Minutes of the Wednesday, January 25, 2023, regular meeting of the Kill Devil Hills Board of Commissioners held at 6:00 p.m. in the Meeting Room at the Administration Building, 102 Town Hall Drive, Kill Devil Hills.

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

Members Not Participating:

Others Participating: Debora P. Diáz, Town Manager; Charlene Allen, Assistant Town Manager; Beverly Kissinger, Finance Director; Troy Tilley, Fire Chief; and James Michael O'Dell, Town Clerk.

Call to Order

At 6:02 p.m., Mayor Ben Sproul opened this meeting of the Kill Devil Hills Board of Commissioners (BOC) and welcomed all present.

Pledge of Allegiance and Moment of Silence

Agenda Approval

Commissioner Ingram moved to approve the agenda, as presented. Commissioner Windley seconded the motion, which passed by a unanimous, 4-0, vote.

Public Comment

Response to Public Comment

Ongoing Business

New Business

Committee Reports

Community Appearance Commission (CAC) – CAC Chairperson Sue Kelly shared that the group would meet on January 26, 2023, at 8:30 a.m. and invited the public to attend.

Trash Attack! Community Clean-Up Event Ms. Kelly also highlighted the Town's Trash Attack! Community Clean Up event, which will be held on Saturday April 1, 2023 (rain date on Sunday April 2), at Aviation Park. The event also has a poster contest for K-12 students, and its deadline is March 1, 2023.

ATTACHMENT CA-1A

Dare County Tourism Board (DCTB) – Commissioner Ingram shared that she, Mayor Sproul, and Commissioner Windley had attended the recent DCTB Town Hall session for long-term planning for the Tourism Board and Dare County. She noted that the DCTB had received over 4,500 responses to its residents' survey, which was recognized as a very high participation rate.

Commissioners' Agenda

Commissioner Gray

The Wall that Heals exhibit Commissioner Gray stated that the Board would receive a presentation on the Wall that Heals traveling exhibit at the upcoming meeting.

Mayor's Agenda

Town Manager's Agenda

1. **Fiscal Year 2023/2024 and Plan Year 2024/2025: request for budget guidance**

Town Manager Debbie Diáz stated that in preparation for the upcoming budget process, Staff was requesting the Board's direction on its budgetary goals and objectives for the coming fiscal year and plan year. Finance Director Beverly Kissinger then provided a PowerPoint presentation, which highlighted revenues, expenditures, and occupancy, *ad valorem*, and sales tax information. She also briefed the group on the American Rescue Plan (ARP) funds, along with the reserve and general fund levels. Her presentation has been included in the meeting materials.

Commissioner McAvoy joined the meeting at 6:28 p.m.

Ms. Kissinger stated that the Town's fund balance policy was set at 35%, and suggested the Board consider whether it wanted the percentage level increased. Her presentation also provided fund balance comparisons with other local municipalities. She then reported the inflation rates from the Consumer Price Index (6.5%) and Social Security Administration (8.7%), which could potentially factor into budget planning.

The Town has received $2.337 million in funds from ARP, which was used to supplant law enforcement salaries for the current year. Ms. Kissinger recommended that the resulting budgetary savings be considered in prioritizing large infrastructure projects, since inflation and supply chain issues have resulted in increased project costs.

Joint KDH Fire Station / Dare County EMS Facility Following the presentation of estimated costs for the Town's portion of the joint KDH Fire Station and Dare County EMS Facility, the group discussed the project's specifics, including the cost sharing allocation, which is 49% KDH, 51% Dare County. Assistant Town Manager Charlene Allen provided the Board with an overview of the project funding estimates and financing, which is being finalized by the Town and Dare County, and will be submitted to the Local Government Commission for approval.

Commissioner McAvoy inquired about the project negotiations. Town Manager Debora Diáz stated that Town and Dare County representatives have met and communicated regularly to determine each organization's needs for the proposed facility. Commissioner Windley inquired how the facility was designed with the Town's input. Fire Chief Troy Tilley replied that Dare County sought input from the Fire Department as to its current and future facility needs. He shared that the Fire Department had met with the architect, who developed an initial plan, and the department and Town had provided additional feedback. Chief Tilley said that the Fire Department was getting the facility that it needed to effectively serve the community. The Station will serve as the Town's emergency management center during storm events, which is also a priority.

