

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

**Tuesday, March 12, 2013**

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, March 12, 2013, at 5:30 p.m., in the Municipal Chambers located at 202 South 8<sup>th</sup> 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:	Vincent Martin; Mark Hibbs, Reporter, <u>The Carteret News Times</u> ; Chuck Sewell; Jane Sewell; Elizabeth Sutton Scheller; Tracy Moore; Ray Hopper; David Freshwater; Tom Kies; Maggie Chalk; Major Garland Terry; Bernette Morris; Linda Staab, Planning Director; Holly Fletcher; Chris Davies; Don Gray; Walter R. Kittrell 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.

**AGENDA AMENDMENT**

***Councilman Thompson MOVED, seconded by Councilman Ballou, and carried unanimously, to hold a CLOSED SESSION at this Council Meeting as per G.S. 143.318[a][5] to consider contract negotiations.***

**II.A. Special Presentation: Plaque Presentation to Morehead City on Behalf of MAD [Military Appreciation Day]**

Don Gray, the representative from Military Appreciation Day [MAD] presented the Town of Morehead City with a plaque in appreciation for allowing them the use of City facilities and auxiliary services in order for them to hold their annual event. Mr. Gray explained that he has been participating in MAD since 2008, and that last year 300 troops and 1,000 family members participated. The event grows every year and the group appreciates the support the City and its residents have given MAD throughout the years.

Mayor Jones stated that the City is glad to help and he thanked Mr. Gray and all the volunteers for all they do for military families.

**II.B. Mayor's Proclamation in Support of Earth Hour, Saturday, March 23, 2013, at 8:30 p.m.**

Mayor Jones read the proclamation and stated that Morehead City is proud to participate.

**III. Adoption of the CONSENT AGENDA**

**Councilman Ballou stated he wanted to remove the Council Minutes of Tuesday, February 12, 2013, for further discussion and review. The Council concurred with the request.**

**III. A. Approval of Minutes: Tuesday, February 12, 2013, Regular Meeting  
Friday, February 22, 2013, Special Meeting/Council-Staff Retreat  
Saturday, February 23, 2013, Special Meeting/Council-Staff Retreat**

The minutes of Tuesday, February 12, 2013, Regular Meeting, were removed from the CONSENT AGENDA by the Council at the request of Councilman Ballou.

**III.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for February 2013, in the amount of \$249.46; and Accept the Finance Director and Tax Collector Reports for February 2013**

*Approved the requests for release of overpayment of ad valorem taxes for February 2013, in the amount of \$249.46; and accepted the Finance Director and Tax Collector Reports for February 2013.*

**III.C. Adopt Resolution 2013-12 Endorsing the Big Rock/Blue Marlin Fishing Tournament and Authorizing Action Necessary for the Event to be Held June 7 through June 15, 2013, on the Morehead City Waterfront**

This is the 55<sup>th</sup> year for this sportsfishing tournament which promotes conservation and raises money for charities and worthwhile community projects. Since 1988, the tournament has donated over \$2.33 million to charities. The request is the same as previous years. The Public Works Committee of the Council reviewed the request at their last meeting and recommended approval.

*Adopted Resolution 2013-12 Endorsing the Big Rock/Blue Marlin Fishing Tournament and Authorizing Action Necessary for the Event to be held June 7 through June 15, 2013, on the Morehead City Waterfront. [Resolution 2013-12 is attached to these minutes and incorporated herein by reference.]*

**III.D. Adopt Resolution 2013-11 Endorsing Military Appreciation Day [MAD] and Authorizing Action Necessary for the Event to be held on Friday and Saturday, May 31 and June 1, 2013, on the Morehead City Waterfront and City Park**

The first Military Appreciation Day [MAD] started in Raps Restaurant on May 21, 2006, and has since grown to include a good portion of downtown Morehead City. Military Appreciation Day 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 Public Works Committee of the Council reviewed the request at their last meeting and recommended approval.

