

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

Tuesday, December 11, 2012

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, December 11, 2012, 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:	Jeanne M. Giblin
CITY ATTORNEY'S OFFICE:	Nelson W. Taylor, III, Derek Taylor, Mike Thomas
OTHERS:	Keri McCann; Police Chief Wrenn Johnson; Mark

Hibbs, Reporter, THE CARTERET NEWS TIMES; Holly Fletcher; Annette Dunn; James Dunn; Jenniel Dunn; Derek Williams; Daniel Williams; Janet Hill; Richard Abell; Bryan Dixon; Police Major Garland Terry; Planning Director Linda Staab; Jeff Covington; Franklin Rice; Kelly Guthrie; Robert Harman; Carolyn W. Dennis; Finance Director Ellen Sewell; Linda Murphy; Gary Ridgeway; Human Resources Director Susan Nixon; Dave Pokela; Eva Mettre; Gary Sod, David McCullough and several others.

I. Regular Meeting Call to Order

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

II. Special Presentations:

As is customary, the Town of Morehead City honors retirees with a Resolution of Retirement and wishes them well for many more happy and productive years in their future.

II.A. Resolution of Retirement in Appreciation to Police Officer Robert D. Harman

Robert D. Harman retired from the Morehead City Police Department on December 1st with more than 19 years of service to the citizens of Morehead City. He retired as Master Police Officer II and was for many years the School Resource Officer for the Carteret County Schools. Mayor Jones presented a Resolution of Retirement. Officer Harman thanked the City for the support over the years.

II.B. Resolution of Retirement in Appreciation to James W. Dunn, Jr.

James W. Dunn, Jr. retired from the Morehead City Public Utilities Department on December 1st with more than 30 years of service to the citizens of Morehead City. He began his career as a Refuse Collection Driver and retired as a Utility Service Technician. As his wife and daughter watched, Mayor Jones presented a Resolution of Retirement. Mr. Dunn thanked the City for the support shown to him over the years.

II.C. Comprehensive Annual Financial Report [CAFR] for Fiscal Year Ending June 30, 2012 – Gary Ridgeway and Linda Murphy of McGladrey & Pullen, LLP

The City is required to conduct an independent annual financial audit. The City elected to expand the auditing process to include a Comprehensive Annual Financial Report [CAFR] document which was recently distributed to the Council. Gary Ridgeway and Linda Murphy of McGladrey & Pullen, LLP, independent auditors for the Town of Morehead City, presented the CAFR and detailed highlights of their audit review for the fiscal year ending June 30, 2012. The Finance Committee of the Council reviewed the CAFR with the auditor prior to the Council Meeting. The City's CAFR has received recognition by the Government Finance Officers' Association for each of the past 22 years. This is a significant achievement for the City.

Gary Ridgeway extended thanks to City Management and especially to Finance Director Ellen Sewell, the Finance Department and to all the other City Departments for their cooperation during the audit. The audit of the financial statements received a clean opinion which is the highest opinion and demonstrates a high degree of compliance to state and federal agency regulations. No deficiencies, compliance or internal control issues were found. He reviewed the financial highlights and reported that the City's overall financial position improved in 2012 as evidenced by an increase in total net assets of \$1.6 million. At the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$8 million, an increase of \$2.1 million in comparison to the prior year. At the end of the current fiscal year unassigned fund balance for the General Fund was \$3.1 million and is available for spending at the government's discretion. This represents a healthy fund balance and the Council and staff did a tremendous job to increase it during the year.

Mr. Ridgeway further reviewed page 30 of the comparison of expenditures to budget projections and commented that there was very little change between revenues and expenses from the beginning of the fiscal year to its end. This indicated that the City did an excellent job with determining the budget and was able to work within the budget and allocated funds. The tax collection percentage overall was 98.46% which is above the state average for a city of similar size.

Councilman Taylor commented that it was a pleasure to be a member of the Finance Committee and to work with Ellen Sewell and her staff.

Finance Director Ellen Sewell stated that on behalf of her staff, that those comments were very much appreciated. She then introduced Dana Green and Carolyn Dennis, members of her staff who were present.

Mayor Jones commented that as elected officials, decisions were made on the basis of information received and that the City was fortunate to be guided in the right direction over the years. He thanked the accounting firm of McGladrey & Pullen for all their efforts.

The Council approved and accepted the Comprehensive Annual Financial Report [CAFR] for the fiscal year ending June 30, 2012, as presented.

III. Adoption of the CONSENT AGENDA

Councilman Walker requested that Item III.F. Adopt Ordinance 2012-52 Amending the Morehead City Code of Ordinances, Chapter 9, Motor Vehicles and Traffic, Article VII, Traffic Schedules, Sec. 9-173 Reserved be removed from the CONSENT AGENDA for further discussion. It will be the first item under New Business.

