

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

**Tuesday, April 12, 2011**

The Honorable Council of the Town of Morehead City met in regular session on Tuesday, April 12, 2011, at 5:30 p.m., in the Municipal Building Auditorium at 202 South 8<sup>th</sup> Street, Morehead City, North Carolina. Those in attendance were:

MAYOR:	Gerald A. Jones, Jr.
MAYOR PRO-TEM:	Demus L. Thompson
COUNCILMEN:	George W. Ballou Paul W. Cordova David Horton John F. Nelson
CITY MANAGER:	R. Randy Martin
CITY CLERK:	Jeanne M. Giblin
CITY ATTORNEY'S OFFICE:	Nelson Taylor, III, Derek Taylor, Michael Thomas
OTHERS:	Louise & David Hughes & Family; Lou Wilson; Mike Shutak, Reporter, THE CARTERET NEWS TIMES; Planning Director Linda Staab; Major Richard Abell; Police Chief Wrenn Johnson; Carolyn Dennis; Parks & Recreation Director Craig Lands; Susan & John Drake; Crystal Hesmer; Captain Stephen Draughon; Lisa Pelletier Harmon, Lynne Pelletier; Marilyn Bernauer; Jane Becton; Matt & Mindy Fitzpatrick; Kenny Eldred; Corinne Webb Geer; Rilla Gould; Richard Farrell; David Fellows; Joe Merrell; Keri McCann; Tom Kies; Herb Pierson; Ken Wood; Pene diMaio; Robert Purifoy; Cass Flowers; Bill Taylor; Craig Hassler Julie Ash and several others.

**I. Regular Meeting Call to Order, Invocation and Pledge of Allegiance**

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

**Special Presentations:**

**II.A. Resolution of Retirement 2011-12 In Appreciation to Louise B. Hughes, Director of Morehead City Parks & Recreation for over 30 Years of Service**

As is customary, the Town of Morehead City honors retirees with a Resolution of Retirement. Louise Hughes has been an employee of the Town of Morehead City for over 30 years as Director for the Morehead City Parks and Recreation Department. Countless citizens have benefitted by being coached, taught and cheered-on by Louise and she leaves a legacy of acquiring numerous grants for Morehead City for parks, water accesses, facility upgrades and innovative programs. During her tenure Morehead City acquired Sugarloaf Island, built Shevans Park and the Sea of Dreams Playground, developed City Park and Jaycee Park, developed Rotary Park and the O'Neal Baseball Field and Big Rock Stadium and renovated the Recreation Center and outdoor ballfield at 1600 Fisher Street in addition to upgrading many of the City's public water accesses.

While her entire family watched, Mayor Jones presented Louise Hughes Resolution of Retirement 2011-12, thanked her for her many years of service and wished her many more happy and productive years in her future.

Louise Hughes thanked the Council for the privilege of serving the City and for the support she received over the years. She especially thanked Councilman Cordova who has been with her in City service for over 30 years.

**II.B. Big Rock/Blue Marlin Fishing Tournament, June 10 through June 18, 2011, on the Morehead City Waterfront – Crystal Hesmer, Director**

Director Crystal Hesmer gave a brief presentation on the Big Rock/Blue Marlin Fishing Tournament and reported that this is the 53<sup>rd</sup> year for this sports fishing tournament which promotes conservation and raises money for charities and worthwhile community projects. She continued that the purse in 2010 was \$1.658 million. The Tournament donated \$200,000 last year to the new Crystal Coast Hospice House. Since 1988, the Tournament has donated \$2.33 million to charity. Last year the Ladies Tournament had 77 boats participating and raised \$25,000 for the Raab Oncology Clinic. She thanked the City for all its support and is looking

forward to a great Tournament in 2011.

**Councilman Horton requested that Item III.F. be removed from the CONSENT AGENDA and placed as Item VI.B. New Business. The Council concurred.**

### **III. Adoption of the CONSENT AGENDA**

#### **III.A. Approval of Minutes: Tuesday, March 8, 2011, Regular Meeting**

*Approved the minutes of Tuesday, March 8, 2011, Regular Meeting and dispensed with the reading.*

#### **III.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for March 2011, in the amount of \$13,228.58; and Accept the Tax Collector and Finance Director Reports for March 2011**

*Approved the requests for release of overpayment of ad valorem taxes for March 2011, in the amount of \$13,228.58; and accepted the Tax Collector and Finance Director Reports for March 2011.*

