



**MINUTES
TOWN OF NAGS HEAD
BOARD OF COMMISSIONERS
REGULAR SESSION
WEDNESDAY, JUNE 11, 2025**

The Nags Head Board of Commissioners met at the Board Room located at 5401 S Croatan Highway, Nags Head, North Carolina on Wednesday, June 11, 2025 at 9:00 AM for a Regular Meeting.

Board Members Present: Mayor Ben Cahoon; Comr. Bob Sanders; and Comr. Megan Lambert

Board Members Absent: Mayor Pro Tem Michael Siers; (One vacancy)

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; David Perry; Valerie Perry; Charlie Bliven; Jason Brickhouse; J. Webb Fuller; Dorie Fuller; Myers Fuller; Sheena Fuller; Taz Fuller; Cordelia Fuller; Mary Kelley; Cindy Bortz; Tricia Kerlin; Laura Bortz; Bob Muller; Bob Oakes; Katherine McCaw; Steven Saunders; Lily Nieberding; Abigail Larsen; Chad Motz; 2025 Summer Season Lifeguards; Renée Cahoon; Megan Vaughan; 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 Oakes, Webb Fuller, Bob Muller, and Renée Cahoon.

ADOPTION OF AGENDA

MOTION: Comr. Sanders moved to approve the June 11th agenda as presented. The motion was seconded by Comr. Lambert, which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

RECOGNITION

INTRODUCTION OF LIFEGUARDS – Ocean Rescue Captain Chad Motz introduced the lifeguard staff for the 2025 season. He noted that this was the first in-person introduction since 2019 due to COVID-19. Captain Motz highlighted that 2025 marks the 50th year of operations for Nags Head Ocean Rescue, which started in 1975. He also mentioned his personal milestone of 25 years with the organization.

Captain Motz discussed the upcoming summer plans, including local series competitions and the regional championships to be hosted in Nags Head in July. He then invited each lifeguard to introduce themselves, stating their name, hometown, and years of experience with Nags Head Ocean Rescue.

Following the introductions, Public Information Officer Roberta Thuman announced the premiere and showed a trailer of a new short film titled "Service and Heroism: The Nags Head Ocean Rescue Story". The premiere is scheduled for July 15th at 7 p.m. at Jennette's Pier. She emphasized the importance of the lifeguards' work and invited everyone to attend the free event, noting that registration would be required due to limited seating.

Mayor Cahoon thanked the lifeguards and expressed gratitude for their service. He also mentioned that the town is building lifeguard housing, which is expected to be available for the next year.

NEW EMPLOYEE – Deputy Town Manager/Finance Director Amy Miller introduced Customer Services Representative Abigail Larsen, who was welcomed by the Board to Town employment.

TEN YEARS – Public Services Director Nancy Carawan introduced Fleet Mechanic Jason Brickhouse, who was recognized for ten years of service.

THIRTY YEARS – Public Services Director Nancy Carawan introduced Water Operations Superintendent David Perry, who was recognized for thirty years of service; the Board presented him with a framed certificate.

PRESENTATION – 2025 Nags Header and Lightkeeper Awards

2025 Nags Header – Dr. Bruce Bortz was awarded the Nags Header of the Town for 2025 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 Dr. Bruce Bortz:

"The Nags Header award posthumously recognizes individuals who have significantly influenced the town's culture since its incorporation in 1961. (Dr.) Bruce Matthew Bortz was such a person. His quiet leadership, tireless dedication, and far-reaching vision have shaped our community.

'A proud Navy veteran, with a master's degree in biology and a PhD in Fisheries, Bruce worked for several municipalities and environmental firms before starting with the Town in 1985 as its code compliance officer.

'Bruce brought to his work a rare combination of technical expertise and a deep passion for protecting the character and natural beauty of this special place. Over the years, Bruce has been instrumental in the development of countless projects and policies that have laid the foundation for the Nags Head we know and love today.

'To start, Bruce was one of two lead authors of Pre-Storm Mitigation and Post-Storm Reconstruction: A Plan for Nags Head, a visionary blueprint for storm preparedness and recovery. This pioneering work earned national acclaim, receiving both the 1990 Legislative Award from the National Hurricane Conference and the 1989 Small Community Outstanding Planning Award from the North Carolina chapter of the American Planning Association. Its impact reached beyond Nags Head, with FEMA incorporating its key elements into national planning guidelines.

'As the Town's planner, and later deputy planning director, Bruce was also the primary author of numerous land use and water use plans, helping the Town grow responsibly and sustainably. He developed the Nags Head's Water Allocation Ordinance, which protected our community from a building moratorium between 1989 and 1992.

'Perhaps most visibly, he helped shape The Village at Nags Head, converting its Master Plan into the Village Zoning Ordinance we still use today. His work led to the creation of commercial architectural and residential standards that continue to preserve the town's unique identity.

'And while many of his achievements were behind the scenes, their effects are all around us. From the public beach accesses and conservation lands funded by his grant writing to the vegetative buffers that give Nags Head its signature green appearance, Bruce's hand has touched nearly every corner of our community.

'He was key to the Town's efforts in protecting Nags Head Woods, helping to pass the landmark SED-80 ordinance before the land was ever formally conserved. That ordinance has served as a model for environmental protection across the state.

'Bruce was also instrumental in developing the Town's initial impact fee program, which helped ensure that the costs of new public infrastructure and services needed as a result of new development were covered.

'Notably, Bruce, working with Mayor Bob Muller, Town Manager Webb Fuller, and Water Quality Coordinator/Environmental Planner Todd Krafft, played a pivotal role in the development of what was originally known as the Septic Health Initiative.

'Launched to improve water quality and protect public health, the program was one of the first of its kind in the state. Bruce's foresight and technical knowledge were key to its creation and early implementation. He recognized the importance of proactive septic system management in a coastal environment and worked to establish a voluntary inspection and maintenance program that has since become a model for other communities.

'In addition to his work with the Town, Bruce also shared his knowledge as an educator, teaching Biology and Ecology at the College of The Albemarle from 1984 to 1991. His passion for the natural world and commitment to public service extended into the classroom, where he inspired future generations to value science, sustainability, and stewardship.

'Beyond the policies, initiatives, programs, and plans, Bruce brought something deeper: judgment, fairness, and unwavering integrity. Whether he was navigating complex enforcement issues or shaping long-range plans and ordinances for Nags Head's future, he did so with a calm, steady hand and a steadfast commitment to doing what was right for the community. His ability to balance technical expertise with a strong moral compass earned him the trust and respect of all who worked with him.

'Bruce retired as our planning director in 2009 and swapped the beach for the mountains of western North Carolina. Eventually, he and his wife, Cindy, returned to the Outer Banks in 2022. Sadly, Bruce passed away in February of this year at the age of 79. His wife, Cindy, and daughters Tricia Kerlin and Laura Bortz are here to accept this award on his behalf.

'Today, we honor not only a remarkable career, but a remarkable life. Though Bruce is no longer with us, his vision, his service, and his lasting impact continue to shape the Town of Nags Head in profound ways. It is with deep gratitude and respect that we posthumously present Dr. Bruce Bortz with the Nags Header Award. His legacy lives on: in the land he helped protect, the policies he helped craft, and the community he helped build."

Bob Muller and Webb Fuller shared testimonials underlining how Bortz's work and character have left a lasting legacy in the Town of Nags Head.

Board members participated in a photo with Dr. Bortz's wife Cindy and daughters, Tricia and Laura, who accepted

the award on Dr. Bortz's behalf.

2025 Town Lightkeeper – J. Webb Fuller was awarded the Lightkeeper of the Town for 2025 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 Mr. J. Webb Fuller:

"If you were here try to remember, and if you were not here try to imagine, how much the Town of Nags Head changed between 1983 and 2005, the period beginning 42 years ago, and ending 20 years ago. And ask yourself, how did the town get so much right, and avoid so many wrong turns during that time?

'Nags Head has medium-sized houses along the oceanfront, defying the trend we see in other NC beach communities. The scale and density of development in Nags Head are the proverbial "just right".

'We have Nags Head Woods, thanks in great part to land purchases by the town, some in partnership with the Nature Conservancy. Nags Head recognizes ecological value and puts resources toward conservation.

