

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, March 14, 2017, in the Municipal Chambers located at 202 South 8th Street, Morehead City, North Carolina. Those in attendance were:

COUNCIL PRESENT: Mayor Gerald A. Jones, Jr.; Councilmen George W. Ballou, Demus L. Thompson, Harvey N. Walker, Jr.; and Councilwoman Diane C. Warrender.
Mayor Pro Temp William F. Taylor was absent.

STAFF PRESENT: City Manager David S. Whitlow; City Attorneys Derek Taylor and Michael Thomas; Planning and Inspections Director Linda Staab; Public Services Director Daniel Williams; Assistant Public Services Director Dale Price; Police Chief Bernette Morris and Police Capt. Haywood Wilder; Fire Chief Jamie Fulk; Deputy Fire Chief Jack Manley; Assistant Fire Chief/Fire Inspector Dykeman Bailey; Firemen Bobby Stephens, Clayton Webster, Justin Lewis, Neil Fulcher, and Billy Beck; Fire Administrative Assistant Susan Davis; City Clerk Jeanne M. Giblin; and City Clerk Trainee Cathy Campbell

OTHERS: Anna Harvey of The Carteret News Times; Holly Fletcher; David King; Chuck and Jane Sewell; Anthony Sadorski, Michael and Frances Gooden; Douglas and Jane Hill; John and Barbie Smith; Manly and Louise Smith; Audrey Fulcher; Ed Fulcher; Linda Phelps; Sam Blackwood; Deanna Rand; Keri McCann, and Mike Thomas.

Mayor Jones called the regular meeting of the Morehead City Town Council to order at 5:30 p.m., on Tuesday, March 14, 2017 in the Municipal Building Council Chambers with a quorum present. Councilman Thompson gave the invocation and Mayor Jones led all in The Pledge of Allegiance.

PRESENTATIONS

Resolution of Appreciation 2017-12 to Lieutenant John Smith Upon His Retirement from the Morehead City Fire/EMS Department on January 24, 2017.

Mayor Jerry Lewis presented Resolution 2017-12 to Fire Lieutenant John Smith in recognition of his retirement and in appreciation of his 26 years of service to the Morehead City Fire/EMS Department. John joined the Department in September 1991 and continued to be an active member after transitioning to part-time status in 2007. Mayor Jones recognized John's devotion and commitment to the City he served so faithfully. John responded to numerous large fires in and around town and delivered public fire education classes throughout Morehead City.

Chief Fulk presented John with his helmet and badge stating that John is a great individual as well as a great fireman who will be sorely missed. Mr. Smith thanked the Council, staff and fellow firemen for allowing him to be part of the finest fire department in the state.

The Council agreed by consensus to adopt Resolution of Appreciation 2017-12 in recognition of Lieutenant John Smith Upon His Retirement from the Morehead City Fire/EMS Department on January 24, 2017 as presented.

Resolution 2017-12 reads as follows:

*Resolution 2017-12
In Appreciation To
Lieutenant John Smith
Upon His Retirement from the Morehead City Fire/EMS Department*

WHEREAS, the Town of Morehead City desires to recognize and honor employees of the Town for dedicated and distinguished contributions to the community; and

WHEREAS, John Smith retired from the Morehead City Fire/EMS Department on January 24, 2017; and

WHEREAS, John Smith began his career as a volunteer with the Morehead City Fire/EMS Department in 1991; became a part-time employee in 2007, and reached the rank of Lieutenant, a position he has held to the present day; and

WHEREAS, John Smith responded to numerous large fire calls in and around Morehead City; and

WHEREAS, He made a difference in the community delivering public fire education classes; and

WHEREAS, John Smith was engaged in one of the most hazardous occupations in the United States and at any time and during any emergency, he could be called upon to sacrifice his life in the performance of his duties.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Town of Morehead City, that appreciation be shown to **John Smith** and his family, to honor him for his loyal service and dedication to the citizens of Morehead City and urge all to extend congratulations to him upon his retirement and extend best wishes for many more happy and productive years in his future.

CONSENT AGENDA

Mayor Jones reviewed the Consent Agenda as presented to the Town Council for review and approval. Included within the Consent Agenda were the following approvals:

- A. Approve February 8, 2017 Special Town Council Budget Meeting Minutes**
- B. Approve February 14, 2017 Regular Town Council Meeting Minutes**
- C. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for February 2017, in the amount of \$509.08; and Accept the Tax Collector and Finance Director Reports for February 2017**

Ad Valorem Taxes:

TOWN OF MOREHEAD CITY
REQUESTED REFUNDS
AS OF 02/28/17
PREPARED BY SHIRL MEADOWS, TAX COLLECTOR

Tax Year	Payee/Taxpayer	Parcel No. and/or Account No.	Requested by/Refund to	Amount of Tax & Interest Paid	Amount of Interest Due	Total Refund	Reason
2015	WELLS FARGO REF: JOHN EDWARDS ETUX KATHLEEN	447403	JOHN EDWARDS 3001 MANDY LN MOREHEAD CITY, NC 28557	509.08		509.08	DOUBLE PAYMENT
						0.00	
						0.00	
						509.08	

Tax Collector's Report:

Town Levied Taxes:

The following taxes were collected for the month of February 2017:

2016	\$ 166,349.91	2011	\$ 0.00	2006	\$ 0.00
2015	\$ 2,093.34	2010	\$ 486.15		
2014	\$ 494.55	2009	\$ 0.00		
2013	\$ 536.92	2008	\$ 0.00	OTHER	
2012	\$ 0.00	2007	\$ 0.00	PENALTIES	\$ 9,025.61

The following is fiscal year to date tax information through February 28th, 2017 with comparatives to 2016:

	<u>2017</u>	<u>2016</u>
Tax Scroll (Net Levy)	6,682,755.46	6,562,466.91
Taxes collected (incl. discounts, net of refunds)	6,548,670.49	6,427,375.03
Balance due on taxes	134,084.97	135,091.88
Percentage of tax collected to date	97.99%	97.94%

Prior year taxes collected to date (net of refunds)	36,333.85	37,942.08
Prior year taxes outstanding	44,391.34	39,766.76
Interest and penalties collected to date (net of refunds)	17,396.89	20,429.89

Notes:

1. Overpayments for February 2017 totaled \$2,079.57. Refunds requested totaled \$509.08.
2. Attachments and garnishments are used as a means of collection on delinquent taxes.