#### **III.C. Contiguous Annexation requested by Kurtis Property Management, LLC, for property located at 5369 Highway #70, PIN #6356-1313-0648-1008-000, approximately 0.96 acres, zoned CH [Commerical Highway] District – Adopt Resolution 2011-10 Directing the Clerk to Investigate the Petition and Resolution 2011-11 Setting the date of the public hearing for Tuesday, May 10, 2011 at 5:30 p.m.**

The property under consideration for annexation is contiguous to the present City limits, contains approximately 0.96 acres and is currently zoned CH [Highway Commercial] District. The site in question is not part of a subdivision, and therefore, will not fragment a subdivision. The current tax value of the property is estimated to be \$459,800. Based on a 22-cent tax rate, \$1,011.56 in tax revenues would be generated. Water and sewer will be accessed from Highway #70. All costs associated with extending the water/sewer service to the newly annexed property will be the responsibility of the owner.

*Adopted Resolution 2011-10 Directing the Clerk to investigate the petition and Resolution 2011-11 Setting the date of the public hearing for Tuesday, May 10, 2011, at 5:30 p.m. [Resolutions 2011-10 and 2011-11 are attached to and made a part of these minutes.]*

#### **III.D. Adopt Resolution of Retirement 2011-12 in Honor of Louise B. Hughes, Director, Morehead City Parks & Recreation Department**

*Adopted Resolution of Retirement 2011-12 in Honor of Louise B. Hughes, Director of the Morehead City Parks & Recreation Department. [Resolution of Retirement 2011-12 is attached to and made a part of these minutes.]*

#### **III.E. Adopt Resolution 2011-13 Endorsing the Big Rock/Blue Marlin Fishing Tournament and Authorizing Action Necessary for the Event to be Held June 10 through June 18, 2011, on the Morehead City Waterfront**

The Public Works Committee of the Council recommended approval of the Resolution authorizing the event.

*Adopted Resolution 2011-13 Endorsing the Big Rock/Blue Marlin Fishing Tournament and authorizing action necessary for the event to be held June 10 through June 18, 2011, on the Morehead City waterfront. [Resolution 2011-13 is attached to and made a part of these minutes.]*

#### **III.F. Adopt Resolution 2011-14 Requesting the Deletion of SR 1632 [Beginning at the northern edge of the U.S. 70 right-of-way, then north and east .17 miles to the entrance of the Newport River Beach Access] from the State Highway System**

Item moved to VI.B. New Business at the request of Councilman Horton.

### **III.G. Adopt Resolution 2011-17 in Opposition to Senate Bill 183/House Bill 309 Regarding Billboard Regulations**

The General Assembly is considering the adoption of Senate Bill 183 and House Bill 309 which would allow changeable face billboards every 1,500 feet on each side of an interstate or primary highway in commercial and industrial areas. This could result in as many as seven [7] changeable face billboards within a one [1] mile area and would dramatically alter the landscape of a community. This same legislation would undermine local zoning codes by prohibiting a local government from regulating the vegetation surrounding these billboards and by voiding existing nonconforming sign sections relating to outdoor advertising. The adoption of Resolution 2011-17 by the Council would inform our legislators that these considerations are local in nature and the interests of citizen taxpayers, neighborhoods and local businesses are best considered by local elected officials.

The Planning Committee of the Council recommended approval of the Resolution.

*Adopted Resolution 2011-17 in Opposition to Senate Bill 183/House Bill 309 regarding Billboard Regulations. [Resolution 2011-17 is attached to and made a part of these minutes.]*

### **III.H. Adopt Budget Ordinance Amendment 2011-10 Transferring Funds from Borrowing for Water/Sewer Improvements to the Water/Sewer Operating Fund and Budget Ordinance Amendment 2011-11 Recognizing a Transfer of Funds from the Water/Sewer Extension/Improvement Capital Project Fund and Reduce Appropriated Fund Balance in the Water/Sewer Operating Fund**

The purpose of Budget Ordinance Amendment 2011-10 is to transfer restricted, escrowed loan funds from a prior year borrowing for water/sewer improvements to the Water/Sewer [Operating] Fund to pay debt service related to the borrowing. Funds in the Water/Sewer Extension/Improvement Fund available for future appropriation will be reduced. This amendment does not change the total amount of the budget.

