

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

**Tuesday, September 13, 2016**

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, September 13, 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:	Holly Fletcher; Public Utilities Director Daniel Williams; Keith Walker, ECCDI; Assistant Public Utilities Director Dale Price; Zach Perez; Fire/EMS Chief Jamie Fulk; Fire/EMS Captain Kelly Urban; Anthony Sardorski; Police Chief Bernette Morris; Alyn Lasko; Amy Holland; Lisa Ruah, DMCRA; Holly Fletcher; Chuck Sewell; Jane Sewell; and several others

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

Mayor Jones called the meeting to order at 5:30 p.m.

***Agenda Amendment:***

***Councilman Ballou MOVED, seconded by Councilman Taylor, and carried unanimously, to amend the Agenda to add Item 6.B. Adopt Resolution 2016-41 Declaring the Intention of the Town Council of the Town of Morehead City to consider the permanent closing of 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].***

Councilman Thompson gave the invocation and all joined in The Pledge of Allegiance.

**2. Special Presentation: Mayor's Proclamation in Support of The Carteret Literacy Council's Fifteenth Annual Literacy Spelling Bee on Friday, October 21, 2016**

This is the fifteenth year that the Carteret Literacy Council will hold their Annual Literacy Spelling Bee. The event will be held on Friday, October 21, 2016 beginning at 6 p.m. at the History Museum of Carteret County located at 1008 Arendell Street in Morehead City. Mayor Jones presented Amy Holland and Alyn Lasko, representatives of the Literacy Council, a proclamation in support of the event. Ms. Hollard reported that 32 to 36 percent of our population cannot read at an 8<sup>th</sup> grade level. The Literacy Council alone raises all the funding to run their programs. [The Mayor's Proclamation is attached to and made a part of these minutes herein by reference.]

**3. Adoption of the CONSENT AGENDA**

**3.A. Approve the Minutes of: Tuesday, August 9, 2016, Regular Meeting**

*Approved the minutes of Tuesday, August 9, 2016, Regular Meeting and dispensed with the reading.*

**3.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for August 2016, in the amount of \$338.15; and Accept the Tax Collector and Finance Director Reports for August 2016**

*Approved the requests for release of overpayment of ad valorem taxes for August 2016, in the amount of \$338.15; and accepted the Tax Collector and Finance Director Reports for August 2016. [The Financial Reports are attached to and made a part of these minutes herein by reference.]*

**3.C. Voluntary Contiguous Annexation Request from Gerald Barfield, 156 Highway #24, PIN #6366-0915-0894-000, 0.91 acre, zoned CH [Highway Commercial] District -- Adopt Resolution 2016-33 Directing the Clerk to Investigate the Petition and Resolution 2016-34 Setting the date of the Public Hearing for Tuesday, October 11, 2016, at 5:30 p.m.**

The property under consideration for annexation, PIN # 6366-0915-0894-000, is contiguous to the present City limits, contains approximately 0.91 acres and is zoned CH [Highway Commercial] District. The site in question is part of a recently improved minor subdivision which is currently fragmented as the northern portion of the subdivision is currently located within the corporate limits. The current tax value of the property is \$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.

*Adopted Resolution 2016-33 Directing the Clerk to Investigate the Petition and Resolution 2016-34 Setting the date of the Public Hearing for Tuesday, October 11, 2016, at 5:30 p.m., for the voluntary contiguous annexation request from Gerald Barfield, 156 Highway #24, PIN #6366-0915-0894-000, 0.91 acre, zoned CH [Highway Commercial] District. [Resolutions 2016-33 and 2016-34 are attached to and made a part of these minutes herein by reference.]*

**3.D. 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 Resolution 2016-35 Directing the Clerk to Investigate the Petition and Resolution 2016-36 Setting the date of the Public Hearing for Tuesday, October 11, 2016, at 5:30 p.m.**

The property under consideration for annexation, PIN #6356-1296-3393-000 is contiguous to the present City limits. The parcel contains approximately 1.16 acres and is zoned CH (Highway Commercial District). The portion of the parcel proposed to be annexed is part of a parcel that is 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 is \$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.

