



**MINUTES
TOWN OF NAGS HEAD
BOARD OF COMMISSIONERS
RECESSED MEETING
WEDNESDAY, DECEMBER 21, 2022**

The Nags Head Board of Commissioners met in person at the Board Room located at 5401 S Croatan Highway, Nags Head, North Carolina on Wednesday, December 21, 2022 at 9:00 a.m. for a Recessed Meeting.

Board members Present: Mayor Ben Cahoon; Comr. Renée Cahoon; Comr. Kevin Brinkley; and Comr. Bob Sanders

Board members Absent: Mayor Pro Tem Michael Siers

Others present: Town Manager Andy Garman; Attorney John Leidy; Kelly Wyatt; Amy Miller; David Ryan; Nancy Carawan; Perry Hale; Randy Wells; John Harris; Sandra Allen; Ron Payne; Ralph Buxton; Summer Stevens; Andrew Carter (via Zoom platform); Tim Oakley; Ann Collier; Ron Payne; and Town Clerk Carolyn F. Morris

CALL TO ORDER

Mayor Cahoon called the meeting to order at 9 a.m.

ADOPTION OF AGENDA

MOTION: Comr. Brinkley made a motion to approve the December 21st agenda as presented. The motion was seconded by Comr. Sanders which passed 4 – 0 (Mayor Pro Tem Siers was excused.).

PUBLIC COMMENT

PUBLIC COMMENT – JOHN HARRIS

John Harris; owner of Kitty Hawk Kites; he respectfully requested that the Town send a letter to the State of NC Parks Director Strong and Secretary Reed retracting/rescinding its October 20th letter [concerning the proposed Rogallo Museum] which he feels was based on erroneous information.

CONSENT AGENDA

The Consent Agenda consisted of the following items:

Consideration of Budget Amendment #8 to FY 22/23 Budget

Consideration of Beach Nourishment Maintenance Capital Project Ordinance amendment to correct error from Change Order 3 for additional beach fill

Request for Public Hearing to consider UDO text amendment pertaining to multifamily use within the C-2 District

Consideration of resolution supporting Water Resources Development Grant application

MOTION: Comr. Renée Cahoon made a motion to approve the Consent Agenda as presented. The motion was seconded by Comr. Brinkley which passed 4 – 0 (Mayor Pro Tem Siers was excused.).

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

Beach Nourishment Maintenance Capital Project Ordinance amendment to correct error from Change Order 3 for additional beach fill, as adopted, is attached to and made a part of these minutes as shown in Addendum "B".

The Request for Public Hearing, as approved, read in part as follows:

"At their December 13, 2022, meeting the Planning Board voted unanimously to initiate and recommend adoption of a text amendment to the Unified Development Ordinance (UDO) to remove the use "Dwelling, Multi-Family" as a permissible use within the C-2, General Commercial Zoning District."

The resolution in support of filing the Water Resources Development Grant application, as adopted, read in part as follows:

"WHEREAS, the Town of Nags Head has need for replacing existing estuarine access facilities, at the Nags Head Causeway Estuarine Access Site and Interpretive Center, located at 7431 South Virginia Dare Trail; and

'WHEREAS, this site provides water-based recreation including a boardwalk, paddle access, and a fishing dock; and

'WHEREAS, this site is open for use by the public on an equal basis with no restrictions; and

'WHEREAS, The Town of Nags Head intends to request State grant assistance for estuarine access facilities located at 7431 South Virginia Dare Trail.

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

1. That the Board of Commissioners requests the State of North Carolina to provide financial assistance to the Town of Nags Head in an amount not to exceed \$100,000 or 50% of nonfederal project costs, whichever is the lesser amount.

2. The Board assumes full obligation for payment of the balance of the estuarine access costs (or non-federal portion).
3. The Board has complied and will comply with all applicable laws governing the project and the award of contracts and the expenditure of public funds by local governments.
4. The Town will obtain all necessary project permits.
5. The Town will supervise construction of the project to assure compliance with permit conditions and to assure safe and proper construction according to approved plans and specifications.
6. The Town will hold the state harmless from any damages that may result from the construction, operation and maintenance of the project.
7. The Town of Nags Head will provide for efficient operation and maintenance of the estuarine access facilities upon project completion.
8. The Town Manager, or in absence designee, of the Town of Nags Head is hereby authorized, individually and collectively, to execute and file an application on behalf of the Town of Nags Head with the State of North Carolina for a grant to aid in the project described above.
9. That the Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application."

OLD BUSINESS/ITEMS TABLED FROM PREVIOUS MEETINGS

From Dec 7th Board meeting – Discussion of proposed museum at Jockey's Ridge State Park

Mayor Cahoon spoke concerning the Rogallo Museum, proposed for Jockey's Ridge State Park by the Rogallo Foundation. He pointed out that the letter of October 28th from the Director of State Parks is not in favor of the museum being located in the park, he felt the letter was definitive and that there is no further action to be considered by the Board. Board members supported the Rogallo Museum, just not in the Park. Mayor Cahoon and other Board members present stated that those who have commented are above reproach and are thought of very highly, specifically, John Harris, Sandra Allen, Susie Walters.

