



**MINUTES
TOWN OF NAGS HEAD
BOARD OF COMMISSIONERS
REGULAR SESSION
WEDNESDAY, AUGUST 5, 2026**

The Nags Head Board of Commissioners met at the Board Room located at 5401 S Croatan Highway, Nags Head, North Carolina on Wednesday, August 5, 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; Rick Godsey; Jessica Gallop; JC Mitchell; Steve Szymanski; Charles Thuman; Ed Snyder; Ashley Mitchell and family; Dee Johnson; Lily Nieberding; Bob Muller; Paige Griffin; Jonathan Kirks; Jackie Szymanski; Suzanne Baer; Donna Creef; Kim Thompson; Greg Daisey; Conner Twiddy; Christian Aguirre; Steven Anderson; Chris Trembly; Chase Tadlock; and Town Clerk Brittany A. Phillips

Mayor Cahoon called the meeting to order at 09:00 a.m. A moment of silence was followed by the Pledge of Allegiance. He then recognized former mayor Bob Muller in attendance.

ADOPTION OF AGENDA

MOTION: Comr. Sanders moved to adopt the amended August 5th agenda, moving the retirement recognition of former Water Superintendent David Perry to the September 2nd meeting. The motion was seconded by Comr. Vaughan, which passed unanimously.

RECOGNITION

NEW EMPLOYEE – Planning Director Kelly Wyatt introduced Chief Building Inspector Rick Godsey who was welcomed by the board to town employment.

NEW EMPLOYEE – Deputy Town Manager/Finance Officer Amy Miller introduced Tax Collector Jessica Gallop who was welcomed by the board to town employment.

TEN YEARS – Police Chief Perry Hale introduced Police Sergeant JC Mitchell, who was recognized by the board for ten years of service.

PRESENTATION – Police Chief Perry Hale introduced Police Sergeant JC Mitchell, recipient of the MADD NC DWI Per Capita Enforcer of the Year Award.

TWENTY-FIVE YEARS – Town Manager Andy Garman introduced Public Information Officer Roberta Thuman, who was recognized by the board for twenty-five years of service.

RETIREMENT – Planning Director Kelly Wyatt introduced Chief Building Inspector Steve Szymanski, who was thanked and congratulated by the board on his retirement.

PUBLIC COMMENT

Town Attorney John Leidy opened public comment at 09:27 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 #2 to FY 26/27 Budget
- Consideration of Tax Documents
 - FY 25/26 Year End Tax Adjustment Report and FY 25/26 Year End Tax Settlement Report
- Approval of Minutes
- Consideration of Multi-Year Banking Contract Renewal with Southern Bank

- Consideration of Beach Nourishment Capital Project Ordinance Amendment #20
- Consideration of the Second Year of the Sand Relocation and Dune Management Cost Share Program (Cycle Approved August 6, 2025)
- Consideration of Recommended Standard Details Update

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

Budget Amendment #2, as approved, is attached to and made a part of these minutes as shown in Addendum "A".

The tax documents to include the FY 25/26 Year End Tax Adjustment Reports and the Year End Tax Settlement Report, as approved, are attached to and made a part of these minutes as shown in Addendum "B".

The minutes from the July 1, 2026, Regular Session meeting were approved by the board and are on file in the town clerk's office and on the town's website.

The Southern Bank multi-year contract renewal, as approved, is on file in the town clerk's office. The agenda summary sheet read in part as follows:

"Attached please find a contract to extend banking services with Southern Bank through August 31, 2031 (extension of five years) for board consideration at the August 5th Board of Commissioners meeting. New/updated terms are also included with this contract and are as follows:

- 5-year term
- Earnings credit rate of .65%
- Required offsetting balances of \$2,000,000.00
- Southern Bank will incorporate their Earnings Credit Carryover Feature
- All Treasury Services will remain in effect unless the town chooses to discontinue any particular service
- The town will add an additional X937 File service to accommodate software changes made by the town
- Southern Bank will continue to offer @Work checking account package to employees of the town
- Bonus rate of .30% on all balances over \$1,000,000 in the money market savings account"

The summary sheet for the Consideration of Beach Nourishment Capital Project Ordinance Amendment #20 read in part as follows:

'Amendment to the 2022 project — Please refer to the item on this consent agenda, Consideration of the Second Year of the Sand Relocation and Dune Management Cost Share Program. The 2022 project ordinance amendment aligns with, and is necessary for, that request.

'Amendment to the 2026 project — The contractor is to place an additional dune that was taken out of the original plan utilizing existing material. Additional dune planting and sand fencing are included in this change order. This change order authorizes dune construction of up to 3,500 cubic yards at a unit price of \$9.50/cy for a total cost not to exceed \$33,250. Additional dune planting of 2,300 SY will be included at the base bid rate of \$3.50/SY for a total of \$8,050.00 and sand fence installation of 200 LF at a rate of \$10.00/LF for a total cost of \$2,000.00
Maximum Total Fee for additional work: \$33,250.00 + \$8,050.00 + \$2,000.00 = \$43,300.00.

'Amendment to the 2022 project — The Town is going into its second year of the sand relocation and dune management cost share program. Additional funds are needed to fund the program. The amount needed to fund this year is approximately \$350,000 based on historical usage. This is being accomplished by using remaining funds in the line items for this project, totaling \$158,389, budgeting for interest income received of \$161,923, and adding it to the remaining budgeted funds of \$31,047 in the Capital Outlay Other line item.

'Amendment to the 2026 project — The Town Manager has executed this change order as permitted in the ordinance. The change order of \$43,300 is less than the \$50,000 allowance to be appropriated from the contingency. The funds from this change order were appropriated from contingency as there were sufficient funds to do so, and this amendment reflects that \$43,000 reduction in contingency.

'There is no budgetary impact for this ordinance amendment."

The Beach Nourishment Capital Project Ordinance Amendment #20, as adopted, is attached to and made a part of these minutes as shown in Addendum "C".

The summary sheet for the Consideration of the Second Year of the Sand Relocation and Dune Management Cost Share Program (Cycle Approved August 6, 2025), as approved, read in part as follows:

"At the August 5, 2026, Board of Commissioners meeting, staff requests board consideration of the Sand Relocation and Dune Management Cost Share Program for FY 26/27.

'Attached please find a memo from Planning Director Wyatt pertaining to the Dune Management Cost Share Program with a staff recommendation to include program funding for the upcoming season for dune vegetation, sand fence installation, and ocean sand relocation activities. FY 26/27 is the second year of a new three-year cycle

for the Sand Relocation Reimbursement Program. The corresponding Beach Nourishment Capital Project Ordinance Amendment #20 is included in this consent agenda as a funding request. This is inclusive of purchasing dune plantings for Better Beaches not to exceed \$15,000.

'Approval of the Capital Project Ordinance Amendment #20 for year 2 of 3 of the Sand Relocation and Dune Management Cost Share Program for FY 26/27 is included in this consent agenda titled Consideration of Beach Nourishment Capital Project Ordinance Amendment #20.'

Director Wyatt's memo read in part as follows:
"To better assist oceanfront property owners with overall dune management, staff recommend funding the cost share program to include dune vegetation, sand fence installation, and ocean sand relocation activities in the upcoming season.

