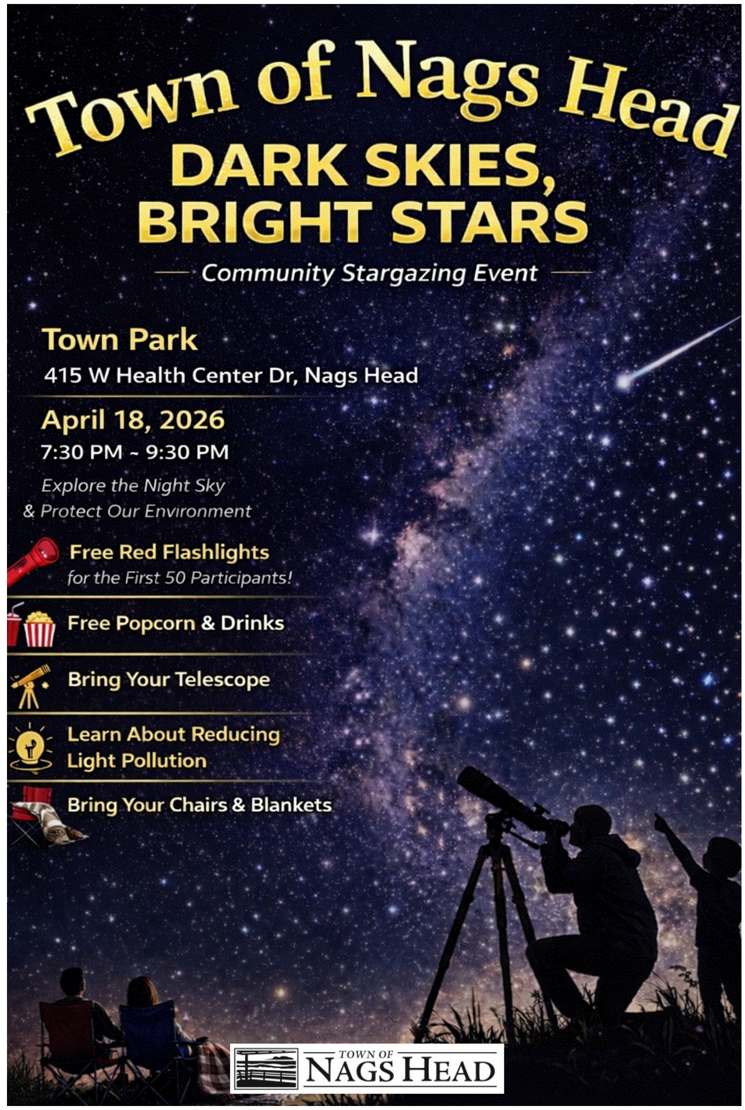
  Event Coordinator Paige Griffin has finalized planning for the upcoming summer season, including a 14-week Summer Concert Series, Farmers Markets, fitness and wellness programming, family and children's events, and other recurring offerings such as Waggin' Wednesdays. While much of this work occurs behind the scenes, the coordination required to schedule, staff, and manage a full season of programming is substantial and continues to be a significant undertaking.

  Additional public art initiatives are also moving forward. Two new art panels have been received as part of the Art Mast project, one by Dawn Gray Moraga ("RedDawn") honoring Kerry Oaksmith Sanders, to be installed at the Bittern Street beach access, and one by Noah Snyder, to be installed at the June Street beach access in coordination with ongoing walkway improvements. Two additional panels are expected in the coming months for placement at Forrest Street and Curlew Street. At Dowdy Park, the Peek-A-Boo Wall has been rebuilt by Public Services, and staff are exploring opportunities for a local artist to complete a mural installation on the newly restored surface. Staff also met with local artist Julie Moye to discuss incorporating artistic elements, such as tile mosaic installations, into the new walking path extension at Dowdy Park as a way to further integrate public art into park improvements.

The final Winter Market of the season is scheduled for Saturday, April 11th from 9:00 a.m. to 12:00 p.m. This season of Winter Markets has been very well received, particularly by local residents who have expressed strong appreciation for the opportunity to access fresh, locally sourced goods during the off-season. The smaller, more relaxed market atmosphere and consistent presence of core vendors continue to make the Winter Markets a valued and well-attended community offering.

Upcoming Meetings and Other Dates
- Wednesday, April 1st — Board of Commissioners Meeting (Budget Workshop)
- Tuesday, April 7th — Technical Review Committee Meeting
- Wednesday, April 8th — Committee for Arts and Culture Meeting
- Thursday, April 9th — Board of Adjustment Meeting (no hearings)
- Saturday, April 11th — Dowdy Park Winter Market 9am - noon
- Wednesday, April 15th — Board of Commissioners Mid-Month Meeting
- Saturday, April 18th - Dark Skies, Bright Stars Stargazing Event, Barnes Street Town Park 7:30pm - 9:30pm
- Tuesday, April 21st — Planning Board Meeting
- Monday, April 27th — Septic Health Advisory Committee Meeting


Protect your home.
Protect our water.
Approximately 80% of properties in Nags Head rely on septic systems. These systems can fail due to age, high occupancy, or improper maintenance, and repairs can cost thousands. The Town of Nags Head offers affordable solutions to help maintain a healthy septic sytem.
Don't let this happen to you!
Routine inspection and pumping help prevent failure.
OCEAN
BEACH
BACKED UP TANK CAN OVERFLOW
OVERFLOW CAN LEACH THROUGH TO BEACH
FAILED DRAINFIELD DUE TO AGE / OVERUSE
SEPTIC TANK
DRAINFIELD
BIOMAT LAYER DEVELOPS WHEN ROOTS AND DEBRIS BLOCK NATURAL FLOW TO GROUNDWATER
GROUNDWATER
DRAINAGE DITCHES FLOW TO OCEAN OR SOUND
Preventative maintenance typically costs $300-$500. Full system replacement can cost thousands.
How the Town can help:
• FREE On-Site Septic Inspection
• $250 Water Bill Credit with pump-out
• Low-Interest Loans for repairs
• Staff assistance locating and evaluating your system
Inspections are focused solely on your septic system and are educational and preventative in nature.
THE TOWN OF NAGS HEAD N.C. 1961
TOWN OF NAGS HEAD
Todd D. Krafft
Septic Health Initiative
To take advantage of this voluntary program, contact Conner Twiddy at 252-449-6047 or conner.twiddy@nagsheadnc.gov
You can also visit the Town's website at nagsheadnc.gov or scan the code at right to learn more.


