

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

**Tuesday, June 12 2018**

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, June 12, 2018, in the Municipal Chambers located at 202 South 8<sup>th</sup> Street, Morehead City, North Carolina. Those in attendance were:

COUNCIL PRESENT: Mayor Gerald A. Jones, Jr.; Councilmembers Keri V. McCann, William F. Taylor, and Diane C. Warrender.

Councilmembers George W. Ballou and Harvey N. Walker, Jr. were absent.

STAFF PRESENT: City Manager Ryan Eggleston; City Attorneys Derek Taylor and Mike Thomas; Interim Planning Director Robert Davis; Senior Planner Sandi Watkins; Finance Director Jewel Lasater; Public Services Director Daniel Williams; Human Resources Director Susan Nixon; IT Manager Jon Snyder; Police Chief Bernette Morris; Deputy Police Chief Bryan Dixon; Police Lt. Tim Guthrie; Fire Chief Jamie Fulk; Parks and Recreation Director Craig Lands and City Clerk Cathy Campbell.

OTHERS: Elise Clouser of The Carteret News Times; Tom Anderson of the North Carolina League of Municipalities; Lisa Rueh and Lee Hinson of Downtown Morehead City Inc.; Ron Cullipher of Cullipher Group; Rachel Love-Adrick, Paula Johnson, Tracey Klainer, Sally Lumpkin, Tom Ramsey, Chuck Sewell, and Joseph Smith.

Mayor Jones called the regular meeting of the Morehead City Town Council to order at 5:30 p.m., on Tuesday, June 12, 2018 in the Municipal Building Council Chambers with a quorum present. Mayor Jones gave the invocation and led all in the Pledge of Allegiance.

**RECOGNITIONS/PRESENTATIONS**

**Presentation of NCLM Law Enforcement Risk Management Review to Morehead City Police Department.**

NCLM Public Safety Risk Manager Tom Anderson presented Police Chief Bernette Morris with a plaque recognizing the department's efforts in completing the Law Enforcement Risk Review Process and adhering to recognized industry standards related to risk reduction.

This important initiative was developed with the assistance of League's Police Chiefs Advisory Committee and is supported by the N.C. Association of Chiefs of Police. The League's Risk Review process is a voluntary program for police agencies and is being utilized by departments across North Carolina.

The Law Enforcement Risk Review Process is designed to assess an agency's adherence to best practices, court decisions, and policies and procedures related to high liability activities in law enforcement. The goal of successful completion is enhanced public safety and validating that critical areas of the departments are meeting industry standards.

Mr. Anderson advised that this accomplishment would result in a fourteen percent (14%) decrease in the cost of police professional coverage at renewal. He then commended the Morehead City Police Department saying that he will take lessons learned in Morehead City to guide other departments across the state.

### **CONSENT AGENDA**

Mayor Jones reviewed the Consent Agenda as presented to the Town Council for review and approval. Councilmember Warrender made a motion **to accept the consent agenda as presented.** Councilmember Taylor seconded and the motion carried unanimously. (3-0)

Included within the Consent Agenda were the following approvals:

- A. Approve the Minutes of the May 8, 2018 Special Budget Meeting.
- B. Approve the Minutes of the May 8, 2018 Regular Town Council Meeting.
- C. Accept the Finance Director and Tax Collector Reports for May 2018; and Approve the Requests for Release of Overpayment of Ad Valorem Taxes for May 2018 in the amount of \$1,693.95. *It was discovered after the meeting that the wrong report was included in the packet. May's overpayments are included with June's attached to the July 10, 2018 Town Council meeting minutes.*
- D. Correction of May 8, 2018 Debris Removal Contract Award When Award was Given to Contractor Overseeing the Bid Process Rather Than the Companies Recommended. As Recommended by Johnson Environmental & Disaster Consulting Services, Council is Asked to Approve Contract Award for Phase I – Immediate Response Debris Clearing to DRC Emergency Services, LLC of Metairie, Louisiana, and Phase II – Vegetative and C & D Debris Removal to Santee Modular Homes, Inc. of Santee, South Carolina as the Primary Contractor and Custom Tree Care, Inc. of Topeka, Kansas as the Second Call Contractor.  
  
