

**Town Council Minutes  
Morehead City, North Carolina**

**Tuesday, October 11, 2016**

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, October 11, 2016, at 5:30 p.m., in the Municipal Chambers located at 202 South 8<sup>th</sup> Street, Morehead City, North Carolina. Those in attendance were:

MAYOR: Gerald A. Jones, Jr.

MAYOR PRO-TEM: William F. Taylor

COUNCIL: George W. Ballou

Demus L. Thompson

Harvey N. Walker, Jr.

Diane C. Warrender

CITY MANAGER: David S. Whitlow

CITY CLERK: Jeanne M. Giblin

CITY ATTORNEY'S OFFICE: Derek Taylor, Michael Thomas

OTHERS: Ron Cullipher; Mike Shutak, Reporter, THE

CARTERET NEWS TIMES; IT Manager Jon Snyder; Code Enforcement Officer Ethan Brogden; Terry Rogers; Katrina Smith; Lisa Rueh; Public Services Director Daniel Williams; Planning Director Linda Staab; Maddie Maxwell; Wendy Maxwell; Holly Fletcher; Sam Potts; Police Captain Haywood Wilder and Brianne M. Taithagus

**1. Regular Meeting Call to Order, Invocation and Pledge of Allegiance**

Mayor Jones called the meeting to order at 5:30 p.m. He stated he was grateful that Morehead City escaped most of the wrath of Hurricane Matthew which occurred this past weekend. Councilman Thompson gave the invocation and all joined in The Pledge of Allegiance.

**2. Special Presentation: Resolution 2016-43 of Appreciation to Police Lieutenant Alicia Renee Hester upon her Retirement from the Morehead City Police Department on October 1, 2016**

As is customary, the Town of Morehead City acknowledges retirees with a Resolution which is spread upon the record. Police Lieutenant Renee Hester retired from the Morehead City Police Department on October 1, 2016, after a career spanning 25 years of service. She began her career as a part-time police officer in 1992 and was promoted to Lieutenant on April 22, 1999, a position she has held until her retirement. Renee was not present to be presented the Resolution. Mayor Jones spoke about her commitment to the community and that she will be missed.

**3. Adoption of the CONSENT AGENDA:**

**3.A. Approve the Minutes of: Tuesday, September 13, 2016, Regular Meeting**

*Approved the minutes of Tuesday, September 13, 2016, Regular Meeting and dispensed with the reading.*

**3.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for September 2016, in the amount of \$2,364.90; and Accept the Tax Collector and Finance Director Reports for September 2016**

*Approved the requests for release of overpayment of ad valorem taxes for September 2016, in the amount of \$2,364.90; and accepted the Tax Collector and Finance Director Reports for September 2016. [The Financial Records are attached to and made a part of these minutes herein by reference.]*

**3.C. Adopt Resolution 2016-39 Declaring the Service Weapon and Badge carried by Morehead City Police Lieutenant Renee Hester as Surplus and Authorize Award to her upon Retirement**

North Carolina General Statute Chapter 20, Article 187.2 authorizes governing boards of law enforcement agencies to award to a retiring member their badge as well as their

service weapon. The Town of Morehead City wanted to acknowledge the career of Police Lieutenant Renee Hester by awarding her the badge and weapon she carried during her employment.

*Adopted Resolution 2016-39 declaring the service weapon and badge carried by Morehead City Police Lieutenant Renee Hester as surplus and authorize award to her upon retirement. [Resolution 2016-39 is attached to and made a part of these minutes herein by reference.] ✓*

### **3.D. Adopt Resolution 2016-42 in Support of the Sales Tax Referendum**

Carteret County Commissioners agreed to support a quarter-cent [0.25] sales and use tax increase on the November ballot in an effort to raise \$2.5 million annually for shallow draft dredging and maintenance projects within the county. If approved by the voters, the sales tax rate for Carteret County would increase from 6.75 cents to 7 cents. The county has appointed a Waterways Management Committee to prioritize the needs for these dredging and maintenance projects. Morehead City, as well as the other towns in Carteret County, was requested to adopt the proposed resolution in support of the sales tax referendum.