The purpose of Budget Ordinance Amendment 2011-11 is to recognize a transfer of funds from the Water/Sewer Extension/Improvement Capital Project Fund and reduce appropriated fund balance in the Water/Sewer [Operating] Fund. This amendment does not change the total amount of the budget. The funds transferred are restricted, escrowed loan funds from a prior year borrowing for water/sewer improvements. They will be used to pay debt service related to the borrowing.

The Finance Committee of the Council previously reviewed the need for these adjustments. The Council has already approved the first of the transfers which will effect closeout of a prior loan agreement. The City will then be able to pay the funds toward debt without penalty or any necessity for third party approval.

*Adopt Budget Ordinance Amendment 2011-10 Transferring Funds from Borrowing for Water/Sewer Improvements to the Water/Sewer Operating Fund and Budget Ordinance Amendment 2011-11 Recognizing a Transfer of Funds from the Water/Sewer Extension/Improvement Capital Project Fund and Reduce Appropriated Fund Balance in the Water/Sewer Operating Fund. [Budget Ordinance Amendments 2011-10 and 2011-11 are attached to Ordinance Book #6 in the vault.]*

***Councilman Ballou MOVED, seconded by Councilman Thompson, and carried unanimously, to adopt the CONSENT AGENDA in one [1] motion with the exception of Item III.F.***

### **IV. Public Hearing: Contiguous Annexation requested by Flowers Development Corporation, for property located at 310 Friendly Road, PIN #6376-1313-1941-000, 3.9 acres, Zoned IU [Unoffensive Industry] District - Adopt Ordinance 2011-02**

Planning Director Linda Staab reported that the property under consideration for annexation is contiguous to the present City limits, contains approximately 3.9 acres and is currently zoned IU [Unoffensive Industry] District. The site in question is part of a subdivision, the remainder of which was previously annexed, therefore, the annexation will not fragment a subdivision. The current tax value of the property is estimated to be \$403,880. Based on a 22-cent tax rate, \$888.54 in tax revenues would be generated. Water and sewer will be accessed

from Friendly 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 and recommended approval.

Mayor Jones opened the public hearing.

Cass Flowers of 212 Bayview Boulevard, Atlantic Beach, N.C., the developer of the property, requested that the annexation be postponed because he has not received his state stormwater permits for the development of the property.

Manager Martin explained that because the public hearing for the annexation had already been advertised it was advisable to hold the public hearing and to defer action until a future date.

Planning Director Staab explained that the decision on approving the annexation can be delayed for up to three [3] months if desired. If delayed longer, she recommended the applicant reapply for approval of the annexation.

Mayor Jones closed the public hearing.

***Councilman Nelson MOVED, seconded by Councilman Horton, and carried unanimously, to postpone the action as requested by the applicant.***

**V. Old Business: Adopt Resolution 2011-16 Endorsing the Morehead City Saturday Market and Authorizing Action Necessary for the Event to be Held Every Saturday Starting June 4, 2011 and Ending December 17, 2011**

By way of background information, the Town of Morehead City has for years promoted activities in the downtown area and on the waterfront that further the goals of the City Council for the area. For some time, a group of individual downtown business owners have collaborated to develop a more comprehensive downtown “market” concept which would include arts and crafts but also reach out to involve a wider array of interests including: farmers, fishermen, locally produced products, entertainment, educational groups, nonprofits, etc. A proposed nonprofit organization is being formed to create and manage a Morehead City Saturday Market. The Council is requested to approve a resolution endorsing and authorizing the events to be held in downtown as detailed in the resolution. The group proposes the event begin in June and end in December 2011, and utilize Katherine Davis Park, Jaycee Park and other facilities alternating to avoid conflicts with other regular downtown/waterfront events. The event would be held every Saturday except for the North Carolina Seafood Festival weekend.

At the Town Council Meeting on March 8<sup>th</sup>, the concept was opened for discussion from the public. Many of the comments received pertained to the potential impacts that such a market may have on The Friendly Market which is a privately owned market outside the downtown area and the long existing Curb Market which is located in the Promise Land of Morehead City.

The proposal has been previously reviewed by the Planning Committee and Public Works Committee of the Council and their recommendations as well as the comments offered at the Town Council Meeting on March 8, 2011, have been incorporated into the proposed resolution. The Planning Committee recently reviewed additional provisions with the Market representatives which have also been incorporated into the proposed resolution.

Mayor Jones reported that the Council received public comment and closed public comment at the last Town Council Meeting and that the requested action does not require a public hearing.

