



AGENDA

TOWN OF NAGS HEAD BOARD OF COMMISSIONERS
NAGS HEAD MUNICIPAL COMPLEX – BOARD ROOM

WEDNESDAY, JULY 1, 2026; 9:00 AM

REGULAR SESSION

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

B. ADOPTION OF AGENDA

C. RECOGNITION

1. INTRODUCTION OF LIFEGUARDS

NEW EMPLOYEE – Water Services Technician Matt Hanusik – June 8, 2026

TWENTY-FIVE YEARS – Public Information Officer Roberta Thuman – June 25, 2001

D. PUBLIC COMMENT

E. CONSENT AGENDA

1. Consideration of Budget Amendment #1 to FY 2026/27 Budget
2. Consideration of Tax Adjustment Report
3. Approval of Minutes
4. Consideration of Order to the Tax Collector to Collect Taxes
5. Consideration of Business License/Registration Fee Debt Release/Write-Offs
6. Consideration of Resolution Authorizing Higher Federal Micro-Purchase Thresholds
7. Consideration of Amendment #3 to the Capital Reserve Fund Ordinance
8. Consideration of Personnel Policy Update to Include Mental Health Leave and Longevity
9. Consideration of Reimbursement Resolution - Carolista Dr./W. Soundside Rd. Multi-use Path Construction and Town Hall Improvements
10. Consideration of Career Progression Update for Administrative Services
11. Request for Public Hearing to Consider a Vested Right/Special Use Permit/Site Plan Review Submitted by Michael Robinson, P.E. on Behalf of Tar Heel Motel of OBX, to Construct a Two-Story, 26-Guest Room, Hotel. The Property is Zoned C-2, General Commercial and is Included Within the Hotel Overlay District and is Located at 7001 S. Croatan Highway, Nags Head.
12. Request for Public Hearing to Consider a Text Amendment Application Submitted by Ms. Suzanne Baer on behalf of BIPA, LLC to Amend Section 7.32 of the Unified Development Ordinance to Allow Water Dependent Recreational Uses as a Permissible Use within Commercial Mixed-Use Developments, including Shopping Centers, Located within the Commercial Outdoor Recreation Overlay District

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

1. Update from Planning Director
2. Estuarine Shoreline Management Plan Projects Update

G. OLD BUSINESS/ITEMS TABLED FROM PREVIOUS MEETINGS

1. From June 3, 2026 - Discussion of Town Code Chapter 4: Crowd Gathering Activities and Group Demonstrations

H. NEW BUSINESS

1. Committee Reports

I. ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN ATTORNEY

J. ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN MANAGER

1. 2026 Beach Nourishment Project Update
2. Multi-Use Path Project Update - Carolista Drive to Soundside Road

K. BOARD OF COMMISSIONERS AGENDA

1. Comr. Harrison - Latest Video about Nags Head from CurrentTV
- Nags Head - Mystery Shipwreck

L. MAYOR'S AGENDA

M. CLOSED SESSIONS

1. Request for Closed Session to Consider Jan 2026 – Jun 2026 Closed Session Minutes and Their Disposition Pursuant to GS 143-318.11(a)(1)

N. OTHER BUSINESS

O. ADJOURNMENT



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM C.1.

INTRODUCTION OF LIFEGUARDS

NEW EMPLOYEE – Water Services Technician Matt Hanusik – June 8, 2026

TWENTY-FIVE YEARS – Public Information Officer Roberta Thuman – June 25, 2001

Prepared by

Brittany Phillips, Town Clerk

Reviewed by

Brittany Phillips
Andy Garman

Staff Comments/Recommendation

Welcome and congratulations!

Specific Action Requested

Recognize employees.

Summary

Recognition at the July 1, 2026 Board of Commissioners meeting will include the above-listed items.

Attachments

None



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.1.

Consideration of Budget Amendment #1 to FY 2026/27 Budget

Prepared by

Amy Miller, Deputy Town Manager/Finance Officer

Reviewed by

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 #1 to the FY 2026/27 Budget which is provided for board review and approval at the 7/1/2026 Board of Commissioners meeting. Budget Amendment #1 is in accordance with the FY 2026/27 Budget Ordinance, adopted at the June 3, 2026 meeting.

Attachments

1. 7 E1 Budget amend 1 to FY26-27



**BUDGET AMENDMENT REQUEST
FY 2026-2027**

BUDGET AMENDMENT NO. 1
Amendment 1.1

SOURCE OF FUNDS

USE OF FUNDS

CODE	ACCOUNT	AMOUNT		CODE	ACCOUNT	AMOUNT
10-491000	General Fund Revenues Proceeds from loan	96,950.00		530-577200	General Fund Facility Maintenance Expenditures Capital outlay-buildings	96,950.00
TOTAL CHARGES		\$ 96,950.00		TOTAL CREDITS		\$ 96,950.00

JUSTIFICATION

Transfer switch - FY 26/27 budget

ADMINISTRATIVE SERVICES 6/24/2026
RECOMMENDED BY DATE

APPROVED BY BOC: DATE

POSTED TO GENERAL LEDGER:

INITIALS



**BUDGET AMENDMENT REQUEST
FY 2026-2027**

BUDGET AMENDMENT NO. 1
Amendment 1.2

SOURCE OF FUNDS

USE OF FUNDS

CODE	ACCOUNT	AMOUNT		CODE	ACCOUNT	AMOUNT
530-577350	General Fund Facilities Maintenance Expenditures Capital Outlay-Improvements	134,925.00		10-434000	General Fund Revenues Grant-CAMA	134,925.00
900-590082	General Fund Expenditures Transfers to the Capital Reserve Fund	134,925.00		10-492100	General Fund Revenues Transfers from the Capital Reserve Fund	134,925.00
949-590081	Capital Reserve Fund Expenditures Transfers to the General Fund	134,925.00		49-492000	Capital Reserve Fund Revenues Transfers from the General Fund	134,925.00
949-590087	Capital Reserve Fund Expenditures Contribution to fund balance	134,925.00		49-499000	Capital Reserve Fund Revenues Appropriated fund balance (Beach nourishment MSD restricted)	134,925.00
TOTAL CHARGES		\$ 134,925.00		TOTAL CREDITS		\$ 134,925.00

JUSTIFICATION

Reduce CAMA grant/expenditures for Glidden Street walkover. Grant not awarded.
This funding source is the capital reserve fund/beach nourishment MSD restricted sales tax,
so the budget amendment reflects the necessary adjustments for the general fund
and the capital reserve fund.

ADMINISTRATIVE SERVICES
RECOMMENDED BY _____ DATE 6/9/2026

APPROVED BY BOC: _____ DATE _____



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.2.

Consideration of Tax Adjustment Report

Prepared by

Jackie Szymanski, Tax Collector

Reviewed by

Jackie Szymanski
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

I concur with staff's recommendation.

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 July 1, 2026 Board of Commissioners meeting.

Attachments

1. 7 E2 Tax Adj Town-Wide Report
2. 7 E2 Tax Adj MSD Report

Town of Nags Head, North Carolina
ANALYSIS OF CURRENT 2025-2026 TOWN WIDE TAX LEVY
2025 Tax Levy As of Jun 24, 2026 for Jul 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	47,653,413	0.002320	110,554.79		110,496.14
Registered Motor Vehicles at 2024 year's rate	15,952,116	0.003300	52,641.98		52,641.99
Registered Motor Vehicles at 2023 year's rate	22,400	0.003300	73.95		73.95
Penalties			5,552.37	5,552.37	
Total	5,234,929,987		12,167,273.18	12,004,002.45	163,212.08
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	(17,281,192)		(37,846.26)	(37,080.33)	(765.93)
Town wide beach nourishment			(3,498.14)	(3,498.14)	
Penalty Releases			(113.86)	(113.86)	
Total	(17,281,192)		(41,458.26)	(40,692.33)	(765.93)
Write-offs (under \$1.00) or Adjustments:			(0.25)	(0.25)	
Total Property Valuation	5,241,822,769				
Net levy		12,181,839.62		12,019,393.47	162,446.15
Uncollected Taxes & Penalties		(3,196.24)		(3,196.24)	0.00
Uncollected Town Wide Beach Nourishment		(293.68)		(293.68)	
TOTAL UNCOLLECTED TAXES AS OF 06/24/26:		(3,489.92)		(3,489.92)	0.00
CURRENT YEAR TAXES COLLECTED:		12,178,349.70		12,015,903.55	162,446.15
CURRENT LEVY COLLECTION PERCENTAGE:		99.971%		99.971%	0.000%

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

	BEACH NOURISHMENT DISTRICT			MSD Excluding Registered Motor Vehicles	Registered Motor Vehicles
	MSD Valuation	Rate	Total Levy		
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	2,127,164	0.00090	1,413.16		1,413.16
Registered Motor Vehicles at Current 2025 Dist 2 Rate	1,853,697	0.00090	1,771.64		1,771.64
Registered Motor Vehicles at Current 2025 Dist 3 Rate	6,508,900	0.00005	330.12		330.12
Registered Motor Vehicles at Current 2025 Dist 4 Rate	4,391,211	0.00010	444.57		444.57
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	1,783,400	0.00005	89.17		89.17
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	4,759,507,378		1,825,705.38	1,819,863.65	5,841.73
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)		(7,986.99)	(7,986.99)	Dist 2,3 & 4
Total	(9,999,150)		(7,986.99)	(7,986.99)	0.00
Write-offs (under \$1.00) or Adjustments:			(0.81)	(0.81)	
Total MSD Valuation	4,749,508,228				
Net levy		1,817,717.58		1,811,875.85	5,841.73
TOTAL UNCOLLECTED MSD AS OF 06/24/26:		(5.17)		(5.17)	0.00
CURRENT YEAR MSD COLLECTED:		1,817,712.41		1,811,870.68	5,841.73
CURRENT MSD COLLECTION PERCENTAGE:		100.000%		100.000%	0.000%



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.3.

Approval of Minutes

Prepared by

Brittany Phillips, Town Clerk

Reviewed by

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:

June 3, 2026 Regular Session

Attachments

1. 7 E3 June 3 2026 DRAFT BOC mins



**DRAFT MINUTES
TOWN OF NAGS HEAD
BOARD OF COMMISSIONERS
REGULAR SESSION
WEDNESDAY, JUNE 3, 2026**

The Nags Head Board of Commissioners met at the Board Room located at 5401 S Croatan Highway, Nags Head, North Carolina on Wednesday, June 3, 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; Perry Hale; Randy Wells; Chris Montgomery; Nancy Carawan; Joe Costello; Roberta Thuman; Karen Snyder; Shane Hite; Katie Anzalone; Jan Mielke; Paige Griffin; Shelli Gates; Renée Cahoon; Webb Fuller; Bob Muller; Susie Walters; Tim Walters; Mike Siers; Samantha Lock; Peggy Saparito; Ginny Flowers; Devin Sanders; Mandy Davis; Bryce Sanders; Jake Raynor; Johnnie Basinger; Jamie Wentz; Josselyn Brown; Becky Nicholas; Sara Patton; Joe Patton; Jenny Ash; Charlene Heroux; Carolyn McCormick; Anna Sadler; 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. He then recognized former elected officials in attendance: Bob Muller, Renée Cahoon, Webb Fuller, Susie Walters, and Mike Siers.

ADOPTION OF AGENDA

MOTION: Comr. Sanders moved to adopt the June 3rd agenda as presented. The motion was seconded by Comr. Vaughan, which passed unanimously.

RECOGNITION

NEW EMPLOYEE – Public Services Director Nancy Carawan introduced Water Distribution Technician Johnnie Basinger who was welcomed by the board to town employment.

NEW EMPLOYEE – Public Services Director Nancy Carawan introduced Sanitation Equipment Operator Jamie Wentz who was welcomed by the board to town employment.

PRESENTATION – 2026 Nags Header and Lightkeeper Awards

2026 Nags Header – Kerry Oaksmith-Sanders was awarded the Nags Header of the Town for 2026 and joined the list of Town Nags Header recipients which began in 2005 with Nellie Myrtle Midgette Pridgen.

Mayor Cahoon spoke the following about the Nags Header Award and Kerry Oaksmith-Sanders:
"The Nags Header award recognizes a person who made, in, of and with their life, whether long or prematurely short, significant contributions to the Town of Nags Head. Most often, those we have acknowledged with this award have been remembered, while fondly and with great respect, somewhat distantly. Perhaps more legendary than someone personal and real. But today is different, and difficult. Today we remember a comrade, a neighbor, and a dear friend.

'She lived her life and served our community, centered around four great passions. First her family – her husband and their two children. Second her friends – church friends, YMCA friends, and well, just friends. There weren't many strangers in her life. Third – art. Art in every form, from a simple business sign to a skillful painting, to art direction in film and television. And, fourth, but not least, fitness. Not just her personal physical fitness, but your fitness, my fitness, teaching fitness, everybody's fitness!

'Her passions for family and friends are manifest in this room this morning. One nominator wrote, "She was my friend for over 30 years. Our children grew up together. We were members of the same church. She was always involved: school, church, youth sports. Whenever help was needed around Nags Head or in the larger community she was always available, and always willing to go the extra mile." In these categories not much more need be said by me.

'Of her art, another nominator wrote, "She has been a driving force in shaping our community's vibrant arts and

culture scene. From her deep involvement in the early years of Artrageous and service to the Dare County Arts Council, to her contributions on the town's Arts and Culture Committee, she consistently shared her talent and passion as an artist. She most notably played a pivotal role in the creation of our community's heart, Dowdy Park."

'And finally, she was described as an "accomplished and fierce athlete"... "she was an inspirational workout and yoga instructor, serving hundreds if not thousands of fitness enthusiasts all over the Outer Banks. Her commitment to community extended to the YMCA even before its doors officially opened. She inspired countless individuals, challenging her class participants to exceed their own expectations, while fostering a welcoming and supportive environment."

'Her energy, radiant spirit, and genuine kindness have left a lasting impact on all who knew her. Her unforgettable smile and the legacy of encouragement and connection she created will continue to inspire Nags Head and the greater Outer Banks for years to come.

'This year's Nags Header is Kerry Oaksmith Sanders."

Board members participated in a photo with Kerry's husband, Bob Sanders, and children, Devin and Bryce, who accepted the award on Kerry's behalf. Mr. Sanders joked that Kerry probably would not have approved of all the attention. He shared that, beyond her passion for fitness, she deeply loved the arts and her community. He emphasized how thankful she was for the support she received from the staff, the community, and everyone present, saying she could not have accomplished what she did without them. He closed by expressing his family's sincere appreciation and thanked everyone for their support.

2026 Town Lightkeeper— M. Renée Cahoon was awarded the Lightkeeper of the Town for 2026 and joined the list of Town Lightkeepers which began in 2000 with Carl Nunemaker.

Mayor Cahoon spoke the following about the Nags Head Lightkeeper and M. Renée Cahoon:

"The Lightkeeper award recognizes persons who have shaped the image and direction of Nags Head, making significant contributions to the Town through their time, actions, talents, and dedication. That word "significant" falls far short for this year's nominee. Epic comes somewhat closer, and withholding her name until the end, will be a little like fruitlessly trying to hide an iceberg in the refrigerator.

'She has been a devoted member of the Nags Head and Dare County communities for decades, operating with her family a long-standing grocery market and cottage court. In that capacity she has hosted and served generations of Nags Head visitors and residents. She has been a long-time supporter of the Town's small businesses, led many initiatives supporting the business community, and served as Chair of the Nags Head Local Business Committee. Throughout, she has been a strong advocate for "keeping Nags Head Nags Head", working to preserve the Town's values as a family-oriented beach community.

'In 1991 she was elected Nags Head Mayor, serving until elected as Dare County Commissioner in 2000. In 2005 she was again elected Mayor, serving until 2009, after which she was appointed to the Board as a Commissioner. She served as Commissioner until 2023, concluding over thirty years of public service to the Town and its citizens. Additionally, she has served on the Coastal Resources Commission for what I believe to be almost 25 years – appointed by Governor Cooper as CRC chair in 2017 and serving in that capacity since.

'Her influence is evident in so, so much of what Nags Head has accomplished in the last 30-35 years. Examples include development of the Town's Krafft Septic Health initiative, promotion of small business, improvements to the pedestrian infrastructure including multiuse paths and sidewalks, acquisition of numerous parcels of land for public use and preservation, preservation of Nags Head Woods, development of Town facilities and beach accesses, parks, and bathhouses. And last but not least, dedication to and support for Nags Head's beach nourishment program.

'It is difficult to imagine an individual with a longer record of service to Nags Head, or a legacy more clearly defined. The history, legacy, and future of Nags Head will remain intertwined with her life work, and her presence here will always be felt.

This year's Lightkeeper is M. Renée Cahoon."

Board members congratulated Ms. Cahoon and then participated in a photo with her.

Ms. Cahoon thanked the board and community for the honor, noting that she had not expected to receive the award and had attended expecting to congratulate someone else. She shared her deep passion for the town and appreciation for the support the community has provided to her and her family over the years. She emphasized that her accomplishments were not achieved alone, crediting the many people who helped along the way, including dedicated boards, supportive staff, and family members who made sacrifices to allow her to serve the community. She concluded by thanking everyone for their encouragement and support throughout her years of involvement with the town.

PUBLIC COMMENT

Town Attorney John Leidy opened Public Comment at 09:17 a.m.

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

CONSENT AGENDA

The Consent Agenda consisted of the following items:

- Consideration of Budget Amendment #12 to FY 25/26 Budget
- Consideration of Tax Adjustment Report
- Approval of Minutes
- Annual Write-Off of Uncollectible Water Accounts
- Consideration of FY2025/26 Water Capital Project Ordinance
- Consideration of Update to Sunshine List Policy
- Consideration of Capital Project Ordinance Amendment #13

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

Budget Amendment #12, as approved, is attached to and made a part of these minutes as shown in Addendum "A".

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

The minutes from the May 6, 2026, Regular Session meeting and the May 20, 2026, Budget Workshop were approved by the board and are on file in the town clerk's office and on the town's website.

Annual write-off of uncollectible water accounts

The agenda summary sheet re: the annual write-off, as approved, read in part as follows:

"Per the Board of Commissioners' Water Receivables: Bad Debt Policy, it is requested that the board approve the write-off of all water accounts currently considered to be uncollectible. The policy and a detailed list of the accounts are attached.