Town of Nags Head
DARK SKIES, BRIGHT STARS
Community Stargazing Event
Town Park
415 W Health Center Dr, Nags Head
April 18, 2026
7:30 PM - 9:30 PM
Explore the Night Sky & Protect Our Environment
Free Red Flashlights
for the First 50 Participants!
Free Popcorn & Drinks
Bring Your Telescope
Learn About Reducing Light Pollution
Bring Your Chairs & Blankets
TOWN OF NAGS HEAD

Attachments

1. 4 F1 Planning Monthly Report

TOWN OF NAGS HEAD PLANNING AND DEVELOPMENT
MONTHLY REPORT
FEBRUARY 2026

DATE SUBMITTED: March 7, 2026

	Feb-26	Feb-25	Jan-26	2025-2026 FISCAL YTD	2024-2025 FISCAL YTD	FISCAL YEAR INCREASE/ DECREASE
BUILDING PERMITS ISSUED - RESIDENTIAL						
New Single Family	0	1	0	10	13	(3)
New Single Family, 3000 sf or >	0	0	2	4	8	(4)
Duplex - New	0	0	0	0	0	0
Sub Total - New Residential	0	1	2	14	21	(7)
Miscellaneous (Total)	55	58	42	343	309	34
Accessory Structure	*3*	*4*	*1*	19	*29*	(10)
Addition	*2*	*0*	*4*	13	*10*	3
Demolition	*0*	*0*	*1*	6	*5*	1
Move	*0*	*1*	*0*	2	*1*	1
Remodel	*12*	*12*	*14*	78	*69*	9
Repair	*38*	*41*	*22*	225	*195*	30
Total Residential	**55**	**59**	**44**	**357**	**330**	27
BUILDING PERMITS ISSUED - COMMERCIAL						
Multi-Family - New	0	0	0	0	0	0
Motel/Hotel - New	0	0	0	0	1	(1)
Business/Govt/Other - New	0	0	0	0	1	(1)
Subtotal - New Commercial	0	0	0	0	2	(2)
Miscellaneous (Total)	10	12	13	67	53	14
Accessory Structure	*1*	*6*	*3*	16	*17*	(1)
Addition	*0*	*0*	*1*	2	*0*	2
Demolition	*0*	*0*	*0*	0	*0*	0
Move	*0*	*0*	*0*	3	*0*	3
Remodel	*6*	*4*	*2*	25	*14*	11
Repair	*3*	*2*	*7*	21	*22*	(1)
Total Commercial	**10**	**12**	**13**	**67**	**55**	12
Grand Total	**65**	**71**	**57**	**424**	**385**	39
SUB-CONTRACTOR PERMITS						
Electrical	56	54	44	327	363	(36)
Gas	1	0	1	15	12	3
Mechanical	37	32	18	218	246	(28)
Plumbing	11	9	7	61	78	(17)
Fire Sprinkler	1	1	0	3	1	2
VALUE						
New Single Family	$0	$200,000	$0	$5,192,030	$5,686,157	($494,127)
New Single Family, 3000 sf or >	$0	$0	$4,644,933	$7,444,933	$7,333,200	$111,733
Duplex - New	$0	$0	$0	$0	$0	$0
Misc (Total Residential)	$1,954,610	$1,294,738	$1,782,031	$13,370,189	$10,925,732	$2,444,457
Sub Total Residential	**$1,954,610**	**$1,494,738**	**$6,426,964**	**$26,007,152**	**$23,945,089**	$2,062,063
Multi-Family - New	$0	$0	$0	$0	$0	$0
Motel/Hotel - New	$0	$0	$0	$0	$18,000,000	($18,000,000)
Business/Govt/Other - New	$0	$0	$0	$0	$1,400,000	($1,400,000)
Misc (Total Commercial)	$654,279	$534,838	$2,911,359	$11,601,605	$2,935,435	$8,666,170
Sub Total Commercial	**$654,279**	**$534,838**	**$2,911,359**	**$11,601,605**	**$22,335,435**	($10,733,830)
Grand Total	**$2,608,889**	**$2,029,576**	**$9,338,323**	**$37,608,757**	**$46,280,524**	**($8,671,767)**

TOWN OF NAGS HEAD PLANNING AND DEVELOPMENT
MONTHLY REPORT
FEBRUARY 2026

DATE SUBMITTED: March 7, 2026

	Feb-26	Feb-25	Jan-26	2025-2026 FISCAL YTD	2024-2025 FISCAL YTD	FISCAL YEAR INCREASE/ DECREASE
ZONING						
Zoning Permits	68	72	64	455	404	51
Soil & Erosion	0	1	2	14	25	N/A
Stormwater Plans	2	0	2	13	15	N/A
CAMA						
CAMA LPO Permits	1	2	5	25	13	11
CAMA LPO Exemptions	17	7	4	70	43	0
Sand Relocations	45	31	22	170	116	N/A
CODE COMPLIANCE						
Cases Investigated	20	36	20	160	221	63
Warnings	6	10	11	50	27	13
NOVs Issued	14	26	9	110	191	50
Civil Citations (#)	0	0	0	0	0	0
Civil Citations ($)	$0	$0	$0	$0	$0	$0
SEPTIC HEALTH						
Tanks inspected	5	12	9	86	74	28
Tanks pumped	5	13	12	85	54	28
Water quality sites tested	1	1	1	153	114	125
Personnel Hours in Training/School	40	30	50	422	252	126

Kelly Wyatt

Kelly Wyatt, Planning Director

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM F.2.

Update on North Carolina Division of Water Infrastructure Septic Health Grant and Zero Interest Loan Program

Prepared by	Reviewed by
Kelly Wyatt, Planning Director	Kelly Wyatt Brittany Phillips Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for Board information and update.

Summary

DWI Zero-Interest Loan Program – Status Update

The Town has received approval from the Division of Water Infrastructure (DWI), North Carolina Department of Environmental Quality, for the proposed scope of work associated with a zero-interest loan program of up to $500,000 for septic repair. The program is intended to function as a revolving loan fund, similar to the Town's existing Septic Health Initiative, to assist property owners with septic system repairs and maintenance. Staff are proceeding with initial planning and coordination efforts to support program rollout. This includes anticipated outreach to previously identified "high-risk" properties, coordination with the Septic Health Advisory Committee, and engagement with local contractors regarding program participation requirements.

Staff will provide a brief status update to the Board of Commissioners outlining next steps and implementation strategy.

Attachments

None

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM G.1.

Update and Discussion of the 2026 Beach Nourishment Project — Moffatt & Nichol - Time Specific 10:30 a.m.
- Presentation of Project Schedule and Logistics
- Request Approval of McKim & Creed Proposal to Conduct Post-Nourishment Monitoring Survey

Prepared by	Reviewed by
David Ryan, Town Engineer	David Ryan Brittany Phillips Andy Garman

Staff Comments/Recommendation

Staff recommends proceeding with the post-nourishment survey to maintain continuity with its annual monitoring program.

Specific Action Requested

Authorize the Town Manager to execute the Post Nourishment Beach Monitoring Survey with McKim & Creed in the amount of $71,980.

Summary

Beach Nourishment Update Presentation
Presentation by Dr. Beth Sciaudone and Dr. Ayse Karanci of Moffatt & Nichol providing an informational update on the upcoming 2026 Beach Nourishment Project. The presentation will review the preliminary construction schedule, beach fill sequencing, and the logistical coordination required to successfully complete the project.

Annual Beach Survey Data Collection
Each year, the Town conducts an annual beach condition survey extending from the northern corporate limits southward into the Cape Hatteras National Seashore. The resulting data are incorporated into a monitoring report that provides a valuable dataset for evaluating beach conditions and supporting planning for future nourishment cycles.

This annual monitoring effort will be disrupted this summer due to the beach nourishment project, which includes its own survey data collection within the project area and slightly beyond the limits of fill. While this construction-related data is critical for monitoring sand placement, it does not provide the full spatial coverage necessary to meet FEMA requirements for potential reimbursement or to maintain consistency with the Town's long-term annual monitoring program.

McKim & Creed has submitted a proposal in the amount of $71,980 to perform a post-nourishment annual beach survey.

