

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

Tuesday, June 11, 2013

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, June 11, 2013, 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:	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:	Derek Taylor
OTHERS:	Holly Fletcher; Planning Director Linda Staab;

Mark Hibbs, Reporter, THE CARTERET NEWS TIMES; James Goodwin; Gary Ridgeway; Eric Broyles; J. Frederick Gibbs; Sandy Judy; Montez Lewis; Courtney Wade; Tim Lewis; Finance Director Ellen Sewell; Carolyn Dennis; Fire/EMS Chief Jamie Fulk; Dykeman Baily; Timothy De Campo; Beth L. Nitt; James Markham; Carl Edwards; Guido Bianco; Sidney Horton; Public Works Director David McCabe; Jim Bircher; Vince Onorio; Teresa Floyd; Ronald Betts; Tom Kies; Rick Goff and several others

I. Regular Meeting Call to Order

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

II. Special Presentations:

II.A. "Stop Summer Hunger Day – Wednesday, June 19, 2013"

In order to bring awareness to the numerous children who face hunger during the summer months when schools are not in regular session, the Food Bank of Central and Eastern North Carolina requested that the Mayor's Proclamation be presented at a Council Meeting. Mayor Jones read the Proclamation into the record and stated that City staff under the direction of Human Resources Director Susan Nixon will start a program to help the Food Bank.

II.B. Auditors' Presentation: Statement on Auditing Standards – Gary Ridgeway Of McGladrey, LLP

Gary Ridgeway of McGladrey, LLP, the auditor for Morehead City, explained his letter to Mayor Jones and the Council dated June 11, 2013, [attached to and made a part of these minutes by reference is the audit information] regarding the planned scope and timing of the annual audit of the Town of Morehead City's financial statements and compliance as of and for the year ended June 30, 2013. Gary Ridgeway stated that the procedures have already begun for the audit. Field work dates and preliminary work dates have already been set. He offered the Council to get in touch with their offices at any time with any questions and concerns.

III. Adoption of the CONSENT AGENDA

**III.A. Approval of Minutes: Tuesday, May 14, 2013, Regular Meeting
Wednesday, May 29, 2013, Special Meeting/
Budget Work Session**

Approved the minutes of Tuesday, May 14, 2013, Regular Meeting and Wednesday, May 29, 2013, Special Meeting/Budget Work Session and dispensed with the reading.

III.B. Approve Requests for Release of Overpayment of Ad Valorem Taxes for May 2013, in the Amount of \$2,423.41; and Accept the Finance Director and

Tax Collector Reports for May 2013

Approved the requests for release of overpayment of ad valorem taxes for May 2013, in the amount of \$2,423.41; and accepted the Finance Director and Tax Collector Reports for May 2013. [Attached to and made a part of these minutes by reference is the requests for release of overpayment of ad valorem taxes and the Finance Director and Tax Collector Reports.]

III.C. Award of Phase I -- Immediate Response Debris Clearing and Phase II – Vegetative and C & D Debris Removal Contracts

At the last meeting of the Public Works Committee of the Council, an evaluation of the Storm Debris bids received on April 15, 2013, by City consultant, Johnson Environmental & Disaster Consulting Services, was reviewed. The City conducts an annual request for bids for storm services for the upcoming hurricane and winter storm seasons using guidelines established by the Army Corp of Engineers.

Bids are received for Phase I Immediate Response Debris Clearing and Phase II Vegetative and C&D Debris Removal. Phase I work is limited to “pushing” debris out of the way to clear primary routes into and around the City to expedite responses from emergency and utility crews for up to a maximum of 70 hours. Phase II work is for the actual loading, hauling and disposing of storm related debris from public and private property, when placed alongside street right of ways for collection.

The City’s consultant has made a recommendation identifying the low bid contractor and second call, or backup contractor, for each phase of the work. For both phases of work, the Federal Emergency Management Agency [FEMA] allows both a primary and secondary contract. If the primary contractor fails to respond in a timely manner, the City has the right to proceed to the secondary contractor. Also included in the consultant’s recommendation is the evaluation and background processes employed in this recommendation.