'The requested write-off for water accounts over \$50.00 includes two accounts totaling \$225.94. Additionally, one account with a balance of \$50.00 or less has been written off, totaling \$14.40.

'In the past 12 months (5/20/2025-5/19/2026) the total water utility sales are \$4,317,451.64. The town currently has over 5,000 active water meters."

'In accordance with town policy, every effort is made to collect on account balances."

The FY 2025/26 Water Capital Project Ordinance, as adopted, is attached to and made a part of these minutes as shown in Addendum "C".

The summary sheet for the Consideration of Update to Sunshine List Policy read in part as follows:

"At the June 3, 2026 Board of Commissioners meeting, request board consideration of updates to the Sunshine List Policy that clarify the distinction between US Mail and email subscribers. Due to the prevalence of email in today's society, the option to receive notices by fax has been removed. A signature line has also been added to the form."

The Sunshine List Policy, as approved, is on file in the town clerk's office and on the town's website.

The Capital Project Ordinance Amendment #13, as adopted, is attached to and made a part of these minutes as shown in Addendum "D".

PUBLIC HEARINGS

Public Hearing to Consider Citizen Comments on the Town Manager's Recommended Operating Budget for July 1, 2026 – June 30, 2027, Recommended CIP Requests for FY 2026/27 through FY 2030/31, and Updated Consolidated Fee Schedule.

Consideration of Adoption of:

- FY 2026/27 Budget Ordinance
- Pay Plan and Organizational Charts
- Recommended Capital Improvement Program (CIP)
- Consolidated Fee Schedule

Notice of the Public Hearing was published in the Coastland Times on Sunday, May 10, 2026, as required by law.

Attorney Leidy opened the Public Hearing at 09:19 a.m.

Manager Garman noted that the budget had been presented and discussed extensively at meetings throughout the

spring. He indicated that a final budget ordinance was before the board, and he directed attention to organizational changes incorporated into the budget.

Manager Garman explained that due to recent retirements in the department, staff proposed combining the existing Water Distribution and Water Operations divisions into a single new division to be called "Water Services." Under the current structure, each division had its own superintendent; the new structure would replace that arrangement with one Water Services manager and an assistant manager. He emphasized that this reorganization did not materially change the water department's budget figures but would simplify the structure and provide the manager with greater flexibility in how staff time is allocated between plant operations and field work.

Manager Garman presented the following budget adoption options:

- Approve the full budget package at the current meeting
- Continue discussions during the scheduled workshop
- Postpone adoption until the mid-month meeting

Deputy Town Manager/Finance Officer Miller then addressed minor changes between the recommended and adopted budget. She explained that the town manager had recommended creating a new HR assistant position without adding headcount to the town. This was accomplished by transitioning a part-time position in Administrative Services to Public Services Administration, while the full-time position in Public Services Administration would be moved to the Town Hall position. She acknowledged that this results in slight salary adjustments due to the position being split with the Water Fund. She noted the change to the Water Fund budget ordinance to reflect the combined "Water Services" department name in place of the two previously separate department listings.

Attorney Leidy opened the floor for members of the public who wished to speak at the hearing.

Former Mayor Robert Muller highlighted four primary concerns in the proposed budget that he believed, if three of them were addressed, would eliminate the need to draw \$500,000 from the fund balance. He presented a slideshow and gave the board a handout to describe his concerns, which are on file in the town clerk's office. Mr. Muller's concerns referred to a 3% unexplained increase in the salary line item, the COLA portion of salary increases, the traffic light at the Soundside Event Site, and the multi-use path project from Carolista Dr. to Soundside Rd.

When analyzing the budget, Mr. Muller was unable to identify \$324,240 in salary funding and requested an explanation from staff. He presented the position that the 3% COLA was not necessary as the implementation of the Pay and Classification Study already provides an increase for staff that achieves fair market compensation. While supporting the installation of the traffic signal at the Soundside Event Site, he believes the Visitors Bureau should pay the full cost of the project. Lastly, he suggested delaying the Carolista Dr. to Soundside Rd. multi-use path project.

Mayor Cahoon asked staff to respond to Mr. Muller's concern about the salary funding.

Deputy Town Manager/Finance Officer Miller responded from memory, identifying several likely contributors to the unaccounted salary increase: a new full-time position added in Facilities Maintenance; the conversion of a seasonal planning position for events into a part-time year-round position; a \$40,000 increase in longevity pay; within-grade and career progression increases; the addition of salary costs for three retiring police officers to be funded from the Law Enforcement Officer Separation Allowance; and an increase in Ocean Rescue salaries. She expressed confidence that these factors, taken together, could account for the discrepancy, though she acknowledged she could not verify the precise figure without referring to a detailed spreadsheet.

Mayor Cahoon then asked staff to speak to study and how the COLA was applied.

Deputy Town Manager/Finance Officer Miller clarified that the salary study was conducted in the winter, at a point when no other municipalities had yet announced or applied COLAs for the coming year. The study compared Nags Head's salaries, before any COLA, against those of approximately 18 peer towns, also before any COLA adjustments. She explained that the COLA was applied separately, to employees' salaries as of June, before the pay classification adjustments were implemented.

Manager Garman reinforced this point, noting that the peer communities would theoretically adopt their new salary ranges on July 1, 2026, including their own COLAs. He stated that if Nags Head did not include its own COLA, the town would immediately be behind the market by that percentage. It was noted that local communities were applying COLAs of 3 to 5 percent this year.

Mayor Cahoon asked staff to speak about the project funding, grants received, and the annual debt service costs associated with the multi-use path at Jockey's Ridge, noting that he had received numerous emails from citizens expressing interest in seeing that section developed and constructed. He stated that the project had been included in prior plans.

Ms. Miller responded that the estimated project cost had been reduced to approximately \$1.6 million. She stated that the portion not covered by grant funding would be financed, with the annual debt service estimated at less than \$100,000 per year.

Manager Garman asked for clarification regarding the financing associated with the multi-use path project, noting that the financing package included additional items beyond the multi-use path itself. He requested that staff provide further explanation on the composition of the amount financed.

Deputy Town Manager/Finance Officer Miller explained that the financing package included additional Town Hall improvement projects because state law requires financed projects to be collateralized, and a multi-use path cannot serve as collateral. She stated that the financing package therefore included the replacement of the Town Hall elevator and electrical transfer switch, both of which had been identified as needed capital improvements. Manager Garman noted that the elevator had reached the point where replacement parts were difficult to obtain and that the transfer switch and related electrical equipment also required replacement. Ms. Miller further explained that the Town Hall campus was already pledged as collateral through existing financing arrangements and that including these improvements allowed the project to meet Local Government Commission collateralization requirements.

It was reported that the project received \$750,000 in funding from the Visitors Bureau and a \$100,000 Great Trails State Program grant for design services. Ms. Miller stated that the design grant is being used for the multi-use path alignment around Jockey's Ridge between Carolista Dr. and W. Soundside Rd. Manager Garman added that topographic surveying and preliminary design work are underway and are being used to coordinate discussions with the North Carolina Department of Transportation and Jockey's Ridge State Park regarding permitting requirements. He noted that staff is working toward permit applications and that project bidding is anticipated later in the year.

Comr. Harrison asked for clarification regarding the town's financial commitment to the project, specifically whether the amount of local funding required in addition to the grants had been definitively determined.

Manager Garman responded that the project cost remains an estimate and that refinements have been made to the design to reduce costs, including adjustments to the width of the multi-use path in constrained areas and consideration of required bulkheading. He explained that final project costs will not be known until the project is bid. He noted that staff has used conservative cost estimates and anticipates providing an updated cost projection later in the summer. He added that the actual final bid amount would be used for financing.

In response to Comr. Harrison's question on the pay classification study's reach, Human Resources Director Mielke confirmed that 87 of the town's 119 full-time staff members were impacted by the study. The remaining staff were already paid at or above market.

Mayor Cahoon asked staff to explain the implications of using fund balance to support the budget. He requested information regarding the town's current fund balance position, how it was reached, the relationship with the board's fund balance policy, and the potential effects on future tax rates and long-term financial planning.

Deputy Town Manager/ Finance Officer Miller explained that the town maintains separate fund balance policies for the General Fund and the Capital Investment Fund. She stated that at the end of the previous fiscal year, the town's General Fund balance exceeded the minimum policy threshold and was above 25 percent. However, no contribution was made to the Capital Investment Fund because the fund balance did not exceed the 35 percent threshold required under the town's policy.

Ms. Miller noted that fluctuations in the town's fund balance are significantly affected by the timing of grant reimbursements. She explained that the town must initially pay project expenses and then seek reimbursement from grant agencies, resulting in periods when the fund balance appears lower than it otherwise would. She cited ongoing grant-funded projects, including Project Areas 12 and 13, where the town continues to await final reimbursement payments pending submission of required documentation and project closeout materials.

She further explained that in preparing the proposed budget, staff accounted for the planned use of fund balance as well as anticipated grant reimbursements, investment earnings, and other revenues. Based on those projections, she estimated that the town's fund balance would be approximately 30 percent at year-end. While she did not anticipate the town exceeding the 35 percent threshold that would trigger a transfer to the Capital Investment Fund, she stated that she expected the town to remain comfortably within its adopted fund balance policies.

There being no one else present who wished to speak, Attorney Leidy concluded the Public Hearing at 09:51 a.m.

Mayor Cahoon opened board discussion on the budget and requested input from the board regarding consideration of its adoption. He thanked former Mayor Muller for his analysis of the town's proposed budget and for raising key questions during the process. He emphasized the importance of public understanding of the budget development process, noting that while the board engages in detailed discussions across multiple meetings, a significant portion of the public may not follow all sessions closely. He stated that continued discussion in formal settings is beneficial to help explain critical issues and how the town reached its current financial position.

Comr. Vaughan provided general remarks regarding the proposed budget, stating that she viewed it as proactive in nature and consistent with forward-looking financial planning. She expressed support for continuing to move forward on positive projects, including the multi-use path, and noted that such initiatives are aligned with long-term planning goals. She stated that she did not believe the town was approaching financial difficulty by continuing on its current trajectory and emphasized the importance of addressing deferred maintenance at Town Hall as part of responsible asset management. She also expressed support for the inclusion of the pay study, noting the importance of investing in town staff and demonstrating commitment to employees.

Comr. Sanders stated that he appreciated the questions raised by the former mayor, noting that they encouraged further consideration of the budget. He commended staff for the significant time and effort invested in developing the proposed budget and agreed that it is a proactive budget. He reported receiving numerous emails and community input in support of the Jockey's Ridge multi-use path and stated that he is highly supportive of the project. He noted that this level of investment encourages continued fiscal review and "sharpening of the pencil" in future budget cycles. He acknowledged, however, that the prospect of a two-cent tax increase in the following year was a bit high but could be worked on.

Mayor Pro Tem Lambert expressed appreciation for the work that went into the preparation of the budget and for the engagement and input provided by former Mayor Muller. She echoed comments made by Comr. Vaughan regarding the budget being proactive in nature and stated that the town has taken a forward-looking approach rather than a reactive one. She noted that many of the items included in the budget reflect priorities that have received strong public support and positive feedback. She stated that she believes the proposed budget aligns with the town's established goals and community expectations and that it has been appropriately developed and budgeted.

Comr. Harrison expressed appreciation to former Mayor Muller for his efforts to identify cost savings but raised concerns about altering previously agreed-upon funding arrangements with the Visitors Bureau. She stated that the town should honor existing commitments and noted uncertainty about the implications of renegotiating those funds. She also expressed support for continuing the Jockey's Ridge multi-use path project, citing strong public support and noting that significant grant funding has already been secured. She stated that she would be hesitant to remove the project from the budget, particularly given the relatively modest projected annual debt service. In addition, she conveyed support for salary adjustments, including cost-of-living adjustments for staff, and emphasized the importance of supporting Nags Head's employees. She raised a procedural question regarding an unidentified \$324,000 figure in the budget, asking whether the board should delay action on the budget until the item is publicly clarified.

Mayor Cahoon stated that, based on staff explanations received today, the budget figures reconcile and have been previously presented in a public setting. He expressed general reluctance to draw from savings but noted that the use of fund balance and savings has been part of a long-standing, multi-year financial planning approach established by prior boards and implemented through staff operations consistent with board policy direction. He emphasized that the town utilizes a structured, policy-driven, and goal-oriented budgeting process with a multi-year outlook, including forward capital planning. He noted that while adjustments to individual budget components can have downstream impacts on future costs, he has confidence in the overall structure of the budget and in staff's preparation of it. He stated that the current budget reflects thoughtful planning and is appropriate for the town's current needs and long-term direction, while acknowledging that future fiscal decisions may involve balancing either service reductions or tax adjustments.

Comr. Sanders asked whether items had been removed or cut from the proposed budget, referencing prior discussion at the budget workshop.

Manager Garman responded that several lower-priority Capital Improvement Program (CIP) items were reduced or removed from the proposed budget. He stated that staff prioritized maintenance-related projects, including the replacement schedule for vehicles and the upkeep of existing assets, as these represent necessary ongoing obligations. He noted that grant-funded projects, such as the multi-use path, can affect project prioritization by elevating certain items due to available outside funding. He confirmed that some requested positions and other items presented during the budget workshop were not included in the final proposed budget. He emphasized that staff has worked to balance capital, operating, and personnel costs, and that maintaining this balance is essential to long-term financial sustainability. He further noted that while staff is attempting to manage current priorities responsibly, future budgets may require more difficult trade-offs and reductions to maintain fiscal balance.

MOTION: Mayor Pro Tem Lambert moved to adopt the FY 26/27 Budget Ordinance as presented. The motion was seconded by Comr. Vaughan, which passed unanimously.

MOTION: Comr. Vaughan moved to approve the Pay Plan and Organizational Charts as presented. The motion was seconded by Comr. Harrison, which passed unanimously.

MOTION: Comr. Sanders moved to approve the FY 26/27 through FY 30/31 Capital Improvement Requests as presented. The motion was seconded by Comr. Vaughan, which passed unanimously.

MOTION: Comr. Harrison moved to approve the Consolidated Fee Schedule as presented. The motion was seconded by Comr. Sanders, which passed unanimously.

The FY 26/27 Budget Ordinance, as adopted, is attached to and made a part of these minutes as shown in Addendum "E".

The Pay Plan, Organizational Charts, Capital Improvement Plan (CIP) requests, and Consolidated Fee Schedule (CFS), as approved, are on file in the town clerk's office.

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, June 3, 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 May:

- Tuesday, May 5th — Technical Review Committee Meeting
- Tuesday, May 5th — Conner Twiddy attended and presented at Septic Health Think Tank in Columbia, SC
- Wednesday, May 6th — Board of Commissioners Meeting
- Wednesday, May 13th — Committee for Arts and Culture Meeting
- Thursday, May 14th — Board of Adjustment Meeting (no hearings)
- Monday, May 18th — Discuss DWI Loan Roll Out Meeting
- Tuesday, May 19th — Planning Board Meeting
- Wednesday, May 20th — Board of Commissioners Mid-Month Meeting

'Planning Board — Pending Applications and Discussions

The Planning Board most recently met on Tuesday, May 19, 2026. At that meeting, the Board took the following actions:

- Considered a Vested Rights/Special Use Permit/Site Plan Review application submitted by Michael Robinson, P.E., on behalf of Tar Heel Motel of OBX, LLC, for the construction of a two-story, 26-room hotel as an expansion of the existing Tar Heel Motel. The subject property is located at 7001 S. Croatan Highway, is zoned C-2, General Commercial, and is within the Hotel Overlay District. Following review, the Planning Board voted unanimously to recommend approval of the requested Vested Rights/Special Use Permit/Site Plan Review as submitted. At the applicant's request, this item is anticipated to be placed on the Board of Commissioners' July 2026 Consent Agenda with a Public Hearing tentatively scheduled for August 2026, to allow additional time for completion and evaluation of the engineered septic system design to ensure project viability prior to Board consideration.
- Planning staff provided an update regarding Planning-related initiatives identified during the Board of Commissioners' February 2026 Strategic Planning Retreat. Staff reviewed each initiative with the Planning Board and noted that these items will collectively serve as a general work plan to help guide larger planning efforts and policy initiatives throughout the coming year.

'The next Planning Board meeting is scheduled for Tuesday, June 16, 2026. At this time, the agenda is anticipated to include consideration of a text amendment request submitted by Mrs. Suzanne Baer on behalf of BIPA, LLC regarding the potential allowance of water-dependent recreational uses within Commercial Mixed Use developments, such as Shopping Centers. Staff will provide any additional updates or agenda modifications as requested.

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

'Additional Updates

- DWMP/Septic Health Advisory Committee — Staff and the Septic Health Advisory Committee continue advancing implementation of the Town's septic health initiatives, with ongoing emphasis on outreach, education, and program participation. The recently distributed combined Septic Health and Dark Skies mailer continues to generate additional inspection requests and public interest in the program. Staff is also preparing targeted outreach letters to property owners identified within higher-risk and environmentally vulnerable areas as part of the upcoming rollout of the Division of Water Infrastructure (DWI) zero-interest loan program. Additionally, with the return of the Dowdy Park Farmers Markets beginning in June, Environmental Planner Conner Twiddy will again maintain a regular outreach and educational presence at

the weekly events to provide information regarding septic health, answer questions, and encourage participation in the Town's septic programs and initiatives.