Staff recommends proceeding with a full annual beach survey to preserve continuity in the Town's coastal monitoring database. Although a separate annual monitoring evaluation is not anticipated this year due to the nourishment project and its associated reporting, completing the full survey will ensure consistency in the dataset for future analyses. A similar approach was taken in 2019, when a full post-nourishment survey was conducted.

Attachments

1. 4 G1 McKim & Creed Beach Monitoring

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

March 19, 2026

David Ryan, PE
Town Engineer
Town of Nags Head
PO Box 99
Nags Head, NC 27959

RE: Town of Nags Head – Beach Monitoring Surveys, Post Nourishment 2026

Dear David:

McKim & Creed would like to present our proposal for professional surveying services in connection with the referenced project. We understand the scope of work will be identical to the work we performed between 2020 to 2025. Our Scope of work is based on performing a beach monitoring profile survey at the end of the beach nourishment project for the base bid and 3 options.

We understand the profiles generally begin at the landward toe of the primary dune or historic baseline and extend across the dunes and beach face to distance of approximately three thousand five hundred feet or -30 ft NAVD 88, whichever is achieved first.

This project includes 174 beach profile monitoring lines; Base bid includes 126, Option 1 includes 13, Option 2 include 14, Option 3 includes 21 lines.

There are approximately 32 profile lines (1030+00 to 1290+00) located within the boundaries of The Cape Hatteras National Seashore. We will require assistance from the Town of Nags Head to contact and secure access through this area.

In the event of a post-Storm survey, we can mobilize within 48 hours or as soon as safely possible with a minimum of one land crew and one hydrographic survey crew.

SCOPE OF WORK

- All survey work will be performed to the Standards of Practice for Land Surveying in North Carolina.
- Hydrographic surveys will be performed to meet or exceed the minimum performance standards for the Corps of Engineers Hydrographic Surveys, USACE specifications manual EM 1110-2-1003.
- Horizontal data will be referenced to NC Grid NAD83/2011 or to existing control datum and Vertical datum will be NAVD88.
- Conduct a coordination meeting with the Town of Nags Head and Moffatt & Nichol prior to beginning work. We will maintain open communication in addition to weekly project progress reports and updates.
- Overland data will be captured using Trimble R8/R10 dual frequency GNSS receivers beginning at the Landward toe of the Primary dune and extend out to the surf zone at wading depth (wading will occur at low tide). Land survey crews will have survey grade GNSS receivers mounted on fixed height rover poles that are equipped with topo shoes (flat rod tips that do not sink in the sand). The data collectors are clamped onto the pole; the system is lightweight and ideal for one person. To move up and down the beach efficiently, we will use Side by Side utility vehicles. Crew trucks are painted with our company logo, field crews wear highly visible orange/yellow shirts and vests.

- Hydrographic surveys will be collected from -30 ft NAVD88 to the surf zone (during the high tide cycle) to achieve overlapping data as weather/sea conditions allow. Our survey vessels range from 22' to 28' in length and are equipped with Inertial Navigation systems that include survey grade dual frequency sonar, IMU, VRS RTK GNSS and sound velocity probes, all of which compensates for heave, pitch, roll, heading and the speed of sound, to calculate position and depth. Prior to beginning work, we perform a bar check to ensure the accuracy of our sonar, and we perform sound velocity checks periodically during the survey.
- The proposal fee is calculated based on completing the base bid and all optional tasks in a single, continuous effort. If the survey cannot be carried out in one unified operation, an additional fee for mobilization may be applied.
- We will provide the following deliverables:
    - AutoCAD Civil 3D file.
    - XYZ files of the Land, Wade, and Hydro data
    - Signed and Sealed PDF of Final Survey Data Set on Title Block
    - Survey Report detailing the project understanding, planning, methods and procedures used, communication between teams, QA/QC checks and final results.
    - Digital text file with (alongshore) Station and/or Profile ID, coordinates X,Y,Z, and Distance to Baseline (DBL).
    - Digital text file in BMAP direct import format.
    - ESRI GIS format floating-point grid or TIN file of the Digital Elevation Model (DEM, surface file), with one combined surface made from all the survey data (on land and underwater).
    - Mean High Water (MHW) contour extracted from the DEM, in ESRI GIS shapefile or geodatabase.

ACCURACY

- Land: The integrated GNSS system (Trimble R8) that we use is rated at a precision of .02' horizontal and .05' vertically. Based on the conditions and stability of the sand, we can provide an accuracy of 0.1' horizontally and less than 0.2' vertically.
- Hydro: Our equipment is well within the requirements of the USACE Hydrographic Survey Standards. Soundings will be accurate to within 3' horizontal and 0.25' vertically.

SCHEDULE

We estimate approximately 3-4 weeks to collect all data sets. We can provide the final deliveries and reports within 2-3 weeks of completion of field work.

For services described in the above Scope of Work, the lump sum fee will be **$71,980.00** *(Seventy-one thousand nine hundred eighty dollars and zero cents)* inclusive of reimbursable expenses. The option fees are based on performing them at the same time as the base bid.

TASK	DESCRIPTION	COMPENSATION METHOD	FEE
1	Base Bid (126 Profiles)	Fixed Fee	$52,520.00
1A	Option 1 (13 Profiles)	Fixed Fee	$5,350.00
2A	Option 2 (14 Profiles)	Fixed Fee	$5,760.00
3A	Option 3 (21 Profiles)	Fixed Fee	$8,350.00
		Project Effort Total	**$71,980.00**

POST-STORM SURVEY **$71,980.00**

This includes the same scope of work and detail of the annual survey**

ACCEPTANCE

This proposal is submitted contingent upon the negotiation of a contract with mutually acceptable terms and conditions prior to the commencement of any work.

We appreciate the opportunity to provide this proposal to you and look forward to working on the project with you.

Sincerely,

McKIM & CREED, INC.

Gabriela De Oliveira

Gabriela De Oliveira
Hydrographic Project Manager
McKim & Creed Proposal Number: 261484

I hereby authorize McKim & Creed, Inc. to proceed with the work described above.

[Town of Nags Head]

By: ____________________________________ Date: ______________
(Print or Type Name)

Title: ___________________________
(Signature)

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM G.2.

Actions Necessary to Approve 2026 Beach Nourishment Project
- Consideration of Findings Resolution

Prepared by	**Reviewed by**
Amy Miller, Deputy Town Manager/Finance Officer	Amy Miller Brittany Phillips Andy Garman

Staff Comments/Recommendation

This is the initial resolution prepared by our financing team.

Specific Action Requested

Adoption of resolution as presented.

Summary

This resolution is required for approval by the North Carolina Local Government Commission of the Town's beach nourishment financing. The resolution states the reason the beach nourishment project is necessary, and has a "not to exceed" (NTE) amount to be financed. The Town can always finance less but it cannot finance more than the amount stated in the resolution. Therefore, the NTE amount has a cushion built in as we lock down the financing. The LGC will approve the financing at their May 5, 2026, meeting.

