

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

**Tuesday, April 9, 2013**

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, April 9, 2013, 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:	Harvey N. Walker, Jr.
COUNCIL:	George W. Ballou Bill Taylor Demus L. Thompson [Arrived at 6:00 p.m.] Diane C. Warrender
CITY MANAGER:	David S. Whitlow
CITY CLERK:	Jeanne M. Giblin
CITY ATTORNEY'S OFFICE:	Nelson W. Taylor, III, Derek Taylor, Mike Taylor
OTHERS:	Porter Wilson; Mark Hibbs, Reporter, The Carteret

News Times; Maggie Chalk; Holly Fletcher; Police Captain Bernette Morris; and several others

**I. Regular Meeting Call to Order**

Mayor Jones opened the meeting at 5:30 p.m., Councilman Ballou gave the invocation and all joined in The Pledge of Allegiance.

**II. Adoption of the CONSENT AGENDA**

**II.A. Approval of Minutes: Tuesday, March 12, 2013, Regular Meeting  
Wednesday, March 13, 2013, Special Meeting/  
Emergency Session**

*Approved the minutes of Tuesday, March 12, 2013, Regular Meeting and Wednesday, March 13, 2013, Special Meeting/Emergency Session and dispensed with the reading.*

**II.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for March 2013, in the amount of \$2,458.54; and Accept the Finance Director and Tax Collector Reports for March 2013**

*Approved the requests for release of overpayment of ad valorem taxes for March 2013, in the amount of \$2,458.54; and accepted the Finance Director and Tax Collector Reports for March 2013.*

**II.C. Adopt Resolution 2013-16 Endorsing the Raleigh Saltwater Sportfishing Club King Mackerel Tournament and Authorizing Action Necessary for the Event to be held July 26-28, 2013, on the Morehead City Waterfront**

This is the third year this group has requested the use of specific waterfront areas and ancillary services from Morehead City. The event is scheduled for July 26 – 28, 2013, in Jaycee Park. As noted in the proposed resolution, the use of Jaycee Park is contingent upon the tournament not interfering with the Parks & Recreation “Concert in the Park” held at Jaycee Park from 7:00 p.m. until 8:30 p.m. on Saturday. The Public Works Committee of the Council reviewed the request and recommended approval.

*Adopted Resolution 2013-16 Endorsing the Raleigh Saltwater Sportfishing Club King Mackerel Tournament and Authorizing Action Necessary for the Event to be held July 26-28, 2013, on the Morehead City Waterfront. [Resolution 2013-16 is attached to these minutes and incorporated herein by reference.]*

**II.D. Award Contract #79 [Calico Creek/North 20<sup>th</sup> Street] to the Low Bidder, Herring-Rivenbark, Inc., for a Force Main Relocation**

The project is to replace a 40 plus year old line which is bolted to the side of the Calico Creek Bridge with a direction bore under Calico Creek. The following bids were received on February 21, 2013 for subject Contract No. 79:

Herring-Rivenbark, Inc.	\$115,992.70
T.A. Loving Company	\$135,450.00

The award is recommended to the low bidder, Herring-Rivenbark, Inc. in the amount of \$91,270.00 based on a negotiated reduction in the unit price of the creek crossing bore from \$150.83/ft. for 690 linear feet to \$115.00/ft. The City will provide pavement replacement for pavement damages associated with the bore pit at the cemetery and also will provide vac truck services if necessary to accommodate tie-ins. Funding for the project will come from the Lift Stations 9 and 12 rehabilitation project that came in under budget [approximately \$93,000] and the difference from the current Public Utilities Repair budget. The Public Utilities Committee of the Council recommended awarding the contract in the amount of \$91,270.00.

*Awarded Contract #79 [Calico Creek/North 20<sup>th</sup> Street] to the Low Bidder, Herring-Rivenbark, Inc., for a Force Main Relocation in the amount of \$91,270.00.*

**II.E. Approve Contract for FYE 6/30/2013 Audit with McGladrey, LLP in the total amount of \$43,500**

Morehead City received the contract to Audit Accounts for FYE 6/30/2013 from McGladrey, LLP at a price of \$42,000 plus \$1,500 for preparation of financial statements for a total of \$43,500. This is a reduction from cost of \$49,000 for the FYE 6/30/2012 audit. At the time last year's audit contract was approved, Morehead City entered into an arrangement with McGladrey to extend their audit services for an additional five [5] years or through FYE 6/30/2017. However, the actual contract must be approved by the Town Council each year. The Finance and Administration Committee of the Council reviewed the contract.

