

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

Tuesday, December 13, 2016

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, December 13, 2016, at 5:30 p.m., in the Municipal Chambers located at 202 South 8th 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 [Absent]
- 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: Finance Director Jewel Lasater; Jim Bailey; Planning

Director Linda Staab; Public Services Director Daniel Williams; Anthony Sadorski; Sam Zeko; Robert Murray; Lauren and Steven Redd; Police Lieutenant Gene Guthrie; IT Manager Jon Snyder; Ron Culliper and Reporter, Anna Harvey, THE CARTERET NEWS TIMES

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

Mayor Jones called the meeting to order at 5:30 p.m., and wished everyone a Merry Christmas! Councilman Ballou gave the invocation and all joined in The Pledge of Allegiance.

2. Adoption of the CONSENT AGENDA

**2.A. Approve the Minutes of: Tuesday, November 8, 2016, Regular Meeting
Monday, November 28, 2016, Special Meeting/
Closed Session**

Approved the minutes of Tuesday, November 8, 2016, Regular Meeting and Monday, November 28, 2016, Special Meeting and dispensed with the reading.

2.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for November 2016, in the amount of \$644.49; and Accept the Tax Collector and Finance Director Reports for November 2016

Approved the requests for release of overpayment of ad valorem taxes for November 2016, in the amount of \$644.49; and accepted the Tax Collector and Finance Director Reports for November 2016. [The Financial Reports are attached to and made a part of these minutes herein by reference.]

2.C. Award of Contract #89 - West End Pump Station and Force Main to the Low Bidder, Ralph Hodge Construction, at the Bid Negotiation Amount of \$2,487,715.00

The bids for Contract #89 – West End Pump Station and Force Main were received on Thursday, November 10, 2016. The bid results were as follows:

Ralph Hodge Construction Company	\$2,690,734.00
T.A. Loving Company	\$2,994,832.50
Sunland Builders	\$3,261,829.00
Thomas Simpson Construction Co.	\$3,495,947.00
Herring-Riverbark, Inc.	\$3,549,528.75

The low bid exceeds available funds. Bid negotiations with Ralph Hodge Construction Company, the low bidder, have identified reduction to the bid in the amount of \$203,019.00. Staff has recommended awarding the contract to Ralph Hodge Construction Company in the amount of \$2,487,715.00. The recommendation of the award is subject to the review and approval of the North Carolina Division of Water Infrastructure. The Public Utilities Committee reviewed the bid results at their last meeting.

Awarded Contract #98 - West End Pump Station and Force Main to the low bidder, Ralph Hodge Construction, at the Bid Negotiation Amount of \$2,487,715.00 contingent upon securing the extra funding from the state.

2.D. Adopt Resolution 2016-48 Providing for the Awarding of Contract No. #89 West End Pump Station and Force Main [Project CS370567-04] in the amount of \$2,487,715.00 Contingent upon full and complete Project Approval by the N.C. Division of Water Infrastructure and the Local Government Commission and Adopt Project Budget Ordinance Amendment 2016-36 to Update the Revenues and Expenditures for the Same Project

The Town of Morehead City arranged financing for the construction of Contract No. #89 by utilizing a loan from the N.C. Division of Water Infrastructure in addition to other funding. The bid award exceeded the funds available and certain reductions in the project were recommended, however, even with the budget reductions, the City will still need to contribute funds to makeup the budgetary differences. The adoption of Resolution 2016-48 would move the project forward and allow the financing of the award for the construction of the project to the low bidder, Ralph Hodge Construction Company, in the amount of \$2,487,715.

The adoption of Project Budget Ordinance Amendment 2016-36 will direct Morehead City to proceed with the project by increasing revenues by \$250,000 for the loan increase from the Division of Water Infrastructure and to increase the transfer from the Water & Sewer Capital Reserve Fund by \$185,000 for the increased estimated project construction and to increase expenditures by \$435,000. The Public Utilities Committee as well as the Finance and Administration Committee reviewed the documents at their last meeting with the recommendation to move forward on the project with the stipulation that the funding is approved.

