

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

Tuesday, April 13, 2010

The Honorable Council of the Town of Morehead City met in regular session on Tuesday, April 13, 2010 at 5:30 p.m., in the Municipal Building Auditorium at 202 South 8th Street, Morehead City, North Carolina. Those in attendance were:

MAYOR:	Gerald A. Jones, Jr.
MAYOR PRO TEM:	George W. Ballou
COUNCILMEN:	Paul W. Cordova David Horton John F. Nelson Demus L. Thompson
CITY MANAGER:	R. Randy Martin
CITY CLERK:	Jeanne M. Giblin
CITY ATTORNEY'S OFFICE:	Nelson W. Taylor, III, Derek Taylor, Mike Thomas
OTHERS:	Mike Shutak, Reporter, THE CARTERET NEWS TIMES; Bill Taylor; Linda Staab, Planning Director; J. B. Bagby; Bruce R. Brill, Alan & Glenda Ballard; Linda Odum; Pat Walker; Lee Walker; Kim Miller; Crystal Watters; Holly Fletcher; Don Gray; Ken Wood 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.

II. Special Presentations:

II.A. United States Department of Agriculture [USDA] -- Kim Miller, Area Specialist, USDA, Rural Development

Councilman Horton MOVED, seconded by Councilman Nelson, and carried unanimously, to amend the AGENDA to include a presentation by Kim Miller of the United States Department of Agriculture [USDA] for the funding for the construction of the Morehead City Police Department and Consolidated E-911 Communications Facility on Bridges Street and for the acquisition and renovation of the Morehead City Fire/EMS Department Station No. #2 on Arendell Street.

By way of background information, City Manager Martin spoke about Ed Causey, Area Specialist, from the USDA who was recently in Morehead City to award the funding for various water projects. He continued that Morehead City has long been seeking funds for the acquisition and rebuilding of a fire station and for the construction of the new police station and consolidated E-911 center. The City requested a \$5 million loan and was able to secure \$5 million with an additional \$255,000 for the accrued estimated interest on the borrowing for the new Police Department/E-911 Building. He recommended the adoption of Resolution 2010-16 to secure the loan from the USDA.

The second resolution is an up to \$2 million loan with \$75,000 for the accrued estimated loan interest with an outright \$200,000 grant for the acquisition and construction of a new Fire/EMS Station No. #2 on Arendell Street.

USDA Area Specialist Kim Miller spoke about the Police Department project and commented that the construction of the project was already begun when Morehead City approached the USDA for a loan. Although the agency did not circumvent any regulations, this is not their regular process. The USDA has been authorized to fund this loan through their regular allocations. The agency is still waiting for specific environmental issues to be settled and the proper paperwork to be filed. She read the proposed Resolution 2009-16 into the record.

City Manager Martin commented that the public hearings on both projects were held in March 2010. He recommended accepting the funding at a 4 1/8% interest rate with no penalty for pre-payment. This will allow for the interim financing agreement to be made with the Local Government Commission [LGC] before the end of June. This timing is very important in that the City is fronting the money from reserves and will be reimbursed.

Councilman Horton commented that on the Police Department loan the City is borrowing 100 percent of the cost of the project and maintained that it looked like the City was borrowing more money than initially approved with the addition of the \$255,000 of interest combined into the USDA loan.

City Manager Martin reported that the City was only funding \$5 million for the cost of construction. Since the beginning of the project, the City had some incidental costs with the project and has been bearing those costs. This \$255,000 is to fund the accrued interest from the interim lender until funded by the USDA loan upon completion of the project. The City has been using City funds to pay the contractor since October 2009, and will be reimbursed from the interim financing.

Councilman Thompson MOVED, seconded by Councilman Ballou, and carried unanimously, to adopt Resolution 2010-16 to pursue United States Department of Agriculture [USDA] loan assistance for the construction of a new Police/E-911 Building. [Resolution 2010-16 is attached to and made a part of these minutes.]