Councilman Walker MOVED, seconded by Councilman Taylor, and carried unanimously, to adopt the amended CONSENT AGENDA.

III.A. Approval of Minutes: Tuesday, November 13, 2012, Regular Meeting

Councilman Taylor stated that the Council minutes of November 11, 2012, contained an error under Item III.G., it was Councilman Taylor who discussed a conflict of interest not Councilman Thompson as reported.

Approved the corrected Minutes of Tuesday, November 13, 2012, Regular Meeting and dispensed with the reading.

III.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for November 2012, in the amount of \$314.26; and Accept the Finance Director and Tax Collector Reports for November 2012

Approved the requests for release of overpayment of ad valorem taxes for November 2012, in the amount of \$314.26; and Accepted the Finance Director and Tax Collector Reports for November 2012.

III.C. Adopt Resolution 2012-47 Endorsing the 2nd Annual Crystal Coast Countdown Celebration and Authorizing Action Necessary for Events to

be held December 31, 2012 on the Morehead City Waterfront

The 2nd Annual Crystal Coast Countdown is a series of special events held across the various towns on the Crystal Coast and culminates in a “Crab Pot Drop” and fireworks display on the Morehead City Waterfront on December 31st. The “Crab Pot Drop” will take place in Katherine Davis Park from 9:00 p.m. to just after midnight. The Crystal Coast Countdown Committee is requesting various street and sidewalk closures and ancillary help in order to make this event a success. The Public Works Committee of the Council has reviewed the proposed Resolution and recommended adoption.

Adopted Resolution 2012-47 Endorsing the 2nd Annual Crystal Coast Countdown Celebration and Authorizing Action Necessary for Events to be held December 31, 2012 on the Morehead City Waterfront. [Resolutions 2012-47 is attached to these minutes and incorporated herein by reference.]

III.D. Rescind Grant Project Budget Ordinance 2012-50 for Phase II United States Department of Agriculture [USDA] Water Improvements Project

At the November 13, 2012, Council Meeting, Grant Project Budget Ordinance 2012-50 for Phase II USDA Water Improvements Project was adopted. Upon the advice of the City’s auditor, McGladrey & Pullen, LLP, noting that Budget Ordinance 2012-50 was for the same amounts and had the same purpose as Budget Ordinance 2012-11 adopted on April 10, 2012, for the identical project, it was necessary to rescind Budget Ordinance 2012-50 by Council action. This action would negate the budgetary effect of Ordinance 2012-50. The Public Utilities Committee of the Council reviewed this request and recommended approval.

Rescinded Grant Project Budget Ordinance 2012-50 for Phase II United States Department of Agriculture [USDA] Water Improvements Project.

III.E. Adopt Resolution of Retirement 2012-48 in Appreciation to Police Officer Robert D. Harman and Resolution of Retirement 2012-49 in Appreciation to James W. Dunn, Jr.

Adopted Resolution of Retirement 2012-48 in Appreciation to Police Officer Robert D. Harman and Resolution of Retirement 2012-49 in Appreciation to James W. Dunn, Jr. [Resolutions of Retirement 2012-48 and 2012-49 and attached to these minutes and incorporated therein by reference.]

III.F. Adopt Ordinance 2012-52 Amending the Morehead City Code of Ordinances, Chapter 9, Motor Vehicles and Traffic, Article VII, Traffic Schedules, Sec. 9-173 Reserved

Moved to Item IV.A. under New Business at the request of Councilman Walker.

III.G. Award the Newport River Pier Extension to the Low Bidder, T. D. Eure Construction Company with a bid of \$139,475 and a unit price for adjustment of pile lengths of \$10 per linear foot

On November 15, 2012 the three [3] bids received for the Newport River pier extension were opened with the following results:

T.D. Eure Construction Company	\$139,475	\$10 L/F
T.J.’s Marine Construction	\$141,480	\$845.16/LF
Bogue Banks Marine Construction	\$140,000	\$23 L/F

The low bidder was T. D. Eure Construction Company with a bid of \$139,475 and a unit price for adjustment of pile lengths of \$10 per linear foot. The Public Works Committee of the Council reviewed the bid and recommended awarding it to the low bidder.

Awarded the Newport River Pier Extension to the Low Bidder, T. D. Eure Construction Company with a bid price of \$139,475.00 and a unit price for adjustment of pile lengths of \$10.00 per linear foot.

III.H. Approve the Annual Certification of Firemen for 2012 for North Carolina State Firemen’s Association

This is a routine procedure under N.C. General Statutes 58-86-25 that requires all certified fire departments to submit a complete roster of eligible firemen annually. This certified list determines eligibility for the \$50,000 line-of-duty death benefit as well as eligibility for the pension fund credit.

