



County of Dare

P.O. Box 1000 | Manteo, NC 27954

MINUTES

DARE COUNTY BOARD OF COMMISSIONERS MEETING

Dare County Administration Building, Manteo, NC

9:00 a.m., December 6, 2021

Commissioners present: Chairman Robert Woodard, Sr., Vice Chairman Wally Overman
Rob Ross, Steve House, Jim Tobin, Danny Couch, Ervin Bateman

Commissioners absent: None

Others present: County Manager/Attorney, Robert Outten
Deputy County Manager/Finance Director, David Clawson
Master Public Information Officer, Dorothy Hester
Clerk to the Board, Cheryl Anby

A complete account of the meeting is archived on a video available on the Dare County website: www.darenc.com.

At 9:02 a.m. Chairman Woodard called to order the regularly scheduled meeting with appropriate prior public notice having been given. He invited Rev. Cherri Wheeler to share a prayer, and then he led the Pledge of Allegiance to the flag.

Manteo High School choral group and band started the meeting with a few holiday selections lead by band director, Emma Alter.

ITEM 1 – ELECTION OF CHAIRMAN (Att. #1)

The Clerk outlined the procedures for the election. In accordance with Robert's Rules, no second would be necessary for a nomination and four votes would be required to win the election. The Clerk opened the floor for nominations.

NOMINATION

Vice-Chairman Overman nominated Robert Woodard, Sr. for chairman. There were no other nominations. Commissioner Couch moved to close nominations.

VOTE: AYES – Seven votes by a show of hands.

Commissioner Woodard was reelected as Chairman by unanimous vote.

ITEM 2 – ELECTION OF VICE-CHAIRMAN (Att. #2)

Newly re-elected Robert Woodard, Sr. conducted the election of Vice-Chairman.

NOMINATION

Commissioner Tobin nominated Wally Overman.

There were no other nominations.

VOTE: AYES – Seven votes by a show of hands.

Commissioner Wally Overman was reelected as Vice-Chairman by unanimous vote.

ITEM 3 – OPENING REMARKS – CHAIRMAN’S UPDATE

Following is a brief outline of the items mentioned by Chairman Woodard during his opening remarks, which may be viewed in their entirety in a video on the Dare County website.

- Joe Tauber was inducted into the National Wrestling Hall of Fame for the Maryland Chapter as this year’s Outstanding American.
- Remembered Eddie Green, who had passed at the age of ninety-six. He had been one of the founding members of the Outer Banks Community Foundation and the longtime proprietor of the Christmas Shop in Manteo.
- Pleased to announce the 2022 Kelly’s St. Patrick’s Parade would be held this year.

ITEM 4 – SERVICE PINS

- 1) Claudia Neal, Dare County Sr. Foreign Language Interpreter, received her 10-year pin.

ITEM 5 – EMPLOYEE OF THE MONTH – December, 2021

Cameron Thompson received the Employee of the Month award from Chuck Lycett. Mr. Thompson’s qualities and skills made him an asset to the Department of Health & Human Services with his wealth of computer knowledge. He was organized and insured all the DHHS computers were working each day.

ITE9:33M 6 – PUBLIC COMMENTS

At 9:30 a.m. the Manager outlined the procedure for making public comments in Manteo and via the video link to the Fessenden Center Annex in Buxton. A summary of citizen remarks follows, which may be viewed in their entirety on the County website:

The following comments were made in Manteo:

1. Duke Geraghty congratulated the board and thanked them for their forward motion with affordable housing discussions. He promoted the increase of new two-bedroom units and thanked Representative Hanig and Senator Steinberg for their efforts with the grant recently received by Dare County. He noted there was an on-going project in Kitty Hawk which had applied to change their plans for more 2 bedroom units.
2. Mary Ellon Balance, Chairman of the Board of Education, thanked the Dare Commissioners for their continued support and stated the communication between the two boards was second to none. She looked forward to another year.

There were no comments made in Buxton. Public Comments closed at 9:36 a.m.

ITEM 7 – DARE COUNTY MOTOR SPORTS CHARITY GROUP

Terry Gray, of the Dare County Motorsports Charity Group, gave an update on the sixth year of the motorcycle/jeep toy run. They had 107 motorcycles and 195 Jeeps participate in the event. He thanked the Sheriff’s Department for their assistance and presented a plaque of gratitude to them. The Dare Center Director, Sandy Pace, was presented with a \$25,000.00 donation to provide toys to Dare County children in need. There would be another event in April, 2022 with more information to come.