Attachments

1. 4 G2 Beach Nourishment Findings res

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

RESOLUTION OF THE TOWN OF NAGS HEAD, NORTH CAROLINA, DIRECTING THE APPLICATION TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF A SPECIAL OBLIGATION BOND; DECLARING THE INTENT OF THE TOWN TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES FROM PROCEEDS THEREOF; REQUESTING LOCAL GOVERNMENT COMMISSION APPROVAL OF THE TOWN'S SPECIAL OBLIGATION BOND; AND CERTAIN RELATED MATTERS

WHEREAS, the Town of Nags Head, North Carolina (the "*Town"*) is a validly existing municipal corporation, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the "*State");* and

WHEREAS, it is necessary to provide beach nourishment for the purpose of beach erosion control and flood and hurricane protection works (the "*2026 Project");* and

WHEREAS, the Town has created a Municipal Service District (the *"MSD")*, in accordance with Article 23 of Chapter 160A of the North Carolina General Statutes, in which the 2026 Project will be located; and

WHEREAS, it is in the best interest of the Town to issue its special obligation bond (the "*Bond")* pursuant to N.C. Gen. Stat. § 159-146 in an aggregate principal amount not to exceed $15,000,000 and sell the Bond to a financial institution to be determined (the "*Purchaser")* to finance the 2026 Project; and

WHEREAS, a portion of the costs of the 2026 Project is expected to be paid from other Town funds and from funds to be provided by Dare County, North Carolina (the "*County")* through its beach nourishment fund program, which program is supported by a dedicated portion of the County's occupancy tax and is used to assist beach nourishment projects within the County; and

WHEREAS, the Board of Commissioners of the Town (the "*Board")* wishes to retain Parker Poe Adams & Bernstein LLP, as bond counsel, and DEC Associates Inc., as municipal advisor (collectively, the "*Financing Team");* and

WHEREAS, the Board desires that the Finance Officer of the Town file with the Local Government Commission of North Carolina (the *"Commission")* an application for its approval of the 2026 Bond on a form prescribed by the Commission, requesting that the Commission approve the negotiation of the sale of the 2026 Bond to the Purchaser and the Town's use of the Financing Team; and

WHEREAS, in connection with such application, the Board authorizes the Finance Officer to (1) provide the Commission with such facts and information regarding the 2026 Bond and the Town and its financial condition as the Commission may require and (2) take all other action necessary for the issuance of the 2026 Bond; and

WHEREAS, the Town will incur and pay certain expenditures (the "*Original Expenditures")* in connection with the 2026 Project prior to the date of issuance of the 2026 Bond, such Original Expenditures to be paid for originally from a source other than the proceeds of the 2026 Bond, and the Town intends, and reasonably expects, to be reimbursed for such Original Expenditures from a portion of the proceeds of the 2026 Bond; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Nags Head, North Carolina, as follows:

1. The Town shall issue the 2026 Bond to (1) finance a portion of the costs of the 2026 Project and (2) pay the costs of issuing the 2026 Bond, as set out fully in the documents attached to the Town's application to the Commission. The use of the proceeds of the 2026 Bond, as described, is necessary to provide for beach erosion control and flood and hurricane protection works in the MSD.

2. The use of the Financing Team in connection with the Town's issuance of the 2026 Bond is approved and ratified. The Finance Officer is authorized to retain the services of other professionals as she deems necessary and appropriate to complete the transactions contemplated by this Resolution.

3. The Finance Officer, or her designee, with advice from the Town Manager, the Town Attorney, and the Town's municipal advisor and bond counsel, is authorized, directed, and designated to file an application with the Commission for its approval of the issuance of the 2026 Bond.

4. The Board requests that the Commission sell the 2026 Bond to the Purchaser pursuant to the plan of finance described in this Resolution.

5. The Board finds and determines and asks the Commission to find and determine from the Town's application and supporting documentation that:

(1) the issuance of the 2026 Bond is necessary or expedient;

(2) the not to exceed stated principal amount of the 2026 Bond will be sufficient but is not excessive, when added to other money available to the Town, for the proposed 2026 Project;

(3) the proposed 2026 Project is feasible;

(4) the Town's debt management procedure and policies are good; and

(5) the 2026 Bond can be marketed at a reasonable interest cost to the Town.

6. The Mayor, the Town Manager, the Finance Officer, the Town Clerk, and their respective designees (collectively, the *"Authorized Officers")* are authorized, individually and collectively, to do any and all other things necessary to complete the steps for the issuance of the 2026 Bond.

7. The Town presently intends, and reasonably expects, to reimburse itself for Original Expenditures in an amount not to exceed $15,000,000 on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the 2026 Bond. The Town adopts this Resolution as a declaration of official intent under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the Town's intent to reimburse itself for the Original Expenditures from proceeds of the 2026 Bond. The Authorized Officers, with advice from the Town's bond counsel, are authorized, directed, and designated to act on behalf of the Town in determining and itemizing all of the Original Expenditures incurred and paid by the Town in connection with the 2026 Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of issuance of the 2026 Bond.

8. All motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

9. This Resolution is effective on the date of its adoption. The attorney for the Town of Nags Head has rendered an opinion that the proposed Project is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of North Carolina.

ADOPTED this 1st day of April 2026.

____
Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

____
Brittany A. Phillips, Town Clerk

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM G.3.

Review of Town Legislative Agenda

Prepared by	**Reviewed by**
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation

Largely, this is a continuation of the town's legislative agenda from last year, since very little was accomplished by the legislature during the last session. We acknowledge that there are several new board members who may have questions/comments regarding these items. Staff will present the items and answer questions for the Board.

Specific Action Requested

Request Board feedback/modifications and approval to move forward with the updated 2026 Legislative Agenda.

Summary

Staff met virtually with our lobbying firm, Ward and Smith, P.A. on January 13, 2026 to review the status of the Legislative Agenda established in 2025. Based on the status and feedback from staff, a DRAFT Legislative Agenda for 2026 has been created.

Whitney Campbell Christensen and Marley Peterson from Ward and Smith, P.A. attended the March 4, 2026 Board of Commissioners meeting and advised the Board on the upcoming short session. At that meeting, the Board voted to remove the terminal groin item from the DRAFT legislative agenda and to bring the item back for later review.

Attached is the draft legislative agenda for the upcoming year as well as the legislative agenda from last year with status updates on each item.

Attachments

1. 4 G3 2026 DRAFT Legislative Agenda
2. 4 G3 2025 Legislative Agenda Status Report

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

Benjamin Cahoon
Mayor

Megan Lambert
Mayor Pro Tem

Andy Garman
Town Manager

Town of Nags Head
Post Office Box 99
Nags Head, NC 27959
Telephone 252-441-5508
Fax 252-441-0776
www.nagsheadnc.gov

Bob Sanders
Commissioner

Megan Vaughan
Commissioner

Molly Harrison
Commissioner

DRAFT 2025 – 2026 Biennial State Legislative Agenda

Revised March 4, 2026

Key Priorities:

- Seek funding to replace the Town's asbestos cement water lines. The replacement can be undertaken in segments or in its entirety. Total project cost is estimated between $7 to $10 million.
- Seek funding for public safety infrastructure improvements, including replacement of a fire station experiencing persistent mold and moisture issues and with insufficient living quarters as well as funding for a police station.
- Collaborate with other local government stakeholders to protect local government planning authority and to repeal or improve the 2024 down zoning legislation authorized by Session Law 2024-57.
- Seek legislation to increase the threshold for informal versus formal bidding requirements to reflect recent increases in the cost of construction and inflation. Also look at modifying other construction/contracting related statutory requirements that would have the effect of reducing costs for construction procurement and/or increasing interest in government projects.