Approved the Annual Certification of Firemen for 2012 for North Carolina State Firemen's Association as presented. [The Annual Certification of Firemen for 2012 is attached to these minutes and incorporated therein by reference.]

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

IV. New Business:

IV.A. Adopt Ordinance 2012-52 Amending the Morehead City Code of Ordinances, Chapter 9, Motor Vehicles and Traffic, Article VII, Traffic Schedules, Sec. 9-173 Reserved

The adoption of Ordinance 2012-52 alters the placement of the waterfront taxi stand more to the west along Evans Street in an attempt to provide a safe way for pedestrians to have access to taxi services along a busy section of Morehead City's waterfront and to try to alleviate the vandalism which has been occurring in the vicinity of the Woo Woo Harker statue. The Public Works Committee reviewed the proposed change to the taxi stand and recommended adoption.

Councilman Walker commented that he received questions from citizens about the relocation of the taxi stand and as he was not present at the last Public Safety Committee of the Council meeting, he requested an explanation.

Councilwoman Warrender reported that at the November Public Safety Committee meeting this matter was discussed. It was brought to the attention of the City that there were problems of vandalism to the Woo Woo Harker statue on the waterfront at 6th Street. The City has recently placed a metal fence around the statue to protect it. The Committee decided that a possible solution would be to move the taxi stand west so people who frequent the waterfront bars would not be in the vicinity of the statue while waiting for taxi rides. The taxi owners at the Public Safety Committee meeting were in agreement with this possible solution. There was concern that possibly limousines might park in that area, however, the City will replace the current "Taxi" sign with a "No Parking" sign. The taxi stand will be placed approximately 85 feet west of 6th Street.

Councilman Ballou commented that he was under the impression that once the fence was in place around the statue, there would be no need to move the taxi stand and that the statue was being vandalized at times other than Friday and Saturday nights.

Councilwoman Warrender replied that the fence was not in place when this decision came about, however, it was agreed that moving the taxi stand would not be harmful to the businesses and it would place the waiting crowd away from the vicinity of the statute.

Mayor Jones commented that this solution was also a result of a joint discussion with the taxi operators.

Upon a question from Councilman Ballou regarding police enforcement of the "No Parking" zone, City Manager Whitlow stated that the police have a right and will enforce the "No Parking" zone.

Councilwoman Warrender MOVED, seconded by Councilman Walker, and carried unanimously to adopt Ordinance 2012-52 Amending the Morehead City Code of Ordinances, Chapter 9, Motor Vehicles and Traffic, Article VII, Traffic Schedules, Sec. 9-173 Reserved. [Ordinance 2012-52 is attached to Ordinance Book #7 in the vault.]

V.A. Public Hearing: Request submitted by Gary Sod to Amend Article 11-1 of the Unified Development Ordinance [UDO] to Allow "Animal Hospital/Veterinary Clinic" as a Permitted Use in the Downtown Business [DB] District – Adopt Ordinance 2012-51

Planning Director Linda Staab reported that a request was submitted by Dr. Gary Sod to amend Article 11 to permit animal hospital/veterinary clinic in the Downtown Business [DB] District. An animal hospital/veterinary clinic is described as a place or facility which provides dental, medical and surgical care for dogs, cats and other domesticated animals within an enclosed building. Kennels are not included within this definition.

At the Planning Board Meeting held on November 20, 2012, Gordon Thayer made the motion, seconded by Jackie Maucher, and carried unanimously, to recommend that animal hospital/veterinary clinic be allowed as a **special use** in the DB District. Dr. Sod did not object to this designation. Special Use means that in order to locate, it must come before the Board of Adjustment and a public hearing would be necessary. The Planning Committee of the Council reviewed the request.

Mayor Jones opened the public hearing.

Dr. Gary Sod, 232 Old Causeway Road, Atlantic Beach spoke about his proposed business. He stated that it is a different type of veterinary hospital as it is a referral hospital which is strictly surgical. To practice veterinary surgery takes another four [4] years of training. There are 13 veterinary practices between New Bern and Beaufort with most surgical cases being referred to North Carolina State in Raleigh. The proposed facilities would handle these referrals. After the surgical procedure, the animal would be discharged back to the initial veterinary hospital. Very few animals will need an overnight stay. The practice will do no grooming, boarding or routine procedures; it would be for surgery and emergency medical treatments only. As this is the case, he feels there would be minimal impact on the neighborhood. The proposed building is an ideal facility for this purpose.

Mayor Jones closed the public hearing.

Councilman Ballou mentioned that grooming is a special use in the Office & Professional District.

Councilman Thompson commented there would be no outside use of the building and no barking to inhibit the neighborhood.

Councilman Thompson MOVED, seconded by Councilman Walker, and carried unanimously, to Adopt Ordinance 2012-51 to grant the request submitted by Gary Sod to amend Article 11-1 of the Unified Development Ordinance [UDO] to allow “Animal Hospital/Veterinary Clinic” as a special use in the Downtown Business [DB] District. [Ordinance 2012-51 is attached to Ordinance Book #7 in the vault.]

