

Minutes of the Wednesday, January 27, 2021, regular meeting of the Kill Devil Hills Board of Commissioners held at 6:00 o'clock p.m. remotely and electronically using ZOOM meeting software in order to maintain the safety of Town residents, Staff, and Board of Commissioners. There were several methods the public could use to participate in or view the meeting, which were detailed on the published and distributed meeting agenda.

Members Participating: Mayor Ben Sproul; Commissioners Terry Gray, Ivy Ingram, Bernard "B.J." McAvoy and John Windley

Members Not Participating: none

Others Participating: Debora P. Díaz, Town Manager; Casey Varnell, Town Attorney; Charlene Allen, Assistant Finance Director; Meredith Guns, Planning Director; Cameron Ray, Assistant Planning Director; and James Michael O'Dell, Deputy Town Clerk

Call to Order

At 6:00 p.m., Mayor Sproul opened this meeting of the Kill Devil Hills Board of Commissioners (BOC) and welcomed all present via Zoom software. He conducted a roll call of members:

Mayor Sproul	Present	Commissioner Gray	Present
Commissioner Ingram	Present	Commissioner McAvoy	Present
Commissioner Windley	Present		

There were 14 attendees representing Staff and members of the public, and seven panelists which included the BOC, Town Manager, Town Attorney, and representatives of the Finance and Planning Departments, present and participating in this meeting. This meeting was managed by Deputy Town Clerk Michael O'Dell. This meeting was also live-streamed on the Town's Facebook page.

Pledge of Allegiance and Moment of Silence

Mayor Sproul extended the BOC's congratulations to Public Information Officer Rachel Tackett and her husband, Chris, on the arrival of their first child, Emma Jean Tackett. He also asked everyone to keep the victims of the recent car wreck, in which a FFHS student was severely injured, in their thoughts and prayers.

Agenda Approval

Commissioner Windley moved to approve the agenda as presented. Commissioner McAvoy seconded the motion, which passed by a unanimous roll call vote:

Mayor Sproul	Yes	Commissioner Gray	Yes
Commissioner Ingram	Yes	Commissioner McAvoy	Yes
Commissioner Windley	Yes		

1. Public Hearing

Mr. Varnell read aloud the rules for the public hearing and then opened the hearing.

A. Conditional use site plan – Bermuda Bay PUD – Section 200A – amendment site plan for two (2) four (4)-story multi-family structures and associated site improvements (Attached PH-1A)

BB Southampton Mews, LLC has submitted plans for the proposed construction of two, four-story multi-family structures, 112 units of either one or two bedrooms each, and associated site improvements.

On December 15, 2020, the Planning Board reviewed and recommended approval of this conditional use site plan. As a conditional use, Chapter 153, Zoning requires a public hearing before action can be taken. At its January 11, 2021, meeting the Board of Commissioners scheduled this public hearing. Mr. Varnell stated that due to the requirement for the Board to receive public comment for 24 hours following this electronically-conducted public hearing under N.C.G.S. 166A-19.24, no action can be taken at this meeting; if appropriate, based on BOC direction, action will be scheduled for the Tuesday, February 9, 2021, meeting.

The Town received a number of e-mail messages, which were forwarded to the Board of Commissioners and have been included in the record of this meeting:

Keith Pagano; Pamela Greene; and the following listed Kill Devil Hills addresses: Maria Hester, 1528 Bailey's Bay Road; Richard Slocum, 1500 Bailey's Bay Road; Randy and Carol Goncalves, 1324 Devonshire Road; Don Lovett, 1700 Paget Road, A1; Mike Greco, 1512 Bailey's Bay Road; Jim and Jan Dillalogue, 1107 Cambridge Cove; Susan and Bill Smith, 1524 Bailey's Bay Road; Craig Voland, 1325 Devonshire Road; David and Terry Creamer, 1510 Bailey's Bay Road; Tricia Starr, 1504 Bailey's Bay Road; and Elaine Piddington, 1100 Fox Street.

The following persons spoke at the public hearing:

James Dillalogue, 1107 Cambridge Cove, Kill Devil Hills – Mr. Dillalogue noted that several residents have previously submitted electronic comments either for or against the project, and

inquired how the BOC took such comments under consideration and how they were weighed in the BOC's discussions.

Maria Hester, 1528 Bailey's Bay Road, Kill Devil Hills – Ms. Hester expressed concerns over safety, including a narrow roadway and increasing traffic. She also noted that currently there was not sufficient parking for the neighborhood, especially during the summer months, and the additional development will only exacerbate the parking issue and limit access by first responders in the event of an emergency.