ITEM 8 – ADORATION HOSPICE - This item was not heard.

ITEM 9 – UNC CHAPEL HILL SCHOOL OF GOVERNMENT ESSENTIAL HOUSING NEEDS PROJECT UPDATE (Att. # 3)

A complete account of the Board's discussion on this agenda item is available for viewing on the Dare County website.

Sarah Odio, the Senior Project Manager with DFI, presented a virtual review of recommendations for essential housing. Marcia Perritt, Deputy Director of Quality Control, was also in virtual attendance. The goal of the work had been to put together a feasible development with financial analysis. The detailed predevelopment timeline was reviewed. The next phase of the work would identify a development program and then find a partner for Dare County for the project. Sarah discussed the public interest was critical to a feasible development plan. The County had agreed to three public interest issues which were affordability to low and moderate income households, long-term affordability of units and the efficient use of public investment to attract private investment. Low income households at 60% AMI earned approximately \$34,680/year with monthly housing costs including utilities at \$813 per month. Moderate was 80% AMI with an income of \$46,240/year with housing at \$1,084/month. Units were in high demand at every level and most renters in the county were one to two person households.

Construction costs continued to rise and the supply chain had caused many hiccups. Lumber and plywood costs alone had gone up 52%. County participation was essential for low and moderate home development. In order to subsidize the units, twenty percent of the units must be affordable and for the exclusive use of low-income households. The Low-Income Housing Tax Credit Program (LIHTC) offered a huge subsidy which provided equity and infrastructure for monitoring. The County could facilitate mixed income development with limitations: (1) total county payment to the developer must be equal or less than market rent and less than affordable rent (2) at least twenty percent of the units in the project for those earning no more than 60% of Area Median Income (AMI). The county had authority to provide subsidized housing to persons at higher incomes less than 80% AMI (\$900/month rents). Mixed income development prioritizing rents at 80% AMI is untested and would be challenging in North Carolina. The pool of developers with expertise in mixed-income development/management is more limited. Developments without LIHTC would require Dare County or a dedicated partner to be responsible for monitoring the affordability and quality of the development.

Bowsertown was a complex site with building pads at 4 feet above sea level; developing around the state boat ramp and wetland limits for development. It would require multiple ingresses off California Lane with limited parking. The flood/hazard insurance requirements and current zoning would allow only 58 units. With LIHTC, the site could be developed with 76 units but would not provide the moderate units. At \$7.3 million, with no LIHTC, there could be 151 mixed income units.

After the November 15th workshop, the Board had asked to look at other options. With 120 mixed-income units, there would be 90 one-bedroom units and 30 two-bedroom units. The project would primarily target households between 70-80% AMI with rents at \$900 for one bedroom and \$1,100 for two bedrooms. At \$9 million participation level, there would be 78 80% AMI units and 18 unrestricted market value units with 24 at 60% AMI. Mr. Outten asked if the mix of 1-2 bedrooms were changed, what would it do to the numbers. Sarah replied with 2-bedroom units there was less rent per square foot. As units got bigger the rents would not

rise as much. If the county held at \$8 million and increased the number of 2-bedroom units, the overall number of units would have to go down due to limitation of the size of the Bowerstown site.

Sarah advised the next steps were for Board selection of a preferred development scenario specifying minimum number of units at 70/80% AMI and maximum county participation. Solicitation would set the minimum parameters for the project. Commissioner House stated he wanted to maximize the units. Commissioner Ross asked if there had been any indication from Manteo for agreement to wastewater connection. Mr. Outten said discussions with town staff had been positive to date. The next step would be to go before their board with the request. Commissioner Couch stated if \$9 million was spent, it would send a signal that the Board was earnest in housing concerns.

MOTION

Commissioner House motioned for the county to participate at a \$9 million level with 18 unrestricted market units, 78 moderate and 24 units at 60% AMI. Vice-Chairman Overman seconded the motion.