- Estuarine Shoreline Management Plan — Staff continues to advance implementation efforts associated with the Estuarine Shoreline Management Plan (ESMP), with ongoing coordination related to several project areas.
 - The Harvey/Soundside Event Site Living Shoreline staff is working through conservation easement-related coordination and associated project details prior to advancing the project further through permitting and implementation phases. The permit application has been resubmitted with an updated wetlands survey as requested by DCM on 5/21.
 - For the Villa Dunes Drive & Catfish Farm/Causeway there are no significant changes or updates at this time.
 - For the Soundside Road project area, draft easement language has been prepared, and staff, in coordination with the Town's environmental consultant, George Wood, will begin outreach and engagement with affected property owners as efforts continue to advance the resiliency berm and stormwater improvement project components.
 - For the Catfish Farms project area, staff has coordinated with the Dare County Soil and Water Conservation District to use a drone to collect the locations of SAV for the project area. The data collection will take place in the month of June
- Dowdy Park Events/Farmers Market/Holiday Markets/Art & Culture — Summer programming and community events are beginning to ramp up at Dowdy Park, with several recurring wellness and community activities now underway or scheduled to begin in June.
 - Tuesday morning Yoga, sponsored by Coastal Carolina Vacations and Sales, has officially resumed and has already seen strong participation, with approximately 25–28 attendees during the initial sessions.
 - The Dowdy Park Farmers Market will return beginning Thursday, June 11th. Environmental Planner, Conner Twiddy will also be there maintaining a regular educational and outreach presence related to the Town's Todd D. Krafft Septic Health Initiative.
 - Additional wellness programming will begin in early June, including "Wake Up Wednesday" on June 3rd, sponsored by The Studio and OBX Beach Glo, featuring a rotating series of activities such as Tai Chi, Core & Stretch, and Resistance Band workouts. "Fitness Friday," sponsored by Tortugas' Lie, will begin June 5th.
 - The 2026 Dowdy Park Summer Concert Series will kick off on June 10th and will feature 13 weeks of live music throughout the summer season. The opening performance will feature local band Stereo in Words. "Waggin' Wednesdays" will also return beginning June 17th with a new start time of 9:00 a.m.
 - Staff also welcomed Bobbisue Louvros as the town's part-time seasonal events staff member assisting with summer programming and event coordination. Looking ahead, staff has also begun preliminary discussions and brainstorming efforts related to Dowdy Park's upcoming 10th Anniversary in 2027.
 - The Committee for Art & Culture continues working with artist Julie Moyer regarding concepts and preliminary sketches for the proposed Dowdy Park walkway art project, with initial concept sketches anticipated later this summer. Additionally, a new art panel designed by local artist Brent Nultemeier has recently been completed and will be showcased at one of our beach accesses.

'Upcoming Meetings and Other Dates

- Tuesday, June 2nd — Technical Review Committee Meeting
- Tuesday, June 2nd — Staff meeting with NEST re: lighting
- Wednesday, June 3rd — Board of Commissioners Meeting
- Wednesday, June 10th — Committee for Arts and Culture Meeting
- Thursday, June 11th — Board of Adjustment Meeting (no hearings)
- Tuesday, June 16th — Planning Board Meeting
- Wednesday, June 17th — Board of Commissioners Mid-Month Meeting

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



Mayor Cahoon and the board thanked Director Wyatt for her efforts.

NEW BUSINESS
Committee Reports

Comr. Harrison – reported that the GEACC committee is not meeting until July but noted that Public Information Officer Thuman is working on producing videos. She raised the possibility of showing short county-produced videos related to Nags Head at future board meetings, a suggestion the board received positively.

Mayor Pro Tem Lambert – reported there was no update from the Septic Health Advisory Committee, as it had not yet met.

Mayor Cahoon – reported that the Jennette's Pier Advisory Committee is scheduled to meet the coming Monday, June 8th, with a walkthrough of recent improvements. He extended an informal invitation to any commissioner who wished to attend, noting that the walkthrough was set to begin at approximately 8:30 a.m.

Comr. Sanders – reported that he had recently been appointed to the Dare County Housing Foundation and briefly noted he had missed the prior Friday's logo reveal event due to being out of town. Mayor Cahoon added that the event was well-attended, with most local mayors present, members of the foundation's board, and a number of exhibits detailing the foundation's direction, including a request for proposals seeking architects to design packages of small homes.

Comr. Vaughan – reported on the May 21st meeting of the Dare County Tourism Board. The board received an update on conservation easement efforts related to the Estuarine Shoreline Project near the event site. The steering committee also reported that the board approved issuing a Request for Proposals (RFP) for development of a three to five-year plan for the Soundside Event Site. The plan will evaluate future uses of the site, including the former Dairy Queen building, vacant land, parking connectivity, and other short-term planning considerations.

She also shared first-quarter tourism figures, noting that countywide meals and occupancy revenues were essentially flat, with a slight increase of less than one percent. She reported that Nags Head accounted for approximately 23% of total occupancy revenue and nearly 19% of meal tax revenue reported countywide during the first quarter. She indicated she would continue providing these comparative figures in future reports.

Consideration of Disaster Debris Removal Bids and Debris Monitoring Contract Renewal

Town Engineer David Ryan summarized his report which read in part as follows:

"Annually, the town enters into pre-positioned agreements for Disaster Debris Removal Services in addition to Debris Monitoring Services. The existing agreement for debris removal services has expired. In response, The Town of Nags Head solicited Requests for Proposals (RFPs) for disaster debris management and removal services to establish pre-positioned contracts for post-storm response. Proposals were received from multiple qualified firms and evaluated in accordance with the criteria outlined in the RFP.

'A comprehensive Unit Price Cost Analysis Matrix was developed to evaluate each proposal. The analysis included four primary components: (1) Schedule 1 – debris clearance, haul, and reduction unit prices, (2) Schedule 2 – hourly equipment rates, (3) Schedule 2 – hourly labor rates, and (4) mobilization costs. The compiled totals and rankings are summarized in Debris Removal Cost and Evaluation Summary.

'Based on the evaluation, the lowest total cost proposal was submitted by DRC Emergency Services in the amount of \$5,301,951.08, followed closely by CTC at \$5,364,229.85. SDR and Aftermath Disaster Recovery Services ranked third and fourth in total cost, respectively. When considering both cost and qualitative scoring criteria, DRC Emergency Services achieved the highest overall ranking score of 89 and was ranked first among the evaluated firms. CTC ranked second with a score of 87, followed by Aftermath Disaster Recovery Services with a score of 86.

'The evaluation demonstrates that DRC Emergency Services provides the most advantageous combination of cost competitiveness and overall proposal quality. Their submission reflects a balanced approach across unit pricing, equipment and labor rates, and demonstrated experience in disaster response services.

'Based on the results of the evaluation and ranking criteria, it is recommended that the Board of Commissioners authorize the town manager to enter into a pre-positioned agreement with DRC Emergency Services for disaster debris management and removal services.

'In addition, we are requesting a renewal with DebrisTech, LLC to provide continued pre-positioned debris monitoring services for the town. This agreement would be extended for a 1- year period through June 30, 2027."

In response to Mayor Cahoon 's prompt, Engineer Ryan noted that staff had conducted outreach to four different municipalities for reference checks on DRC Emergency Services and received outstanding responses. He further reported that DRC had committed to 100 percent mobilization within 48 hours, 50 percent mobilization within 24 hours, and had established relationships with local subcontractors, approximately half a dozen, who could provide boots on the ground immediately following a storm event.

MOTION: Comr. Sanders moved to authorize the town manager to enter into a pre-positioned agreement with DRC Emergency Services for disaster debris management and removal services. The motion was seconded by Comr. Vaughan, which passed unanimously.

MOTION: Mayor Pro Tem Lambert moved to authorize the town manager to execute the renewal agreement with DebrisTech, LLC for debris monitoring services. The motion was seconded by Comr. Sanders, which passed unanimously.

The contracts, as approved, are on file in the town clerk's office.

RECESS/RECONVENE – The Board took a brief recess at 10:22 a.m. and reconvened at 10:31 a.m. The mayor acknowledged former elected official Anna Sadler, who arrived during the meeting.

Consideration of Appointment/Reappointment to Board/Committee

- Board of Adjustment

The agenda summary sheet read in part as follows:

"At the June 3, 2026 Board of Commissioners meeting, request Board consideration of the following appointment/reappointment:

'Board of Adjustment:

- Angelina Lowe's term as an alternate expires July 5, 2026.

'Attached please find the current roster and candidate chart."

MOTION: Comr. Harrison moved to appoint Mary K. Gay to the Board of Adjustment, as an alternate, for a three-year term. The motion was seconded by Mayor Pro Tem Lambert, which passed unanimously.

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN ATTORNEY

Attorney Leidy reported on the status of easement acquisition in connection with the beach nourishment project. He noted that the town initially identified 35 properties from which easement rights needed to be acquired and filed 25 condemnation actions. He reported that several property owners provided easements voluntarily, at the last minute, reducing the number of actions needed. Of the 25 actions filed, several property owners have since

contacted the town indicating their willingness to voluntarily grant the necessary rights. He noted this was a positive development and described the process as ongoing.

He also provided an update on the litigation brought by Cherry, Inc. against the town related to the 2023 removal of an oceanfront cottage. He reported that since the May BOC meeting, two significant developments have occurred. First, an amicus curiae brief was filed by the Southern Environmental Law Center and the Duke Environmental Law and Policy Clinic on behalf of Dr. Robert Young, Dr. Stanley Riggs, the North Carolina Surfrider Foundation, and the North Carolina Land and Water Organization—in support of the town's position. Second, the plaintiffs/appellants filed a reply brief the previous day responding to both the town's brief and the amicus brief. Attorney Leidy noted that the briefing is now complete, and that the Court of Appeals is expected to indicate within approximately 60 days whether oral arguments will be scheduled or whether the case will be decided on the briefs alone.

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN MANAGER

2026 Town Fireworks Display Update

Deputy Fire Chief Shane Hite addressed the board to provide an update on the Nags Head's annual July 4th fireworks display. He noted that Zambelli Fireworks would arrive on July 2nd to begin setup, with inspections and final preparations occurring on July 4th. He expressed appreciation for the coordinated efforts of the police department, fire department, public services, and all support staff involved in the event. He noted that the Nags Head Pier has changed ownership and that the pier will look different this year under the direction of the new owner, Kevin Nielsen.

Deputy Chief Hite encouraged the community to attend the beach-side viewing, noting that Zambelli produces significant water effects in addition to aerial fireworks. He also addressed Comr. Harrison's question regarding the decision to move the start time to 9:00 p.m., explaining that in prior years crews and attendees were waiting approximately 20 to 25 minutes in the dark before the show began. Moving the start time slightly earlier was intended to benefit families with small children, staff, and the public by ending the event and clearing the area at a more reasonable hour.

Discussion of Group Demonstrations Ordinance: Chapter 4, Article II Town Code

Manager Garman introduced this item. The summary sheet read in part as follows:

"As the board is aware, the town adopted a revised crowd gathering and group demonstrations ordinance in December of 2025. Subsequent to the adoption of the ordinance, the town continued to receive comments from the public regarding specific requirements, including the permitting threshold which is based on the number of anticipated attendees as well as how the ordinance addresses spontaneous demonstrations.

'Staff has received specific suggestions from members of the community and has prepared a draft ordinance to address these concerns. The revised ordinance changes the requirement for a permit to 100 or more expected attendees. Demonstrations expected to have fewer than 30 persons are still exempt from any requirements. Demonstrations expected to have between 30 and 99 attendees now only require a 48-hour notification (not a permit). This would mean that the person holding the event no longer needs to wait for the town to issue something. Once the notification is provided, the demonstration can occur.

'The revision also attempts to define and acknowledge spontaneous demonstrations. It includes a definition of a spontaneous demonstration and states the town shall work to accommodate these events, even without notice. However, a spontaneous demonstration would not include events that are planned, organized, and/or advertised in advance by groups or individuals.

'While our revised ordinance is still based on numbers, for smaller demonstrations, the process is greatly simplified with the basic purpose to give the town some form of notice. Staff believes having triggers based on expected attendance gives organizers better guidance on when they need to consider obtaining a permit. It also acknowledges the impacts we have seen when larger groups hold events, which largely involve parking issues on public and private property.

'Please note that the board could adopt the revised ordinance at the next meeting, since no public hearing is required. Alternatively, the board may consider other changes and/or defer any adoption to another meeting.

'Manager Garman: Staff recommends discussion/consideration of the attached ordinance to address public input regarding the group demonstrations ordinance.

'Attorney Leidy: The revisions to allow for spontaneous gatherings/demonstrations without requiring a permit are satisfactory as to form. I am still reviewing the overall text of this proposal and may have additional comments at the meeting."

Manager Garman noted that after including the draft ordinance in the board packet, he had shared it with the primary correspondent on the issue, who had submitted additional comments. Attorney Leidy indicated he was still reviewing certain provisions. Additionally, he noted that during a May meeting between Mayor Cahoon, Comr. Vaughan, and the Dare County Tourism Board concerning the Rod and Custom Festival and the permit process for crowd gatherings, the Tourism Board expressed interest in submitting suggestions to improve the ordinance;

those comments had not yet been received.

Given all of the above, Manager Garman recommended tabling the item until the July meeting to allow time to fully address the outstanding comments, complete the town attorney's review, and incorporate any input from the Tourism Board. The mayor agreed this was the prudent course, noting that one of the correspondents had themselves observed that it was "better right than fast."

MOTION: Comr. Vaughan moved to table this item until the July 1, 2026 meeting. The motion was seconded by Mayor Pro Tem Lambert, which passed unanimously.

2026 Beach Nourishment Project Update

The summary sheet for this item read in part as follows:
"At the June 3, 2026 Board of Commissioners meeting, Town Engineer Ryan will provide an update on the 2026 Beach Nourishment Project."

Town Engineer Ryan presented a progress update on the 2026 Beach Nourishment Project, accompanied by a project progress map (see photos below) maintained on the town's website and updated daily by Public Information Officer Thuman.

Engineer Ryan reported that the cutterhead dredge, the RS Weeks, arrived on station on May 19th and began pumping operations in South Nags Head. The discharge line is currently located near Camelot Street, just north of milepost 20. The cutterhead completed fill from Jacob Street Beach Access down to approximately Limulus. It encountered issues with anchor supports over Memorial Day weekend, resumed operations, and was subsequently forced off station again due to heavy wave action earlier in the week. As of the meeting date, the RS Weeks was in Norfolk and expected to return by the end of the week when sea conditions improve.

The hopper dredge, the RB Weeks, arrived on station on May 25th and has been working in the northern section of the project area. Its discharge line is located just south of the Nags Head Pier. Engineer Ryan explained that the hopper dredge is more durable in higher wave action than the cutterhead. The hopper dredge completed fill from the sub-line south of the pier to the northern terminus at Bonnett Street, then reversed direction working southward. Its active construction zone is currently centered near Hollowell Street. The hopper dredge also pulled off station earlier in the week due to unsafe wave conditions, but pedestrian corridors have been established on the back side of the active work zone to allow beach access for the public north and south of the equipment.

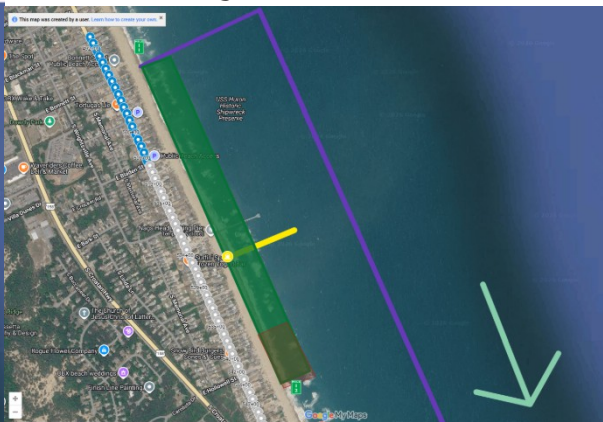
Engineer Ryan reported that as of the meeting date, approximately 427,000 cubic yards of sand had been placed on the beach, representing roughly 17 percent of the overall project volume. A weekly project meeting with the contractor was scheduled for the following day to receive an updated schedule reflecting the impact of recent weather. As of the prior week, the contractor had been maintaining a projected completion timeline of beginning to mid-July.

The board thanked Engineer Ryan for his presentation.

Southern Beach Progress



Northern Beach Progress



BOARD OF COMMISSIONERS AGENDA

Comr. Harrison – thanked staff for their work on the budget, and expressed gratitude to staff, fellow commissioners, and community members who helped her navigate the learning curve during her time on the board.

MAYOR’S AGENDA

Discussion of Legislative Efforts

Mayor Cahoon introduced this item. The summary sheet read in part as follows:
"The board and staff have been working this spring to advance the town's legislative agenda, to include a trip to Raleigh and communicating with other local towns and various organizations to provide input on bills of interest.

'The board finalized its legislative agenda (attached) at the April regular meeting. The town's lobbyist has worked

to review the town's goals with various legislators and provide them with more detailed information on key priorities. Mayor Ben Cahoon, Mayor Pro Tem Megan Lambert, Commissioner Megan Vaughan, and Town Manager Andy Garman went to Raleigh on May 13th to meet with legislators. In total there were six meetings. There have been a number of action items accomplished since this visit, including organizing the drafting of several letters with the other Dare County Towns to provide input on House Bill 369 and Senate Bill 445 (attached).

'At the June 3, 2026 Board of Commissioners meeting, Mayor Cahoon will provide an update on the town's legislative efforts and engage the board on any additional efforts needed to advance the town's priorities.

'Staff will continue to assist the board in advancing the town's legislative agenda, in consultation with the town's lobbyist, Ward and Smith, P.A."

Mayor Cahoon provided a comprehensive update on the town's ongoing legislative advocacy efforts in Raleigh, noting that the board had been closely engaged throughout and that the update was particularly intended to inform members of the public.

He noted that Nags Head maintains an active lobbyist in Raleigh and operates from a formally adopted legislative agenda. He expressed appreciation to the board for their engagement with correspondence and to Manager Garman for his substantial work on these issues. He also commended the town's "sister towns" on the Outer Banks—Manteo, Kill Devil Hills, Kitty Hawk, Southern Shores, and Duck—for joining the advocacy efforts and submitting coordinated letters, noting that presenting a unified, multi-town front to legislators carries significant weight.

House Bill 369 (Parking Regulation): The mayor described HB 369 as legislation that would remove the town's authority to regulate parking requirements for residential, commercial, and restaurant properties. He reported that he, Comr. Vaughan, Comr. Lambert, Manager Garman, and their lobbyist traveled to Raleigh and met directly with the bill's sponsors. They presented arguments for why reasonable parking standards are necessary in a coastal community and found the sponsors to be receptive. The town was also able to secure support from the Home Builders Association for amendments to the bill. As of the meeting, HB 369 is slated to go before the Agriculture, Energy, and one other committee before it can go to the floor. The town has successfully requested that the three co-chairs of that committee hold the bill for discussion purposes only, not a vote, during the current week. The mayor noted that the legislature generally ceases committee work once a budget is in place, and that with the state budget appearing close to adoption, it may be possible to "run out the clock" on HB 369 for this session. He cautioned that the town would need to remain vigilant, as former Mayor Renée Cahoon reminded the board that legislation is sometimes tucked into the budget itself, as occurred previously with down-zoning provisions.

