

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

Tuesday, July 9, 2013

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, July 9, 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 Diane C. Warrender
CITY MANAGER:	David S. Whitlow
CITY CLERK:	Jeannie Vaughan [Substituting for Jeanne Giblin]
CITY ATTORNEY'S OFFICE:	Nelson Taylor, III, Derek Taylor, Mike Thomas
OTHERS:	Pastor Terry Johnson, Gina Johnson, Sidney Horton, Planning Director Linda Staab, Chuck Sewell, Jane Sewell, Police Captain Bernette Morris, Tom Kies, THE CARTERET NEWS TIMES Reporter Mark Hibbs and several others

I. Regular Meeting Call to Order

Mayor Jones opened the meeting at 5:30 p.m., stating there was happy news and sad news. City Clerk Jeanne Giblin is absent traveling up to Washington, D.C. to celebrate the birth of her grandchild. Deputy City Clerk Janet Hill lost her husband of 23 years today. Mayor Jones continued that Wally Hill was the type of person who just made you feel good and he expressed sorrow at his passing. Mayor Jones asked that all keep Janet and Wally's family in their prayers.

Mayor Jones welcomed Pastor Terry Johnson and Gina, his wife, from Temple Baptist Church and asked Pastor Johnson to give the invocation. All joined in The Pledge of Allegiance.

II. Special Presentation: Resolution of Appreciation to Lieutenant Edmund J. Strong Upon his Retirement from the Morehead City Fire/EMS Department

Edmund Strong began his career with the Town of Morehead City as a Water/Sewer Worker I on November 25, 1986 and retired as a Lieutenant in the Fire/EMS Department on July 1, 2013, thereby giving the citizens of Morehead City 27 years of dedicated service. The Town of Morehead City thanked Lt. Strong for his 27 years of service. Mr. Strong was not able to be present, however, his Resolution of Retirement will be entered into the record.

III. Adoption of the CONSENT AGENDA:

**III.A. Approval of Minutes: Wednesday, June 5, 2013, Special Meeting
Tuesday, June 11, 2013, Regular Meeting
Friday, June 14, 2013, Special Meeting**

Approved the minutes of Wednesday, June 5, 2013, Special Meeting; Tuesday, June 11, 2013, Regular Meeting and Friday, June 14, 2013, Special Meeting and dispensed with the reading.

III.B. Approve Requests for Release of Overpayment of Ad Valorem Taxes for June 2013, in the Amount of \$714.82; and Accept the Finance Director and Tax Collector Reports for June 2013

Approved the requests for release of overpayment of ad valorem taxes for June 2013, in the amount of \$714.82; and accepted the Finance Director and Tax Collector Reports for June 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. Receipt of Tax Collector's Settlement for FY2012/2013; Distribution of Tax

Records/Receipts; Tax Collections for FY2012/2013; Outstanding Taxes FY2012/2013; Real Estate Delinquent Report for Tax Year 2012; Barred Tax List Effective September 1, 2013; and Insolvents List

The Tax Collector's Settlement for FY2012/2013 taxes as of June 30, 2013, and the Insolvent Report were presented. The total disposition of tax records and receipts for the 2012 tax year was \$5,273,185.73 with the percentage of collection at 98.96 percent as of June 30, 2012. The total tax collections including discounts for 2012 were \$5,205,323.88. Morehead City's outstanding taxes as of June 30, 2013, were \$82,954.63 and the real estate delinquent report for tax year 2012 was \$54,684.33. The barred tax list effective September 1, 2013, was \$209.64. The insolvents list, which is a list of taxpayers who listed no real estate taxes and who have not paid their personal taxes by the time the report was filed was in the amount of \$4,379.99. Collection efforts on these accounts will continue.

Accepted receipt of Tax Collector's Settlement for FY2012/2013; Distribution of Tax Records/Receipts; Tax Collections for FY2012/2013; Outstanding Taxes FY2012/2013; Real Estate Delinquent Report for Tax Year 2012; Barred Tax List Effective September 1, 2013; and Insolvents List. [Attached to and made a part of these minutes by reference are all the above stated reports.]

III.D. Authorize Collection of FY2013/2014 Ad Valorem Taxes

As per G.S. 205.321, the Council must adopt and enter into the minutes [after July 1st and prior to September 1st] an order charging the Tax Collector with the duty of collecting the FY2013/2014 Ad Valorem Tax. By the adoption of this directive, the governing body is hereby authorizing the Tax Collector to comply. The tax bills are projected to be mailed in late July.