Adopted Resolution 2016-48 Providing for the Awarding of Contract No. #89 West End Pump Station and Force Main [Project CS370567-04] in the amount of \$2,487,715.00 contingent upon full and complete project approval by the N.C. Division of Water Infrastructure and the Local Government Commission and Adopted Project Budget Ordinance Amendment 2016-36 for the same project by increasing revenues by \$250,000 for the loan increase from the Division of Water Infrastructure and to increase the transfer from the Water & Sewer Capital Reserve Fund by \$185,000 for the increased estimated project construction and to increase expenditures by \$435,000. [Resolution 2016-47 is attached to and made a part of these minutes herein by reference. Ordinance 2016-36 is attached to Ordinance Book #7 in the vault.] ✓

2.E. Adopt Budget Ordinance Amendment 2016-37 Updating Items in the General Fund; Water & Sewer Fund and the Water & Sewer Capital Reserve Fund

The budget was updated as follows:

Restricted Intergovernmental Revue was updated by \$14,216 to recognize grant award for Police Department; \$60,000 to recognize grant funding for Spooner's Creek Dredging Project #2; for grant funding of \$15,000 for Flood Mitigation Study and \$94,340 for grant funding for downtown revitalization.

The Contingency Fund was updated by \$113,407 for Financial Enterprise Resource Solution Software; by \$203,725 for SAFER Grant and by \$54,101 for the dockmaster position.

In the Water & Sewer Fund the budget was updated by \$151,593 for purchase of Financial Enterprise Resource Solution Software.

In the Water & Sewer Capital Reserve Fund was updated by \$185,000 for the West End Force Main Capital Project Fund.

The Finance and Administration Committee of the Council reviewed the proposed Budget Amendment at their last meeting and recommended adoption.

Adopt Budget Ordinance Amendment 2016-37 Updating Items in the General Fund; Water & Sewer Fund and the Water & Sewer Capital Reserve Fund. [Budget Ordinance Amendment 2016-37 is attached to Ordinance Book #7 in the vault.] ✓

2.F. Adopt Resolution 2016-47 Endorsing the Annual Cape Lookout Rotary Club Road Race and Authorizing Action Necessary for the Event to be held Saturday, April 22, 2017 in Downtown Morehead City

Removed from the CONSENT AGENDA and placed under Item 5.B. as New Business.

2.G. Appoint the Morehead City Flood Mitigation Plan Committee

Morehead City received a CAMA [Coastal Area Management Act] grant to develop a Flood Mitigation Plan. The plan will review the City's flood program and develop strategies which will enhance the City's sustainability when it comes to flooding events. The Flood Mitigation Plan Committee needs expertise in a variety of areas including: preventative measures, property protection, natural resources protection, emergency services, structural projects and public information. At the Planning Committee Meeting the members reviewed and recommended the following individuals be appointed to the Morehead City Flood Mitigation Plan Committee:

City Staff	
Linda Staab	Director of Planning and Inspections
Sandi Watkins	Senior Planner, CRS Coordinator, Certified Floodplain Manager
Robert Davis	Chief Building Inspector, Floodplain Administrator
Dale Price	Public Services Assistant Director, PE
Dykeman Baily	Assistant Fire Chief/Fire Marshal
Public and Other Stakeholders	
Rachel Love-Adrick	NC Division of Coastal Management, District Planner
Whitney Jenkins	NC Division of Coastal Management, Training Program Coordinator
John Odom	Prestige Land Surveying, P.A., PLS
Ron Cullipher	Stroud Engineering, P.A., PE
Scot Brennan	Carteret County Farm Bureau, NCFB Master Agent
Michael Lupton	Putnam Real Estate, Broker, Realtor, Certified Appraiser

Appointed the above individuals to the Morehead City Flood Mitigation Plan Committee.

2.H. Approve 2017 Membership in Sister Cities International

Councilman Walker proposed that the Town of Morehead City join Sister Cities International to pair with a similar foreign township. Sister Cities International was created by President Eisenhower in 1956 to foster bonds between people from different communities around the world. Since its inception, the Sister Cities International network has played a key role in renewing and strengthening important global relationships. The Sister City for Morehead City would be the Corn Islands off the coast of Nicaragua. The membership fee for 2017 would be \$295.00. The Finance and Administration Committee of the Council reviewed the request at their last meeting.

