

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

Tuesday, February 12, 2019

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, February 12, 2019, 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.; Councilmembers George Ballou, Keri V. McCann, William F. Taylor, Harvey N. Walker, Jr. and Diane C. Warrender.

STAFF PRESENT:

City Manager Ryan Eggleston; City Attorneys Derek Taylor and Mike Thomas; Public Services Director Daniel Williams; Planning Director Sandi Watkins; Finance Director Jewel Lasater; Deputy Police Chief Bryan Dixon; Administrative Assistant Kathy Eagle; and City Clerk Cathy Campbell.

OTHERS:

Elise Clouser of the Carteret News Times; Lisa Rueh and Lee Hinson of Downtown Morehead City, Inc.; Wylie Cooke of W.R. Cooke Design, LLC; John Wade of Arendell Engineers; David Stroud and Mary Halley of Wood Environment & Infrastructure Solutions, Inc.; Lee and Sally Lumpkin, Mark Kelly and Pam Cooper of the Carteret Arts Council; Lucine Beauchard, Mildred Farrow, Sidney and Anne Hargrove, Chuck and Jane Sewell, and John Steele.

Mayor Jones called the regular meeting of the Morehead City Town Council to order at 5:34 p.m. with a quorum present. Councilmember Ballou gave the invocation and Mayor Jones led all in the Pledge of Allegiance.



Mayor Jones asked Council to add an Item 2.D under Recognition and Presentations to allow a presentation by the Carteret County Historical Society. Councilman Ballou made a motion to amend the agenda as requested. Councilman Taylor seconded and the motion carried unanimously.

RECOGNITIONS/PRESENTATIONS

Presentation of Resolution 2019-R-02 Honoring Carl Dangerfield Upon His Retirement

Mayor Jones announced that Carl Dangerfield was unable to attend the meeting for the presentation of Resolution 2019-R-02 recognizing his retirement; however, he invited Public Services Director Daniel Williams to share some thoughts.

Mr. Williams shared that Carl Dangerfield was a dedicated employee who served as the Wastewater Treatment Plant Superintendent from the time he joined the Morehead City family on April 3, 2006 until his retirement. Mr. Dangerfield effectively led the transition from the old wastewater treatment plant to the new plant, and oversaw the technology upgrade implemented as part of the transition. He was also instrumental in leading the City's migration from a chlorine wastewater treatment process to the more environmentally safe ultraviolet sanitation process. Mr. Dangerfield's wealth of knowledge will be greatly missed.

Presentation of Mayor's Proclamation Proclaiming February as "Arts Month"

Mayor Jones presented a proclamation to Arts Council of Carteret County Board Member Sally Lumpkin proclaiming February as "Arts Month" in Morehead City. He noted that art showcases the talent of the community and records our history as it depicts who we are how we live. Understanding the importance of art to our community, Mayor Jones was happy to recognize the Arts Council's contributions.

The Arts Council of Carteret County will host their annual "Art from the Heart" and "Student Art Show" events from February 22, 2019 to March 14, 2019. Mrs. Lumpkin stated that it is the largest art show in Eastern North Carolina.

Presentation on Stormwater Program Planning Services

David Stroud and Mary Halley of Wood Environment & Infrastructure Solutions, Inc. (Wood) appeared before the Town Council to present their proposal for providing stormwater program planning services and developing a stormwater management master plan.

Mr. Stroud stated that the goal is to establish a long-term strategy and stormwater program that is effective, reasonable, and fully-funded. The study area encompasses all city blocks east of 14th Street to the west side of the NC State Port between Calico Creek and the harbor channel.

Ms. Halley reviewed the proposed program process outlining how the comprehensive evaluation will assess every aspect of the program including costs, current stormwater concerns, infrastructure, data and asset management capabilities, stormwater regulations and state permit requirements. The project deliverables will include a stormwater master plan, funding strategy recommendations, stormwater system inventory and model (pilot area), and town council support and public education plan.

