

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

**Tuesday, October 8, 2019**

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, October 8, 2019, 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, Keri V. McCann, William F. Taylor, Harvey N. Walker, Jr. and Diane C. Warrender.

STAFF PRESENT: City Manager Ryan Eggleston; City Attorneys Derek Taylor and Mike Thomas; Police Chief Bernette Morris; Communications Director Alize Proisy; Planning Director Sandi Watkins; Finance Director Jewel Lasater; Public Services Director Daniel Williams; Human Resource Director Susan Nixon and City Clerk Cathy Campbell.

OTHERS: Elise Clouser of the Carteret News Times; Lisa Rueh and Lee Hinson of Downtown Morehead City, Inc.; Terry Wetherington and Ron Cullipher of the Cullipher Group; John Odom of Prestige Land Surveying; Joel Banks, Adam, Ann and Noah Cannon, Ophelia Chambers, Holly Fletcher, Robert Guthrie, George Hester; Ray Hopper, David Horton, Rodney Kemp, Cynthia King, Melanie and Ryan Kraft, Gloria McCarther, Fred Tootle, Diana Tootle, and Frederick Winstead.

Mayor Jones called the regular meeting of the Morehead City Town Council to order at 5:30 p.m. with a quorum present, and Councilmember Ballou gave the invocation. Mayor Jones called on Boy Scout Noah Cannon, representing Troop 130, who led in reciting the Pledge of Allegiance. Noah attended the meeting as a requirement for obtaining his Citizenship in the Community merit badge.

**CONSENT AGENDA**

Councilmember Taylor made a motion **to approve the Consent Agenda as presented.** Councilmember Warrender seconded and the motion carried unanimously. (5-0)

Included within the Consent Agenda were the following approvals:

- A. Approve the Minutes of the September 10, 2019 Regular Town Council Meeting.
- B. Accept the Finance Director Reports, Tax Collector's Report, and Notice of Ad Valorem Tax Overpayments in the amount of \$1,773.53 for the month of September 2019 as Recommended by the Finance and Administration Committee.

- C. Approve the Requests for Refunds of Overpayment of Ad Valorem Taxes in the amount of \$680.04 for September 2019 as Recommended by the Finance and Administration Committee.
- D. Adopt Resolution 2019-R-56 Directing Clerk to Investigate the Petition and Resolution 2018-R-57 to Fix the Date of the Public Hearing for Tuesday, November 12, 2019, at 5:30 p.m. for Voluntary Contiguous Annexation Request from Beth Nitt for Property Located at 161 Gloria Dawn Road Under N.C.G.S. 160A-31.
- E. Adopt Resolution 2019-R-58 Endorsing the Oyster Festival and Authorizing Actions Necessary for the Event to be Held Saturday, November 30, 2019 on the Morehead City Waterfront as Recommended by the Public Works Committee.
- F. Adopt Resolution 2019-R-59 Authorizing the Town of Morehead City to Engage in Electronic Payments As Defined by N.C.G.S 159-28 or N.C.S.G. 115C-441, and Authorizing Finance Officer to Adopt Written Policies Outlining Procedures for Preauditing Obligations That Will be Incurred by Electronic Payments as Required by NC Administrative Code 20 NCAC 03 .0409, and Procedures for Disbursing Public Funds by Electronic Transaction as Required by NC Administrative Code 20 NCAC 03 .0410 as Recommended by the Administration and Finance Committee.
- G. Adopt Budget Amendment 2019-40 as Presented, and as Recommended by the Administration and Finance Committee.
- H Approve Proposed Addition of One (1) Full-time Streets Maintenance Worker Position and the Elimination of One (1) Part-Time Seasonal Position as Presented, and as Recommended by the Administration and Finance Committee.
- I. Adopt Resolution 2019-R-61 In Support of Water Resource Development Grant for Brandywine Bay Dredging as Recommended by the Public Works Committee.