USDA Area Specialist Kim Miller explained that on the loan for the acquisition and renovation of the proposed Fire/EMS Station No. #2, funding from the federal stimulus program was able to be allocated. The funding for the entire project is a stimulus funding grant of \$200,000, a loan of \$2.075 million from the USDA with a City contribution of \$500,000 for a total project amount of \$2.775. She continued that with stimulus funding, you can only request a certain amount once. If there are cost overruns, there is no authorization for more funds. She further explained that the funding is set up with the fund utilization in the order of \$500,000 of City funds first, followed by the loan funding of \$2.0 million, with the last funding being the grant of \$200,000. If the project did not need the entire funding allocated, the \$200,000 grant would not be accessed.

Councilman Horton was concerned with the amount of the total project funding of \$2.775 million. It was his opinion that committing to that much funding will cause the project to incur cost overruns and that it was his understanding that the entire project was supposed to cost approximately \$2 million.

City Manager Martin replied that when the City applied for the funding, it took an architect's estimate of all associated costs and arrived at a potential cost of the \$2.5 million. All that is currently budgeted for the project is \$2 million. If the City does not spend that much for the project the City will need the entire \$2.075 million loan amount and not get the \$200,000 grant funding. By the same token, if the City did not put in some fund balance, the City may not have received the grant. There is a year's time lapse before it is designed, bid, built, etc. At this point, all that is budgeted is a \$2 million project. However, that is the way the USDA funding structure is set up. It was ascertained that the interest on the loan is 4 1/8 percent.

Councilman Horton was of the opinion that the request for the loan funding should be less than the requested \$2.075 million, which would probably allow the City to use up the entire funding and be able to utilize the grant of \$200,000.

USDA Area Specialist Kim Miller explained that by adopting the proposed resolution the Town of Morehead City intends to get the loan of \$2.075 million and the grant of \$200,000. This project will not be done with interim funding which is a cost savings to the City. Once construction starts, the City would begin utilizing the USDA loan. If the City does not need the entire funding, the City would not incur penalties on prepaying the loan back for the unused portion of the loan. The situation is that the funding source needed to know up front the approximate cost of the project before attempting to borrow the funding. She continued that the stimulus funding expires on September 30, 2010, and she did not know if additional funding would be available were the City not to accept the current proposed funding before them or wanted to seek different funding. The stimulus funding is making the grant opportunities available to the USDA.

Councilman Horton wanted to restructure the grant in order to secure the \$200,000 grant.

Because of the Council's concerns with the way the loan is structured, City Manager Martin recommended that the Council defer action on the Fire/EMS project loan at this time.

USDA Area Specialist Kim Miller replied she would hold the application in her office and await the Council's decision. She reminded the Council that Ed Causey of the USDA is retiring at the end of the month and at this time there is no replacement which will mean an increased workload for the remaining employees. She warned that the agency has done a lot of paperwork for the loan and if the Council were to change the requested figures, it would change the whole application and the process would have to begin all over. There was no guarantee of the funding for Morehead City on a second application.

II.B. National Safe Boating Week in Morehead City – May 22-28, 2010

Every year 700 people die in boating-related accidents in the United States and nearly 70 percent of these fatalities are caused by drowning. The U.S. Coast Guard Auxiliary and the Fort Macon Sail and Power Squadron requested that boaters wear life jackets as one of the most important precautionary measures to protect themselves, their family and their friends. Mayor Jones presented Resolution 2010-14 to J.B. Bagby a representative of the Fort Macon Sail and Power Squadron. Bruce Brill, Commander of the Fort Macon Sail & Power Squadron reported that the squadron was just awarded the Educational Award. He continued that there are going to be demonstrations of "man overboard" at the Boat Show and that the legislature has passed a new law whereby individuals under 26 years of age have to have a license to operate a boat.

II.C. Big Rock/Blue Marlin Fishing Tournament on June 11 through June 19, 2010 – Crystal Watters, Director

This is the 52nd year for this sports fishing tournament which promotes conservation and raises money for charities and worthwhile community projects. Throughout the years, over \$2 million has been donated to various charities and community projects. Crystal Watters, the Director of the Big Rock/Blue Marlin Fishing Tournament gave a brief presentation on the tournament. She reported that the tournament had 169 entries last year and a very high release rate with 73 blue marlin releases, the most they have ever had. The purse last year was \$1.752 million. She thanked the Town of Morehead City for allowing the event on the waterfront and for all their support.