***Councilman Ballou MOVED, seconded by Councilman Horton, and carried unanimously, to reopen public comment on the request with a two [2] minute time limit on each participant.***

Mayor Jones opened the meeting for public comment.

Corinne Webb Geer of 3207 Evans Street and also a downtown waterfront property owner, was opposed to street closings and stated that there is a need for information on the

intended use of the public parks. She continued that there is a lot of “he said, she said” going around which can lead to unintended consequences. Friday and Saturday are busy times for the waterfront. She wanted to know the price scale for the City services, license fees, who will benefit and who will pay for the Saturday Market.

Robert Purifoy of 3403 Old Gate Road and the owner of Olympus Diving Shop, stated that he is interested in what the Saturday Market will entail. This is now the busy season for his business and he needs to have access to his business as do the charter boats and restaurants. He noted that the map distributed by the Market showed vendors in front of his business on Shepard Street. He needs access to his property especially during times of loading and unloading SCUBA gear. Events on the waterfront take away parking from the businesses already established. He requested that the Council keep the existing businesses in mind.

Tom Kies of Pine Knoll Shores and Executive Director of the Downtown Morehead City Revitalization Association [DMCRA], stated that the DMCRA is in support of the proposal and he has received support from the majority of downtown businesses. On behalf of DMCRA, their Board of Directors met and agreed to endorse the proposed Market subject to a 30 day review of the project by the City and any other limits that the Council placed on the event.

Lisa Pelletier Harmon of 5127 Webb Street, requested that the Council consider her questions which she brought up at the last Town Council Meeting. She wanted to know if the Saturday Markets were a business or a non-profit. She wanted the Council to rebuild what was previously on the waterfront and not to turn their backs on the head boat and fishing industry. She continued that she was of the opinion that the proposal was the wrong type of market for the demographics.

Dawn Gaskill of 1208 Evans Street stated that established businesses have to pay rentals and fees. She stated she can see the benefit of having more interest in the downtown area, but wanted to know if any of the participants will have to obtain permits and there are a number of other instances which must be taken into consideration.

Pene diMaio of 500 Holly Lane stated she was in support of the Saturday Market and thought that Beaufort residents were apt to come to Morehead City to shop. Anything that attracts more people to the downtown area has to be beneficial. Any problems can be addressed with the 30 day review and that everyone concerned needed to adopt more of a community spirit.

Matt Fitzpatrick of 515 Four Iron Street and also the owner of The Friendly Market, stated that The Friendly Market is not opposed to another market in Morehead City. He did, however, questioned if the proposal was an appropriate use of a public park. He questioned the non-profit status of the entity and that the use of the park for 30 straight weekends in the summer sounded more like a business to him. He stated that the Saturday Market needed to find a commercial piece of property for their business. He advocated a level playing field for anyone proposing a market requiring them to meet the same standards that his business had to comply with.

Mindy Fitzpatrick of 515 Four Iron Street and also the owner of The Friendly Market, stated she had no problem with another market. She wanted to see in writing when a non-profit can use City property. She felt that the Saturday Market will “step on a lot of toes” such as the Curb Market. She continued that Wilmington has two [2] markets, however, on different days. She felt Morehead City was not big enough for two [2] Saturday markets.

Keri McCann of 513 Evans Street and the owner of Jack’s Waterfront Bar, stated she was very excited to have something on a Saturday in downtown and that the Saturday Market would enhance awareness of downtown Morehead City. She wanted the Council to allow it and review after 30 days to see if it would work.

Richard Farrell of 500 Arendell Street and Chairman of the Morehead City Saturday Market stated he appreciated all the questions and concerns and would be happy to answer all questions. The concept is to bring people into downtown and to revitalize the area. The Saturday Market is not asking for street closures, just asking for the use of Katherine Davis Park or Jaycee Park when available and not to the exclusion of others who want to use the parks. Most business owners in the downtown area have had a positive response to the proposal. The agriculture extension representatives [Curb Market] have also expressed support.

Joe Merrell of 1786 Highway 101, Beaufort, a sixth generation farmer in Carteret County stated he has been in the farm business for 50 years and is convinced that the Saturday Market if nurtured could become a major game changer for farmers, artists, food vendors, fishermen, etc. A lot of business could be brought into downtown Morehead City.