Senate Bill 445 (Regulatory Reform Act of 2026): The mayor described SB 445 as legislation that would mandate that municipalities permit residential use in any non-agricultural zone and would require the permitting of accessory dwelling units in any residential zone. He noted the compounding impact this would have had when combined with the potential elimination of parking requirements under HB 369. He reported that town lobbyists were able to work directly with the leadership of the State Senate to raise the population thresholds for applicability of the bill's provisions, such that the Town of Nags Head would no longer be subject to those mandates under the amended version.

Appropriations for Asbestos Cement Water Lines: The mayor reported that the town is actively seeking state appropriations to accelerate the replacement of its aging asbestos cement water lines. He noted that the town's legislators have responded affirmatively to this request in meetings and expressed hope that such appropriations could materially affect future budget planning.

Informal Bidding Threshold Legislation: The mayor reported the town's own initiative from the prior year—to raise the informal bidding threshold, which would allow smaller, local contractors to more readily compete for town projects without the extensive paperwork burden associated with formal bids. He noted that the threshold was proposed to be raised to \$1,500,000 (confirmed by Manager Garman) and that this legislation is actively moving forward. He stated that this change would significantly benefit the town's ability to attract qualified local contractors for smaller projects.

The mayor concluded by urging continued vigilance once the legislative session ends.

The joint letters regarding HB369 and SB445 are attached to and made a part of these minutes as shown in Addendum "F".

CLOSED SESSION

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

MOTION: Comr. Harrison moved to enter Closed Session to consider a personnel matter pursuant to GS 143-318.11(a)(6). The motion was seconded by Comr. Vaughan, which passed unanimously. The time was 10:56 a.m.

OPEN SESSION

The Board re-entered Open Session at 11:26 a.m. Attorney Leidy reported that the board discussed confidential personnel matters and that some action was taken, but that nothing further needed to be reported publicly at that time.

ADJOURNMENT/RECESS TO FY 2026/27 BUDGET WORKSHOP (IF NEEDED)

Mayor Cahoon noted that a budget workshop was not needed given the board's adoption of the budget during the meeting.

MOTION: Mayor Pro Tem Lambert moved to adjourn. The motion was seconded by Comr. Sanders, which unanimously. The time was 11:27 a.m.

Brittany A. Phillips, Town Clerk

Date Approved: _____

Mayor: _____
Benjamin Cahoon



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.4.

Consideration of Order to the Tax Collector to Collect Taxes

Prepared by

Brittany Phillips, Town Clerk

Reviewed by

Brittany Phillips
Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for board review and approval.

Summary

In accordance with NCGS 105-321, please find attached the Order to the Tax Collector to Collect Taxes for board consideration. This direction is given to the tax collector annually.

Attachments

1. 7 E4 Order to Tax Collector

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

PURSUANT TO NCGS § 105-321, ORDER OF COLLECTION

State of North Carolina
Town of Nags Head

To the Tax Collector of the Town of Nags Head:

You are hereby authorized, empowered, and commanded to collect the taxes set forth in the tax records filed in the office of the tax collector and in the tax receipts herewith delivered to you, in the amounts and from the taxpayers likewise therein set forth for the tax year 2026 plus all delinquent taxes from tax years 2017 to 2025. Such taxes are hereby declared to be a first lien upon all real property of the respective taxpayers in the Town of Nags Head, and this order shall be a full and sufficient authority to direct, require, and enable you to levy on and sell any real or personal property of such taxpayers, for and on account thereof, in accordance with law.

Witness my hand and official seal, this 1st day of July 2026.

Mayor, Town of Nags Head

Attest:

Town Clerk, Town of Nags Head



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.5.

Consideration of Business License/Registration Fee Debt Release/Write-Offs

Prepared by

Jackie Szymanski, Tax Collector

Reviewed by

Jackie Szymanski
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

I concur with staff's request to write-off uncollectible accounts.

Specific Action Requested

Requesting board approval for a formal write-off of uncollectible accounts.

Summary

As per section 12-32(c) and 12-33 of the Town of Nags Head Code of Ordinances, see below, the list of inactive businesses with their outstanding balance that were released for the year 2023 is attached.

2023 Business Licenses/ Registration Fees \$750.00

Sec. 12-32. Collection of deficiency or delinquent taxes. (c) Any business/privilege license or registration invoice older than three years, regarding a business that the town no longer regards as active, may be removed from the list of receivable accounts in the town's financial statement. At least annually, the tax collector will present the board of commissioners with a list of uncollectible accounts, requesting the board's approval for a formal write-off of such accounts. The town will use all available means to collect these accounts to include but not be limited to: bank attachment and payroll garnishment where applicable, debt set-off, etc.

Sec. 12-33 - Releases. If it is determined that upon the issuance date of a renewal license or registration the business has been discontinued, the finance director may release a tax of less than \$100.00. The tax collector shall annually report to the board of commissioners releases made pursuant to this section and the tax collector's annual report shall be recorded in the minutes of the board of commissioners. This report will be included with the annual request to the board to write off uncollectible accounts pursuant to section 12-32.

Attachments

1. 7 E5 BL Debt Release List

2023 BUSINESS REGISTRATIONS RELEASED

Customer N	Customer Name	Property ID	Property Location	Bill Year	Bill Num	Billings
31184	ANDERSON CONSTRUCTION OF DARE	ANDER200	300 WALLACE ST	2023	3987	\$25.00
31303	B & R MAINTENANCE AND REMODELING	B&RMA200	104 SUNDOWN CT	2023	4003	\$25.00
10112	BANKS SIDING	BANKS010	267 HWY 158	2023	4005	\$25.00
10124	JAM MEDIA SOLUTIONS LLC	BEACH010	103 WOODHILL DR	2023	4238	\$25.00
20399	BEACH BUILDING SERVICE, INC.	BEACH201	10124 S COLONY SOUTH DRIVE	2023	4015	\$25.00
20519	BEACH HOUSE MAINTENANCE	BEACH204	1182 BURNSIDE RD	2023	4016	\$25.00
31378	CRAFTY CRAIG DESIGNS	CRAFTY200	5218 LINDBERGH AVE	2023	4103	\$25.00
31427	CREECH, GUY	CREECH200	156 WEST MOBILE RD	2023	4105	\$25.00
30698	DEAN'S DOINGS	DEANS200	707 FOX ST	2023	4119	\$25.00
30796	ELITE REMODEL LLC	ELITE200	113 BRIGGS ST	2023	4145	\$25.00
31313	W. FLORES CONSTRUCTION SERVICES, LLC	FLORES200	103 ADMIRALTY CT	2023	4564	\$25.00
30331	GARCIA'S TITAN CONSTRUCTION COMPANY, INC.	GARCIA200	951 WINGINA ST	2023	4174	\$25.00
31365	GRAVES CARPENTRY	GRAVE200	507 WEST FOURTH ST	2023	4189	\$25.00
30949	HAMILTON RESTAURANT MAINTENANCE	HAMIL200	2761 JOHNATHAN LANE	2023	4200	\$25.00
31258	ISLAND HAULING	ISLAND201	500 SAND DUNE DR	2023	4230	\$25.00
10606	JB REMODELING	JBREM005	7034 S VA DARE TR NAGS HEAD	2023	4241	\$25.00
30664	JMD HOMEWORX	JMDHO200	911 CEDAR DR	2023	4245	\$25.00
30704	MADERA BUILDERS LLP	MADERA200	33 CROATAN CT	2023	4274	\$25.00
31450	MARKHAM REMODELING	MARKH200	105 MALLARD CT	2023	4281	\$25.00
30415	MIDGETTS WATERFRONT CONSTRUCTION	MIDGE200	334 HARBINGER RIDGE ROAD	2023	4295	\$25.00
31264	NARRON, TIM	NARRON200	518 PARKWOOD DR	2023	4319	\$25.00
31010	OBX CONTRACTORS	OBXCO201	338 POND RD	2023	4332	\$25.00
10841	OUTER BANKS FIRE PROTECTION	OUTER070	2004 S CROATAN HWY	2023	4365	\$25.00
20061	OBX ROOF MONKEY, LLC	OUTER200	7360 CARATOKE HWY	2023	4338	\$25.00
11033	SEABREEZE DRYWALL, INC.	SEABR030	209 WEST AYCOCK ST	2023	4458	\$25.00
11070	SKIPPERS WELL DRILLING	SKIPP010	107 OAKLAND AVE	2023	4472	\$25.00
20989	TIGHT LINES CONSTRUCTION	TIGHT200	104 PARKERS LANDING DR	2023	4531	\$25.00
11188	TRUE BLUE POOL & SPA	TRUEB005	3940 SHELBY AVE	2023	4544	\$25.00
31117	WINKS HOME IMPROVEMENT	WINKS200	1219 ARTHUR COREY RD	2023	4581	\$25.00
20027	WYLDEMAN DECKS	WYLDE200	123 SEAGULL COURT	2023	4588	\$25.00

\$750.00



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.6.

Consideration of Resolution Authorizing Higher Federal Micro-Purchase Thresholds

Prepared by

Amy Miller, Deputy Town Manager/Finance Officer

Reviewed by

Amy Miller
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

Adoption of the attached resolution would raise micro-purchase thresholds to be consistent with NC statute.

Specific Action Requested

Adoption of resolution as presented

Summary

The micro-purchase threshold regulation suggests that a unit of local government in North Carolina may raise its micro-purchase threshold via annual self-certification to \$30,000 for the purchase of "apparatus, supplies, materials, or equipment" or the purchase of "construction or repair work", and to \$50,000 for service contracts other than those subject to the Mini-Brooks Act.

The Town of Nags Head is eligible to raise the micro-purchase thresholds to the levels identified below, which are consistent with North Carolina law:

\$30,000, for the purchase of "apparatus, supplies, materials, or equipment"; and

\$30,000, for the purchase of "construction or repair work"; and

\$50,000, for the purchase of services not subject to competitive bidding under North Carolina law; and

\$50,000, for the purchase of services subject to the Mini-Brooks Act (Article 3D of Chapter 143), but only where the unit of local government exercises, in writing, an exemption to the Mini-Brooks Act for a particular project pursuant to G.S. 143-64.32. Where the unit does not exercise an exemption to the Mini-Brooks Act for a particular project, the micro-purchase threshold shall be \$10,000 (as adjusted periodically for inflation pursuant to 48 CFR Subpart 2.1).

This regulation allows the Town to align its federal micro-purchases subject to Uniform Guidance (\$10,000 threshold) with the informal purchase thresholds consistent with North Carolina law and the Town of Nags Head Purchasing and Bid Requirements policy.

This will make conformity standards clear and consistent in working with projects at any funding level (local, state, or federal).

Attachments

1. 7 E6 Micro purchase thresholds res



RESOLUTION AUTHORIZING INCREASE IN MICRO-PURCHASING THRESHOLD

WHEREAS, from time to time, the Town of Nags Head purchases goods and services using federal funding subject to the procurement standards in 2 C.F.R. Part 200, Subpart D; and

WHEREAS, the Town of Nags Head's procurement of such goods and services is subject to the Town of Nags Head's purchasing and bid requirements policy, as most recently amended on January 30, 2025; and

WHEREAS, the Town of Nags Head is a non-Federal entity under the definition set forth in 2 C.F.R. § 200.1; and

WHEREAS, pursuant to 2 C.F.R. § 200.320(a)(1)(ii), a non-Federal entity may award micro-purchases without soliciting competitive price or rate quotations if the non-Federal entity considers the price to be reasonable based on research, experience, purchase history or other information and documents that the non-Federal entity files accordingly; and

WHEREAS, pursuant to 2 C.F.R. § 200.320(a)(1)(iii), a non-Federal entity is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures; and

WHEREAS, pursuant to 2 C.F.R. § 200.320(a)(1)(iv), a non-Federal entity may self-certify on an annual basis a micro-purchase threshold not to exceed \$50,000 and maintain documentation to be made available to a Federal awarding agency and auditors in accordance with 2 C.F.R. § 200.334; and

WHEREAS, pursuant to 2 C.F.R. § 200.320(a)(1)(iv), such self-certification must include (1) a justification for the threshold, (2) a clear identification of the threshold, and (3) supporting documentation, which, for public institutions, may be a "higher threshold consistent with State law"; and

WHEREAS, G.S. 143-129(a) and G.S. 143-131(a) require the Town of Nags Head to conduct a competitive bidding process for the purchase of (1) "apparatus, supplies, materials, or equipment" where the cost of such purchase is equal to or greater than \$30,000, and (2) "construction or repair work" where the cost of such purchase is greater than or equal to \$30,000; and

WHEREAS, North Carolina law does not require a unit of local government to competitively bid for purchase of services other than services subject to the qualifications-based selection process set forth in Article 3D of Chapter 143 of the North Carolina General Statutes (the "Mini-Brooks Act"); and

WHEREAS, G.S. 143-64.32 permits units of local government to exercise, in writing, an exemption to the qualifications-based selection process for services subject to the Mini-Brooks Act for particular projects where the aggregate cost of such services do not exceed \$50,000; and

WHEREAS, pursuant to 2 C.F.R. § 200.320(a)(1)(iv), the Board of Commissioners of the Town of Nags Head now desires to adopt higher micro-purchase thresholds than those identified in 48 C.F.R. § 2.101.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF NAGS HEAD:

1. In accordance with 2 C.F.R. § 200.320(a)(1)(iv) and the applicable provisions of North Carolina law, the Town of Nags Head hereby self-certifies the following micro-purchase thresholds, each of which is a "higher threshold consistent with State law" under 2 C.F.R. § 200.320(a)(1)(iv)(C) for the reasons set forth in the recitals to this resolution:

- A. \$30,000, for the purchase of "apparatus, supplies, materials, or equipment"; and
- B. \$30,000, for the purchase of "construction or repair work"; and
- C. \$50,000, for the purchase of services not subject to competitive bidding under North Carolina law; and
- D. \$50,000, for the purchase of services subject to the qualifications-based selection process in the Mini-Brooks Act; provided that such threshold shall apply to a contract only if the Unit has exercised an exemption to the Mini-Brooks Act, in writing, for a particular project pursuant to G.S. 143-64.32. If the exemption is not authorized, the micro-purchase threshold shall be \$0.

2. The self-certification made herein shall be effective as of the date hereof and shall be applicable until June 30, 2027, but shall not be applicable to Federal financial assistance awards issued prior to November 12, 2020, including financial assistance awards issued prior to that date under the Coronavirus Aid, Relief, and Economic Support (CARES) Act of 2020 (Pub. L. 116-136).

3. In the event that the Town of Nags Head receives funding from a federal grantor agency that adopts a threshold more restrictive than those contained herein, the Unit shall comply with the more restrictive threshold when expending such funds.

4. The Unit shall maintain documentation to be made available to a Federal awarding agency, any pass-through entity, and auditors in accordance with 2 C.F.R. § 200.334.

5. The Town Manager, or in absence designee, of the Town of Nags Head is hereby authorized, individually and collectively, to revise the Purchasing Policy of the Unit to reflect the increased micro-purchase thresholds specified herein, and to take all such actions, individually and collectively, to carry into effect the purpose and intent of the foregoing resolution.

Adopted this the 1st day of July 2026.

Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

Brittany Phillips, Town Clerk



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.7.

Consideration of Amendment #3 to the Capital Reserve Fund Ordinance

Prepared by

Amy Miller, Deputy Town Manager/Finance Officer

Reviewed by

Amy Miller
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

I concur with staff's request.

Specific Action Requested

Adoption of the ordinance as presented.

Summary

At the July 1, 2026 Board of Commissioners meeting, board members will consider adoption of Amendment #3 to the Capital Reserve Fund Ordinance. The ordinance has been amended to remove references to parks and paths, streets, and stormwater funds. These revenues are now restricted within the Capital Investment Fund, a separate capital reserve fund used to finance the town's capital projects.

Adoption of the amendment will align the ordinance with the revenues currently collected in the Capital Reserve Fund. These revenues include:

- Town-wide ad valorem taxes
- Municipal Service District (MSD) beach nourishment taxes
- Sales tax revenues distributed for use within the MSD
- Facility fees

Attachments

1. 7 E7 Amend 3 Cap Reserve Fund ord



**Amendment #3
TOWN OF NAGS HEAD
CAPITAL RESERVE FUND**

BE IT ORDAINED by the Governing Board of the Town of Nags Head, North Carolina that, pursuant to NCGS-159-18, the following capital project ordinance as adopted May 1, 2013, amended June 15, 2016, and amended May 5, 2021, is hereby further amended as follows:

WHEREAS, There is a need in the Town of Nags Head, North Carolina to set aside funds for future capital expenditures; AND

WHEREAS, Within the Town of Nags Head, various fees and funds are generated and used as follows:

- Facility fees are generated by construction occurring within the Town and must be used within ten years of collection for the purposes for which they are collected including Administration, Police, Fire, Sanitation, and Recreation; AND
- Beach Nourishment funds are generated from Town-wide ad valorem taxes and are designated by the Board to be spent for future Beach Nourishment/Renourishment as well as beach access reconstruction as a result of Beach Nourishment; AND
- Beach Nourishment funds are also generated from Municipal Service District (MSD) taxes and a portion of sales taxes distributed and are restricted for use in the MSD for the same purpose in which they were established - for Beach Nourishment/Renourishment; AND
- Miscellaneous other revenues as transferred from the General Fund for future capital needs; AND

WHEREAS, These fees and funds generated are to be set aside/accumulated in a Capital Reserve Fund.

NOW THEREFORE BE IT RESOLVED that pursuant to NCGS 159-18 the Town of Nags Head Board of Commissioners hereby amends the Capital Reserve Fund for the purpose of accumulating revenues as listed above by direct appropriation from the General Fund.

The Capital Reserve Fund is to remain operational for a period not to exceed ten years (beginning July 1, 2026 and ending June 30, 2036), and unless terminated sooner, shall automatically renew for each succeeding year following June 30, 2036 until terminated by the Nags Head Board of Commissioners.

Adopted this 1st day of July 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: July 1, 2026

AGENDA ITEM E.8.

Consideration of Personnel Policy Update to Include Mental Health Leave and Longevity

Prepared by

Jan Mielke, Human Resources

Reviewed by

Jan Mielke
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

Review and approve the proposed Longevity and Mental Health Leave Policies as Reviewed During the Budget Process

Specific Action Requested

Approve the updated Personnel Policy as presented.