Appropriations:

- Seek opportunities for expansion of existing beach nourishment funding sources including, but not limited to, expansion of the Coastal Storm Damage Mitigation (CSDM) program, establishment of additional state beach nourishment programs, and expansion of local government authority to raise revenue for beach nourishment projects.
- Seek approximately $400,000 in funding to replace the public safety mobile command center currently utilized by Nags Head Public Safety during and after storms, search and rescue operations, checkpoints, and public events.
- Seek approximately $60,000-$80,000 in funding to replace outdated audio and video equipment at Town Hall.

Policy:

- Work with other local government stakeholders to seek policy changes to allow for the use of public dollars for the construction of local government employee housing.
- Seek and clarify local government authority to remove hazardous residential structures from the beach before they collapse.

Other Priorities:

Appropriations:

- Seek full or partial funding for the Town's pedestrian plan which includes multi-use paths and sidewalks for residents and tourists. The plan can be funded incrementally or in segments.
- Support recurring funding for the Transportation Infrastructure Resiliency Fund (TIRF), the Resilient Coastal Communities Program (RCCP), the Local Assistance for Stormwater Infrastructure Investments Program (LASII), the Stormwater Retrofit Pilot Program (SRPP) and seek recurring state funding resources to make the Town's flood prone primary, secondary and local roadways more resilient to future heavy rain events.
- Advocate for the advancement of the US 158 Corridor study within the STIP.

Policy:

- Oppose proposed changes to the Building Code and Fire Code that would erode local government authority to keep their communities safe.
- Oppose legislation that would limit local government authority over the regulation of short-term rental properties and accessory dwelling units.
- Expand recent legislation providing cancer and other health screenings to volunteer fire departments to also provide screenings for first responders serving at career and combined fire departments.
- Support state initiatives and funding related to pedestrian safety and seek changes to allow local governments to apply for non-infrastructure Transportation Alternatives Program (TAP) funding for pedestrian improvements directly through the state.
- Support the addition of cost-sharing factors as a new STIP criteria for project prioritization.

ND:4904-5081-5767, v. 2

Benjamin Cahoon
Mayor

Michael Siers
Mayor Pro Tem

Andy Garman
Town Manager

Town of Nags Head
Post Office Box 99
Nags Head, NC 27959
Telephone 252-441-5508
Fax 252-441-0776
www.nagsheadnc.gov

Bob Sanders
Commissioner

Megan Lambert
Commissioner

Vacant
Commissioner

2025 State Legislative Agenda

With Status Updates Through the End of 2025

Key Priorities:

- Seek $7 to $10 million in funding to replace the Town's asbestos cement water lines.
  - *We prepared an informational handout on this funding request, it has been submitted and we have had several meetings with House and Senate budget chairmen to advocate for it. Mayor Cahoon, Commissioner Lambert and Andy Garman also discussed this item with the delegation on their trip to Raleigh.*
- Seek funding for public safety infrastructure improvements, including replacement of a fire station experiencing persistent mold and moisture issues and with insufficient living quarters as well as funding for a police station.
  - *We prepared an informational handout on this funding request, it has been submitted and we have had several meetings with House and Senate budget chairmen (including Capital Appropriations leaders) to make sure it is on their radar. Mayor Cahoon, Commissioner Lambert and Andy Garman also discussed this item with the delegation on their trip to Raleigh.*
- Collaborate with other local government stakeholders to protect local government planning authority and to repeal or improve the 2024 down zoning legislation authorized by Session Law 2024-57.
  - *We highlighted this issue with both members of our delegation. Sen. Hanig filed a local bill that would resolve this issue for all municipalities in Dare County. Our understanding is that this issue will be resolved with a statewide bill.*
- Work with other local government stakeholders to seek changes to the laws governing private septic system repair and replacement.
  - *We understand that this has been resolved through rulemaking.*
- Seek legislation to increase the threshold for informal versus formal bidding requirements to reflect recent increases in the cost of construction and inflation. Also look at modifying other construction/contracting related statutory requirements that would have the effect of reducing costs for construction procurement and/or increasing interest in government projects.

    - *We developed an informational handout on this priority and held several meetings with Rep. Brody, Chair of the House Housing and Development Committee. At our request, he inserted language into H661 to raise the thresholds that trigger formal bidding requirements. The bill increases the threshold for construction or repair contracts from $500,000 to $1.5 million and for purchase contracts from $90,000 to $180,000. H661 passed the House with this language included and is now before the Senate.*

Appropriations:

- Seek opportunities for expansion of existing beach nourishment funding sources including, but not limited to, expansion of the Coastal Storm Damage Mitigation (CSDM) program, establishment of additional state beach nourishment programs, and expansion of local government authority to raise revenue for beach nourishment projects.
    - *Mayor Cahoon, Commissioner Lambert, Andy Garman and our team highlighted this issue in our meetings with the delegation*.
- Seek approximately $400,000 in funding to replace the public safety mobile command center currently utilized by Nags Head Public Safety during and after storms, search and rescue operations, checkpoints, and public events.
    - *We prepared an informational handout on this funding request, it has been submitted and we have had several meetings with House and Senate budget chairmen to make the case for it and the benefits to the region. Mayor Cahoon, Commissioner Lambert and Andy Garman also discussed this item with the delegation on their trip to Raleigh.*
- Seek approximately $60,000-$80,000 in funding to replace outdated audio and video equipment at Town Hall.
    - *We also flagged this item in our meetings with the delegation.*

Policy:

- Work with other local government stakeholders to seek policy changes to allow for the use of public dollars for the construction of local government employee housing.
    - *Sen. Hanig indicated that he could not sponsor this legislation until he had requests from every impacted local government, so we coordinated resolutions with Andy Garman and delivered those resolutions to Sen. Hanig upon adoption. We have met with Dare County's lobbyist twice to keep him informed. We met with Rep. Pickett to request the addition of this language to H306 (employee housing bill for Watagua). Rep. Pickett was amenable and the plan is for Sen. Hanig to PCS the bill when it arrives in the Senate. This bill has already nearly cleared the House and is exempt from crossover, so in a great position.*
- Seek/Clarify local government authority to remove hazardous residential structures from the beach before they collapse.
    - *We presented this item to Sen. Hanig and Rep. Kidwell but have no other progress to report.*

Other Priorities:

<u>Appropriations:</u>

- Seek full or partial funding for the Town's pedestrian plan which includes multi-use paths and sidewalks for residents and tourists. The plan can be funded incrementally or in segments.
    - *Mayor Cahoon, Commissioner Lambert, Andy Garman and our team highlighted this issue in our meetings with the delegation*.
- Support recurring funding for the Transportation Infrastructure Resiliency Fund (TIRF), the Resilient Coastal Communities Program (RCCP), the Local Assistance for Stormwater Infrastructure Investments Program (LASII), the Stormwater Retrofit Pilot Program (SRPP) and seek recurring state funding resources to make the Town's flood prone primary, secondary and local roadways more resilient to future heavy rain events.
    - *We have secured and attended several meetings on this topic with the American Flood Coalition (AFC). Legislators appear to have a preference for allocating resiliency resources disproportionately to western NC, but we have been beating the drum all session about the need to continue investing in these solutions statewide.*
- Advocate for the advancement of the US 158 Corridor study within the STIP.
    - *We prepared an informational handout on this and have shared it with both members of the delegation as well as Transportation Chairmen. We have also shared it with your DOT Board member and Division Engineer.*

<u>Policy:</u>

- Oppose proposed changes to the Building Code and Fire Code that would erode local government authority to keep their communities safe. Work with other local government stakeholders to seek legislation authorizing local governments to require life safety systems in rental properties exceeding certain size thresholds.
    - *We explored this issue with Sen. Hanig, the homebuilders and the realtors and there was significant pushback to the life safety system requirement in residential structures. We continue to monitor for proposed Building Code and Fire Code changes that would impact local authority and will flag them for you all as they are filed.*
- Oppose legislation that would limit local government authority over the regulation of short-term rental properties and accessory dwelling units.
    - *Alongside Mayor Cahoon and Andy Garman, we have spent considerable time working to defeat House Bill 765 and related legislation that would limit local government authority over ADUs, parking requirements, density and other key topics. We scheduled meetings with the H765 bill sponsors and Senate Government Chairs (which were ultimately cancelled or postponed by the legislators). We have shared letters of opposition and had countless conversations with House members prior to H765 votes. As a result of the groundswell of opposition, H765 has been functionally abandoned by*

the sponsors. We continue to monitor closely for related provisions that might appear in separate bills.