Mayor Sproul highlighted the ARP funding that the Town had received. Ms. Diáz reminded the group that when the potential federal funding was initially discussed, the Board determined any ARP revenue should be directed at large infrastructure projects, rather than ongoing costs. She noted that street and drainage improvement projects were being greatly affected by the increased costs, and emphasized how recent streets projects for the Town had been broken into multiple projects to remain viable cost-wise. She stated if there were no objections, Staff would follow the Board's direction and pursue applying ARP funding towards large infrastructure projects, especially since this upcoming budget was a two-year cycle.

Ms. Diáz noted that apart from commercial development, the community was seeing residential development, with a housing subdivision, cottage courts, and residential construction growth throughout town. The population increase is requiring increased Town services, which will require additional staffing, including the potential for employees in Solid Waste, Police, and possibly Fire, among others. She noted that the Board had been very supportive of Town Staff, including cost-of-living adjustments, which keeps Kill Devil Hills competitive with other employers.

Mayor Sproul said that several local businesses were working to provide housing for their employees to address potential labor shortages and housing issues. He inquired whether it was an option for the Town. Ms. Diáz replied that some local communities had initially examined dormitory-style housing for seasonal lifeguards; she said that one of the most effective approaches to addressing the local housing shortage was the Board's commitment to reviewing the Town's zoning ordinance. Staff's goal is to present amendments with input from the BOC and the Planning Board at a joint worksession in the coming months, prior to the BOC's final consideration.

Mayor Sproul suggested continued focus on recreational facilities, pedestrian opportunities, and community beautification. He also supported beach access beautification, including simple maintenance and equipment practices. Commissioner Gray recommended paving West Veterans Drive to the disc golf course, and also provide water service to the facility. Commissioner Windley concurred, and noted that the County's Camp S.A.L.T. would benefit from water service. Commissioner Gray also supported an increase to recreational facilities funding because there are several parks that still need to be updated. He noted that the facilities will require more maintenance, and that additional staffing in the Buildings and Grounds division may be warranted. Commissioner Gray also highlighted that during the off season, solid waste

collection is once per week, and that Staff is utilized for other Town responsibilities. He stated that the Town's workload is increasing and that with the sizeable increase in the monthly report statistics, more Police Department Staff is warranted.

Commissioner McAvoy expressed some frustration with the timelines for the updates to the recreational facilities, but supported continued funding for Town amenities and beautification. Commissioner Ingram supported stationery speed monitoring, beginning with 2-4 units. She also supported the potential expansion of the junior lifeguard camp, noting that it supplies the Town with lifeguards. She also supported the possibility additional staffing to coordinate the Town's market events. Planning Director Meredith Guns stated that the market began with 35 vendors and now has 70-75 vendors. Commissioner Windley inquired whether the Town has adequate Staff to address weathered signage and vandalism concerns, and he supported increased Buildings and Grounds staffing. He noted that following Ms. Kissinger's review of the fund balance, he supported 50% fund balance target, but not a policy requirement. Ms. Kissinger noted that over the last several years, the Town has remained above the 50% fund balance.

Mayor Sproul suggested possible resurfacing the Aviation Park hockey rink, following conversations with citizens. Ms. Guns shared that the rink surface usually lasted 10-15 years, and was last replaced following Hurricane Matthew in 2016, when it sustained damage. It was noted that First Flight Market activity did not negatively affect the surface. Commissioner Windley inquired about the potential for placing a roof over the rink. Ms. Guns replied that the Town had explored the possibility, but that quotes for any potential rink roof project were extremely high. She noted that the plan for rink lighting would include LED upgrades.

Mayor Sproul supported long term initiatives for the Town, including solar energy, electric vehicles and/or charging stations, LED lighting at beach accesses, and an overall lowered carbon footprint. He thanked Staff for its continued work for the Town.

Town Attorney's Agenda

Consent Agenda

1. Minutes (Attached CA-1A)

A. January 18, 2023

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

A. Budget Amendment #6 – to appropriate funds for the rebidding of the Seminole, Indian, and Apache 2023-2024 streets project

Ms. Diáz presented the Consent Agenda, and recommended approval.

Commissioner Gray moved to approve the Consent Agenda, as presented. Commissioner Ingram seconded the motion, which was approved by a unanimous, 5-0, vote.

Public Comment

Response to Public Comment

Adjournment

There being no further business appearing before the BOC at this time, Commissioner Windley moved to adjourn the meeting. Commissioner Ingram seconded the motion, which was approved by a unanimous, 5-0, vote.

The time was 7:32 p.m.

Submitted by:

James Michael O'Dell
Town Clerk