Summary

As part of the Fiscal Year 2027 budget, staff recommended updating the Personnel Policy with two benefits highlighted below:

- **Mental Health Leave:** Through the internal staff engagement survey, mental health was highlighted as a priority item. Additionally, the Classification and Compensation Study provided benchmark information that indicated Nags Head is below the market average for designated holidays by one day. The town currently provides 12 paid holidays, while the market average is 13 days. Given this information, staff is recommending adding one mental health day leave annually for all staff, equivalent to the holiday hours provided in their respective positions. Staff can use this leave to support mental and emotional well-being.
- **Longevity Pay:** The Fiscal Year 2027 budget includes funding to increase the longevity pay for those individuals on the fixed dollar amount plan, hired after 7/1/2008. The current amounts have not been updated for 18 years, and staff recommends doubling this benefit to the amounts indicated below. Individuals hired prior to 7/1/2008 will remain on their current percentage-based longevity plan.
 - Five (5) full years of service but less than ten (10) full years: \$1,000.00
 - Ten (10) full years of service but less than fifteen (15) full years: \$2,000.00
 - Fifteen (15) full years of service but less than twenty (20) full years: \$3,000.00
 - Twenty (20) full years of service but less than twenty-five years (25): \$4,000.00
 - Twenty-five (25) plus years of service \$5,000.00

Attachments

1. 7 E8 Mental Health Leave Policy
2. 7 E8 Longevity Policy

Mental Health Leave

The Town recognizes that mental health is an important component of overall well-being. To encourage employees to prioritize their mental health, the Town provides annual Mental Health Leave each fiscal year. Mental Health Leave may be used for activities that support an employee's mental and emotional well-being, including but not limited to rest, stress management, or other personal wellness needs.

All regular full-time employees are eligible for Mental Health Leave after six (6) months of employment. Mental Health Leave is provided annually based on the employee's classification as outlined below:

<u>Category of Employee</u>	<u>Annual Maximum Hours</u>
Non-Exempt Employee	7.5 hours
Exempt Employee	8 hours
Police (except Support Staff)	8.56 hours
Fire (except Support Staff)	10 hours

Employees should request Mental Health Leave through normal leave request procedures. Advanced notice is encouraged to assist with operational planning. Mental Health Leave must be used as a single continuous absence and may not be divided into multiple increments. For example, an exempt employee must use the full eight (8) hours at one time.

Mental Health Leave must be used during the fiscal year (July 1 – June 30) in which it is granted. Unused Mental Health Leave will not carry forward into the next fiscal year, and will not be paid out upon separation from employment.

The Town reserves the right to administer this benefit in a manner consistent with operational needs and applicable laws. Mental Health Leave is intended to supplement, and not replace, other leave benefits available to employees.

Section 12. Longevity Pay

Longevity checks will be paid in a lump sum and are subject to all regular deductions and withholdings, including retirement.

Base salary does not include any overtime, bonus payments, expense reimbursements or anything beyond the amount stipulated in the pay schedule to the employee at the time of award.

The years of service shall be based on the number of full years of regular full-time service completed during the twelve (12) month period prior to the employee's anniversary date of that year. Payment will only be made to those employees in regular employment on their anniversary date. Longevity pay in proportion to the full months of service rendered prior to retirement or on approved extended leave shall be made to those retired or on leave during the twelve (12) months prior to the anniversary date.

Years of service must be continuous, except for leaves of absence approved by the Town.

Employees hired on or prior to June 30, 2008 shall be covered under the following longevity pay plan:

The longevity plan has four (4) separate categories of service time. Longevity will compensate employees for continuous service.

Less than five (5) full years of service	No Payment
Five (5) full years of service but less than ten (10) full years	2%
Ten (10) full years of service but less than fifteen (15) full years	4%
Fifteen (15) full years of service but less than twenty (20) full years	6%
Twenty (20) full years of service and over	7%

Employees hired on or after July 1, 2008 shall be covered under the following longevity pay plan:

The longevity plan has five (5) separate categories of service time. Longevity will compensate employees for continuous service.

Less than five (5) full years of service	No Payment
Five (5) full years of service but less than ten (10) full years	\$1,000
Ten (10) full years of service but less than fifteen (15) full years	\$2,000
Fifteen (15) full years of service but less than twenty (20) full years	\$3,000
Twenty (20) full years of service but less than twenty (25) full years	\$4,000
Twenty-five (25) plus years of service	\$5,000



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.9.

Consideration of Reimbursement Resolution - Carolista Dr./W. Soundside Rd. Multi-use Path Construction and Town Hall Improvements

Prepared by

Amy Miller, Deputy Town Manager/Finance Officer

Reviewed by

Amy Miller
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

This reimbursement resolution will be submitted to the Local Government Commission as part of the financing package for the west side multi-use path construction from Carolista Drive to West Soundside Road as well as improvements at Town Hall including elevator and transfer switch replacements.

Specific Action Requested

Adoption of the reimbursement resolution as presented.

Summary

The reimbursement resolution will allow the Town to reimburse itself for the project costs incurred for the west side multi-use path construction and Town Hall improvements before the debt is finalized. This will serve as an official declaration of intent to reimburse ourselves with long-term debt even if cash is initially paid upfront. This will allow the Town to start these projects immediately, even if the financing process takes several months. The resolution states the maximum amount of financing intended for the project, but less can always be borrowed.

Attachments

1. 7 E9 Reimbursement res



**REIMBURSEMENT RESOLUTION – FISCAL YEAR 2026-2027
OF THE TOWN OF NAGS HEAD
DECLARING THE INTENTION TO REIMBURSE
THE COST OF CERTAIN EXPENDITURES**

WHEREAS, The Town Manager and the Finance Officer have described to the Board of Commissioners the desirability of adopting a resolution, as provided under federal tax law, to facilitate the Town’s use of financing proceeds to restore Town funds when the Town makes capital expenditures prior to closing on installment financing.

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

Section 1. The projects are the financing of multi-use path construction, Town Hall improvements including an elevator and transfer switch, and associated professional costs for projects identified in the fiscal year 2026/2027 adopted budget:

- Multi-use path construction located between Carolista Drive and West Soundside Road, Nags Head, as well as associated professional costs
- Town Hall improvements (elevator/transfer switch) located at 5401 S. Croatan Highway, Nags Head

Section 2. The project is to be financed. The currently expected type of financing (which is subject to change) is an installment finance contract(s). The currently expected maximum amount to be financed for the projects is \$1,500,000.

Section 3. The Town presently intends, and reasonably expects, to reimburse itself for the original expenditures incurred and paid by the Town from the General Fund within 60 days of adoption of this Resolution from a portion of the financing proceeds.

Section 4. This Resolution shall become effective immediately upon the date of its adoption.

This the 1st day of July 2026.

Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

Brittany Phillips, Town Clerk



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.10.

Consideration of Career Progression Update for Administrative Services

Prepared by

Jan Mielke, Human Resources

Reviewed by

Jan Mielke
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

Review and approve the updated career progression for Administrative Services

Summary

For the Fiscal Year 2027 budget, the board approved an HR Assistant position for Admin Services (that did not result in a net headcount increase in the Town). Staff is providing recommended career progression for this position, and has updated career progression for other positions in Admin Services that better align with operational structure and position requirements.

Attachments

1. 7 E10 Admin Services Revised Career Progression



Administrative Services

Classification	Grade	Time in Level	Performance Evaluations	Training	Additional Duties / Impact
Customer Service Rep	4				Base job description
Customer Service Rep II	4	2 years at CSR I	Must meet expectations on most recent annual evaluation	~ Complete The Ultimate Microsoft Office 2021/365 Bundle (Udemy or approved vendor) ~ SOG Intro to Local Gov't Fundamentals ~ Crosstrain/cover Water Billing	~ Better understanding of Municipal Government ~ Back-up for Water Billing Specialist
Customer Service Rep III	4	2 years at CSR II	Must meet expectations on most recent annual evaluation	~ Introduction to Local Gov't Finance - SOG or COA ~ SOG Utilities and Collections Administration ~ 10 hours Customer Service training (Udemy or approved vendor)	~ Better understanding of accounting procedures ~ Better understanding of billing
Customer Service Rep IV	4	2 years at CSR III	Must meet expectations on most recent annual evaluation	~ Obtain Notary ~ SOG Fundamentals of Property Tax Collection ~ 15 hours additional approved training	~ Notary services for dept and Town Hall ~ Better understanding of Tax Collections
Classification	Grade	Time in Level	Performance Evaluations	Training	Additional Duties / Impact
Water Billing Specialist	6				Base job description
Water Billing Specialist II	6	2 years at WBS I	Must meet expectations on most recent annual evaluation	~ SOG Utilities and Collections Administration ~ Introduction to Local Gov't Finance - SOG or COA ~ 10 Hours Customer Service training (Udemy or approved vendor)	~ Better understanding of utilities and collections ~ Better understanding of accounting procedures
Water Billing Specialist III	6	2 years at WBS II	Must meet expectations on most recent annual evaluation	~ Crosstrain/cover Accounts Payable ~ NCDOR Sales Tax Class ~ 20 hours additional approved training	~ Back-up for A/P Specialist
Water Billing Specialist IV	6	2 years at WBS III	Must meet expectations on most recent annual evaluation	~ SOG Fundamentals of Property Tax Collection ~ Crosstrain/cover Tax Collection ~ 15 hours additional approved training	~ Back-up for Tax Collector

* Equivalent training and certifications may be substituted with pre-approval from Department Head



Administrative Services

Classification	Grade	Time in Level	Performance Evaluations	Training	Additional Duties / Impact
A/P Specialist I	4				Base job description
A/P Specialist II	4	2 years at APS I	Must meet expectations on most recent annual evaluation	~ Introduction to Local Gov't Finance - SOG or COA ~ NCDOR Sales Tax Class ~ 10 Hours Customer Service Training	~ Better understanding of accounting procedures and laws around sales tax
A/P Specialist III	4	2 years at APS II	Must meet expectations on most recent annual evaluation	~ SOG Fundamentals of Property Tax Collection ~ Crosstrain/cover Tax Collection ~ 15 Hours additional approved training	~ Back-up for Tax Collector
A/P Specialist IV	4	2 years at APS III	Must meet expectations on most recent annual evaluation	~ Crosstrain/cover water billing ~ SOG Utility Billing and Collection Admin ~ 40 Hours additional approved training	~ Back-up for Water Billing Specialist ~ Better understanding of accounting procedures
Classification	Grade	Time in Level	Performance Evaluations	Training	Additional Duties / Impact
Tax Collector	7				Base job description
Tax Collector II	7	2 years at TC I	Must meet expectations on most recent annual evaluation	~ Certified Tax Collector ~ 10 hours Customer Service training (Udemy or approved vendor)	~ Sworn Tax Collector
Tax Collector III	7	2 years at TC II	Must meet expectations on most recent annual evaluation	~ 20 Credits for continuing education (Annual Conference/Workshop or SOG Classes) ~ Crosstrain/cover Water Billing ~ SOG Utility Billing and Collection Admin ~ 10 hours additional approved training (Udemy or other approved vendor)	~ Back-up for Water Billing Specialist
Tax Collector IV	7	2 years at TC III	Must meet expectations on most recent annual evaluation	~Crosstrain/cover Accounts Payable ~ NCDOR Sales Tax Class ~ 20 hours additional approved training	~ Back-up coverage for A/P Specialist

* Equivalent training and certifications may be substituted with pre-approval from Department Head



Administrative Services

Classification	Grade	Time in Level	Performance Evaluations	Training	Additional Duties / Impact
Payroll and Benefits Specialist I	7				Base job description
Payroll and Benefits Specialist II	7	2 years at PBS I	Must meet expectations on most recent annual evaluation	~ Introduction to Local Gov't Finance - SOG or COA ~ 20 Hours additional approved training	~ Better understanding of accounting procedures ~ Preparing for the CPP Exam
Payroll and Benefits Specialist III	7	2 years at PBS II	Must meet expectations on most recent annual evaluation	~ Crosstrain/cover HR Assistant ~ Legal Aspects of Employment Practice Specialization (Coursera or other vendor) ~ Take (1) Certification Class from the APA	~ Back-up for HR Assistant
Payroll and Benefits Specialist IV	7	2 years at PBS III	Must meet expectations on most recent annual evaluation	~ Certified Payroll Professional	~ Expert knowledge in payroll processing
Classification	Grade	Time in Level	Performance Evaluations	Training	Additional Duties / Impact
HR Assistant	7				Base job description
HR Assistant II	7	2 years at HRA I	Must meet expectations on most recent annual evaluation	~ Employment Law Course (HRCI or other vendor) ~ Talent Acquisition Course (HRCI or other vendor) ~ Foundations of HR Operations (Coursera or other vendor) ~ 20 hours Other Approved Training (SOG or other vendor)	~ Fundamental HR Operations knowledge
HR Assistant III	7	2 years at HRA II	Must meet expectations on most recent annual evaluation	~ Cross Training with Benefits and Payroll Specialist ~ PayTrain Fundamentals Course (Payroll.Org or other vendor) ~ Payroll Compliance Course (Payroll.org or other vendor) ~ 10 hours additional approved training	~ Back up for Payroll Specialist
HR Assistant IV	7	2 years at HRA III	Must meet expectations on most recent annual evaluation	~ Obtain PHR Certification from the Society for Human Resources Management	~ Generalist knowledge in human resources management best practices

* Equivalent training and certifications may be substituted with pre-approval from Department Head



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.11.

Request for Public Hearing to Consider a Vested Right/Special Use Permit/Site Plan Review Submitted by Michael Robinson, P.E. on Behalf of Tar Heel Motel of OBX, to Construct a Two-Story, 26-Guest Room, Hotel. The Property is Zoned C-2, General Commercial and is Included Within the Hotel Overlay District and is Located at 7001 S. Croatan Highway, Nags Head.

Prepared by

Kelly Wyatt, Planning Director

Reviewed by

Kelly Wyatt
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

STAFF RECOMMENDATION

Based upon staff's review of the proposal, staff recommends approval of the Special Use Permit/Site Plan Review as presented.

PLANNING BOARD RECOMMENDATION

At its May 19, 2026, meeting, the Planning Board voted unanimously to recommend approval of the Special Use Permit and Site Plan Review as presented, finding the proposed expansion to be consistent with the applicable requirements of the Unified Development Ordinance.

Specific Action Requested

Schedule the Public Hearing to consider this Vested Right/SUP/Site Plan at the Board of Commissioners August 5, 2026, meeting.

Summary

Michael Robinson, P.E., on behalf of Tar Heel Motel of OBX, has submitted a Vested Right/Special Use Permit/Site Plan Review application to construct a new two-story, 26-room hotel building and associated site improvements as an expansion of the existing Tar Heel Motel located at 7001 S. Croatan Highway. The proposal includes 18 two-bedroom suites with kitchenettes and 8 standard guest rooms and will increase the motel's total accommodations while remaining consistent with the property's General Commercial zoning and Hotel Overlay District designation.

Staff reviewed the proposal for compliance with the Unified Development Ordinance, including hotel overlay standards, building height, lot coverage, parking, landscaping, buffering, stormwater management, floodplain regulations, and commercial design standards, and found the application to be compliant.

Attachments

None



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM E.12.

Request for Public Hearing to Consider a Text Amendment Application Submitted by Ms. Suzanne Baer on behalf of BIPA, LLC to Amend Section 7.32 of the Unified Development Ordinance to Allow Water Dependent Recreational Uses as a Permissible Use within Commercial Mixed-Use Developments, including Shopping Centers, Located within the Commercial Outdoor Recreation Overlay District

Prepared by

Kelly Wyatt, Planning Director

Reviewed by

Kelly Wyatt
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

STAFF RECOMMENDATION

While staff recognizes concerns related to parking availability, circulation, equipment storage, fueling operations, compatibility with adjacent tenants, and overall site functionality, these concerns are largely site-specific and are more appropriately evaluated through the Special Use Permit and Site Plan Review process. Accordingly, staff recommends adoption of the proposed amendment as presented.

PLANNING BOARD RECOMMENDATION

At its June 16, 2026 meeting, the Planning Board voted unanimously to recommend approval of the proposed text amendment as presented, finding that any concerns related to parking, circulation, equipment storage, fueling operations, and compatibility with adjacent tenants are site-specific and can be appropriately addressed through future Special Use Permit and Site Plan Review.

Specific Action Requested

Schedule the Public Hearing for the proposed amendment for the Board of Commissioners' August 5, 2026 meeting.

Summary

The Planning Board considered a request submitted by Suzanne Baer on behalf of BIPA, LLC to amend Section 7.32 of the Unified Development Ordinance to allow Water-Dependent Recreational Uses to be considered within Commercial Mixed-Use Developments, including Shopping Centers, located within the Commercial Outdoor Recreational Overlay District (CORD). The amendment does not increase the number of permitted commercial water recreation operators within the Town, increase the number of personal watercraft allowed per operator, or expand the boundaries of the Commercial Outdoor Recreational Overlay District. This request allows the existing use to be considered within an additional development type through the existing Special Use Permit process.

During its review, the Planning Board discussed the Town's longstanding regulations governing commercial water recreation activities, including the findings of the 1999 Recreational Water Use Carrying Capacity Study. While concerns were expressed regarding parking, circulation, storage, fueling, and compatibility with adjacent tenants, the Board agreed these issues are site-specific and can be addressed through future SUP/Site Plan Review.

Attachments

None



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM F.1.

Update from Planning Director

Prepared by

Kelly Wyatt, Planning Director

Reviewed by

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 May 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, July 1st, 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 June:

- Tuesday, June 2nd — Technical Review Committee Meeting
- Tuesday, June 2nd — Staff meeting with NEST re: lighting
- Wednesday, June 3rd — Board of Commissioners Meeting
- Wednesday, June 10th — Committee for Arts and Culture Meeting
- Thursday, June 11th — Board of Adjustment Meeting (no hearings)
- Tuesday, June 16th — Planning Board Meeting
- Wednesday, June 17th — Board of Commissioners Mid-Month Meeting

Planning Board — Pending Applications and Discussions

The Planning Board most recently met on Tuesday, June 16, 2026. At that meeting, the Board took the following actions:

Consideration of a text amendment application submitted by Ms. Suzanne Baer on behalf of BIPA, LLC to amend Section 7.32 of the Unified Development Ordinance to allow Water Dependent Recreational Uses within Commercial Mixed-Use Developments, including Shopping Centers. The Planning Board voted unanimously to recommend approval of the proposed text amendment as presented, finding that any concerns related to parking, circulation, equipment storage, fueling operations, and compatibility with adjacent tenants are site-specific and can be appropriately addressed through future Special Use Permit and Site Plan Review.