'We have an enviable remarkable collection of beach accesses, on the oceanfront and the sound. Neighbors from other beach towns come to the beach in Nags Head.

'We had the first and most extensive multiuse path along the beach road. It took our neighbors decades to catch up.

'The Outer Banks Hospital and the Outer Banks YMCA are both in Nags Head, and not by accident.

'We enjoy the services and amenities of the only PUD in any Outer Banks municipality.

'We were the first to undertake beach nourishment, and built the model for local beach nourishment financing.

'And we have what is still unfortunately the only Septic Health Initiative.

'The Nags Head Lightkeeper award distinguishes an individual who shows significant personal and professional leadership in our community. I hope you are beginning to sense that during the time I'm describing, Nags Head was enjoying a truly extraordinary level of professional leadership.

'Nags Head developed its leadership in project and program financing during this time, including Nags Head Leasing Corporation, our Capital Improvement Program, and as I noted a moment ago shared town and county beach nourishment financing. We have continued this leadership trend by becoming the first bond-rated town on the Outer Banks.

'Local occupancy taxes were advocated for and adopted.

'The town hall, which serves us so well, was built and Station 21 was started.

'And there is so much more – drainage plans, street paving plans, vehicle replacement plans, plans, plans that were not just planned and put on the shelf, they were implemented by the town.

'Over the last eight years, I have come to realize that the culture of professionalism, our standards for customer service, our expectations for exceptional performance in every department were in great part developed during the time period from 1983 to 2005.

'As you might imagine, Nags Head began to be recognized for its excellence. Our manager became a sought-after voice on coastal local government issues. He served on the Boards of the NC League of Municipalities and the NC City and County Management Association. And he served and continues to serve on the Coastal Resources Advisory Council.

'I am speaking, of course, of Webb Fuller, who was also for four years a member of this Board.

'Throughout Webb Fuller's tenure as the Town Manager, Nags Head was consistently viewed as an outstanding and creative local government. Webb's role in creating Nags Head as a municipal organization cannot be overstated.

'Webb hired great people and worked with great people like Bruce. He interpreted to them the Town's vision, his vision, the Board's vision, and then he let those people do their jobs. Some of the people Webb hired are still with us, still doing great work, which is in part another testament to his skills as a manager.

'Please join me in congratulating the 2025 Nags Head Lightkeeper, Mr. Webb Fuller."

Former mayors, Renée Cahoon, Bob Oakes, and Bob Muller reflected on Webb's exceptional leadership, his dedication to hiring and nurturing talented staff, and his pivotal role in defining the town's vision. They underscored how Webb's contributions have had a profound, lasting impact on Nags Head, shaping it into the vibrant, thriving

community recognized today.

In response, Webb Fuller expressed humility and gratitude for the honor, attributing his success to the collaborative efforts of the dedicated team he worked alongside.

Board members congratulated Mr. Fuller and then participated in a photo with him.

PUBLIC COMMENT

Town Attorney John Leidy opened Public Comment at 09:58 a.m.

Bob Muller - Nags Head resident, thanked the town for its participation in the 50th anniversary celebration of Jockey's Ridge State Park. He specifically commended the Nags Head Police Department for their role in ensuring the event's safety and smooth operation. Mr. Muller highlighted the success of the event, which included a concert by the Connells, introduced by Governor Stein, and the first drone show on the Outer Banks.

There being no one else present who wished to speak, Attorney Leidy concluded Public Comment at 10:00 a.m.

RECESS/RECONVENE

The Board took a brief recess at 10:00 a.m. and reconvened at 10:10 a.m.

CONSENT AGENDA

The Consent Agenda consisted of the following items:

- Consideration of Budget Amendment #14 to FY 24/25 Budget
- Consideration of Tax Adjustment Report
- Approval of Minutes
- Annual Write-Off of Uncollectible Water Accounts
- Consideration of Resolution Authorizing the Town of Nags Head to join the Carolina Public Entity Cooperative (CPEC)
- Consideration of NC DEQ/DWI ARPA Funding Resolution Authorizing the Deputy Town Manager/Finance Officer as an Authorized Representative.
- Request for Public Hearing to Consider Proposed Financing for FY 2025/26 Project (Phase I Town Hall Campus Master Plan - Fitness Facility/Apartments)
- Request for Public Hearing to Consider a North Carolina Public Beach and Coastal Waterfront Access Grant Application to Fund the Replacement of the Hargrove Street Bathhouse

MOTION: Comr. Sanders moved to approve the Consent Agenda as presented. The motion was seconded by Comr. Lambert which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

Budget Amendment #14, 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 7, 2025, Regular Session meeting and the May 21, 2025, 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:

"At this time, there are no uncollectible accounts with balances greater than \$50.00 that require Board approval. Only one account is \$50.00 or less, totaling \$4.84, that will be written off. This fiscal year to date, as of May 9, 2025, total water utility sales is \$3,600,241.17. Staff projects water utility sales to be \$4.265 million for fiscal year 24/25. The prior fiscal year total water utility sales was \$4,175,186.92. 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 Resolution Authorizing the Town of Nags Head to join the Carolina Public Entity Cooperative (CPEC), as adopted, read in part as follows:

"WHEREAS, the Town of Nags Head recognizes the importance of providing comprehensive and cost-effective health insurance benefits to its employees; and

"WHEREAS, the Carolina Public Entity Cooperative (CPEC) is established by contracting units of local government and/or intergovernmental agencies, as provided for in Article 23 of Chapter 58 of the North Carolina General Statutes (the Local Government Risk Pool Act), to establish a risk pool providing for employee benefit programs for the units' or agencies' employees, including a system or program of loss control; and

"WHEREAS, joining the CPEC allows the Town to collaborate with other public entities, leverage group purchasing

power, and achieve administrative and financial efficiencies in providing health benefits to employees; and

'WHEREAS, the Board of Commissioners of the Town of Nags Head voted to approve the Town's participation in the Carolina Public Entity Cooperative during its regular meeting held on April 16, 2025;

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

'1) The Town of Nags Head is hereby authorized to become a participating member of the Carolina Public Entity Cooperative (CPEC) for the purpose of providing group health insurance and related employee benefit services to its employees.

'2) The Town Manager, or their designee, is hereby authorized to execute all necessary agreements and documents and to take all required actions to effectuate the Town's membership in the Cooperative.

'3) This resolution is intended to formalize the decision approved by the Board of Commissioners on April 16, 2025."

The NC DEQ/DWI ARPA Funding Resolution Authorizing the Deputy Town Manager/Finance Officer as an Authorized Representative, as adopted, read in part as follows:

"WHEREAS, the American Rescue Plan Act (ARPA) funded from the State Fiscal Recovery Fund was established in Session Law (S.L.) 2021-180 to assist eligible units of local government with meeting their drinking water and/or wastewater and/or stormwater infrastructure needs; and

'WHEREAS, the North Carolina Department of Environmental Quality has offered LASII American Rescue Plan Act (ARPA) funding in the amount of \$2,957,961 to perform the work detailed in the submitted application; and

'WHEREAS, the North Carolina Department of Environmental Quality has offered American Rescue Plan (ARP) funding in the amount of \$244,000 to perform an Asset Inventory and Assessment study detailed in the submitted application; and

'WHEREAS, the North Carolina Department of Environmental Quality has offered American Rescue Plan (ARP) funding in the amount of \$400,000 to perform a Stormwater Master Plan Update detailed in the submitted application; and

'WHEREAS, the Town of Nags Head intends to perform said projects in accordance with the agreed scope of work.

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

'1. That the Town of Nags Head does hereby accept the American Rescue Plan Act (ARPA) offers of \$2,957,961, \$244,000, and \$400,000;

'2. That the Town of Nags Head does hereby give assurance to the North Carolina Department of Environmental Quality that any Conditions or Assurances contained in the Funding Offer and Acceptance (award offers) will be adhered to; has substantially complied, or will substantially comply, with all federal, State of North Carolina (State), and local laws, rules, regulations, and ordinances applicable to the projects; and to federal and State grants and loans pertaining thereto; and

'3. That Andy Garman, Town Manager, and Amy Miller, Deputy Town Manager/Finance Officer, and successors so titled, are hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with the projects; to make the assurances as contained above; and to execute such other documents as may be required by the North Carolina Department of Environmental Quality, Division of Water Infrastructure."