'For reference, the Town has processed the following number of sand relocation authorizations over the past five years:

- FY 21-22, 190 sand relocation authorizations
- FY 22-23, 266 sand relocation authorizations
- FY 23-24, 280 sand relocation authorizations
- FY 24-25, 200 sand relocation authorizations
- FY 25-26, 280 sand relocation authorizations

'Dune vegetation stabilization is required for sand relocation reimbursement, with a cap of \$3,500. If sand is not being moved, \$1,000 is the cap for plants and fencing, which does include labor and materials. Currently the application interval for planting and sand fence installation is every year, and the application interval for the sand relocation is once every three years. FY 25-26 marked the first year of the current three-year cycle.

'As anticipated, the first year of the current three-year sand relocation cycle experienced a higher number of participation requests. As the program moves into the second year of the cycle, staff expects demand to remain strong and therefore recommends allocating \$400,000 to support anticipated participation in the upcoming season. Funding has not exceeded \$350,000 per year since the program was initiated. Therefore, \$350,000 of funding will be allocated. If we reach \$400,000 a budget amendment will be brought forward to the Board at that time for an additional \$50,000. This figure is based on annual historical usage since program inception.

Activity	FY 23-24	FY 24-25	FY 25-26	FY 26-27	Application Interval	Application Dates
Planting	Yes	Yes	Yes	Yes	Every Year	Oct. 1-June 30
Sand Fence Installation	Yes	Yes	Yes	Yes	Every Year	Oct. 1-June 30
Sand Relocation	Yes	Yes	Yes	Yes	Once Every 3 Years	Nov. 15- April 15
Max. Funding Amount per Parcel	\$3,500	\$3,500	\$3,500	\$3,500		
Total Program Funding	\$400,000	\$400,000	\$400,000	\$400,000		
Total Amount Allocated	\$419,000	\$210,500	\$403,000	N/A		
Total Amount Disbursed	\$319,876	\$186,500	\$330,099	N/A		

'OBX Better Beaches
In prior years, staff has recommended allocating up to \$15,000 annually to OBX Better Beaches to support dune vegetation installation efforts. However, in the past two years, OBX Better Beaches did not request or utilize any portion of the allocated funds. For FY 2026–2027, staff recommended that the requested program funding be inclusive of both reimbursement requests and any potential funding requests from OBX Better Beaches, not to exceed \$15,000.'

The summary sheet for the Consideration of Recommended Standard Details Update, as approved, read in part as follows:

"The purpose of this agenda item is to present updates to the Town’s Recommended Standard Details Manual for Board review and adoption. The manual serves as a technical reference document for engineers, architects,

contractors, developers, and Town staff, providing standardized design and construction details to ensure consistency with the Town Code of Ordinances, adopted policies, and current engineering practices.

'The proposed revisions incorporate procedural updates, improve consistency with the Unified Development Ordinance (UDO), reflect current state and federal requirements, and add or revise design details based on lessons learned from recent projects and permitting activities. The updates are intended to provide clearer guidance to the development community, streamline project review, support consistent construction practices, and reduce ambiguities during design and permitting. This effort continues the Town's practice of periodically updating the manual to reflect changes in materials, methods, standards, and regulatory requirements.

'Key Updates include:

- Addition of 300-gallon cart detail
- Addition of residential construction entrance detail
- Revision of silt fence detail to align with NCDEQ DEMLR requirements
- Updates to commercial driveway connection details to ensure consistency with UDO language
- Update to Section 100 to reflect procedural changes in the residential review process

'Staff requests approval and adoption of the updated Recommended Standard Details Manual."

PUBLIC HEARINGS

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

Notice of the Public Hearing was published in the Coastland Times on Wednesday, July 22, 2026 and on Wednesday, July 29, 2026 as required by law.

Attorney Leidy opened the Public Hearing at 09:28 a.m.

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

"Suzanne Baer, on behalf of BIPA, LLC, has submitted the attached request to amend Section 7.32 of the Unified Development Ordinance (UDO) to allow Water-Dependent Recreational Uses as a permissible use within Commercial Mixed-Use Developments, including Shopping Centers, located within the Commercial Outdoor Recreational Overlay District (CORD).

'The request originated from discussions regarding the property located at 7531 S. Virginia Dare Trail (Caribbean Corners). While text amendments are legislative in nature and are not site-specific, staff notes that the request is being made on behalf of a soundfront commercial property located within the C-2 General Commercial District and Commercial Outdoor Recreational Overlay District. The property is developed as a Shopping Center, which is classified by the UDO as a Commercial Mixed-Use Development.

'Section 6.6, Table of Uses and Activities, allows Water-Dependent Recreational Uses within the Commercial Outdoor Recreational Overlay District through the Special Use Permit process. However, Water-Dependent Recreational Uses are not currently listed as a permitted use within Commercial Mixed-Use Developments under Section 7.32 (attached).

'The proposed amendment would not:

- Increase the number of permitted commercial water recreation vendors within the Town, which is seven;
- Increase the number of personal watercraft permitted per vendor, which is eight;
- Expand the geographic extent of the Commercial Outdoor Recreational Overlay District; or
- Otherwise alter the carrying-capacity limitations established through prior Town studies and ordinance amendments.

'Rather, the amendment would allow the water-dependent recreational use to be considered within an additional development type, specifically Commercial Mixed-Use Developments and Shopping Centers.

'The Town has a long history of studying commercial water recreation activities and carefully evaluating their impacts on Roanoke Sound and its users. In 1998, the Town began experiencing increasing concerns regarding Personal Watercraft (PWC) rental operations, including user conflicts, safety concerns, congestion, potential environmental impacts, and the overall recreational experience on Roanoke Sound. In response, the Board of Commissioners adopted a moratorium on the expansion of PWC (jet ski) rental operations while a comprehensive carrying capacity study was completed. The study, as well as excerpts of pertinent minutes of the Board of Commissioners are included for the Board of Commissioners review and consideration. A take away, is that the Town was not looking to prohibit the use of personal watercraft, but to determine how much recreational activity the sound could reasonably accommodate before user conflicts, safety concerns, and overall recreational quality began to decline.

'The Town retained PMA-Planners, led by consultant Jack Stodghill, who developed and administered a detailed survey to multiple user groups of Town recreational facilities, including personal watercraft users, power boat users, non-powered watercraft users, and shoreline users such as swimmers, anglers, and crabbers.

'During the summer of 1998, consultants conducted 317 interviews at twelve locations along the Nags Head shoreline of Roanoke Sound, generally extending from Jockey's Ridge State Park south to approximately one mile south of the Causeway. The goal was to better understand how people were using the sound, whether conflicts existed between user groups, and whether the resource was approaching a point where additional recreational activity could create concerns and cause measurable impacts to the natural resource itself.

'The study concluded that users were generally satisfied with their recreational experiences, that the sound was not experiencing widespread degradation or unacceptable congestion, and that existing management measures appeared to be functioning effectively.

'At the time, seven commercial rental operations were already in existence. Since the study found that users were generally satisfied and the sound did not appear to be experiencing significant congestion or conflict, the consultant recommended maintaining the existing number of sites rather than allowing additional operators. The study also found that eight personal watercraft per site appeared acceptable north of the Causeway. The report noted that the available water area south of the Causeway was more limited and that user conflicts could be greater in that area. Although the report discussed possible additional restrictions south of the Causeway, no formal recommendation was made and the Board of Commissioners did not adopt regulations specific to that portion of the sound. Section 7.63 of the UDO, Watercraft Rental, is attached for review.