The Board continued their discussion: Chairman Woodard had had multiple discussions with Manteo leadership and felt another more defined discussion was needed. Mr. Outten advised there were package systems that took up less room if Manteo declined. Without a full project plan, he would be unable to obtain system details and cost estimates. Any system would add to the project cost and decrease the number of housing units. Commissioner Ross did not object to the target of the \$9 million; but he stated the \$8 million dollar investment level would provide 33 market rate units versus 18. Mr. Outten reminded that the public funds could not be used for units above 80%. He asked Sarah if a market rate could be set to meet the gap but above the 80% AMI. Sarah commented the rents were high in Dare due to construction costs. Mr. Outten asked Sarah if the Board was prepared to spend \$9 million but looked at the \$7 million dollar scenario for the project, whether \$2 million could be used to buy down the market-rate units. Sarah stated units above the 80% AMI could not be bought down. The market rate units covered their own expenses such as debt service and investor return.

Commissioner Tobin stated \$8 million made more sense with more market rate units to attract developers. Chairman Woodard reminded the Board it was not a perfect deal but it was a start and we would have other opportunities for workforce versus essential. The Board continued their discussion.

AMENDED MOTION

Commissioner House amended the motion to an \$8 million level contribution with (33 market rate, 63 at 70-80% AMI and 24 at 60% AMI units
Vice-Chairman Overman seconded the motion.
VOTE: AYES unanimous

The project would require participation from Manteo regarding wastewater connections. Dare County would need to approve rezoning of the area. The process had specific guidelines. Solicitation for a development partner would be handled by DFI when appropriate.

ITEM 10 – HATTERAS ISLAND RESERVE PHASE 2 SUBDIVISION – PRELIMINARY PLAT REVIEW

Noah Gillam presented that the seven-lot subdivision had proposed to have common driveways, which was permitted as long as they did not present danger to public safety or welfare. Four lots would share a 40-foot easement and three lots would share a 24-foot common drive. Michael Strader of Quible & Associates was available for Board questions.

MOTION

Commissioner Bateman motioned to recommend preliminary plat approval based upon a concurrence with the Planning Board's recommendation that the common drive accessing lots 5-11 does not endanger or diminish public safety and welfare.

Commissioner Tobin seconded the motion.

VOTE: AYES unanimous

ITEM 11 – CAPE HATTERAS ELECTRIC CORPORATION (CHEC) SPECIAL USE PERMIT

After all parties to this proceeding were duly sworn, Noah Gillam, outlined a Special Use Permit (SUP) application from Quible & Associates on behalf of the power co-op. The special use permit submitted for review was for an operations center for the Cape Hatteras Electric Membership Corporation located in Buxton and zoned R-2A. The building would be 50' x 148' and be used as an operation facility with office space, conference rooms, kitchen and several truck bays. Dylan Tillett addressed the board as the primary civil engineer. The County Manager asked the applicant if he agreed to the findings of fact listed in the SUP, the supporting documents on file, and the facts presented by the Planning Director, which is on file in the Planning Department, the facts presented by the Planner and the terms and conditions outlines in the SUP. Dylan Tillett and Doug Chesson indicated their agreement. Commissioner Couch said he had received no area objections. Vice-Chairman Overman asked about the vegetative buffer where the project backs up to residential property. A chain link fence with slats would serve as a buffer. Due to the proximity of the wastewater system, the Planning Board recommended opaque plastic slats in the fence.

MOTION

Commissioner House motioned to approve the draft Special Use Permit 4-2021 and the associated site plan for the proposed operation center.

Commissioner Bateman seconded the motion.

VOTE: AYES unanimous

ITEM 12 –REQUEST TO CLOSE A PORTION OF BEACON ROAD IN RODANTHE (Att. #4)

Daniel and Carly Kerlakian, owners of 23298 E. Beacon Road, through their attorney, David Dixon, had requested that the unimproved portion of the eastern terminus and cul-de-sac of Beacon Road be permanently closed. Affidavits and a statement were presented. A public hearing would be required for further consideration.

MOTION

Commissioner Ross motioned to adopt a resolution as required by G.S. 153A-24 to schedule a Public Hearing on the matter on January 3, 2022.

Commissioner House seconded the motion.