Johnson Environmental & Disaster Consulting Services of Wilmington, N.C., the firm which the City hires to review and regulate the bidding results, has determined for Immediate Response – Debris Clearing that Phillip and Jordan, Inc. of Robbinsville, N.C., be awarded the primary contract [or first call] and that TAG Grinding Service, Inc., of Dadeville, Alabama, be awarded the secondary contract [or second call].

For 2013/20145 Phase II – Vegetative and C&D Debris Removal, Johnson Environmental & Disaster Consulting Services has recommended Santee Modular Homes, Inc., of Santee, S.C., as the primary award [first call] with Omni Pinnacle, LLC of Pearl River, LA., as the secondary award [second call].

The Public Works Committee of the Council concurred with the recommendations.

Awarded Immediate Response – Debris Clearing to Phillip and Jordan, Inc. of Robbinsville, N.C., as the primary contract [or first call] and that TAG Grinding Service, Inc., of Dadeville, Alabama, be awarded the secondary contract [or second call].

Awarded 2013/20145 Phase II – Vegetative and C&D Debris Removal, to Santee Modular Homes, Inc., of Santee, S.C., as the primary award [first call] and that Omni Pinnacle, LLC of Pearl River, LA., be awarded the secondary award [second call].

[Attached to and made a part of these minutes are the bid results.]

III.D. Award of Debris Monitoring Services to the Low Bidder, Johnson Environmental of Wilmington, N.C.

At the recent Public Works Committee of the Council Meeting proposals for debris monitoring services for major storm events during this hurricane and winter storm seasons were reviewed and discussed. These monitoring services track the activities of the debris removal contractor and his subcontractors as cleanup activities progress throughout the City. Data and reports from the debris monitors are collected and used for reimbursement from the Federal Emergency Management Agency [FEMA].

Three [3] proposals were received. Services are provided based on an hourly rate for the various functions provided. Evaluations of the proposals were conducted based on actual times and activities experienced during the Hurricane Irene cleanup and for projected times and activities for a theoretical Category III Hurricane at the stated hourly rates provided by the respondents. Pricing from Johnson Environmental of Wilmington, NC and Volkert, Inc. of Raleigh, NC were similarly priced in both scenarios with only Johnson Environmental submitting a complete response proposal. Thompson Consulting Services proposal was consistently more expensive in both scenarios. City Staff recommendation was to award Johnson Environmental for this service. After the bid is awarded a contract will be developed which may be activated in the event of an actual storm event. As is tradition, the contract will be reviewed and approved by the City Attorney and City Manager before activation. The Public Works Committee reviewed the bid proposals and recommended Johnson Environmental.

Awarded Debris Monitoring Services Contract to the Low Bidder, Johnson Environmental of Wilmington, N.C., and authorized the City Manager to execute a contract. [Attached to and made a part of these minutes by reference are the bid results.]

III.E. Adopt Ordinance 2013-23 Repealing Morehead City Code of Ordinances, Section 2-56 through Sec. 2-366, Chapter 2, Administration, Article III., Divisions 1-12, in its Entirety and Retaining as a Personnel Policy Covering the Same

It has been recommended to repeal Section 2-56 through Sec. 2-366 of Chapter 2 of the Morehead City Code of Ordinances. This specific section of the Code details employee policies and as such should be documented as a policy. In recent times in most North Carolina cities, it has been the custom to have employee definitions, interpretations and practices set as policies in an attempt to maintain their fluidity as times and practicalities change. The Council will still be able to vote on specific employee items, but it will save time and money from having to have these changes or additions codified.

Adopted Ordinance 2013-23 Repealing Morehead City Code of Ordinances, Section 2-56 through Sec. 2-366, Chapter 2, Administration, Article III., Divisions 1-12, in its entirety and retaining as a Personnel Policy covering the same. [Ordinance 2013-23 is attached to Ordinance Book #7 in the vault.]