Mayor Jones thanked the Big Rock Board for all they do for the community and stated that the Big Rock has given \$175,000 to Morehead City for the Big Rock Stadium.

II.D. Reelin' for Research Fishing Tournament on May 1, 2010

Reelin' for Research, Inc. is an annual fishing tournament that raises money for the North Carolina Children's Promise, a statewide initiative of a year-round campaign to promote the North Carolina Children's Hospital. Holly Fletcher, Tournament Director for the Wahoo Challenge and representing the Reelin' for Research organization gave a brief presentation. She said last year, the first year for the tournament, \$30,000 was raised for research.

II.E. Military Appreciation Day on June 4 – 5, 2010

Military Appreciation Day [MAD] is an event dedicated to a day of fishing, food and live entertainment for active duty military, guard and reserve members and their families. The organization is sponsored to thank those who serve America and to show appreciation for their dedication, sacrifice and accomplishments. Don Gray of Military Appreciation Day made a brief presentation. He commented that the first MAD started in Rapps Restaurant on May 21, 2006. He continued that 430 active duty soldiers were fishing on boats last year with 350 dependents staying on shore and enjoying the festivities. He commented that the organization was looking for volunteers to clean fish.

II.F. Vietnam Veterans Memorial, Jacksonville, N.C.

The first phase of construction on the Onslow Vietnam Veterans Memorial which is located near downtown Jacksonville and which opened to the public in June 2009, is now complete. The memorial includes glass panels that contain the names of the more than 58,229 troops who died in Vietnam, a fountain, landscaping and walkways. Linda Odem and Pat Walker of the Onslow Vietnam Veterans Memorial Foundation made brief presentations. They both stated they were very proud of the memorial which is sited at the entrance to Camp Johnston and which has been funded completely by donations. However, it is not totally complete and the organization is constantly fundraising. They

thanked the Morehead City Council for allowing them to make the presentation to bring awareness to this project.

III. Adoption of the CONSENT AGENDA

III.A. Approval of Minutes: Tuesday, March 9, 2010, Regular Meeting

Approved the minutes of Tuesday, March 9, 2010, Regular Meeting and dispensed with the reading.

III.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for March 2010, in the amount of \$3,595.15; and Accept the Tax Collector and Finance Director Reports for March 2010

Approved the requests for release of overpayment of ad valorem taxes for March 2010, in the amount of \$3,595.15; and accepted the Tax Collector and Finance Director Reports for March 2010.

III.C. Adopt Resolution 2010-10 Endorsing the Big Rock/Blue Marlin Fishing Tournament and Authorizing Action Necessary for the Event to be held June 11 through June 19, 2010

As in the past, the City was requested to approve the use of various streets, parks and boat docks in addition to ancillary services necessary to make the tournament a success. The requested closures and services were the same requested in the past. The Public Works Committee of the Council reviewed the resolution and recommended adoption.

Adopted Resolution 2010-10 Endorsing the Big Rock/Blue Marlin Fishing Tournament and Authorizing Action Necessary for the Event to be held June 11 through June 19, 2010. [Resolution 2010-10 is attached to and made a part of these minutes.]

III.D. Adopt Resolution 2010-11 In Support of Tourism Week in Carteret County, May 8-16, 2010, "Discover America"

North Carolina is the sixth most visited state in the nation and in Carteret County the direct economic impact of tourism is almost \$270 million in annual expenditures. Every business in both Carteret County and in Morehead City particularly benefits from the infusion of tourism dollars into the local economy. In support of Tourism Week from May 8 – 16, 2010, Morehead City was requested by the Crystal Coast Tourism Authority to adopt Resolution 2010-11.

Adopted Resolution 2010-11 In Support of Tourism Week in Carteret County, from May 8-16, 2010, with the campaign slogan of "Discover America". [Resolution 2010-11 is attached to and made a part of these minutes.]

III.E. Adopt Resolution 2010-12 Endorsing the Second Annual Reelin' for Research, Inc., Fishing Tournament and Authorizing Action Necessary for the Event to be held May 1, 2010, on the Morehead City Waterfront

This is the second year for this organization to hold the Reelin' for Research Fishing Tournament on the Morehead City waterfront. The City was requested to approve the use of various streets and sidewalks and the 6th Street boat docks in addition to ancillary services necessary to make the tournament a success. The Public Works Committee of the Council reviewed the proposed resolution and recommended adoption.