MOTOR VEHICLE TAXES:

Carteret County collected the following taxes for the fiscal year through February 28th, 2017 with comparative information for 2015 & 2016. The County collects and remits these taxes to the Town, net of a 1½% collection fee (legacy system only).

	<u>12/31/16</u>	<u>12/31/15</u>	
Fiscal year to date tax levy	149,088.01	115,428.94	A
Interest billed on taxes	154.38	143.29	B
Total billed	149,242.39	115,572.23	C
Current year taxes collected	149,088.01	115,428.94	D
Prior year taxes collected	8.28	108.94	E
Interest collected	658.83	790.45	F
Collection fee charged (Both systems)	9,041.99	6,518.23	G
Percentage of tax collected to date	100.00%	100.36%	H

	<u>1/31/17</u>	<u>1/31/16</u>	
Fiscal year to date tax levy	175,675.46	161,186.29	A
Interest billed on taxes	205.54	122.77	B
Total billed	175,881.00	161,309.06	C
Current year taxes collected	175,675.46	161,186.29	D
Prior year taxes collected	8.28	0.00	E
Interest collected	864.37	965.59	F
Collection fee charged (Both systems)	10,592.65	9,373.79	G
Percentage of tax collected to date	100.00%	100.30%	H

The above figures are a combination of the old County motor vehicle billing/collecting system and the new Tax & Tag system run by the Department of Revenue. The method of calculating the collection percentage for motor vehicles changed with the new Tax & Tag system. The expected collection percentage is at or near 100%. The above is for part of December and all of January as both periods were remitted to the Town in February.

Finance Director's Report:

Included in Finance Director Jewel Lasater's report were the cash and investment balances and interest rates for the Town of Morehead City for February 2017 along with the prior year comparative balances for the same time period.

Central Depository Funds		February – 17	February – 16
<u>Unrestricted Fund Accounts</u>			
Branch Banking & Trust - General Disbursement Acct.	(A)	\$ 3,177,201.09	\$ 2,784,258.87
Branch Banking & Trust – Money Rate Acct.	0.10%	6,317,188.69	7,267,276.30
North Carolina Capital Management Trust			
Cash Account	0.43%	463,466.54	96,149.32
Term Account	0.80%	12,398,143.07	9,578,643.45
Finistar	0.17%	<u>2,172,275.77</u>	<u>2,164,777.04</u>
Total Unrestricted Cash & Investments		24,528,275.16	21,891,104.98
<u>Restricted Fund Accounts</u>			
Branch Banking & Trust – Employee Reimbursement Acct.		29,490.21	11,125.32
Branch Banking & Trust – USDA Required Restricted Acct.		300,195.98	197,200.33
Branch Banking & Trust – USDA Required Restricted CD		<u>22,139.00</u>	<u>22,139.00</u>

Total Restricted Cash & Investments		351,825.19	230,464.65
Total Cash & Investments	February-28	24,880,100.35	22,121,569.63
Total Cash & Investments	January-31	25,078,931.31	22,049,505.79
Increase (Decrease)		(198,830.96)	72,063.84
Interest Received	February-28	9,315.52	3,947.65
Interest Received Fiscal Year to Date		\$ 63,384.49	\$ 19,643.25

The Town began maintaining a \$2,500,000 minimum balance in the general disbursement account to reduce bank service charges in April 2014. The interest rate equivalent on the service charge reduction is approximately .25%.

D. Adopt Resolution 2017-09 Endorsing the Big Rock/Blue Marlin Fishing Tournament and Authorizing Action Necessary for the Event to be Held June 9-17, 2017, on the Morehead City Waterfront

This is the 59th year for this sportfishing tournament which promotes conservation and raises money for charities and worthwhile community projects. Since 1988, the Tournament has donated over \$2.33 million to charities. As in past years the Tournament is requesting the closing of specific streets and public properties together with ancillary services from the City. The Public Works Committee of the Council reviewed the request at their last meeting and recommended approval.

Resolution 2017-09 reads as follows:

**TOWN OF MOREHEAD CITY
RESOLUTION 2017-09
ENDORING THE BIG ROCK/BLUE MARLIN [CRYSTAL COAST TOURNAMENTS, INC.]
FISHING TOURNAMENT AND AUTHORIZING ACTION NECESSARY FOR THE EVENT TO BE
HELD JUNE 9 THROUGH JUNE 17, 2017,
ON THE MOREHEAD CITY WATERFRONT**

*WHEREAS, Crystal Coast Tournaments d/b/a The Big Rock/Blue Marlin Tournament (hereinafter called "The Tournament"), a private, non-profit corporation in Morehead City, North Carolina, shall be responsible for conducting a major fishing tournament in Morehead City during the dates of **June 9 to June 17, 2017**. The Tournament shall engage in promoting sportfishing throughout Carteret County and the State of North Carolina; by promoting conservation among sportfishermen; by raising money for charities and worthwhile community projects; by preserving maritime culture and heritage and by promoting marine education with the Town of Morehead City providing solely ancillary services as requested by The Tournament; and*

WHEREAS, The Tournament proposes to engage participation of sponsors to display around the weigh station area, and hold events at the Crystal Coast Civic Center on Friday, June 9, 2017, from 6:00 p.m. to 10:00 p.m., on Saturday, June 10, 2017, from 6:00 p.m. to 11:00 p.m., on Wednesday, June 14, 2017, from 6:00 p.m. to 10:00 p.m., and on Saturday, June 17, 2017, from 6:30 p.m. to 10:30 p.m., and

WHEREAS, The Tournament requests the closing of certain streets on specified dates in order to establish location and boundary necessary for the events, the use of certain sidewalks within the boundaries of the closed streets for the locations of exhibits, booths, displays, artists and vendors, the use of the Morehead City Boat Docks at Jaycee Park and the use of other City open property for The Tournament activities; and

WHEREAS, The Tournament plans to levy such fees as may be necessary to cover those costs associated with planning, organizing, and conducting The Tournament and these fees (e.g. registration) shall be in addition to any other City Fees or license normally required to cover business activities.

