

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

**Tuesday, March 10, 2020**

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, March 10 2020, in the Municipal Chambers located at 202 South 8<sup>th</sup> Street, Morehead City, North Carolina. Those in attendance were:

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

STAFF PRESENT: City Manager Ryan Eggleston; City Attorneys Derek Taylor and Mike Thomas; Planning Director Sandi Watkins; Chief Building Inspector Robert Davis; Police Chief Bernette Morris; Fire Chief Jamie Fulk; Deputy Fire Chief Chris Judy; Public Services Director Daniel Williams; and City Clerk Cathy Campbell.

OTHERS: Elise Clouser of the Carteret News Times; Lee Hinson of Downtown Morehead City Inc.; Roy and Delores Adams, Lorraine Barber, Evelyn Collins, Samuel Collins, Vivian Collins, Steve Freeman, Tony and Belinda Hester, Anne Hargrove, Brenda Johnson, Tressa Jones, Julia Mathis, John McIntyre, Jesse Moore, Phillip Munden; Linda Murrell, Melissa Oden, Evelina Roger, Diana Tootle, Fred and Claudia Tootle, James and Pauline Walker and William Walker.

Mayor Jones called the regular meeting of the Morehead City Town Council to order at 5:35 p.m. with a quorum present. Councilmember Ballou gave the invocation, and Mayor Jones led all in the Pledge of Allegiance.

**RECOGNITIONS/PRESENTATIONS**

**Presentation by Concerned Citizens for Morehead City**

Melissa Oden, secretary for Concerned Citizens for Morehead City, appeared before the Town Council to express the group's concerns about the condemnation of properties, which she believed to be mostly located on the northeast end of town. She stated that the silent response to their request for a moratorium on the condemnation process spoke volumes to her community. She continued saying that it is not the intent of the Concerned Citizens of Morehead City to stand in the way of progress, but that they desire to work together with the City to identify solutions that are fair and reasonable to both the city and the citizens. She laid out a plan entitled Proposal for Project 13:13. Phase 1 of the plan calls for a six (6) month delay to allow residents and property owners time to consider and seek solutions. Phase 2 focuses on the establishment and launching of a beautification effort with the aid of grants. Phase 3 focuses on fostering better relationships between the City and the community.

Mayor Jones thanked Ms. Oden for her presentation, and commended her on a job well done.

### **CONSENT AGENDA**

Mayor Jones reviewed the Consent Agenda. Councilmember Ballou made a motion **to approve the Consent Agenda as presented.** Councilmember McCann seconded and the motion carried unanimously. (5-0)

Councilmember Ballou pointed out that the consent agenda  
Included within the Consent Agenda were the following approvals:

- A. Approve the Minutes of the February 3, 2020 Special Council Meeting.
- B. Approve the Minutes of the February 11, 2020 Special Council Meeting.
- C. Approve the Minutes of the February 11, 2020 Regular Council Meeting.
- D. Approve the Minutes of the February 21, 2020 Council Strategic Planning Session.
- E. Accept the Finance Director Report and Tax Collector Report.
- F. Accept Notice of Ad Valorem Tax Overpayments in the Amount of \$3,241.18 for the Month of February 2020 as Presented.
- G. Approve the Requests for Refunds of Overpayment of Ad Valorem Taxes in the Amount of \$279.00 for the Month of February 2020 as Presented.
- H. Adopt Resolution 2020-R-09 Endorsing the Crystal Coast Boat Show and Authorizing Action Necessary for the Event to be Held May 15-17, 2020 as Presented and Recommended by the Public Works Committee.
- I. Adopt Resolution 2020-R-10 Endorsing the “Alive At Five” Events and Authorizing Action Necessary for the Events to be Held May 29, June 19, July 17, August 21, September 17, and October 15, 2020 as Presented and Recommended by the Public Works Committee.
- J. Adopt Resolution 2020-R-11 Endorsing the Big Rock/Blue Marlin Fishing Tournament and Authorizing Action Necessary for the Event to be Held June 5-13, 2020 as Presented and Recommended by the Public Works Committee.
- K. Adopt Resolution 2020-R-12 Endorsing the Cape Lookout Shootout King Mackerel Tournament Series and Authorizing Action Necessary for the Events to be Held July 30-August 2, September 10-13, October 8-11, and November 11-15, 2020 as Presented and Recommended by the Public Works Committee.

- L. Award Bridges Street Resurfacing (4<sup>th</sup> - 14<sup>th</sup> Street) Bid to Onslow Grading & Paving, Inc. in the Amount of \$273,725.00 as Presented and Recommended by the Public Works Committee.
- M. Award Bridges Street Resurfacing (14<sup>th</sup> - 20<sup>th</sup> Street) Bid to Tripp Bro's, Inc. in the Amount of \$249,387.50 as Presented and Recommended by the Public Works Committee.

*The above noted resolutions are attached to and made a part of these minutes herein by reference.*

### **CONDEMNATION APPEAL HEARINGS**

Considering the earlier presentation and appeal requests asking for a six (6) month extension, Mayor Jones proposed for consideration that the condemnation hearings scheduled for this meeting be postponed six (6) months, giving property owners time to address the issues. City Attorney Derek Taylor advised that the proper process would be for Council to table the hearings to a specific date and time.