The summary sheet for the Request for Public Hearing to Consider Proposed Financing for FY 2025/26 Project (Phase I Town Hall Campus Master Plan - Fitness Facility/Apartments), as approved, read in part as follows:

"A public hearing is required on financing contracts approved by the Local Government Commission. The amount financed will not exceed \$3.25 million and will be borrowed to finance the construction of the Phase I Town Hall Campus Master Plan, which includes replacement of the town's fitness facility and two apartments. This project is included in the recommended FY 2025/26 budget ordinance.

'A reimbursement resolution will be presented for Board approval at the July 2, 2025, meeting. The financing contract with the actual amount financed will be presented for Board approval at the July 2, 2025 meeting as part of the public hearing. Construction contract approval will also be requested at this meeting. Approval of the financing contract will be considered by the North Carolina Local Government Commission (LGC) in August.

Schedule a Public Hearing to consider the financing contracts for this project on July 2, 2025"

The summary sheet for the Request for Public Hearing to Consider a North Carolina Public Beach and Coastal Waterfront Access Grant Application to Fund the Replacement of the Hargrove Street Bathhouse, as approved, read in part as follows:

"Staff is requesting to apply for a NC Public Beach and Coastal Waterfront Access grant to replace/upgrade the bathhouse at the Hargrove Street Public Beach Access. Attached please find a grant pre-application prepared by Planning staff which was submitted earlier this year. The Town has now been invited to submit a final grant application for this project. A brief description of the proposed improvements is as follows: - The Town proposes replacing the bathhouse and dune walkover. The new bathhouse will be designed similarly to the recently constructed Epstein Street Bathhouse. The dimensions of the new bathhouse will be approximately 24' x 41' and will contain a second story. The first story will contain restrooms, ocean rescue vehicle and general storage, and a plumbing access area. The second story will contain an open multi-purpose room. The building will have a finished floor elevation of approximately 12' msl and the building will be approximately 24' tall. Decking will be installed on the south and west sides of the structure.

'For the purpose of the grant, the total budget for the bathhouse is estimated at \$835,782. The town is requesting \$358,504 from the North Carolina Division of Coastal Management (DCM) with this application. The Town will also apply for a Dare County Tourism Impact Grant in the amount of \$250,000 to supplement funding for the project. Based on recent project estimates, \$227,278 in town funds will be requested in the FY 2027/28 budget to provide the remaining funds needed.

'The Town anticipates receiving notification of these grant awards in November of 2025. If funded, engineering/design would take place in FY 2026/27 with construction occurring in FY 2027/28.

'This grant would assist in funding this project which is included in the town's Capital Improvement Program

'Request that a Public Hearing be scheduled for the July 2, 2025 Board meeting"

PUBLIC HEARINGS

Public Hearing to Consider Citizen Comments on the Town Manager's Proposed Operating Budget for July 1, 2025 – June 30, 2026, Proposed CIP Requests for FY 25/26 through FY 29/30, and Updated Consolidated Fee Schedule

Consideration of adoption of:

- Pay Plan
- Amend the Personnel Policy for the Police Clothing Allowance and Investigative Salary Differential
- Capital Improvement Program (CIP) requests
- Consolidated Fee Schedule
- FY 25/26 Budget Ordinance
- Amend the Septic Health Initiative Program Policy to increase the \$150 water pump out credit to \$250

Notice of the Public Hearing was published in the Coastland Times on Wednesday, May 28, 2025 and on Wednesday, June 4, 2025 as required by law.

Attorney John Leidy opened the Public Hearing at 10:11 a.m.

Manager Garman thanked staff and the Board for the process this year, which was more difficult than years past.

Deputy Town Manager/Finance Officer Amy Miller presented the changes made to the Manager's Recommended Budget following the last workshop. She explained that the tax rate was increased from the initially recommended 22 cents to 23.2 cents due to the need to maintain competitive shared revenue with other towns. Of this increase, 0.5 cents was allocated to beach nourishment, raising it from 1.5 cents to 2 cents. The additional 0.7 cents went to the ad valorem tax rate.

Miller noted that the fund balance appropriation to balance the budget was reduced by about \$350,000, which corresponded to the amount raised by the 0.7 cent increase in the ad valorem rate. She also mentioned a \$400,000 adjustment for sales tax, which is a pass-through item with no net impact on the budget.

Board members thanked the Town staff for their work on preparation of the budget.

There being no one present who wished to speak, Attorney Leidy concluded the Public Hearing at 10:17 a.m.

Mayor Cahoon noted the lack of public comment on the budget, suggesting it might indicate general satisfaction with the town's operations and the budget process. He noted that Mayor Pro Tem Siers' concerns about whether we were keeping up were addressed with the latest adjustments, and he felt comfortable with the Board taking action despite his absence today.

MOTION: Comr. Sanders moved to approve the Pay Plan as presented. The motion was seconded by Comr. Lambert which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

MOTON: Comr. Lambert moved to approve the Personnel Policy as presented. The motion was seconded by Comr.

MOTION: Comr. Sanders moved to approve the Capital Improvement Requests as presented. The motion was seconded by Comr. Lambert which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

MOTION: Comr. Lambert moved to approve the Consolidated Fee Schedule as presented. The motion was seconded by Comr. Sanders which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

MOTION: Comr. Sanders moved to adopt the FY 25/26 Budget Ordinance as presented. The motion was seconded by Comr. Lambert which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

MOTION: Comr. Lambert moved to approve the Septic Health Initiative Program Policy as presented. The motion was seconded by Comr. Sanders which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

The Pay Plan, Personnel Policy, Capital Improvement Plan (CIP) requests, Consolidated Fee Schedule (CFS), and Septic Health Initiative Program Policy, as approved, are on file in the Town Clerk's Office.

The FY 25/26 Budget Ordinance, as adopted, is attached to and made a part of these minutes as shown in Addendum "C".

Public Hearing for a Zoning Map Amendment for a Portion of the Nags Head Municipal Complex Property (5401 S Croatan Hwy - Parcel #026404000) from R-3 (High-Density Residential) to SPD-C (Village) Institutional
Notice of the Public Hearing was published in the Coastland Times on Wednesday, May 28, 2025 and on Wednesday, June 4, 2025 as required by law.

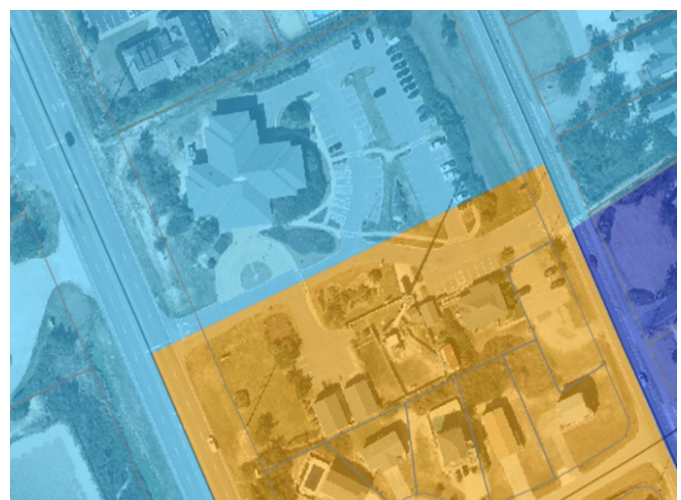
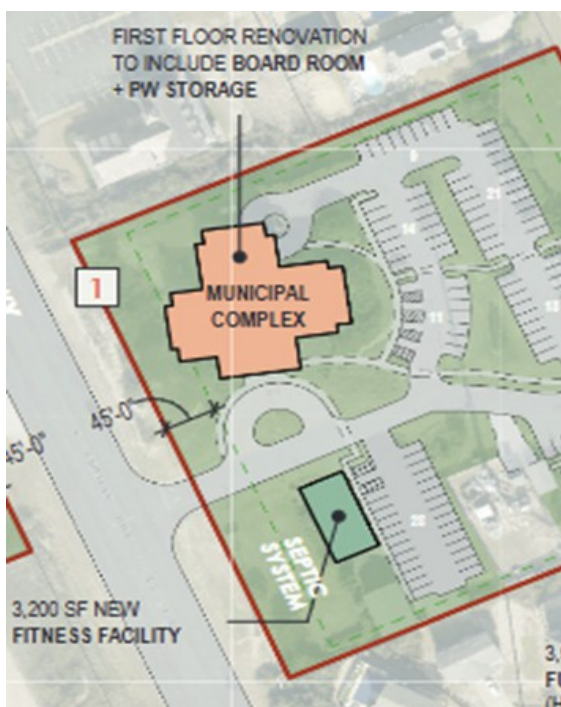
Attorney John Leidy opened the Public Hearing at 10:24 a.m.