'One of the study's principal findings was that the primary concern was not environmental degradation of the sound itself, but the increasing potential for conflicts among users sharing a limited recreational resource. Many of the consultant's recommendations therefore focused on managing activity to maintain safety and recreational quality. The resulting ordinance amendments were the product of a year-long planning effort that included public input, user surveys, consultant analysis, and extensive discussion regarding how best to balance recreational opportunities, user safety, and long-term management of a finite public resource.

'Existing commercial water recreation operators currently located within Nags Head include:

- 7665 S. Virginia Dare Trail - Fishing Unlimited
- 7649 S. Virginia Dare Trail - Causeway Watersports
- 7612 S. Virginia Dare Trail - Nags Head Watersports
- 7517 S. Virginia Dare Trail - Kitty Hawk Kites (Whalebone)
- 6920 S. Croatan Highway - Outer Banks Adventures and Watersports
- 6714 S. Croatan Highway - First Flight Adventure Park and PWC Rentals (status uncertain)

'Staff notes that recreational activity on Roanoke Sound differs today from what existed when the study was completed in 1999. Additional activities now include delivery-based rental services, privately owned watercraft utilized by visitors, and transient docking facilities approved since completion of the study. In 2019, Miller's Waterfront Restaurant was approved to construct four transient boat slips, and Tale of the Whale Restaurant was also approved to construct four transient boat slips. While not commercial water recreation operators, these facilities contribute to additional recreational activity within the sound.

'Commercial water recreation businesses today also frequently offer a broader range of services than those evaluated during the original study, including pontoon rentals, kayak rentals, stand-up paddle board rentals, parasailing operations, kiteboarding, dolphin tours, and other recreational activities. As a result, while the number of operators has remained relatively consistent, the variety and intensity of recreational activities occurring on Roanoke Sound has arguably increased.

'While the 1999 Recreational Water Use Carrying Capacity Study is relevant, the requested amendment would not increase the number of water recreation operators, increase the number of personal watercraft allowed, or expand the Commercial Outdoor Recreational Overlay District. This request asks whether an existing permitted use should also be allowed within Commercial Mixed-Use Developments, including Shopping Centers. As a result, the discussion shifts somewhat from questions about carrying capacity and the overall amount of activity occurring on the sound to how the use would function within a mixed-use development and whether parking, circulation, equipment storage, fueling, and compatibility with adjacent tenants can be adequately addressed.

'The principal site-design and land-use compatibility considerations include:

- Equipment storage and staging areas;
- Docking facilities and associated infrastructure;
- Parking demand and availability;
- Internal traffic circulation and pedestrian safety;
- Fueling operations and spill prevention;
- Stormwater management;
- Compatibility with adjacent tenants; and

- Overall functionality of the development.

'Unlike stand-alone waterfront recreational facilities, Commercial Mixed-Use Developments are generally designed around retail storefronts, restaurants, offices, personal services, and shared customer parking. Questions regarding where equipment would be stored, where customers would assemble, how parking would be accommodated, and how operational activities would function within a mixed-use environment are legitimate planning considerations.

'At the same time, staff recognizes potential benefits associated with the amendment, including greater flexibility in land-use arrangements, utilization of shared infrastructure, concentration of commercial activity within existing commercial developments, and customer convenience.

'Many of the concerns identified by staff are inherently site-specific and cannot be fully evaluated through a legislative text amendment. If the amendment is approved, future proposals would remain subject to the Special Use Permit and Site Plan Review processes, where detailed information regarding parking, circulation, operational characteristics, equipment storage, fueling operations, and site functionality would be available for review.

'POLICY CONSIDERATIONS

LU-1 — Ensure that the character of Nags Head is preserved as a single-family residential beach community with ties to its natural environment. This character includes commercial development that serves residents and visitors while respecting community goals related to design and appearance, and land uses that are compatible with the community and adjacent properties and do not create excessive noise, light, unsafe conditions, or other nuisances. LU-7 - Review regulations in the Ocean and Sound Waters Overlay District and the Commercial Outdoor Recreation Overlay District to ensure proper use of ocean and sound waters, including islands adjoining the Town, and the continued scenic, conservation, and recreational value these waters provide.

LU-7a - Review regulations for commercial boating and personal watercraft to maintain compatibility with adjacent uses and the estuarine environment.

LU-8 — Ensure proposals for future commercial uses in the sound are not detrimental to the marsh, sound bottom, and submerged aquatic vegetation. Compatible sound uses will not increase turbidity and will maintain overall water quality.

'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.

'Staff further notes that approval of the text amendment should not be interpreted as support for any specific site or future Special Use Permit application. Any future proposal must independently demonstrate compliance with all applicable ordinance requirements and review standards and must establish that the use can be accommodated without adversely affecting parking, circulation, adjacent tenants, or the overall functionality of the development in which it is proposed.

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

'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.

'Conduct the Public Hearing and consider adoption of the proposed text amendment to Section 7.32 of the UDO."

The board thanked Director Wyatt for her presentation. Suzanne Baer thanked the board for their consideration. There was no member of the public present who wished to comment on the proposed amendment. Attorney Leidy asked whether the board wished to receive any additional information. Hearing no response, he stated that the public hearing would be closed and that the board could proceed with deliberations on the proposed amendment. The time was 09:42 a.m.

MOTION: Comr. Harrison moved to approve the text amendment 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 to include the statement of consistency as presented. The motion was seconded by Mayor Pro Tem Lambert.

Mayor Cahoon noted appreciation for the ability to address site-specific concerns through future Special Use Permit and Site Plan Review and observed that allowing multiple activities on the same site could help reduce travel by enabling people to accomplish more in one location.

MOTION CONT.: The motion passed unanimously.

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

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, August 5th, 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 July:

- 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)
- Tuesday, July 14th — ESMP Soundside Road Engagement Meeting
- Wednesday, July 15th — Board of Commissioners Mid-Month Meeting (not needed)
- Tuesday, July 21st — Planning Board Meeting (canceled)
- Monday, July 27th — Septic Health Advisory Committee Meeting
- Tuesday, July 28th — Harvey Sound Access Living Shoreline Meeting

'Planning Board — Pending Applications and Discussions

The Planning Board did not meet in July. Its next meeting is scheduled for Tuesday, August 18, 2026. The anticipated agenda includes consideration of a text amendment submitted by Eddie Goodrich that would provide greater flexibility in the development of cottage courts by modifying the existing graduated size and design requirements for individual dwelling units.

'Board of Adjustment – Recent and Pending Applications

At its July 9th, 2026 meeting, the Board of Adjustment considered an Appeal of an Administrative Decision filed by Sebastian Ojanguren concerning the Planning Director's interpretation and application of Section 8.6.3.7.1 of the Unified Development Ordinance, which governs reductions to front-yard setback requirements. The appeal involved property located at 10023 East Pelican Street. The board voted unanimously to uphold the Planning Director's decision regarding the applicability of the front-yard setback reduction provisions to the property.

'The Board of Adjustment is scheduled to meet on August 13th, 2026, to consider an Appeal of an Administrative Decision filed by Loretta Patrick concerning the Planning Director's denial of Development Permit Application No. 202600632. The application seeks authorization to demolish the existing beach access walkway within the Pelican Park subdivision, located at 10023C East Pelican Street.

