



Town of Southern Shores

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Southern Shores Town Council Meeting

Meeting Minutes

May 5, 2026, 10:00 AM

Call Meeting to Order

The Regular Town Council Meeting of the Town of Southern Shores was called to order by Mayor Elizabeth Morey on Tuesday, May 5, 2026, at 10:00 AM at the Pitts Center, Southern Shores, NC. Mayor Morey led the Council and those in attendance in the Pledge of Allegiance, followed by a moment of silence.

Present: Mayor Elizabeth Morey, Mayor Pro Tem Matt Neal, Council Member Mark Batenic, Council Member Rob Neilson,

Absent: Council Member Sherlock

Amendments to / Approval of Agenda

Motion to approve the agenda as presented was made by Council Member Batenic and seconded by Council Member Neilson. The motion carried unanimously.

Consent Agenda

The consent agenda was presented as comprising the following items:

- Budget Amendments #19–#21
- Surplus Resolution 2026
- 2026 Beach Monitoring Survey Proposal

Council Member Batenic requested clarification on the 2026 Beach Monitoring Survey Proposal, asking whether it was in addition to a previously discussed permitting and planning arrangement. Town Manager Cliff Ogburn confirmed that the prior discussion concerned the planning and permitting costs for the nourishment project, and that the monitoring survey is a separate, annual obligation that continues independently.

Motion to approve the consent agenda was made by Council Member Neilson and seconded by Council Member Batenic. The motion carried unanimously.

Presentations

4. Employee Recognition: Police Department Officer Trayes & O'Bar-

Police Chief Kole introduced two newly sworn officers. Officer Samuel Trayes was born in Johnson City, New York, raised in Central Pennsylvania, and enlisted in the United States Marine Corps at age 17, serving four years as an administrator and combat marksmanship coach. He attended the Fall 2025 Basic Law Enforcement Training Academy and graduated in March 2026. He is currently completing his Field Training Officer (FTO) program and will soon transition to solo patrol. Officer Shane O'Bar was born and raised in Connecticut, moved to Virginia in 2016, and relocated to North Carolina in 2023. He previously worked in the Corrections Division of the Chesapeake Sheriff's Department before being hired by the Southern Shores Police Department. He attended the same Fall 2025 Basic Law Enforcement Academy and will similarly be completing his FTO program shortly. The Mayor and Council extended congratulations and a formal welcome to both officers.

Introduction of Public Works Maintenance Technician Michael Bowling & Georgia Anlauf-

Public Works Director David Bradley introduced Michael Bowling and Georgia Anlauf. Michael Bowling comes from the western part of Virginia, previously worked for a municipality and later for the Collington Civic Association performing similar work. Georgia Anlauf grew up in the Southern Shores area and was described as a highly productive part-time employee. Director Bradley noted that while the interview process is demanding, staff were fortunate to find both individuals on the same day and expressed confidence in their contributions to the department.

Staff Reports

Deputy Town Manager / Planning Director

Deputy Town Manager and Planning Director Wes Haskett presented the April 2026 planning report. A total of 60 permits were issued in April, consisting of 8 zoning permits, 24 building permits, 27 trade permits, and 1 lot disturbance/demolition permit. Total fees collected for April were \$21,219.88. One warning citation was mailed to a property owner for accumulation of rubbish and abandoned personal property. The Planning Board's next regular meeting is scheduled for May 18th at 5:00 PM at the Pitts Center, where they will consider a Zoning Text Amendment request to amend Town Code Section 132(a) regarding requirements for recombining nonconforming lots, if the meeting proceeds. Notice will be published the following week if confirmed.

Police Chief

Police Chief Kole presented the April 2026 police report. The department responded to 1,421 calls for service, approximately 56–57 more than the same period the prior year. There were 14 reported incidents totaling 25 offenses, 8 criminal arrests totaling 16 charges (including 9 drug-related charges), 149 traffic stops, 11 written citations for 17 charges, and 25 warning citations for 57 charges. Six reportable motor vehicle accidents occurred during the month.

