

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

Tuesday, September 1, 2020

The Honorable Council of the Town of Morehead City held the monthly Workshop Meeting on Tuesday, September 1, 2020, in the Municipal Chambers located at 202 South 8th Street, Morehead City, North Carolina.

This meeting was partially conducted utilizing Zoom Video Communication Inc. software due to the COVID-19 crisis and Governor Cooper's Executive Order 141 imposing the requirement to maintain six-foot (6') distancing. Those in attendance were:

COUNCIL PRESENT: Mayor Gerald A. Jones, Jr.; Councilmembers David Horton, Keri V. McCann, and Diane C. Warrender.

Councilmember Taylor participated via Zoom Technology.

Councilmember Ballou was absent.

STAFF PRESENT: City Manager Ryan Eggleston; City Attorney Derek Taylor, Fire Chief Jamie Fulk, Finance Director Jewel Lasater, Police Chief Bernette Morris, Human Resources Director Susan Nixon, Communications Director Alize Proisy, Parks and Recreation Director Jerry Riggs, Planning Director Sandi Watkins, Public Services Director Daniel Williams, Assistant Finance Director Leeann Vinson, Assistant Fire Chief/Fire Marshal Dykeman Baily, Fire/EMS Coordinator Kelly Urban, and City Clerk Cathy Campbell.

OTHERS PRESENT: Elise Clouser of the Carteret News Times.

STAFF PARTICIPATING VIA ZOOM: Deputy Clerk/Executive Assistant Kathy Eagle and Parks and Recreation Supervisor Victoria Ward.

OTHERS PARTICIPATING VIA ZOOM: Lee Hinson of Downtown Morehead City Inc., and Diane Tootle.

Mayor Jones called the workshop meeting of the Morehead City Town Council to order at 9:06 a.m. with a quorum present.

SEPTEMBER CONSENT AGENDA ITEMS

At this time, staff reported on the proposed September 1, 2020 consent agenda items. The items were presented as:

2.A. Review Resolution 2020-R-35 of Plan Consistency for Amending Subsection

2-2 for “Determination”, “Development regulation”, “Evidentiary hearing”, and “Quasi-judicial decision” and by amending Articles 5 and 6 to comply with Chapter 160D of the North Carolina General Statutes.

- 2.B. Review Resolution 2020-R-36 of Plan Consistency for Amending Subsection 2-2.138 of the Unified Development Ordinance (UDO) to adjust the definitions for “Junked Motor Vehicle.”

City Manager Ryan Eggleston explained that Items 2.A and 2.B are housekeeping items. Both were presented as part of the August 11, 2020 public hearings; however, adoption of the resolutions were omitted from the motions to adopt; and are therefore, presented under the consent agenda to adoption.

- 2.C. Review FYE 6/30/20 Sale of Surplus Under Ordinance Threshold Report. Finance Director Jewel Lasater presented the Sale of Surplus Under Ordinance Threshold Report as required. The threshold is \$30,000.

In addition, Ms. Lasater presented a Contingency Emergency Budget Amendment Report listing emergency transfers from the Contingency Fund for a garbage truck repair (\$2,000), air conditioning unit replacement for the WWTP (\$5,400), and multiple water and sewer repairs (\$100,000). The repairs included water & sewer repair at 4th and Arendell Streets; sewer main repair at 15th and Bay Streets; sewer service and 10” main repair at 1904 Calico Drive; and sewer service repair at 206 S. 10th Street. This item will be added to the September 8, 2020 consent agenda for acceptance.

- 2.D. Review General Fund Budget Ordinance Amendment 2020-14 As Presented. Finance Director Jewel Lasater presented Budget Ordinance Amendment 2020-14 stating that it records General Fund accounting for the amount of overage for the purchase of police vehicles (\$13,000), the carryover of floodplain mailing funds from FY 2019-2020 not expended before year-end (\$2,000), and allocation in support of the new custodial position (\$25,000). It also records Water & Sewer Fund accounting for the LS#1 generator replacement (\$28,000).