*Adopted Resolution 2016-35 Directing the Clerk to Investigate the Petition and Resolution 2016-36 Setting the date of the Public Hearing for Tuesday, October 11, 2016, at 5:30 p.m. for the voluntary contiguous annexation request from Pelican Point Properties, LLC, for a portion of 5133 Highway 70, PIN # 6356-1296-3393-000, 1.16 acres, zoned CH [Highway Commercial] District. [Resolutions 2016-35 and 2016-36 are attached to and made a part of these minutes herein by reference.]*

**3.E. Adopt Resolution 2016-37 to Sponsor Friends of Spooner's Creek Shallow Draft Dredging Grant**

The Town of Morehead City was recently approached by the Friends of Spooner's Creek, which is a group of the property owners along the creek, to sponsor a Shallow Draft Dredging Grant application from the North Carolina Water Resources Development Project Grant Program. The amount of the grant requested is \$40,000 which would be matched with \$20,000 cash from the Friends of Spooner's Creek for a project total of \$60,000. The Town of Morehead City would not be responsible for any of the proposed funding. The City's part is only as contact point for the grant, collecting the \$20,000 matching funds from the Friends Association and overseeing the Friend's supervision of construction of the project to assure compliance with permit conditions and to assure safe and proper construction according to approved plans and specifications.

*Adopted Resolution 2016-37 to sponsor a Friends of Spooner’s Creek Shallow Draft Dredging Grant as presented. [Resolution 2016-37 is attached to and made a part of these minutes herein by reference.]*

**3.F. Adopt Proclamation Proclaiming September 17, 2016, as Constitution Day and Citizenship Day, and September 17 through 23, 2016, as Constitution Week in the Town of Morehead City**

Mr. Bob Ward, Chair of the Constitutional Rights and Responsibilities Section of the North Carolina Bar Association requested that every city and town in North Carolina adopt the attached proclamation in celebration of Constitution Day and Citizenship Day on September 17, 2016 as well as Constitution Week from September 17 through 23, 2016. Once adopted, the Town of Morehead City Proclamation will, along with others, be presented to the Constitutional Rights Council.

*Adopted the Proclamation proclaiming September 17, 2016, as Constitution Day and Citizenship Day; and September 17 through 23, 2016, as Constitution Week in the Town of Morehead City. [Proclamation proclaiming Constitution Day is attached to and made a part of these minutes herein by reference.]*

**3.G. Award of Contract No. 93 – Pump Station 9/Calico Creek Force Main Replacement to the Low Bidder, Herring-Rivenbark, Inc. in the amount of \$227,080.00**

The following bids were received on August 15, 2016, for Contract No. 93 – Pump Station 9/Calico Creek Force Main Replacement:

Herring-Rivenbark, Inc.	\$ 227,080.00
KBS Construction Company	\$ 261,325.00
Thomas Simpson Company	\$ 397,295.00
T & H Construction	\$ 459,172.00
T.A. Loving Company	\$ 525,525.00
Keen Plumbing Company	\$ 641,572.00

The award was recommended to the low bidder, Herring-Rivenbark, Inc., in the amount of \$227,080.00 contingent upon receipt of the CAMA General Permit. The total project budget is \$290,000.00. The Public Utilities Committee reviewed the above bids at their last meeting.

*Contract No. 93 – Pump Station 9/Calico Creek Force Main Replacement was awarded to the Low Bidder, Herring-Rivenbark, Inc. in the amount of \$227,080.00 contingent upon receipt of the CAMA General Permit.*

**3.H. Award of Pelletier Creek Maintenance Dredging Contract to the Low Bidder, T.D. Eure Marine Construction, LLC in the amount of \$73,850.00**

At the May 10, 2016 Council Meeting, Resolution 2016-22 was adopted for Morehead City to sponsor a Shallow Draft Dredging Grant Application from the North Carolina Department of Environmental Quality for a \$52,000 grant which will be matched with local funds of \$26,000 from the Pensacola Yacht Club, LLC. The City was only responsible for the bidding and overseeing of the dredging activity and has no cash outlay.

On August 26, 2016, the following bids were received for the above project:

T.D. Eure Marine Construction, LLC	\$73,850.00
Brooks Dredging and Marine Construction, Inc.	\$74,300.00

The bids were opened after the last Public Works Committee meeting, however, the Committee was aware that there was to be a bid opening on this project.

*The Pelletier Creek Maintenance Dredging Contract was awarded to the low bidder, T.D. Eure Marine Construction, LLC in the amount of \$73,850.00.*

**3.I. Adopt FEMA Community Rating System Annual Report**

Morehead City has been an active participant in FEMA's Community Rating System [CRS] since 1992. As a result, Morehead City citizens are generally eligible for a 5-10 percent discount on their flood insurance premiums.