III.F. Adopt Budget Ordinance Amendment 2013-24 to Reduce the Transfer to the Jib Waterfront Capital Project Fund by \$84,077; and Reduce Police Department Expenditures by \$131,615; Adopt Budget Ordinance Amendment 2013-25 to Reduce Transfer from the General Fund to the Jib Waterfront Capital Project Fund by \$84,077 and Increase Revenue by \$18,874 from Donations

The purpose of Budget Ordinance Amendment 2013-24 is to adjust the budget as follows:

- Reduce the appropriation of Unassigned Fund Balance in the amount of \$84,077 and reduce the transfer to the Jib Waterfront Access Capital Project Fund in the same amount. This amount had been previously appropriated for Phase I improvements and the transfer required from the General Fund was reduced in the project fund by value engineering of \$34,077 and a donation of \$50,000.
- Reduce Restricted Intergovernmental Revenue in the amount of \$131,615 and reduce Police Department expenditures by the same for grant funded message boards that will not be purchased in the current fiscal year.

The purpose of Budget Ordinance Amendment 2013-25 is to adjust the budget \$65,203 in the Jib Property Waterfront Access Grant Project Fund as follows:

- Reduce revenue from the Transfer from the General Fund by \$84,077 and increase revenue from Donations by \$18,874 (net reduction of (\$65,203))
- Decrease expenditures for costs related to Phase 1 improvements at the Jib property by \$65,203.

Adopted Budget Ordinance Amendment 2013-24 to Reduce the Transfer to the Jib Waterfront Capital Project Fund by \$84,077; and Reduce Police Department Expenditures by \$131,615; Adopted Budget Ordinance Amendment 2013-25 to Reduce Transfer from

the General Fund to the Jib Waterfront Capital Project Fund by \$84,077 and Increase Revenue by \$18,874 from Donations. [Budget Ordinance Amendments 2013-24 and 2013-25 are attached to Ordinance Book #7 in the vault.]

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

IV.A. Public Hearing: Request Submitted by Beth L. Nitt, on behalf of Ralph's Sign Shop, Inc., to Amend Article 19-6.2[G] of the Unified Development Ordinance [UDO] to Adjust the Minimum Interval for which Non-Animated Images may Alternate on Electronic Message Boards/Digital Marquee Signs from Not Less than One [1] Minute to Not Less than Eight [8] Seconds – Adopt Ordinance 2013-22

Planning Director Linda Staab reported that Ms. Nitt submitted a request to adjust the timing for the alternating of non-animated images on electronic message boards from an interval of one [1] minute to eight [8] seconds. The proposed amendment would also apply the interval timing requirement to on- and off-premise signage. Along with the application, the applicant has provided a copy of Section 2E.0200(4)(a)(ii) of the North Carolina Administrative Code which addresses billboard signs along North Carolina Department of Transportation's [NCDOT] controlled routes. This section of the state code allows automatic changeable facing signs on NCDOT's routes subject to conditions. The applicant is requesting that the same eight-second [8] condition required of NCDOT for billboards also be permissible for electronic message boards/digital marquee signs permitted in Morehead City.

The applicant proposes to amend the Signs section of the Unified Development Ordinance as follows:

Article 19-6.2(G) **Electronic** ~~On-premises—electronic~~ message boards/digital marquee signs may contain non-animated images with changes alternating on not less than an eight (8) second ~~a one (1) minute~~ interval.

At the Planning Board Meeting on May 21, 2013, Jackie Maucher expressed concern regarding potential traffic safety issues if the minimum interval is reduced to eight [8] seconds. John Creech made the MOTION, seconded by Gordon Thayer, to recommend approval of the ordinance amendment. The motion passed five [5] (Creech, Thayer, Fleshman, Outlaw and Saunders) to one [1] (Maucher). The Planning Committee of the Council reviewed the proposed ordinance amendment.