**PUBLIC HEARING**

**Consider Adoption of Ordinance 2019-O-17 Approving Voluntary Contiguous Annexation of 1928 Oglesby Road, PIN #638609251863000, and 1100 N. 20<sup>th</sup> Street, PIN #638609251703000, .31 and .32 Acres Respectively, Zoned CN-CU (Commercial Neighborhood Conditional Use) District.**

Planning Director Sandi Watkins appeared before the Town Council to present request submitted by David and Karen Horton, for 1928 Oglesby Road, PIN #638609251863000, and 1100 N. 20<sup>th</sup> Street, PIN #638609251703000, .31 and .32 acres respectively, zoned CN-CU (Commercial Neighborhood Conditional Use) district.

The site was previously approved for a conditional use permit to develop a self-service storage facility and is not part of a subdivision.

The current tax value of the property is \$64,097 (\$29,846 and \$34,251). Based on a \$.38 cent tax rate, \$243.57 in tax revenues would be generated. Water and sewer will be accessed from North 20<sup>th</sup> Street. All costs associated with extending the water/sewer service to the newly annexed property will be the responsibility of the owner.

In accordance with N.C.G.S. 160A-31, notice of this public hearing was published once in The Carteret News Times on September 20, 2019. The notice was also posted on the bulletin boards in City Hall and the Municipal Building.

At this time, Mayor Jones opened the public hearing inviting anyone who would like to speak in favor of or in opposition to the proposed annexation to come forward.

#### PUBLIC COMMENTS

There were none.

#### COUNCIL COMMENTS

There were none.

Mayor Jones closed the public hearing.

Hearing no objections, Councilmember Ballou made a motion to **Ordinance 2019-O-17 Approving Voluntary Contiguous Annexation Request from David and Karen Horton, for 1928 Oglesby Road, PIN #638609251863000, and 1100 N. 20<sup>th</sup> Street, PIN # 638609251703000, .31 and .32 Acres Respectively, Zoned CN-CU (Commercial Neighborhood Conditional Use) District.** Councilmember Walker seconded and the motion carried unanimously. (5-0)

**Consider Adoption of Ordinance 2019-O-18 to Rezone Tax Parcel #s 636615520795000, 636615521603000, 636615522639000 (Lot Located on Florida Avenue and Known as “L1 MOREHEAD BLUFFS LLC”, 4806 South Shore Drive, and 4804 South Shore Drive, Respectively) from R15 (Single-Family Residential) District to R10 (Single-Family Residential) District, and Resolution 2019-R-54 of Plan Consistency in Accordance with N.C.G.S. 160A-383 for Map Amendment.**

Planning Director Sandi Watkins presented request submitted by Prestige Land Surveying, P.A. on behalf of Frederick and Lisa Winstead to rezone Tax Parcels 636615520795000, 636615521603000, 636615522639000 (lot located on Florida Avenue and known as “L1 MOREHEAD BLUFFS LLC”, 4806 South Shore Drive, and 4804 South Shore Drive, respectively) from R15 (Single-Family Residential) District to R10 (Single-Family Residential) District, and Resolution 2019-R-54 of Plan Consistency in accordance with N.C.G.S. 160A-383 for map amendment. These three parcels total approximately 1.17 acres (0.39, 0.428 and 0.355). Two of the parcels are currently undeveloped and one parcel (Tax Parcel #636615521603000) has a single-family dwelling located on the property.

Surrounding land use consists of single-family residential to the north and east, Mansfield Parkway to the west and Morehead Bluffs to the south. Surrounding zoning consists of R15 (Single-Family Residential), R20 (Single-Family Residential) and PD (Planned Development). The property is located in the corporate limits and is in Neighborhood 6 of the CAMA Land Use Plan, classified as Medium Density Residential. Uses between the current and proposed districts are consistent. The primary difference between the districts is lot widths. R10 district allows a minimum lot size of 10,000 square feet and the R15 district allows a minimum lot size of 15,000 square feet. The average R15 lots in this area are smaller than the allowable, averaging between 11,000 to 13,000 square feet.

At the September 17, 2019 Planning Board meeting, Tom Saunders made a motion, seconded by Frank Eastman, to recommend approval of the rezoning request and Planning Resolution 2019-0015. The motion carried unanimously.