NEW BUSINESS

Consideration of Lease in support of Community Care Clinic improvements

Andy Garman summarized the agenda summary sheet which read in part as follows:

"At the January 5, 2022 Board of Commissioners meeting, the Board approved an extension of the Community Care Clinic (CCC) lease of the Town-owned former medical center building located at 425 Health Center Drive – to December 31, 2022.

'Lyn Jenkins, Executive Director, of the Community Care Clinic would like to remodel/renovate the building to be able to provide dental health services. The CCC has received a grant from the US Dept of Health and Human Services for this construction and, in order to qualify, the lease must be for five (5) years from the period of performance end date which would be December 31, 2030. In addition, the Landlord Letter of Consent, providing approval from the Town for the modifications, must also be submitted.

'At the December 21st Board of Commissioners meeting, staff is requesting:

- Adoption of a resolution authorizing the new lease and building improvements for dental services
- A revised Landlord Letter of Consent, pursuant to GS 160A-272

'Also attached please find the associated public notice, new lease, and the US Dept of Health and Human Services grant guidelines."

MOTION: Comr. Renée Cahoon made a motion to adopt the resolution authorizing execution of the new lease for the former Outer Banks Medical Center (OBMC) Building to the Community Care Clinic of Dare to include the accommodation of improvements for a dental clinic and an extension to December 31, 2030. The motion was seconded by Comr. Brinkley which passed 4 – 0 (Mayor Pro Tem Siers was excused.).

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

"WHEREAS, The Community Care Clinic of Dare has leased from the Town of Nags Head the former Outer Banks Medical Center Building since 2016; AND

'WHEREAS, In accordance with NCGS 160A-272(a1), the Public Notice of Intent to authorize an amendment to the lease of the building was published in the *Coastland Times* on Sunday, November 13, 2022; AND

'WHEREAS, The former OBMC building is an approximate 5,000 square foot building located in the Vista Colony West Subdivision on Barnes Street in Nags Head, NC 27959; AND

'WHEREAS, The current contract terminates on the 31st day of December 2022.

'NOW THEREFORE BE IT RESOLVED, that the Nags Head Board of Commissioners hereby authorizes execution of the new lease of the former Outer Banks Medical Center (OBMC) Building to the Community Care Clinic of Dare to include the accommodation of improvements for a dental clinic and an extension to December 31, 2030."

MOTION: Comr. Renée Cahoon made a motion to approve the Community Care Clinic Landlord Letter of Consent as presented. The motion was seconded by Comr. Brinkley which passed 4 – 0 (Mayor Pro Tem Siers was excused.).

Discussion/Consideration of bids received for the Public Services Complex and Advanced Metering Infrastructure (AMI)

The agenda summary sheet read in part as follows:

"At the December 21st Board of Commissioners meeting, the following discussions will take place:

'Consideration/Discussion of formal bids received

- At the formal Bid Opening on December 13, 2022, bids were received for the Public Services Complex construction; Bids were received for the AMI meters on December 12, 2022. Bid tabulations for both projects are attached.

'Presentation from Oakley Collier Architects

- Timothy Oakley and Ann Collier will give a presentation on the Public Services Complex. Letter of recommendation and AR Chesson's proposal are attached.

'Presentation from DEC & Associates

- Doug and Andrew Carter from DEC & Associates will provide a presentation on the financing, via the Zoom Platform.

'Request for Public Hearing

- A Public Hearing is requested to be scheduled for the January 4, 2023 Board of Commissioners meeting to include Board adoption of the Initial Findings Resolution in support of the Legislative Government Commission (LGC) application. Final approval by the Board is scheduled for the February 1, 2023 meeting."

Town Manager Garman stated that staff has been working on a Public Services Master Plan since 2020.

Town Engineer David Ryan expanded on the process to get to this point. He thanked the teams involved.

Presentation from Oakley Collier Architects re: Public Services Complex bids

Tim Oakley and Ann Collier of Oakley/Collier Architects provided a PowerPoint presentation summarizing the process leading up to and the results of the bid opening last week for the proposed Public Services Complex. The slides presented are attached to and made a part of these minutes as shown in Addendum "C".

Mr. Oakley noted that they try to build in longevity in the front end so there is less maintenance to pay for down the road

Mayor Cahoon asked about the low number for contingency; Mr. Oakley stated that he was comfortable with 2.5% as he didn't see a lot of modifications being requested from staff.

Comr. Renée Cahoon asked about solar panels and suggested the money saved go into a fund for use with future solar panel replacement.

Comr. Brinkley noted the good job done by Oakley/Collier for the bids being so close to what the firm estimated back in January 2022. He thanked the Oakley/Collier team for doing a thorough job.

Comr. Sanders questioned if there was room for employee growth; Mr. Oakley said that he feels what has been designed will go long beyond the 15 - 20 years - he feels that there is room to grow within the spaces.