Chief Kole also announced that the department successfully identified and arrested the individual responsible for the hit-and-run serious injury accident at the intersection of Chicahauk Road and Duck Road. Council Member Neilson inquired about the investigative

methods used; Chief Kole confirmed that the arrest resulted from diligent police work involving License Plate Readers (LPRs), camera footage, and sustained officer follow-through. When asked about the victim's condition, Chief Kole noted she had returned to Texas and was reported to be doing better, though she sustained significant injuries.

Fire Chief

Fire Chief Limbacher reported that the fire department responded to 57 calls in April 2026, which was 16 fewer than the same period the prior year (73 calls). The breakdown included structure fires, 31 EMS calls (majority falls and illness), 7 public service calls (majority patient assists), 7 non-emergency or alarm calls, and 5 calls cancelled en route. Chief Limbacher noted that call volume is expected to increase with the approaching summer season.

Council Member Neilson relayed a compliment from a citizen who had experienced a medical emergency and wished to express gratitude for the EMS and fire department response, specifically praising the deputy chief and crew for their skill and empathy. Chief Limbacher received the commendation graciously.

Town Manager

Town Manager Cliff Ogburn presented a speed limit ordinance for NC 12 for Council action, following previous Council discussion, a workshop, and a subsequent meeting between the Mayor, Town Manager, and NCDOT representatives. The proposed ordinance establishes a 35 MPH speed limit from the southern town boundary to Porpoise Run, and 40 MPH from Porpoise Run to 13th Avenue, returning to 35 MPH thereafter.

Town Manager Ogburn also reported on two other outcomes from the NCDOT meeting. The request for a double yellow no-passing zone on NC 12 is still under evaluation by NCDOT; Town Manager Ogburn indicated this commitment to evaluate would be followed up upon. Additionally, NCDOT committed to utilizing message boards in upper Currituck County to direct summer traffic and communicate travel time comparisons for NC 12.

Motion to authorize the Town Manager to sign the speed limit ordinance as presented was made by Mayor Morey and seconded by Mayor pro tem Neal. The motion carried unanimously.

Town Attorney

Town Attorney Philip Hornthal reported that he had no items to present but was present to assist.

General Public Comment

Sean Mulligan, 203 Mizzen Mast Ln., Southern Shores (resident since 1994), addressed the Council regarding beach nourishment methodology. Mr. Mulligan stated that the previous nourishment project created a straight linear beach profile that eliminated natural sand bars, cuts, and points, which are important for surf conditions, fishing, and swimmer safety. He requested that future nourishment designs incorporate a more naturally contoured beach profile rather than a uniform straight line.

New Business

5. Town Manager's Recommended Budget FY26-27

a) Town Manager's Recommended Budget Presented

Town Manager Ogburn presented the Town Manager's Recommended Budget for Fiscal Year July 1, 2026 through June 30, 2027, prepared in accordance with North Carolina General Statute Chapter 159-11.

The recommended general fund budget totals \$12,981,790, representing an increase of \$1,185,018 (10.04%) over the current fiscal year adopted budget. The budget is balanced using \$537,000 from fund balance and \$950,000 from the capital reserve fund for streets, which combined is equivalent to a 5-cent tax increase equivalent. However, no new tax increase is recommended for the general fund or beach nourishment funding. After applying the \$537,000 fund balance appropriation, the remaining fund balance will be \$2,185,671 (above the required minimum of \$3,500,000). The \$950,000 withdrawal from the street capital reserve fund will leave \$43,000 remaining for future projects.

Town Manager Ogburn outlined key revenue trends. Ad valorem tax revenue for FY27 is recommended at \$5,870,904, an increase of approximately 4% driven primarily by new construction rather than a rate increase. Revenue from occupancy tax is recommended at a 2.12% increase over last year but represents a nearly 7.5% decrease from FY 2023–24 actuals. Sales tax revenue is recommended at 1.7% growth, barely exceeding FY 2023–24 levels. Land transfer tax revenue increased approximately 2% over last year but decreased 6.5% from FY 2023–24. Town Manager Ogburn noted that all three non-ad-valorem revenue categories are trending in the wrong direction relative to prior peak performance. The revenue charts demonstrated a widening gap between ad valorem tax revenue (growing) and combined occupancy, sales, and land transfer revenues (declining), a reversal from the near-parity observed in FY 2021.