Herb Pierson of 14 Villas at the Reef, Pine Knoll Shores and of the Crystal Coast Unity Church stated he supported the Saturday Market and that he had previously worked with the Eugene, Oregon Market. He would like to see the Curb Market grow stronger and better. The Saturday Market wants to pay its way and not take taxpayers money. He asked all to imagine the possibility of all the people coming to Morehead City for a cultural event and fresh local food. He considered the proposal a win-win situation.

Jerry Garnett of Hogan Court stated he was a member of the Board of the Saturday Market. He continued that the Saturday Market has the possibility of bringing life back to Morehead City. People need a reason to drive “to” Morehead City and not “through” it. He continued that those against the market have not been properly informed about the impact of the market. The Saturday Market is caring, responsible citizens who are trying to make this place better for everyone. No one is seeking a privilege.

Lynne Pelletier of 5121 Chalk Street stated that there are two [2] different comparisons going on. The question is “is it a level playing field for everyone?” She wants progress for Morehead City, but everyone needs to understand how it affects all citizens.

Julie Ash commented that she and her husband, who own rental oceanfront beach houses, feel that the more that is offered, the more the tourists will come. She was in support of the Saturday Market.

Craig Hassler of 1904 Arendell Street showed a picture of the Curb Market which was opened in 1928 from A PICTORIAL HISTORY OF MOREHEAD CITY. He was interested in the use of public and private lands. He commented that the Curb Market should use the current municipal building at 202 South 8<sup>th</sup> Street. The cooperative could use the building or perhaps buy it.

Mayor Jones closed the public comment section and thanked all for their comments.

Councilman Horton asked Manager Martin to explain about the legality and procedure of a non-profit using public property.

Manager Martin replied that the use of most of the City parks is through a reservation process with the Parks & Recreation Department. The use of Katherine Davis Park and the waterfront is under the jurisdiction of the Public Works Department and the purview of the Council by resolution. The City does not own Katherine Davis Park, it is leased from the North Carolina Railroad Company. Under the lease, the City has allowed it for various uses and any use would be predicated on the City continuing to lease the property. The Council can establish any procedure they might see fit for the use of the park.

Councilman Horton wanted to clarify that Katherine Davis Park is used by many different entities such as the Big Rock, North Carolina Seafood Festival, the Superboat Race, etc., and has been already reserved by such groups. The reservation process is non-exclusive. When Katherine Davis Park is not available, the Saturday Market would like to use Jaycee Park.

Manager Martin reported that the use will be periodically reviewed by the Council as proposed in the resolution.

It was ascertained that there was a previous market proposed in 2008, approved by the Council and its use was not contentious at that time. Manager Martin explained that it was the same process as currently before the Council, however, the market effort that time did not make it for the entire season.

Councilman Ballou commented that the requests for the market in 2008 were for the very same concept.

Councilman Horton continued that the Council did not want to do anything illegal or give unfair advantage to anyone and can certainly understand the concern about competition. However, just as for-profit businesses must follow certain regulations, the non-profits will also be held responsible for their appropriate regulations. The Raleigh Market is seven [7] days a week and is funded by the state. The market in New Bern is on public property. There is a precedent from other counties across the state to allow for a Saturday farmer's market to operate on public properties.

Upon a question from the audience if Councilman Horton had already come to his conclusion before this evening's public comments, he replied, "Yes."

Upon a question from Councilman Ballou regarding a group activity permit from the Parks & Recreation Department, Manager Martin replied that the resolution must be adopted and that the Saturday Market has already started the permitting process with Parks & Recreation Department.

In response to a Council question, Richard Farrell, Chairman of the Saturday Market, reported that the group will work cooperatively with the Curb Market. He continued that very early on in the process he had contacted the Curb Market. The Saturday Market would like to help the Cub Market continue. The Saturday Market will be marketed on a regional basis and is working with the TDA [Tourist Development Authority] already.

Councilman Ballou commented that the Curb Market cannot get enough vendors and is struggling. There is so much history attached to them, he asked that the Saturday Market do all it can to preserve the Curb Market. He asked that the Saturday Market consider beginning at the site of the Curb Market.

Richard Farrell stated that the Saturday Market will be a much larger venue and if successful, it will give the Curb Market more exposure. He continued that at this point they have not received the final paperwork back from the state for the non-profit status. He also stated that the start-up process takes quite a bit of funding and it may be sometime before the Saturday Market is profitable. However, it is written into the by-laws that if profitable, the money will be donated to charitable organizations. The very modest vendor fees may not be sufficient to cover licensing fees, however, other non-profit organizations are welcome to use the venue at no cost.