NOW THEREFORE, LET IT BE RESOLVED, by the Town Council of the Town of Morehead City, North Carolina, in regular session, that it wholeheartedly endorses the organization of the Tournament; and

BE IT FURTHER RESOLVED, that the Town Council of the Town of Morehead City, North Carolina, authorized the following:

1. *The temporary closing of Evans Street between 7th and 8th Streets and at Shepard Street [Tournament Central] June 9–17, 2017, from 2:00 p.m. to 7:00 p.m. each day. The Tournament shall be responsible for providing personnel to manage the ingress and egress of both vehicles and pedestrians during the hours of the tournament.*
2. *The temporary closing of Shepard Street for the purpose of display and exhibit booths for sponsors*

during the entire week of the tournament from June 9 to 18, 2017. Privately authorized access will be allowed through the parking lot entrance by Red Fish Grill.

3. *Police presence for June 9–17, 2017, for daily registration; crowd control during weigh-in on June 10–17, 2017; and traffic control at the Crystal Coast Civic Center on Friday, June 9 and Saturday, June 10, 2017, from 6:00 p.m. to 11:00 p.m., on Wednesday, June 14, 2017, from 6:00 p.m. to 10:00 p.m., and on Saturday, June 17, 2017, from 6:30 p.m. to 10:30 p.m.*
4. *The Tournament shall have the use of the ten [10] boat slips/docks at Jaycee Park during the entire week of the tournament from June 9 – 18, 2017. The Tournament shall have the use of City parks and other designated open public space within the City upon permission from the Parks and Recreation Department.*
5. *The Tournament is an independent entity and is not a part of or connected to the Town of Morehead City and is solely responsible for the planning, organizing, implementing and monitoring of the activities.*
6. *The Tournament is solely responsible in its capacity as an independent entity to see such activities are carried out in compliance with all federal, state and local laws and regulations, and is carried out in a manner protecting the property rights of citizens and insuring the safety and well-being of citizens attending the activities.*
7. *The Tournament shall have the sole authority to assign exhibition and vending space and have final approval on activities of vendors allowed to be registered.*
8. *The Tournament shall indemnify, reimburse, keep and hold harmless, the Town from any liability on account of any kind of injury, damage, or liability whatsoever from injury [including death] or damage to property arising out of the occupation or use of the Town parks, streets, sidewalks, parking areas, building, toilet facilities, docks and any other property, buildings and facilities owned, leased or under the control of the Town within the areas occupied, used or controlled by The Tournament or any exhibitor or vendor or out of the sale of all foods, goods and products during the Big Rock/Blue Marlin Fishing Tournament; and also, for any claim or damage which may result directly or indirectly from The Tournament's failure to carry out this agreement, except that the Town shall remain liable for any actions it would otherwise be liable at law for due to the negligence of the Town or its employees or due to the intentional wrongdoing of the Town or its employees. In the event that any suit or proceeding is brought against the Town at law or in equity, either independently or jointly with The Tournament, or either of them, on account of any use or occupation of Town streets, sidewalks, parks, parking areas, buildings, toilet facilities, docks and any other property, buildings and facilities owned, leased or under the control of the Town within the areas occupied, used or controlled by the Tournament or any exhibitor or vendor and all goods, products and food by any of them, The Tournament will defend the Town with total cost accruing to The Tournament including all reasonable attorney fees for The Tournament and Town. The Town of Morehead City may select Counsel of its own choosing to consult with The Tournament's attorney and/or participate in the defense of such suit or proceeding. In the event of final judgment or decree being obtained against the Town, either independently or jointly with The Tournament, or either of them, The Tournament, to the extent provided herein, shall pay such judgment and all costs or comply with such decree and pay all costs and expense of whatsoever nature, including interest and fines, and hold the Town completely harmless therefrom. The indemnification and hold harmless obligations of The Tournament will not be limited in anyway by the limits of insurance provided for in this agreement.*
9. *The Tournament shall secure liability insurance effective during the course of The Tournament activities. The limits of the policy shall be determined by the City Manager. The kind of insurance required shall include, but not limited to, comprehensive general liability, including personal injury, blanket contracting and non-owned auto. The City shall be named as an additional insured.*
10. *The Tournament shall be held responsible for any damage/loss to Town property within the designated Tournament boundaries and shall leave the areas used broom cleaned.*
11. *The Tournament will notify all owners within the confines of the street closings two [2] weeks before the event of those City streets which will be closed to traffic for the event.*
12. *The Town of Morehead City will be recognized as a host and all advertising will acknowledge this.*
13. *The City Manager shall be the liaison person to The Tournament and shall determine the scope of ancillary Town services to be provided to The Tournament.*

E. Adopt Resolution 2017-10 Endorsing the Swansboro Rotary Bluewater Fishing Tournament and Authorizing Action Necessary for the Event to be Held on the Morehead City Waterfront May 24-29, 2017

The Swansboro Rotary Bluewater Fishing Tournament proposes to hold a Fishing Tournament on May 24-29, 2017, at the Big Rock Landing to promote sportfishing

throughout Carteret County and the State of North Carolina. The event raises money for charitable institutions. The Public Works Committee of the Council reviewed the proposed Resolution at their last meeting and recommended adoption.