Adopted Resolution 2010-12 Endorsing the Second Annual Reelin' for Research, Inc., Fishing Tournament and Authorizing Action Necessary for the Event to be held May 1, 2010, on the Morehead City Waterfront. [Resolution 2010-12 is attached to and made a part of these minutes.]

III.F. Adopt Resolution 2010-13 Endorsing Military Appreciation Day and Authorizing Action Necessary for the Event to be held on Friday & Saturday, June 4 & 5, 2010, on the Morehead City Waterfront

The City was requested by the organization to approve the use of various streets, sidewalks, parks and boat docks in addition to ancillary services necessary to make

Military Appreciation Day a success. The Public Works Committee of the Council reviewed the proposed resolution and recommended adoption.

Adopted Resolution 2010-13 Endorsing Military Appreciation Day and Authorizing Action Necessary for the Event to be held on Friday & Saturday, June 4 & 5, 2010, on the Morehead City Waterfront. [Resolution 2010-13 is attached to and made a part of these minutes.]

III.G. Adopt Resolution 2010-14 Declaring the Week of May 22-28, 2010, as National Safe Boating Week in the Waters of Morehead City

While being a marvelous source of recreation, boating can be a risky sport. Not knowing or obeying the navigation rules or drinking alcohol or taking drugs while operating a boat, or choosing not to wear your life jacket when boating are major causes of accidents on our waters. The Fort Macon Sail and Power Squadron requested that the City adopt Resolution 2010-14 in support of Safe Boating Week.

Adopted Resolution 2010-14 Declaring the Week of May 22-28, 2010, as National Safe Boating Week in the Waters of Morehead City. [Resolution 2010-14 is attached to and made a part of these minutes.]

III.H. Request for Renewal of Certificate of Convenience and Necessity from Carteret Cab Company, 2401 Bridges Street, Lennie Griffin, Owner – Call for a Public Hearing on Tuesday, May 11, 2010, at 5:30 p.m.

The application is for a renewal of a taxi service in Morehead City. Carteret Cab Company has been in business since 2006, and wishes to renew their franchise agreement. The City Code provides that any approved Certificate of Convenience and Necessity be granted for two [2] years. A taxi franchise must pass two [2] readings by the Council with this as the first of those readings.

Set a public hearing date of Tuesday, May 11, 2010, at 5:30 p.m., to consider the approval of the request for renewal of a Certificate of Convenience and Necessity from Carteret Cab Company, 2401 Bridges Street, Lennie Griffin, Owner.

III.I. Request for Renewal of Certificate of Convenience and Necessity from Brown-Wil Enterprise, Inc., d/b/a Atlantic Beach Taxi, 1010 West Fort Macon Road, Wesley Brown, Owner – Call for a Public Hearing on Tuesday, May 11, 2010, at 5:30 p.m.

The application is for a renewal of a taxi service in Morehead City. Brown-Wil Enterprise, Inc., d/b/a Atlantic Beach Taxi has had a taxi service in Morehead City for two [2] years and wishes to renew their franchise agreement. The City Code provides that any approved Certificate of Convenience and Necessity be granted for two [2] years. A taxi franchise must pass two [2] readings by the Council with this as the first of those readings.

Set a public hearing date of Tuesday, May 11, 2010, at 5:30 p.m., to consider the approval of the request for renewal of a Certificate of Convenience and Necessity from Brown-Wil Enterprise, Inc., d/b/a Atlantic Beach Taxi, 1010 West Fort Macon Road, Wesley Brown, Owner.

III.J. Request for Renewal of Certificate of Convenience and Necessity from A1 Yellow Cab Company, 4104 Azalea Drive, Kelly W. Matthews, Owner – Call for a Public Hearing on Tuesday, May 11, 2010, at 5:30 p.m.

The application is for a renewal of a taxi service in Morehead City. A1 Yellow Cab Company has been in business for many years and wishes to renew their franchise agreement. The City Code provides that a Certificate of Convenience and Necessity be granted for two [2] years. A taxi franchise must pass two [2] readings by the Council with this as the first of those readings.