Mayor Cahoon confirmed with Town Manager Garman that what is needed today from the Board is a "Not To Exceed" figure to be included in the public hearing notice.

Engineer Ryan asked the Board to authorize proceeding with the shop drawings if not accepting the bid today.

It was Board consensus to proceed with the shop drawings.

All Board members were in favor of accepting the base bid without any of the deductions, as was recommended.

Advanced Metering Infrastructure Bids

Dep Town Manager/Finance Director Amy Miller summarized the bids. She pointed out that the RFP bid was selected based on all aspects of the bid, not just the lowest price.

Recommended lowest bidder is Consolidated Pipe at \$1.6 million; also recommended is a 10% contingency for a total of \$1.8 million.

Presentation from DEC and Associates re: Public Services Complex and AMI financing (via Zoom Platform)
Financial Advisor Andrew Carter of DEC and Associates summarized his slides which are attached to and made a part of these minutes as shown in Addendum "D". He reiterated that only a "Not To Exceed" figure is needed today to be included on the public hearing notice which is to be forwarded to the newspaper tomorrow.

The blending of construction and financing calendars was presented as follows:

Nov 16	Kick off with Local Government Commission
Dec 14	Received construction bids
Dec 21	Discussion of bids and funding options
Jan 4	Town adopts initial resolution and accepts construction
Jan – Feb	Ratings
Feb 1	Town adopts approving resolution
Feb 7	LGC Approval
Feb 15	Public Sale
Mar 1	Closing

Comr. Renée Cahoon asked Mr. Carter if local people can purchase the bonds. Mr. Carter stated that in accordance with North Carolina law, there is no easy mechanism to allow local citizens to buy bonds.

Some additional notes from Mr. Carter:

- General Fund is funding about 80% of the Public Works Complex
- Almost all scenarios come in at .04 tax increase
- 20% of PW complex and 100% of water meter project
Water rate increase of 11.5% to 12.3% would mean about \$5 more every two months if the base rate is \$40

Mayor Cahoon thanked staff for getting the Town to this point.

MOTION: Comr. Renée Cahoon made a motion to adopt a Not To Exceed financing figure of \$19,900,000 for the Public Services Complex and Water Meter Projects. The motion was seconded by Comr. Brinkley which passed 4 – 0 (Mayor Pro Tem Siers was excused.).

Request for Public Hearing to consider proposed financing for the Public Services Complex and Advanced Metering Infrastructure

MOTION: Comr. Renée Cahoon made a motion to schedule the Public Hearing on the financing for the Public Services Complex and the Advanced Metering Infrastructure for the January 4, 2023 Board meeting. The motion was seconded by Comr. Brinkley which passed 4 – 0 (Mayor Pro Tem Siers was excused.).

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN ATTORNEY

Attorney Leidy – Merry Christmas

Attorney John Leidy wished everyone a Merry Christmas and stated he is looking forward to working with everyone in 2023.

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN MANAGER

Town Manager Garman – Thank you to Board and best wishes to all

Manager Garman thanked the Board for its support during the past year and wished everyone a Merry Christmas.

BOARD OF COMMISSIONERS AGENDA

Comr. Renée Cahoon – Pedestrian Project Advisory Committee

The Pedestrian Project Advisory Committee met last week; she thanked Engineer Ryan for his direction as the committee moves toward finalizing priorities.

Comr. Renée Cahoon – Thank you to staff

Comr. Renée Cahoon thanked staff for all the hard work this past year and wished everyone a Merry Christmas.

Comr. Brinkley – Thank you to staff

Comr. Brinkley thanked staff for a great year and wished staff a very Merry Christmas; he stated he looked forward to 2023.

Comr. Sanders – Estuarine Shoreline Management Plan

Comr. Sanders said that the Estuarine Shoreline Management Plan meeting he attended last week was the last meeting and resulted in good ideas for the sound side erosion. He expects a report to be presented early next year.

Comr. Sanders – Thank you to staff

Comr. Sanders thanked staff for a great year and wished everyone a Merry Christmas and Happy New Year.

MAYOR'S AGENDA

Mayor Cahoon – Thank you to staff and others

Mayor Cahoon thanked staff for their work the past year; he has felt many positive feelings in the Town. He also expressed his appreciation to the work done by Oakley/Collier and Town Engineer David Ryan on the Town's proposed Public Services Complex.

Mayor Cahoon – Mayor's luncheon

At yesterday's Mayors' lunch, Mayor Cahoon learned that today is Manteo Mayor Bobby Owens' 90th birthday. He wished Mayor Owens a happy birthday!

ADJOURNMENT

MOTION: Comr. Brinkley made a motion to adjourn. The motion was seconded by Comr. Sanders which passed 4 – 0 (Mayor Pro Tem Siers was excused.).

Carolyn F. Morris, Town Clerk

Date Approved: **January 4, 2023**

Mayor: _____
Benjamin Cahoon