Councilman Thompson commented that his mind was not made up when he came to the Council Meeting this evening. He was concerned about street closings and the impact on the downtown merchants. He continued that it would be good to have a success in downtown Morehead City. No Saturday Market vendor will be out on the street in front of businesses and blocking people. Every retail business in downtown Morehead City who wants to come out and sell in front of their business can do so without charge and fees as long as they are selling their product. He commented about knowing Ward Ballou who admonished him to treat the people the best you can, and competition makes you do things better. He felt if the Saturday Market did not do what was expected, they would not be granted another 30 days after review from the City to continue the business.

Councilman Ballou said his mind was not made-up before he attended the Council Meeting. He stated he knows that not everyone will be happy with the decision and he had serious concerns regarding the Curb Market. However, the policy is that non-profit organizations can use City parks.

Councilman Nelson commented that both those for or against the Saturday Markets have good points in their favor.

Councilman Cordova commented that the City has given the Downtown Morehead City Revitalization Association [DMCRA] funding for many years, and that if the Council did not want to give the Saturday Market a try, then the City should not fund the DMCRA. He would like to see the concept a success.

***Councilman Thompson MOVED to adopt Resolution 2011-16 Endorsing the Morehead City Saturday Market and Authorizing Action Necessary for the Event to be Held Every Saturday Starting June 4, 2011 and Ending December 17, 2011 under the guidelines which have been set.***

The Council discussed the regulations of the Saturday Market having insurance, parking, limiting the use to one [1] park or the other, non-profit status, no street closings, no sidewalk closings, clean-up, etc. It was ascertained that these regulations were incorporated into the proposed resolution.

***Councilman Nelson MOVED to delete Item #2 in the proposed Resolution 2011-16 removing the use of Jaycee Park. The motion died for lack of a second.***

***The Council then acted on the previous MOTION set by Councilman Thompson to adopt Resolution 2011-16 Endorsing the Morehead City Saturday Market and Authorizing Action Necessary for the Event to be Held Every Saturday Starting June 4, 2011 and Ending December 17, 2011 under the guidelines which have been set. The motion passed with a vote of three [3] to two [2] with Councilmen Ballou and Nelson voting opposed.*** [Attached to and made a part of these minutes is Resolution 2011-16.]

The Council called for a ten [10] minute recess.

**VI. New Business: Adopt Resolution 2011-15 Endorsing the “Alive at Five” Event and Authorizing Action Necessary for the Event to be held May 6, June 3, July 1, August 5 and September 2, 2011, on the Morehead City Waterfront**

Manager Martin reported that the Downtown Morehead City Revitalization Association [DMCRA], with the support of several waterfront businesses, in an effort to attract people to downtown Morehead City have requested the temporary closing of a portion of Evans Street from 6<sup>th</sup> Street westward to the entrance of the parking lot adjacent to Katherine Davis Park parking lot on the Fridays of May 6<sup>th</sup>, June 3<sup>rd</sup>, July 1<sup>st</sup>, August 5<sup>th</sup> and September 2<sup>nd</sup> from 5:00 p.m. to 8:30 p.m. The proposal does not block access to the parking lot adjacent to Katherine Davis Park. The proposal is to bring family entertainment and concerts to this area and to sell beverages including beer in a defined area in accordance with all state, county and municipal laws with the proceeds used to fund the event. DMCRA will be solely responsible for any permits required and specifically for compliance with alcoholic beverage control regulations as applicable to the proposed beer sales. The use of portions of the sidewalks along either side of that portion of Evans Street will also be dedicated to the event; however, an adequate walkway on the south side of Evans Street along the water will be maintained open for those walking the waterfront.

The Public Works Committee of the Council reviewed the request at their last meeting and concurred to forward the request to the entire Council with no recommendation. The Planning Committee of the Council also discussed the proposal and offered input on the layout of the proposed event.

Mayor Jones stated that although the request does not require a public hearing, public comments typically are allowed.

Bill Taylor, Board Chairman for the DMCRA, stated that the proposal was one of a continuing effort by the DMCRA to raise activity levels and interest in the downtown area. The DMCRA is attempting to do a number of promotional activities to raise funds that they hope to put back into the community. The beer tent sales would be used for marketing and advertising campaigns for the downtown businesses.