Set a public hearing date of Tuesday, May 11, 2010, at 5:30 p.m., to consider the approval of the request for renewal of a Certificate of Convenience and Necessity from A1 Yellow Cab Company, 4104 Azalea Drive, Kelly W. Matthews, Owner.

III.K. Adopt Resolution 2010-15 Approving Financing Terms for the Acquisition of the Shepard Street Boat Ramp & Property located at 1001 Shepard Street in

an Amount Not to Exceed \$1,050,000 at a 4.57 Percent Interest Rate for 15 Years

Councilman Horton requested that this item be removed from the CONSENT AGENDA.

The Council concurred to remove Item III.K. from the CONSENT AGENDA and place it as Item IV.B. under New Business.

III.L. Adopt Ordinance 2010-14 Amending the Town of Morehead City Code of Ordinances, Chapter 11, Parks and Recreation

With the advent of the busiest season for our municipal parks the Morehead City Parks & Recreation Department proposed to institute rules and regulations for the use of the parks and athletic fields. The Public Works Committee of the Council reviewed the proposed ordinance at its last meeting and recommended its adoption.

Adopted Ordinance 2010-14 Amending the Town of Morehead City Code of Ordinances, Chapter 11, Parks and Recreation. [Ordinance 2010-15 is attached to Ordinance Book #6 in the vault.]

---0---

Councilman Ballou pointed out the street closings in all the resolutions which were just approved and requested that the City Manager make sure the residents know which areas and streets were to be closed during those events.

Councilman Thompson MOVED, seconded by Councilman Cordova, and carried unanimously, to approve the CONSENT AGENDA with the exception of Item III.K. which was moved to Item IV.B. New Business.

IV.A. New Business: Carteret County Comprehensive Transportation Plan [CTP] – Planning Director Linda Staab

Planning Director Linda Staab reported that she serves as the City's representative on the County-wide CTP Steering Committee and advised that the North Carolina Department of Transportation [NCDOT] Transportation Planning Branch, Carteret County and the municipalities of Carteret County have begun the development of a Comprehensive Transportation Plan [CTP] to meet future needs of the county. NCDOT now requires CTP's instead of Thoroughfare Plans as CTP's include recommendations for roads, bicycles, pedestrian, rail and transit improvements.

Carteret County has set up a CTP Steering Committee with representatives from Carteret County and its municipalities. Plan development is expected to be completed in early 2011. The final plan will be a set of vision maps identifying proposed transportation improvements to meet Carteret County's future travel demand in a safe and effective manner to the year of 2040. Once adopted, minor revisions can be made at any time based upon changing needs.

IV.B. Adopt Resolution 2010-15 Approving Financing Terms for the Acquisition of the Shepard Street Boat Ramp & Property located at 1001 Shepard Street in an Amount Not to Exceed \$1,050,000 at a 4.57 Percent Interest Rate for 15 Years with BB & T Bank

At the March 9, 2010, Town Council Meeting, the Council unanimously adopted an ordinance and resolution authorizing the acquisition of the Pharr Yarns property and boat ramp located at 1001 Shepard Street. The City had for several years pursued acquiring the property which was finally agreed to by the owners, Pharr Yarns, well below the appraised value of the property. The anticipated cost of acquiring and making the property once again useful as a boat ramp and public water access site is estimated to be \$1,050,000.00. The adoption of Resolution 2010-15 sets the loan agreement with Branch Banking & Trust Company [BB&T], for an amount not to exceed \$1,050,000.00 at an annual interest rate of 4.57 percent with a term not to exceed 15 years from closing. The Finance Committee of the Council reviewed the proposed resolution and recommended adoption.

Councilman Horton commented that upon reviewing the loan proposals from the banks he realized that the ten [10] year rate is 1 percent lower, which makes the interest rate almost half with the payments being only \$35,000 more per year. He proposed that the City do a ten year loan instead of the proposed 15 year loan. He continued that by paying off the loan five [5] years sooner, the City saves \$180,000 in interest fees. He was interested in the City paying off the loan sooner at a more favorable interest rate.

Mayor Jones commented that all the loan terms were open for discussion.