*These contracts are on file in the City Clerk's office.*
- E. Adopt and Order to be Codified FY 2017-2018 Ordinance Supplement 2 Into the Morehead City Code of Ordinances. *(This provides for all ordinances adopted since October 10, 2017 to be affixed to the Code of Ordinances.)*
- F. Accept Annual Audit Contract & Arrangement Letter with RSM US LLP for FYE 6/30/2018.

*This contract is on file in the City Clerk's office.*

**PUBLIC HEARINGS**

**Consider Adoption of FY2018/2019 Budget Ordinance**

Finance Director Jewel Lasater appeared before the Town Council asking Council to conduct a Public Hearing in order to receive public comment and consider adoption of the proposed Morehead City FY2018/2019 Budget.

The following summary was presented:

General Fund	\$ 13,935,626
Fire/EMS Service Fund	\$ 5,578,043
Water/Sewer Fund	\$ 7,669,800
Sanitation [Solid Waste] Fund	\$ 957,500
Other Funds	\$ <u>766,000</u>
<b>TOTAL</b>	<b>\$ 28,906,969</b>

The proposed FY2018/2019 Budget recommends the Ad Valorem Tax Rate of \$ 0.35 per \$100 property valuation, with no increase over the current year.

In accordance with North Carolina General Statute 159-12, the proposed budget for the fiscal year beginning July 1, 2018, was made available for public inspection at City Hall and the Municipal Building between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except holidays, and posted on the Morehead City website at [www.moreheadcitync.org](http://www.moreheadcitync.org). Notice of this Public Hearing was published in The Carteret News-Times on May 23, 2018. The FY2017/2018 Budget must be approved by the Morehead City Council prior to July 1, 2018.

At this time, Mayor Jones opened the public hearing inviting anyone who would like to speak in favor of or in opposition to the proposed FY2018-2019 Budget Ordinance to step forward.

**PUBLIC COMMENTS**

**Joseph Smith, S. 17<sup>th</sup> Street:** Mr. Smith expressed concern with condition of city streets running in an east-west direction, especially Arendell Street. Mayor Jones responded stating that the City is allocating \$500,000 for street improvements; however, Arendell Street is a state street and the Town will stay in contact with North Carolina Department of Transportation (NCDOT) to keep this item before them.

**COUNCIL COMMENTS**

There were none.

Councilmember Taylor made a motion to **adopt FY2018/2019 Budget Ordinance 2018-SIX with a General Fund of \$13,935,626; Fire/EMS Service Fund of \$5,578,043; Water/Sewer Fund of \$7,669,800; Sanitation (Solid Waste) Fund of \$957,500; and Other Funds of \$766,000 for a Total of \$28,906,969 and a Tax Levy of \$0.35 per \$100 valuation.** Councilmember McCann seconded and the motion carried unanimously. (3-0)

*Budget Ordinance 2018-SIX is part of Ordinance Book #8 in the Clerk's office.*

### **Consider Site Development (Master) Plan for Park Villas**

Senior Planner Sandi Watkins appeared before the Town Council to present request submitted by Stroud Engineering, on behalf of Elkview Holdings, LLC, to amend the site development (master) plan for Phase 3 of the 12.1 acre planned development located on Old Murdoch Road. The property is located within Morehead City's corporate limits, and adjacent property is zoned PD to the north; CH (Highway Commercial) to the south and west; and CH, CH-CU (Highway Commercial Conditional-Use) and R15M (Single-Family Residential/Mobile Home) to the east. Adjacent development includes multifamily (Blue Point Bay) to the north; motor vehicle sales and a shopping center (Brandywine Crossing) which contains a mixture of retail, personal services, and restaurants to the south; a self-service storage facility and single-family residential to the east; and a church (South Banks) and strip of land owned by Blue Point Bay to the west.

Phase 3 was most recently approved for 56 townhouse lots in 9 buildings. That approval has since expired. The developer is now requesting to amend the site development (master) plan to reduce the number of townhouse lots to 51 and increase the number of buildings to 17 buildings with three townhouse units in each building. Phases I and II have been constructed and will remain as previously approved with sixteen (16) condominium units. Sixty-seven (67) dwelling units on 12.1 acres results in a density of 5.54 units per acre. The previously approved density was 5.94 units per acre.