Craig Voland, 1325 Devonshire Road, Kill Devil Hills – Mr. Voland stated when someone drives out of the rear roadway of the property by the dumpsters, it is currently dangerous even with light traffic on the intersecting road because of poor sight lines.

Mayor Sproul stated that the BOC had received the emailed comments from many who expressed concern about the development. He noted that the project had undergone extensive review by Staff, including traffic analysis and safety review. He reiterated that the Planning Board had reviewed the project over several months, and that it had recommended approval. Commissioner Ingram stated that the Board appreciated the comments from the public; she, like other members, reviews all comments and information, and also follows up with Staff. Commissioner Windley stated that public comments are appreciated by the BOC, and noted that the Planning Board had also received comments from the Chamber of Commerce and members of the business community that supported the project.

Commissioner Ingram moved to close the public hearing, with the potential for action at the February 9, 2021, meeting. Commissioner Gray seconded the motion, which passed by a unanimous roll call vote:

Mayor Sproul	Yes	Commissioner Gray	Yes
Commissioner Ingram	Yes	Commissioner McAvoy	Yes
Commissioner Windley	Yes		

Public Comment

Response to Public Comment

Introductions and Presentations

Old Business

New Business

1. 2020 Audit report, 2021 budget status update, and request for approval of two new positions (Attached NB-1)

Assistant Finance Director Charlene Allen presented the Town's 2020 audit report, or Comprehensive Annual Financial Report (CAFR), and provided an update on revenues for the Town's 2020-2021 budget.

Ms. Allen noted that the Town engaged the CPA firm of Potter and Company, PA, an independent auditor to conduct the annual audit of fiscal year ending June 30, 2020. The firm gave the Town an unmodified opinion, which is the best rating possible. She said no management letter was issued that would indicate findings and or recommendations for improvements. She provided some highlights of the Fiscal Year 2019-2020:

General Fund the unassigned fund balance, which is the amount available for spending at the government's discretion, at June 30th was \$11,350,839 or 60.16% of total general fund expenditures for the year.

Water Fund the fund reported operating income of \$1,259,935. For budgetary statements, revenues were under expenditures by \$437,391, due to over \$2 million in capital improvements, which included the water tank construction. The water fund is healthy and profitable.

Wastewater Fund the fund reported operating loss of \$75,189. For the budgetary statement, revenues exceeded expenditures by \$14,965.

Ms. Allen announced that the Town of Kill Devil Hills and its Finance Department had received the Certificate of Achievement for Excellence in Financial Reporting for the year ending June 30, 2019. This is the 32nd consecutive year that Kill Devil Hills has received this award from the Government Finance Officers Association, which honored the Town's commitment to producing an annual report that evidences the spirit of full disclosure and transparency. Ms. Allen expressed appreciation to the Finance Department team as well as other departments, Administration, and Board of Commissioners for their continued support.

Ms. Allen then provided an update on the current fiscal year, which included the following revenues:

	<u>Actual</u>	<u>Budget (YTD)</u>	<u>Variance over prior year</u>
<u>Sales Tax</u>	\$1,716,707	\$1,501,505	+18%
<u>Occupancy Tax</u>	\$2,383,729	\$1,495,752	+28%
<u>Land Transfer Tax</u>	\$764,717	\$312,500	+96%

She noted that year-to-date revenues through January show a tremendous positive budget variance as well as growth over the prior year. The Board expressed its appreciation to the

Finance Department for its hard work and congratulated Staff on the award. Commissioner Windley inquired about the unassigned fund balance. Ms. Allen stated the balance is based upon the percentage of the budgeted percentage, and would forward information to the BOC.

Ms. Díaz said the Board of Commissioners had previously discussed at its September 19, 2020 retreat the need for additional positions to Town Staff, including Streets Equipment Operator and Facility Maintenance.

The Streets Equipment Operator position (Streets Division) was originally slated for inclusion in this fiscal year's budget planning, but was removed due to the COVID-19 related revenue concerns. The Facility Maintenance position (Sanitation/ Buildings & Grounds) was identified as a position to be shared between divisions, providing assistance for beach access cleaning and maintenance, along with support with off-season projects. Public Services Director Steve Albright's memorandum, which is included in the meeting materials, outlined the justification details of these positions.

Staff recommended Board approval for the additional positions for this Fiscal Year, along with any necessary budget amendments.