City Manager Martin explained that City staff estimated an amount for payment when the City purchased the property and the recommended loan terms were closest to that estimate. The City staff in recommending these terms was being conservative because of concerns about the proposed FY2010-2011 budget. He continued that paying off the loan in ten [10] years instead of the proposed 15 years, would place the City in a more difficult budget situation at this time. He continued he would prefer the ten [10] year loan and lower interest rate, but it is very speculative to commit to a higher payment in advance of preparation of the City's proposed budget. It would equate to a considerably higher payment than estimated per year for principal and interest.

Councilman Horton conceded the City would be paying more per year, but saving more on the interest.

City Manager Martin replied that time is of the essence in getting this approved and submitted for Local Government Commission [LGC] approval before the closing deadline on the purchase contract for the property. He advised that it was Finance Director Ellen Sewell's opinion that the City obtain the 15 year loan, however, she too would have preferred the ten [10] year loan option. He continued if the Council were inclined to approve the ten [10] year loan, it would be contingent upon the City Staff also being willing to advise that the City could handle the increased per year payments.

The Council concurred for the 15 year loan to authorize the City Management to make a decision on the terms of the loan and accept the ten [10] year option if advisable after further evaluation.

Councilman Horton MOVED, seconded by Councilman Thompson, and carried unanimously, to approve a ten [10] year loan unless the Morehead City Finance Officer has a strong objection, if the Finance Director has a strong objection, the Council adopted Resolution 2010-15 to approve the loan financing terms for the acquisition of the Shepard Street boat ramp and property located at 1001 Shepard Street in an amount not to exceed \$1,050,000 at a 4.57 percent interest rate for 15 years with BB & T Bank. [Resolution 2010-15 is attached to and made a part of these minutes.]

Manager Martin stated that the City anticipates making the boat ramp available for use very soon, however, certain safety conditions must be met before being used by the public.

Upon a question on relaxing the rules on the size boat allowed to be launched at the site, City Manager Martin commented that the rules were already established as to boat size, but it was advisable to let any boat that could physically access the ramp use it while the State Wildlife ramp remains under construction.

**V. Old Business: Tabled Minutes: Friday, January 29, 2010, Special Meeting
Tuesday, February 9, 2010, Regular Meeting**

At the March 9, 2010 Council Meeting, questions about the accuracy of the draft minutes were raised. Council Members agreed to allow more time to review recordings on the meetings.

The Clerk and the City Manager undertook a review of the minutes of the January 29, 2010 Special Meeting and the February 9, 2010 Regular Meeting in response to questions raised and the tabling of action.

City Manager Martin reminded the Council that the minutes were not intended to be verbatim accounts or transcripts of actual conversations. To produce minutes in that manner would be very time consuming and make the minutes quite voluminous. There would be a significant cost associated with producing and maintaining minutes of such a

nature. In addressing these matters, the Council many years ago directed that summary minutes be taken with the emphasis on the action taken. Staff have attempted in summary form to prepare the minutes, in terms of discussion and action, for the primary purpose of making the official record as clear as possible for those researching actions of the Council in the future. The City Staff want the record to be accurate and welcome corrections or clarifications.

The minutes of January 29, 2010 and February 9, 2010, have been corrected to be as accurate as possible with the above policy in mind. In the case of the January 29, 2010 Work Session, the information drafted by the Clerk was found, in the City Manager's review, to be accurate in their content with only minor changes necessary. After this recording review was completed, Councilman Horton submitted additional information from a review of the tape that he desired to be added to the January 29, 2010 minutes. The requested corrections, clarifications and additions have been made to the best of staff's ability.

City Manager Martin did not review the recording a second time to verify all of Councilman Horton's notes, but these notes include some additional discussion but not a comprehensive accounting of all the discussions at that meeting. It has been the staff's practice to incorporate Council generated changes in the past and these minutes were submitted consistent with that approach.

Regarding the February 9, 2010 Meeting, Councilman Horton had previously submitted comments which were incorporated in part into the draft of those minutes. Councilman Horton has since submitted additional comments after reviewing the recording. Corrections, clarifications and additions to the summary identified by Councilman Horton have been verified and made to the best of staff's ability and are incorporated into the draft prepared by the Clerk.