In accordance with RS program requirements a copy of the annual report of Morehead City's floodplain management plan was presented. Morehead City is currently included with Carteret County under the *Pamlico Sound Regional Hazard Mitigation Plan* for purposes of meeting floodplain management plan requirements.

*Adopted the FEMA Community Rating System Annual Report as presented. [The FEMA Community Rating System Annual Report is attached to and made a part of these minutes herein by reference.]*

**3.J. Resolution of Sympathy 2016-40 in Remembrance of Former Police Captain Kenneth R. Long who passed on Sunday, August 28, 2016**

Former Police Captain Kenneth Long passed on Sunday, August 28, 2016. The Council will remember him with a Resolution of Sympathy.

*Adopted Resolution of Sympathy 2016-40 in Remembrance of Former Police Captain Kenneth R. Long who passed on Sunday, August 28, 2016. [Resolution of Sympathy 2016-40 is attached to and made a part of these minutes herein by reference.]*

**3.K. Adopt Budget Ordinance Amendment 2016-29 in the General Fund to increase Miscellaneous Revenue by \$1,085 for National Night Out Donations and to increase Police by the same and decrease Information Technology by \$44,886 for Police Data Center previously budgeted and increase Police by the same**

The purpose of Budget Ordinance Amendment 2016-29 was to update the budget as follows:

- To increase Miscellaneous Revenue by \$1,085 for the National Night Out donations and to increase the Police by the same.
- To decrease Information Technology by \$44,886 for Police Data Center previously budgeted and to increase Police by the same.

The Finance and Administration Committee reviewed the proposed budget ordinance amendment at their last meeting and recommended adoption.

*Adopted Budget Ordinance Amendment 2016-29 to update the budget to increase Miscellaneous Revenue by \$1,085 for National Night Out donations and to decrease Technology by \$44,886 for Police Data Center previously budgeted. [Budget Ordinance Amendment 2016-29 is attached to Ordinance Book #7 in the vault.]*

***Councilwoman Warrender MOVED, seconded by Councilman Taylor, and carried unanimously, to adopt the CONSENT AGENDA in one motion.***

**4. Citizen Requests/Comments: [2 minute time limit]** There were no citizen requests/comments.

**5.A. New Business: Morehead City Fire/EMS Presentation on Proposed Alternative Transport for Non-Acuity Patients**

Captain Kelly Urban of the Morehead City Fire/EMS Department gave a presentation on alternative transport options for non-life threatening injuries or illness. The Fire/EMS Department has been researching an alternative transport option for over a year and made a presentation to the Public Safety Committee. The goal of this program is to reduce the use of Advanced Life Support [ALS] ambulances on non-emergent calls. These non-emergent users would receive a voucher for taxi service to the hospital.

Fire/EMS Chief Fulk met with Dr. Mike Lowery, Medical Director of Carteret County, who authorized proceeding with the proposed option for a trial period. Morehead City Fire/EMS Services would respond to every call, however, EMS Technicians would be very

clear in the decision of the alternative transport. Patients would have two [2] hours to call using the taxi voucher for free transportation to the hospital. Patients agreeing to alternative transport would also sign a refusal form from the Morehead City EMS Department. A guide for Fire/EMS Department staff to follow on these type calls for service was presented.

The Public Safety Committee recommended proceeding with the alternative transport with low acuity patients on a trial basis for one [1] year. The Council requested that the Fire/EMS Department report back on the status the same time next year to determine if the program was successful.

***Councilman Ballou MOVED, seconded by Councilman Thompson, and carried unanimously, to approve the proposed Morehead City Fire/EMS Department Alternative Transport for Non-Acuity Patients Program for a one [1] year trial period beginning in January 2017.***

**5.B. New Business: Adopt Resolution 2016-38 Giving Preliminary Approval to Issuance of Multifamily Housing Revenue Bonds to Finance the Acquisition, Construction and Equipping of an Affordable Housing Development [Elijah's Landing] and setting the Public Hearing for Tuesday, October 11, 2016 at 5:30 p.m.**

City Manager Whitlow reported that East Carolina Community Development, Inc. [ECCDI] has requested that the Town of Morehead City assist in securing financing [multifamily housing revenue bonds] in an amount not to exceed \$14,000,000 for the acquisition, construction and equipping of an affordable housing development. The proposed development consists of 168 units on an approximately 13.9 acre site located at 3200 Bridges Street [former Willis Trailer Park] to be known as Elijah's Landing. The financing would be in the form of issuance of tax exempt bonds resulting in an approximate federal tax credit to the Town of Morehead City in the amount of \$140,000. The debt and burden rests solely with ECCDI and the City has no risks in this partnership. All expenses associated with the bond issuance, including but not limited to attorney fees, are all paid by the financier.