*Adopted Resolution 2013-11 Endorsing Military Appreciation Day and Authorizing Action Necessary for the Event to be held on Friday & Saturday, May 31 and June 1, 2013, on the Morehead City Waterfront in both Jaycee and City Parks. [Resolution 2013-11 is attached to these minutes and incorporated herein by reference.]*

**III.E. Adopt Resolution 2013- 13 Endorsing the Fifth Annual Reelin' For Research, Inc., Fishing Tournament and Authorizing Action Necessary for the Event to be held May 4,2013, on the Morehead City Waterfront**

Reelin' for Research, Inc., Fishing Tournament is an annual event that raises money for the North Carolina Children's Promise, a statewide initiative, which is a year round campaign to promote the North Carolina Children's Hospital. The tournament events will be held on Saturday, May 4<sup>th</sup>, 2013, at Chef's 105 Restaurant, Jack's Waterfront Bar and the 6<sup>th</sup> Street boat day docks on the Morehead City waterfront. The Public Works Committee of the Council reviewed the request at their last meeting and recommended approval.

*Adopted Resolution 2013-13 Endorsing the Fifth Annual Reelin' For Research, Inc., Fishing Tournament and Authorizing Action Necessary for the Event to be held on Saturday, May 4, 2013, on the Morehead City Waterfront. [Resolution 2013-13 is attached to these minutes and incorporated herein by reference.]*

**III.F. Adopt Resolution 2013-14 Endorsing the North Carolina Offshore/Inshore Challenge Fishing Tournament and Authorizing Action Necessary for the Event to be held May 17, 18 & 19, 2013, on the Morehead City Waterfront**

This is the third year that Morehead City has received a request to provide areas and services for the North Carolina Offshore/Inshore Challenge Fishing Tournament. Most of the activities will be centered at The Sanitary Restaurant at 501 Evans Street. The benefits of the tournament will go to Victory Junction in Randleman, North Carolina. The Public Works Committee of the Council reviewed the request at their last meeting and recommended approval.

*Adopted Resolution 2013-14 Endorsing the North Carolina Offshore/Inshore Challenge Fishing Tournament and Authorizing Action Necessary for the Event to be held on May 17, 18 & 19, 2013, on the Morehead City Waterfront. [Resolution 2013-14 is attached to these minutes and incorporated herein by reference.]*

### **III.G. Adopt Budget Ordinance Amendment 2013-16 to reflect Council Approved Changes to the FYE 6/30/2013 Budget Ordinance 2012-19 to Include Projects Inadvertently Excluded from the Original Budget Ordinance**

During budget meetings last June, the Council approved changes to the City Manager recommended version of the FYE 6/30/2013 budget ordinance which were inadvertently excluded from the original Budget Ordinance 2012-19 as follows:

- Community Projects - \$4,000 added to the Main Street Project budget and \$1,000 added for West Carteret High School;
- Police Department - \$20,300 added to various salary and benefit line items for a new part time position;
- Contingency - \$25,300 deducted to offset above items.

The adoption of Budget Ordinance Amendment 2013-16 would reflect the Council approved changes and correct the original Budget Ordinance 2012-19. The Finance and Administration Committee of the Council reviewed the proposed budget ordinance amendment and recommended adoption.

*Adopted Budget Ordinance Amendment 2013-16 to reflect Council approved changes to the FYE 6/30/2013 Budget Ordinance 2012-19 to include projects inadvertently excluded from the original Budget Ordinance. [Budget Ordinance Amendment 2013-16 is attached to Ordinance Book #7 in the vault.]*

### **III.H. Voluntary Contiguous Annexation Request for Justin Narron for Property Located at 3309 Old Gate Road, PIN #6376-1155-7469-000, 0.5 acre, zoned R-20 [Single Family Residential] District – Adopt Resolution 2013-09 Directing the Clerk to Investigate the Petition and Resolution 2013-10 Setting the Date of the Public Hearing for Tuesday, April 9, 2013, at 5:30 p.m.**

The property under consideration for annexation is contiguous to the present City limits, contains approximately 0.5 acre and is zoned R-20 [Single-Family Residential] District. The site is part of the Mandy Farms Subdivision, the majority of which is located outside the City limits, therefore, the proposal will fragment a subdivision. The current tax value of the property is estimated to be \$69,030. Based on a 28.5 cent tax rate, \$196.74 in tax revenues would be generated. Water and sewer will be accessed from Old Gate Road. All costs associated with extending the water/sewer service to the newly annexed property will be the responsibility of the owner.