Commissioner Gray moved that the BOC approve Staff's recommendations to add two employee positions this fiscal year, as presented, along with any necessary budget amendments. Commissioner Windley seconded the motion, which passed by a unanimous roll call vote:

Mayor Sproul	Yes	Commissioner Gray	Yes
Commissioner Ingram	Yes	Commissioner McAvoy	Yes
Commissioner Windley	Yes		

Ms. Díaz also highlighted some areas for the upcoming fiscal year budget, and noted that several anticipated projects in the Buildings & Grounds Capital Division were removed for the 2020-2021 Fiscal Year due to concerns over decreased revenues in the COVID-19 pandemic. However, with strong revenues, the Town is in the position to return these projects for the coming year's budget, including the following: Ocean Bay Boulevard Bathhouse gazebo, compliance improvements for beach accesses, Aviation Park pavilion, playground equipment, and a roof improvement at Town Hall, along with recreational opportunities. She noted that the BOC had expressed its commitment to the Town's Street Improvement Plan, which includes the Memorial Drive project. Ms. Díaz also highlighted continued employee benefits, including cost of living adjustments (COLAs), the merit program, and professional development. The BOC expressed support for those projects returning to the budget and also stressed increasing recreational opportunities and the quality of existing recreational facilities.

Committee Reports

Commissioners' Agenda

Commissioner Ingram

First responders Commissioner Ingram expressed appreciation for the KDH Police and Fire Department Staff that had coordinated traffic and the traffic wreck scene following the last evening's collision on US 158.

Commissioner Windley

COVID-19 vaccinations Commissioner Windley expressed appreciation to the Dare County Health Department for its effective work of conducting the COVID-19 vaccination clinics. Commissioner Gray added that it was important for the public to communicate with state representatives about the importance of the local health department receiving the needed allocation of vaccination doses.

Mayor's Agenda

1. Fireworks event 2021

Following a successful, but postponed, fireworks event on December 17, 2020, that celebrated the anniversary of powered flight by the Wright Brothers, the BOC considered possibilities for 2021. Mayor Sproul shared he had met with National Park Service Superintendent Dave Hallac about the highly successful fireworks event held on December 17, 2020, and discussed the possibility of partnering for future events, including the anniversary of powered flight. Supt. Hallac also suggested the potential for National Aviation Day in August. Mayor Sproul suggested some ideas included a coordinated aerial drone show or a projection show on the on the Wright Brothers Monument. Since Commissioner Ingram serves on the Dare County Tourism Board, Mayor Sproul has indicated that she will communicate with Supt. Hallac to consider what partnering options are available. The BOC also expressed interest in the possibility of conducting multiple fireworks events.

Through consensus, the BOC authorized Staff to submit a grant application with the Dare County Tourism Bureau for the Town's July Fourth 2021 fireworks event.

Pop-Up Events Mayor Sproul said he had been contacted by some local artists, who expressed concern about the Town's current ordinances regarding "pop-up" events. Ms. Díaz replied that in response to COVID-19 pandemic, many large local art events have been cancelled. She also stated that local brick and mortar stores have expressed concern about pop-up events; the year-round local stores pay taxes and are a part of the community and the other seasonal art events do not have the same expenses. Mayor Sproul also noted the success of local farmers' markets and other events, providing benefits to the communities conducting them. He said it would be a good discussion to hold in an upcoming meeting.

Town Manager's Agenda

Town Attorney's Agenda

Consent Agenda

1. Minutes (Attached CA-1A)

A. January 11, 2021

2. Budget Amendments (Attached CA-2A and 2B)

A. to appropriate funds from Unassigned fund balance to forward LPDI (Local Programming Development Initiative) grant funding from FY19-20 that GEAC (Government Education Access Channels) Committee approved the extension of funding due to the COVID-19 pandemic.

B. to appropriate funds from Unassigned fund balance to fund a 75% / 25% grant from NCDEQ for Moor Shores Estuarine Access. The grant contract was approved at the November 9, 2020, BOC meeting.

Ms. Díaz presented the Consent Agenda and recommended approval as presented. Commissioner Ingram moved to approve the Consent Agenda, as presented.

Commissioner Windley seconded the motion, which was approved by a unanimous roll call vote:

Mayor Sproul	Yes	Commissioner Gray	Yes
Commissioner Ingram	Yes	Commissioner McAvoy	Yes
Commissioner Windley	Yes		

Public comment

Response to Public Comment

Adjournment

There being no further business appearing before the BOC at this time, Commissioner Gray moved to adjourn the meeting. Commissioner Ingram seconded the motion, which was approved by a unanimous roll call vote:

Mayor Sproul	Yes	Commissioner Gray	Yes
Commissioner Ingram	Yes	Commissioner McAvoy	Yes
Commissioner Windley	Yes		

The time was 7:04 p.m.

Submitted by:

James Michael O'Dell
Deputy Town Clerk