Tom Kies, Executive Director for the DMCRA, stated that another project is a façade grant to start getting business owners to spruce up their properties and the DMCRA is researching new street banners. The current Artists on Arendell Street Program each Friday of the month will get people downtown for cultural events.

Keri McCann spoke in support of the event as a waterfront business owner and commented that regarding the request for the street closure, the idea was to try to keep the participants close and to start small to see if the event grows. The DMCRA would like to see it grow to need the space of Katherine Davis Park. The thought was to start small to be able to manage the area.

Upon a question from Manager Martin that the proposers would not object to having the venue in Katherine Davis Park the answer was “no”. He continued that the Public Works

Committee was concerned with the set up of the venue, traffic routing and the use of the parking lot.

Councilman Thompson stated that he had concerns about closing streets.

Corinne Geer raised concern about the access to the head boats.

Bill Taylor stated that the head boats are returning at that time and pedestrian traffic would be available to access the boats. The DMCRA thought was to encapsulate the event at first and then if need be expand to Katherine Davis Park.

Councilman Ballou suggested having the event in Katherine Davis Park from the beginning.

Bill Taylor questioned if the Council were concerned about the traffic flow, could the venue be held at Jaycee Park.

Regarding the charter boat captains, Tom Kies stated he spoke with the owners of the Carolina Princess and the Bill Collector and both were willing to give it a chance. He continued that the DMCRA does not want to adversely impact anyone's business.

Councilman Cordova questioned if John Poag, the owner of Captain Bill's Restaurant, knew of the proposal.

Keri McCann reported that she has been trying to contact him and others to determine if they have concerns. She continued that some of the local restaurants have stated they will help fund the bands.

When Councilman Ballou questioned the beer tent, Bill Taylor reported that the proceeds of the beer tent were to raise funds for the DMCRA and that all local laws and the guidelines of the ALE [Alcohol Law Enforcement] people will be followed such as requiring to encapsulate the area, check for age restrictions, etc. Fifteen people met at Jack's Waterfront Bar for the training and to acquire a certificate to serve. The draft beer will be served in cups. A tractor trailer will be used for the stage area and all will be cleaned up by 8:30 p.m. It is hoped that the music will complement the Artists on Arendell program.

Tom Kies continued that the artists' cooperative is excited about the proposal of First Friday events, downtown businesses have mentioned offering promotions or discounts. He continued that the street would need to be closed from approximately 4:00 p.m. to 8:30 p.m. for set up and break down, with the concert going from 5:00 p.m. to 8:00 p.m.

Councilman Horton commented that he sees a problem with people getting off a head boat with fish and getting to their cars. However, the proposal seems like a good idea and the restaurant owners support it.

Tom Kies replied that if access to the head boats were a problem, the concert would move to Katherine Davis Park.

Corinne Geer said she objected to the closing of the street and that the venue should be held in the park as the concert will interfere with the fishing boats. She suggested the concerts should be moved to City Park by the Train Depot.

Captain Stephen Draughon of 1905 Clubhouse Drive and owner of the Bill Collector, stated that the concerts were a good idea, but he had concerns about closing the streets and getting his customers in and out. The North Carolina Seafood Festival he said was a killer for his business.

Councilman Nelson commented that the idea was good, but he had reservations about closing the street and having traffic going through a parking lot.

Councilman Horton suggested placing the venue in the street in front of Jack's Waterfront Bar and Dee Gees.

Councilman Ballou suggested placing the venue in Katherine Davis Park.

Tom Kies stated they would be perfectly happy to have the concerts in Katherine Davis Park.

***Councilman Ballou MOVED, seconded by Councilman Horton, and carried unanimously, to adopt Resolution 2011-15, as amended, endorsing the “Alive at Five” Events and authorizing action necessary for the events to be held May 6, June 3, July 1, August 5 and September 2, 2011, in Katherine Davis Park on the Morehead City Waterfront.*** [Resolution 2011-15 is attached to and made a part of these minutes.]