- 2.E. Review General Fund Capital Project Budget Ordinance Amendment 2020-15 As Presented. Ms. Lasater presented Budget Ordinance Amendment 2020-15 stating that it records the additional police vehicle costs to the Governmental Capital Project Fund in the amount of \$13,000.

- 2.F. Review Water & Sewer Capital Project Fund Budget Ordinance Amendment 2020-16 As Presented. Ms. Lasater presented Budget Ordinance Amendment 2020-16 stating that it records LS#1 generator replacement (\$28,000) and air conditioning unit replacement (\$5,400) to the Water and Sewer Capital Project Fund.

CONDEMNATION HEARINGS

Planning Director Sandi Watkins advised that Council would be asked to conduct condemnation appeal hearings at the September 8, 2020 Regular meeting for the four (4) properties that remain unresolved. These hearings were tabled for six (6) months at the March 10, 2020 Town Council meeting. In order to ensure Council receives all information during the hearing rather than in an ex-parte manner, and affording the appellant their due process rights, discussion during this meeting was limited.

Building Inspector Robert Davis will be present to provide testimony during the formal hearing on September 8, 2020, when the appellant will also be present to provide testimony.

There was no discussion following Ms. Watkins report.

SEPTEMBER PUBLIC HEARING ITEMS

Review Ordinance 2020-O-10 Approving Voluntary Contiguous Annexation Request from Psalm 127 Partners LLC, for 4908 Bridges Street Extension, PIN #636610368589000, zoned CH (Highway Commercial) District

Planning Director Sandi Watkins appeared before the Town Council to present voluntary contiguous annexation request from Psalm 127 Partners LLC, for 4908 Bridges Street Extension.

The property (PIN #636610368589000) contains .45 acres and is zoned CH (Highway Commercial). It is not part of a subdivision, and therefore will not fragment a subdivision.

The current tax value of the property is \$175,538. Based on a 38-cent tax rate, \$667.04 in tax revenues would be generated. Water and sewer will be accessed from Bridges Street Extension, and all costs associated with extending the water/sewer service to the newly annexed property will be the responsibility of the owners.

In accordance with N.C.G.S. 160A-31, this public hearing was advertised in the Carteret News Times on Sunday, August 23, 2020

Review Ordinance 2020-O-11 Approving Voluntary Contiguous Annexation Request from Thomas E. and Glenda Anthony, for 4910 Bridges Street Extension, PIN #636610367692000, zoned CH (Highway Commercial) District

Planning Director Sandi Watkins presented voluntary contiguous annexation request from Thomas E. and Glenda Anthony, for 4910 Bridges Street Extension.

The property (PIN #636610367692000) contains .47 acres and is zoned CH (Highway Commercial). It is not part of a subdivision, and therefore will not fragment a subdivision.

The current tax value of the property is \$202,222. Based on a 38-cent tax rate, \$768.44 in tax revenues would be generated. Water and sewer will be accessed from Bridges Street Extension, and all costs associated with extending the water/sewer service to the newly annexed

property will be the responsibility of the owners.

In accordance with N.C.G.S. 160A-31, this public hearing was advertised in the Carteret News Times on Sunday, August 23, 2020.

SEPTEMBER OLD BUSINESS ITEMS

Review Ordinance 2020-O-07 Amending Section 30-256 of the Code of Ordinances by Adding Country Club Road, and Adding Section 30-258 Establishing “School Zones” Within the Town of Morehead City

Chief Bernette Morris presented Ordinance 2020-O-07 amending Section 30-256 of the Code of Ordinances by adding Country Club Road to the list of streets designated for speed limits of 35 miles per hour, and adding Section 30-258 establishing “School Zones” within the Town of Morehead City. Staff is waiting on the signs to be received and installed.