Town Manager Ogburn also highlighted solid waste cost trends: both the per-ton tipping fee and total tonnage collected are rising, increasing the overall cost of the sanitation program. Conversely, the tonnage of recycling collected is declining while recycling costs are increasing, suggesting a need for improved public outreach on the cost savings associated with recycling participation.

Council Member Batenic questioned how ad valorem revenue growth is achieved, to which Town Manager Ogburn confirmed the primary driver is new residential construction. Town Manager Ogburn cautioned Council about proposed North Carolina General Assembly constitutional amendments that would cap municipal tax rates, and noted that the current budget year was the first time the town had raised taxes since 2012. He indicated that without the fund balance and capital reserve appropriations, a further tax increase would have been required, and that the town is currently planning for a future tax increase.

b) Set Public Hearing for Budget

Motion to set a public hearing for the FY26-27 budget for June 2, 2026 at 10:00 AM was made by Council Member Batenic and seconded by Council Member Neilson. The motion carried unanimously.

Mayor Morey invited the public to contact Council members with questions or attend the June 2nd hearing to provide comment.

6. Public Hearing — consider ZTA-2026-01

Town Attorney Hornthal opened the public hearing to consider ZTA-2026-01, a Zoning Text Amendment application submitted by Daniel S. Osman to amend Town Code Sections 36-202(d)(4) and 36-202(d)(5) to establish a 10-foot minimum side yard setback and a 20-foot minimum rear yard setback for pool equipment, pool sheds, accessory structures up to 150 square feet, and mechanical equipment (HVAC) in the RS-1 zoning district.

Deputy Town Manager/Planning Director Haskett summarized the staff report. Current code requires a 15-foot minimum side yard setback and a 25-foot minimum rear yard setback. The application was submitted after the applicant discovered that a recently constructed pool cabana, for which permits had been obtained, did not meet the current 25-foot rear yard setback requirement. Town staff determined the proposed amendments are consistent with the Comprehensive Land Use Plan and recommended approval with amended language reducing the maximum accessory structure size from 150 to 144 square feet (to align with the standard 12-by-12 foot shed threshold that triggers a building permit requirement). The Planning Board voted unanimously 5-0 at their April 20, 2026 meeting to recommend approval, but with narrower language that would apply the reduced setbacks only to platforms for pool mechanical equipment and HVAC units, explicitly excluding accessory structures and sheds.

Public Hearing Comments:

Mark Martin, 191 Wax Myrtle Trail, owner of SandMark Custom Homes, spoke in favor of the ordinance. He provided historical context, noting that when the side setback was 10 feet, heat pump placement in the side yard was unproblematic. He described a specific construction situation in which a heat pump could not be placed in the side yard due to flood elevation constraints, resulting in costly redesign. He further noted that full-time residents increasingly request small storage sheds and suggested generators should also be included. He expressed concern that the current requirements push equipment to the center of lots, disrupting sight lines to open space.

Jay Mehfood, 37 Duck Woods Drive, identified himself as both a resident of 16 years and a builder (Mancuso Development). He stated that under current setbacks, an intended addition to his home to accommodate aging parents, including a pool and accessory building, would require removal of trees, demolition of an existing shed, and a \$40,000 or more septic system relocation—expenses he argued would be unnecessary with the proposed ordinance change.

Bill Seidler, 128 Duck Woods Drive, spoke as a homeowner seeking a location for a shed to store lawn and garden equipment. He expressed concern that the 15-foot setback requirement forces structures to be placed in the middle of the yard, disrupting sight lines to the water and negatively impacting both aesthetics and property values. He requested that a 10-foot setback at minimum be allowed for small structures.