*Adopted Resolution 2016-42 in support of the sales tax referendum. [Resolution 2016-42 is attached to and made a part of these minutes herein by reference.] ✓*

### **3.E. Adopt Resolution 2016-43 of Appreciation to Police Lieutenant Alicia Renee Hester upon her Retirement on October 1, 2016, from the Morehead City Police Department**

*Adopted Resolution 2016-43 of Appreciation to Police Lieutenant Alicia Renee Hester upon her Retirement on October 1, 2016, from the Morehead City Police Department. [Resolution 2016-43 is attached to and made a part of these minutes herein by reference.] ✓*

### **3.F. Award Contract No. 94 – Street Improvements -- White Drive and Neuse Drive Paving Contract to the Low Bidder, Hardy Construction, Inc., in the amount of \$143,640.00**

The following informal bids were received September 19, 2016, for subject Contract No. 94:

Hardy Construction, Inc.	\$129,115.00
KBS Construction Company	\$137,687.50
Onslow Grading & Paving	\$146,942.50
Thomas Simpson Construction	\$177,765.00
Barnhill Contracting Company	\$219,824.50

Alternate bid items recommended for approval include a three [3] inch increase in the pavement thickness on the Neuse Drive travelway which increases the Hardy Construction award by \$14,525.00. The City Engineering Firm of McDavid Association, Inc. recommended awarding the bid in the amount of \$143,640.00 based on the Hardy Construction low bid to include the alternate bid items. The Public Works Committee of the Council reviewed the bids.

*Awarded Contract No. 94 – Street Improvements -- White Drive and Neuse Drive Paving Contract to the Low Bidder, Hardy Construction, Inc., in the amount of \$143,640.00, which includes the alternate bid items as presented.*

### **3.G. Adopt Ordinance 2016-31 Amending the Code of Ordinances of the Town of Morehead City by Adding Chapter 2, Article II, Finance, Section 2-40, Petty Cash**

North Carolina General Statute 159-28 specifies that a local government adopt an ordinance authorizing the use of cash, and specifying the limits of the use of cash. The Finance and Administration Committee at their meeting on October 4, 2016, reviewed the proposed ordinance amendment on petty cash and recommended adoption.

*Adopted Ordinance 2016-31 Amending the Code of Ordinances of the Town of Morehead City by Adding Chapter 2, Article II, Finance, Section 2-40, Petty Cash. [Ordinance 2016-31 is attached to Ordinance Book #7 in the vault.] ✓*

**3.H. Award the Bid for the Downtown Revitalization Fund for the 4<sup>th</sup> and Evans Streets Parking Lot to S. F. Ballou Construction in the amount of \$74,954.40**

As was reported at the August 9, 2016 Council Meeting, the City received an award of \$94,340 from the N.C. Department of Commerce with a stipulation that the project must be completed by March 31, 2017. The funding was earmarked to improve the corner lot at 4<sup>th</sup> and Evans Streets that was recently acquired from the North Carolina Railroad. The bid information is as follows:

	Base Bid	20% Contingency	Total
S. F. Ballou Construction	\$62,462.00	\$12,492.40	\$74,954.40
Thomas Simpson	\$66,521.00	\$13,304.20	\$79,825.20

The grant estimated cost is \$85,000.00. The difference in the contract cost plus the 20 percent contingency and the grant estimated cost is \$10,045.50. This money will be used for the procurement and installation of signage. The Public Works Committee reviewed the bids.