SEPTEMBER NEW BUSINESS ITEMS

Review Resolution 2020-R-45 Authorizing the City Manager or His Designee to Submit a Coronavirus Relief Fund Plan to the Carteret County Board of Commissioners, and to Take Such Actions that Shall be Necessary and Required, as They May Relate to the Plan

As discussed at the August 4, 2020 Town Council Workshop meeting, Finance Director Jewel Lasater presented Resolution 2020-R-45 authorizing the City Manager or his designee to submit a Coronavirus Relief Fund Plan to the Carteret County Board of Commissioners, and to take actions necessary and required in support of the plan.

The City is entitled to a pro rata share of the funds received by the County for Coronavirus relief. The pro rata share for Morehead City is approximately \$200,000.00. A plan has been developed with assistance from Witt O’Brien Consultants outlining how the City will utilize the funds. These funds must be spent on qualifying expenditures. Although, the plan has been submitted to the County, it can be modified as necessary.

A report of expenditures was presented to Council. It was noted that the initials WRF stand for “Working Remotely From another location.” This also includes expenses to up-fit the council chambers to conduct virtual meetings and to prepare for similar future events.

Review Duke Energy Easement Request for 1100 Bridges Street

Public Services Director Daniel Williams presented an easement request from Duke Energy in support of the new city hall building under construction at 1100 Bridges Street. This easement will facilitate the installation of a power pole on the southwest corner right-of-way of the property.

Review Request to Purchase Four (4) Cardiac Monitor/Defibrillators

Fire Chief Jamie Fulk and Fire/EMS Coordinator Kelly Urban appeared before the Town Council to present the Department's recommendation and to request approval to purchase four (4) cardiac monitor/defibrillators.

Chief Fulk shared that a committee was established to conduct a thorough examination of the required specifications that would meet the immediate and future needs of the department, and the units available on the market. The Department then solicited bids based on this list of specifications. A report showing how each bidder met the specifications was provided.

Three bids were received as follows:

- Code Blue (Tempus) \$159,901.92
- Stryker (Lifepak) \$157,793.68
- Zoll (Zoll) \$133,982.26

Based on qualifying specifications, Chief Fulk recommended the Code Blue Tempus units. \$160,000 was budgeted in the Capital Project Funds for this purchase.

Councilmember Horton commended the Committee for their thorough analysis.

Review Personnel Policies Addendum in Response to Families First Coronavirus Response Act Amendment #1

Human Resources Director Susan Nixon appeared before the Town Council to outline the changes included in the first amendment to the Families First Coronavirus Response Act (FFCRA), and explain how this impacts the Town of Morehead City Personnel Policies.

Following the enactment of the FFCRA, the Town of Morehead City amended its Personnel Policies to include provisions allowed under the Emergency Paid Sick Leave Act (ePSL) and Emergency Family and Medical Leave Expansion Act (eFMLA). These were adopted with the option to exclude emergency responders from eligibility under these provisions. However, with COVID continuing into the start of a new school year, it is believed that emergency responders may now need the same benefit as our general employees, and it is recommended that the personnel policies be amended to include them.

The initial exclusion was intentional. Believing that COVID would be over before the start of the school year, and recognizing that first responders (fire/EMS, police, and public services personnel) encompasses about three-quarters (3/4) of the City's workforce, staff sought to reduce liability to the city by omitting these positions. The City is responsible for leave pay under these Acts. Based on staff response, it is expected, at this time that approximately five (5) to ten (10) employees will file for leave under the Acts.

Review Proposal for a New Custodian Position

Public Services Director Daniel Williams presented a proposal for a new full-time, in-house custodian position. This position is proposed in preparation for the transition to the Municipal Campus next year. The in-house custodian would assume responsibility for cleaning the Municipal Building, City Hall and the Hamilton Building as well as provide minor routine maintenance. This custodian will handle the cleaning duties in the new city when operational. The position would not be filled until January 2021 in order to allow the current cleaning service time to adjust, and to conduct an adequate personnel search.