Andy Ward, Chairman of the Southern Shores Planning Board, addressed the Council. He read the intent language of the RS-1 district, which emphasizes low-density development, preservation of natural features, abundant open space, and low-impact development—values he stated have been consistently endorsed by residents and visitors. He summarized the

Planning Board's position: while they recognized the applicant's situation as an unfortunate error, they did not believe it warranted a town-wide ordinance change encompassing pool sheds and accessory structures up to 150 square feet. The Planning Board unanimously recommended approval only for reduced setbacks applicable to platforms for pool mechanical equipment and HVAC equipment. Planning Board Chair Ward also suggested that a variance may be a more appropriate remedy for the applicant's specific situation.

Duke Garrity, Government Affairs Director for the Outer Banks Home Builders Association, provided historical context regarding the 2000 ordinance change that increased side setbacks from 10 to 15 feet, noting the change was motivated by concerns about large rental homes coming into the market rather than about small structures or mechanical equipment. He noted that most neighboring jurisdictions permit sheds as close as 5 feet to property lines, and that the Town of Kitty Hawk recently amended its ordinance to allow pool decks to go to the property line.

Town Attorney Hornthal closed the public hearing.

Council Discussion:

Mayor Pro Tem Neal engaged Planning Director Haskett in a detailed discussion clarifying what is and is not currently permitted within setbacks. Items currently permitted within setbacks include patios and decks below 30 inches in height (which may go to the property line), driveways, parking spaces, retaining walls and pool fences up to 6 feet in height, and light poles. Items not currently permitted within setbacks include structures above 30 inches such as sheds, greenhouses, and ground-mounted solar arrays. Mayor Pro Tem Neal calculated that the existing setbacks reserve approximately 55% of a standard 100-by-200-foot lot as open area, and that the proposed 144-square-foot allowance would reduce that by a minimal amount.

Mayor Pro Tem Neal also asked about the number of citizen complaints related to setback violations versus inquiries about placing structures within setbacks. Planning Director Haskett confirmed that while there have been very few complaints about structures in violation of the setback, requests from residents and contractors asking about placing sheds and equipment closer to property lines are very common.

Council discussion reflected broad interest in a more comprehensive approach. Mayor Morey expressed discomfort with making a town-wide ordinance change in response to a single contractor error of approximately 8 inches, while acknowledging the legitimate needs raised by the public. She noted that other remedies potentially available to the applicant include purchasing additional property or reducing the structure's footprint. Mayor Morey suggested tabling the ZTA and gathering more input, noting that only four of five Council members were present and that the matter is significant.

Mayor Pro Tem Neal proposed a three-part course of action: (1) table the existing ZTA; (2) direct staff to draft a town code amendment establishing an administrative variance process similar to those used in the towns of Duck and Nags Head, which would allow staff-level approval of minor setback encroachments within defined limits; and (3) direct staff to draft a new, comprehensive companion ZTA that addresses all building-servicing equipment—including HVAC, pool equipment, generators, and potentially solar equipment—as well as accessory structures up to 144 square feet, drawing on staff expertise and builder/homeowner input before going to the Planning Board.

Council Member Batenic and Council Member Neilson expressed general agreement. Discussion clarified that the administrative variance tool should be scoped with input from Planning Director Haskett identifying the types of situations his office most commonly encounters, with the Planning Board and Council retaining the ability to define appropriate limitations. Council Member Batenic raised a question about whether generators would need to be included given the 10-foot separation requirement from the structure, noting practical placement challenges.

Motion to table ZTA-2026-01 was made by Mayor Pro Tem Neal and seconded by Mayor Morey. The motion carried unanimously.

Motion to direct town staff to draft a town code amendment establishing an administrative variance approval process for minor setback variations was made by Mayor Pro Tem Neal and seconded by Mayor Morey. The motion carried unanimously.

Motion to direct town staff to draft a comprehensive companion ZTA addressing all equipment servicing a building (including HVAC, pool equipment, generators, and related mechanical equipment) as well as accessory structures up to 144 square feet, to be brought forward through the Planning Board process, was made by Mayor Pro Tem Neal and seconded by Council Member Batenic. The motion carried unanimously.