*Approved the Contract for FYE 6/30/2013 Audit with McGladrey, LLP in the total amount of \$43,500.*

**II.F. Adopt Budget Ordinance Amendment 2013-20 to Acknowledge a \$150,000 Grant and to Increase Expenditures for Phase I Jib Waterfront Project**

At the February 12, 2013, Council Meeting the Council concurred to postpone the adoption of a Budget Ordinance Amendment to incorporate the accepted \$150,000 grant from the North Carolina Department of Environmental and Natural Resources until a more final determination could be made for the Phase I costs of the Jib Waterfront Project. The adoption of Budget Ordinance Amendment 2013-20 would acknowledge this grant acceptance and increase the expenditures for costs related to Phase I improvements at the Jib property. The Finance and Administration Committee of the Council reviewed the proposed budget ordinance and recommended adoption.

*Adopted Budget Ordinance Amendment 2013-20 to Acknowledge a \$150,000 North Carolina Public Beach and Coastal Waterfront Access Fund Grant from the North Carolina Department of Environment and Natural Resources. [Budget Ordinance Amendment 2013-20 is attached to Ordinance Book #7 in the vault.]*

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

**III.A. Public Hearing: Voluntary Contiguous Annexation Request for Justin Narron for Property Located at 3309 Old Gate Road, PIN #6376-1155-7469-000, 0.5 acre, zoned R-20 [Single Family Residential] District – Adopt Ordinance 2013-14**

Planning Director Linda Staab advised that the property under consideration for annexation is contiguous to the present City limits, contains approximately 0.5 acre and is zoned R-20 [Single-Family Residential] District. The site is part of the Mandy Farms Subdivision, the majority of which is located outside the City limits, therefore, the proposal will fragment a subdivision. The current tax value of the property is estimated to be \$69,030. Based on a 28.5 cent tax rate, \$196.74 in tax revenues would be generated. Water and sewer will be accessed from Old Gate Road. 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.

Mayor Jones closed the public hearing.

***Councilman Ballou MOVED, seconded by Councilman Walker, and carried unanimously [Councilman Thompson absent], to adopt Ordinance 2013-14 granting voluntary contiguous annexation to Justin Narron for property located at 3309 Old Gate Road, Morehead City, PIN #6376-1155-7469-000. 0.5 acre, zoned R-20 [Single Family Residential] District.***

#### **IV. Citizen Requests/Comments:**

Porter Wilson of Arts and Things questioned the time schedule for the jib project.

Mayor Jones reported that a Notice to Proceed will be awarded Friday, April 12<sup>th</sup> with the contractor having 120 days to complete the project.

Porter Wilson questioned if the utilities from 4<sup>th</sup> to 8<sup>th</sup> Street will be underground.

City Manager Whitlow replied that at least the utilities around the jib plaza site will be underground. Private property owners will have to make some conversions to place utilities underground. If not, the above ground utility poles will be left in place. City Public Works Director David McCabe has been contacting the property owners regarding this matter.

Porter Wilson continued that the pole in front of his place of business is well weathered and needs attention. He continued with his concern that the Downtown Morehead City Revitalization Association [DMCRA] has been making plans to expand out of the downtown area. Mr. Wilson felt that the downtown waterfront is sometimes tended to be an afterthought. He continued that a beautiful waterfront brings in people. He was of the opinion that the downtown area needed continued support and it was not in the best interest to expand the parameters of the downtown area.

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

##### **V.A. Approve a Grant Application for Golden Leaf Foundation on Behalf of the North Carolina Seafood Festival [NCSF]**

City Manager Whitlow advised that the North Carolina Seafood Festival [NCSF] has made contact with the Golden Leaf Foundation to see if funds might be available for the installation of permanent electrical vaults and pedestals for vendor use during festivals. The initial response received has been positive, however, the Festival is not an eligible applicant. The Golden Leaf Foundation is an organization created by North Carolina to administer funds received in the Tobacco Settlement for community development purposes.

On April 2, 2013, City Manager Whitlow met with representatives of the Seafood Festival board and the Executive Director to discuss the City's willingness to submit an application on their behalf, subject to the board preparing the application. Included in this application would be a request for funds sufficient to cover the cost of the upgrades at the Jib Plaza site and six [6] other locations. Grants are funded at 100% with no match requirement.

The Public Works Committee of the Council reviewed this request at its meeting on April 3<sup>rd</sup> and recommended that the Council approve the request to submit the application, subject to a careful review of the estimated costs to ensure sufficient funds to complete the project and to coordinate with Public Works Director David McCabe to avoid any potential conflicts with facilities and functions. The current anticipated grant amount would be in the range of \$25,000, subject to more specific estimates. There is no local match requirement.