Resolution 2017-10 reads as follows:

**TOWN OF MOREHEAD CITY RESOLUTION 2017-10
ENDORING THE SWANSBORO ROTARY BLUEWATER FISHING TOURNAMENT AND
AUTHORIZING ACTION NECESSARY FOR THE EVENT TO BE HELD ON THE MOREHEAD
CITY WATERFRONT
MAY 25-29, 2017**

***WHEREAS**, the Swansboro Rotary Bluewater Fishing Tournament a non-profit corporation in North Carolina, shall be solely responsible for conducting a major fishing tournament event in Morehead City on May 25-29, 2017. The Swansboro Rotary Bluewater Fishing Tournament will engage in promoting sport fishing throughout Carteret County and the State of North Carolina; by promoting conservation among sports fishermen; by raising money for charities; by preserving maritime culture and heritage; and by promoting marine education. The Town of Morehead City will provide only ancillary services as requested by the Swansboro Rotary Bluewater Fishing Tournament; and*

***WHEREAS**, the Swansboro Rotary Bluewater Fishing Tournament proposes to engage participation of sponsors to display around the weigh-in station area at Big Rock Landing from Thursday, May 25th at 12:00 Noon to Monday, May 29th at 11:00 p.m., and*

***WHEREAS**, the Swansboro Rotary Bluewater Fishing Tournament requests the use of Big Rock Landing from Thursday, May 25th until Monday, May 29th for tent setup and breakdown; and*

***WHEREAS**, the Swansboro Rotary Bluewater Fishing Tournament requests the temporary closure of the parking spaces along the front Big Rock and the sidewalks nearest the docks to be used for weigh-in and spectator viewing; and*

***WHEREAS**, the Swansboro Rotary Bluewater Fishing Tournament plans to levy such fees as may be necessary to cover those costs associated with the planning, organizing and conducting the Swansboro Rotary Bluewater Fishing Tournament and these fees (e.g., registration) shall be in addition to any other City fees or license normally required to cover business activities.*

***NOW THEREFORE, BE IT RESOLVED**, by the Town Council of the Town of Morehead City, North Carolina, in regular session that it wholeheartedly endorses the organization of the Swansboro Rotary Bluewater Fishing Tournament; and*

***BE IT FURTHER RESOLVED**, that the Town Council of the Town of Morehead City, North Carolina authorized the following:*

- 1. The use of Big Rock Landing from Thursday, May 25, 2017 to Monday, May 29, 2017, for tent setup and breakdown. The use of Big Rock Landing from Thursday, May 25, 2017 at 12:00 noon until Monday, May 29, 2017 at 11:00 p.m. for sponsor display, weigh-in station area and spectator viewing.*
- 2. The temporary closure of the parking spaces along the front of Big Rock Landing [710 Evans Street], the sidewalks nearest the docks, and the portion of 705-707 Shepard Street between the Big Rock Fountain and the observation deck from Thursday, May 25th, 2017 at 12:00 noon until Monday, May 29, 2017 at 11:00 p.m., to be used for weigh-in and spectator viewing.*
- 3. The Swansboro Rotary Bluewater Fishing Tournament is declared an independent entity and is not a part of or connected to the Town of Morehead City and is solely responsible for the planning, organizing, implementing and monitoring of the activities.*
- 4. The Swansboro Rotary Bluewater Fishing Tournament is solely responsible in its capacity as an independent entity to see such activities are carried out in compliance with all federal, state, and local laws and regulations, and is carried out in a manner protecting the property rights of citizens and insuring the safety and well-being of citizens attending the activities.*
- 5. Subject to Morehead City approval, the Swansboro Rotary Bluewater Fishing Tournament shall have the sole authority to assign exhibition and vending space and have final approval on activities or vendors allowed to be registered.*
- 6. The Swansboro Rotary Bluewater Fishing Tournament shall indemnify, reimburse, keep and hold harmless, the City from any liability on account of any kind of injury, damage, or liability whatsoever from injury [including death] or damage to property arising out of Swansboro Rotary Bluewater Fishing Tournament occupancy or use of the City parks, streets, sidewalks, parking areas, buildings, toilet facilities, docks and any other property, buildings and facilities owned, leased or under the control of the City within the areas occupied, used or controlled by the Swansboro Rotary Bluewater Fishing Tournament, or any exhibitor or vendor or out of the sale of any goods and products during the event; and also, for any claim or damage which may result directly or indirectly from the failure of the Swansboro*

Rotary Bluewater Fishing Tournament to carry out this agreement, except that the City shall remain liable for any actions it would otherwise be liable at law for due to the negligence of the City or its employees or due to the intentional wrongdoing of the City or its employees. In the event that any suit or proceeding is brought against the City at law or in equity, either independently or jointly with the Swansboro Rotary Bluewater Fishing Tournament, or either of them, on account of any use or occupation of City street, sidewalks, parks, parking areas, buildings, toilet facilities, docks and any other property, buildings and facilities owned, leased or under the control of the City within the areas occupied, used or controlled by the Swansboro Rotary Bluewater Fishing Tournament or any exhibitor or vendor and all goods, products and food by any of them, the Swansboro Rotary Bluewater Fishing Tournament will defend the City with total cost accruing to the Swansboro Rotary Bluewater Fishing Tournament including all reasonable attorney fees for the Swansboro Rotary Bluewater Fishing Tournament and the City. The Town of Morehead City may select Counsel of its own choosing to consult with the Swansboro Rotary Bluewater Fishing Tournament attorney and/or participate in the defense of such suit or proceeding. In the event of final judgment or decree being obtained against the City, either independently or jointly with the Swansboro Rotary Bluewater Fishing Tournament, or either of them, the Swansboro Rotary Bluewater Fishing Tournament to the extent provided herein shall pay such judgment and all costs or comply with such decree and pay all costs and expense of whatsoever nature, including interest and fines, and hold the City completely harmless therefrom.