'Additional Updates

- DWMP/Septic Health Advisory Committee — The Septic Health Advisory Committee met on July 27, 2026, and received updates on program participation, outreach, the Division of Water Infrastructure (DWI) zero-interest loan program, and groundwater monitoring. During FY 2025–26, the Town completed approximately 190 septic inspections, issued 158 water-bill credits, and facilitated 10 septic repair loans. The recent mailer continues to be a successful outreach strategy, generating approximately 70 inspection requests and introducing several new property owners to the program. Staff recently mailed information about the DWI zero-interest septic loan program to properties identified as potentially vulnerable based on system age, elevation, and proximity to surface waters. Staff are also considering ways to document the program's outcomes through pre-and post-site information, photographs, and testimonials to demonstrate the value of continued investment in onsite wastewater management.

Public education and professional outreach efforts also continue. Updated promotional materials, including a redesigned septic-system maintenance magnet and dog-waste bags, have been well received at the Dowdy Park Farmers Market. Staff continue working with OTT HydroMet to replace malfunctioning groundwater loggers with new equipment and anticipate receiving the replacement units in the near future. Staff are also coordinating a meeting with faculty and researchers from East Carolina University's Department of Earth, Environment and Planning to learn more about their groundwater-monitoring work and explore opportunities for collaboration and data sharing.

- Estuarine Shoreline Management Plan — The ESMP website has been updated to reflect recent progress and changes to the Town's shoreline resiliency projects. Staff continue to receive growing interest in the technical assistance funding allocated by the board for individual property owners and small groups seeking to develop living shorelines or incorporate natural elements into existing riprap or bulkheads. A policy establishing eligibility, award criteria, and general grant requirements is being developed for the board's

review and approval.

The Harvey/Soundside Event Site major permit application was resubmitted on July 1st following completion of an updated wetland survey and minor design revisions. Staff are addressing comments regarding continued access for kite and wind sports, with permits anticipated in September, bidding to follow, and construction projected for January 2027. At Villa Dunes Drive, Environmental Professionals, Inc. held a productive meeting with property owners and will continue working with them to identify supported, site-specific shoreline stabilization alternatives. For Soundside Road, staff have requested a grant scope modification to focus on a nature-based resiliency berm and associated stormwater improvements intended to reduce wave overtopping, enhance habitat, and protect infrastructure. Draft easement language has been developed and shared with affected property owners for review and comment. The Town also held an initial property owner meeting on July 14th, with additional outreach meetings planned as the project advances.

Staff have also received approval to redirect grant funding toward the design of a living shoreline near the Town-owned Catfish Farm and Causeway properties, where consultants are conducting surveys, mapping submerged aquatic vegetation, monitoring water quality, and developing initial concepts. Additional information is available on the Town's Estuarine Shoreline Management Plan [webpage](#).

- Parks and Recreation Plan Update — Staff have issued a Request for Qualifications for professional services to update the Town's Parks and Recreation Master Plan. Submittals are due by August 28, 2026, and the RFQ is currently available on the Town's Bid Openings webpage. Updating the Parks and Recreation Master Plan was identified as the highest-ranked action item in the Town's Strategic Plan (Action Item 2.7).
- Dowdy Park Events/Farmers Market/Holiday Markets/Art & Culture — Summer programming at Dowdy Park continues to be extremely successful, with strong attendance at the Farmers Market, Summer Concert Series, fitness classes, and Family Fun Time activities. Events Coordinator, Paige Griffin, continues to generate enthusiastic participation and meaningful interaction with residents and visitors through the morning programs. The Park also recently hosted The Wave of Hope, a traveling community project created by Studio Karma Kids Summer Camp that invited participants to share positive messages, stories, and words of encouragement to help build "an ocean of hope, one message at a time."

Staff are pleased to welcome Erica Rohrbacher as the Town's part-time, year-round Events Assistant. Erica has already been a tremendous help to Paige during the busy summer season, and together they are beginning to plan fall events and programming. The Committee for Arts & Culture will hold its next meeting in September.

'Upcoming Meetings and Other Dates

- Monday, August 3rd — Meeting with NEST re: lighting
- Tuesday, August 4th - Technical Review Committee Meeting
- Wednesday, August 5th — Board of Commissioners Meeting
- Tuesday, August 11th — Meeting with ECU re: Ground water and Water Quality Dashboard
- Thursday, August 13th — Board of Adjustment Meeting (Appeal of Administrative Decision, Pelican Street)
- Tuesday, August 18th — Planning Board Meeting
- Wednesday, August 19th — Board of Commissioners Mid-Month (if needed)
- August 5th, 12th, 19th and 26th — Summer Concert Series at Dowdy Park

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

In addition to her summary above, Director Wyatt noted that the Planning Board will begin reviewing the history of accessory dwelling unit (ADU) discussions at an upcoming meeting. She explained that, with several new board members, the review will provide background on prior discussions and concerns so the board is prepared if it chooses to consider a future ADU ordinance.

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

NEW BUSINESS

Committee Reports

Comr. Vaughan – The Dare County Tourism Board did not meet in July.

Comr. Sanders – The Dare Housing Foundation Castles for a Cause initiative is moving forward. They are focused on increasing community awareness to help grow the program and are actively pursuing grant opportunities to support future projects and get additional initiatives underway.

Mayor Pro Tem Lambert – Acknowledged Director Wyatt’s update on the Septic Health Committee. She then thanked town staff for their significant efforts in developing the loan program. Their work was recognized as going well beyond the traditional scope of work.

Comr. Harrison – Reported that the Government Education Access Channel Committee met in July and that operations continue as usual. She commended Public Information Officer Roberta Thuman for the outstanding quality of video content produced for Nags Head over the past year.

Mayor Cahoon – There was no report for Jennette’s Pier Advisory Committee this month.

Consideration of Resolutions Authorizing Fall 2026 Fishing Tournaments

- Outer Banks Association of Realtors; Fraternal Order of Eagles; Nags Head Surf Fishing Club Mayor Cahoon noted that these are longstanding tournaments and brought the resolutions before the board for approval.

MOTION: Mayor Pro Tem Lambert made a motion to adopt the three (3) resolutions authorizing Fall 2026 Fishing Tournaments for the Outer Banks Association of Realtors, the Fraternal Order of Eagles, and the Nags Head Surf Fishing Club as presented. The motion was seconded by Comr. Harrison, which passed unanimously.

The resolutions, as adopted, read in part as follows:

Outer Banks Association of Realtors

"WHEREAS, the Outer Banks Association of Realtors (OBAR) is sponsoring its annual Charity Surf Fishing Tournament October 2, 2026; AND

'WHEREAS, in accordance with Section 8-83 (b)(3) of the Nags Head Code of Ordinances, the Outer Banks Association of Realtors submitted a request on July 13, 2026, for the Town of Nags Head to issue short-term beach driving permits to the Outer Banks Association of Realtors to be distributed to participants in its annual Fishing Tournament.

'NOW, THEREFORE BE IT RESOLVED by the Town of Nags Head Board of Commissioners that the Town of Nags Head is pleased to offer its assistance for the OBAR Charity Surf Fishing Tournament this year.

'BE IT FURTHER RESOLVED as follows: The Town Clerk is authorized to issue up to three (3) short-term beach driving permits to each six (6) member team in the OBAR Tournament to be distributed to the 40 teams participating in its annual OBAR Charity Surf Fishing Tournament. The tournament is to be held on Friday, October 2, 2026. An additional five (5) permits are authorized to be issued to tournament judges/officials – Tournament officials are requesting a total of 90 short-term permits. These special permits will only be valid for Friday, October 2, 2026. Only three (3) vehicles per team are allowed on the beach at any time during the tournament.