VOTE: AYES unanimous

ITEM 13 – BID AWARD FOR BUXTON/AVON BEACH NOURISHMENT PROJECT (Att. #5)

Dave Clawson explained bids had been opened November 17, 2021. The lowest among the three bidders was Great Lakes Dredge & Dock at 13.7% less than both Coastal Science and FEMA had estimated. Construction would begin May 1 through September 30, 2022. It was recommended to award the maximum permitted 2.2 million cubic yards, which would be one million yd³ in Avon and 1.2 yd³ in Buxton. He explained the cost of the projects would be shared as follows: NC State Grant of \$1,557,607; FEMA \$6,315,435 and the County Beach Fund would contribute \$21,684,008 for a total of \$29,557,050. The sand fencing for Avon would be bid out later in the month. All the environmental assessments were complete and the CAMA and National Park Service permits had been issued. Mr. Clawson stated the process for the debt issuance had begun. The Board could adopt the resolutions in January.

MOTION

Commissioner Couch motioned to award the bid to Great Lakes Dredge & Dock in the amount of \$25,870,000 for the 2022 project and authorize the County Manager to proceed with a contract subject to LGC approval on February 1, 2022 for the related debt.

Commissioner House seconded the motion.

VOTE: AYES unanimous

Mr. Outten addressed the Board and advised the Corps permit had come through allowing the County to be placed on the LGC agenda for tomorrow. He stated Representative Murphy and U.S. Senators' Burr and Tillis offices had helped with the "log jam" in Washington. The local Wilmington District Corps staff had come in over Thanksgiving break to ensure the permits were issued and he thanked them for their extra efforts.

ITEM 14 – CONSENT AGENDA

The Manager announced the items as they were visually displayed in the meeting room.

MOTION

Commissioner House motioned to approve the Consent Agenda:

- 1) Approval of Minutes (11.15.21) **(Att. #6)**
- 2) DHHS – Social Services division Onetime Unrestricted Stimulus Payment for Young Adults Budget Amendment
- 3) DHHS Public Health Division – Increased State Funding for Community Linkages to Care (CLC) for OD Prevention/Response
- 4) DHHS Public Health Division – Continued Funding for COVID-19 ELC Enhancing Detection Activities
- 5) NC Governor's Crime Commission Grant Award (GCC Secure Schools)

Commissioner Tobin seconded the motion.

VOTE: AYES unanimous

ITEM 15 – BOARD APPOINTMENTS

1) Tourism Board

Dare County Restaurant Association

Vice-Chairman Overman motioned to appoint Mark Ballog to serve as Restaurant Association representative on the Tourism Board.

Commissioners Bateman and House seconded the motion.

VOTE: AYES unanimous

Outer Banks Association of Realtors

Vice-Chairman Overman motioned to appoint Gray Berryman.

Commissioner House seconded the motion.

VOTE: AYES unanimous

Town of Kill Devil Hills

Vice-Chairman Overman motioned to appoint Ivy Ingram.

Commissioner Couch seconded the motion.

VOTE: AYES unanimous

Town of Nags Head

Vice-Chairman Overman motioned to appoint Mayor Pro Tem Michael Siers.

Commissioner Bateman seconded the motion.

VOTE: AYES unanimous

2) Upcoming Board Appointments

The upcoming Board appointments for January, February and March, 2021 were announced by County Manager Outten.

ITEM 16 – COMMISSIONERS’ BUSINESS & MANAGER’S/ATTORNEY’S BUSINESS

Remarks may be viewed in their entirety on the Dare County website. Following is a brief summary:

Commissioner Couch

- He remembered the late Horatio “Raish” Beck, captain of the *Good News*.
- The Rodanthe Bridge was 95% complete with cranes gone as they were preparing for a February opening. He praised both NCDOT and Flatiron for a great job.
- He remembered former Senator Bob Dole, whose wife was a North Carolina native. He shared Sen. Dole’s interest in Hatteras and its wartime history.
- He thanked the public and the Board for their support and prayers during his recent health concerns.

Commissioner Bateman

- He remembered the passing of Richard Reed, who had been a planner in Kitty Hawk and Helen Wiegel, who had served as a member of the First Flight Lions Club.
- Thanked the Dare County Motorsports Charity Group for all of their efforts to give toys to area children for Christmas.
- It would be important to lobby Manteo to support proposed housing projects. The cooperation of every municipality would be required to further reduce housing shortfalls.

Vice-Chairman Overman

- He congratulated Claudia Neal on receiving her ten-year service pin and Cameron Thompson, who had been recognized as the December Employee of the Month.
- Thanked the Board for his re-election as Vice-Chairman.
- Relative to the Bowerstown project, he reminded everyone that while not impossible, it would be extremely difficult to proceed without the full support of the Town of Manteo.