7. *The Swansboro Rotary Bluewater Fishing Tournament shall secure liability insurance effective during the course of the activities. Limits of the policy shall be determined by the City Manager. The kind of insurance required shall include, but not limited to comprehensive general liability, including personal injury, blanket contracting. The City shall be named as an additional insured.*

8. *The Swansboro Rotary Bluewater Fishing Tournament shall be held responsible for any damage/loss to City property within the designated event boundaries and shall leave the area used broom clean.*

9. *The Swansboro Rotary Bluewater Fishing Tournament will notify all property owners in the vicinity of the event at least one [1] month before the event.*

10. *The City Manager shall be the liaison person to the Swansboro Rotary Bluewater Fishing Tournament and shall determine the scope of ancillary City services to be provided to the Swansboro Rotary Bluewater Fishing Tournament.*

11. *The Town of Morehead City will be recognized as a host and all advertising will acknowledge this.*

F. Adopt Resolution 2017-11 Endorsing the Pints For A Purpose, Inc. Fundraising Concert and Benefit and Authorizing Actions Necessary for the Event to be Held Sunday, July 2, 2017

This is the first time for this event to be held. It will be similar in setup to the Oyster Festival and the organizer will manage ingress and egress from the area to allow boaters to utilize the docks and pedestrians to access the sidewalks. The Public Works Committee reviewed the request and moved to have the resolution added to the consent agenda.

Resolution 2017-11 reads as follows:

**TOWN OF MOREHEAD CITY
RESOLUTION 2017-11
ENDORING THE PINTS FOR A PURPOSE, INC. FUNDRAISING
CONCERT AND BENEFIT AND AUTHORIZING ACTIONS NECESSARY
FOR THE EVENT TO BE HELD
SUNDAY, JULY 2, 2017 AND MONDAY, JULY 3, 2017**

WHEREAS, *We – Pints for a Purpose, Inc., a 501[c]3 Corporation, shall be responsible for conducting a Fundraising Concert and Benefit in Morehead City, North Carolina in partnership with Tight Lines Pub & Brewing Co. and Ultimate Entertainment Productions; and*

WHEREAS, *the Fundraising Concert and Benefit will be held at 709 Arendell Street, Morehead City, N.C. beginning at 5:00 a.m. on Sunday, July 2, 2017 and continuing until Monday, July 3, 2017 at Midnight; and*

WHEREAS, *the Fundraising Concert and Benefit requests to establish location and boundary necessary for the events, the use of certain sidewalks and parking areas within the boundaries of the location for live music, street vendors and food service; and*

WHEREAS, *all proceeds from the Fundraising Concert and Benefit are designated to benefit the Wounded Warrior Project.*

NOW, THEREFORE, BE IT RESOLVED, that the Town Council of the Town of Morehead City, North Carolina, in regular session, endorses Pints for a Purpose, Inc.'s Fundraising Concert and Benefit and authorizes the following:

1. *The temporary usage of parking areas and sidewalks in the vicinity of 709 Arendell Street, Morehead City, N.C. beginning at 5:00 a.m. on Sunday, July 2, 2017 and continuing until Monday, July 3, 2017 at Midnight. The Festival shall be responsible for providing personnel to manage the ingress and egress of both vehicles and pedestrians during the hours of the Concert and Benefit.*
2. *Pints for a Purpose, Inc. is declared an independent entity and is not an employee or agent of the Town of Morehead City and is solely responsible for the planning, organizing, implementing and monitoring of the Concert and Benefit.*
3. *Pints for a Purpose, Inc. is solely responsible in its capacity as an independent entity to see such activities are carried out in compliance with all federal, state and local laws and regulations, and is carried out in a manner protecting the property rights of citizens and ensuring the safety and well-being of citizens attending the activities.*
4. *Pints for a Purpose, Inc. shall indemnify, reimburse, keep and hold harmless, the Town from any liability on account of any kind of injury, damage, or liability whatsoever from injury [including death] or damage to property arising out of Pints for a Purpose, Inc. occupation or use of the Town parks, streets, sidewalks, parking areas, buildings, toilet facilities, docks and any other property, buildings and facilities owned, leased or under the control of the City within the areas occupied, used or controlled by Pints for a Purpose, Inc. or any exhibitor or vendor or out of the sale of all foods, goods and products during the North Carolina Seafood Festival; and also, for any claim or damage which may result directly or indirectly from Pints for a Purpose, Inc.'s failure to carry out this agreement, except that the Town shall remain liable for any actions it would otherwise be liable at law for due to the negligence of the Town or its employees or due to the intentional wrongdoing of the Town or its employees. In the event that any suit or proceeding is brought against the Town at law or in equity, either independently or jointly with Pints for a Purpose, Inc., or either of them, on account of any use or occupation of Town parks, streets, sidewalks, parking areas, buildings, toilet facilities, docks and any other property, buildings and facilities owned, leased or under the control of the City within the areas occupied, used or controlled by Pints for a Purpose, Inc. or any exhibitor or vendor and all goods, products and food by any of them, Pints for a Purpose, Inc. will defend the Town with total cost accruing to Pints for a Purpose, Inc., including but not limited, to all reasonable attorney fees for Pints for a Purpose, Inc. and Town. The Town of Morehead City may select Counsel of its own choosing to consult with Pints for a Purpose, Inc. attorney and/or participate in the defense of such suit or proceeding. In the event of final judgment or decree being obtained against the Town, either independently or jointly with Pints for a Purpose, Inc., or either of them, Pints for a Purpose, Inc. to the extent provided herein shall pay such judgment and all costs or comply with such decree and pay all costs and expense of whatsoever nature, including interest and fines, and hold the Town completely harmless therefrom. The indemnification and hold harmless obligations of Pints for a Purpose, Inc. will not be limited in anyway by the limits of insurance provided for in this agreement.*
5. *Pints for a Purpose, Inc. shall secure liability insurance effective during the course of the concert and benefit. The limits of the policy shall be determined by the City Manager. The kind of insurance required shall include, but not limited to, comprehensive general liability, including personal injury, blanket contracting and non-owned auto.*
6. *Pints for a Purpose, Inc. shall be held responsible for any damage/loss to Town property with the designated event boundaries and shall leave the areas used broom cleaned.*
7. *The Town of Morehead City is recognized as a sponsor and all advertising must acknowledge the City in this capacity.*
8. *Pints for a Purpose will notify all property owners in the vicinity of the event at least two (2) weeks before.*
9. *The City Manager shall be the liaison person to Pints for a Purpose, Inc. and shall determine the scope of ancillary Town services to be provided to the event.*