Planning Director Staab reported that there are presently two [2] eight [8] second electronic signs in Morehead City with no untoward problems occurring during their use.

Mayor Jones opened the public hearing.

Beth Nitt of 5032 Highway 70, Morehead City, commented that the federal guidelines allow the 8 second interval on electronic signs. She presented background information regarding the use and regulations for such. She concluded her presentation by stating that she would like Morehead City to be consistent with federal, state and county regulations.

Councilman Thompson questioned who has the responsibility for issuing the missing child alerts.

Ms. Nitt replied that the respective agencies create the alert and the individual owners of the signs advertise them. The length of time a message stays current is a decision made by the issuing agency.

Planning Director Staab commented that the ordinance maximum size was 96 square feet for any new billboards in the City and the only signs that could change into electronic would be the ones that meet the City's ordinance regulations. She further commented that scrolling text was permitted at this time, but this issue as well as brightness was being reviewed by the Planning Board as they are studying the entire sign ordinance.

Councilman Taylor felt that the adoption of the proposed ordinance would make Morehead City consistent with state and federal recommendations.

The Council discussed the various sign sites in Morehead City.

Carl Edwards, 5215 Driftwood Lane, Morehead City, and representing Eastern Outdoor Marketing, Inc., commented that his company has five [5] billboard structures currently in Morehead City. The eight [8] second interval as the ordinance proposes, would make Morehead City's ordinance consistent with state and federal ordinances. He was in favor of the ordinance's adoption.

Upon a question from Rick Goff of 1816 Shep Willis Road, Morehead City, Planning Director Staab reported that any sign in Morehead City has to meet the North Carolina Building Code to withstand 130 to 140 miles per hour [mpr] winds.

Mayor Jones closed the public hearing.

Councilman Thompson MOVED, seconded by Councilman Walker, and carried unanimously, to adopt Ordinance 2013-22 granting the request submitted by Beth L. Nitt, on behalf of Ralph's Sign Shop, Inc., to amend Article 19-6.2[G] of the Unified Development Ordinance [UDO] to adjust the minimum Interval for which non-animated images may alternate on electronic message boards/digital marquee signs from not less than one [1] minute to not less than eight [8] seconds. [Ordinance 2013-22 is attached to Ordinance Book #7 in the vault.]

IV.B. Public Hearing: City-Initiated Amendment to Articles 2-2, 5-3, 9-16, 11-1, 12-2, 14-31, 14-38, 15-1, 15-6, 18-4, 19-9, 20-1 and 20-3 of the Unified Development Ordinance [UDO] to Provide Clarification and Correct Clerical Errors – Adopt Ordinance 2013-21

Planning Board Director Linda Staab reported that the adoption of Ordinance 2013-21 will provide clarification and correct clerical errors currently in the Unified Development Ordinance [UDO] as presented in the attached information and proposed ordinance.

At the Planning Board Meeting on May 21, 2013, the Planning Board reviewed the proposed ordinance. Gordon Thayer made the MOTION, seconded by Tom Outlaw, and carried unanimously, to recommend approval of the ordinance amendment as presented. The Planning Committee of the Council reviewed the proposed ordinance amendment at their meeting on June 4, 2013.

Mayor Jones opened the public hearing. No one spoke for or against the proposed amendment.

Mayor Jones closed the public hearing.

Councilman Walker MOVED, seconded by Councilman Taylor, and carried unanimously, to adopt Ordinance 2013-21 granting the City-Initiated Amendment to Articles 2-2, 5-3, 9-16, 11-1, 12-2, 14-31, 14-38, 15-1, 15-6, 18-4, 19-9, 20-1 and 20-3 of the Unified Development Ordinance [UDO] to provide clarification and correct clerical errors. [Ordinance 2013-21 is attached to Ordinance Book #7 in the vault.]