Review Proposed Mission Statement for the Town of Morehead City

Human Resources Director Susan Nixon and Assistant Fire Chief/Fire Marshal Dykeman Baily shared that the process began through a partnership with the School of Government on a new initiative focused on employee connectivity. One of the areas featured the creation of a citywide mission statement that reflected how employees view the values and commonalities that represented their city. Taking this to heart, Mr. Eggleston and Human Resources agreed that this should encompass all employees and therefore, each employee was tasked with presenting a mission statement as one of their annual goals. These individual submissions were then discussed within each department with the goal of blending them into a single mission statement to be submitted to the Mission Statement Committee. The Committee was charged with the task of combining these statements into a single Mission Statement that expresses who and what the Town of Morehead City represents. This began by identifying common descriptive words and how they could be combined to develop a single, memorable statement.

Ms. Nixon then unveiled the proposed mission statement for Council consideration:

“Morehead City is dedicated to the well-being and safety of our community through exceptional service with a warm coastal smile.”

The Mission Statement Committee consisted of Assistant Fire Chief/Fire Marshal Dykeman Baily, Police Sergeant Zach Leach, Streets Crewmember Roosevelt Nelson, Human Resources Director Susan Nixon, Communications Director Alize Proisy, Water Plant Operator David Sabol, City Planner MacKenzie Todd, and Recreation Supervisor Victoria Ward.

Council was pleased and commended the Committee for a job well done.

Discussion on Process Related to Parks and Recreation Advisory Board Appointments

Parks and Recreation Director Jerry Riggs appeared before the Town Council seeking direction on the process to review and select candidates for the Parks and Recreation Advisory Board appointments. Twenty-three applications were received. However, after hearing about technical difficulties some experienced in trying to submit their applications, it is believed that there may be others that would like to apply.

According to Ordinance 2020-O-05, establishing the Parks and Recreation Advisory Board, the Town Council will appoint nine (9) members for 3-year staggered terms with three

(3) members' terms expiring after serving for one year, three (3) members' terms expiring after service of the second year, and three (3) members' terms expiring after service of the third year. Seat designations are to be as follows:

W. S. King Alumni Association	1
Concerned Citizens of Morehead City	1
Extraterritorial Jurisdiction (ETJ)	1

The remaining six (6) seats are to be appointed from a diverse group representing, if possible, Carteret County School System staff, high school students (Junior or Senior), senior citizens, and citizens at large.

Regarding the extraterritorial jurisdiction (ETJ) representation, Councilmember Taylor stated that it is possible that more than one ETJ member could be appointed to the Board if someone who lives in the ETJ were appointed primarily to represent the interest of the WS King Alumni Association while another were appointed to primarily represent the interests of the ETJ.

Councilmember Taylor stated that he would like to hear staff's recommendations because they are the ones who have interacted with and have personal knowledge of the applicants.

Following the discussion, it was decided that staff will present their appointment recommendations to the Council for consideration.

STAFF REPORTS

Parks and Recreation:

Parks and Recreation Director Jerry Riggs reported that his staff has been very busy in the last month as sports leagues and outdoor physical fitness classes are beginning to open up. Morehead City and the Morehead Marlins are partnering to develop a fall high school baseball league that has been received very well. Thirty-six (36) kids have registered.

He then presented the July Dock Master report noting the following:

- Transient Rental Income for August was \$3,488.01; 45 boats for 77 nights.
- All 6th Street slips are rented
- All but one 4th Street slips are rented.

Staff is preparing for work on the Train Depot. A contract has been awarded for repairs and once complete a contract will be awarded for painting.

In addition, all park signs have been replaced.

Councilmember Warrender asked if a grand opening ceremony would be held for Shevans Park when allowed to open. Mr. Riggs stated that it would depend upon additional CDC (Centers for Disease Control and Prevention) guidelines.

Councilmember Horton asked if the Morehead Marlins are paying on the lease agreement for O'Neil Field. Mr. Riggs stated that there have been discussions about how to address the lease in response to COVID-19 and the inability of the league to play baseball. Councilmember Horton then expressed concerns about the usage of O'Neil Field and the concession stand for other events without complying with the lease agreement. He asked if staff had explored the possibility of others using the stadium as a means of generating supplemental funding to support it. Mr. Riggs stated that staff is open to the possibility and are working with groups that contact the Department. Councilmember McCann pointed out that the City's restrictions are tighter than that of churches or other organizations who might desire to use the facility.