*Adopted Resolution 2013-09 Directing the Clerk to Investigate the Petition and Resolution 2013-10 Setting the Date of the Public Hearing for Tuesday, April 9, 2013, at 5:30 p.m. [Resolutions 2013-09 and 2013-10 are attached to these minutes and incorporated herein by reference.]*

### **III.I. Adopt Resolution 2013-15 of Support to Designate Carteret County, North Carolina “A Coast Guard Community”**

The Carteret County Chamber of Commerce and its Military Affairs Committee is working in cooperation with Coast Guard Lt. Mark Briggs of Sector Field Office Fort Macon on an application for Carteret County to be designated as an official “Coast Guard Community.” Because of the county-wide heritage with the forerunner of the Coast Guard, the U.S. Life-Saving Service, and its present-day operations at Fort Macon and in Emerald Isle, the Chamber believes this designation would be appropriate and fitting...and a great

source of pride to all county residents. There are only 13 communities in the nation that have earned this designation. The plan is for County Manager Russell Overman to initiate the application. The Chamber is requesting official letters or resolutions of support from all the municipalities in Carteret County.

*Adopted Resolution 2013-15 of Support to Designate Carteret County, North Carolina, "A Coast Guard Community". [Resolution 2013-15 is attached to these minutes and incorporated herein by reference.]*

**Councilman Taylor MOVED, seconded by Councilwoman Warrender, and carried unanimously, to adopt the CONSENT AGENDA in one [1] motion with the exception of Item III.A. to approve the minutes of the February 12, 2013, Council Meeting.**

### **Town Council Minutes of Tuesday, February 12, 2013**

Councilman Ballou commented that the Council Minutes of Tuesday, February 12, 2013, regarding the Highway #70 median project were in his opinion inaccurate, especially the adopted motion. He stated that the attendees of that meeting left with the impression that the Council voted against any median proposal on Highway #70. At the subsequent Council-Staff workshop held on February 23, 2013, it was brought to the Council's attention that the City was still in ongoing negotiations with the North Carolina Department of Transportation [NCDOT] on proposals that contain medians. Councilman Ballou wanted it affirmed that he is against all proposals with medians. He felt that the motion stated in the minutes of February 12, 2013, was an inaccurate interpretation of the meeting proceedings. Councilman Ballou continued that he was under the impression that the motion was that the Council was voting against any medians and that he did not think that the City should be in discussions with NCDOT regarding any project containing medians on Highway #70. He questioned if the minutes could be changed to reflect this.

Mayor Jones explained that it was his recollection that the Council did not say there would be no more discussions of medians along Highway #70.

Councilman Ballou questioned if the Council was against any proposals that include medians in Morehead City, could action be taken reflecting this.

Councilman Thompson stated that he is totally against medians on Highway #70 and thought that his decision was made very clear. However, he was of the opinion that the Council should not close the door on NCDOT negotiations for events that may happen in the future and he did not want to close off all negotiations with NCDOT.

Councilwoman Warrender commented that she did not feel that the motion the Council adopted totally rejected medians on Highway #70. Her understanding was that the Council was not happy with any of the three [3] options presented, but the NCDOT would come back to Council with alternatives. There were three [3] distinct areas that identified safety issues. She stated she subsequently spoke with NCDOT Representative, Dwayne Alligood, and told him that the safety issues needed to be addressed and could not be ignored. She further commented that she was in favor with the City talking to NCDOT about the safety issues.

Councilman Ballou stated that the analysis done for the project was wide and varied, and it was difficult to know which figures to believe. He wanted it to be as transparent to the public as possible that the City was still in negotiations with NCDOT on the Highway #70 project.