*Awarded the Bid for the Downtown Revitalization Fund for the 4<sup>th</sup> and Evans Streets Parking Lot to S. F. Ballou Construction in the amount of \$74,954.00.*

**3.I. Adopt Budget Ordinance Amendment 2016-32 in the General Fund to Update the Budget for Permits & Fees, Information Technology, Parks and Cemetery/Buildings & Grounds, and to Update the Fire/EMS Fund for Vehicle Maintenance; and Adopt Budget Ordinance Amendment 2016-33 to Update the Katherine Davis Park Capital Project Fund**

The purpose of Budget Ordinance Amendment 2016-32 is to update the budget in the General Fund as follows:

- To increase Permits & Fees by \$38,000 for Recreation & Public Water Access Fees and to increase Transfers to other funds by same.
- To decrease Information Technology by \$4,000 for Police Data Center and to increase Police by same.
- To increase Parks by \$64,000 for previously budgeted dock expenditures and decrease Cemetery/Buildings & Grounds by the same to transfer these appropriations.
- To increase Cemetery/Buildings & Grounds by \$2,000 for previously budgeted picnic tables and decrease Parks by the same to transfer these appropriations.
- To decrease Debt Service by \$5,635 for previously budgeted Katherine Davis Park debt service and to increase Transfers to other funds by same.

In the Fire/EMS Fund the purpose of Budget Ordinance Amendment 2016-32 is to increase revenue by \$6,600 for prior fiscal year vehicle maintenance refunds and to increase the Fire/EMS expenditures by the same.

The purpose of Budget Ordinance Amendment 2016-33 is to update the Katherine Davis Park Capital Project Fund as follows:

- To increase revenue by \$2,170 and to increase expenditures by same for attorney fees associated with the purchase of the park.
- To increase revenue by \$38,000 and to increase expenditures by the same for recreation and public water access development.

The Finance and Administration Committee of the Council reviewed the proposed budget ordinance amendments and recommended adoption.

*Adopted Budget Ordinance Amendment 2016-32 in the General Fund to update the Budget for Permits & Fees, Information Technology, Parks and Cemetery/Buildings & Grounds, and to update the Fire/EMS Fund for vehicle maintenance; and Adopted Budget Ordinance Amendment 2016-33 to update the Katherine Davis Park Capital Project Fund as*

presented. [Budget Ordinance Amendments 2016-32 and 2016-33 are attached to Ordinance Book #7 in the vault.] ✓

***Councilman Taylor MOVED, seconded by Councilman Walker, and carried unanimously, to adopt the CONSENT AGENDA in one [1] motion.***

**4.A. Public Hearing: Voluntary Contiguous Annexation Request from Gerald Barfield, 156 Highway #24, PIN #6366-0915-0894-000, 0.91 acre, zoned CH [Highway Commercial] District -- Adopt Ordinance 2016-27**

Planning Director Linda Staab reported that the property under consideration for annexation, PIN # 6366-0915-0894-000, was contiguous to the present City limits, contained approximately 0.91 acres and was zoned CH [Highway Commercial] District. The site in question was part of a recently improved minor subdivision which is currently fragmented as the northern portion of the subdivision was currently located within the corporate limits. The current tax value of the property was \$153,395. Based on a 35-cent tax rate, \$536.88 in tax revenues would be generated. Water and sewer will be accessed from Highway 70 or Highway 24. All costs associated with extending the water/sewer service to the newly annexed property will be the responsibility of the owner. The Planning Committee of the Council reviewed the request at their last meeting.

Mayor Jones opened the public hearing. No one spoke for or against the annexation request.

Mayor Jones closed the public hearing.

***Councilman Taylor MOVED, seconded by Councilwoman Warrender, and carried unanimously, to adopt Ordinance 2016-27 granting the voluntary contiguous annexation request from Gerald Barfield for property located at 156 Highway #24, PIN #6366-0915-0894-000, 0.91 acre, zoned CH [Highway Commercial] District. [Ordinance 2017-27 is attached to Ordinance Book #7 in the vault.] ✓***

**4.B. Public Hearing: Voluntary Contiguous Annexation Request from Pelican Point Properties, LLC, portion of 5133 Highway 70, PIN # 6356- 1296-3393-000, 1.16 acres, zoned CH [Highway Commercial] District -- Adopt Ordinance 2016-28**