IV.C. Public Hearing: Proposed FY2013-2014 Budget

City Manager Whitlow reported that on February 2013, the Council and City Staff held a Council-Staff Retreat in order to define the goals and objectives of the Town of Morehead City for the present and the future. The Council also held Budget Work Sessions in May and June to review the proposed budget. In accordance with the goals expressed, the recommended property tax rate is \$0.325 per \$100 of assessed property value for FY2013/2014. This is an increase from the current tax rate of \$0.285. The justification for this recommendation is detailed in the proposed budget and reflects the recommendations of the Council goal setting. Since the economy, although exhibiting improvement and a slow recovery, remains in a state of uncertainty, budget revenues have been estimated very conservatively and expenditures have been reduced wherever possible.

The proposed budget focuses on three [3] primary areas:

- Maintenance and improvement of public services.
- Completion of those capital projects previously approved by the Council.
- Beginning implementation of the compensation study recommendations.

Councilman Taylor questioned how the amount of \$21,971,600 compares to the FY2012/2013 budget.

City Manager Whitlow replied there was approximately \$8,000 less in capital expenses, operating costs, donations to organizations, etc. in FY2013/2014 than FY2012/2013. He continued that approximately \$23,373,700 was originally proposed, however, approximately \$1,402,100 has been reduced from departmental requests.

Mayor Jones reminded the Council and attendees that no action would be taken on the budget at this time as the public hearing was to receive comments.

Mayor Jones opened the public hearing.

Eric Broyles, 904 North Yaupon Terrace, Morehead City and a member of the TEA [Taxed Enough Already] political party read from the editorial he placed in the CARTERET NEWS TIMES. He commented that City taxes were going to rise 14 percent and that City spending was out of control which was warranting a tax increase. He continued that any tax increase was a detrimental blow to residents. He further commented that the City must give employees a much needed raise, but requested that the Council go back to the budget and find other reductions. He stated that the City does not need new employees. He requested a line by line item review of expenses and to schedule another public hearing a week from now to review the new proposal. Citizens are “Taxed Enough Already”.

Rick Goff of 1816 Shep Willis Road, Morehead City requested that the Council find, innovative ways to cut spending instead of increasing taxes.

Bob Cavanaugh, who stated he was not a Morehead City resident, claimed that the proposed 4 cents [\$0.04] per \$100 of property evaluation would amount to a \$4,000 per year tax increase on a house evaluated at \$100,000. He stated he hoped the Council could live with that as the country was just coming out from a recession.

Mayor Jones stated that he doesn't ever comment on what a citizen says but he wanted the audience to understand that a \$0.04 tax increase would be \$40 annually on a residence evaluated at \$100,000.

Mayor Jones closed the public hearing.

Mayor Jones announced that the City Council was meeting at 1:00 p.m. on Friday, June 14, 2013, at the Municipal Building at 202 South 8th Street, for a review of the proposed Employee Compensation Plan and to take action to adopt the FY2013/2014 Budget.

V. New Business: Planning Board Appointments

Planning Director Staab reported that the Planning Committee met on June 4, 2013, and reviewed the proposed Planning Board appointments. The Committee's recommendations were as follows:

In-City Seat	Curtis Fleshman [last term]
Extra-territorial Seat	Jackie Maucher [2 nd term]
Extra-territorial Seat	John Creech [last term]
Extra-territorial Seat [unexpired term]	Ronetta Gaskill [partial term until 2015]

It should be noted that the extra-territorial jurisdiction seats are recommendations to the Carteret County Board of Commissioners who will make the final appointments.

Councilman Thompson commented that Ronetta Gaskill has tried to be appointed to the Planning Board four [4] different times, however, there were always other people who appeared to be stronger candidates and they have served our City well. Ms. Gaskill was still interested and the Planning Committee thought she would be an excellent candidate.

Councilman Taylor commented that he had served on the Planning Board for ten [10] years. All three [3] of the current members have served well and diligently. He further commented that Ms. Gaskill was good candidate

Councilman Taylor MOVED, seconded by Councilman Walker and carried unanimously, to accept the slate as proposed with Curtis Fleshman being appointed as an In-City Member on the Morehead City Planning Board; and Jackie Maucher, John Creech and Ronetta Gaskill to be recommended to the Carteret County Board of Commissioners to be appointed as Extra-Territorial Members to the Morehead City Planning Board.