G. Adopt Budget Ordinance Amendment 2017-09 for Miscellaneous Revenues and Expenses in the General Fund and to Increase the Fire & EMS Fund Revenues and Expenses

Budget Ordinance Amendment 2017-09 reads as follows:

**TOWN OF MOREHEAD CITY
FY 2016-2017 BUDGET ORDINANCE AMENDMENT - 2017**

	<i>Annual Budget Before Amendment</i>	<i>Annual Amended Budget</i>	<i>Difference</i>
GENERAL FUND			

The purpose of this amendment is to update the budget as follows:

The following three descriptions make up the \$40,480 Amendment to Miscellaneous revenue:

- To increase Miscellaneous revenue by \$36,181 to recognize funds from 70 West for portion of Neuse Ave. repaving (outside of travel lanes) and to increase Powell Bill expenditures by the same.
- To increase Miscellaneous revenue by \$1,085 to recognize the sale of surplus (VIN #8886) and to increase the Police department by the same
- To increase Miscellaneous revenue by \$3,214 for Blue Cross Blue Shield reimbursement for Wellness Program and to increase Central Services by the same.
- To increase Administration by \$24,500 for Manager Professional Search contract and to decrease Contingency by the same.
- To increase Central Services by \$2,400 for Carpet Installation at Town Hall in the Planning & Inspections department and to decrease Contingency by the same.
- To increase Transportation by \$25,000 for 10th Street Dredging & to decrease Contingency by the same.
- To increase Central Services by \$3,000 for the demolition of the communication tower at the Municipal Building & to decrease Contingency by the same.

Revenue			
Ad valorem taxes	\$ 6,747,868	\$ 6,747,868	\$ -
Other taxes	25,000	25,000	-
Unrestricted intergovernmental	3,849,500	3,849,500	-
Restricted intergovernmental revenue	710,749	710,749	-
Permits and fees	353,000	353,000	-
Sales and services	258,950	258,950	-
Investment earnings	11,000	11,000	-
Miscellaneous	55,173	95,653	40,480
Other financing sources:	-	-	-
Appropriated fund balance-restricted & committed	60,169	60,169	-
Appropriated fund balance-unassigned	1,812,456	1,812,456	-
TOTAL GENERAL FUND REVENUE	\$ 13,883,865	\$ 13,924,345	\$ 40,480

Expenditures			
Mayor/Council	\$ 123,224	\$ 123,224	\$ -
Administration	459,834	484,334	24,500
Finance	500,475	500,475	-
Cemetery/Building & Grounds	606,378	606,378	-
Central Services	918,967	927,581	8,614
Information Technology	179,214	179,214	-
Garage	574,929	574,929	-
Community Projects	74,977	74,977	-
Police	3,794,783	3,795,868	1,085
Federal Forfeiture Funds	3,769	3,769	-
Planning & Inspections	637,352	637,352	-
Transportation	1,016,298	1,041,298	25,000
Powell Bill	490,450	526,631	36,181
Library	206,170	206,170	-
Recreation	680,525	680,525	-
Parks	595,000	595,000	-
Debt Service	704,058	704,058	-
Transfers to other funds	2,868,644	2,868,644	-
Reimbursements from other funds	(831,800)	(831,800)	-
Contingency	280,618	225,718	(54,900)
TOTAL GENERAL FUND EXPENDITURES	\$ 13,883,865	\$ 13,924,345	\$ 40,480

	Annual Budget Before Amendment	Annual Amended Budget	Difference
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FIRE & EMS FUND

The purpose of this amendment is to update the budget as follows:

- To increase revenues by \$3,050 to recognize receipt from Insurance Company for damages to 2010 Chevrolet Ambulance VIN#5074 & to increase expenditures by the same.

Revenues	\$ 4,699,899	\$ 4,702,949	\$ 3,050
Expenditures	\$ 4,699,899	\$ 4,702,949	\$ 3,050

This ordinance shall become effective upon adoption.

H. **Accept consulting services agreement with Springsted Incorporated providing Executive Search Services for the city manager position.**

Mayor Jones announced receipt of City Manager David Whitlow's resignation effective September 5, 2016. Mayor Jones continued stating that the City is a better place as a result of his contribution.

Councilwoman Warrender made a motion **to accept the consent agenda as presented.** Councilman Thompson seconded and the motion carried unanimously (4-0; Councilman Taylor absent).

CITIZEN REQUESTS/COMMENTS (2 Minute Time Limit)

Linda Phelps representing The Otway Burns Chapter of The Daughters of the American Revolution:

Ms. Phelps appeared before the Town Council on behalf of the Daughters of the American Revolution to request that electrical and tent permit fees associated with The Vietnam Traveling Memorial Wall be waived. The cost to the City would be \$65 for each permit.

She explained that The Otway Burns Chapter of The Daughters of the American Revolution is a nonprofit, nonpolitical volunteer women's service organization dedicated to promoting patriotism, preserving American history and securing America's future through better education. The Chapter has joined together with the Department of Defense and others to honor veterans who served during the Vietnam War and thank them for their service by hosting The Vietnam Traveling Memorial Wall.

The Vietnam Traveling Memorial Wall will be on display at Glad Tidings Church, 4621 Country Club Road, from Thursday, May 25th through Tuesday, May 30th in Morehead City. The display requires temporary electric service and a tent at the site; therefore, the Chapter is requesting the waiver.

Ms. Phelps said that invitations were sent to Councilmembers and she encouraged them to attend.

Councilman Ballou moved **to waive the electrical (\$65) and tent (\$65) permit fees for The Vietnam Traveling Memorial Wall to be displayed at Glad Tidings Church May 25-30, 2017.** Councilman Thompson seconded and the motion carried unanimously (4-0; Councilman Taylor absent).