Keith Walker, the Director of ECCDI, explained the income parameters and that the costs for the apartments will be from \$460 to up to \$600 for the three [3] bedroom apartment. Utilities would be covered by the rental fees. The aim of the apartment complex is to provide housing for the workforce population.

The Finance and Administration Committee of the Council reviewed the proposal at their last meeting and recommended proceeding with securing the financing for the project and to set a public hearing for Tuesday, October 11, 2016 at 5:30 p.m. for the public to review the financing for the project and to further submit comments in writing.

***Councilman Taylor MOVED, seconded by Councilman Ballou, and carried unanimously, to adopt Resolution 2016-38 giving preliminary approval to the issuance of Multifamily Housing Revenue Bonds to finance the acquisition, construction and equipping of an Affordable Housing Development [Elijah's Landing] and setting the Public Hearing for Tuesday, October 11, 2016 at 5:30 p.m. in the Municipal Chambers located at 202 South 8<sup>th</sup> Street, Morehead City. [Resolution 2016-38 is attached to and made a part of these minutes herein by reference.]***

**6.A. City Manager's Report: Update on the Sale of City Owned Property Located at 304 North 25<sup>th</sup> Street [Former EMS Building]**

City Manager David Whitlow reported that the Town of Morehead City has received a legitimate offer to purchase the City-owned property at 304 North 25<sup>th</sup> Street in the amount of \$70,925. In accordance with General Statute 160A-269 regarding upset bid procedures, an ad detailing the upset bid amount of \$74,521.25 was published on August 31, 2016, in the Carteret County News Times. The public had until 5 p.m. on September 12th to offer the City the upset bid amount of \$74,521.25 for the property.

City Manager Whitlow continued that no upset bids were received within that time frame, and the Council may wish to consider accepting the bid on the property in the amount of \$70,925 from Palm Adventures, LLC and Startled Doe, LLC. The Council at no

time was under any obligation to accept the bid. The property will be sold as is, where is, with no guarantees.

***Councilman Taylor MOVED, seconded by Councilwoman Warrender, and carried unanimously, to accept the offer for the property at 304 North 25<sup>th</sup> Street [former EMS Building] from Palm Adventures, LLC and Startled Doe, LLC for \$70,925.***

- 6.B. City Manager's Report: Adopt Resolution 2016-41 Declaring the Intention of the Town Council of the Town of Morehead City to consider the permanent closing of 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]**

City Manager Whitlow reported 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 would 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 next step in the process was for the City to give notice for four (4) successive weeks of intent to abandon and relocate the alley and to hold a public hearing. A resolution of intent to provide for this notice has been prepared and it was recommended that the Council adopt Resolution 2016-41 so that procedures may begin to advertise and hold the public hearing at the next Council meeting on October 11<sup>th</sup>.

***Councilman Walker MOVED, seconded by Councilman Taylor, and carried unanimously, to adopt Resolution 2016-41 Declaring the Intention of the Town Council of the Town of Morehead City to consider the permanent closing of 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]. [Resolution 2016-41 is attached to and made a part of these minutes herein by reference.]***

## **7. Council Requests/Comments**

Upon a question by Councilman Taylor, it was ascertained that the audio/visual upgrade to the Council Chambers should begin next week.

## **8. CLOSED SESSION AS PER G.S. 143.318.11(A)(6) FOR THE ANNUAL EVALUATION OF CITY MANAGER**

***Councilman Thompson MOVED, seconded by Councilman Walker, and carried unanimously, to enter into CLOSED SESSION as per G.S. 143.318.11(a)(6) for the annual evaluation of the City Manager.***

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

## **9. Adjournment**

There being no further business, the meeting was adjourned.

Attest:

*Jeanne M. Giblin*  
Jeanne M. Giblin, City Clerk



*Gerald A. Jones, Jr.*  
Gerald A. Jones, Jr., Mayor