***[Clerk’s Note: Tom Kies, Executive Director of the DMCRA reported on April 19<sup>th</sup>, that the concerts would begin on June 3, 2011. Resolution 2011-15 will reflect the dates of June 3, July 1, August 5 and September 2, 2011.]***

**III.F. Adopt Resolution 2011-14 Requesting the Deletion of SR 1632 [Beginning at the northern edge of the U.S. 70 right-of-way, then north and east .17 miles to the entrance of the Newport River Beach Access] from the State Highway System**

The street section requested to be removed from the State Highway System is the entrance way to the Newport River Beach Access. With the advent of the opening of the boat ramps and assorted improvements made to this water access area and pier, City staff recommends this change in order to have jurisdiction over the entrance to the area. Inclusion in the City street system allows all decisions related to its operation, maintenance and function to reside with local direction. Because the North Carolina Department of Transportation [NCDOT] has historically staged the landscaping activities for this area, which the City recognizes as a benefit, the City with this resolution, agrees to allow NCDOT to continue this service. The City will receive funding through the Powell Bill allocation for the maintenance of the requested street effective July 1, 2011.

The Public Works Committee of the Council recommended approval of the Resolution.

Councilman Horton expressed concern with the City acquiring a road that needed extensive work. He questioned if it would not be better if the City could work with the state to correct the road before the City was to acquire it.

Manager Martin explained that at the present time the state maintains the access road while the City maintains the parking lot. If the City were to acquire SR 1632, the City would get Powell Bill funds for its maintenance and have jurisdiction over its use. He was of the opinion that the chances of the state putting any money into improving the street was not high on their priority list.

Councilman Horton maintained that now there is a reason for the state to maintain it because the boat ramps and fishing pier are there for the public use.

Councilman Thompson questioned if the North Carolina Department of Transportation [NCDOT] could not allow trucks to use the road.

Manager Martin replied that if the City has jurisdiction over the road section, then the City can determine whether the NCDOT and Highway Patrol can utilize the access road as a weigh station.

Councilman Nelson commented that the City should charge a launching fee for the use of the boat ramps. The maintenance of the area is going to cost money and launching fees could be a source of revenue to address street maintenance needs and other costs.

***Councilman Nelson MOVED, seconded by Councilman Thompson to adopt Resolution 2011-14 Requesting the Deletion of SR 1632 [Beginning at the northern edge of the U.S. 70 right-of-way, then north and east .17 miles to the entrance of the Newport River Beach Access] from the State Highway System. The motion carried with a vote of four [4] to one [1] with Councilman Horton opposed.*** [Resolution 2011-14 is attached to and made a part of these minutes.]

**VII. Citizen Requests/Comments:** None

**VIII. City Manager's Report:** Nothing at this time.

**IX. Council Requests/Comments:**

Councilman Horton stated that the City should develop a long term contract with Riverfront Sports for the use of the baseball park. He felt it was up to Morehead City to pursue a long term contract and suggested that the Public Works Committee start the process.

Councilman Nelson proposed that the City charge a fee for the launch of boats at the new Newport River Boat Access. The City will incur expenses such as maintenance, electricity, cleaning the restrooms, insurance, etc. There should also be a charge for use of the pier for fishing. He continued that many people who are not Morehead City residents will be using the facilities.

Councilman Cordova commented that in order to collect fees the City would have to employ two [2] people.

Councilman Ballou stated that Beaufort has two [2] very nice boat ramps and they do not charge.

Mayor Jones commented that other agencies spent a lot for the construction of the boat ramps.

Councilman Horton stated that the insurance on the floating docks will be a great expense for the City.

Manager Martin commented that to his knowledge there was nothing in the grants prohibiting charging a fee if the City desired. He noted that the primary funding of the facility was state grants and county matching dollars.

Councilman Ballou questioned the status of the contract with Robert Purifoy of Olympus Diving for managing the Jaycee Park transient boat docks.

City Attorney Derek Taylor replied that Robert Purifoy had a number of concerns about the contract which are being addressed.

Councilman Horton commented that the City needs to get that contract executed as soon as possible.

The Council acknowledged Mike Shutak Reporter for THE CARTERET NEWS TIMES on winning a newspaper award and on behalf of Morehead City thanked him for the job he does.

**X. CLOSED SESSION AS PER G.S. 1434.318.11 TO APPROVE THE CLOSED SESSION MINUTES OF TUESDAY, FEBRUARY 8, 2011**

There was no CLOSED SESSION.

***Councilman Ballou MOVED, seconded by Councilman Thompson, and carried unanimously, to approve and seal the CLOSED SESSION Minutes of Tuesday, February 8, 2011.***

There being no further business, the meeting was adjourned at 8:40 p.m.

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Gerald A. Jones, Jr., Mayor

Attest:

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Jeanne M. Giblin, City Clerk