Planning Director Linda Staab reported that the property under consideration for annexation, PIN #6356-1296-3393-000 was contiguous to the present City limits. The parcel contains approximately 1.16 acres and was zoned CH (Highway Commercial District). The portion of the parcel proposed to be annexed was part of a parcel that was currently fragmented. Annexation of the remainder of the parcel would result in the parcel being located entirely within the corporate limits. The current tax value of the property was \$832,744. Based on a 35-cent tax rate, \$4,413.54 in tax revenues would be generated. Water and sewer will be accessed from Highway 70. All costs associated with extending the water/sewer service to the newly annexed property will be the responsibility of the owner. The Planning Committee reviewed the request at their last meeting.

Mayor Jones opened the public hearing. No one spoke for or against the annexation.

Mayor Jones closed the public hearing.

***Councilman Ballou MOVED, seconded by Councilman Thompson, and carried unanimously, to adopt Ordinance 2016-28 granting the voluntary contiguous annexation request from Pelican Point Properties, LLC, portion of 5133 Highway 70, PIN # 6356-1296-3393-000, 1.16 acres, zoned CH [Highway Commercial] District. [Ordinance 2016-28 is attached to Ordinance Book #7 in the vault.] ✓***

**4.C. Public Hearing: Request from the Town of Morehead City to Permanently Close the Westernmost North/South Alley located on property known as The Jib in the 700 Block between Evans Street on the north and Shepard Street on the south and to move the Alley from its Current Position to a New Location on the Swanson Property [PIN #6386-1970-2777-000], and the Purifoy Property [PIN #6386-1970-2973-000], which is immediately adjacent to the western boundary of the City Property [PIN #6386-1970-3872-000] – Adopt Order of Closing 2016-30**

City Manager Whitlow had reported at the September 13, 2016 Council Meeting that all parties have agreed to and signed the documents for the abandonment and relocation of the alley located between the Jib and Red Fish Grill. This will move the alley from the front of the Red Fish Grill to a location adjacent to the western boundary of the Jib property adjacent to the fountain. The Public Works Committee of the Council reviewed the request and recommended adoption.

Public Services Director Daniel Williams explained that the alley swap would better serve the City in that the alley location would be closer to the Big Rock Fountain. The area is currently an open area and would give the City better access to possible future utilities.

Mayor Jones opened the public hearing. No one spoke for or against the alley closing.

Mayor Jones closed the public hearing.

***Councilman Taylor MOVED, seconded by Councilman Walker, and carried unanimously, to adopt Order of Closing 2016-30 granting the request for the Town of Morehead City to permanently close the westernmost north/south alley located on property known as The Jib in the 700 Block between Evans Street on the north and Shepard Street on the south and to move the alley from its current position to a new location on the Swanson Property [PIN #6386-1970-2777-000], and the Purifoy Property [PIN #6386-1970-2973-000], which is immediately adjacent to the western boundary of the City Property [PIN #6386-1970-3872-000]. [Ordinance 2016-30 is attached to Ordinance Book #7 in the vault.] ✓***

**5. Citizen Requests/Comments: [2 minute time limit].**

There were no citizen requests/comments.

**6. New Business: Request from Stroud Engineering, P.A., on behalf of Brown Investment Properties, for Sketch and Preliminary Plat Review and Approval for The Preserve at Carteret Place**

Planning Director Linda Staab reported that the developer requested final plat approval for a two-lot subdivision located at Friendly Road and the proposed Galantis Drive Extension. The subdivision consists of two [2] lots totaling 29.629 acres.

As proposed, Lot 1 would include the multifamily development approved by the Planning Board in June and by the Council in July. Any future development of Lot 2 would require revision of the conditional-use site plan at a later date by the Planning Board and Council. The development was located in the corporate limits and was zoned RMF-CU (Residential Multifamily Conditional-Use). Lot 1 as shown was accessible via Friendly Road and Lot 2 was accessible via Galantis Drive.