Mayor Jones asked the property owners, Phillip Munden, 5264 Hwy 70 and 140 Arthur Farm Road; Stephen Freeman, 1308 Arendell Street; Brenda Johnson, 4004 Arendell Street; Jessie Moore, 1004 Bay Street; and Samuel Collins 1008 Bay Street, if they agreed with the offer to table the hearings for six (6) months. No one spoke in opposition to the offer.

At the end of the six (6) months, the hearing will be held, or Council could rule to table the hearings again, or grant an extension. It was pointed out that this action only applies to the five (5) hearings scheduled to be heard tonight. The remaining 18 cases will be addressed on a case-by-case basis as presented. The building inspector is required by law to act whenever he becomes aware of a dangerous or unhealthy situation and to bring these before Council on appeal. In turn, Council has a statutory requirement to hold the hearings within a reasonable period of time. All parties appear to accept the proposed six (6) months as a reasonable time frame. At the hearing, Council may uphold, overturn, or modify the order, or table the hearing to a specified future date.

Attorney Taylor further explained that the hearing is not the last step in the process. If Council rules to uphold the order to demolish structures, the building inspector must bring back to Council for consideration an ordinance empowering him to carry out the order.

Councilmember Ballou made a motion **to table the hearings to the September 8, 2020 regular town council meeting.** Councilmember McCann seconded and the motion carried unanimously. (5-0)

### **NEW BUSINESS:**

**Consider Adoption of Resolution 2020-R-14, Approving Supporting Documents, Guidelines, Plans and Policies Required for the Community Development Block Grant**

Planning Director Sandi Watkins and Jessie Miars of Holland Consulting Planners appeared before the Town Council asking for adoption of Resolution 2020-R-14, which provides acceptance of fourteen (14) different supporting documents, guidelines, plans, and policies required by the NC Department of Commerce to release funds and administer the Community Development Block Grant (CDBG). The grant will provide funds to repair or replace multiple homes owned by low-to-moderate-income families. All of these homes are located east of 28<sup>th</sup> Street and north of Arendell Street.

Ms. Miars explained the purpose of each of the following documents included as part of the resolution adoption:

1. Project Budget Ordinance 2020-03  
*Supplemental Budget Ordinance 2020-03.1 denotes the movement of funds from one fund to another as is required under standard accounting practices.*
2. Financial Management Resolution 2020-R-15
3. Housing Assistance Policy
4. Housing Construction Contract Award Policy
5. Citizen Participation Plan
6. Residential Antidisplacement and Relocation Assistance Plan
7. Local Jobs Initiative (Section 3) Plan
8. Temporary Relocation Policy
9. Code of Conduct
10. Fair Housing Policy
11. Excessive Force Policy
12. Procurement Standards
13. Equal Opportunity Plan
14. Language Assistance Plan (Providing Meaningful Communication with Persons with Limited English Proficiency)

Ms. Miars was asked if the City could reapply for the grant to address some of the issues reported earlier in the meeting, or if she knew of other funding opportunities. She stated that CDBG grants are focused on rehabilitation, as they must be inhabited properties. To her knowledge, there are not many opportunities for demolition support. The latest CDBG guidelines stipulate that an applicant may only apply every two years.

Ms. Miars stated that the program must be closed out by September 20, 2022 with all funds obligated by March 20, 2022.

Councilmember Taylor made a motion to **adopt Resolution 2020-R-14, accepting the fourteen (14) supporting ordinances, resolutions and policies required as a condition of the Community Development Block Grant (CDBG).** Councilmember Warrender seconded and the motion carried unanimously. (5-0)

*Resolutions 2020-R-14 and 2020-R-15 are attached to and made a part of these minutes herein by reference. The Budget Ordinance Amendments 2020-03 and 2020-03.1 are filed in Ordinance Book #8.*

**Consider Adoption Resolution 2020-R-16, Approving Application for a State Division of Water Infrastructure Grant**

Public Services Director Daniel Williams appeared before the Town Council to advise that the State Division of Water Infrastructure will receive applications on Thursday, April 30, 2020 for facilities impacted by Hurricane Florence, and to request adoption of Resolution 2020-R-16 approving application for said grant. Staff intends to use any funds received to move and/or elevate several of the existing 50+ year old pump stations (2, 3, 6, & 7) along Bogue Sound and Calico Creek.

He was unclear as to whether the City will qualify for the grant; however, he plans to apply for the maximum amount. If selected, the grant award will be brought back to Council for acceptance consideration.