Approved 2017 Membership in Sister Cities International in the fee amount of \$295.00.

2.I. Award Bid for the Spooner's Creek Maintenance Dredge Project to the Low Bidder, T.D. Eure Marine Construction, LLC in the amount of \$55,200.00

At the September 13, 2016 Council Meeting, the Council adopted Resolution 2016-37 to sponsor the Friends of Spooner's Creek for a Shallow Draft Dredging Grant application from the North Carolina Water Resources Development Project Grant Program. The amount of the grant requested was \$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.

The bids were opened on December 1, 2016, with T.D. Eure Marine Construction, LLC being the only bid received. Staff has recommended that the bid be awarded to T.D. Eure Marine Construction, LLC in the amount of \$55,200.00

Awarded the bid for the Spooner's Creek Maintenance Dredge Project to the low bidder, T.D. Eure Marine Construction, LLC in the amount of \$55,200.00.

2.J. Adopt Town of Morehead City Information Technology Services [IT Department] Policies & Procedures

At the December 6, 2016 Finance and Administration Committee Meeting, IT Manager Jon Snyder presented a final draft of the proposed IT Policy and Procedures for the Town of Morehead City. The Committee requested that the entire Council review the policy and for it to be presented as a Consent Agenda item at the December Council Meeting.

Adopted Town of Morehead City Information Technology Services [IT Department] Policies and Procedures as presented.

Councilman Ballou requested that Item 2.F. regarding Resolution 2016-48 authorizing the Cape Lookout Rotary Road Race be removed from the CONSENT AGENDA and placed as Item 5.B. under New Business. The Council concurred.

Councilman Taylor MOVED, seconded by Councilman Walker, and carried unanimously [Councilman Thompson absent], to adopt the CONSENT AGENDA with the exception of Item 2.F.

3. Public Hearing: Request submitted by Oceanside Yacht Club, Inc., on behalf of Crystal Holdings, LLC, for Site Development [Master] Plan Approval for Oceanside Yacht Club, Tax PIN #6395-0069-6558-000, which is located at Olde Towne Yacht Club and Marine Drive, zoned PD [Planned Development] – Adopt Ordinance 2016-35

Planning Director Linda Staab reported that the applicant submitted a request for site development (master) plan for this 12.02 acre planned development which is located at Marine Drive and Olde Towne Yacht Club Drive. A total of 72 townhouse units in 9 buildings are proposed. The property is located within Morehead City's corporate limits. Adjacent property is zoned County PI (Port-Industrial) to the north, PD to the east, and PM (Port-Maritime) to the south and west. Adjacent land use includes boat repair and undeveloped property to the north; public recreation area and public utility building to the south; multifamily development (Olde Towne Yacht Club) to the east; and undeveloped port-owned property to the west.

Permits for State Stormwater, Sedimentation and Erosion Control, CAMA, water and sewer extension, as well as copies of the lighting plan are on file with the Town. The utilities for the project have been reviewed by the City Engineer. Any approval should be granted contingent upon receipt of the restrictive covenants and approval of the revised water and sewer utility plans by the City Engineer.

The property was posted and property owners within 300' of the site were mailed a copy of the public hearing notice that included the dates of the Planning Board meeting and Council's public hearing.

Prior to the Planning Board Meeting on November 15, 2016, staff provided additional information concerning the stormwater and boat storage in relation to Olde Towne Yacht Club Phase I and II. The motion was made by Ronetta Gaskill, seconded by Andrea Smith, and carried unanimously, to approve the requests for site development master plan and preliminary plat approval. The Planning Committee of the Council reviewed the proposal at their last meeting.

Upon questions by Councilwoman Warrender it was ascertained that all the owners of property at Olde Town Yacht Club were notified of the Planning Board Meeting and the Public Hearing and that the first floor of living space will be built above the flood plain.

Mayor Jones opened the public hearing.

Ron Cullipher of Stroud Engineering stated that he prepared the plan, that all the permits are in order and the project is basically minor changes since the approval of the Sketch Development Plan.