The development must provide a revised lighting plan prior to issuance of any building permits. The project has been reviewed by city departments including fire and public services and applicable comments have been incorporated into this plan. Any remaining improvements (driveway, recreation facilities) will be reviewed for completion prior to final plat approval. On April 17, 2018, the Planning Board reviewed the request and unanimously agreed to recommend approval of the request contingent upon receipt of a revised state stormwater permit and a revised lighting plan.

The property was posted and property owners within 300 feet 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 scheduled for June 12, 2018.

At this time, Mayor Jones opened the public hearing inviting anyone who would like to speak in favor of or in opposition to the revised site development plan for Park Villas request to step forward.

Councilmember Taylor asked about use of additional space created from the reduction in the number of units being built. Ms. Watkins advised that the footprint is basically the same; however, she noted that the natural landscape provided within the plan far exceeds the requirements.

Councilmember Warrender questioned if the project would move forward as planned with the adoption of the ordinance regardless of whether North Carolina Department of Transportation (NCDOT) has determined which route will be used for the Bridges Street Extension Project. Ms. Watkins stated that it would. Two units are already in place under prior approved plans.

## PUBLIC COMMENTS

**Tom Ramsey 184 Brooks Street, Newport, NC:** Mr. Ramsey stated that he lives directly across the street from the Park Villas development project and is concerned about increased traffic and stormwater runoff. He reported that the ditches in this area are blocked from not having been cleared for many years and that during heavy rain events the water backs up with nowhere to run. Often it backs up to the point where houses are in threat of being destroyed. He fears the development will exacerbate the problem.

**Ron Cullipher, Cullipher Group, Project Engineer for Elkview Holdings:** Mr. Cullipher assured those present that the plan presented tonight is an amendment to the original HUD approved plan. The stormwater plan was designed based on all appropriate state and federal requirements. This plan includes a retention pond, and the reduction in impervious structure should lessen the impact to surrounding areas. The system is designed to flow north with capability to move 1-inch of water runoff. Excess runoff is eliminated through the natural system.

## COUNCIL COMMENTS

Councilmember Taylor advised that he has just been appointed by Carteret County Board of Commissioners to represent Morehead City on the Down East Rural Regional Organization's Transportation Advisory Committee that works directly with the NCDOT to advise on local problem areas that may be relevant to upcoming NCDOT projects or existing roadways. He committed to visiting the Brooks Street area before his first meeting and raise questions regarding concerns mentioned tonight.

Councilmember McCann made a motion to **Adopt Ordinance 2018-O-08, approving request from Elkview Holdings, LLC for revised site development Master Plan and Preliminary Plat approval for Phase III of Park Villas, a 10.28-acre parcel located off of Old Murdoch Road and known as Tax PIN #635606494185000 contingent upon receipt of a revised state stormwater permit and lighting plan.** Councilmember Taylor seconded and the motion carried unanimously. (3-0)

*(In the absence of an affirmative 2/3 majority vote of the Council, Ordinance 2018-O-08 was presented for a second reading at the Monday, June 18, 2018 Special Town Council meeting.)*

## **Consider UDO Amendment Regarding Fill, Retaining Walls, and Bulkheads/Seawalls**

Senior Planner Sandi Watkins appeared before the Town Council to present proposed Ordinance 2018-O-09 and Resolution 2018-R-44, approving city-initiated request to amend the following sections of the Unified Development Ordinance: Section 2-2 to add definitions related to fill, retaining walls, and bulkheads/seawalls; Section 14-1 to amend fence and retaining wall height and locational requirements; and to add Subsection 18-5.2(I) to establish requirements related to fill, including depth requirement. Council was reminded that this City-initiated ordinance amendment is in response to Council's March 13, 2018 request that Staff research regulation of stormwater, fill, and retaining walls.

Ms. Watkins shared that as part of their research, they communicated with UNC School of Government, League of Municipalities, several state agencies, and other local governments concerning the issue. Stormwater is a very broad topic, and there are legal and engineering considerations. In speaking with the City Attorney, it was suggested that the Town may want to consider working with a consultant in order to develop a stormwater ordinance to address legal and engineering concerns.

Although stormwater regulation has been identified as a long-term goal, Staff learned from the state National Flood Insurance Program (NFIP) planner that the Town can regulate higher standards with regards to flood-related issues through its Flood Damage Prevention Ordinance.