In accordance with NCGS 160A-31, notice of this public hearing was published three times in The Carteret News Times (Fridays, September 13<sup>th</sup> and 27<sup>th</sup> and October 4, 2019). The notice was also mailed to property owners within 300 feet of these properties, as well as being posted at the site and on the bulletin boards at City Hall and the Municipal Building.

Mayor Jones opened the public hearing inviting anyone who would like to speak in favor of or in opposition to the proposed rezoning to come forward.

#### PUBLIC COMMENTS

**John Odem, 2110 Joslyn Drive:** Mr. Odem, representing Prestige Land Surveying, P.A., came forward offering to answer questions. He pointed out, using the displayed map, the multifamily and single family housing stating that this site serves as a transition area between the two. No questions were voiced.

#### COUNCIL COMMENTS

There were none.

Mayor Jones closed the public hearing.

Councilmember McCann made a motion to **Adopt Ordinance 2019-O-18 to Rezone Tax Parcel #s 636615520795000, 636615521603000, 636615522639000 (Lot Located on Florida Avenue and Known as "L1 MOREHEAD BLUFFS LLC", 4806 South Shore Drive, and 4804 South Shore Drive, Respectively) from R15 (Single-Family Residential) District to R10 (Single-Family Residential) District, and Resolution 2019-R-54 of Plan Consistency in Accordance with N.C.G.S. 160A-383 for Map Amendment.** Councilmember Ballou seconded and the motion carried unanimously. (5-0)

**Consider Adoption of and Order Affixed to the Code of Ordinances Ordinance 2019-O-19 to Amend the Unified Development Ordinance (UDO) by Amending Article 20-3.5 to Add**

**Parking Requirements for Self-Service Storage Facilities and to Amend Article 20-4 to Exempt Self-Service Storage Facilities from Providing Any Off-Street Loading and Unloading Space, and Resolution 2019-R-55 of Plan Consistency in Accordance with N.C.G.S. 160A-383 for Map Amendment.**

Planning Director Sandi Watkins presented request submitted by Terry Wetherington and Ron Cullipher of The Cullipher Group, P.A. to amend the Unified Development Ordinance (UDO) by amending Article 20-3.5 to add parking requirements for Self-Service Storage Facilities and to amend Article 20-4 to exempt Self-Service Storage Facilities from providing any off-street loading and unloading space, and Resolution 2019-R-55 of Plan Consistency in accordance with N.C.G.S. 160A-383 for map amendment.

Morehead City currently requires one space per 600 square feet of gross floor area for storage area plus one (1) space per two hundred twenty-five (225) square feet of office area based upon the closet parking requirement which is for warehouse and storage. The applicant proposes to create a parking requirement specific to self-service storage with the requirement of one (1) space per each one thousand (1,000) square feet up to five thousand (5,000) square feet plus one (1) space per each additional 5,000 square feet of storage area, and no additional parking shall be required for a self-service storage facility office.

At the September 17, 2019 Planning Board meeting, Andrea Smith made a motion, seconded by Ronetta Gaskill, to recommend approval of the text amendment request and Planning Resolution 2019-0016. The motion carried unanimously.

In accordance with NCGS 160A-31, notice of this public hearing was published three times in The Carteret News Times (Fridays, September 13<sup>th</sup> and 27<sup>th</sup> and October 4, 2019). The notice was also posted on the bulletin boards in City Hall and the Municipal Building.

Mayor Jones opened the public hearing inviting anyone who would like to speak in favor of or in opposition to the proposed text amendment to come forward.

**PUBLIC COMMENTS**

**Ron Cullipher of the Cullipher Group:** Mr. Cullipher stated that the Cullipher Group reviewed parking requirements of other regional communities, and stated that the proposed is the most restrictive. Following the review, they met with City staff and reached agreement with the proposed requirements.

**COUNCIL COMMENTS**

There were none.

Mayor Jones closed the public hearing.