State Sedimentation/Erosion Control, Stormwater, and North Carolina Department of Transportation [NCDOT] permits as well as water and sewer impact and sidewalk fees were submitted as part of the Building Permit application process.

At the Planning Board Meeting on September 20, 2016, Tom Saunders made the MOTION, seconded by Sally Lumpkin, to recommend approval of sketch plan to Council and approve the preliminary plan contingent upon Council approval of the sketch plan. The motion carried unanimously.

The Planning Committee reviewed the request at their last meeting on September 15, 2016, and recommended approval.

The Councilmembers voiced their concerns with the wetlands as shown on the map and the possibility of flooding and subsequent drainage. Their concern also centered on the proposed updated flood maps and if the development would be required to be regulated under the new flood maps.

Planning Director Linda Staab explained that the proposed flood maps would have to be approved and were possibly a year away from being implemented, therefore, it was

ascertained that the developers will be required to build according to the flood regulations at the current time.

Ron Cullipher of Stroud Engineering, the developer's engineer, stated that the development was also reviewed at the July 12, 2016 Council Meeting and he explained how and where the site water would drain. He emphasized that the storm water design should not impact offsite and that the development should have zero water impact on Plantation Road.

The Council was also concerned that the North Carolina Department of Transportation [NCDOT] did not require turning lanes onto Friendly Road from Galantis Drive.

Ron Cullipher explained the traffic flow, the ingress/egress into the development and onto Friendly Road and Galantis Drive.

***Councilman Thompson MOVED, seconded by Council Ballou, and carried unanimously, to grant the request from Stroud Engineering, P.A., on behalf of Brown Investment Properties, for Sketch and Preliminary Plat Review and approval for The Preserve at Carteret Place.***

#### **7. City Manager's Report:**

City Manager Whitlow commented he had no further report other than the items on the Agenda. However, he wanted to take time to thank all the City Staff, especially the first responders and Public Works for help with the North Carolina Seafood Festival and then with Hurricane Matthew. With regards to Hurricane Matthew, the City has sent a tanker and crew of three [3] employees to Lumberton, North Carolina because that city lost their water system due to contamination from the flooding.

#### **8. Council Requests/Comments:**

Councilwoman Warrender commented that Morehead City was very lucky that it dodged the storm. She stated she watched the City get ready for both the Seafood Festival and hurricane and their clean up after these events. She commented that the City employees did a good job of servicing the public.

Councilman Taylor commented that he appreciated everyone coming out tonight and he also appreciated the City staff for all they did during the Seafood Festival and hurricane.

Councilman Walker commented he was very proud of the City employees.

Councilman Ballou commented that Morehead City had a double weekend of activity with the Seafood Festival and then Hurricane Matthew. He thanked the City staff for their help during the Festival and he especially thanked Mr. Whitlow for keeping the Council "in the loop" as developments were happening.

Councilman Thompson said he appreciated everything that was done for the citizens of Morehead City.

#### **9. CLOSED SESSION as per G.S. 143.318.11 [a][3] to Approve the Closed Session Minutes of Tuesday, September 13, 2016, and to consult with the City Attorney**

***Councilman Walker MOVED, seconded by Councilman Ballou, and carried unanimously, to enter into CLOSED SESSION.***

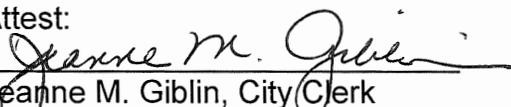
***Councilman Walker MOVED, seconded by Councilman Ballou, and carried unanimously, to return to OPEN SESSION.***

***Councilman Taylor MOVED, seconded by Councilwoman Warrender, and carried unanimously, to approve and release the Closed Session Minutes of Tuesday, September 13, 2016.***

#### **10. Adjournment:**

There being no further business, the meeting was adjourned at 7:00 p.m.

Attest:

  
Jeanne M. Giblin, City Clerk

  
Gerald A. Jones, Jr., Mayor