Authorized the directive for the Collection of FY2013/2014 Ad Valorem Taxes. [Attached to and made a part of these minutes by reference is the authorization to collect FY2013/2014 ad valorem taxes.]

III.E. Adopt Resolution 2013-25 for Morehead City to participate in the North Carolina Governor's Highway Safety Program in the Amount of \$11,250 with a Local Match of \$3,750

The Morehead City Police Department requested approval to submit an application for the North Carolina Governor's Highway Safety Program in order to conduct a traffic safety project in Morehead City. The federal amount of the grant is \$11,250.00 with a local match from Morehead City of \$3,750.00. The proceeds of the funding will be for radar equipment and speed display signs to help alleviate vehicular crashes. The Police Department has participated in this program in the past with excellent results. The Public Safety Committee reviewed the program.

Adopted Resolution 2013-25 for the Morehead City Police Department to participate in the North Carolina Governor's Highway Safety Program in the amount of \$11,250 with a local match of \$3,750 for a total of \$15,000. [Resolution 2013-25 is attached to and made a part of these minutes by reference.]

III.F. Adopt Ordinance 2013-28 Repealing Morehead City Code of Ordinances, Section 8-317 through Section 8-320, Chapter 8, Licenses, Permits and Business Regulations, Article X, Home Cleaning Services in its Entirety

It has been recommended to repeal Section 8-317 through 8-320 pertaining to regulation of home cleaning services from the Morehead City Code of Ordinances. In the past, due to certain circumstances, the Council felt that anyone opening this type of personal service should come before the Council before being allowed to operate. These circumstances have changed and therefore the necessity for this regulation. The Public Safety Committee of the Council reviewed the proposed ordinance and recommended adoption.

Adopted Ordinance 2013-28 Repealing Morehead City Code of Ordinances, Section 8-317 through Section 8-320, Chapter 8, Licenses, Permits and Business Regulations, Article X, Home Cleaning Services in its Entirety. [Ordinance 2013-28 is attached to Ordinance Book #7 in the vault.]

III.G. Adopt Resolution of Retirement 2013-26 in Appreciation to Fire/EMS Lieutenant Edmund J. Strong

Adopted Resolution of Retirement 2013-26 in Appreciation to Fire/EMS Lieutenant Edmund J. Strong. [Resolution 2013-26 is attached to and made a part of these minutes by reference.]

III.H. Adopt Budget Ordinance Amendment 2013-29 Fiscal Year End 2012/2013 Adjustments

The purpose of this amendment is to adjust the budget as follows:

General Fund:

- Increase restricted intergovernmental revenue and Police Department expenditures related to a grant for message boards.
- Increase the Central Services budget by \$5,200 related to compensation study not completed at June 30, 2013.
- Increase the Library budget \$72,900 related to the installation of the elevator not completed at June 30, 2013.
- Increase the transfer to the Fire/EMS Fund \$122,820 to make up for the loss in revenue in the Fire/EMS Fund due to a reduction in Fire/EMS District tax rates adopted by the County.
- Increase the Transfer to the Jib Waterfront Access Capital Project Fund \$197,529 for unused fee credits issued to the Jib property seller.

Fire EMS/Fund:

- Reduce the amount of ad valorem taxes from Carteret County by \$122,820 related to a tax rate reduction for property owners in the Fire and EMS Districts.
- Increase the transfer from the General Fund to offset the revenue loss noted above
- These items above do not change the total amount of the Fire/EMS Fund budget.

Water/Sewer Fund:

- Increase the Wastewater Treatment Plant department budget \$32,000 related to the installation of a filter cover in progress but not completed at June 30, 2013.
- Increase the transfer to the Water/Sewer (Annual) Capital Project Fund \$59,275 to fund the cost of the hauler's dump station for which the contract was awarded but the work was not completed at June 30, 2013.

Water/Sewer Capital Project Fund:

- Recognize the increased transfer from the Water/Sewer Fund of \$59,275 and appropriate the same amount for the hauler's dump station for which the contract was awarded but the work was not completed at June 30, 2013.

The Finance Committee reviewed the proposed budget ordinance amendment.