The project is expected to be completed within seven (7) months of contract execution. City Manager Ryan Eggleston reminded Council that the project would be funded through the FY 2019-2020 Budget; therefore, it would not begin until July or soon thereafter. Ms. Halley assured Council that Wood would be happy to provide periodic updates to them.

Presentation by Morehead City Historical Society

Bob Guthrie and Rodney Kemp appeared before the Town Council representing the Carteret County Historical Society to advocate for the preservation of the Charles Wallace School building. Mr. Guthrie argued that the school represents the heritage of Morehead City and the legacy of those that help to build it and all those who attended the school. Mr. Guthrie and Mr. Kemp asked for an explanation of the cost difference between remodeling the building verses building a new building.

Mr. Guthrie referenced North Carolina State Statute 132-6 which requires that the custodian of municipal records will produce records in a timely manner upon request; and stated that a copy of the engineering report had not been provided though requested. It was clarified that the only requests made were during a prior meeting discourse and that no formal request clearly outlining the desired documents had been submitted. City Manager Ryan Eggleston assured him that staff would be happy to provide the records and encouraged him to submit a written records request to ensure that the correct documents are provided.

CONSENT AGENDA

Mayor Jones reviewed the Consent Agenda. Councilmember Warrender made a motion **to approve the Consent Agenda as presented**. Councilmember Taylor seconded and the motion carried unanimously. (5-0)

Included within the Consent Agenda were the following approvals:

- A. Approve the Minutes of the January 8, 2019 Regular Town Council Meeting.
- B. Accept the Finance Director Reports, Tax Collector Reports, and Notice of Ad Valorem Tax Overpayments in the amount of \$3,779.26 for the month of January 2019
- C. Approve the Requests for Refunds of Overpayment of Ad Valorem Taxes in the amount of \$2,195.71 for January 2019.
- D. Approve Submittal of 2018 Delinquent Real Estate and Personal Property Tax Lists as per G.S. 105-369[a] including Interest Due and Authorize Tax Collector to Post, and Advertisement of the 2018 Delinquent Tax List
- E. Adopt Resolution 2019-R-02 in Honor of Carl Dangerfield Upon His Retirement.

- F. Approve Amendment to Extend the Due Date of the Audit Contract with RSM US LLP to February 28, 2019.
- G. Adopt the Budget Schedule for FY 2019-2020.
- H. Adopt Budget Amendment 2019-SIX as Presented.
- I. Adopt Budget Amendment 2019-SEVEN as Presented.
- J. Adopt Budget Amendment 2019-EIGHT as Presented.
- K. Adopt Resolution 2019-R-08 Endorsing the “Alive at Five” Events and Authorizing Action Necessary for the Event to be held June 7, June 21, July 19, August 16, September 19, and October 17, 2019.
- L. Adopt Resolution 2019-R-09 Endorsing the Carteret Community College Spanish Mackerel and Dolphin Fishing Tournament and Authorizing Action Necessary for the Event to be Held July 13, 2019, or Rain Date August 10, 2019.
- M. Adopt Resolution 2019-R-10 Endorsing the Crystal Coast Half Marathon and Authorizing Action Necessary for the Event to be held March 2, 2019.
- N. Adopt Resolution 2019-R-11 In Support of Water Resource Development Grant for Spooner’s Creek Dredging.
- O. Approve Selection of Wood as the Preferred Consultant for Stormwater Planning Services, and the Inclusion of Funds for Phase I of the Stormwater Program in the 2019-2020 Fiscal Year budget.
- P. Set Public Hearing for March 12, 2018 to Consider Resolution 2019-R-12, Amending Preliminary Approval of Issuance of Multifamily Housing Revenue Bonds in Support of Elijah’s Landing Apartments Increasing Aggregate Amount to Not Exceed \$16,000,000.
- Q. Adopt Budget Amendment 2019-NINE as Presented.

All above noted resolutions are attached to and made a part of these minutes herein by reference. The amendment to the audit contract with RSM US LLP is on file in the City Clerk’s office.

In response to questions, Finance Director Jewel Lasater advised that the audit report should be ready for presentation at the March 2019 meeting provided that a representative from RSM US LLP (formerly McGladrey & Pullen) is available that evening.