'The Outer Banks Association of Realtors is responsible for the distribution of all short-term beach driving permits for the 2026 OBAR Charity Surf Fishing Tournament. No individual short-term permits for the tournament will be issued by Staff.

'The name of the team to whom a permit is issued shall appear on each permit.

'A pamphlet (to be provided by the Town) on Regulations Governing Beach Vehicular Traffic in the Town of Nags Head shall be supplied with each permit distributed by the Outer Banks Association of Realtors.

'Each permit shall be displayed on the inside front windshield on the passenger side of the vehicle, even if a normal Nags Head Beach Driving Permit is already displayed.

'All beach driving permits MUST always be in the possession of the team. The permits are not transferable.

'The Town of Nags Head Beach Driving Ordinance is to be strictly enforced by the Nags Head Police Dept.

'Should the weather or high tide call for the closure of the beach or a section of the beach, the Town Manager will close the beach."

Fraternal Order of Eagles

"WHEREAS, the Fraternal Order of Eagles (FOE), Aerie #4506, is sponsoring its annual Charity Surf Fishing Tournament October 10, 2026; AND

'WHEREAS, in accordance with Section 8-83 (b)(3) of the Nags Head Code of Ordinances, the Fraternal Order of Eagles, Aerie #4506, submitted a request on June 12, 2026, for the Town of Nags Head to issue short-term beach driving permits to the Fraternal Order of Eagles, Aerie #4506, to be distributed to participants in its annual Fishing Tournament.

'NOW, THEREFORE BE IT RESOLVED by the Town of Nags Head Board of Commissioners that the Town of Nags Head is pleased to offer its assistance for the Fraternal Order of Eagles, Aerie #4506, Charity Surf Fishing Tournament this year.

'BE IT FURTHER RESOLVED as follows: The Town Clerk is authorized to issue up to three (3) short-term beach driving permits to each six (6) member team in the FOE Tournament to be distributed to the teams participating in its annual Surf Fishing Tournament. The tournament is to be held on Saturday, October 10, 2026. Tournament officials are requesting a total of 32 short-term permits which includes 2 permits for judges. These special permits will only be valid for Saturday, October 10, 2026. Only three (3) vehicles per team are allowed on the beach at any time during the tournament.

'The Fraternal Order of Eagles, Aerie #4506, is responsible for the distribution of all short-term beach driving permits for the 2026 FOE Charity Surf Fishing Tournament. No individual short-term permits for the tournament will be issued by Staff.

'The name of the team to whom a permit is issued shall appear on each permit.

'A pamphlet (to be provided by the Town) on Regulations Governing Beach Vehicular Traffic in the Town of Nags Head shall be supplied with each permit distributed by the Fraternal Order of Eagles, Aerie #4506.

'Each permit shall be displayed on the inside front windshield on the passenger side of the vehicle, even if a normal Nags Head Beach Driving Permit is already displayed.

'All beach driving permits MUST always be in the possession of the team. The permits are not transferable.

'The Town of Nags Head Beach Driving Ordinance is to be strictly enforced by the Nags Head Police Dept.

'Should the weather or high tide call for the closure of the beach or a section of the beach, the Town Manager will close the beach."

Nags Head Surf Fishing Club

"WHEREAS, the Nags Head Surf Fishing Club is sponsoring its annual Nags Head Surf Fishing Club Tournament October 14-16, 2026; AND

'WHEREAS, in accordance with Section 8-83 (b)(3) of the Nags Head Code of Ordinances, the Nags Head Surf Fishing Club submitted a request on July 21, 2026, for the Town of Nags Head to issue short-term beach driving permits to the Nags Head Surf Fishing Club to be distributed to participants in its annual Fishing Tournament.

'NOW, THEREFORE BE IT RESOLVED by the Town of Nags Head Board of Commissioners that the Town of Nags Head is pleased to offer its assistance for the Nags Head Surf Fishing Club Tournament again this year.

'BE IT FURTHER RESOLVED as follows: The Town Clerk is authorized to issue up to three (3) short-term beach driving permits to each six (6) member team in the Nags Head Surf Fishing Club to be distributed to the 80 teams participating in its annual Nags Head Surf Fishing Club Tournament. The tournament is to be held Wednesday, Thursday, and Friday, October 14, 15, and 16, 2026. An additional 20 permits are authorized to be issued to tournament judges/officials – for a total of 260 permits. These special permits will only be valid for this three-day period. Only three (3) vehicles per team are allowed on the beach at any time during the tournament.

'The Nags Head Surf Fishing Club is responsible for the distribution of all short-term beach driving permits for the 2026 Nags Head Surf Fishing Club Tournament. No individual short-term permits for the tournament will be issued by Staff.

'The name of the team to whom a permit is issued shall appear on each permit.

'A pamphlet (to be provided by the Town) on Regulations Governing Beach Vehicular Traffic in the Town of Nags Head shall be supplied with each permit distributed by Nags Head Surf Fishing Club.

'Each permit shall be displayed on the inside front windshield on the passenger side of the vehicle, even if a normal Nags Head Beach Driving Permit is already displayed.

'All beach driving permits MUST always be in the possession of the team. The permits are not transferable.

'The Town of Nags Head Beach Driving Ordinance is to be strictly enforced by the Nags Head Police Dept.

'Should the weather or high tide call for the closure of the beach or a section of the beach, the Town Manager will close the beach."

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN ATTORNEY

Attorney Leidy provided an update on the Cherry Inc. litigation. Following the town's successful summary judgment dismissing the case, the plaintiff appealed the decision. The North Carolina Court of Appeals has notified the parties that the appeal will be considered on August 27th based on the submitted briefs, without oral argument.

He also recognized Public Information Officer Roberta Thuman for her significant contributions to the beach nourishment easement acquisition process, noting that her assistance has been instrumental to the success of the effort.

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN MANAGER

Financial Update

Deputy Town Manager/Finance Officer, Amy Miller presented a financial update to the board, the summary sheet read in part as follows:

"At the August 5, 2026 Board of Commissioners meeting, Deputy Town Manager/Finance Officer, Amy Miller, will provide a financial update to the board.

'This report provides a brief financial overview of FY 25/26. The FY 26/27 budget included discussions of financial planning to supplement a narrative about the general fund balance projection. The discussion estimated a 30% fund balance, a 3% increase from the FY 24/25 unassigned fund balance. As we have progressed towards closing FY 25/26, I still estimate between a 30-32% general fund balance. This is above our policy minimum of 25% but still below our 35% maximum that would trigger additional funds being transferred into the Capital Investment Fund. This calculation takes into account purchase orders that will be carried forward as a separate budget amendment later in the year, the fund balance appropriation for FY 27, and a \$12 million transfer made from the capital reserve fund to the beach nourishment capital project fund. As a reminder, our fund balance policy does not include special obligation bond debt, which was \$1.2 million in FY 26.

'We received over \$500,000 more in ad valorem revenues thanks to a 99.971% collection rate as well as the revenue neutral rate accounting for 5% appeals. The latest information I could find was less than 3.5% appeals. We exceeded our interest income budget by over \$150,000, and we have also received some prior year grant fund reimbursements that have helped our fund balance.

'For shared revenues (sales, occupancy, land transfer taxes), we are projected to be approximately \$43,000 over budget for the entire fiscal year. Land transfer tax was 5% lower than last fiscal year, while sales tax is 1% higher and occupancy tax is 2% lower. Based on these figures, I feel conservatively optimistic about the way we budgeted for these revenues in FY 27.