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

"At staff's request, the Planning Board voted unanimously to initiate this zoning map amendment at their March 2025 meeting. Following that, planning staff presented the request for consideration of a zoning map amendment to rezone the southernmost portion of the Nags Head Municipal Complex from R-3 (High Density Residential) to SPD-C (Village at Nags Head) Institutional. This change would resolve the existing split-zoning of the property and align the zoning designation with the current and planned municipal uses. The Nags Head Municipal Complex contains various municipal operations within several buildings, including:

- Municipal Building - Police Department on the first floor and Administrative Offices on the 2nd floor.
- Board of Commissioners meeting room.
- Employee Fitness Center (to be replaced with a new facility and employee housing).
- Public Services Annex Garage/Storage.
- Telecommunications Tower (formerly the water tower location).

"While staff have been aware of the split-zoning on the property for some time, a recent survey conducted in support of planned improvements, including the new fitness center, workforce housing, and associated parking, brought renewed awareness to the discrepancy. The property is currently divided between the R-3, High Density Residential District, and the SPD-C, Village Institutional District. In order to bring the property into alignment with its existing and planned institutional use, staff are proposing a map amendment to apply a consistent zoning designation across the entire parcel. Text amendments have also been initiated to ensure that the Village Institutional District includes language appropriate to support current and future municipal uses on the site.



'COMPREHENSIVE PLAN CONSIDERATIONS

The Comprehensive Plan Future Land Use Map classifies this property as Institutional/Community Services. This proposed rezoning is consistent with the land use classification.

'STAFF RECOMMENDATION

Staff recommends that the property be rezoned in its entirety to SPD-C, Village Institutional, to ensure consistency with its current use and future municipal site improvements. Currently, the portion of the property south of the main driveway is zoned R-3 High-Density Residential.

'PLANNING BOARD RECOMMENDATION

At their April 15, 2025, meeting, the Planning Board voted unanimously to recommend approval of the zoning map amendment as proposed."

There being no one present who wished to speak, Attorney Leidy concluded the Public Hearing at 10:27 a.m.

Mayor Cahoon noted that this item aligns the southern half of the Town Municipal Complex property zoning with the northern half, and it makes sense to handle it at this time with the implementation of our Campus Master Plan.

MOTION: Comr. Lambert moved to adopt the ordinance amending the zoning map as presented. The motion was seconded by Comr. Sanders which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

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

Public Hearing to consider a Zoning Text Amendment to the UDO - Section 9.36, Table of Uses and Activities for the SPD-C District, to Modify the List of Accessory Uses in Conjunction with the "Municipal Building" use within the Village Institutional Zoning Classification

Notice of the Public Hearing was published in the Coastland Times on Wednesday, May 28, 2025 and on Wednesday, June 4, 2025 as required by law.

Attorney John Leidy opened the Public Hearing at 10:28 a.m.

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

"In conjunction with the proposed rezoning of the Nags Head Municipal Complex, planning staff is recommending a text amendment to Section 9.36, Table of Uses and Activities, of the Unified Development Ordinance (UDO) to clarify and expand the list of allowable accessory uses associated with the "Municipal Building" use within the SPD-C, Village Institutional zoning classification.

'Section 9.36 currently lists "Municipal building, including fire station, police station, administrative office, and County EMS Station" as a permitted use in the Village Institutional District. However, with the expansion of the Village Institutional zoning designation to include the southern portion of the Municipal Complex property, staff recommends updating the table to expressly include certain accessory uses already present on the site to include detached accessory structures, such as the employee fitness facility, telecommunication tower, and detached board/meeting room, when associated with a municipal building use. This ensures these structures are recognized as compliant with the Village Institutional designation and supports the implementation of the Town Hall Campus Master Plan. This language is intentionally limited and does not authorize new standalone principal uses within the Village. The amendment reinforces the intent that such uses remain directly tied to and as an accessory to municipal operations.

'Planning staff find that the proposed text amendment is consistent with the 2022 Comprehensive Land Use Plan and recommend adoption of the amendment as presented.

'PLANNING BOARD RECOMMENDATION

At their August 15, 2025, meeting, the Planning Board voted unanimously to recommend adoption of the text amendments as presented, contingent upon adoption of the proposed rezoning to resolve the split zoning of the Town Hall Municipal Campus.

'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)."

There being no one present who wished to speak, Attorney Leidy concluded the Public Hearing at 10:31 a.m.

MOTION: Mayor Cahoon moved to adopt the ordinance modifying the list of accessory uses in conjunction with "Municipal Building" use within the Village Institutional Zoning Classification as presented. The motion was seconded by Comr. Lambert which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

Mayor Cahoon thanked Kelly and the Planning Board for their efforts on these items.

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

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 11, 2025.

'Monthly Activity Report

Attached for the Board's review is the Planning and Development Monthly Report for April 2025. 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 6th - Technical Review Committee Meeting
- Tuesday, May 6th - Meeting with OTT Hydromet on Water Quality Installation
- Wednesday, May 7th - Board of Commissioners Meeting
- Thursday, May 8th - Board of Adjustment Meeting - Schroeder Property Variance, 109 E. Lakeside Street
- Wednesday, May 14th - Committee for Arts and Culture Meeting (no May meeting)
- Tuesday, May 20th - Planning Board Meeting
- Wednesday, May 21st - Board of Commissioners mid-month meeting - Budget Workshop

'Planning Board - Pending Applications and Discussions

The Planning Board's most recent meeting was held on Tuesday, May 20, 2025. The following items were heard:

'Consideration of a Site Plan Amendment submitted by the Town of Nags Head for the redevelopment of the Employee Wellness Facility at 5401 S. Croatan Highway. The proposal includes a two-story 3,200-square-foot building with a wellness center on the first floor and residential workforce housing above. The Planning Board unanimously recommended approval.

'The Planning Board nominated Basil Belsches to fill the vacancy on the Septic Health Advisory Committee (SHAC) for Planning Board representation. The Board of Commissioners will consider the formal appointment at their June 11th, 2025 meeting.

'Staff and the Planning Board continued their discussion of Action Item 2.2 from the Town's Strategic Plan, focusing on the review of allowable uses within the Commercial Outdoor Recreation Overlay District. While in its early stages, there does appear to be some consensus on several actions, including exploring ways to support existing businesses by allowing flexibility and expansion of uses, supporting the current mix of uses by removing some less desirable C-2 uses from the Commercial Outdoor Recreation Overlay District, taking measures to manage heights and development to keep the Sound visible and accessible, improve wayfinding and sense of place, and explore improving pedestrian and bicycle connections between disconnected destinations.

'The Planning Board's next meeting is scheduled for Tuesday, June 17, 2025. At this time, the agenda is expected to include continued discussions on evaluation of the Commercial Outdoor Recreation Overlay District.

'Board of Adjustment – Recent and Pending Applications

'The Nags Head Board of Adjustment held a meeting on Thursday, May 8, 2025, to consider a variance request submitted by property owners Mark and Carla Schroeder to exceed the maximum allowable lot coverage in order to install an above-ground pool at 109 E. Lakeside Street. The Board voted to grant the minimum variance necessary to accommodate the pool, based on documentation from a physician indicating that the pool was medically necessary to manage a diagnosed condition. Pursuant to NCGS 160D-705, a variance may be granted as a reasonable accommodation under the Federal Fair Housing Act for individuals with disabilities. The variance was approved with the condition that the pool must be removed when it is no longer required as a medical accommodation for the current property owner, upon transfer or sale of the property to an unrelated party, or if the property is used as a short- or long-term rental.