Ms. Lasater also explained that the \$24,300 Reimbursements from Insurance for Workers Compensation included in Resolution 2019-SIX is to adjust the difference between actual costs and budget projections following the audit for Workers Compensation, and to move the refunds back into the General Fund. She further clarified that the \$201,700 Insurance Proceeds included in Resolution 2019-EIGHT, was to correct an estimation for Station#3 Project between the Insurance and FEMA amounts. There was no difference in the total amount. The entries create a project account to separate the funds from the General Fund.

PUBLIC HEARING

Consider Annexation Request from Medical Park Partners, LLC

Senior Planner Sandi Watkins appeared before the Town Council to present request from Medical Park Partners, LLC for a voluntary contiguous annexation of 4358 Bridges Street, (PIN #63666843655000). The parcel contains 2.11 acres and is zoned CH (Highway Commercial District).

The current value of the property is \$170,910.00. Based on a 35-cent tax rate, \$598.19 in tax revenues would be generated. The site is not part of a subdivision, and therefore will not

fragment a subdivision. Water and sewer will be accessed from Bridges Street and all costs associated with extending the water/sewer service to the site will be the responsibility of the owner.

In accordance with NCGS 160A-31, notice of this public hearing was published in The Carteret News Times once, on Friday, January 25, 2019, as well as being posted at the site and on the bulletin boards in City Hall and the Municipal Building.

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 annexation to come forward.

PUBLIC COMMENTS

Hearing no comments, Mayor Jones closed the public hearing.

COUNCIL COMMENTS

There were none.

Councilmember Walker made a motion to adopt and order affix to the Code of Ordinances Ordinance 2019-O-01 approving voluntary contiguous annexation request from Medical Park Partners, LLC for 4358 Bridges Street, PIN #63666843655000, 2.11 acres, zoned CH (Highway Commercial) District. Councilmember McCann seconded and the motion carried unanimously. (5-0)

NEW BUSINESS:

Consider Awarding Contract for Demolition of Charles Wallace Building

Public Services Director Daniel Williams appeared before the Town Council to present bids received for the demolition of the Charles Wallace Building, and recommended the selection of Target Contractors, LLC in the amount of \$515,600.00. Mr. Williams explained that the large disparity in bids amounts is due to the expertise of the submitting companies. Target Contractors is primarily a remediation contractor, while the others are demolition contractors. Target Contractors can address the remediation as part of the demolition process, while the others must sub-contract out the remediation to other experts causing their costs to rise.

To further answer some of the questions raised earlier in the meeting, Wylie Cooke of W.R. Cooke Design, LLC, stepped forward to address the condition of the existing building and to outline some of the costs associated with restoring it to today's standards.

Mr. Cooke shared that he is preservationist and restorationist by profession, and seeks to retain historical buildings whenever possible. "The Charles Wallace Building can be preserved, but at a high price." He shared that the cost to renovate the 3,700 square feet building and modify it for office use is \$5,178,698; whereas, the cost to build a new 2,400 square foot building designed for office use will cost \$4,862,024. A renovation will leave 1,400 square feet of unfinished and currently unneeded space.

If bid is awarded, it will take 120 days to complete demolition and prepare site for the new building. The architects will work together through August to prepare the final proposal with ample opportunity for periodic updates.

At this time, Councilman Walker made a motion to invite Bob Guthrie and Rodney Kemp back to the podium to speak on the information provided. Councilmember Warrender seconded and the motion carried unanimously. (5-0)

Mr. Guthrie was opposed to moving the building forward on the site insisting that space should be retained in front for a park like area, and preferred that the center area be setback with a wing on each side. It was explained that wings would increase the square footage to beyond what is needed; however, the building will be placed on the site so that wings could be considered for future expansion when needed. Mr. Cooke shared some of the ways the heritage of the existing building can be incorporated into the new building design.