Councilwoman Warrender questioned the many developers which have been involved with this project to which Ron Cullipher replied that the project will be under one entity, Crystal Holdings, LLC.

Jim Bailey of Crystal Holdings, LLC stated that the project has been a long time in coming and that he would be glad to answer any questions.

Mayor Jones closed the public hearing.

Councilman Ballou MOVED, seconded by Councilman Taylor, and carried unanimously [Councilman Thompson absent], to adopt Ordinance 2016-35 granting the request submitted by Oceanside Yacht Club, Inc., on behalf of Crystal Holdings, LLC, for Site Development [Master] Plan Approval for Oceanside Yacht Club, Tax PIN #6395-0069-6558-000, which is located at Olde Towne Yacht Club and Marine Drive, zoned PD [Planned Development] contingent upon receipt of restrictive covenants and approval of the revised water and sewer utility plans by the City Engineer. [Ordinance 2016-35 is attached to Ordinance Book #7 in the vault.]

4. Citizen Requests/Comments: [2 Minute Time Limit]

There were no citizen requests or comments.

5.A. New Business: Designation of Eastern Carolina Council Representative

The Eastern Carolina Council is one of 16 multi-county planning and development regions in North Carolina. Regional Councils are governed by local public and private sector appointments. These Councils are forums where local officials determine priorities for the area in which their communities are an integral part. Appointments are for a one [1] year term with no limit on the number of terms. Currently, Councilman Bill Taylor serves as the Morehead City Representative to the Eastern Carolina Council and has expressed interest to remain on the Council.

Councilman Ballou MOVED, seconded by Councilwoman Warrender, and carried unanimously [Councilman Thompson absent] to reappoint Councilman Bill Taylor as the Morehead City representative to the Eastern Carolina Council.

5.B. Adopt Resolution 2016-47 Endorsing the Annual Cape Lookout Rotary Club Road Race and Authorizing Action Necessary for the Event to be held Saturday, April 22, 2017 in Downtown Morehead City

Removed from the CONSENT AGENDA.

The Cape Lookout Rotary Club has changed to a new format for a one [1] mile run, 5K and a half marathon for its annual road race. The Rotary Club requested the use of Martin Luther King, Jr. Park [City Park], the Train Depot and to close the 1000 Block of Evans Street from 6 a.m. to 12 noon in addition to ancillary services from Morehead City. The Public Works Committee reviewed Resolution 2016-47 at their last meeting and recommended adoption.

Councilman Bill Taylor is a member of the Cape Lookout Rotary Club and said he would answer any questions regarding the race.

Councilman Ballou commented that this was the first time the race course was on Evans Street and he asked Councilman Taylor to explain the new format.

Councilman Taylor explained the new racing format and outlined the race course. He commented that the 10K race has become less popular and that analysis shows the popularity of the half marathon race. The Sport Center location was not conducive to a half marathon for safety reasons. Lt. James Gaskill of the Morehead City Police Department

expressed concern for the original race route. Cape Lookout Rotary decided to do the proposed race course and for safety will utilize cones and individuals periodically throughout the race course. The Morehead City Police Department will lead the runners across the Morehead City/Atlantic Beach Bridge to Fort Macon and back.

In answer to Councilman Ballou's concern about parking, he was assured that adequate parking for the participants would be provided. Councilman Ballou emphasized that Cape Lookout Rotary should notify the local residents of the race course and asked that City Manager Whitlow report this event to the Public Safety Committee.

Councilman Ballou MOVED, seconded by Councilwoman Warrender, carried unanimously [Councilman Thompson absent] to adopt Resolution 2016-47 Endorsing the Annual Cape Lookout Rotary Club Road Race and Authorizing Action Necessary for the Event to be held Saturday, April 22, 2017, in downtown Morehead City. [Resolution 2016-47 is attached to and made a part of these minutes herein by reference.] ✓

6.A. City Manager Report: Set the date of Tuesday, January 10, 2017, beginning at 10 a.m. as a Council Retreat Day followed by the Regular Council Meeting at 5:30 p.m.