Town Manager Andy Garman provided the Planning Board with a brief update on recent legislative proposals and actions at the state level, including those related to parking requirements, accessory dwelling units, allowable building heights, and down-zoning. Board members expressed their appreciation for the ongoing efforts of the Town Manager, Board of Commissioners, and the Town's legislative representatives to remain informed, engaged, and proactive as these evolving legislative initiatives continue to develop.

The next Planning Board meeting is scheduled for Tuesday, July 21, 2026. At this time, the agenda is anticipated to include consideration of a text amendment request submitted by Eddie Goodrich that would provide additional flexibility in the development of cottage courts by modifying the current graduated size and design requirements for individual dwelling units.

Board of Adjustment – Recent and Pending Applications — There were no items for the Board of Adjustment's consideration in June. However, the Board of Adjustment is scheduled to hear an Appeal of an Administrative Decision submitted by Sebastian Ojanguren regarding the Planning Director's interpretation and application of Section 8.6.3.7.1 of the Unified Development Ordinance, which governs front yard setback reductions. The appeal pertains to property located at 10023 E. Pelican Street, Nags Head, North Carolina.

Additional Updates

- DWMP/Septic Health Advisory Committee — The next meeting of the Septic Health Advisory Committee is scheduled for Monday, July 27, 2026. Staff continue to advance implementation of the Town's septic health initiatives, with an ongoing emphasis on public outreach, education, and program participation. Recent efforts include updating and distributing the program informational flyer, redesigning an educational septic health magnet, and purchasing promotional materials for use at community outreach events. Staff have also prepared targeted outreach letters for property owners within higher-risk and environmentally sensitive areas in anticipation of the upcoming rollout of the Division of Water Infrastructure (DWI) zero-interest loan program and are awaiting the official Funding Offer from DWI prior to mailing. Outreach efforts at the Dowdy Park Farmers Market have been well received, and staff will continue participating in additional market events throughout the summer to promote the program and answer questions from residents.
- Estuarine Shoreline Management Plan — Deputy Planning Director Joe Costello will provide an update on the Town's ongoing implementation of the Estuarine Shoreline Management Plan during Agenda Item F-2.
- Dowdy Park Events/Farmers Market/Holiday Markets/Art & Culture — Summer programming at Dowdy Park is now in full swing, with strong participation and attendance across all events and activities. The Tuesday, Wednesday, and Friday fitness classes have far exceeded expectations, with attendance levels reminiscent of our typical Fourth of July crowds, attracting both local residents and visitors. The Tuesday and Friday Family Fun Time programs have also been well attended throughout the season.

The Dowdy Park Farmers Market continues to experience strong attendance, providing another successful opportunity for community engagement and educational outreach, including promotion of the Town's Todd D. Krafft Septic Health Initiative. The 2026 Summer Concert Series has also gotten off to an excellent start, with large crowds attending performances through word-of-mouth and the Town's social media outreach. The next concert is scheduled for Wednesday, July 1, and will feature Soul One. Waggin' Wednesdays are also beginning to gain momentum, with participation continuing to increase among both residents and their four-legged companions.

The Committee for Arts & Culture continues to advance several public art initiatives. Local artist Chris Wheeler is nearing completion of the second side of the Dowdy Park Art Wall, and work continues with artist Julie Moyer on concepts for the proposed Dowdy Park walkway art project, with preliminary design concepts anticipated later this summer.

Upcoming Meetings and Other Dates

- Wednesday, July 1st — Board of Commissioners Meeting
- Tuesday, July 7th — Technical Review Committee Meeting
- Wednesday, July 8th — Committee for Arts and Culture Meeting
- Thursday, July 9th — Board of Adjustment Meeting (Appeal of Administrative Decision, Pelican Street)
- Wednesday, July 15th — Board of Commissioners Mid-Month Meeting (if needed)
- Tuesday, July 21st — Planning Board Meeting





Attachments

- 1. 7 F1 Planning Monthly Report

**TOWN OF NAGS HEAD PLANNING AND DEVELOPMENT
MONTHLY REPORT
MAY 2026**

DATE SUBMITTED: June 7, 2026

	May-26	May-25	Apr-26	2025-2026 FISCAL YTD	2024-2025 FISCAL YTD	FISCAL YEAR INCREASE/ DECREASE
BUILDING PERMITS ISSUED - RESIDENTIAL						
New Single Family	0	0	1	12	17	(5)
New Single Family, 3000 sf or >	0	0	0	5	9	(4)
Duplex - New	0	0	0	0	0	0
Sub Total - New Residential	0	0	1	17	26	(9)
Miscellaneous (Total)	33	39	65	500	482	18
<i>Accessory Structure</i>	2	7	6	29	46	(17)
<i>Addition</i>	1	2	1	17	15	2
<i>Demolition</i>	1	0	1	8	5	3
<i>Move</i>	0	0	0	2	1	1
<i>Remodel</i>	10	4	11	112	102	10
<i>Repair</i>	19	26	46	332	313	19
Total Residential	33	39	66	517	508	9
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)	8	7	9	93	79	14
<i>Accessory Structure</i>	4	4	3	25	29	(4)
<i>Addition</i>	0	0	0	2	0	2
<i>Demolition</i>	0	0	0	0	0	0
<i>Move</i>	0	0	0	3	0	3
<i>Remodel</i>	1	1	5	36	19	17
<i>Repair</i>	3	2	1	27	31	(4)
Total Commercial	8	7	9	93	81	12
Grand Total	41	46	75	610	589	21
SUB-CONTRACTOR PERMITS						
Electrical	80	85	83	580	578	2
Gas	5	4	3	26	20	6
Mechanical	55	56	66	395	387	8
Plumbing	10	17	13	103	114	(11)
Fire Sprinkler	3	0	0	8	1	7
VALUE						
New Single Family	\$0	\$0	\$341,000	\$6,103,030	\$8,266,157	(\$2,163,127)
New Single Family, 3000 sf or >	\$0	\$0	\$0	\$9,217,982	\$7,633,200	\$1,584,782
Duplex - New	\$0	\$0	\$0	\$0	\$0	\$0
Misc (Total Residential)	\$1,175,283	\$1,449,113	\$1,837,986	\$18,542,362	\$15,484,524	\$3,057,838
Sub Total Residential	\$1,175,283	\$1,449,113	\$2,178,986	\$33,863,374	\$31,383,881	\$2,479,493
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)	\$378,033	\$146,042	\$536,350	\$13,077,116	\$4,537,247	\$8,539,869
Sub Total Commercial	\$378,033	\$146,042	\$536,350	\$13,077,116	\$23,937,247	(\$10,860,131)
Grand Total	\$1,553,316	\$1,595,155	\$2,715,336	\$46,940,490	\$55,321,128	(\$8,380,638)

**TOWN OF NAGS HEAD PLANNING AND DEVELOPMENT
MONTHLY REPORT
MAY 2026**

DATE SUBMITTED: June 7, 2026

	May-26	May-25	Apr-26	2025-2026 FISCAL YTD	2024-2025 FISCAL YTD	FISCAL YEAR INCREASE/ DECREASE
ZONING						
Zoning Permits	54	52	77	658	614	44
Soil & Erosion	2	0	2	19	28	N/A
Stormwater Plans	1	2	1	15	20	N/A
CAMA						
CAMA LPO Permits	5	1	3	36	21	11
CAMA LPO Exemptions	6	2	15	106	74	0
Sand Relocations			44	279	210	N/A
CODE COMPLIANCE						
Cases Investigated	12	32	16	221	331	63
Warnings	2	6	4	70	52	13
NOVs Issued	10	26	12	151	260	50
Civil Citations (#)	0	0	0	0	0	0
Civil Citations (\$)	\$0	\$0	\$0	\$0	\$0	\$0
SEPTIC HEALTH						
Tanks inspected	23	6	36	170	112	28
Tanks pumped	21	8	17	143	81	28
Water quality sites tested	1	1	1	157	118	125
Personnel Hours in Training/School	8	8	50	530	316	126


Kelly Wyatt, Planning Director



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM F.2.

Estuarine Shoreline Management Plan Projects Update

Prepared by

Joseph Costello, Deputy Planning Director

Reviewed by

Joseph Costello

Brittany Phillips

Andy Garman

Staff Comments/Recommendation

Please find attached a summary report of the Estuarine Shoreline Management Plan projects summary

Specific Action Requested

This item is provided for Board information and update.

Summary

Harvey/Soundside Event Site Living Shoreline Project

The major permit package was submitted to the Division of Coastal Management on January 14th. The town and our consultants received comments that a new wetland survey was needed. The survey was complete and 30 feet of proposed sandy beach was removed from the design plans due to impacts to wetlands, leaving approximately 250 linear ft. of proposed sandy beach remaining. CAMA has requested some minor changes to the resubmitted permit application package, (submitted on June 3rd, 2026). Moffatt and Nichol are currently in the process of finalizing these changes and resubmitting. The Tourism Board is working directly with NCLWF on the appropriate conservation easement language that captures both parties interests. Given the delays in permit review, permits are expected to be received for the project in September with bid packages to follow and construction anticipated to take place in January of 2027. The applicable granting agencies have been asked for extensions.

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. The first stakeholder meeting is taking place on Monday, June 29th. A detailed summary report and subgroup meetings are to follow.

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. The kickoff meeting for this project took place on 3-26. Draft easement language is being developed and initial stakeholder meeting is to take place on July 7th at 6pm. The purpose of the project is to design a nature-based shoreline stabilization project that: 1. Reduces wave overtopping 2. Enhances habitat 3. Protects infrastructure. Public engagement and due diligence will continue through the summer with permit application scheduled for January of 2027 and design development package and permits expected by April 2027.

Catfish Farm Living Shoreline Project

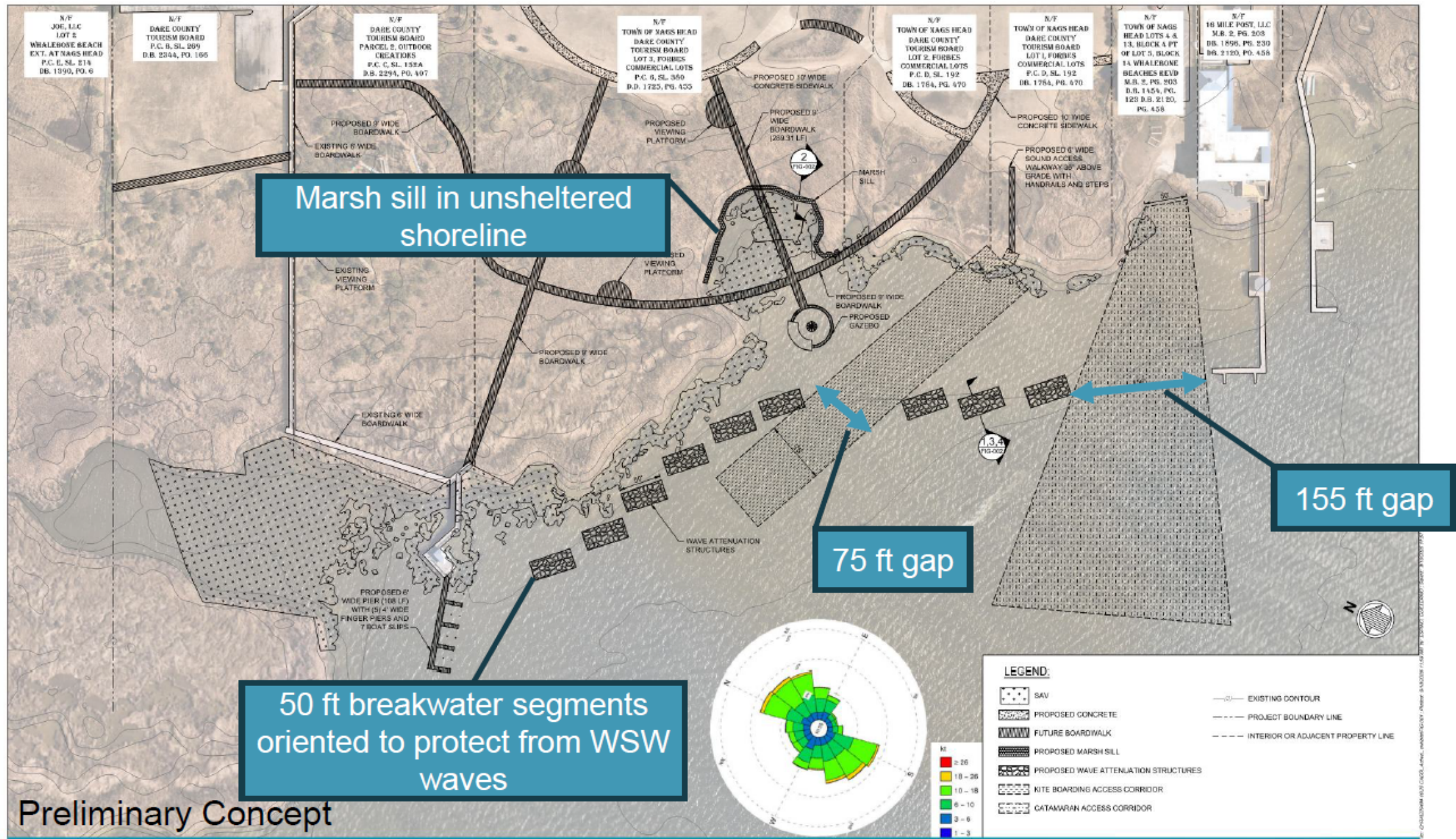
Staff has asked the RCCP project team for a scope change to fund a living shoreline design at the Catfish Farm/Causeway project area as an alternative to the offshore breakwaters at the Villa Dunes and Soundside Road sites.

- 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.

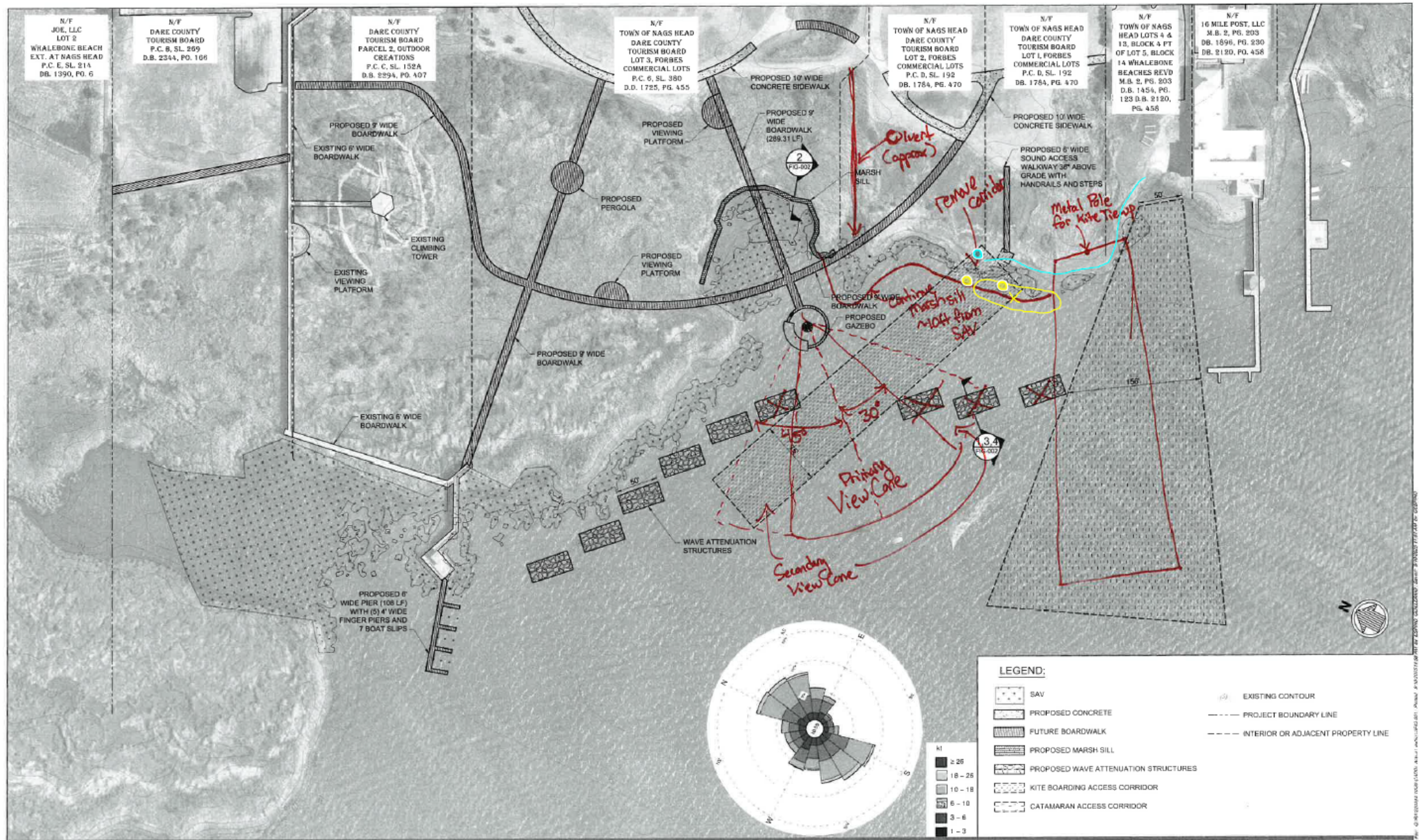
Environmental data collection, including salinity level readings, water quality readings and SAV mapping is currently underway at the site.

