

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

Tuesday, June 8, 2010

The Honorable Council of the Town of Morehead City met in regular session on Tuesday, June 8, 2010 at 5:30 p.m., in the Municipal Building Auditorium at 202 South 8th Street, Morehead City, North Carolina. Those in attendance were:

MAYOR:	Gerald A. Jones, Jr.
MAYOR PRO TEM:	George W. Ballou
COUNCILMEN:	Paul W. Cordova David Horton John F. Nelson Demus L. Thompson
CITY MANAGER:	R. Randy Martin
CITY CLERK:	Jeanne M. Giblin
CITY ATTORNEY'S OFFICE:	Nelson W. Taylor, III, Derek Taylor, Michael Thomas
OTHERS:	Porter Wilson, Ken Wood, Keri McCann, Pam Hardy, Jeffrey McCann, Bill Taylor, Connie Carawan, Dale Gillikin, Carolyn P. Giles, Denny Lawrence, Julie Glanzer, Neal Rowland, Carol Campbell, Stephanie McIntyre, Morganne McIntyre, Mike Shutak, Reporter, THE CARTERET NEWS TIMES, and several others.

I. Regular Meeting Call to Order, Invocation and Pledge of Allegiance

Mayor Jones called the meeting to order at 5:30 p.m. He spoke about former Mayor and Councilman Nick Galantis who passed away on Saturday, June 5th. Mr. Galantis served as Councilman for over 30 years and also as Mayor when Bud Dixon resigned, in addition to many civic activities. Councilman Thompson gave the invocation and all joined in The Pledge of Allegiance.

II.A. Crystal Coast Super Boat Grand Prix – September 17, 18 & 19, 2010 – Jeff and Keri McCann

Keri McCann stated that the request is much the same as in the years past. She extended an invitation to every board member of the Council to attend the event and the special activities.

Jeff McCann reported that he met with Raycom Sports about filming the race, and spoke about a proposed special contest with flip phones. He explained there are five [5] different racing associations. He stated that many of the citizens are excited about the racers being here as well as the sponsors.

Mayor Jones related that for the whole racing season Jeff is now the throttle man of the fastest V bottom boat which exceeds speeds of 177 mph.

Manager Martin explained the procedure noted in the Resolution of phasing in the street closings as needed in an effort to minimize any adverse impacts. The City will close the side streets and parks first which should minimize the length of time any essential street would be closed.

II.B. North Carolina Seafood Festival – October 1, 2 & 3, 2010 – Stephanie McIntyre

Denny Lawrence, Chairman of the 2010 North Carolina Seafood Festival [NCSF] thanked the City for all its support. He stated that the festival brings in over \$32 million in economic impact to Morehead City and the various charities. He also thanked the Council for allowing the festival to borrow “their” waterfront for the festival.

Councilman Thompson commented that it was not “our” waterfront, it was “your” waterfront.

Mayor Jones stated that the Council appreciated all the work necessary to have this event and advised everyone to have fun. He reminded the representatives to speak to the downtown merchants regarding the street closings and festival events.

III. Adoption of the CONSENT AGENDA

**III.A. Approval of Minutes: Tuesday, May 11, 2010 at 8:00 a.m. – Special Meeting/Work Session
Tuesday, May 11, 2010 – Regular Meeting
Tuesday, May 18, 2010 at 8:00 a.m. – Special Meeting/Work Session**

Approved the minutes of Tuesday, May 11, 2010 at 8:00 a.m., Special Meeting/Work Session; Tuesday, May 11, 2010, Regular Meeting; and Tuesday, May 18, 2010 at 8:00 a.m., Special Meeting/Work Session and dispensed with the readings.

III.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for May 2010, in the amount of \$264.05; and Accept the Tax Collector and Finance Director Reports for May 2010

Approved the Requests for release of overpayment of ad valorem taxes for May 2010, in the amount of \$264.05; and accepted the Tax Collector and Finance Director Reports for May 2010.

III.C. Adopt Resolution 2010-24 Endorsing the Outer Banks Power Boat Association Crystal Coast Super Boat Grand Prix and Authorizing Action Necessary for the Event to be held on September 17, 18 & 19, 2010, on the Morehead City Waterfront

This is the fifth annual grand prix and the sponsors are requesting various services and use of City property and areas as in the past to make the event a success. The Public Works Committee of the Council reviewed the proposed resolution and recommended adoption.