'For water utility sales, I believe we will slightly exceed our revenues of \$4.3 million and our water purchased for resale from Dare County came in 17.5% under budget, or \$167,380.

'Tipping fees came in at \$808,000, slightly under budget. We did reduce the budget by 6% in FY 26 as we forecasted a drop in tipping fees.

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

The board thanked Amy for her efforts. Mayor Cahoon noted the water meter program's financial benefits and its positive impact on residents, particularly through the early detection of water leaks.

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

Town Engineer Ryan presented the concept design on the next phase of the west side multi-use path, describing it as filling in the existing gap in Nags Head's multi-use path network between Carolista Drive and West Soundside Road. The northern end of the planned section would connect to the existing path running from Carolista Drive north to Eighth Street, the town's northern border. The southern end connects to the West Soundside Road segment that was constructed in 2020.

Engineer Ryan identified several constraints that distinguish this section from prior segments. First, an existing drainage ditch network runs from Carolista Drive to just south of Conch Street, capturing runoff from US 158 and conveying it through a cross-culvert pipe to an ocean outfall at Conch Street. Second, underground utilities must be worked around. Third, and most significantly, topography from Jockey's Ridge State Park creates the greatest engineering challenge. In the area near Sooeey's Barbecue on the east side of 158, the topography begins to encroach very close to the existing edge of pavement, with roadway elevations around 9 feet above mean sea level and contour lines rising to approximately 22 feet over a short horizontal distance.

To address this, Engineer Ryan described the need for approximately 1,000 linear feet of retaining wall, starting at approximately 4' of exposed height and potentially rising to as much as 8' in the most constrained sections near the Jockey's Ridge crosswalk, in order to hold back sand and create an open pathway for the multi-use path and drainage improvements. He noted that in some areas, the path width would need to be reduced from the standard 10' wide due to regulatory constraints, and that either a 10' grass buffer from the edge of pavement or a curb-and-gutter configuration with a 3' setback behind the gutter could be used depending on location.

Engineer Ryan mentioned that the town is collaborating with design firm WithersRavenel and is in continuous dialogue with the North Carolina Department of Transportation and Jockey's Ridge State Park regarding navigating

constraints within the permitting framework.

Mayor Pro Tem Lambert asked whether an 8-foot retaining wall would require a guardrail to prevent pedestrians from going over. Engineer Ryan acknowledged the concern, noting that the tallest sections would be concentrated over small areas and may not be accessible, but committed to evaluating additional safety treatments as the design is refined.

Comr. Harrison asked whether Jockey's Ridge State Park appeared open to sand removal and stabilization plantings on the dune. Engineer Ryan confirmed that in initial discussions, the Park was receptive to new plantings as a condition of the grading work, emphasizing their shared interest in slope stabilization.

In response to the mayor's question about the schedule, Engineer Ryan indicated the goal is to be under construction in the fall, though he acknowledged this is contingent on permit review timelines from the Division of Coastal Management (CAMA permit), Jockey's Ridge State Park, state sedimentation and erosion control, stormwater management, and NCDOT right-of-way encroachment.

Town Manager Garman added context to the ongoing agency coordination, noting that the sand from grading within the Jockey's Ridge AEC must remain within the park, and that Jockey's Ridge State Park has an existing sand disposal area on the north side where they have been routing displaced sand. He also flagged that the grass strip between the path and the roadway shown in the conceptual rendering, appearing uniform and hardened, may not reflect the final product, and suggested it could be planted with something more natural, such as love grass, to better fit the character of the area. He acknowledged that the rendering is slightly deceiving since the path will not be straight and the retaining wall will not be a continuous uniform height.

Mayor Cahoon suggested that as the design is refined, the board would benefit from more realistic renderings. Engineer Ryan agreed that as the final design is completed, the visual materials would be updated accordingly. The board indicated it would like to see those when the time comes.

The board thanked Engineer Ryan for his efforts.

Discussion of Stormwater Master Plan Prioritization

Town Engineer Ryan presented an update on the Stormwater Master Plan prioritization. The summary sheet read in part as follows:

"The purpose of this agenda item is to present the proposed framework for prioritizing stormwater capital improvement projects identified through the Stormwater Master Plan update and to receive Board input on the preliminary Capital Improvement Program (CIP) ranking methodology.

'Staff and McAdams have developed a project prioritization matrix consistent with the Town's Stormwater Management Program Standard Operating Procedures. The matrix evaluates potential projects using weighted criteria intended to balance flood mitigation benefits, public safety, system condition, water quality improvements, maintenance considerations, implementation constraints, affected residences, and overall cost effectiveness. The prioritization framework provides an objective and transparent process for comparing projects across the town and establishing implementation priorities.

'Projects identified during the planning process originated from citizen feedback, field observations, historical flood records, stakeholder engagement, and unresolved projects carried forward from previous planning efforts. Where appropriate, large or complex projects have been divided into phased improvements to allow incremental implementation, performance evaluation, and enhanced funding flexibility. Some concepts may also require future property acquisition or coordination with permitting agencies.

'The resulting Stormwater CIP will provide a prioritized list of projects with planning-level cost estimates and implementation sequencing.

'Staff is seeking Board feedback on the proposed prioritization framework and preliminary project rankings to assist in finalizing the Stormwater Capital Improvement Program. Following Board input, staff will refine the project prioritization, evaluate opportunities to coordinate stormwater improvements with other planned infrastructure projects, and develop a recommended implementation strategy. The finalized prioritization and associated funding considerations are anticipated to be presented at the Board's upcoming fall workshop/retreat to support future capital planning and budget discussions."

Town Engineer Ryan presented the prioritization results of the Stormwater Master Plan, opening with an apology for an inadvertent omission in the packet—Soundside Road Phase 3, a pump station project integral to the overall Soundside Road drainage solution, had been left out of the printed materials. He noted that the corrected information had been distributed and that the omission did not materially change the overall priority rankings.

Engineer Ryan outlined the framework of the Master Plan, which included an asset inventory and assessment (completed), a public workshop held the prior August, a geo-database management system and dashboard (previously presented to the board), an asset condition assessment (completed), hydraulic analysis along South Memorial Avenue identifying system deficiencies and potential improvements to raise the level of service from a

1- or 2-year storm event to a 10-year storm event, and a capital improvement plan project prioritization and scoring. A watershed action plan is also in progress as part of the scope, which Engineer Ryan noted would "enable us to focus in on grants, not only just related to stormwater, but also along the Estuarine Shoreline." A final report is planned for the November Board of Commissioners meeting.

Twenty-two project areas were prioritized using a scoring matrix drawn from the town's existing stormwater management operating procedures. The matrix evaluated flooding frequency, impact, existing system condition, water quality benefits, maintenance needs, number of residents impacted, safety, flood source (rainfall versus overwash), site constraints, budgetary concerns, location (town street, private street, or NCDOT right-of-way), and flood time and recession reduction potential. Projects were scored on a 0–75 point scale, with the highest-scoring project receiving 64 points and the lowest-scoring receiving 40. Engineer Ryan noted that "typically these projects scored higher as the cost decreased," in conjunction with a high number of affected residents.

Engineer Ryan walked through all 22 prioritized projects:

Ramp 1 Outfall (Rank 1, \$85,000): Highest-ranked project due to the lowest cost, greatest number of residents impacted via the west side ditch from James Street to Ramp 1, high flooding frequency, maintenance needs, and safety concerns from roadway flooding.