- Expand recent legislation providing cancer and other health screenings to volunteer fire departments to also provide screenings for first responders serving at career and combined fire departments.
    - *We have pitched this idea to several Senators who filed legislation related to firefighter benefits and have also worked with Sen. Hanig to secure a Fiscal Note from NCGA staff. We will continue to promote the idea during the budget conference process for inclusion in the budget.*
- Support state initiatives and funding related to pedestrian safety and seek changes to allow local governments to apply for non-infrastructure Transportation Alternatives Program (TAP) funding for pedestrian improvements directly through the state.
    - *We have promoted this concept to DOT Board members this session, however DOT funding is already severely constrained.*
- Support the addition of cost-sharing factors as a new STIP criteria for project prioritization.
    - *We have also shared this concept with DOT Board members and Transportation Committee chairmen.*
- Seek legislation to expand local authority to construct terminal groins and/or offshore breakwaters to improve the performance of beach nourishment projects.
    - *We advocated for this alongside Mayor Cahoon, Commissioner Lambert and Andy Garman in our delegation meetings*.

ND:4912-4411-0105, v. 2

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM H.1.
Committee Reports

Prepared by	**Reviewed by**
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation
N/A

Specific Action Requested
This item is provided for Board information and update.

Summary
At the April 1, 2026 Board of Commissioners meeting, Board members will provide reports from meetings they have attended on behalf of the Town.

Attachments
None

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM H.2.

Presentation of Classification and Compensation Study Report

Prepared by	Reviewed by
Jan Mielke, Human Resources	Jan Mielke Brittany Phillips Andy Garman

Staff Comments/Recommendation

This item was included in the FY 2025/26 budget. Staff invites the Board to review the Draft Classification and Compensation Study Report and provide any questions or comments. The Board will receive the final Classification and Compensation Study Report for adoption at the May Board Meeting.

Specific Action Requested

This item is provided for Board review prior to finalizing the study.

Summary

The Town of Nags Head selected the Archer Company to conduct a Classification and Compensation Study that began in October.

The primary objectives of this effort are to evaluate our total rewards program to:

- Promote internal equity
- Ensure market competitiveness
- Establish clear and consistent position classifications
- Align our total rewards with current best practices

Staff will present the findings of this study and recommendations for the Board to consider for adoption.

Attachments

None

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM H.3.

Consideration of Resolution Supporting Continued Direct Local Citizen Input in Municipal Property Tax Program

Prepared by	Reviewed by
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation

Consider adoption of the attached resolution.

Specific Action Requested

Consider adoption of resolution as presented.

Summary

Staff has prepared the attached resolution to provide feedback to the North Carolina General Assembly on proposals currently being considered which would impact/limit local government authority to levy property taxes. Other local communities are currently considering similar resolutions.

Attachments

1. 4 H3 Direct Citizen Input Property Tax res

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

RESOLUTION OF THE TOWN OF NAGS HEAD, NORTH CAROLINA, SUPPORTING CONTINUED DIRECT LOCAL CITIZEN INPUT IN MUNICIPAL PROPERTY TAX PROGRAM

WHEREAS, Section 2 of Article V of the North Carolina Constitution states, in part, that "The General Assembly shall not authorize any county, city or town, special district, or other unit of local government to levy taxes on property, except for purposes authorized by general law uniformly applicable throughout the State, unless the tax is approved by a majority of the qualified voters of the unit who vote thereon;" and

WHEREAS, Nags Head property tax revenues help to fund Town operations for the safety and welfare of our citizens, including every police officer dispatch, every fire fighter call for assistance, every ocean rescue lifeguard response, and every public safety equipment such as police and fire vehicles, radios, and gear that protects them while they protect our citizens; and

WHEREAS, property tax revenues provide residential and commercial trash collection, street maintenance, stormwater management, and planned pedestrian opportunities through sidewalks and multi-use paths, serving our community with a healthy and safe environment; and

WHEREAS, Nags Head's property tax revenues are integral to its Shoreline Protection Program, including beach nourishment projects that protect the Town's streets, water, power, sewer infrastructure and improved properties, which greatly decrease the potential damage from hurricanes and nor'easters and potentially lessen the need for limited state and uncertain federal aid. The Town's current tax rate dedicates 2 cents per $100 of assessed value specifically for beach nourishment, with a $40 million beach nourishment project tentatively scheduled for fiscal year 2026–2027; and

WHEREAS, in response to its citizens, Nags Head has utilized property tax revenues to develop a wide scope of community-centered recreational opportunities and to maintain and improve parks and recreational facilities that enhance the quality of life for residents and visitors; and

WHEREAS, Nags Head's property tax revenues support critical stormwater and drainage infrastructure improvements, including innovative nature-based flood mitigation projects, drainage upgrades in south Nags Head, and capital investments that reduce flooding risks for both residential and commercial properties; and

WHEREAS, our residents directly choose their municipality's representatives in the Mayor and Board of Commissioners positions in regular elections; and

WHEREAS, a municipality's property tax rates, along with scheduled fees, services, and capital projects are presented as part of an annual operating budget that is adopted by the voters' representatives following public hearings in which our Town's residents and citizens provide direct input; and

WHEREAS, Nags Head's revenue from property taxes (ad valorem taxes) as a percentage of general fund revenues in Fiscal Year 2025-2026 is approximately 41.5%, and any limitation on our ability to set those rates would create a financial challenge for our Town, threatening essential services and the long-term infrastructure investments our community depends upon; and

WHEREAS, the Town of Nags Head is directly responsible to its citizens and must have the flexibility to adjust property tax revenues with the input and support of the people who directly benefit from the services and amenities provided by the Town: its citizens;

THEREFORE, BE IT RESOLVED, that the Board of Commissioners for the Town of Nags Head supports the current property tax revenue program outlined by the Constitution of the State of North Carolina, which places ultimate authority with a municipality's citizens on property tax rate changes; and

BE IT FURTHER RESOLVED, that the Board of Commissioners asks the General Assembly not to support a ballot referendum for any Constitutional amendment that would alter the current system, as such changes would greatly limit our Town's ability to be directly responsive to its citizens, their health and safety, and their vision for our community.

ADOPTED this 1st day of April 2026.

____
Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

____
Brittany A. Phillips, Town Clerk

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM J.1.

Financial Update

Prepared by	Reviewed by
Amy Miller, Deputy Town Manager/Finance Officer	Amy Miller Brittany Phillips Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for Board information and update.