Attachments

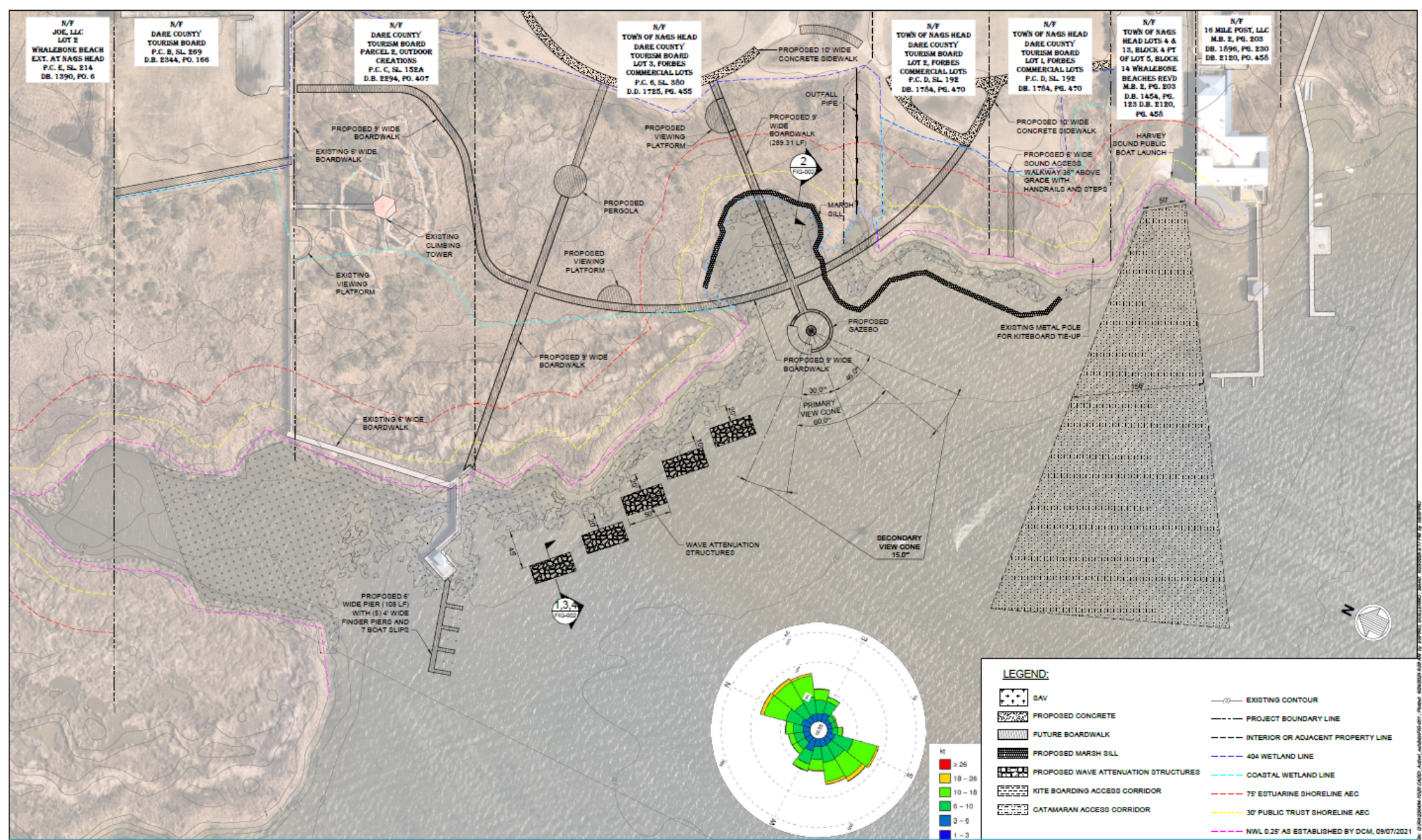
1. 7 F2 ESMP Update



HARVEY SOUND PUBLIC ACCESS PROJECT



HARVEY SOUND PUBLIC ACCESS PROJECT



HARVEY SOUND PUBLIC ACCESS PROJECT



moffatt & nichol

2025-09-18

CONCEPT PLAN
FIG-001

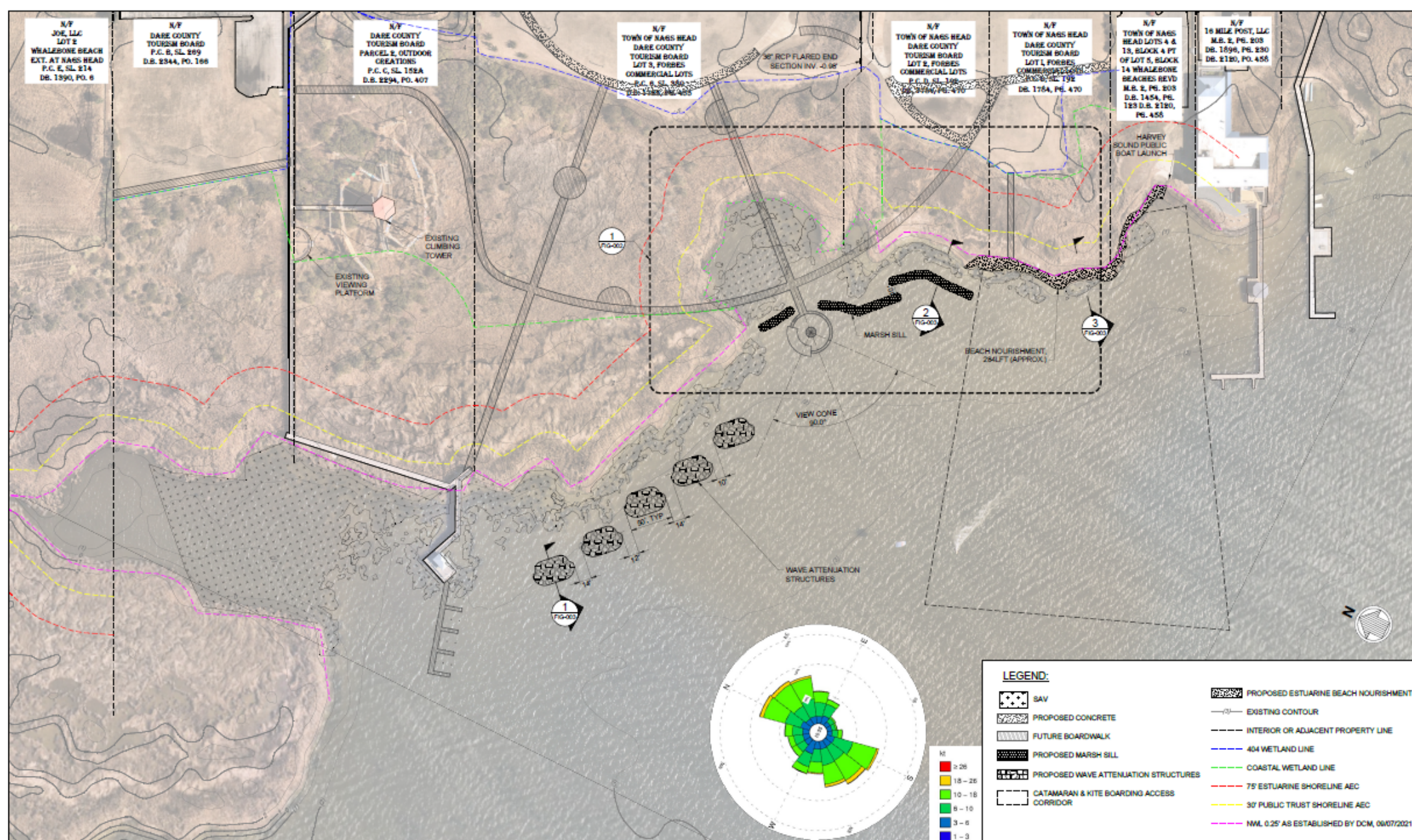
NOTES

- ALL UNITS SHOWN ARE BASED ON THE IMPERIAL SYSTEM OF MEASUREMENT (FEET/INCHES).
- ELEVATIONS ARE REFERENCED TO NAVD 88.

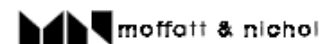
CONCEPTUAL DRAWING
NOT TO BE USED FOR CONSTRUCTION

SCALE: 1"=100'

ORIGINAL SHEET DATE: APR 8 (17/11/17)
DRAWING SCALE: AS SHOWN ON THIS SHEET SIZE



HARVEY SOUND ACCESS LIVING SHORELINE



OCTOBER 17TH SCHEMATIC DESIGN - DRAFT
FIG-001

CONCEPTUAL DRAWING
NOT TO BE USED FOR CONSTRUCTION

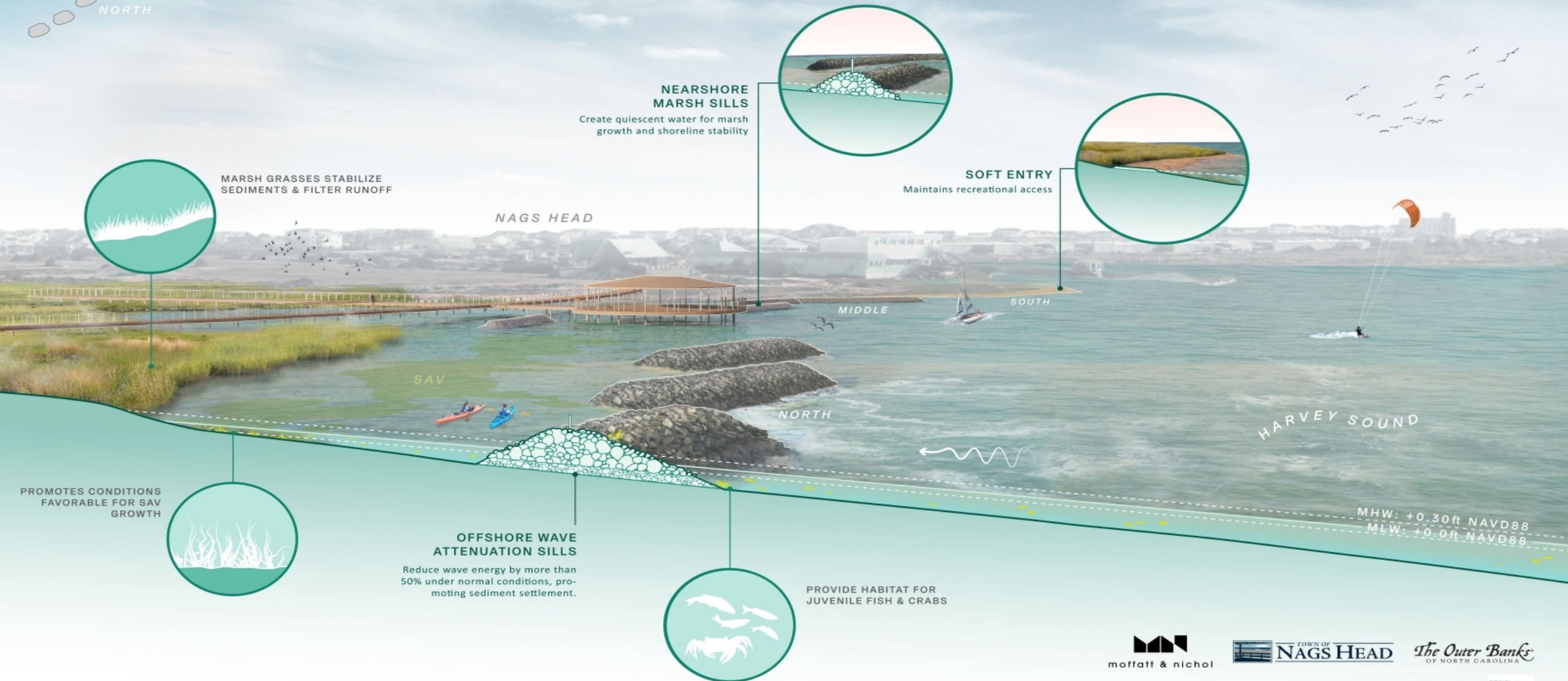
SCALE: 1"=100'
DRAWING SCALE AND DATE: 10/17/25



LIVING SHORELINE AT HARVEY SOUND

ENHANCES ECOLOGICAL HEALTH AND STABILIZES ~500FT OF SHORELINE WHILE MAINTAINING RECREATIONAL ACCESS

The Harvey Sound Living Shoreline will stabilize approximately 500 feet of eroding shoreline, reducing wave impacts and mitigating sea level rise while promoting long-term resilience. Marsh sills that mimic natural headlands and reefs, along with native plantings, will rebuild the living edge, restore coastal marsh habitat, and improve water quality and carbon sequestration. The design protects and enhances public access to this valued community site, preserves navigation and recreation such as kiteboarding, and encourages natural sediment buildup to support future marsh growth. All materials will be locally sourced, ensuring a low-maintenance, high-habitat-value solution that safeguards the shoreline for decades to come. Anticipated construction Fall 2026.





AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM G.1.

From June 3, 2026 - Discussion of Town Code Chapter 4: Crowd Gathering Activities and Group Demonstrations

Prepared by

Brittany Phillips, Town Clerk

Reviewed by

Brittany Phillips
Andy Garman

Staff Comments/Recommendation

Manager Garman: Staff recommends discussion/consideration of the attached ordinance to address public input regarding the group demonstrations ordinance and comments from the Outer Banks Visitors Bureau related to the Crowd Gathering Permit Process.

Town Attorney Leidy: The proposed revisions to this ordinance would be permissible and lawful. I will discuss the proposed revision during the Board's consideration of this item. In brief summary, the changes, particularly those requested by members of the public, are designed to relax or eliminate many of the controls and protections that we developed for and included into the version of the ordinance that was previously adopted.

For example, the current ordinance allows for spontaneous demonstrations of a small number of people through the "small group exception". The proposed revision does more than just specifically reference spontaneous gatherings: it also greatly restricts the authority of Town staff to deal with such gatherings when they occur. While the Board has provided for various means of expression and assembly with limited controls and restrictions, we recommend that the Board be mindful of the benefit of such provisions for the protection of public safety.

Specific Action Requested

Discussion/consideration of the revised crowd gathering/group demonstrations ordinance.

Summary

As the board is aware, the town adopted a revised crowd gathering and group demonstrations ordinance in December of 2025. Subsequent to the adoption of the ordinance, the town continued to receive comments from the public regarding specific requirements, including the permitting threshold which is based on the number of anticipated attendees as well as how the ordinance addresses spontaneous demonstrations.

Staff has received specific suggestions from members of the community, and has prepared a draft ordinance to address these concerns. The revised ordinance changes the requirement for a permit to 100 or more expected attendees. Demonstrations expected to have fewer than 30 persons are still exempt from any permit or notification requirements. Demonstrations expected to have between 30 and 99 attendees now only require a 48-hour notification (not a permit). This would mean that the person holding the event no longer needs to wait for the town to issue something. Once the notification is provided, the demonstration can occur.

The revision also attempts to define and acknowledge spontaneous demonstrations. It includes a definition of a spontaneous demonstration, and states the town shall work to accommodate these events, even without notice.

However, a spontaneous demonstration would not include events that are planned, organized, and/or advertised in advance by groups or individuals.

While our revised ordinance is still based on numbers, for smaller demonstrations, the process is greatly simplified with the basic purpose to give the town some form of notice. Staff believes having triggers based on expected attendance gives organizers better guidance on when they need to consider obtaining a permit. It also acknowledges the impacts we have seen when larger groups hold events, which largely involve parking issues on public and private property. Some other changes included in the draft ordinance:

- The minimum distances demonstrators must stand from the roadway have been modified.
 - The minimum distance demonstrators must be from commercial and financial establishments has been modified.
- The ordinance also clarifies that demonstrators are allowed to be on a public sidewalk, even if the distance is not met.
- Permits for larger events will continue to be issued by the Police Chief as a separate group demonstration permit. Group demonstrations are no longer required to receive a separate crowd gathering permit.
 - Language has been updated clarifying when a permit may be revoked.

In addition to the modifications to the Group Demonstrations ordinance, staff with the Outer Banks Visitors Bureau have requested that the town consider changes to the Crowd Gathering section of the ordinance for events held at Designated Public Events Sites. In order to better market events earlier in the process, they have requested the town consider adding a conditional permit approval, which an applicant could receive without having the detailed information necessary for the full crowd permit application. Staff understands the purpose of this request, and has added language clarifying that the conditional approval is not the final permit, the conditional approval doesn't create a vested right for the applicant, and does not absolve the applicant of any responsibilities or requirements of the full crowd gathering permit process.

Attachments

1. 7 G1 Crowd Gathering - Group Demo ord



**AN ORDINANCE AMENDING OF CHAPTER 4, CROWD GATHERING ACTIVITIES
AND GROUP DEMONSTRATIONS, SECTIONS 4-2 THROUGH 4-85, OF
THE CODE OF ORDINANCES OF THE TOWN OF NAGS HEAD, NORTH CAROLINA**

WHEREAS, pursuant to Article 8 of Chapter 160A of the North Carolina General Statutes, a town may by ordinance define, prohibit, regulate, or abate acts, omissions, or conditions, detrimental to the health, safety, or welfare of its citizens and the peace and dignity of the town; AND

WHEREAS, in furtherance of the public's health, safety and welfare it is necessary to regulate certain activities upon the lands, waterways, beaches, and dune areas of the Town.

NOW THEREFORE BE IT ORDAINED by the Board of Commissioners of the Town of Nags Head, North Carolina:

PART I. General Provisions

The Code of Ordinances of the Town of Nags Head, North Carolina, Chapter 4, Crowd Gathering Activities and Group Demonstrations, Sections 4-2 through 4-85, is hereby amended to read as follows:

ARTICLE I. - CROWD GATHERING ACTIVITIES

Sec. 4-2. Permits for Crowd Gathering Activities. Any crowd gathering activity that meets any of the criteria listed below shall not be held, ~~or~~ commenced, ~~or advertised~~ until such time as a crowd gathering permit is applied for and issued in accordance with this article:

- (1) An expected total attendance of 100 or more persons;
- (2) Use of the public right-of-way or closure of a street;
- (3) Location on the public beach;
- (4) Use of fireworks, pyrotechnics, or open flame performances;
- (5) Use of special amusement buildings or rides; and
- (6) A concert or live performance with use of an amplified sound system.

Sec. 4-7. Review of Application; Conditions to be Met.

- f) Form of permit; conditions to be set out. The town manager, or their designee, after due consideration of the matters contained in this article, shall either grant or deny such permit. The granting of a permit shall be by letter to the applicant, setting out all conditions of the permit and incorporating any provisions or conditions in addition to statements and presentations in the permit application. Any deviation from the terms and conditions of the permit, or the approved statements contained in the application, or any misstatement of fact made in such application ~~shall~~ may be grounds for immediate revocation of the permit ~~at any time~~ by the town manager.

Sec. 4-13. Conditional Approval for Events Located at Designated Public Events Sites.