In summary, the proposed ordinance includes the following provisions for Special Flood Hazard Areas:

- Language based on coastal model flood ordinance language and modified based upon input received from Planning Board, Planning Committee, and City Attorney.
- Limits fill to a maximum of 6" of fill above street or curb level, whichever is higher except in areas where there is no curb, and these areas are proposed to be limited to two feet.
- Increased fill depths permitted with architect or engineer analysis.

It also includes the following provisions for all areas within Morehead City's zoning jurisdiction:

- Retaining wall limited to two feet in height.
- Fill, retaining wall, bulkhead defined.
- Retaining wall removed from fence definition.
- Clerical and clarification adjustments.

On May 17, 2018, The Planning Committee unanimously approved recommendation of ordinance to be adopted as presented, and requested final review by City Attorney. On advice from the City Attorney, the following exemptions were offered as optional considerations:

#### Under Fill/Grading

- Projects for which valid state stormwater permit have been issued are exempt from the requirements contained under section 18-5.2(I).
- Fill used for structural support in a slab-on-stem wall with fill foundation as depicted in Diagram 1B in Appendix VIII is exempted from the provisions of section 18-5.2(I).

#### Under Fences and Retaining Walls

- Projects for which a valid state stormwater permit have been issued are exempt from the maximum retaining wall height requirements of subsection 14-1.3(F) and shall be limited to the maximum height requirements for fences as contained in subsection 14-1.3(A), (B), (C), (D), and (E).

At this time, Mayor Jones opened the public hearing inviting anyone who would like to speak in favor of or in opposition to proposed fill, retaining walls, and bulkhead/seawall regulations to step forward.

#### PUBLIC COMMENTS

**Doug Brady, 805 Front Street, Beaufort:** Mr. Brady commended Council for seeking a solution for low lying downtown areas; however, he pointed out that applying such rules to the entire Morehead City area will be problematic. Some areas require additional fill to retain stormwater drainage on the lot area and may not be doable with the fill requirements proposed. Therefore, he encouraged Council to adopt the ordinance including the exemption wording presented tonight recognizing state stormwater permits.

**Ron Cullipher, Cullipher Group:** Mr. Cullipher stated that six (6) inches of fill may, in some cases, be too shallow to ensure proper drainage, and recommended increasing it to twelve (12) inches. He agreed that the ordinance should be adopted with the exemptions presented.

#### COUNCIL COMMENTS

Mayor Jones thanked those who came forward to speak. He stated that it was Council's desire to make decisions that will best serve everyone.

Councilmember Taylor made a motion to **adopt and order affix to the Code of Ordinances Ordinance 2018-O-09 and Resolution 2018-R-44, approving city-initiated request to amend the following sections of the Unified Development Ordinance: Section 2-2 to add definitions related to fill, retaining walls, and bulkheads/seawalls; Section 14-1 to amend fence and retaining wall height and locational requirements; and to add Subsection 18-5.2(I) to establish requirements related to fill, including depth requirement and provide exemptions for projects for which valid state stormwater permit have been issued are exempt from the requirements contained under Section 18-5.2(I), and Fill used for structural support in a slab-on-stem wall with fill foundation as depicted in Diagram 1B in Appendix VIII is exempted from the provisions of Section 18-5.2(I); and exemptions for**

**Projects for which a valid state stormwater permit have been issued are exempt from the maximum retaining wall height requirements of subsection 14-1.3(F) and shall be limited to the maximum height requirements for fences as contained in subsection 14-1.3(A), (B), (C), (D), and (E).** Councilmember McCann seconded and the motion carried unanimously. (3-0)

*(In the absence of an affirmative 2/3 majority vote of the Council, Ordinance 2018-O-09 was presented for a second reading at the Monday, June 18, 2018 Special Town Council meeting.)*

*Resolutions 2018-R-44 is attached to and made a part of these minutes herein by reference.*

## **NEW BUSINESS**

### **Consider Reducing the Speed Limit for Mansfield Parkway, Rochelle Drive, and Bryan Street**

City Manager Ryan Eggleston presented Ordinance 2018-O-10, amending the Code of Ordinances of the town of Morehead City, Chapter 30, Traffic and Motor Vehicles, Article VII Traffic Schedules, Section 30-256 Speed Limits, Reducing the Speed Limit of Three Residential City Streets, Mansfield Parkway, Rochelle Drive, and Bryan Street, from 35 Miles Per Hour to 25 Miles Per Hour as recommended by the Safety Committee at the May 16, 2018 committee meeting.