Councilman Taylor commented it was his recollection that the Council was voting against the three [3] proposals on the table. The state felt it was a liability issue and that NCDOT would be coming back to the Council for further proposals. He stated he voted against the proposals presented because he felt it was not justified that a median will stop the rear end accidents. If the Council does not want to include medians in this project, the NCDOT should be told and it should be clarified what the Council is seeking.

Councilman Ballou commented that he has heard from a reliable source that there is no liability issue on the part of NCDOT.

Councilman Walker stated he was against the medians from the very beginning. He felt that the information the NCDOT developed was not thought through, however, he was of the opinion that the Council should not cut off communication with NCDOT, but more input was needed.

Councilman Ballou stated that a clear message needs to be sent to the NCDOT that the Morehead City Council is against medians.

Councilman Walker commented that he thought that NCDOT understood this from all the proceedings in Morehead City.

City Manager Whitlow explained that subsequent to the last Council meeting, City staff met with the NCDOT. Three [3] areas of primary concern were identified and a variety of options were reviewed. The project has some medians because there are places where there is no way to meet the need of the road unless medians are constructed. He admonished the Council to keep in mind that traffic signals need to meet certain parameters of traffic.

Councilman Thompson spoke about the area where Mr. Larry Holler has built medical buildings in the 4000 block along Arendell Street and that there may be a need for medians in certain specific areas.

***Councilman Ballou MOVED, that the Morehead City Council adopt a resolution against any medians on the Highway #70 project..... The Motion did not pass for lack of a second and vote.***

Councilman Thompson commented that he wanted to keep discussions open with NCDOT.

***Councilman Thompson MOVED, seconded by Councilman Walker, that the Morehead City Council voted that the Council was not in favor of the median proposals as were presented at the on February 12, 2013, but the Council still wants to be aware of any future proposals for the project from the NCDOT.....***

Councilman Walker stated that there may be some places where a median was necessary, but every other avenue should be tried before using medians as an option.

***Councilman Taylor offered a SUBSTITUTE MOTION which stated that after continued consideration the Morehead City Council would like to continue negotiations with the NCDOT on the Highway #70 project with the clear understanding that medians are a last resort, but as a community the Council is concerned with the need to reduce traffic accidents. There may be some places where medians make sense, but the community has a right to be made aware of NCDOT proposals. The MOTION was seconded by Councilman Thompson, and carried by a vote of four [4] to one [1] with Councilman Ballou voting opposed.***

Councilwoman Warrender concluded that the two [2] traffic lanes in the middle of Arendell Street are confusing. She envisioned a low median at some specific places and wanted to leave the options open for the NCDOT to make a proposal.

### **III.A. Approval of Minutes: Tuesday, February 12, 2013, Regular Meeting**

***Councilman Taylor MOVED, seconded by Councilwoman Warrender to approve the Minutes of the Regular Council Meeting held on February 12, 2013. The motion carried with a vote of four [4] to one [1] with Councilman Ballou voting opposed.***

### **IV.A. Public Hearing: Request for a Certificate of Convenience and Necessity Limousine Service Franchise For Tracy Moore of 603 Bridges Street d/b/a Diamond Limousine – Adopt Ordinance 2013-15**

City Manager Whitlow explained that the application is for a Limousine Service Franchise in Morehead City. Tracy Moore, the owner of Diamond Limousine has been in

business for many years. The City Code provides that a Limousine Service Certificate of Convenience and Necessity be granted for two [2] years. The process of obtaining such a certificate must pass two [2] readings before the City Council. The initial reading was held at the February 12, 2013, Council Meeting. The Public Safety Committee of the Council reviewed the request.

City Manager Whitlow clarified that the application is a limousine request, not a limited taxi franchise. He explained the services of a limousine and that the City ordinance was changed to reflect this explanation.

Mayor Jones opened the public hearing.

Tracy Moore of Diamond Limousine Services stated he was requesting the operation of a limousine service which has been in business since 2004.