Councilmember Horton made a motion to adopt Resolution 2020-R-16, approving application for a NC State Division of Water Infrastructure Grant up to \$3,000,000 in support of the 2020 Wastewater System Improvements Project. Councilmember Ballou seconded and the motion carried unanimously. (5-0)

*Resolution 2020-R-16 is attached to and made a part of these minutes herein by reference.*

**Consider Adoption of Resolution 2020-R-13, Approving Sponsorship of the Morehead City Yacht Basin Shallow Draft Dredging Grant**

Planning Director Sandi Watkins presented the request submitted by Jet Matthews of Morehead City Yacht Basin to sponsor the Morehead City Yacht Basin Shallow Draft Dredging Grant application. Funds will be used to dredge the access channel from the Intracoastal Waterway to the fueling station at the Yacht Basin. Ms. Watkins stated that this request is similar to the requests previously approved for The Friends of Spooners Creek, the Brandywine Bay Homeowners Association, and Pelletier Creek. The City will work with Stroud Engineering to oversee project administration and as all funds will be provided to the City prior to dredging there will be no cash outlay from the City.

This project was presented to the Planning Committee at their February 19, 2020 meeting.

Councilmember Ballou made a motion to adopt Resolution 2020-R-13 in support of Water Resource Development Grant for Morehead City Yacht Basin Dredging. Councilmember Taylor seconded and the motion carried unanimously. (5-0)

*Resolution 2020-R-13 is attached to and made a part of these minutes herein by reference.*

**Consider Adoption of Budget Amendment 2020-04 and Governmental Capital Project Budget Ordinance Amendment 2020-05**

Public Services Director Daniel Williams appeared before the Town Council to present Budget Ordinance Amendment 2020-04 and Governmental Capital Project Budget Ordinance Amendment 2020-05 record the movement of grant and homeowner association provided funds in association with the Spooners Creek Dredging Project. This project reoccurs annually.

It was noted that these items are presented under New Business because they were not available in time to be reviewed by the Finance and Administration Committee.

Councilmember Taylor made a motion **to adopt Budget Ordinance Amendment 2020-04 and Governmental Capital Project Budget Ordinance Amendment 2020-05 as presented.** Councilmember Warrender seconded and the motion carried unanimously. (5-0)

*The Budget Ordinance Amendments 2020-04 and 2020-05 are filed in Ordinance Book #8.*

**CITY MANAGER’S REPORT:**

City Manager Ryan Eggleston reported on the 706 Arendell property upset bid process stating that one bid was received in the amount of \$315,050; however, the deposit was short \$702.50 due to clerical error. He asked that Council reject all bids and to re-advertise accepting the noted bid as the new starting bid upon payment of the deposit balance. Mayor Jones recommended that the bid process be changed to an open bid process in order to check for clerical errors upon submission.

Councilmember McCann made a motion **to reject all prior bids.** Councilmember Ballou seconded and the motion carried unanimously. (5-0)

Councilmember Horton made a motion **to accept bid from Samuel Boyd in the amount of \$315,050 with all of the conditions of the original bid to continue the upset bid process.** Councilmember Warrender seconded and the motion carried unanimously. (5-0)

**CITIZEN REQUESTS/COMMENTS (2 Minute Time Limit)**

**James Walker, 1503 Bay Street:** Mr. Walker pointed out that sediment from the proposed dredging will deposit into Calico Creek and asked that the City develop a plan for how to address the sediment.

**Leslie Mason, Carteret County Public Library Director:** Ms. Mason introduced herself as the new Carteret County Public Library Director. She shared that her office is located at the Beaufort Library, and that she looks forward to working with the Town Council of Morehead City as well as the administration and community to address their library needs and concerns.

**COUNCIL REQUESTS/COMMENTS**

Councilmember Warrender announced that the Morehead City Noon Rotary awarded an \$1,800 grant to Morehead City Parks and Recreation to fund Recreation Camp fees for six (6) children. The selection of these six (6) students will be made by the Concerned Citizens for Morehead City. Councilmember Horton submitted the grant request.

Councilmember Taylor thanked everyone for coming, and stated that working together we are better able to solve problems.

Councilmember Horton thanked everyone and commended Ms. Melissa Oden for her leadership in the community. He stated it is nice to see young people becoming involved in the community.

Councilmember Ballou also commended Ms. Oden on her presentation, and thanked everyone for the calls, cards, and prayers during the loss of his mother.

Councilmember McCann also commended Ms. Oden, and assured her that all members of the Town Council care about and are committed to the citizens of Morehead City.

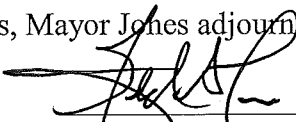
**CLOSED SESSION PER NCGS 143.318.11(a)(3) TO CONSULT WITH CITY ATTORNEY TO CONSIDER AND GIVE INSTUCTIONS CONCERNING A POTENTIAL OR ACTUAL CLAIM, ADMINISTRATIVE PROCEDURE, OR JUDICIAL ACTION.**

Councilmember Ballou made a motion to enter into Closed Session at 7:11 p.m. per NCGS 143.318.11(a)(3) to consult with city attorney. Councilmember McCann seconded and the motion carried unanimously (5-0).

Councilmember Warrender moved to return to OPEN SESSION at 8:31 p.m. Councilmember Taylor seconded and the motion carried unanimously. (5-0)

**ADJOURNMENT**

There being no other business to discuss, Mayor Jones adjourned the meeting 8:31 p.m.

  
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Gerald A. Jones, Jr., Mayor

Attest:   
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Cathy Campbell, City Clerk