Adopted Budget Ordinance Amendment 2013-29 to accommodate Fiscal Year End 2012/2013 Adjustments as presented. [Budget Ordinance Amendment 2013-29 is attached to Ordinance Book #7 in the vault.]

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

AGENDA AMENDMENT

V.A. New Business: Review of Charles Wallace Site Plan – Bearing Point Consulting

Mayor Jones reported that the site plan engineer from Bearing Point Consulting had recent surgery and, therefore, could not make this meeting. This will be postponed until the August 13, 2013 meeting.

IV. Public Hearing: City-initiated request to rezone Tax PIN #s 636616930362000, 636616931266000, 636616932226000, 636616932213000, 636616932200000, 636616931186000, 636616933139000, 636616935141000, and 636616937033000 located at 4127, 4135, 4205, 4219, and 4229 Arendell Street, respectively, from R7 [Single-Family Residential] and CH [Highway Commercial] to CH – Adopt Ordinance 2013-27

Planning Director Linda Staab reported that a recent review of the Zoning Map and Carteret County Tax records revealed that several parcels existing along Arendell Street are split into two [2] zoning classifications: R7 and CH. The area includes approximately 5.1 acres, with approximately ½ (2.54 acres) of the area zoned CH. Each of the parcels is developed for commercial use.

The subject area parcels include:

Property Location:	Parcel ID Number:	Current Use of Property:	Area (R7/CH):
4127 Arendell Street	636616937033000	Motel (Budget Inn)	0.56/0.62
4135 Arendell Street	636616935141000	Restaurant (Bojangles)	0.54/0.58
4205 Arendell Street	636616933139000	Restaurant (Burger King)	0.58/0.52
4219 Arendell Street	636616931266000	Shopping Center	0.47/0.33
	636616932226000		
	636616932213000		
	636616932200000		
	636616931186000		
4229 Arendell Street	636616930362000	Restaurant (Pizza Inn)	0.39/0.51

The zoning classification of surrounding properties includes CH to the north, CH and R10 to the east and west, and R7 to the south. Surrounding development includes a mixture of commercial uses across Arendell Street to the north (i.e. office, automobile repair garage, restaurant, retail, and a self-service storage facility), office and residential across Savannah Avenue to the west, a shopping center and an undeveloped parcel across Cedar Street to the east, and residential to the south. The subject area is located within the corporate limits.

The property is located in Neighborhood 6 of the CAMA Land Use Plan and is classified as General Commercial and Medium Density Residential. The proposal does not appear to conflict with any policies of the Land Use Plan. Property owners within 300 feet of the property were notified of the Planning Board meeting as well as the date of the public hearing. The property has been posted.

At the Planning Board Meeting on June 18, 2013, Jackie Maucher made the MOTION, seconded by Tom Outlaw, and carried unanimously, to recommend approval of the rezoning and the adoption of Planning Board Resolution 2013-0001. The Planning Committee of the Council reviewed the request.

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

Mayor Jones closed the public hearing.

Councilman Thompson MOVED, seconded by Councilman Walker and carried unanimously, to adopt Ordinance 2013-27 granting the City-initiated request to rezone Tax PIN #s 636616930362000, 636616931266000, 636616932226000, 636616932213000, 636616932200000, 636616931186000, 636616933139000, 636616935141000, and 636616937033000 located at 4127, 4135, 4205, 4219, and 4229 Arendell Street, respectively, from R7 [Single-Family Residential] and CH [Highway Commercial] to CH. [Ordinance 2013-27 is attached to Ordinance Book #7 in the vault.]

V.A. New Business: Review of Charles Wallace Site Plan – Bearing Point Consulting

As previously reported by Mayor Jones, due to illness of the consultant this item will be on next month's agenda.

V.B. Consider Adoption of the Proposed Fee Schedule

City Manager Whitlow reported that a copy of the proposed fee schedule was distributed to the Council at the May 14, 2013 Council Meeting for their review. Many of the fees in the current Fee Schedule have not been adjusted in some time. Individual Departments have been reviewing their current fees with the result that the proposed Fee Schedule is more in line with current costs for services and with fees charged by other local municipalities. This information was also sent to City staff on April 16, 2013, for their review and comments. The Finance Committee of the Council reviewed the proposed fee schedule. The other Committees of the Council also reviewed those parts pertaining to their expertise.