After further discussion, Councilmember McCann made a motion to award the demolition contract for the Charles Wallace Building to Target Contractors, LLC in the amount of \$515,600.00. Councilmember Walker seconded and the motion carried unanimously. (5-0)

Consider the Release of Town Council Closed Session Minutes

In accordance with Resolution 2004-48, Council was presented with the closed session minutes listed below and asked to consider a decision to unseal and spread them across the minutes. City Attorney Derek Taylor acknowledged his agreement with the recommendation.

The proposed closed session minutes included:

November 13, 2001
May 14, 2002
July 8, 2003
October 7, 2003
November 20, 2003 (portion of)
December 9, 2003
March 9, 2004
June 8, 2004
December 12, 2005
January 10, 2006 (portion of)
January 31, 2006
June 13, 2012
October 27, 2015
November 28, 2016
January 10, 2017
June 13, 2017 (portion of)
December 11, 2017
December 29, 2017

Hearing no objection, Councilmember Taylor made a motion to unseal and spread across the minutes the closed session meeting minutes of November 13, 2001, May 14, 2002, July 8, 2003, October 7, 2003, November 20, 2003 (portion of), December 9, 2003, March 9, 2004, June 8, 2004, December 12, 2005, January 10, 2006 (portion of), January 31, 2006, June 13, 2012, October 27, 2015, November 28, 2016, January 10, 2017, June 13, 2017 (portion of), December 11, 2017, and December 29, 2017 as presented. Councilmember Warrender seconded and the motion carried unanimously. (5-0)

CITY MANAGER'S REPORT:

City Manager Ryan Eggleston announced that Staff selected SmartGov software for the Planning and Inspections Department and such has been ordered. He estimated that it will take four (4) to six (6) months to load and initiate.

Staff has completed the second phase of Munis implementation, which includes the ESS portal and online payroll access. Phase three (3), the water/sewer billing module, will begin in late summer.

Staff will move forward with seeking a PARTF Grant for Shevans Park. The application is due in May and as part of the process, a public meeting will be held in late February.

Mr. Eggleston commended the Parks & Recreation Department, Public Services Department and TD Eure Marine Construction for completing the 10th Street docks repairs in a timely manner.

CITIZEN REQUESTS/COMMENTS (2 Minute Time Limit)

Sydney Hargrove, 104 Avery Street: Mr. Hargrove stated that the Charles Wallace School site was also the site of the first African American School in Morehead City, and asked that a historical marker be placed on the site to commemorate this important historical record.

John Steele, 1805 Fisher Street: Mr. Steele encouraged the Council to opt-out of allowing the intrusive and untested 5G technology to be used within the city. He cautioned, based on his research that it allows for unauthorized monitoring and intrusion into personal homes and omits unhealthy levels of electromagnetic radiation (EM radiation or EMR).

COUNCIL REQUESTS/COMMENTS

Councilmember Warrender thanked City Manager Ryan Eggleston and the Parks and Recreation Department for their efforts in removing the disabled boats from our harbor. She stated that the Charles Wallace Building has been her number one prior since joining the council seven (7) years ago and is glad to see it moving forward.

Councilmember Taylor stated that he was pleased with the large number of attendees tonight, and announced that the public may request a copy of any document mention in a city meeting for closer examination.

Councilmember Walker thank everyone for coming and was pleased that a decision was reached concerning the Charles Wallace Building. In closing, he wished everyone a Happy Valentine's Day.

Councilmember Ballou stated that it is difficult to make decision that pleases everyone, and it is the Council's job to weigh all information provided on a subject and make the best decision for the whole. He also wished everyone a Happy Valentine's Day

Councilmember McCann assured the audience that the Council takes their comments shared regarding Charles Wallace Building very seriously; however, the Council has to consider both sides of the issue. She too wished everyone a Happy Valentine's Day.

Mayor Jones stated that he is pleased to see the initiation of a stormwater program planning process.

ADJOURNMENT

There being no other business to discuss, Mayor Jones adjourned the meeting 7:40 p.m.

Attest: Cathy Campbell
Cathy Campbell, City Clerk



Gerald A. Jones, Jr., Mayor