'Additional Updates

- DWMP/Septic Health Advisory Committee - The Septic Health Advisory Committee (SHAC) met on May 27, 2025, to continue refining the scope and framework for implementation of the \$500,000 zero-interest loan awarded by the Division of Water Infrastructure (DWI). Following a review of GIS data and analysis prepared by Planning staff, the committee reached consensus on prioritizing the first year of the four-year loan period for properties identified as "high risk."

'High-risk properties are defined as those located adjacent to water bodies, such as the sound, canals, the Memorial Avenue ditch, and the west side of South Old Oregon Inlet Road near the

marsh. Properties were excluded if they met any of the following criteria:

- Had a septic repair/replacement permit issued by Dare County Environmental Health within the past five years,
- Utilize a non-conventional septic system,
- Previously participated in the Septic Health Initiative,
- Have a ground elevation greater than 3 feet mean sea level (msl).

'Applying these criteria resulted in a priority list of approximately 280 properties, with concentrations in South Nags Head, Old Nags Head Cove, Lakeside Street/Old Nags Head, Pond Island, Lone Cedar, and Soundside Road. The committee also discussed key next steps, including establishing a contractor pre-qualification process to ensure compliance with Davis-Bacon wage requirements and American Iron and Steel provisions and securing Local Government Commission (LGC) approval, which will require a public hearing.

'Once the program framework is finalized and approved, the committee recommends launching a targeted outreach and community engagement effort. This would include an informational video or brochure, followed by a letter to the 280 identified property owners, inviting them to a community meeting (offered both in-person and virtually) to explain the program and why their property was included in the targeted area. The committee supports focusing on high-risk areas during the program's first year, noting that participation by these properties would have the greatest impact on environmental quality/water quality. Broader program eligibility may be considered in subsequent years.

- Estuarine Shoreline Management Plan - Geotechnical work and bathymetric data collection have been completed for the estuarine marsh stabilization projects along Villa Dunes Drive and W. Soundside Road. The Town has received survey maps and a geotechnical report. Dare County Soil and Water has assisted by collecting drone imagery of the area to determine where to do more intensive subaquatic vegetation surveying. Subaquatic vegetation field verification is to take place between now and mid-June. Residents have been mailed a notice giving them information with regards to the upcoming work planned. Once this assessment is complete, coastal hydrodynamic modeling will be conducted, and the Town will receive the basis of design report as part of the agreed-upon deliverables. The first community engagement workshop will be scheduled sometime in late June or early July of 2025.

'For the Harvey Estuarine Site/OBVB site, staff is finalizing a contract with NCLWF for the \$500k funding awarded. McAdams has provided a scope of work for both design and construction. Due to rising material and installation costs, additional funding is needed to complete the project. Staff have recently applied for a Phase 4 RCCP Phase 4 Grant and a NFWF Grant to close the funding gap and deliver the project.

- Sand Relocation and Dune Management Cost Share Program - While the sand relocation season has officially concluded, the Town is still accepting applications for the Dune Management Cost Share Program through June 23, 2025. As of June 6, a total of \$208,500 has been allocated to approved applicants. A news flash was distributed to promote the program, and an article was published by the Outer Banks Voice, both of which have prompted several residents to contact us for more information.
- Hargrove Street CAMA Access Grant - The Town has been notified that its pre-application for the Hargrove Street CAMA Public Access Grant has been selected to move forward to the final application stage. The final application is due July 31, 2025, and staff are currently preparing the submittal.
- Dowdy Park Events/Farmers Market/Holiday Markets/Art & Culture - The Committee for Art and Culture will meet on Wednesday, June 11th to discuss the exciting lineup of summer events and begin planning for the upcoming holiday season. Activities at Dowdy Park ramp up in June, starting with the return of the popular Dowdy Park Farmers Market, held every Thursday from June 12 through August 21, from 9:00 a.m. to 1:00 p.m.

'There are also several free fitness opportunities available throughout the summer:

- Yoga at Dowdy Park is held every Tuesday from 7:30 – 8:30 a.m. and will continue through the end of October.
- Fitness Fridays begin on June 13th and run through August 22nd, also starting at 7:30 a.m. and concluding at 8:15 a.m. These sessions include disciplines such as tai chi, pilates, and core, balance and stretch.

'The much-anticipated Summer Concert Series kicks off on Wednesday, June 18th and continues weekly through early September. Concerts begin at 6:30 p.m. and end around 8 p.m. June performances include Will Overman on June 18th and The BarCats on June 25th.

'This Friday, June 13th, Movie Night at Dowdy Park returns with The Sandlot, sponsored by Outer Banks Health.

The movie will begin around 8:30 p.m. Additional upcoming events include Family Fun Time on June 24th from 10 - 11:30 a.m. and the first Waggin' Wednesday at Satterfield Landing Dog Park on June 25th, from 10 - 11 a.m.

'Upcoming Meetings and Other Dates

- Tuesday, June 3rd - Technical Review Committee Meeting
- Wednesday, June 11th - Board of Commissioners Meeting
- Wednesday, June 11th - Committee for Art & Culture Meeting
- Thursday, June 12th - Board of Adjustment Meeting (no hearings scheduled)
- Tuesday, June 17th - Planning Board Meeting
- Wednesday, June 18th - Board of Commissioners mid-month meeting (if scheduled)
- Dowdy Park Farmers Market - June 12th, 19th, and 26th
- Summer Concert Series - June 18th and 25th"

Mayor Cahoon reiterated the down-zoning restrictions included in last year's State Budget. He noted that there has been no movement on the rebuttals that were filed. He also mentioned that Senate members may remain in session through the end of October and concluded by thanking Director Wyatt for her efforts.

Consideration of Site Plan Amendment Submitted by the Town of Nags Head for the Redevelopment of the Employee Wellness Facility and Addition of Workforce Housing, located at 5401 S. Croatan Hwy, Nags Head
Planning Director Kelly Wyatt summarized her report which read in part as follows:

"General Information Applicant: Town of Nags Head

'Application Type: Site Plan Amendment

'Purpose/Request: Construction of a two-story, 3,200-square-foot employee wellness center with two residential workforce housing units on the upper floor and associated site improvements.

'Consideration of this request is contingent upon the approval of a related map amendment to eliminate the existing split-zoning of the property and reclassify the entire parcel as SPD-C, Village at Nags Head Institutional.

'Property Location: 5401 S. Croatan Highway, Nags Head

'Existing Land Use: Nags Head Municipal Complex

'Zoning Classification of Property: Split zoned between SPD-C, Village at Nags Head Institutional and R-3, High Density Residential. Site Plan approval is contingent upon a requested rezoning resulting in the entire property being designated as SPD-C, Village at Nags Head Institutional.

'Zoning Classification of Surrounding Properties: Properties to the south are zoned R-3, Medium Density Residential and are developed residentially. Properties to the east, directly across S. Virginia Dare Trail, are zoned SPD-C, Village at Nags Head Townhouse I and Town of Nags Head CR, Commercial Residential and are developed residentially. Properties to the north are zoned SPD-C, Single Family Detached 2 (residential) and SPD-C, Village Commercial-2 (Village Realty). Properties to the west of the site, directly across S. Croatan Highway, are zoned SPD-C, Village Institutional (Fire Station 16 and Utilities, Inc).

'Flood Hazard Zone of Property: Property is located in an X Flood Zone. Per the Town of Nags Head local ordinance, the property is subject to an RFPE/LES of 9 feet. The proposed first floor of habitable space (wellness facility) will be elevated to 10 ft., and therefore compliant.

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

'Specific Information - Applicable Zoning Regulations:

'Use Regulations: Section 9.36, Table of Uses and Activities for the SPD-C District, identifies "Municipal Building, including fire station, police station, administrative office, and County EMS Station" as a Permitted Use within the Village Institutional zoning district. The current proposal involves replacing an existing employee fitness facility with a new, upgraded wellness facility. In addition to the required Site Plan Amendment, this proposal is contingent upon the rezoning of the entire parcel to SPD-C, Village Institutional. To further support the proposal, staff have also initiated a text amendment to explicitly identify employee fitness facilities as an allowable accessory use to municipal buildings.