South Memorial Avenue – Area 2 (Rank 2, \$180,000): Upsizing the existing storm drain system along the east side of South Memorial Avenue from Admiral Street northward. A portion of this work is being incorporated into the ongoing sidewalk improvement project; this would address the second half. Low site constraints and safety benefits contributed to its high ranking.

Soundside Road Phase 1 (Rank 3, \$750,000): A 36-inch diameter trunk line from the south end of Soundside Road to existing infrastructure at the curve. High cost but justified by frequent flooding and the high number of impacted residences.

Dune Street Phase 1 (Rank 4 tied, \$235,000): Addresses frequent flooding at the intersection of South Virginia Dare Trail and Dune Street, primarily from adjacent shopping center runoff. The first phase of a potential three-phase project, intended to capture and locally infiltrate that runoff. Medium cost.

South Memorial Avenue – East Baltic Street Area (Rank 4 tied, \$265, 000): Upsizing pipe in the storm network to increase level of service from a 1-year storm to a 2-year or 10-year event on outermost pipes.

East Epstein Street (Rank 4 tied, \$210,000): A relatively low-cost project completing work begun along South Virginia Dare Trail in 2019. Would connect Epstein Street to the north side of town hall and to Fire Station 16, completing a critical downstream network segment that begins at Seven Sisters and flows through the golf course to the Sound. Engineer Ryan emphasized the importance of downstream sequencing.

Memorial Avenue – Area 1 (Rank 7, \$145,000): Low-cost upsizing of several undersized culvert pipes at select residences just south of Atlas Street to bring more continuity to the drainage network.

West Lookout Road (Rank 8 tied, \$340,000): Located in the North Ridge subdivision, addresses significant flooding at residences during large rainfall events. High constraints due to potential backflow from the west side ditch along US Hwy 158; would require a backflow preventer.

Seven Sisters Subdivision (Rank 8 tied, \$535,000): Most building pads are elevated, but the road sits low, causing extensive ponding after rain events of 2–3 inches. Installation of a storm drain collection network to drain the subdivision after rainfall. Dependent in part on the completion of downstream improvements at Epstein Street first.

South Old Road Phase 1 (Rank 8 tied, \$300,000): A soundside street off Lakeside Street subject to frequent flooding. A perforated sock pipe drainage network to aid infiltration and improve the level of service.

Whalebone Junction Area (Rank 8 tied, \$360,000): High flooding frequency in the area around Dune Burger. Would formalize the network with connections to an existing ditch conveying water to the sound through the catfish farm. Relatively high cost and minimal residential impact, but significant improvement to a high-visibility commercial area.

Memorial Avenue – Area 3 (Rank 8 tied, \$40,000): Low-cost replacement of a single pipe near the intersection of Bonnett Street to increase level of service.

Buccaneer Drive (Rank 13, \$290,000): Located in the North Ridge subdivision, similar to Lookout Drive—low-lying areas backing up to the west side ditch, requiring a backflow preventer to avoid creating a new problem while solving an existing one.

Carolinian Circle (Rank 14 tied, \$425,000): Previously on the old Stormwater Master Plan but did not advance. New

approach would install a storm drain collection network tying into the existing drainage network at Hwy 158. Occasional but significant flooding during heavy rainfall.

Soundside Road Phase 2 (Rank 14 tied, \$710,000): Improvements in the Southridge subdivision extending from Ridgeview Way to Soundside Road, connecting to existing infrastructure from Phase 1. Several homeowners from this area attended the public workshop to raise concerns.

Soundside Road Phase 3 (Rank 14 tied, \$1,813,000): The pump station project, relocated northward from the previously discussed Deering Street/Soundside Road intersection to an undeveloped parcel, connecting to the infrastructure from Phases 1 and 2 and pumping to undeveloped parcels along Soundside Road. High cost driven in part by potential property acquisition, but provides the critical link connecting all three Soundside Road phases and Deering Street into a comprehensive drainage solution.

Deering Street (Rank 17, \$230,000): Low-cost restoration of swales and installation of storm pipe for conveyance to the Soundside Road system.

West Blue Jay Street (Rank 18 tied, \$270,000): Addresses runoff from high elevations to the west converging at Blue Jay Street and Pamlico Avenue, protecting lower-lying residences on the south side of Blue Jay Street.

South Old Road Phase 2 (Rank 18 tied, \$1,560,000): A more costly follow-on to Phase 1 that would incorporate a pump station pumping to undeveloped parcels along 158.

Barracuda Drive (Rank 20, \$255,000): Addresses three localized issues—Mackerel Court, Salmon Court, and the intersection of Hesperides and Barracuda Drive—capturing roadway runoff before it discharges onto adjoining properties. Largely a topography issue with high elevations directing rapid flows.

Dune Street Phase 2A (Rank 21, \$305,000) Phase 2A installs a storm pipe collection system from Dune Street north approximately a quarter mile to an existing ditch connecting to the 158 roadway and Soundside Road drainage network.

Dune Street Phase 2B (Rank 22, \$1,255,000) Phase 2B, the lowest-ranked project (40 points), would involve purchase of an undeveloped parcel at the Dune Street/South Virginia Dare Trail intersection for use as an infiltration area if needed following Phases 1 and 2A.

Comr. Harrison raised a question about the absence of water quality scores for several projects, particularly those adjacent to waterways such as the Sound and Ramp 1. Engineer Ryan explained that for Ramp 1, the backflow preventer installation does not include a formal treatment mechanism, preventing a formal water quality benefit rating, even though it reduces the ebb and flow of saltwater through the ditch system. He acknowledged that Soundside Road and Old Road projects scored higher if infiltration practices were used, but that when the ground is saturated, as has been the case recently, infiltration's water quality benefit diminishes. Comr. Harrison also questioned whether the flooding source categorization for Soundside Road and Old Road correctly accounted for tidal and overwash influences, not just rainfall. Engineer Ryan confirmed that overwash and tidal influence should indeed be considered for both locations, and that the assessment would reflect that.

Comr. Vaughan asked how the value of one phase would be accounted for if the project did not advance beyond Phase One or Phase Two, and whether there are different approaches to addressing the relationship and value of the phases. Engineer Ryan explained that, if grants could be secured, the phases could potentially be pursued collectively as a single project. However, the cost of completing all improvements may make it impractical to include them together in the annual CIP. He noted that phasing the projects would make the costs more manageable by spreading funding and improvements over time.

Mayor Pro Tem Lambert asked whether all of the Soundside Road projects would need to be completed, particularly the final phase, for the overall improvements to function effectively. Engineer Ryan explained that Phase Three is ultimately needed for the Soundside Road improvements to function as intended, but that the phases do not necessarily have to be completed in a fixed sequence. He noted that establishing the infrastructure in Phase One is critical, after which the pump system and subsequent phases could be implemented in different orders. This phased approach would provide flexibility to adjust the project based on funding availability and changing conditions. He then confirmed Mayor Pro Tem Lambert's statement that, ideally, all of the projects would be completed.

Engineer Ryan noted that the Watershed Action Plan could make the town eligible for additional grant opportunities that could be paired with the estuarine shoreline work.