Councilmember Taylor made a motion to **Adopt and Order Affixed to the Code of Ordinances Ordinance 2019-O-19 to Amend the Unified Development Ordinance (UDO)**

**by Amending Article 20-3.5 to Add Parking Requirements for Self-Service Storage Facilities and to Amend Article 20-4 to Exempt Self-Service Storage Facilities from Providing Any Off-Street Loading and Unloading Space, and Resolution 2019-R-55 of Plan Consistency in Accordance with N.C.G.S. 160A-383 for Map Amendment.** Councilmember Warrender seconded and the motion carried unanimously. (5-0)

## **NEW BUSINESS**

**Consider Adoption of Resolution 2019-R-60 Authorizing City Manager to Enter Into Contracts and Establish Policies to Delegate Authority for the Execution of Contracts and Other Agreements as Specified, and Recommended by the Administration and Finance Committee.**

City Manager Ryan Eggleston appeared before the Town Council to present Resolution 2019-R-60, authorizing City Manager to enter into contracts and establish policies to delegate authority for the execution of contracts and other agreements as specified. He stated that the proposed action records current practices into policy as a good governance practice, but does not make any changes in the way the City conducts business. The Administration and Finance Committee reviewed Resolution 2019-R-60 at their October 1, 2019 meeting and recommended presentation to Council for adoption.

In response to Council question, Finance Director Jewel Lasater advised that this action is not being presented in response to an auditor's request but as a housekeeping measure. The City will continue to adhere to all state statutes governing financial transactions by bringing contracts requiring council approval before the Council.

Councilmember Ballou made a motion to **table action pending the Administration and Finance Committee's review of the state statute thresholds.** Councilmember Walker seconded and the motion carried unanimously. (5-0)

## **CITY MANAGER'S REPORT:**

**Adopt-A-Block Program:** Mr. Eggleston presented the Adopt-A-Block program stating that it is a continuation of the City's focus on beautification. The program was developed by a committee consisting of Human Resource Director Susan Nixon, Police Chief Bernette Morris, Planning & Inspections Director Sandi Watkins, Communication Director Alize Proisy, and Public Services Director Daniel Williams. The staff liaison for the program will be City Clerk Cathy Campbell who will work directly with the block captains.

The program provides an opportunity for the City to partner with businesses, civic organizations and individuals to keep our city attractive and welcoming. Mr. Eggleston then presented a sample of the type of sign that will be displayed acknowledging the adoptee for the designated area, and shared a flyer identifying what can and cannot be recycled. He confirmed that individuals are welcome to adopt their residential blocks.

Councilmember Taylor made a motion to approve the Adopt-A-Block program as presented. Councilmember McCann seconded and the motion carried unanimously. (5-0)

**Request for Key to City Hall:** Mr. Eggleston shared that he received a request from an individual councilmember for a key to City Hall. Since this is not a standard practice, he asked for direction from the Council.

After an in depth discussion about the need for access to other city facilities, Councilmember Warrender made a motion specifying that facility keys will be issued uniformly to the Governing Body, and not based on individual requests, and that furthermore no additional keys be issued at this time. Councilmember McCann seconded and the motion passed by majority vote. (4-1; Ayes – McCann, Taylor, and Warrender; Nays – Walker; Pursuant to G.S. 160A-75, Councilmember Ballou is recorded as having voted in the affirmative because he abstained without having been excused from voting on the motion). Councilmember Walker expressed his opinion that councilmembers should have access to city facilities in order to check the status of the buildings as they feel necessary.

**Other:** At this time, Councilmember Walker questioned the projected year-end Fund Balance as noted in Administration and Finance Committee minutes. He stated that the report reflects a FYE 6/30/2019 estimated ending fund balance approximately \$1.2 million more than presented in the FY 2019-2020 Budget. During budget discussions, it was reported that the tax increase was for capital improvement projects totaling \$929,910, and that \$857,817 was carried over. He asked Mr. Eggleston to provide an explanation for the overage. Mr. Eggleston explained that the figure in question is an estimated forecast based on current spending. This is an accounting measure and will continue to change as the year progresses. Approximately \$500,000 of the \$1.2 million is assigned carryover funds for street projects. The remaining \$700,000 is the result of higher than projected revenues, wise expenditure management, and salary savings from staff vacancies. The projected overage equates to about 4% of the overall \$16 million budget, which reflects a healthy fiscal position. City ordinance requires that the City maintained a \$2.5 - \$2.75 million dollar fund balance as protection against unforeseen emergencies. Mr. Eggleston then distributed a written report of the updated General Fund (assigned and unassigned) as of October 2, 2019, showing an estimated overage of \$3.4 million (\$2.828 million originally). He stated that a 25-35% General Fund balance would not be unreasonable given the City's potential for hurricanes. In response to a question, Finance Director Jewel Lasater estimated that about \$350,000 to \$400,000 of the Federal Emergency Management Agency (FEMA) reimbursement will go back into utility funds, with a smaller amount being added to the General Fund Balance.