VI. Citizen Requests/Comments [2 minute time limit]

Frederick Gibbs of 1508 Avery Street, Morehead City stated he served ten [10] in prison for drugs and upon his release has been trying to “go straight”. He stated that Morehead City Police Officers Jeff Covington and Daniel Black have been harassing him due to his past history and attitude. He detailed his past history and his past dealings with Officers Covington and Black and stated that the police officers are trying to take his freedom away.

Councilman Walker commended Mr. Gibbs for trying to get his life right and asked him if he has gone through the appropriate channels with the Police Department.

Mr. Gibbs admitted that has filed a complaint for racial harassment each time and has spoken with Police Chief Wrenn Johnson.

Councilman Walker advised Mr. Gibbs to go back to the Police Department and explain exactly what he told the Council. He continued that there was not much the Council could do for him this evening. Councilman Walker told Mr. Gibbs that the Council wanted him to change his life, but that he would have to go through the process.

Ron Best, 506 Jocelyn Trace, Morehead City stated that the office supplies expenditures on the budget seemed high and was there any way to consolidate those expenses.

Eric Broyles of 904 North Yaupon Terrace, Morehead City thanked the City for the mosquito spraying in his area and to keep up this work. He stated that hurricane season was just around the corner and he noticed that on 20th Street the utility lines are buried in the trees which could cause power outages. He requested City service on this.

Rick Goff, of 1816 Shep Willis Road, Morehead City stated that he wanted the south side of Arendell Street from 7th to 10th Streets designated as a handicapped parking only area during the North Carolina Seafood Festival. He requested no more delays and asked the Council to vote now on this matter.

Councilman Ballou stated that the Public Works Committee, of which he was a member, was working on this and will make a recommendation.

City Manager Whitlow reported that the Public Works Department was reviewing sites for additional handicapped parking spaces along Arendell Street during the Seafood Festival.

VII. City Manager’s Report

City Manager Whitlow reminded all of the Special Meeting on Friday, June 14, 2013, at 1:00 p.m., in the Municipal Building for review of the Employee Compensation Plan and adoption of the FY 2013/2014 Budget.

VIII. Council Requests/Comments

Councilman Taylor reminded the audience that if there was further interest in the budget to come to the Friday meeting.

Councilman Walker thanked all for coming and for their interest in the City. He commented that the Council was faced with an employee situation with regard to compensation which must be made right.

Councilman Ballou thanked all for attending and stated that the Council shared their concerns and that the Council would do its very best.

Councilman Thompson commented that he enjoyed seeing people at Council Meetings as it was a way for the Council to learn of their concerns. He addressed Eric Broyles who had stated that he met with two fiscally conservative members of the Council. Councilman Thompson commented that he was not one of those who met with Mr. Broyles, however, Councilman Thompson continued that it was always a source of pride to him that the Morehead City Council was not affiliated with any political party and that when an individual contacted one Councilmember, that all five [5] Councilmembers should be contacted also because they each had one [1] vote.

IX. CLOSED SESSION per G.S. 143.318.11[a][3] to Approve the CLOSED SESSION Minutes of Tuesday, May 14, 2013, and to Discuss Litigation With the City Attorney

Councilman Ballou MOVED, seconded by Councilman Walker, and carried unanimously, to enter into CLOSED SESSION.

Councilman Thompson MOVED, seconded by Councilman Ballou, and carried unanimously to return to OPEN SESSION.

Councilman Ballou MOVED, seconded by Councilman Walker, and carried unanimously, to approve and seal the CLOSED SESSION Minutes of Tuesday, May 14, 2013.

X. Adjournment

There being no further business, the meeting adjourned at 7:05 p.m.

Gerald A. Jones, Jr., Mayor

Attest:

Jeanne M. Giblin, City Clerk