***Councilman Ballou MOVED, seconded by Councilman Walker, and carried unanimously [Councilman Thompson absent] to approve the Town of Morehead City submitting a grant application for the Golden Leaf Foundation on behalf of the North***

***Carolina Seafood Festival [NCSF] with the understanding that there are no matching funds required, if matching funds are required, the NCSF would be responsible.***

**V.B. Approve Carteret County Municipal Initiative Proposal and Adopt Resolution 2013-17 Requesting the Services of the North Carolina Division of Community Assistance**

City Manager Whitlow explained that the Carteret County Economic Development Council [EDC] has assembled a project proposal to utilize the services of the North Carolina Department of Commerce, Division of Community Assistance and East Carolina University's [ECU] Office of Innovation and Economic Development in the preparation of economic development strategies for the incorporated areas of Carteret and the Down East area. The desired outcome of this process is the creation of an overall plan that would help to guide and coordinate economic development activities over the entire community.

Each community would create an advisory group to work with representatives of the state and ECU and provide guidance in defining needs and setting priorities. Upon the completion of the plan, each community then has the ability to undertake activities to further the goals of the plan. The plan also provides guidance to the EDC as to individual community desires. All of the plans would be in a similar format to that of the recently completed study done for the Town of Newport, North Carolina, but City staff believes that additional features could be supplied that will greatly enhance the Morehead City plan.

The planning process would take place during the October 2013 through the January 2014 timeframe, and utilize graduate students and state employees. Costs to the community participants are limited to travel expenses, subsistence and supplies, with the estimated cost being \$1,070 per community. At the present time, we anticipate that all of the Carteret incorporated communities are participating.

The Planning Committee of the Council discussed the project and supports the concept. It is requested that the Council adopt Resolution 2013-17 indicating its desire to participate in this strategic planning process.

City Manager Whitlow reported that Governor McCrory is reorganizing the North Carolina Department of Commerce under with this request would fall. If the Department of Commerce is disbanded, the study would not be undertaken and the City would owe no money. City Manager Whitlow continued that he was advised by Myles Stempin, Director of the Carteret County Economic Development Council, that this issue could be tabled for another month to see what develops regarding the Department of Commerce.

Councilwoman Warrender spoke about a speech the Governor delivered on Monday regarding action with the Department of Commerce. She was of the opinion that there will be major changes with the Department of Commerce. She also stated that upon reviewing the proposed study she got the impression that the study could demand extra work on the part of City staff to have the study implemented. She felt that the City Departments at this time have no extra employees or time to take on such a project. In reviewing the study from the Town of Newport it was revealed that there was only a 7 percent [7%] reply from the citizens of Newport. She recommended tabling this issue until the City had a better idea of what would be necessary from City departments in implementing this project and also what would be the effect of the project. Councilwoman Warrender stated that although the cost of the project was not much, the amount of effort needed by City employees could be prohibitive.

Mayor Jones concurred that there were some questions that could not be answered at the present time and he asked the Council to table this item until the next meeting for a presentation by Myles Stempin, Director of the EDC.

***The Council concurred to table this item until the next Council Meeting on Tuesday, May 14, 2013.***

**VI. Council Requests/Comments:**

Councilman Taylor questioned if the Department Heads had been canvassed regarding the possibility of two [2] Council meetings per month.

City Manager Whitlow replied that this request has not been worked on at this time as the departments have been busy doing budget work. Some of the Committees of the Council have worked to move their meetings farther out from the Council date so as to disseminate information better.

Councilwoman Warrender reminded everyone of the Fire Station #2 Ribbon Cutting and Wet Down of the new fire truck at 10:00 a.m. at Fire Station No. #2 on Saturday, April 13<sup>th</sup>.

Councilman Walker echoed Councilwoman's comments adding that the fire truck is a state of the art apparatus.

Mayor Jones stated that Morehead City is recognized as the home of many good things and happenings and he would like to see more of an effort to market our City. He reported that in the near future he will be asking for help in this endeavor.

Councilwoman Warrender, as a member of the staff of Chamber of Commerce, stated that the Chamber would be delighted to be a part of that mission.

**VII. CLOSED SESSION as per G.S. 143.318.11[a][3] to Approve and Seal or Release the CLOSED SESSION Minutes of Tuesday, March 12, 2013, and Wednesday, March 13, 2013; and to consult with the City Attorney about potential litigation.**

*Councilman Walker MOVED, seconded by Councilman Taylor and carried unanimously to enter into CLOSED SESSION as per G.S. 143.318.11[a][3] to approve the Closed Session Minutes of Tuesday, March 12, 2013 and Wednesday, March 13, 2013, and to consult with the City Attorney about potential litigation.*

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

*Councilman Walker MOVED, seconded by Councilman Ballou, and carried unanimously, to approve and release the CLOSED SESSION Minutes of Tuesday, March 12, 2013, and Wednesday, March 13, 2013, as amended.*

**VIII. Adjournment**

There being no further business, the meeting was adjourned at 6:30 p.m.

\_\_\_\_\_  
Gerald A. Jones, Jr., Mayor

Attest:

\_\_\_\_\_  
Jeanne M. Giblin, City Clerk