7. TCA-Chapter 32, Utilities

Deputy Town Manager/Planning Director Haskett presented TCA-2026-01, a Town Code Amendment to Chapter 32 (Utilities) initiated by a Council directive at the May 6, 2025 meeting to modernize the Town Code. The primary objectives of the amendment are to align the Town's utilities chapter with North Carolina General Statutes regarding the permitting of wastewater systems, clarify that the statutory authority to regulate and approve wastewater permits rests with either the Dare County Health Department or the NC Department of Environmental Quality (NCDEQ), and streamline the Town's role to one of monitoring and enforcement rather than permit issuance.

Key provisions include: the deletion of the Town's former role in issuing wastewater system construction permits; the establishment that any wastewater system operating within Town limits must comply with all state and county requirements; the retention of the Town's authority to monitor existing wastewater systems and enforce violations; the retention of the existing \$5,000 penalty for violations; and the Planning Board's continued ability to review proposed wastewater systems during site plan approval. The Town's engineer, Joe Anlauf, was present to address technical questions.

Council Member Batenic confirmed with Planning Director Haskett that there is one existing private community wastewater treatment plant in town (at Southern Shores Landing), and that the amendment preserves the Town's ability to request status reports and monitor its operation. Mr. Anlauf clarified additional context: the referenced treatment plant is currently under state-managed special order by consent due to prior compliance issues, with revenues from billing supporting the operation. He also noted there are other advanced treatment systems within the Town, including bio-clear and EZ-treat systems at nearby commercial properties, and that these differ from traditional septic systems in their treatment process and maintenance schedules.

Council Member Neilson summarized the practical effect of the ordinance, asking whether this means the Town would not be obligated to take over a failing treatment facility—a concern confirmed by Mr. Anlauf, who clarified that the Town never had that statutory obligation, and that the state assumes regulatory responsibility in cases of non-compliance. The Planning Board voted unanimously 5-0 to recommend approval at their April 20, 2026 meeting.

Motion to approve TCA-2026-01, amending Town Code Chapter 32 (Utilities), as presented by town staff, was made by Council Member Batenic and seconded by Council Member Neilson. The motion carried unanimously.

Mayor Morey commended staff and the Planning Board for their work on this modernization effort, calling it a meaningful improvement to the Town Code.

Council Business

Mayor Pro Tem Neal reported that the Entry Corridor Committee recently made a presentation to the Southern Shores Civic Association regarding the boat club and received lively, valuable community feedback. The next corridor committee meeting is scheduled for May 13, 2026 at 9:00 AM at the Pitts Center.

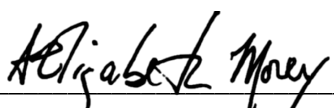
Council Member Neilson reported on the America250 (A250) celebration events held in Manteo, noting strong attendance at both downtown Manteo and Festival Park. He encouraged residents to visit the A250 website for the full schedule of upcoming events including Fourth of July activities and a passport program for all ages. Council Member Neilson also noted that the Town's "Door Saver" program video—featuring Fire Chief Limbacher and Police Chief Kole—has been posted to the Town's website and Facebook page.

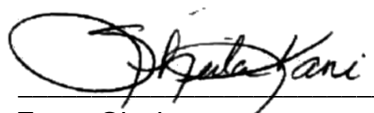
Council Member Batenic provided a monthly report from the Dare County Tourism Board. He noted concerns about fuel prices and their potential impact on visitor volume. He described the board's outlook as "cautiously optimistic" regarding the upcoming summer season.

Mayor Morey announced the next regular Town Council meeting will be held on Tuesday, June 2, 2026 at 10:00 AM — Public Hearing on the FY26-27 Budget will be held at this meeting.

Adjourn

Motion to adjourn was made by Council Member Batenic. The motion carried unanimously. The meeting was adjourned.


Elizabeth Morey, Mayor


Town Clerk