City Manager Whitlow reported that the City was currently at a point with a number of major projects that need to have some presentation and discussion with the entire Council. The time for the presentations and discussion exceeds what might be presented in a Regular Council meeting. Among the items are:

- Analysis of the Charles Wallace building
- Pavement Condition Study
- Katherine Davis Park Concept Plan
- Storm Water Planning
- National Guard Armory

In order to allow sufficient time for presentations and preliminary discussion, City Manager Whitlow suggested that it would be worthwhile to have a day-long work session, starting at 10 a.m. on January 10, 2017, followed by the regular meeting on Tuesday evening.

Councilman Taylor MOVED, seconded by Councilman Ballou, and carried unanimously [Councilman Thompson absent], to set the date of Tuesday, January 10, 2017, beginning at 10 a.m. as a Council Retreat Day followed by the Regular Council Meeting at 5:30 p.m. The Meeting will be held in the Council Chambers.

6.B. Adopt Resolution 2016-49 Requesting the North Carolina General Assembly to enact a Local Law to Amend the Charter of the Town of Morehead City by Deleting Article VIII. Disposal of Property, Section 8.1 Disposal of Surplus Real Property and Section 8.2 Disposal of Surplus Personal Property in its Entirety

City Manager Whitlow reported that in 2010, the City Council adopted Resolution 2010-44 which set policies and procedures for the disposal of personal (non-real) property to conform the local procedures to the General Statutes.

He explained that in processing the sale of some personal property recently, it was discovered that Article VIII of the Morehead City Charter contains provisions for a much smaller dollar amount (\$500 versus \$30,000) before the requirement for a bid process. In addition, there are provisions for the sale of real property that are superseded by the General Statutes that make the Morehead City Charter provisions unnecessary.

In order to match the Morehead City Charter to the adopted procedures and to ensure conformance to state statute, a Charter amendment is in order. The General Statutes require that for this type of Charter amendment, it is necessary to request a local act from the General Assembly. The request could be to either amend the language of the Charter to include the dollar limitation from the General Statutes, or simply to remove the language regarding the sale of personal property entirely from the Charter. In this latter instance, if the Charter does not specify dollar limits, the General Statutes limitations would prevail.

The recommendation is that the Council should adopt the attached resolution calling upon the General Assembly to repeal Article VIII of the Charter in its entirety so that the provisions of the General Statutes regarding disposal of property would prevail.

Councilman Taylor MOVED, seconded by Councilman Walker, and carried unanimously [Councilman Thompson absent], to adopt Resolution 2016-49 Requesting the North Carolina General Assembly to enact a Local Law to amend the Charter of the Town of Morehead City by deleting Article VIII. Disposal of Property, Section 8.1 -- Disposal of Surplus Real Property and Section 8.2 -- Disposal of Surplus Personal Property in its entirety. [Resolution 2016-49 is attached to and made a part of these records herein by reference.] ✓

7. Council Requests/Comments:

Councilwoman Warrender wished a Merry Christmas and a Happy New Year to citizens and staff.

Councilman Taylor added his best wishes and advised everyone to be safe over the Holiday Season.

Councilman Walker thanked everyone for coming to the meeting and wished all a Merry Christmas.

Councilman Ballou wished everyone a Merry Christmas and commented that the Morehead City Christmas Parade held on December 10th was awesome. He continued that Morehead City is a great community and it was the best parade ever. He thanked the City staff and all the volunteers for their help.

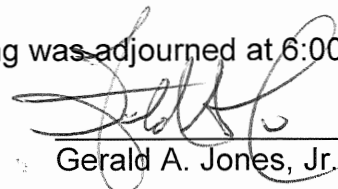
Mayor Jones added a Merry Christmas and a Happy New Year to all!

8. Approve CLOSED SESSION Minutes of Tuesday, October 11, 2016 and Monday, November 28, 2016


Councilman Ballou MOVED, seconded by Councilwoman Warrender, and carried unanimously [Councilman Thompson absent] to approve and seal the CLOSED SESSION Minutes of Tuesday, October 11, 2016 and Monday, November 28, 2016.

9. Adjournment:

There being no further business, the meeting was adjourned at 6:00 p.m.


 Gerald A. Jones, Jr., Mayor

Attest:


 Jeanne M. Giblin, City Clerk