- a) Purpose.
To facilitate advanced advertising, marketing, and planning, events hosted at a Designated Public Events Site, as defined in Appendix A of the Nags Head Unified Development Ordinance (UDO), may request and receive conditional approval for a crowd gathering permit prior to fulfilling all standard permitting requirements. Conditional approval granted under this section confers no vested right, entitlement, or legitimate expectation of final permit issuance, and does not limit the Town's authority to deny a final permit on any grounds authorized by law or ordinance.
- b) Preliminary Application Requirements.
To qualify for conditional approval, the event organizer must submit a preliminary application to serve as official notice that a Designated Public Events Site has been reserved. The preliminary application must include the following basic information:
 - (1) The official name of the event;
 - (2) The dates and times of the event;

- (3) Estimated attendance;
 - (4) Event organizer contact information;
 - (5) The type and nature of the event; and
 - (6) Affirmation that the complete Crowd Gathering Permit application will be submitted in accordance with all requirements of this chapter.
- c) Conditions and Final Approval.
Conditional approval granted under this section is strictly dependent upon the applicant submitting all remaining required information within the timeline set forth in Sec. 4-5 and meeting all other established requirements to receive a final crowd gathering permit. A conditional approval does not guarantee final permit issuance and confers no vested right or legitimate expectation of approval.
- Prior to receiving conditional approval, the applicant must execute the Conditional Approval Disclaimer as set forth in Sec. 4-13(d). Failure to execute the disclaimer shall render the preliminary application incomplete and no conditional approval shall be issued.
- The Town retains full authority to deny, modify, or revoke a conditional approval prior to final permit issuance upon any grounds authorized by law or ordinance. Any such denial, modification, or revocation shall be communicated to the applicant in writing and shall identify the basis for the Town's action.
- A conditional approval that is denied, modified, or revoked shall not prejudice the applicant's ability to submit a new or revised preliminary application, provided all applicable requirements of this chapter are met.
- d) Conditional Approval Disclaimer.
As a condition of receiving conditional approval under this section, every applicant shall execute a written Conditional Approval Disclaimer on a form prescribed by the Town. The disclaimer shall include at minimum the following acknowledgments:
- (1) That the conditional approval does not constitute a final crowd gathering permit and confers no vested right, entitlement, or legitimate expectation of final permit issuance;
 - (2) That any financial commitments, contractual obligations, advertising, marketing, ticket sales, or other actions taken in reliance on the conditional approval are undertaken solely at the applicant's own risk, and that the Town assumes no liability for losses arising from denial, modification, or revocation of a conditional approval or denial of a final permit;
 - (3) That the conditional approval is contingent upon timely submission of a complete crowd gathering permit application in accordance with all requirements of this chapter, and that failure to meet applicable deadlines or requirements will automatically void the conditional approval;
 - (4) That issuance of a conditional approval does not limit the Town's authority to deny a final permit on any grounds authorized by law or ordinance; and
 - (5) That the applicant certifies they have read, understand, and voluntarily accept the conditions and limitations of the disclaimer, and that no representative of the Town has made any representation, promise, or assurance regarding final permit issuance beyond what is expressly stated therein.

Secs. 4-134—4-5049. - Reserved.

ARTICLE II. - GROUP DEMONSTRATIONS

Sec. 4-50. Purpose and Construction.

The purpose of this Article is to regulate group demonstrations, processions, and picket lines in a manner that protects public safety and the orderly use of public spaces, while fully respecting the rights of free speech, assembly, and petition guaranteed by the United States Constitution and the North Carolina Constitution.

This Article shall be applied in a content-neutral manner and shall not be interpreted or enforced based on subject matter or viewpoint of any demonstration. Where a provision of this Article is susceptible to more than one reasonable interpretation, it shall be construed to avoid undue burden on protected expressive activity.

Sec. 4-51. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Block means that portion of any street lying between its intersection with other streets.

Defamatory means false or untrue statements made or published by the speaker to a third-party which the speaker intends to result in harm to a person's reputation which actually results in or is likely to result in harm to another's reputation or dignity.

Group demonstration means any assembly or concert of action for the purpose of protesting or demonstrating for or against any matter, or of making known any position or promotion of such persons or matter, or of or on behalf of any organization, group, corporation or class of persons, or for the purpose of attracting attention to such assembly.

Obscene or *Obscenity* means materials to which the average person, applying contemporary community standards, would find appeals to prurient interests and depicts or describes, in a patently offensive way, sexual conduct which lacks serious literary, artistic, political, or scientific value.

Picket line means a group of persons formed together for the purpose of making known any position or promotion of such persons, or of or on behalf of any organization, group, corporation or class of persons.

Procession means any march, ceremony, show, exhibition or procession of any kind in or upon the public streets, sidewalks, alleys, parks or other public grounds or places in the town.

Spontaneous demonstration means a demonstration that arises in immediate response to a recent or unforeseen event, that was not planned or organized in advance of the event, and that was not promoted or publicly advertised prior to the occurrence of the demonstration.

Sec. 4-52. Prohibited acts and regulations.

The following acts or activities, when performed or undertaken in conjunction with or as a part of any procession, picket line or group demonstration, are hereby prohibited and declared unlawful:

(a) *Carrying weapons.* The carrying on or about the person of any firearm or any weapon or article including, but not limited to, blackjacks, nightsticks or flashlights, which by their use might constitute a deadly weapon, as prohibited under N.C. Gen. Stat. § 14A-277.2.

(b) *Taking or keeping of vicious animals.* The taking or keeping of any dog or other vicious animal, whether leashed or unleashed.

(c) *Location.* Group demonstrations, processions, and picketing may be conducted only on the areas, shoulders or sidewalks reserved for pedestrian movement, and may not be conducted on the portion of a street used primarily for vehicular traffic. Any such activity must also be conducted at least ~~one hundred~~ fifty (50) feet away from any storefront or financial institution open to the public, and any automatic teller machine or other machine at which money is dispensed to the public. This requirement shall not preclude participants from using sidewalks in the public right-of-way adjacent to such establishments, provided they do not obstruct driveways, entranceways, or access thereto.

(d) *Signs and pickets.* Individual signs, pickets, or other written or printed placards must not exceed nine square feet, and must not contain content which is obscene, defamatory, creates a clear and present danger to the health, safety, and welfare of the general public, or is directed at inciting or producing imminent lawlessness which is reasonably likely to incite or produce such imminent lawlessness. Signs, pickets, or other written or printed placards shall not be mounted, installed, or affixed in the dedicated right-of-way at any time.

(e) *Use of Right of Way.* ~~Participants in a group demonstration, procession, or picket shall be at least ten feet from the paved or running surface of all highways and streets where no sidewalks are provided, shall remain on the dedicated right of way of any highway or street. Where sidewalks or curblines are provided, participants shall not be allowed closer than four feet to the curbline.~~

Where sidewalks are provided, participants in a group demonstration, procession, or picket line shall not position themselves closer to the paved or traveled portion of a street or highway than the roadside edge of the sidewalk.

Where no sidewalk or raised curb is provided along US 158 or US 64, participants in a group demonstration, procession, or picket line shall remain at least ten (10) feet from the paved or traveled portion of the street or highway and shall remain within the public right-of-way. Where no sidewalk or raised curb is provided along other streets or highways, participants shall remain at least four (4) feet from the paved or traveled portion of the street or highway and shall remain within the public right-of-way.

(f) *Allocation of time among separate groups.* If individuals engaging in group demonstrations, processions, or picket lines promoting different objectives or ideas desire to use the same sidewalk or shoulder, and such use would result in the presence of more than ten signs, pickets, or other written or

printed placards thereon, the police chief or their designee shall allot time to each group for the use of such sidewalk on an equitable basis.

(g) Obstruction of Traffic. No group demonstrations, processions, or picket lines shall be allowed in the travelled portion, including the shoulders and median, of any street, highway, or right-of-way in such a way to obstruct vehicular or pedestrian traffic. Nor shall any group demonstrations, processions, or picket lines occurring on a sidewalk or multi-use path obstruct or prevent any person from travel along or access through the area.

Sec. 4-53. - Interference with activity conducted under authority of permit.

No person shall hamper, obstruct, impede or interfere with any procession, picket line or group demonstration being conducted under the authority of a permit duly issued by the police chief or their designee.

Sec. 4-54. Exemptions.

The provisions of this article shall not apply to:

- (a) Funeral processions;
- (b) Students going to or from school classes or participating in educational or recreational activity where such activity is under the supervision and direction of proper school authorities;
- (c) Any governmental agency acting within the scope of its functions.

Sec. 4-55. Permit ~~required~~ and notification requirements.

~~It shall be unlawful for any person to organize, conduct or participate in any procession, picket line or group demonstration in or upon any street, sidewalk, alley or other public place within the town unless a permit therefor has been issued by the Town in accordance with the provisions of this article; provided that groups of less than thirty individuals engaging in processions, picketing, or group demonstrations need not obtain a permit.~~

(a) Notification required for groups of fewer than one hundred (100) participants. Any person organizing a procession, picket line, or group demonstration reasonably expected to involve fewer than one hundred (100) participants shall provide written or electronic notice to the police chief or their designee at least forty-eight (48) hours in advance of the event. Such notice shall include: (1) the name and contact information of the organizer; (2) the proposed date, time, and location; and (3) the estimated number of participants. Notification under this subsection is for planning and coordination purposes only and shall not be used as a basis for denial or restriction of any lawful demonstration. Activities involving fewer than thirty (30) participants are exempt from the notification requirement.

(b) Permit required for group demonstration with expected attendance of one hundred (100) or more participants. It shall be unlawful for any person to organize, conduct, or participate in any procession, picket line, or group demonstration in or upon any street, sidewalk, alley, or other public place within the town that is reasonably expected to involve one hundred (100) or more participants unless a permit has been issued by the Town in accordance with the provisions of Section 4-56 of this chapter.

(c) Good-faith attendance estimates. Any attendance estimate provided pursuant to this Article shall be considered a good-faith estimate based upon information reasonably available to the organizer at the time notice or application is submitted. An event and/or the organizer shall not be deemed in violation of this Article solely because actual attendance exceeds an estimated attendance.

(d) Any activity meeting the definition of a group demonstration shall comply with the requirements of Section 4-52 of this Chapter, even if the activity is exempt from the notification or permit requirements of this section.

(e) Spontaneous demonstrations. Where a demonstration arises in immediate response to a recent or unforeseen event and the nature of that event does not reasonably permit advance notice or permit application, the requirements of subsections (a) and (b) shall not apply. Any individual or group involved in encouraging participation in a spontaneous demonstration shall make a good faith effort to notify the police chief or their designee as soon as practicable. The Town shall make reasonable efforts to accommodate spontaneous demonstrations.

Sec. 4.56. Powers and duties of police chief; ~~contents of permit.~~ Group Demonstrations with 100 or more participants.

For group demonstrations reasonably expected to involve one hundred (100) or more participants, a permit, issued by the police chief or their designee, shall be required in accordance with this section. The police chief

or their designee is authorized to issue permits as required in this division, and in the issuance thereof they shall:

(a) *Application.* ~~Require a~~ A written application for such permit to be filed not less than ~~72 hours~~ 15 days in advance of such procession, picket line, or group demonstration. Such application shall be on a form prescribed by the police chief, shall require the application to be signed by the applicant, and shall require that the applicant show the applicant's name, address, affiliated organization, if any, phone number, and email address, the proposed time, place, ~~purpose and size~~ estimated attendance of such procession, picket line or group demonstration, provisions for parking and crowd management, if applicable, whether assistance will be required for traffic control, and whether they request to use any public facilities or services. ~~and whether or not any minor below the age of 18 years shall participate. Gatherings or demonstrations which are open to the public and drawing or likely to draw more than 100 participants must also obtain a crowd gathering activity permit as required under Article I of this chapter. In no instance shall an application for a group demonstration be required to be submitted more than 30 days from the date of the event. Failure to obtain a crowd gathering activity permit, if applicable, shall be grounds for the police chief or their designee to refuse to issue a permit.~~

(b) *Refusal to issue.* The police chief or their designee shall ~~R~~refuse to issue such permit when the activity or purpose stated in the application would violate any law or ordinance of the town or state law.

~~(c) *Participation of minors.* Specify in the permit whether or not minors below the age of 18 years will be permitted to participate.~~

~~(c)(d) *Person in charge of activity.* Require that t~~ The application for a permit shall specify and the permit shall designate the person in charge of the activity. Such person shall be required to accompany the procession, picket line or other group demonstration and shall carry such permit with them at all times. Such permit shall not be valid in the possession of any other person.

~~(d)(e)~~ The police chief or their designee shall determine whether the applicant has provided all information required in this Section and complied with other applicable provisions of federal, state, and local laws and, if so, shall issue the permit without undue delay, but in no event less than 48 hours but no later than 72 hours after receipt of the application. The police chief or their designee shall only deny a permit sought in accordance with this Section if the application is incomplete, the applicant has furnished false or untrue information in his application, or the applicant has failed to comply with another provision of federal, state, or local law governing permit requirements or the proposed activity.

~~(e)(f) *Contents.* The permit issued by the police chief or their designee shall set the starting time, duration, speed of travel and space between persons or vehicles in the procession, picket line or group demonstration, shall prescribe the portions or areas of streets, alleys, sidewalks or other public places to be used, and shall impose such other reasonable requirements as the police chief or their designee may prescribe for the control and free movement of pedestrian and vehicular traffic, or for the health, safety and property rights of the participants and the general public.~~

Sec. 4-57. Revocation and appeal.

~~The police chief shall revoke any permit granted for a procession, picket line or group demonstration for any of the following causes:~~

~~(a) The violation by any participant of sections 4-52 or 4-53 of this Article, or other any other applicable federal, state, or local law; or~~

~~(b) The failure of the applicant to furnish a copy of the permit issued by the police chief or their designee in response to a lawful request by law enforcement or a Town official.~~

The police chief or their designee may revoke a permit granted for a procession, picket line, or group demonstration for any of the following causes:

(a) A material violation of this Article or other applicable federal, state, or local law by the organizer, the person designated in charge of the activity, or a substantial number of participants, where such violation creates a threat to public safety or materially interferes with the lawful use of public property, and reasonable efforts to obtain compliance have failed;

(b) The knowing submission of false or materially misleading information in the permit application.

(c) Appeal. Any denial or revocation of a permit shall be provided in writing, stating the specific reasons for the decision. An applicant may appeal a denial or revocation to the Town Manager or their designee, who

shall provide a prompt written decision. The pendency of an appeal shall not prevent a demonstration from proceeding unless the police chief determines there is a specific and articulable threat to public safety.

Where a permit has been revoked during an ongoing demonstration, law enforcement may take reasonable steps necessary to address the specific circumstances giving rise to the revocation while preserving protected expressive activity to the greatest extent practicable.

Sec. 4-58. Enforcement.

It shall be unlawful to violate any provision of this Article. Violations shall be a misdemeanor and punishable as provided in G.S. 14-4 in the discretion of the presiding judge. In addition to or in lieu of any criminal enforcement, the Town or any aggrieved person may pursue applicable civil remedies deemed appropriate and necessary.

Secs. 4-59–4-85. Reserved.

PART II. Severability.

All Town ordinances or parts of ordinances in conflict with this ordinance amendment are hereby repealed. Should a court of competent jurisdiction declare this ordinance amendment or any part thereof to be invalid, such decision shall not affect the remaining provisions of this ordinance amendment nor the Unified Development Ordinance or Town Code of the Town of Nags Head, North Carolina which shall remain in full force and effect.

PART III. Effective Date

All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be in full force and effect from and after the 1st day of July 2026.

Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

Brittany A. Phillips, Town Clerk

APPROVED AS TO FORM:

John Leidy, Town Attorney

Date adopted: _____

Motion to adopt by Commissioner _____

Motion seconded by Commissioner _____

Vote: _____ AYES _____ NAYS _____



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM H.1.

Committee Reports

Prepared by

Brittany Phillips, Town Clerk

Reviewed by

Brittany Phillips
Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for board information and update.

Summary

At the July 1, 2026 Board of Commissioners meeting, board members will provide reports from meetings they have attended on behalf of the town.

Attachments

None



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM J.1.

2026 Beach Nourishment Project Update

Prepared by

Brittany Phillips, Town Clerk

Reviewed by

Brittany Phillips
Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for board information and update.

Summary

At the July 1, 2026 Board of Commissioners meeting, Town Engineer Ryan will provide an update on the 2026 Beach Nourishment Project.

Attachments

None



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM J.2.

Multi-Use Path Project Update - Carolista Drive to Soundside Road

Prepared by

David Ryan, Town Engineer

Reviewed by

David Ryan
Brittany Phillips
Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for board information and update.

Summary

At the July 1, 2026 Board of Commissioners meeting, Town Manager Garman and Town Engineer David Ryan will provide an update on the Multi-Use Path Project running from Carolista Drive to Soundside Road.

Attachments

None



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM K.1.

Comr. Harrison - Latest Video about Nags Head from CurrentTV
- Nags Head - Mystery Shipwreck

Prepared by

Brittany Phillips, Town Clerk

Reviewed by

Brittany Phillips
Andy Garman

Staff Comments/Recommendation

N/A

Specific Action Requested

This item is provided for board information and update.

Summary

At the June 3, 2026 Nags Head Board of Commissioners meeting, Comr. Harrison suggested showing CurrentTV videos referencing Nags Head at future meetings, to which the board agreed. The latest [video](#) is about the shipwreck located at Town Hall.

Attachments

None



AGENDA ITEM SUMMARY

Town of Nags Head Board of Commissioners

REGULAR SESSION: July 1, 2026

AGENDA ITEM M.1.

Request for Closed Session to Consider Jan 2026 – Jun 2026 Closed Session Minutes and Their Disposition Pursuant to GS 143-318.11(a)(1)

Prepared by

Brittany Phillips, Town Clerk

Reviewed by

Brittany Phillips
Andy Garman

Staff Comments/Recommendation

Town Attorney Leidy has reviewed and determined the listed Closed Session minutes and disposition listing (provided under separate cover) can be considered for board approval.

Specific Action Requested

Request Board consideration of Jan 2026 – Jun 2026 Closed Session minutes and disposition.

Summary

At the July 1, 2026 Board of Commissioners meeting, Mayor Cahoon will request a Closed Session to consider Jan 2026 – Jun 2026 Closed Session minutes and their disposition pursuant to GS 143-318.11(a)(1).
(Closed Session minutes and disposition listing were provided under separate cover.)

Attachments

None