He continued that there was only one [1] section which had not yet been adopted by the Council which are the fees related to Planning and Inspections. All the other fees have previously been enacted through an approval process with the Council.

City Manager Whitlow reported that the Planning & Inspections Department had put together a fee permit comparison on a residential property and a commercial property calculating the fees based upon what other jurisdictions in the county and surrounding municipalities charge. This comparison shows that Morehead City's fees are still below what other entities are charging. City staff believes it is appropriate to consider these increases.

The adoption of these proposed fees was duly advertised for public comment, although there is not a requirement to hold a public hearing.

Mayor Jones asked if there was anyone in the audience who wished to comment on the proposed Fee Schedule. No one spoke for or against the proposed Fee Schedule.

Councilman Thompson commented that the last fee increase in the Planning & Inspections area was between 10 and 12 years ago. Contractors have called the fees in Morehead City as "the best deal in town." These fees are paid by the building contractor or the home owner, not the City residents.

Mayor Jones agreed stating that these fees are so the Planning & Inspections Department can support itself without using ad valorem taxes.

Councilman Thompson MOVED, seconded by Councilman Walker, and carried unanimously, to adopt the proposed Fee Schedule and increase the Planning and Inspection Fee Schedule as presented with an effective date of August 1, 2013. [Attached to and made a part of these minutes by reference is the adopted Fee Schedule.]

VI. Citizen Requests/Comments:

Terry Johnson, Pastor of Temple Baptist Church, 1411 North 20th Street, Morehead City, spoke about his opinion that today's media has undertaken an effort to misinform the American public by attacking Christian values and trying to eradicate religion from public institutions.

Sidney Horton, 1611 Ivory Gull Drive, Morehead City, referring to the previously adopted FY2013/2014 City budget, commented that the average salary in Morehead City is \$27,500, and questioned that the City wants to hire paramedics for twice that salary. He was of the opinion that the City residents could not afford increases in taxes and was against the adopted budget.

VII. City Manager's Report:

City Manager Whitlow reported that he had been meeting with all the departments since the adoption of the budget to explain the implementation of the compensation study. He stated he had the opportunity to talk face-to-face with all the City employees and there is a lot of appreciation on the part of the employees for what the Council did in addressing compensation and a great deal of gratitude for correcting something which had been developing over the past six [6] or seven [7] years. City Manager Whitlow commented that this action has gone a long way to improve morale. The adoption of the compensation plan

will help Morehead City maintain the kind of staff the Council wishes to have in order to make the City the kind of community that the Council would like it to be. City Manager Whitlow added his thanks to the Council.

VIII. Council Requests/Comments:

Councilman Taylor questioned the status of the pilot recycling project which is about to draw to a conclusion.

City Manager Whitlow replied that he expected a report soon on how the pilot project went. As soon as it is received, the Council will receive the information.

Councilman Taylor requested that the manpower of the Fire/EMS and Police Departments be reviewed in addition to a review of the status of proposed capital projects and be reported back to the Council.

Councilman Thompson stated, in response to Mr. Sidney Horton's previous comments, that the Council should do all it could to help the City Manager figure ways to save money. City taxes have been held down for as long as possible based upon what the City had to accomplish at the time. He requested the Council meet in a special session to brainstorm ways to save money.

Councilman Walker commented that he wanted Mr. Sidney Horton to understand that it was very difficult for the Council to have to raise taxes. He continued that the City was losing money especially in the Fire/EMS and Police Departments as the City was doing a lot of training only to lose the employees because of compensation. He hoped that taxes could be reduced in the future.

Mayor Jones reported that the new Fire Truck will arrive at 6:30 p.m.

IX. CLOSED SESSION per G.S. 143.318.11[a][3] to Approve the CLOSED SESSION Minutes of Tuesday, June 11, 2013; to Receive an update from the City Attorney on the Martin vs. Town of Morehead City Litigation; and to Discuss Fire/EMS District Contract with the City Attorney

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

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

X. Big Rock Fountain and Perpetual Trophy on the Jib

By consensus the members of the Council agreed to purchase a Big Rock Fountain large paver collectively with each Council Member donating \$75 towards its acquisition.

XI. Adjournment:

There being no further business, the meeting was adjourned.

Gerald A. Jones, Jr., Mayor

Attest:

Jeanne M. Giblin, City Clerk