Public Services:

Public Services Director Daniel Williams reported that his department is operating as usual. The Water Department is conducting the annual review of water lines as required, and Building and Grounds conducted a review of the generators just before Hurricane Isaias came through. Only one generator failed and it has since been replaced.

Construction of the new municipal complex continues to move forward. The roof and metal studs were completed last week. Currently they are spray foaming the outside, and conducting the ruff-in for the sprinkler system, electric and plumbing. The exterior of the building will be bricked next week. In the near future, Council will be offered an opportunity to walk through the building.

Councilmember Warrender asked why the light bollards along the waterfront remain lit during the day. Mr. Williams stated that this helps to quickly identify those that may not be working properly.

Councilmember Warrender asked if there was a need to dredge the waterway adjacent to the 10th Street Boat Dock. Parks and Recreation Director Jerry Riggs responded stating that it was dredged a year ago, and confirmed that it is shallow during low tide. It will be made compliant for ADA usage when the launch is installed.

Police:

Police Chief Bernette Morris announced that the two police officers positions were filled and that the Department is now interviewing for the records clerk position.

Patrols along Evans Street and at Shevans Park have been increased as requested. This seems to have helped alleviate the homeless vagrant situation at the park.

The feral cat problem, as communicated through an email to Council, was addressed. Several councilmembers expressed dissatisfaction with the notion that nothing can be done. The County shelters are full and without anywhere to take the cats, there is no reason to trap them. Police Chief Morris shared that she, the city manager, and the County Animal Control Officer spoke with complainant to explain the situation. The shelters will not euthanize them unless they have room to accept them. Several options were suggested for addressing the situation including a partnership with community businesses, veterinarians, and others to fund neutering/euthanizing program. It was noted that some cats were found to have the eye herpes virus that might spread city-wide if not addressed. City Manager Ryan Eggleston suggested staff work with Carteret County Animal Control to see how the City and County can work together with other partners to solve the problem.

Fire/EMS:

Fire Chief Jamie Fulk reported that his staff is working with the organizers of the Crystal Coast Grand Prix in preparation for the upcoming boat races to be held September 12-13, 2020. The Department will provide Fire/EMS support.

Chief Fulk shared that he is on the County Fire/EMS Commission's October agenda to present a shared funding proposal in support of a third party vendor to conduct a staffing and apparatus replacement assessment, as well as a review of what is a fair, equitable funding share between the City and County for ETJ services as discussed at the August 4, 2020 Workshop meeting.

The Department continues to work on obtaining equipment and meeting all requirements for the Type 2 designation for the Water Rescue Team.

Chief Fulk is seeking to hire some part-time staff to fill staff shortages and gaps created as current employees approach their hour limitations for the year.

Planning and Inspections:

Planning and Inspections Director Sandi Watkins reported that activity remains steady within the Planning and Inspections Department with several projects underway:

- Staff is conducting a fee schedule review to be completed by year end.
- The CAMA grant for S. 10th Street has been submitted.
- Preparing the annual Floodplain mailings required for Community Rating System credit.
- The Stormwater modeling and pilot area has concluded, and now cost estimates are being developed for the system based upon the pilot area, and starting to look at concepts for a public engagement process.
- Staff is preparing Requests for Proposal for Town's ADA Plans to remain compliant with NCDOT directives.
- Staff met with the owners of Leeward Harbor to discuss the Sugarloaf Island stabilization project in terms of a Private-Public Partnership.

Ms. Watkins shared that City Planner MacKenzie Todd has submitted a resignation notice. She has accepted a position with CAMA as their Resiliency Specialist. Ms. Watkins is working with Human Resources to advertise the position.

The Planning Board will meet on September 15, 2020 to review two (2) text amendments. The Board of Adjustment will meet on September 24, 2020 in a similar concept used for council meetings. They will review four applications - two (2) special use permits, a variance, and an administrative appeal of the Zoning Officer's determination.