'Lot Coverage: Section 9.23.2.2 of the Unified Development Ordinance establishes a maximum impervious coverage of seventy percent (70%) and a minimum landscaped area of thirty percent (30%) within the Village Institutional District. The existing lot coverage for the entire parcel is 44.12%. The proposed redesign of the upgraded employee wellness facility includes the use of permeable pavers in the parking area, resulting in a slight decrease in

impervious coverage to 44%. As such, the proposal complies with the applicable lot coverage requirements.

'Height: The maximum allowable building height within the Town is 35 feet; however, pursuant to Section 8.2.1, Dimensional Requirements, total height may be increased to 42 feet with the use of an 8:12 roof pitch or greater. The applicant has proposed a structure with an overall height of 34 feet, with the use of 10:12 roof pitch. Therefore, height is compliant.

'Architecture Design Standards: Section 10.82 of the UDO, Applicability, states that Commercial Design Standards shall apply to all building construction or remodeling projects requiring a special use permit or site plan review. This project must adhere to the Commercial Design Standards set forth within Part VI of the UDO. Section 10.83, Design Standards, of the UDO, states that projects adding a total habitable building area of 10,000 square feet or less may elect to comply with the building design requirements by achieving 150 points based on the criteria outlined in the Town of Nags Head Residential Design Guidelines. Projects that elect to comply in this manner shall, in addition to the required 150 architectural design points, incorporate specific building standards into the design. The proposed architectural design satisfies the minimum standards required by Section 10.83 and additionally achieves 155 architectural design points with the use of a first floor porch, dormers, 8:12 pitched roof, wood shingles and other miscellaneous architectural details.

'Parking: While there is no specific parking standard in the UDO for an employee fitness center accessory to a principal municipal complex, Section 10.16 provides a standard for stand-alone indoor fitness/gymnasium use, requiring one parking space per 300 square feet of gross floor area. Based on the proposed 3,200-square-foot facility, 11 parking spaces would be required.

'Additionally, the project includes two four-bedroom workforce housing units located above the fitness facility. Applying the standard of one parking space per bedroom, 8 additional spaces are required. This brings the total parking demand for the proposed development to 19 spaces.

'As part of this project, 15 new parking spaces will be added. When accounting for the parking requirements of the existing municipal administrative offices and boardroom, a total of 76 parking spaces are required across the site. With 86 spaces provided, the site exceeds the required parking and is fully compliant for all existing and proposed uses within the Municipal Complex.

'Buffering/Landscaping: Several sections of the Unified Development Ordinance speak to Buffering and Landscaping as it applies to this proposed project. Section 10.93.3.2 of the Unified Development Ordinance (UDO), Commercial Transitional Protective Yards, requires enhanced landscaping when a non-residential use is located adjacent to a residential use or residential zoning district. Specifically, a protective yard at least ten (10) feet in width with two rows of acceptable plant material must be installed and maintained. Since the property to the south is developed with residential uses, this buffer is required along the southern property line. A 10-foot-wide vegetative buffer has been proposed; however, prior to permitting, a detailed planting plan demonstrating two rows of acceptable vegetation must be submitted and approved. It should be noted that an existing block building on slab is located along the southern boundary, which may limit the available area for additional landscaping in that location.

'Section 10.93.3.7 of the UDO, Interior Parking Lot Landscaping, requires that at least ten percent of the total area of parking spaces be dedicated to landscaping. Based on this standard, a minimum of approximately 320 square feet of vegetated area is required. The proposed site plan includes newly designed landscape beds and vegetated pockets of landscaping around the parking area totaling over 1,000 square feet, which exceeds the minimum requirement and is therefore compliant.

'Section 10.93.3.8 of the UDO, Vegetation Preservation/Planting Requirements, requires that new development projects either preserve a minimum of ten (10) percent of the lot's total area with existing natural vegetation and/or dune elevations or plant new vegetation in lieu of preservation. When existing vegetation cannot be preserved, the planting of a minimum of fifteen (15) percent of the lot's total area shall be required. Based upon the scope of this project, 95% of the existing mature vegetation onsite will be retained, and several large new landscape beds are proposed. This project meets the requirements and is compliant.

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

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

'Water and Sewage Disposal: Dare County Health Department has reviewed and approved the proposal as presented (DCHD Authorization Attached).

'Traffic Circulation: Traffic circulation for the site has been designed by the Town Engineer in accordance with applicable Town standards. As the project designer, the Town Engineer has ensured compliance with established traffic circulation requirements.

'Stormwater Management: Section 11.4.1 of the Unified Development Ordinance states, Redevelopment of property

within existing commercial uses does not require submission of a stormwater plan under the following circumstances:

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

'Stormwater management is not required for this project, provided that there is no net increase in built-upon area and no importation of fill material.

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

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

'Planning staff find that the proposal is consistent with applicable use and development standards, as well as relevant land use policies. Based on staff's review, approval of the Site Plan Amendment is recommended, contingent upon the resolution of the existing split-zoning on the Municipal Complex parcel to ensure the entire property is designated SPD-C, Village at Nags Head Institutional.

'PLANNING BOARD RECOMMENDATION

At their May 20, 2025 meeting, the Planning Board voted unanimously to recommend approval of the Site Plan Amendment as presented."

Mayor Cahoon pointed out that Nags Head follows its own rules and applauded the fact that we are taking steps to try to offer housing to our employees.

MOTION: Comr. Lambert moved to adopt the site plan as presented. The motion was seconded by Comr. Sanders which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

Consideration of Planning Board Member to Serve on the Septic Health Advisory Committee (SHAC)

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

"The Septic Health Advisory Committee (SHAC) was established by the Board of Commissioners to provide ongoing guidance and feedback on the Town's Septic Health Initiative Program. The committee meets quarterly to discuss program successes and challenges and to support staff in implementing the recommendations of the updated Decentralized Wastewater Management Plan (DWMP).

'The SHAC is currently composed of a representative from the Board of Commissioners, several town residents, and members of the Planning Department. At this time, there is a vacancy for a representative from the Planning Board. At their May 20, 2025 meeting, the Planning Board unanimously nominated Basil Belsches to fill this role. Mr. Belsches previously served as a Board of Commissioners appointed member of the Decentralized Wastewater Management Plan Update Advisory Committee in 2020 and 2021."

MOTION: Mayor Cahoon moved to appoint Basil Belsches as the Planning Board member to serve on the Septic Health Advisory Committee. The motion was seconded by Comr. Lambert which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

NEW BUSINESS

Committee Reports

Comr. Sanders – Reported on the 50th anniversary of Jockey's Ridge State Park. He praised the event as well done, highlighting various "firsts" including an outdoor concert introduced by Governor Stein, horseshoes, yoga, and a pop-up disc golf course. Sanders noted the disc golf's popularity and mentioned the possibility of it becoming an annual event.

Comr. Lambert – Acknowledged the report given by Planning Director Wyatt regarding the Septic Health Advisory Committee and expressed excitement at the proactive approach being used to identify high-risk properties. She also noted that Government Access Channel has not met but will meet at the end of the month. Lastly, she highlighted the upcoming premiere of the Nags Head lifeguard film in July.

Mayor Cahoon – Noted that he was unable to attend the Jennette's Pier Advisory Committee meeting and deferred the update to Manager Garman who reported that the pier's decking was being replaced with a more durable PVC and fiberglass material. This change necessitates finding a new way to display the sponsored fish that were previously embedded in the wooden decking. Garman mentioned that various ideas were being considered, including creating a wall on the side of the pier house to place the fish.

Consideration of Disaster Debris Removal and Monitoring Contract Renewals

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. Existing agreements are active with DRC Emergency Services for debris removal services and with DebrisTech, LLC for debris monitoring services. Each of the agreements is for an initial one-year term with the option to extend the agreement annually for up to a three-year period. The DRC Emergency Services agreement has been providing services for the past 3 years and DebrisTech, LLC is completing its second year of services.

'Services by each of the providers have been found to be satisfactory.

'Staff recommends renewal of the DRC Emergency Services and DebrisTech, LLC agreements for FY 25/26. No changes in the terms of the agreements are proposed. If the Board of Commissioners is in agreement with the staff recommendation, a motion will be in order to authorize the Town Manager to execute the renewal agreements with DRC Emergency Services for debris removal services and with DebrisTech, LLC for debris monitoring services."