Mayor Jones closed the public hearing.

***Councilman Walker MOVED, seconded by Councilman Taylor, and carried unanimously, to adopt Ordinance 2013-15 granting a Limousine Service Franchise to Tracy Moore doing business as Diamond Limousine.*** [Ordinance 2013-15 is attached to Ordinance Book #7 in the vault.]

**IV.B. Public Hearing: Adopt Ordinance 2013-13 Amending the Unified Development Ordinance [UDO] Article 12-2.5 [D] Concerning Sidewalk Cafes**

Planning Director Linda Staab reported that Morehead City has allowed sidewalk cafés in front of restaurants in the Downtown area for several years. Recently an experiment was conducted with a couple of restaurants to test some additional ideas and its effect on appearance. The ideas gained from that experiment were incorporated into the existing ordinance and copies of the proposed changes shared with all downtown restaurants. The changes include:

- 1) Specifying the information that is required on the application site plan and requiring pictures or drawings of the furniture to be used.
- 2) Specifying and expanding on barricade information.
- 3) Specifying the type and color combinations of furniture.
- 4) Amending the ordinance to allow for the possibility of the furniture to be adjacent to the curb rather than always beside the building.

At the Planning Board Meeting on February 19, 2013, Gordon Thayer made the MOTION, seconded by Gordy Patrick, and carried unanimously, to recommend approval of the proposed amendment. The Planning Committee of the Council reviewed the proposed amendment.

It was ascertained that any business using sidewalk cafes will need a permit for the City and have indemnity insurance.

Councilman Taylor was concerned about access to parked cars adjacent to the sidewalk cafes.

Planning Director Staab stated there would still be access to cars.

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

Mayor Jones closed the public hearing.

***Councilman Thompson MOVED, seconded by Councilman Walker, and carried unanimously, to adopt Ordinance 2013-13 Amending the Unified Development Ordinance [UDO], Article 12-2.5 [D] Concerning Sidewalk Cafes.*** [Ordinance 2013-13 is attached to Ordinance Book #7 in the vault.]

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

Mr. Ed Bailey, 4531 Arendell Sreet, owner of the Coral Bay Marina, stated that with regard to the Highway #70 project the only proposals NCDOT brought to the table included medians. It was his estimation that well over 50 percent of rear end traffic accidents has nothing to do with turning lanes. He was of the opinion that the traffic flow was still below the national average for accidents. He admonished the Council to “keep an eye” on the NCDOT as that agency likes medians.

**X. CLOSED SESSION AS PER G.S. 143.318.11[a][5] to Discuss Contract Negotiations Regarding the Jib Waterfront Project**

*Councilman Taylor MOVED, seconded by Councilwoman Warrender, and carried unanimously, that the Council enter into CLOSED SESSION as per G.S. 143.318.11[a][5] for the purpose of contract discussions concerning the Jib Waterfront Project.*

*Councilman Thompson MOVED, seconded by Councilman Taylor, and carried unanimously, to return to Open Session.*

**XI. Adopt Budget Ordinance Amendments 2013-17 to Appropriate \$570,250 from the Unassigned Fund Balance to the Jib Waterfront Access Capital Project Fund and 2013-18 to Increase Expenditures for Costs related to Phase I Improvements to the Jib Waterfront Access Capital Project Fund**

*Councilwoman Warrender MOVED, seconded by Councilman Taylor, and carried unanimously, to approve the transfer \$570,250 of funds from the Undesignated Fund Balance to the Jib Capital Project Fund and to adopt Budget Ordinance Amendments 2013-17 and 2013-18. [Budget Ordinance Amendments 2013-17 and 2013-18 are attached to Ordinance Book #7 in the vault.]*

**XII. Award of Contract for the Jib Property Waterfront Access bid to the Low Bidder, Daniels & Daniels Construction Company, Inc., of Goldsboro, N.C., in the amount of \$630,000 Subject to Change Orders and Further Negotiations With Big Rock**

On January 30, 2013, the City bid the Jib Plaza project. Work included is the removal and replacement of the Shepard Street section adjacent to the Jib property, construction of a fountain with associated piping, wiring and controls, a receiver for the Marlin statue and landscaping.