Summary

At the April 1, 2026 Board of Commissioners meeting, Deputy Town Manager/Finance Officer, Amy Miller, will provide a financial update to the Board.

For shared revenues (sales, occupancy, land transfer taxes), we are projected to be approximately $53,000 over budget. This covers through January of fiscal year 2026. Land transfer tax is 5% higher than this time last fiscal year, while sales tax is the same and occupancy tax is 2% lower.

We have collected 99.69% of our ad valorem taxes.

For water utility sales, we have collected 77.9% of budgeted revenues through March, which is tracking about the same compared to last March at 76.2%. Regarding wholesale water purchased from Dare County, we are at 51.7% of our budget through February, compared to 67.3% for the same time last year. This year the wholesale water rate was reduced to $2.032/thousand gallons delivered from $2.109/thousand gallons delivered. Total gallons delivered (in millions) have also decreased from 275 to 262, or 5%.

Tipping fees are at 62.8% of the budget through February, which is tracking just slightly higher than this time last fiscal year at 59.7%. We did reduce the budget by 6% this year as we forecasted a drop in tipping fees.

We appreciate the Board's confidence and support and staff are available to answer any questions. We will continue to provide a financial update to the Board on a quarterly basis. This will allow the Board to have a better understanding throughout the year of where we stand and make adjustments, if necessary, before the entire year has passed.

Attachments

None

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM J.2.

Consideration of Unspent Capital Improvement Program Funds From Public Services Financing
-Approval of Capital Project Ordinance Amendment #12
-Approval of Water Capital Project Ordinance Amendment #6
-Approval of Budget Amendments #9.3 and #9.4

Prepared by	Reviewed by
Amy Miller, Deputy Town Manager/Finance Officer	Amy Miller Brittany Phillips Andy Garman

Staff Comments/Recommendation

Approve requests to purchase items needed for Public Services using a combination of Public Services leftover funding (from the original financing). Doing so would create capacity to use money budgeted this fiscal year in the capital investment fund to purchase items that we have been offered trade in money.
-Approval of Capital Project Ordinance Amendment #12
-Approval of Water Capital Project Ordinance Amendment #6
-Approval of Budget Amendments #9.3 and #9.4

Specific Action Requested

Approve use of Public Services Complex financing for a knuckle boom, rather than it being totally funded from the general fund/capital investment fund. This would allow us to purchase a side-by-side and an excavator this year and we can take advantage of trade in offers vendors have made. There is additional funding of $40,069 from the water fund portion of the Public Services Complex. They recommend purchasing an inserta valve, saving us $15,000 per valve we would have to pay to have installed. There is an ROI on this, having identified 2 locations as well as hydrants that need valves. The cost is $66,596 and we can identify additional funding from the water fund.
-Approval of Capital Project Ordinance Amendment #12
-Approval of Water Capital Project Ordinance Amendment #6
-Approval of Budget Amendments #9.3 and #9.4

Summary

The Town has met its arbitrage benchmarks for the Public Services Complex financing. We would like to use what is left for:

- Paying for part of the sanitation knuckle boom from the remaining general fund portion of the Public Services Complex. The amount remaining in the general fund is $159,684. This frees up $159,684 from the general fund/capital investment fund this fiscal year if we can shift that funding amount from the Public Services Complex.
- Purchase a replacement excavator this fiscal year rather than FY 26/27. The cost is $155,565. We are able to get a trade in value of $75,000 for the excavator we are trading in. The net cost is $80,565.
- Purchase a new side-by-side for sanitation cart rollbacks. The cost is $30,675. They are offering a trade-in

of $47,500 for a skid-steer that we no longer need or use. The net cost of this transaction is we receive $16,825.
- By shifting Public Services money for the knuckle boom, leveraging trade-in offers, and purchasing items now to lock in pricing and avoid any cost increases, we have enough funds budgeted this year in the capital investment fund (CIF) to cover the funding we need for the excavator. The leftover money that was budgeted and not used will roll back into the CIF.
- There is additional funding of $40,069 from the water fund portion of the Public Services Complex. The cost of the inserta valve identified as a need that would provide a ROI is $66,596, and we can identify additional funding from the water fund.

Attachments

1. 4 J2 Apr Cap Proj amend 12 ord
2. 4 J2 Apr Cap Proj amend 6 water ord
3. 4 J2 Budget Amendments #9.3-#9.4

CAPITAL PROJECT ORDINANCE
(Amendment #12)

BE IT ORDAINED by the Governing Board of the Town of Nags Head, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance as adopted January 5, 2022, amended August 3, 2022, amended March 1, 2023, amended April 3, 2024, amended August 7, 2024, amended October 2, 2024, amended January 8, 2025, amended March 5, 2025, amended April 2, 2025, amended October 1, 2025, amended November 5, 2025, amended February 4, 2026, is hereby further amended as follows:

Section 1. This ordinance is to establish a budget for Capital Projects.

Section 2. The following budget shall be conducted within the Capital Projects Fund (fund #41).

Section 3. The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 4. The following amounts are appropriated for the Public Services Complex project:

Construction design and oversight	$ 1,311,269
Building	12,081,269
Equipment	1,339,096
Professional fees	264,415
Improvements	172,382
Contribution to Capital Investment Fund	489,950
Total Expenditures	$ 15,658,381

Section 5. The following revenues are anticipated to be available to complete Public Services Complex project:

Contribution from General Fund	$ 489,950
Interest Income	792,177
Intergovernmental Grant	4,000
Bond Proceeds, Limited Obligation Bonds, Series 2023	14,372,254
Total revenues	$ 15,658,381

Section 6. The following amounts are appropriated for the Harvey/Soundside Event sites living shoreline project:

Improvements	$600,000
Total Expenditures	$ 600,000

Section 7. The following revenues are anticipated to be available to complete Harvey/Soundside Event sites living shoreline project:

Intergovernmental Grant	$ 600,000
Total revenues	$ 600,000

Section 8. The following amounts are appropriated for the NC Department of Environmental Quality/Division of Water Infrastructure Project Area 12/13 S. Old Oregon Inlet Road Stormwater Improvements:

Infrastructure	$ 2,310,323
Improvements	184,380
Total Expenditures	$ 2,494,703

Section 9. The following revenues are anticipated to be available to complete NC Department of Environmental Quality/Division of Water Infrastructure Project Area 12/13 S. Old Oregon Inlet Road Stormwater Improvements:

Intergovernmental Grant	$ 2,494,703

Section 10. The following amounts are appropriated for the NC Department of Environmental Quality/Division of Water Infrastructure Project Area 4 Bonnett Street Stormwater Pump Station:

Infrastructure	$233,624

Section 11. The following revenues are anticipated to be available to complete NC Department of Environmental Quality/Division of Water Infrastructure Project Area 4 Bonnett Street Stormwater Pump Station:

Intergovernmental Grant	$ 233,624

Section 12. The following amounts are appropriated for the NC Department of Environmental Quality/Division of Water Infrastructure Stormwater Master Plan Update project:

Infrastructure	$ 251,291

Section 13. The following revenues are anticipated to be available to complete the NC Department of Environmental Quality/Division of Water Infrastructure Stormwater Master Plan Update project:

Intergovernmental Grant	$ 251,291

Section 14. The following amounts are appropriated for the NC 12 multi-use path repair project:

Capital Outlay Improvements	$235,430

Section 15. The following revenues are anticipated to be available to complete the NC 12 multi-use path repair project:

Intergovernmental Grant	$ 235,430

Section 16. The following amounts are appropriated for the Living Shoreline Projects at Sugar Creek and West Soundside Road:

Capital Outlay Improvements	$ 345,852

Section 17. The following revenues are anticipated to be available to complete the Living Shoreline Projects at Catfish Farm/Sugar Creek Causeway and West Soundside Road:

Intergovernmental Grant	$ 336,873
Transfer-General Fund	8,979
Total Expenditures	$ 345,852

Section 18. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy federal, state, and local regulations.