Commissioner House

- He had worked with Senator Bob Dole on a few projects in the 1980s and he would be missed.
- Provided an update on the shrimp amendment. He had attended the meeting. The resolution passed by the Board had been bolstered with a letter asking for the consideration of the Fisheries Commission to keep shrimping areas open.
- Flounder amendments to the management plan were coming up for a review and he would keep the Board and the community posted on updates as available.
- Day in History: The 13th Amendment which abolished slavery was ratified today in 1865. The holiday stop-motion classic, "Rudolph the Red-Nosed Reindeer" had been released in 1964. He wished everyone a Merry Christmas.

Commissioner Ross

- He thanked the Dare County Schools for the fabulous musical program presented today.
- Commended the fine example of caring and hard work shown by the Dare County Motorsports Group with their donations of toys and funds to area children.
- Relative to the essential housing projects, he commented "get her done".

Commissioner Tobin

- He offered his condolences to the Dole family. Senator Bob Dole had been a great leader in our country.
- Provided an update on the dredge construction. It was still on schedule. The steel escalation clause had been executed which added \$99,000 to the cost.
- The County had received \$35 million grant for housing and he had drafted a Request for Qualifications. County Manager Outten added the legislation was designed to require the identification of partners for housing projects. Once a builder was selected, negotiations, subject to legislation restrictions, could begin. (A copy of RFQ is available in the office of the Clerk.)

MOTION

Commissioner Tobin motioned to issue the RFQ to seek private partners for Dare County housing projects.

Commissioner House seconded the motion.

VOTE: AYES unanimous

Chairman Woodard announced the December 20, 2021 meeting was cancelled.

MANAGER'S/ATTORNEY'S BUSINESS

Robert Outten stated the CIP had met Friday. Oakley Collier had preliminarily reviewed the prospective EMS projects. Barnhill Construction had provided some cost estimates to reach more accurate numbers as construction costs were escalating. An overview of the proposed projects was given to the Board. The station in Nags Head needed work, but the issues there were not finalized with the Town of Nags Head. A \$5 million placeholder had been set aside for the project. The Kill Devil Hills station plans were not yet finalized. Our borrowing may change based on final decisions for their station. In Rodanthe, the fire department owns the station property. They still needed to go through the project estimates and decide what direction they want to take their project. In Southern Shores, we had met with fire department and the town county regarding their needs but costs had not been reviewed. Mr. Outten

explained there was no land cost built into the estimates. Kitty Hawk is building a station and programming has been done to include an EMS station. Kitty Hawk would be building and Dare County would pay them back over a twenty-year term. The CIP Committee would be discussing the needs of the Manns Harbor fire department in order to accommodate their renovation. The total of Dare County's share of the projects would be approximately \$40 million dollars. The CIP financial model indicates coverage ratios would not go below .69 and no other projects would be compromised. CIP Committee recommended moving forward.

MOTION

Commissioner House motioned to instruct Oakley Collier to move forward with detailed EMS station plans for both new and the renovation of stations and to authorize the County Manager to advise the Town of Kitty Hawk that Dare County was ready to move ahead with joiner in their EMS project.

Commissioner Tobin seconded the motion

VOTE: AYES unanimous

Mr. Outten stated the COA project was progressing. The DHHS renovation would have a ribbon cutting in January. The Parks and Recreation refurbish has begun. The purchase of the masonic lodge property had closed. The conception site drawings for the Public Works Department were back and they were waiting on the numbers.

At the conclusion of the meeting, Chairman Woodard asked for a motion to adjourn.

MOTION

Commissioner House motioned to adjourn the meeting.

Commissioner Tobin seconded the motion.

VOTE: AYES unanimous

At 11:56 a.m., the Board of Commissioners adjourned until 9:00 a.m., January 3, 2022.



APPROVED:

Respectfully submitted,

By: Cheryl C. Anby
Cheryl C. Anby, Clerk to the Board

By: Robert F. Woodard Sr.
Robert Woodard, Sr., Chairman
Dare County Board of Commissioners

Note: Copies of attachments (Att.), ordinances, resolutions, contracts, presentations, and supporting material considered by the Board of Commissioners at this meeting are on file in the office of the Clerk to the Board.