V.B. Public Hearing: Request submitted by Nexsen Pruet, on behalf of Progress Energy, to amend Articles 2-2, 8-4.1, 11, 14-2, and 14-31.2 and to add a new Article 14-45 of the Unified Development Ordinance to establish a definition for “Communication tower”, to exempt communication towers from nonconforming replacement cost requirements and height limitations, to allow communication towers as an accessory use to “Public utility building/use” and to establish additional requirements for said use – Adopt Ordinance 2012-43

Planning Director Linda Staab reported that Mr. Thomas H. Johnson, Attorney for Nexsen Pruet and on behalf of Progress Energy, submitted a request to amend the Unified Development Ordinance as it relates to communication towers. At the Planning Board Meeting on September 18, 2012, numerous additional changes were also recommended. Tom Saunders made the MOTION, seconded by Gordy Patrick, to recommend approval of the ordinance amendment with the recommended changes. The motion carried unanimously. However, the Planning Committee of the Council expressed concern about exempting communication towers from height requirements. The applicant agreed to postpone the public hearing set for October 9th to allow for further review. The applicant also expressed concern about exempting non-conforming towers from the nonconforming reconstruction restoration and replacement requirements.

The new proposed ordinance recommends no changes to Articles 8-4.1 or 14-2. Leaving Article 8-4.1 as is would not exempt communication towers from the height requirements while leaving Article 14-2 as written will treat replacement/reconstruction of nonconforming towers the same as other nonconforming uses.

Proposed Article 14-45 now includes language regarding height and setback requirements for communication towers. Co-locations are allowed provided the overall height of the tower is not increased and, when required, the most recent ANSI report would be required along with a structural analysis. As presented, the height and setback requirements are identical to those required by Carteret County.

At the Planning Board Meeting held October 16, 2012, John Creech made the MOTION, seconded by Gordy Patrick, to recommend approval of the requested ordinance amendment including the changes as presented by Staff. The motion carried unanimously. It was tabled at the November 11th Council meeting. The Planning Committee of the Council reviewed the request.

Councilman Taylor questioned if the heights were inclusive of any apparatus attached to the tower. The answer was affirmative.

Planning Director Staab reported that there are a total of nine [9] such towers in the City with the tallest at 800 feet on Little Nine Road. It is assured that the tower height should not infringe on any restrictive air space zone.

Thompson reported that the towers are specifically designed to fall within the property line.

Mayor Jones opened the public hearing.

David McCullough, a representative for the applicant, agree to the proposed amendments as stated by the Planning Board. He continued that the 275 foot high tower in question is designed to fall within a 20 foot area. The tower co-locates Navy and Carteret General Hospital communication equipment.

Mayor Jones asked whether Progress Energy would be willing to provide a free co-location of emergency services antennas if needed. Mr. McCullough indicated that he felt certain that Progress would work with Morehead City to accomplish this when needed.

Mayor Jones closed the public hearing.

Councilman Thompson MOVED, seconded by Councilman Walker, and carried unanimously, to adopt Ordinance 2012-43 granting the request submitted by Nexsen Pruet, on behalf of Progress Energy, to amend Articles 2-2, 11 and 14-31.2 and to add a new Article 14-45 of the Unified Development Ordinance to establish a definition for “Communication tower”, to exempt communication towers from nonconforming replacement cost requirements and height limitations, to allow communication towers as an accessory use to “Public utility building/use” and to establish additional requirements for said use. [Ordinance 2012-43 is attached to Ordinance Book #7 in the vault.]

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

There were no citizen requests or comments.

VII. City Manager’s Report: Set a Date for a Work Session to Discuss the Procedure for Special Events held at City Sports Complex

City Manager Whitlow reported that a date needs to be set for a Council Work Session to develop a procedure for special events at the City Sports Complex. **The date of Tuesday, January 22, 2013 at 5:30 p.m., in the Council Chambers at 202 South 8th Street was set for the Special Work Session.**

He wished all a Merry Christmas.

VIII. Council Requests/Comments

Mayor Jones questioned the plans for proposed concession facilities at the City Sports Complex.

City Manager Whitlow replied that the City has the plans, but issues with heating and air conditioning have risen. The plans have gone back to the engineer, but should be returned shortly with the bidding process following. Mr. Buddy Bengel, the Manager of the Morehead Marlins, has made an offer to help pay for facilities. This item will be brought back before Council before it is put out for bid.

The Council wished all a Merry Christmas and a Happy New Year!

IX. Adjourn

The meeting was adjourned at 6:35 p.m.

Gerald A. Jones, Jr., Mayor

Attest:

Jeanne M. Giblin, City Clerk