Section 19. The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element.

Section 20. Copies of this project ordinance shall be furnished to the Clerk of the Governing Board, and to the Budget Officer and Finance Officer for direction in carrying out this project.

Adopted this 1st day of April 2026.

____
Benjamin Cahoon, Mayor

ATTEST: _________________________
Brittany A. Phillips, Town Clerk

WATER CAPITAL PROJECT ORDINANCE for
APPROVED WATER CIP PROJECTS
(Amendment #6)

BE IT ORDAINED by the Governing Board of the Town of Nags Head, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance adopted March 1, 2023, amended April 3, 2024, amended August 7, 2024, amended October 2, 2024, amended January 8, 2025, amended March 5, 2025, is hereby further amended:

Section 1. The projects authorized are those approved by the Board of Commissioners.

Section 2. The following budget shall be conducted within the Water Capital Projects Fund (fund #65).

Section 3. The officers of this unit are hereby directed to proceed with the capital projects within the terms of the budget contained herein.

Section 4. The following amounts are appropriated for the project:

Public Services Complex	$	3,674,149
Advanced Metering Infrastructure		1,841,229
Total Water Capital Reserve Fund Expenses	$	5,515,378

Section 5. The following revenues are anticipated to be available to complete this project:

Bond proceeds, Limited Obligation Bonds, Series 2023	$	5,316,615
Intergovernmental Grants		1,000
Interest Income		197,763
Total Water Capital Reserve Fund Revenues	$	5,515,378

Section 6. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy federal, state, and local regulations.

Section 7. The Finance Director is directed to report, on a quarterly basis, on the financial status of each project element.

Section 8. Copies of this project ordinance shall be furnished to the Clerk of the Governing Board, and to the Budget Officer and Finance Officer for direction in carrying out this project.

Adopted this 1st day of April 2026.

Benjamin Cahoon, Mayor

ATTEST:

Brittany A. Phillips, Town Clerk

TOWN OF NAGS HEAD

BUDGET AMENDMENT REQUEST
FY 2025-2026

BUDGET AMENDMENT NO. **9**
Amendment **9.3**

SOURCE OF FUNDS / USE OF FUNDS

CODE	ACCOUNT	AMOUNT		CODE	ACCOUNT	AMOUNT
	General Fund				**General Fund**	
	Revenues				**Facilities Maintenance Expenditures**	
10-478000	Sale of Capital Assets	75,000.00		530-577400	Capital Outlay Equipment	155,565.00
10-478000	Sale of Capital Assets	47,500.00				
	General Fund				**General Fund**	
	Sanitation Expenditures				**Sanitation Expenditures**	
580-577500	Capital Outlay Vehicles	63,740.00		580-577400	Capital Outlay Equipment	30,675.00
TOTAL CHARGES		$ 186,240.00		TOTAL CREDITS		$ 186,240.00

JUSTIFICATION

Trade in-Facilities Maintenance Excavator - $75,000
Trade in-Sanitation Skid-Steer - $47,500
Purchase - replacement Facilities Maintenance Excavator - $155,565
Purchase - new Sanitation side-by-side for cart roll back - $30,675
Excess funding is coming from using remaining Public Services Complex general fund money towards the knuckle boom bought this fiscal year.
This will free up remaining funding for these transactions. Remaining unspent capital investment fund (CIF) money will go back into the CIF.

ADMINISTRATIVE SERVICES	3/26/2026			
RECOMMENDED BY	DATE		APPROVED BY BOC:	DATE

TOWN OF NAGS HEAD

BUDGET AMENDMENT REQUEST
FY 2025-2026

BUDGET AMENDMENT NO. **9**
Amendment **9.4**

SOURCE OF FUNDS | USE OF FUNDS

CODE	ACCOUNT	AMOUNT		CODE	ACCOUNT	AMOUNT
	Water Fund				**Water Fund**	
	Revenues				**Distribution Expenditures**	
961-599900	Manager's Contingency	26,527.00		810-577400	Capital Outlay Equipment	26,527.00
TOTAL CHARGES		$ 26,527.00		TOTAL CREDITS		$ 26,527.00

JUSTIFICATION

Purchase Inserta Valve from a combination of Public Servies Complex water fund money and remaining water fund money.
This has been an immediate need identified that would save $15,000 per value we would need to have installed.
We have identified two locations as well as hydrants that need valves.
There is funding available in Manager's Contingency to use for the water fund portion.

ADMINISTRATIVE SERVICES	3/26/2026		
RECOMMENDED BY	DATE	APPROVED BY BOC:	DATE

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM J.3.

Discussion of Upcoming Budget Preparation Meetings Schedule

Prepared by	Reviewed by
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for Board information and update.

Summary

At the April 1, 2026 Board of Commissioners meeting, Manager Garman will discuss the upcoming budget preparation meetings schedule.

Attachments

None

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM L.1.

Consideration of Board of Directors Voting Delegate for the North Carolina League of Municipalities (NCLM)

Prepared by	Reviewed by
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

Provided for Board discussion and appointment of a voting delegate for the NCLM Board of Directors.

Summary

Mayor Cahoon has requested appointment as the Town's Voting Delegate for the North Carolina League of Municipalities (NCLM) upcoming election for Board of Directors. Please find below the information provided by the League for this purpose.

The NC League of Municipalities has launched our Board of Directors Elections Process. On April 13th, the voting period will open for member cities and towns to cast their vote for the 2026-2027 Board of Directors. **Each member municipality must designate one voting delegate in order to vote on the proposed slate from the NCLM Nominating Committee; voting is done by voting delegates.**

To designate your municipality's voting delegate, **please complete this Voting Delegate Form**. When voting opens in mid-April, voting delegates will receive instructions and an electronic ballot via email.

Attachments

None

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM M.1.

Request for Closed Session to Consult with the Town Attorney Regarding Matters Protected by the Attorney/Client Privilege and to Preserve that Privilege, to include the Cherry, Inc Litigation Pursuant to GS 143-318.11(a)(3)

Prepared by	Reviewed by
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for Board update and discussion.

Summary

A Closed Session will be requested at the April 1st Board of Commissioners meeting to consult with the Town Attorney regarding matters protected by the attorney/client privilege and to preserve that privilege pursuant to GS 143-318.11(a)(3)

Attachments

None

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov

AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners
REGULAR SESSION: April 1, 2026

AGENDA ITEM M.2.

Request for a Closed Session to Consider a Personnel Matter Pursuant to 143-318.11(a)(6)

Prepared by	Reviewed by
Brittany Phillips, Town Clerk	Brittany Phillips Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

Provided for Board discussion.

Summary

At the April 1st Board of Commissioners meeting, Manager Garman will request a Closed Session to consider a Personnel Matter Pursuant to 143-318.11(a)(6).

Attachments

None

PO Box 99, Nags Head, NC | (252) 441-5508 | nagsheadnc.gov