Michael Gooden, 4219 Sound Drive, Morehead City: Mr. Gooden appeared before the Town Council to express concerns regarding the recent placement of a public bench at the end of Savannah Avenue adjacent to his property. He stated that he was disappointed that the Council did not provide area citizens with an opportunity to present their concerns to the City prior to initiating the street end enhancement project. Once he became aware of the project, he expressed concerns in a written letter to Assistant Public Works Director Dale Price; however, the project moved forward. Mr. Gooden shared that he is concerned that the benches create an "attractive nuisance" and that the twenty-foot escarpment to the rocks and bricks below creates a real hazard. He acknowledged that he had encroached on the City's right-of-way to provide landscaping and advised that he would no longer continue to maintain the area. Furthermore, he announced that the Gooden's and the Hill's (Doug and Jane Hill) would be contacting an attorney to see how they can protect themselves from the potential threats.

Sam Blackwood, 201 Raleigh Avenue, Morehead City: Mr. Blackwood thanked the Council for the wise use of City funds in placing the benches. They provide a wonderful place for citizens, especially the elderly, to sit and enjoy the water views. He too maintains the city right-of-way adjoining his property and will continue to do so. He and many in his neighborhood are enjoying the benches.

Deanna Rand, 203 Raleigh Avenue, Morehead City: With great emotion, Ms. Rand shared that while tending her garden one day, a lady she affectionately referred to as Ms. Jackie stopped by stating that she wished someone would place a bench near the water where she could sit and enjoy the view without feeling like she was encroaching on someone's private property. Touched by the request, Ms. Rand brought the proposal to the City. She thanked the Council for acting on the request and stated that Ms. Jackie and others are enjoying the benches.

Francis Gooden, 4219 Sound Drive, Morehead City: Mrs. Gooden stated that they moved here from Goldsboro two-years ago and it has been her joy to live here and pay premium taxes for their prime location. Until the placement of the benches, visitors came and went with minimal intrusion. She pointed out that Ms. Jackie's walker has a seat she can use to enjoy the view at a little lower level. Mrs. Gooden stated, "It is my heart's desire to see my backyard the way it was, peaceful and unobstructed."

Jane Hill, 4222 Sound Drive: Mrs. Hill said that following her husband's retirement from dentistry, they moved to Morehead City four years ago to become full-time residents. They lived here happily and peacefully until Mr. Price installed the bench at the end of Savannah Avenue. Mrs. Hill declared her objection to the bench and advised that she sent two letters to Mr. Price expressing her objection; however, he moved forward with the plan without giving them an opportunity to express their concerns to the Town Council. She said, "We pay a premium in taxes to be able to live on Bogue Sound. We worked hard, saved and are thankful to be able to do so, and we wonder why Mr. Price feels he can open our yards to the public who pay no taxes to enjoy or contribute to the upkeep of our property." She further questioned why their neighborhood has three benches yet there are none on Evans Street. She would like the benches removed as soon as possible.

Councilman Thompson shared that a bench was placed at the end of his street as well, but he chose not to discourage it as it provided a resting place for handicapped individuals.

Councilwoman Warrender responded stating that it was her understanding that the benches were to be placed at the end of streets on property owned by the City and not on private property. She understands how property owners have embraced the care of the right-of-ways in order that these areas would match their landscaping, and she encouraged citizens to contact the police should they have problems with people coming onto their property.

To ensure City procedures are followed, Mayor Jones stated that the concerns expressed at this meeting would be taken back to the Public Works Committee for consideration, and suggested that those present tonight be invited to the Committee meeting. In closing, Mayor Jones clarified that Mr. Price and Staff were following the direction of the Council when installing benches and were not acting on their own initiative.

NEW BUSINESS

Request from David G. King, on behalf of Gordon K. Laughton, Jr., for Sketch and Preliminary Plat Review and Approval for the Gordon K. Laughton Jr. Property Subdivision:

Planning Director Linda Staab appeared before the Council to present David G. King's request on behalf of for Sketch and Preliminary Plat Review and Approval for the Gordon K. Laughton Jr. Property Subdivision (Effective Flood Zones: AE 7 and X. Preliminary Flood Zones: AE 9, Shaded X, and X. Zoning: R15).

Mr. King is requesting sketch and preliminary plat approval for a proposed two-lot subdivision located on the north side of Country Club Road. The total area of the tract is 6.99 acres and it is zoned R15 (Single-Family Residential). The tract is currently undeveloped and is located in the extraterritorial jurisdiction (ETJ).

Ten-foot utility easements are shown along Country Club Road. A lot-by-lot evaluation by the Carteret County Health Department is required. Any other applicable permits must be submitted as part of the Building Permit application process.

At the February 21, 2017 Planning Board meeting, Tom Saunders made motion, seconded by Vernon Small, to recommend approval of the sketch plan and to approve the preliminary plat contingent upon septic tank approval by Carteret County Environmental Health and approval of the sketch plan by Council. The motion carried unanimously. The Council's Planning Committee has also reviewed the request. A public hearing is not required.

Councilwoman Warrender made a motion **to grant the request from David G. King, on behalf of Gordon K. Laughton, Jr., for Sketch and Preliminary Plat Review and Approval for the Gordon K. Laughton Jr. Property Subdivision contingent upon septic tank approval by Carteret County Environmental Health and approval sketch plan by the Council.**

Councilman Thompson seconded and the motion carried unanimously (4-0; Councilman Taylor absent).

CITY MANAGER'S REPORT:

Adopt Resolution 2017-13 In Opposition to Senate Bill 126:

Mr. Whitlow explained that Senate Bill 126 is designed to amend the sales tax distribution calculation for local governments in order to enhance funding for distressed communities. It is projected that such would result in a sales tax revenue loss of nearly \$100,000 per year to Morehead City, the equivalent of \$.005 on the ad valorem tax.