On a different point, City Manager Martin recommended that citizens not be able to demand inclusion of information in the minutes. Typically, such information is kept on file by the Clerk and not entered into the meeting record except by reference unless the Council directs otherwise. A citizen at the last meeting asked for a letter to be included in the minutes. At the prior regular session, several hundred e-mails and letters were presented to the Council. Citizen correspondence is quite common. If all such requests are allowed, or this becomes a standard procedure, this will greatly impact on the size of the minutes in the future and the associated costs. Other impacts can be easily identified, for example, permanent minute books are expensive and must be stored in a vault type facility with limited space. Listing in the minutes citizens who comment and a brief summary of their viewpoint would seem to be sufficient as it has been for years.

In conclusion, the Council is responsible for establishing policy and for approving the minutes. The current procedure utilized has the Clerk preparing the draft summary minutes. The Manager reviews the draft before inclusion in the agenda. Council member changes are welcome before adoption. The Council needs to give the management further guidance if another procedure is desired.

Councilman Horton commented he appreciated the extra treatment.

Councilman Horton MOVED, seconded by Councilman Ballou, and carried unanimously, to approve the minutes of Friday, January 29, 2010, Special Meeting and Tuesday, February 9, 2010, Regular Meeting as presented and dispensed with the reading.

VI. Citizen Requests/Comments: There were no citizen requests/comments.

VII. City Manager's Report:

Manager Martin reported that East Carolina Community Development, Inc., [ECCDI] requested that Morehead City do a letter of intent for state grant funds to fund infrastructure on a proposed low income senior housing project on the John Gainey property located on the future extension of Galantis Drive. The project would consist of 41-one bedroom and 18-two bedroom units to be completed in 2011. The project is in the vicinity of the Senior Center and would be very similar to what is presently sited and already completed by the ECCDI. The project would be of no cost to the City, however, the City would be responsible for some paperwork. The letter of intent has to be sent this week and would not obligate the City. The Council would have to approve the acceptance

of the grant if it were to be awarded. He continued that he would discuss the letter with the Planning Committee of the Council at their meeting set for April 14th.

Councilman Horton commented that he wanted to disclose that he is representing a property owner who is negotiating the sale of another piece of property to Mr. Keith Walker of ECCDI.

VIII. Council Requests/Comments

Councilman Horton commented on the proceedings of the Special Meeting held on April 7, 2010, and requested a dollar figure on the concrete to be used to support the bleachers at the Big Rock Stadium.

City Manager Martin replied he does not have the exact cost for the concrete base for the bleachers but could get that information to Councilman Horton, however, he was guessing the cost to be \$15,000 maximum.

Councilman Horton took exception to a comment at the April 7th Special Meeting stating that he was not communicating with City Manager Martin and was being difficult to work with. He continued yes to being difficult to work with, but said he has spoken with City Manager Martin and always returns phone calls.

City Manager Martin replied that communication has been a concern, but Councilman Horton has always returned his phone calls.

Councilman Horton questioned Councilman Thompson about his comments about not having alcohol in City parks. He stated he would like to continue discussion so that alcohol is not automatically allowed in City parks and will bring this up at the Planning Committee of the Council meeting. He then commented on a Wilmington, N.C. article about the Wooden Bat League President Peter Bock complaining about the facilities at the Wilmington Ballpark.

IX. CLOSED SESSION AS PER G.S. 143.318.11 TO APPROVE THE CLOSED SESSION MINUTES OF MONDAY, JANUARY 25, 2010; FRIDAY, JANUARY 29, 2010; AND TUESDAY, FEBRUARY 9, 2010

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

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

Councilman Horton MOVED, seconded by Councilman Ballou, and carried unanimously, to approve the CLOSED SESSION Minutes of Monday, January 25, 2010, Friday, January 29, 2010, and Tuesday, February 9, 2010, with the redacting of the fax information contained in the CLOSED SESSION Minutes of Monday, January 25, 2010.

Councilman Horton MOVED that the CLOSED SESSION Minutes regarding the baseball franchise be released and spread upon the record. The motion died for lack of a second.

There being no further business, the meeting was adjourned at 7:30 p.m.

Gerald A. Jones, Jr., Mayor

Attest:

Jeanne M. Giblin, City Clerk