Mayor Cahoon inquired about any significant changes within the firms since the previous vetting process, indicating the Board's previous thorough evaluation of both firms. Engineer Ryan clarified that there were no material changes in the companies that should raise concerns and that they are one of the top 5 firms in the United States that provide these services.

MOTION: Comr. Lambert moved to renew the DRC Emergency Services and DebrisTech, LLC agreements for FY 25/26 and to authorize the Town Manager to execute the renewal agreements with DRC Emergency Services for debris removal services and with DebrisTech, LLC for debris monitoring services. The motion was seconded by Comr. Sanders which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

Consideration of Appointment to Board/Committee: Planning Board

The agenda summary sheet read in part as follows:

"At the June 11, 2025 Board of Commissioners meeting, request Board consideration of the following appointment:

'Planning Board:

- Replacement of Kristi Wright, who resigned May 16, 2025.

Attached please find Current Roster and Candidate Chart."

MOTION: Mayor Cahoon moved to appoint Bradley Carey to the Planning Board for a three-year term. The motion was seconded by Comr. Lambert which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

Consideration of Resolution Opposing Senate Bill 257 Institution of Tolls and Increase of Existing Tolls on North Carolina Ferry Service Operations

Mayor Cahoon discussed ongoing legislative proposals to impose tolls on the Ocracoke ferry. He highlighted the potential negative impact on the local economy, explaining that such tolls could deter day visitors, who play a vital role in Ocracoke's economic health. The additional financial burden might reduce the number of visitors, adversely affecting local businesses that rely on tourist influx. Mayor Cahoon emphasized the importance of opposing this legislation to protect the economic welfare of Ocracoke and the broader region.

The Resolution Opposing Senate Bill 257 Institution of Tolls and Increase of Existing Tolls on North Carolina Ferry Service Operations as adopted, read in part as follows:

"WHEREAS, the residents of the Town of Nags Head, Dare County, and the greater Northeastern North Carolina region pay taxes that support the statewide transportation system, including all highways and ferry services; and

'WHEREAS, the North Carolina Department of Transportation (NCDOT) Ferry System, and in particular the Hatteras-Ocracoke route, is a designated component of the State Highway System, providing the only viable mode of transportation between islands in many parts of eastern North Carolina; and

'WHEREAS, U.S. President Dwight D. Eisenhower emphasized the principle that highway use taxes should be reinvested in transportation infrastructure, not imposed as barriers to access and the NC Constitution suggests that access to publicly funded transportation infrastructure, including ferries, should not be based on ability to pay; and

'WHEREAS, Senate Bill 257—the 2025 Appropriations Act—proposes amendments to Chapter 136 of the NC General Statutes to impose new tolls on currently free ferry routes and increase tolls on existing routes, based on vehicle size and destination; and

'WHEREAS, routes such as Bayview-Aurora, Cherry Branch-Minnesott, Currituck-Knotts Island, and Hatteras-Ocracoke are currently toll-free, while Cedar Island-Ocracoke, Swan Quarter-Ocracoke, Southport-Fort Fisher, and Hatteras-Ocracoke Silver Lake already carry tolls; and

'WHEREAS, ferry routes function as critical extensions of public highways in areas where constructing bridges is cost-prohibitive, and have long provided equitable and toll-free access for residents, essential workers, emergency services, vendors, and tourists alike; and

'WHEREAS, the imposition of new or increased tolls would disproportionately burden residents of coastal counties—including Dare, Hyde, Beaufort, Carteret, Craven, Brunswick, Currituck, and Pamlico—as well as businesses that rely on ferry access to move goods and services; and

'WHEREAS, the Town of Nags Head shares the concerns that such tolls would have adverse effects on the region's economy, tourism industry, and working residents by discouraging travel, reducing discretionary visitor spending, and creating unnecessary administrative and infrastructure costs; and

'WHEREAS, the proposed tolls appear to be inconsistent with NC General Statutes §136-89.187 and §136-89.197, which govern toll facility designation and administration within the state; and

'WHEREAS, the mission of the NCDOT is to connect people, products, and places safely and efficiently while enhancing the vitality of the state — a mission threatened by measures that restrict or penalize access.

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

'1) Formally opposes Senate Bill 257, specifically Sections 43.15(a) and 43.15(b), which call for the implementation of new ferry tolls and an increase in existing tolls across NC's ferry routes;

'2) Urges the NC General Assembly to reject these provisions in their entirety, and to protect ferry access as a vital, toll-free component of the State Highway System;

'3) Supports full operational funding for the NCDOT Ferry System on par with all other highway divisions and remains committed to working collaboratively with local and state partners to support fair access, regional economic vitality, and responsible management of transportation infrastructure."

MOTION: Comr. Sanders moved to adopt the resolution opposing Senate Bill 257 Institution of Tolls and Increase of Existing Tolls on North Carolina Ferry Service Operations as presented. The motion was seconded by Comr. Lambert which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN ATTORNEY

Attorney Leidy responded to concerns raised by Mr. Brockway, at the May 7th meeting, regarding beach equipment or furniture left on dunes overnight. He noted that he agrees with town staff's responses to the concerns. He explained that the area in question was part of the dune system and outside the ocean beach area, thus not subject to public trust rights. Attorney Leidy noted that the town lacks legislative authority to regulate such activity on private property in the dune area, as that authority is granted to the Department of Environment and Natural Resources, specifically the Division of Environmental Quality and the Division of Coastal Management.

He mentioned that the legislative grant provided to the town primarily pertains to prohibiting dune buggies and motor vehicles from operating in the dune areas, which the town has addressed through an ordinance aligned with that legislative provision.

ITEMS REFERRED TO AND PRESENTATIONS FROM TOWN MANAGER

Consideration of Resolution in Appreciation of David Clawson, Dare County Deputy County Manager & Finance Director

Deputy Town Manager/Finance Director Amy Miller presented a resolution to recognize David Clawson for his 35 years of service to Dare County. She highlighted Mr. Clawson's contributions to financial reporting standards, his role as a mentor, and his involvement in the beach nourishment funding model. The resolution read in part as follows:

"WHEREAS, David Clawson has served with dedication and distinction as the Finance Director for Dare County since March 1990, providing 35 years of exceptional public service; and

'WHEREAS, during his tenure, he demonstrated the highest standards of professionalism, integrity, transparency, and commitment to fiscal responsibility, ensuring that Dare County maintained sound fiscal management and accountability; and

'WHEREAS, David Clawson has made significant contributions to the financial health and stability of Dare County and was instrumental in leading key initiatives including supporting capital improvement projects, earning recognition for financial reporting, and implementing innovative technologies; and

'WHEREAS, his work ethic and expertise have earned the respect and appreciation of County staff, elected officials, and the residents of Dare County; and

'WHEREAS, David Clawson has demonstrated exceptional leadership in the areas of fiscal management, budgeting, auditing, long-range planning, and financial reporting; and

'WHEREAS, his financial stewardship led to the County's AA+ Issuer Default Rating from Fitch, reflecting strong fiscal management practices and solid economic positions, signaling continued fiscal strength and stability; and

'WHEREAS, David Clawson will be retiring from public service on June 30, 2025, leaving a legacy of excellence and dedication that will be felt for years to come;

'NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF NAGS HEAD:
That the Town of Nags Head Board of Commissioners does hereby extend its heartfelt appreciation and sincere gratitude to David Clawson for his 35 years of outstanding service and contributions to the citizens of Dare County; and

'BE IT FURTHER RESOLVED:
That the Board wishes David Clawson much happiness, good health, and fulfillment in his retirement."

Mayor Cahoon echoed these sentiments, emphasizing Mr. Clawson's critical role in maintaining a strong partnership between the town and county. He noted how Mr. Clawson's guidance often informed the town's financial practices, particularly during challenging periods like the onset of COVID-19, where his conservative financial advice proved invaluable in navigating economic uncertainties. Mayor Cahoon also appreciated Mr. Clawson's consistent willingness to share his expertise, which has greatly benefited the town of Nags Head over the years.