The Public Safety Committee agreed to recommend a speed limit reduction on all residential city streets as prompted by communications received from several residents. In the correspondence, residents noted that vehicles are traveling at high speeds along these roads where they and their children often walk, run and ride bicycles, and they requested Council's help in addressing the concern.

The ordinance was presented listing the street names in keeping with the format of the Town's Code of Ordinances; however, for the sake of efficiency, Mayor Jones requested that the wording be amended to include all city residential streets not already mandated to lower speed limits.

Councilmember McCann made a motion to **adopt and order affix to the Code of Ordinances Ordinance 2018-O-10, amending the Code of Ordinances of the Town of Morehead City, Chapter 30, Traffic and Motor Vehicles, Article VII Traffic Schedules, Section 30-256 Speed Limits, reducing the speed limit of all current and future City residential streets, not otherwise listed in this section of the Code designated for lower speed limits, to 25 miles per hour.** Councilmember Warrender seconded and the motion carried unanimously. (3-0)

*(In the absence of an affirmative 2/3 majority vote of the Council, Ordinance 2018-O-09 was presented for a second reading at the Monday, June 18, 2018 Special Town Council meeting.)*

### **Consider Adoption of Budget Ordinance 2018-SEVEN**



Finance Director Jewel Lasater presented Budget Ordinance Amendment 2018-SEVEN, to increase Revenues by \$350,000 for transfer from General Fund for Katherine Davis Park development and to increase Expenditures by the same. This is presented in conjunction with \$350,000 Transfer Out approved in General Fund as part of Annual Budget Ordinance.

Councilmember Warrender made a motion to adopt Budget Ordinance Amendment 2018-SEVEN, to increase Revenues by \$350,000 for transfer from General Fund for Katherine Davis Park development and to increase Expenditures by the same. Councilmember Taylor seconded and the motion carried unanimously. (3-0)

### **CITY MANAGER'S REPORT:**

**FY 18-19 Insurance Employee Cost Share and Wellness Program** – Mr. Eggleston reported that Staff is moving forward with the Wellness Program in July with the provision of delaying the employee cost share withholdings until July 2019. With Council's permission, such withholdings will be regarded as a penalty for those that do not successfully participate in and complete the Wellness Program.

**Charles Wallace Municipal Campus Project** – Mr. Eggleston sought direction from Council as to which of the proposed Charles Wallace Municipal Campus Project options, presented last month, Staff should focus on to move the project forward. Councilmember Warrender requested that a workshop meeting be held as soon as possible to discuss and agree upon an option in order to keep the project on schedule. Staff was instructed to present several date/time options to Council.

**Other** – Mr. Eggleston reported that his family has arrived and are excited to start a new chapter as active residents of Morehead City.

### **CITIZEN REQUESTS/COMMENTS (2 Minute Time Limit)**

There were none.

### **COUNCIL REQUESTS/COMMENTS**

Councilmember McCann congratulated Chief Morris and all of her department for the wonderful work they are doing, and thanked the Planning Department for their hard work on the ordinance presented tonight.

Councilmember Taylor reiterated Councilmember McCann's statements, and welcomed the Eggleston family.

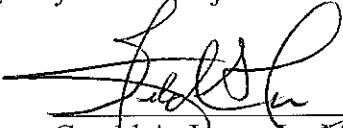
Councilmember Warrender commended the Planning Department on all their good work in the absence of new planning director.

Mayor Jones invited everyone to come out and enjoy the Blue Marlin Tournament and, to take in the other Marlin's, the Morehead Marlins Baseball team, which are having a banner

year. He also encouraged everyone to take a look at the vintage firetruck out front as they departed the meeting. It was the second fire truck acquired by the Town of Morehead City and will hopefully serve as the catalyst for the museum fundraising effort.

**ADJOURNMENT**

There being no other business to discuss, Mayor Jones adjourned the meeting 6:47 p.m.



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Gerald A. Jones, Jr., Mayor

Attest:

  
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Cathy Campbell, City Clerk