In response to a question, Ms. Watkins stated that she expects to receive notice of approval to release the Neighborhood Revitalization Community Development Block Grant (CDBG) funds. It is believed that progress may have been delayed by Department of Commerce employees working remotely and demand created by another recently released funding program.

Councilmember Horton raised questions regarding off-street parking requirements for new homes. Ms. Watkins shared that the current requirements state that two (2), nine-foot (9') by eighteen-foot (18') spaces be provided that that can be accessed by a public street. Alleyway access is allowed as a secondary access point. After some discussion, Councilmember Horton asked Staff to explore the possibility of allowing such parking spaces to be accessed off an alleyway as a primary access alternative.

Finance/Billing & Collections:

Finance Director Jewel Lasater stated that Billing & Collections continue to work on the implementation of the Munis Utility Billing module with a go-live date of November 2020.

Finance is preparing the work papers for auditors who will arrive in October 2020. They continue to work on the Coronavirus Relief Fund Program and FEMA expense reports. Ms. Lasater was happy to report that all Hurricane Dorian reports have been completed and submitted with the exception of Category Z (direct administration costs). Staff will now concentrate on submitting claims for COVID projects.

Addressing Governor Cooper's Executive Order allowing for the deferral of employees' contributions to social security taxes, Mr. Lasater reported that Management has made the decision not to participate. The order applies to employee's portion of these taxes between September 1 and December 31, 2020. This decision was based on:

- Employees would be required to repay the full amount of deferred taxes between January 1 and April 31, 2021, which means employees would be paying twice as much in social security taxes for the first four months of the year. If taxes are not paid by April 30, 2021, they become subject to interest, penalties, and late fees.
- There is no software updates available to calculate the deferrals, therefore, all calculations would have to be made and tracked manually, resulting in overtime.

- The Town of Morehead City could become liable for any deferred taxes that are not collected due to turnover.
- In the event these deferrals are ultimately forgiven after the election it is the opinion of tax experts that individuals would be required to report these amounts as an overpayment on their annual tax return and would ultimately receive a refund if applicable.

Responding to a question, Ms. Lasater stated that the Executive Order prohibiting utility cutoffs and late fees expired July 29, 2020, and the City suspended cutoffs through September 2020. Cutoff will be reinstated in October; however, anyone that has established a payment plan and is current under the plan, will not be cutoff. Although a software update has been made available to track these accounts, the City has asked that they not be installed in the system due to the testing of the new Munis software. The deadline to establish a payment plan was September 4, 2020.

Regarding the delinquency rate, Ms. Lasater stated that although it is higher than the same period as last year, staff still needs to identify how much of the increase is due to relocations and how much is due to deferred payments.

Admin/HR/IT/Communication:

Human Resources Director Susan Nixon reported the CDC released some new guidelines this week regarding return to work protocols as well as protocols for healthcare workers and critical care workers. These have been distributed to staff. In addition, she continues to work on the drug and alcohol policy update.

Communications Director Alize Proisy distributed a handout of social media activity. She advised that Staff is working with VC3 and Acoustic Creations to improve Zoom meeting capability in preparation for the September 8, 2020 Regular Council meeting. In addition, she is working on a Bingo game designed to promote local business activity.

CLOSED SESSION PER NCGS 143.318.11(a)(3) TO CONSULT WITH CITY ATTORNEY.

Councilmember Horton made a motion **to enter into Closed Session at 11:07 a.m. per NCGS 143.318.11(a)(3) to consult with city attorney.** Councilmember McCann seconded and the motion carried unanimously (4-0). No action will be taken following the meeting.

Councilmember McCann moved **to return to OPEN SESSION at 11:58 p.m.** Councilmember Taylor seconded and the motion carried unanimously. (4-0)

ADJOURNMENT

There being no other business to discuss, Mayor Jones adjourned the meeting 11:59 p.m.

Gerald A. Jones, Jr., Mayor

Attest:

Cathy Campbell, City Clerk