MOTION: Mayor Cahoon moved to adopt the resolution in appreciation of David Clawson, Dare County Deputy County Manager & Finance Director as presented. The motion was seconded by Comr. Lambert which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

Update on 2025 Town Fireworks Display

Deputy Fire Chief Shane Hite summarized the upcoming 2025 Town Fireworks display. Zambelli is again conducting the fireworks scheduled for July 4th at 9:25 p.m. at the Nags Head Fishing Pier, with a rain date set for July 5th at the same time. Special thanks were given to the McCanns and Nags Head Fishing Pier staff for their support. Acknowledgment of the team effort and behind-the-scenes work was extended with gratitude. The same technician will return, promising new effects. The community is reminded that no fire pit permits will be issued that evening.

Mayor Cahoon also expressed appreciation to the McCanns for their continued support in hosting the event at the Nags Head Pier.

MAYOR'S AGENDA

Mayor Cahoon reported on yesterday's visit to the legislature with Commissioner Lambert and Manager Garman. The legislature is currently in the budget reconciliation phase. Both the NC House and Senate have proposed skeleton budgets and are leaving it to the conference committees to hash out the details and finalize the budget. Fortunately, our senator, Bobby Hanig, is a member of the conference committee.

During the visit, they reiterated the importance of securing funding for critical town projects, specifically advocated for funds designated for the replacement of aging asbestos cement water lines, the construction of a fire station, and the acquisition of an emergency operations command vehicle. In conversations with Senator Hanig and Representative Kidwell, Mayor Cahoon noted a positive reception to these funding requests, but they expressed that there is uncertainty in the availability of these funds in the upcoming budget. He emphasized the significance of these projects for the town's infrastructure and public safety.

Town representatives also met with Representative Brody, co-sponsor of HB765, the concerning zoning bill. They addressed concerns regarding the proposal that would strip local control over parking regulations, emphasizing the town's need to maintain control over the number of parking spaces to accommodate seasonal visitors and residents. Although HB765 seems to have died, there is concern that pieces of the bill will end up in other bills. Mayor Cahoon reiterated the town's commitment to closely monitoring legislative developments and continuing dialogue with legislative partners that might affect zoning authority and other matters critical to coastal municipalities like Nags Head.

Consideration of Resolution in Opposition to Offshore Oil and Gas Development

The agenda summary sheet read in part as follows:

"At the June 11, 2025 Board of Commissioners meeting, Board members will consider the attached Resolution in Opposition to Offshore Oil and Gas Development.

"The Bureau of Ocean Energy Management (BOEM) has requested input from coastal states regarding the potential impacts of future offshore oil and gas development as part of the formulation of the 11th National Outer Continental Shelf (OCS) Oil and Gas Leasing Program. The attached resolution marks the eighth time since 1989 that the Town of Nags Head Board of Commissioners has formally expressed its continued opposition to offshore oil and gas development."

Mayor Cahoon summarized the resolution in Opposition to Offshore Oil and Gas Development which read in part as

follows:

"WHEREAS, the Bureau of Ocean Energy Management (BOEM), pursuant to Section 18(f)(5) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(f)(5)) and 30 CFR 556.202, has requested information from coastal states concerning the potential impacts of future offshore oil and gas development as part of the development of the 11th National OCS Oil and Gas Leasing Program; and

'WHEREAS, BOEM has requested that states submit specific information concerning the environmental, economic, and social impacts of Outer Continental Shelf (OCS) development activities, including their relationship to coastal zone management programs and potential impacts to marine and coastal environments and economies.

'NOW, THEREFORE, BE IT RESOLVED that the Town of Nags Head Board of Commissioners hereby submits the following information in direct response to BOEM's request for input:

'Coastal Zone Management Programs

The Town of Nags Head supports and participates in the North Carolina Coastal Area Management Act (CAMA), developed under Section 305 and 306 of the Coastal Zone Management Act of 1972. The goals of this program prioritize conservation, protection of natural resources, and sustainable development. Offshore oil and gas activities, including seismic testing, exploration, and drilling, pose direct risks to these goals by threatening sensitive ecosystems, increasing the risk of oil spills, and introducing industrial infrastructure incompatible with the coastal character of the Outer Banks.

'Environmental Risk and Potential Damage

The risks associated with OCS oil and gas activity include catastrophic oil spills, chronic pollution, habitat degradation, and disruption of marine life through intense underwater noise from seismic testing. These risks threaten essential habitats in nearby federal and state-protected areas such as Cape Hatteras National Seashore, Pea Island National Wildlife Refuge, and multiple designated Essential Fish Habitats including salt marshes, oyster reefs, and seagrass beds. The cumulative impact on marine biodiversity, water quality, and shoreline integrity is incompatible with existing conservation and resource protection objectives.

'Other Uses of the Sea and Seabed

The waters off Nags Head and the greater Outer Banks support robust commercial and recreational fishing industries, research and education programs, maritime transportation, and a thriving tourism-based economy. Offshore oil and gas development creates potential user conflicts, limiting public access, introducing navigation hazards, and degrading the aesthetic and ecological quality essential to these uses.

'Equitable Sharing of Developmental Benefits and Environmental Risks

The Outer Banks region would assume disproportionate environmental and economic risks associated with OCS development while receiving minimal long-term benefit. Energy companies would profit from resource extraction, while coastal communities bear the consequences of potential spills, degraded tourism, fisheries loss, and the costs of emergency preparedness and response. There is no equitable mechanism currently in place that ensures local communities share in financial returns or have adequate resources to manage increased risks.

'Economic and Employment Impacts

In 2024, tourism generated over \$2.1 billion in visitor spending in Dare County alone and supported over 13,000 jobs. North Carolina as a whole reported \$36.7 billion in travel spending and over 230,000 tourism-related jobs. The economic value of tourism, fisheries, and clean ocean industries far exceeds the speculative and long-term returns from offshore drilling. Any disruption to these sectors from oil and gas activity would cause disproportionate economic harm and threaten local employment stability, tax revenue, and property values.

'OCS Resource Values and Environmental Impacts

The Outer Banks region values all OCS resources—biological, geological, recreational, and aesthetic. The development of oil and gas resources undermines the protection of these assets. Oil spills, industrial infrastructure, and increased maritime traffic pose long-term threats to marine ecosystems, public health, and the overall quality of life for residents and visitors alike. Marine noise pollution, air emissions, and habitat disruption from exploration and production activity contradict the region's commitment to environmental stewardship and climate resilience.

'BE IT FURTHER RESOLVED, the Town of Nags Head Board of Commissioners urges BOEM to exclude the Mid-Atlantic Planning Area—including the waters off North Carolina's coast—from further leasing consideration in the 11th National Program and to prioritize sustainable, non-extractive uses of the ocean that are aligned with state and local coastal management goals."

Mayor Cahoon emphasized the importance of public comment on this issue and encouraged citizens to submit their views before the June 16th deadline.

MOTION: Mayor Cahoon moved to adopt the resolution in opposition to Offshore Oil and Gas Development as written. The motion was seconded by Comr. Sanders which passed 3 – 0 (Mayor Pro Tem Siers was excused.).

OTHER BUSINESS

Mayor Cahoon shared details about his recent trip to Providence, Rhode Island, where he attended the award ceremony for the Orville T. Magoon Sustainable Coasts Award, presented to Town Engineer David Ryan. Engineer Ryan expressed that he felt this award was not just his, but a collaborative effort, and an award for the Town.

CLOSED SESSIONS

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

MOTION: Mayor Cahoon moved to enter Closed Session to consider a personnel matter pursuant to GS 143-318.11(a)(6). The motion was seconded by Comr. Sanders which passed 3 – 0 (Mayor Pro Tem Siers was excused.). The time was 11:16 a.m.

OPEN SESSION

The Board re-entered Open Session at 11:32 a.m. Attorney Leidy reported that the Board discussed personnel matters but no actions were taken.

ADJOURNMENT/RECESS TO FY 25/26 BUDGET WORKSHOP (IF NEEDED)

MOTION: Comr. Lambert moved to adjourn. The motion was seconded by Comr. Sanders which passed 3 – 0 (Mayor Pro Tem Siers was excused.). The time was 11:33 a.m.

Date Approved: July 2 ,2025
Mayor: _____

Brittany A. Phillips, Town Clerk