Other regional counties and municipalities are drafting similar resolutions as they stand to lose considerable revenue as well. The proposed calculation formula will shift revenue from Tier 3 communities to Tier 1 communities. Senator Brown amended his proposal of two (2) years ago so that fewer communities will be negatively impacted (40% of state jurisdictions impacted to only 15 counties) to minimize opposition. Mr. Whitlow explained that the proposed distribution formula under N.C. General Statute Section 32 would call for sales tax revenue for Tier 1 communities to use a calculation factor of 1.1; Tier 2 communities to use a calculation factor of 1; and Tier 3 communities (Carteret County) to use a calculation factor of .9 (current at 1.14). The impact to Carteret County communities equates to a loss of about \$3.1M.

The City makes significant efforts to assist distressed communities when possible and is opposed to any efforts to reduce sales tax revenues flowing to local governments where such reductions favor one community over another. It is his recommendation that the Council adopt this resolution, and authorize the presentation of said resolution to the City's state legislators for consideration. Mayor Jones added that the Council has been fighting the tiered system for years.

Councilman Ballou moved **to adopt Resolution 2017-13 In Opposition to Senate Bill 126 as presented.** Councilman Walker seconded and the motion carried unanimously (4-0; Councilman Taylor absent).

Resolution 2017-13 reads as follows:

**TOWN OF MOREHEAD CITY, NORTH CAROLINA
RESOLUTION 2017-13
RESOLUTION OF OPPOSITION TO SENATE BILL 126**

WHEREAS, the State current distributes a share of sales tax to Counties, Cities and Towns for use in the funding of general operations; and

WHEREAS, the combined sales tax revenues constitute the second largest source of revenue for the Town of Morehead City; and

WHEREAS, the State distribution formula already accommodates for some shifting of revenue by distributing only seventy-five (75) per cent of the revenues on the basis of point of sale; and

WHEREAS, Morehead City has made a substantial investment in infrastructure, equipment and manpower in order to be able to safely and effectively support a significant retail base; and

WHEREAS, accommodating a large retail base results in increases in service needs, especially during the summer season when a large tourist base travels through Morehead City to access the beach communities, resulting in calls for service regularly experiencing increases in the range of twenty (20) per cent and resulting in the need for higher expenditures; and

WHEREAS, Senate Bill 126, if adopted, would result in a projected loss of revenue of nearly \$100,000 per year to Morehead City, the equivalent of \$.005 on the ad valorem tax; and

WHEREAS, the Town acknowledges that the State has an interest in providing additional revenue for communities that may be experiencing economic difficulties; and

WHEREAS, the State has multiple sources of revenue while local governments have few; and

WHEREAS, the Town of Morehead City already makes significant efforts to assist distressed communities as witnessed by its recent assistance in providing responders and equipment to communities experiencing flooding and wildfires.

NOW, THEREFOR, BE IT RESOLVED, that the Town Council of Morehead City is opposed to any efforts to reduce sales tax revenues flowing to local governments where such reductions favor one community over another and at the expense of some communities, and

BE IT FURTHER RESOLVED, that the Town Council believes that efforts to enhance funding for more distressed communities should come from State revenues rather than local revenues; and

BE IT FURTHER RESOLVED, that the Town Council requests that any effort to adjust the formula for the distribution of sales tax revenues occur only after a complete study of the revenue structure of local governments, the true costs of supporting a retail business base, the cost of infrastructure improvements, and the investments being made by local governments to attract and retain business within the community.

This Resolution is effective upon its adoption this the 14th day of March, 2017.

Approve Expenditures of \$9,800.00 to TD Eure Marine Construction to repair the 6th Street and Evans Street docks

Next, City Manager Dave Whitlow presented Dock Master Lee Everett's recommendation for the 6th Street and Evans Street docks repairs:

- Replace and double the bolts that hold stringers to the pilings
- Replacement of a significant number of decking boards
- Installation of a consistent railing system
- Establish controlled access to the fish cleaning area at the south end

Two bids were secured for the work. The lowest bid was submitted by T. D. Eure in the amount of \$9,800. Therefore, the Council was asked to approve expenditure of \$9,800.00 to TD Eure Marine Construction to repair the 6th Street and Evans Street docks. Specifically, the repairs will include replacing twenty-two (22) feet of decking, replacing boards on the remaining deck as needed, installing a new railing on left side of dock, installing a six (6) foot gate, replacing hardware under the 6th Street Dock and replacing hardware under docks and walkways along boardwalk on Evans Street Docks. These are the docks acquired July 15, 2016 with Katherine Davis Park, in the area of the Carolina Princess.

Councilman Thompson made a motion to approve expenditure of \$9,800.00 to TD Eure Marine Construction to repair the 6th Street and Evans Street docks as presented. Councilman Walker seconded and the motion carried unanimously (4-0).

COUNCIL REQUESTS/COMMENTS

Councilwoman Warrender thanked citizens for coming and expressing their opinions and thoughts.

Councilman Walker thanked everyone for coming.

Councilman Ballou thanked citizens for coming and sharing concerns. He reiterated that staff was acting as instructed when installing the benches, but assured citizens that the benches were never intended to create a negative impact. He asked those present to be patient with the process stating, "Sometimes we have to make hard decisions, but it is always the intent of the Council to be good neighbors and partners."


Councilman Thompson thanked citizens for coming, and asked City Attorney Derek Taylor to provide an explanation as to why Evans Street was viewed differently. Mr. Taylor explained that

the streets on the western side of the bridge have been handled differently over the years so that not all street ends run to the water as on the eastern side of the bridge. The land on the western side was developed in subdivisions where the City's ownership ends at the edge of the subdivisions. The land to the east was developed as Shephard's Point, which is the Town of Morehead City. Therefore, Evans Street does not compare favorably to this situation. A study was completed approximately ten (10) years ago where all street ends were identified as belonging to the City or not.

Mayor Jones reassured those present that the City will look into their concerns and that they will be notified of the Public Works Committee meeting date.

ADJOURNMENT

There being no further business, Mayor Jones adjourned the meeting at 6:25 p.m.



Gerald A. Jones, Jr., Mayor

Attest:



Cathy Campbell, City Clerk Trainee