Councilmember Taylor speaking in support of the manager's developing procedure for staff assignments, stated that the proposed form will provide Mr. Eggleston with the opportunity to properly allocated staff resources based on priorities. The process supports the council-manager form of government by directing council members to make requests to the manager rather than department heads or other staff members. After some discussion, Mr. Eggleston was asked to include clarification within the procedure as to when the form may or may not be necessary, and other acceptable methods of communicating requests (i.e. email).

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

**Rodney Kemp, 1711 Evans Street:** Mr. Kemp, representing the Morehead City Fire-EMS Fire Museum Inc., stated that after purchasing the 1925 fire truck they had overlooked the need to make formal request to use the old fire station adjacent to the Municipal Building on S. 8<sup>th</sup> Street for the museum. He was present tonight to ask for direction on the proper method for making the request. It was noted that a contractual agreement would be required for this arrangement since the organization has 501c3 tax classification. Staff will work with the organization to move the process forward.

**Fred Tootle, 1003 Avery Street:** Mr. Tootle expressed support for the Adopt-A-Block program, but at the same time questioned how it might help his neighborhood. He addressed their prior requests (mowing the alley adjacent to his home, restore streets lights along Avery Street between 10<sup>th</sup> and 12<sup>th</sup> streets, and repair of the 11<sup>th</sup> Street pier) made at the August 13, 2019 council meeting. Since the request was made, the alley has been mowed once, and there has been no noticeable action on the other two requests. He shared that he feels he is receiving broken promises. City Manager Eggleston agreed to meet with him at the end of this meeting to provide updates on all three items.

### **COUNCIL REQUESTS/COMMENTS**

Councilmember Warrender extended congratulations to the Seafood Festival Committee stating that it was a wonderful event. She also commended city employees who assisted with the Festival.

Councilmember Taylor also offered congratulations to the Seafood Festival Committee, and thanked everyone for attending and being part of the governing process.

Councilmember Walker thanked those present for attending, offered congratulations to Seafood Festival Committee, and commended staff for the speedy cleanup following the festival.

Councilmember Ballou stated that he had the pleasure of serving dual roles as a member of the Festival board as well as the town council, and stated that the festival depends on the City's support.

Councilmember McCann echo the prior comments, and commended the Adopt-A-Block Committee for their work.

Mayor Jones extended appreciation to everyone for attending, and all that citizens do in support of the town.

### **APPROVE AND SEAL CLOSED SESSION MINUTES**

City Clerk Cathy Campbell presented the minutes of the September 10, 2019 Closed Session for review and approval. After a review of the minutes, Councilmember Taylor moved **to Approve and Seal the minutes of the September 10, 2019 Closed Session meeting as presented.** Councilmember Warrender seconded and the motion carried unanimously (5-0).

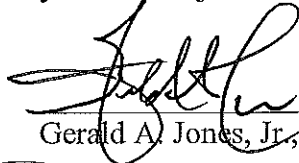



**CLOSED SESSION PER NCGS 143.318.11(a)(3) TO CONSULT WITH CITY ATTORNEY**

Mayor Jones cancelled the closed session stating that it was not necessary at this time.

**ADJOURNMENT**

There being no other business to discuss, Mayor Jones adjourned the meeting 7:05 p.m.

  
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Gerald A. Jones, Jr., Mayor

Attest:   
\_\_\_\_\_  
Cathy Campbell, City Clerk