Four [4] bids were received with the lowest of bids being submitted by Daniels & Daniels Construction Co., Inc. of Goldsboro, NC in the amount of \$630,000. Various alternates were presented for pricing. The alternates are as follows:

Alternate No. G-1	Removal of street related asphalt removal and replacement with concrete pavers
Alternate No. G-2	Expense to engrave winner's plaques
Alternate No. G-3	Expense to demo existing dock on the Swanson property lease
Alternate No. G-4	Expense to utilize an alternate granite product. (Pricing has been determined to be in error.)
Alternate No. G-5	Expense to utilize an alternate granite product. (Pricing has been determined to be in error.)
Alternate No. G-6	Expense to utilize an alternate granite product. (Pricing has been determined to be in error.)

The architect is working with the low bid contractor to determine accurate pricing for Alternate No. G-4 through G-6 for the benefit of Big Rock in their assessment of the fountain finishes and appearance. There is no recommendation for accepting any alternates for the City's award. The Public Works Committee of the Council reviewed the bids at their meeting on Monday, February 11<sup>th</sup>, but made no recommendation.

This item was presented at the February 12, 2013, Council Meeting, but was removed from the Agenda by the consensus of the Council for further review. This agenda item was the subject of the Closed Session of March 12, 2013.

***Councilman Ballou MOVED, seconded by Councilman Thompson, and carried unanimously, to award the contract for the Jib Property Waterfront Access bid to the low bidder, Daniels & Daniels Construction Company, Inc., of Goldsboro, N.C., in the amount of \$630,000 subject to change orders and further negotiations with Big Rock.***

**V. Unfinished Business: Award of Contract for the Jib Plaza/Ottis' Landing Special Inspections to ATC of Raleigh, N.C.**

At the recent Public Works of the Council Committee proposals received for special inspections related to the Jib Plaza/Ottis' Landing project were reviewed. Proposals were based on the various divisions of work as outlined in the plan blueprints and specifications. Only the items needed for the various divisions of work as required by the building code or specific issues encountered during the project will be used. At this time, City Staff is only aware of one [1] code requirement related to pile driving testing for the observation deck.

The four proposals received are as follows:

	ATC	ECS	CTI Consultants Inc.	Terracon
TOTALS	\$7,500.00	\$8,409.40	\$11,945.00	\$15,000.00

Of the four [4] proposals received, ATC of Raleigh, N.C., indicated the lowest potential cost for services at \$7,500.00. It is important to recognize that this is an estimate and costs can vary due to scheduling, change orders and conditions of the work site. If the proposal is approved by Council, City Staff will coordinate with ATC, encumber the necessary funds and not release the work until a definitive construction schedule is developed. The Public Works Committee of the Council recommended the award of this work to ATC.

***Councilman Ballou MOVED, seconded by Councilman Walker, and carried unanimously, to award the Contract for the Jib Plaza/Ottis' Landing Special Inspections to ATC of Raleigh, N.C.***

**VII. City Manager's Report: Change Order to Fire Station #2 in the Amount of \$1,500 for Further Insulation and Pavement Work**

City Manager Whitlow requested that the Council approve two [2] final change orders for Fire Station No. #2 in the amount of \$1,500 for further insulation and pavement work. The Public Safety Committee of the Council recommended the approval of the change orders. The City has also received approval from the United States Department of Agriculture [USDA] for this amount which will be drawn from contingency funds.

***Councilman Taylor MOVED, seconded by Councilman Thompson, and carried unanimously, to approve the two [2] change orders in the amount of \$1,500 for Fire Station No. #2.***

**VIII. Council Requests/Comments:** There were no Council requests/comments.

**IX. Adjournment**

There being no further business, the meeting was adjourned at 7:35 p.m.

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Gerald A. Jones, Jr., Mayor

Attest:

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Jeanne M. Giblin, City Clerk