Manager Garman explained that Phase Three may be necessary to qualify for certain grants because of its water-quality benefits, while the other phases could potentially be bundled with shoreline resiliency work. He noted that the town would consider stormwater projects in conjunction with other CIP priorities, including street, paving, overlay, and waterline projects, and would prioritize projects based on available funding and grant opportunities. He further explained that the relatively close project scores provide flexibility to adjust project timing as funding opportunities and other conditions arise. The CIP would be developed as a five-year plan but reviewed and

adjusted annually by the board. Manager Garman also noted that the town plans to incorporate these priorities into its financial modeling to help the board determine the funding levels needed to accomplish its desired projects.

Mayor Pro Tem Lambert confirmed whether the town's grant eligibility would increase by proactively advancing the other phases.

Manager Garman confirmed that incorporating water-quality benefits into the projects could improve the town's competitiveness for grants. He noted that grant programs the town has pursued, including RCCP and the NC Land and Water Fund, generally look for water-quality benefits, and that a flood-control project alone may not score as highly as one incorporating a water-quality component. He explained that the Watershed Action Plan is intended to better position the town for these grant opportunities.

Engineer Ryan explained that the scoring was intended to provide an objective basis for ranking the projects, but that the projects may not ultimately be implemented in the ranked sequence. He noted that, based on experience with prior master plans, project priorities may need to be adjusted to accommodate other projects or opportunities. He emphasized that the close scoring among many of the projects provides flexibility to shift their priority based on other factors.

Manager Garman noted that the project costs can appear significant at this stage, but explained that the projects are currently presented at a high level. He stated that, as projects are incorporated into the two-year budget, Engineer Ryan will further refine them into manageable projects and adjust them as needed. He emphasized that the plan is comprehensive but will continue to evolve.

Manager Garman noted that recent rainfall and drainage issues in the Conch Street area highlighted a need for improvements that are not currently included in the plan. He explained that addressing drainage along NC 12 will require coordination and participation from NCDOT rather than being considered solely as town projects. Staff has already engaged NCDOT regarding the outfall issue, and Manager Garman suggested that this work may be addressed separately from the current plan, with the option to incorporate it into the plan later if necessary. He also noted that proposed improvements along Virginia Dare Trail may overlap with areas identified for drainage piping in the plan.

Engineer Ryan reported that recent field observations near the Conch Street intersection confirmed opportunities for drainage improvements. He explained that elevated groundwater levels during frequent rainfall events are significantly affecting the town's stormwater system by limiting infiltration, the primary method of managing runoff, which can contribute to localized flooding. He noted that groundwater monitoring wells have provided useful data, including a recent two-day period in which the water table rose approximately 2.5 feet. He stated that the recent extreme rainfall, July 2026 had 15 days of rain out of 31, particularly in the southern and central areas of town, has limited the groundwater system's ability to recover and dry out, resulting in persistent standing water and increased flooding concerns.

Mayor Cahoon requested that staff provide a future presentation to the board on the town's groundwater level loggers.

Mayor Pro Tem Lambert conveyed the positive feedback from residents who appreciated seeing town staff actively addressing the recent flooding events, highlighting their efforts at Conch Street over the weekend, in the rain, and late into the night. She emphasized the noticeable progress in Nags Head's stormwater management over the years. Engineer Ryan confirmed the improvements in the north end reduced the occurrence of flooding. Manager Garman detailed the staff's efforts, mentioning that they cleared the Conch Street outfall at 6:30 a.m. on a Sunday and checked the pumps at midnight. Additionally, Mayor Pro Tem Lambert encouraged residents facing high water tables to utilize the town's septic water bill credit program.

Engineer Ryan confirmed that the next steps will be to receive Board feedback on the rankings, refine the priorities and pair them with CIP project work, present a refined list at the fall workshop/retreat, and deliver the final report to the board in November. His presentation is attached to and made part of these minutes as Addendum "E".

Beach Driving Season Update

Police Chief Hale provided an update on the 2026–2027 beach driving season. The season will open October 1st and run through April 30th, with permitted driving from half an hour before sunrise to half an hour after sunset. Permits will be available online, at town hall, or at tackle shops, and will go on sale approximately two weeks before the season opens.

Chief Hale reported that the section from Nags Head Pier north to Eighth Street will again be recommended for closure, consistent with at least the past four to five years. He cited the shell beds in that area making the sand softer and looser, challenging navigation, and periods of narrowed beach width. He also noted the secondary benefit of maintaining this section as a vehicle-free area for beachgoers during the increasingly warm weather in October and early April.

By contrast, Chief Hale reported that the section from Juncos St to National Park Service Ramp 1—which was

closed last season due to conditions following prior weather systems and dune erosion—will be open this season, as the recently completed beach nourishment project has restored the beach to a wide, favorable condition. He noted there is no longer a need to keep that section closed.

Permit sales for the 2025–26 season totaled 288, representing 14 fewer than the prior year. Of those, 129 were Nags Head residents or property owners, and the remaining 159 came from surrounding areas and Virginia. Drive-over accesses open for the season will be Conch, Enterprise, Forrest, Gulfstream, and Juncos. Accesses north of the pier will remain closed but available for emergency vehicles, with signage posted at Eighth Street.

Chief Hale concluded with reminders to permit holders: use marked accesses, display the permit on the driver's-side windshield, observe the 15 mph speed limit, and reduce tire pressure to at least 20 pounds.

Mayor Pro Tem Lambert clarified that opening Juncos St to NPS Ramp 1 had been closed in years past and so drivers will have more access this year, which Chief Hale confirmed was correct.

Manager Garman explained that the need for the Admiral Street walkway really began after COVID, when increased beach visitation led to concerns about pedestrians using the vehicle access to reach the beach. The walkway was added mid-year using available funds after observing that pedestrians were at risk of being hit by vehicles. He noted that the north end of the beach has continued to be heavily used, particularly during October when favorable weather brought continued visitation. Closing that end of the beach to driving provides beach goers with a safer area away from vehicle traffic.

Mayor Pro Tem Lambert mentioned that some permit holders have expressed frustration about paying for a permit while certain beach access areas have been closed. It was noted that, with the Juncos Street -NPS Ramp 1 area being open this year, permit holders will have additional beach driving area available, which can be communicated in response to those concerns. Chief Hale and Manager Garman confirmed that except for weather-related incidents, approximately 10 out of 11 miles of Nags Head beaches will be open for the beach driving season.

Comr. Harrison raised a question about adding additional signage during the driving season to better manage pedestrian-vehicle interactions at the beach vehicle access ramps, highlighting previous close-call incidents. It was acknowledged that the walkways have helped, but that some people still walk in the vehicle access.

BOARD OF COMMISSIONERS AGENDA

Comr. Harrison - Expressed appreciation to all staff and individuals involved in the beach nourishment project for their efforts in delivering a successful project. Recognition was given for the improved beach conditions and the positive impact on the community. She also expressed gratitude to Public Services staff for maintaining the town’s appearance, responding to flooding events, and contributing to a successful summer season.

Mayor Pro Tem Lambert - Echoed Comr. Harrison’s comments.

Comr. Vaughan - Concurred with the other commissioners and extended recognition to staff for their efforts related to the Fourth of July holiday and the fireworks display. She noted that the event was a great success, with staff ensuring a safe and enjoyable evening for the community. Appreciation was also expressed to the owners of the pier for their role in the event.

ADJOURNMENT

MOTION: Comr. Sanders moved to adjourn. The motion was seconded by Comr. Harrison, which passed unanimously. The time was 11:10 a.m.

Brittany A. Phillips, Town Clerk

Date Approved: September 2, 2026

Mayor: _____
Benjamin Cahoon