Adopted Resolution 2010-24 Endorsing the Outer Banks Power Boat Association Crystal Cost Super Boat Grand Prix and Authorized Action Necessary for the Event to be held on September 17, 18 & 19, 2010, on the Morehead City Waterfront. [Resolution 2010-24 is attached to and made a part of these minutes.]

III.D. Adopt Resolution 2010-25 Endorsing the North Carolina Seafood Festival and Authorizing Action Necessary for the Event to be held on October 1, 2 & 3, 2010, on the Morehead City Waterfront

This is the 24th year for the annual festival and, as in the past, the City is requested to approve the use of various streets, alleys and parks in addition to ancillary services to help make this community celebration a success. The Public Works Committee of the Council reviewed the proposed resolution and recommended adoption.

Adopted Resolution 2010-25 Endorsing the North Carolina Seafood Festival and Authorized Action Necessary for the Event to be held on October 1, 2 & 3, 2010, on the Morehead City Waterfront. [Resolution 2010-25 is attached to and made a part of these minutes.]

III.E. Authorize a Contract for Architectural Services for the Renovation of Fire/EMS Station No. #2 on Arendell Street

Councilman Horton requested to remove this item from the CONSENT AGENDA and place under Item V.C. New Business.

III.F. Award of Phase I Storm Debris Clearance and Phase II Storm Debris Removal of Vegetative and C & D [construction and demolition] Materials

Bids for Phase I and Phase II Debris Removal were opened at 11:00 a.m. on Wednesday, April 28, 2010, and are attached. The bids were reviewed by Johnson Environmental & Disaster Consulting Services with their recommendations of Phase I Immediate Response Debris Clearing to Bamaco, Inc., of Bunnell, Florida as the primary contractor and Storm Reconstruction Services, Inc. of Mobile, Alabama as the second call contractor. For Phase II Vegetative and C & D Debris Removal the primary contractor recommended was Disaster Recovery Group & Tree Service, Inc. of Arden, N.C., and for the secondary contractor, TFR Enterprises, Inc. of Leander, Texas. Phase I is the initial

response after a storm and involves clearing right-of-ways, etc. to open routes for emergency crews, utilities, etc. Phase II is the actual cleanup and hauling off the debris. Each bid has two [2] awards, the second award is in case the first contractor does not respond in a timely manner.

The Public Works Committee of the Council reviewed the bids, however, the City had to pursue due diligence of contractor's references, financial history and disbarment record. The recommended bid awards did not change after this review. The Public Works Committee recommended award of the contract bids to the low bidders.

Awarded Phase I Storm Debris Clearance to Bamaco, Inc., of Bunnell, Florida as the primary contractor with Strom Reconstruction Services, Inc. of Mobile, Alabama as the secondary contractor; and awarded Phase II Vegetative and C & D Debris Removal to the primary contractor Disaster Recovery Group & Tree Service, Inc. of Arden, N.C., and as the secondary contractor TFR Enterprises, Inc. of Leander, Texas. [Bid information is attached to and made a part of these minutes.]

Councilman Ballou MOVED, second by Thompson, and carried unanimously, to adopt the CONSENT AGENDA in one [1] motion with the exception of Item III.E. which was placed under Item V.C. New Business.

Councilman Thompson had to leave the meeting for a few minutes and was not present during the adoption of the annexation ordinances.

IV.A. Public Hearings: Request for Voluntary Contiguous Annexation for the following City-owned Properties:

Mayor Jones stated that there are various properties currently owned by the Town of Morehead City which have not been annexed into the City. The Planning Committee of the Council reviewed the proposed annexations and recommended adoption of the annexation ordinances.

Manager Martin explained that the reason to annex the properties and bring them into the City limits is so that all rules and regulations of Morehead City will apply to these City-owned properties.

1. 130 Willis Road, [Municipal Sewage Pump Station], Tax PIN #6366-0907-0196-000, 0.14 acres, zoned R15M [Tract A] – Adopt Ordinance 2010-20

The property under consideration for annexation located at 130 Willis Road, is contiguous to the present City limits, contains approximately 0.14 acres, and is zoned R15M [Single-Family Residential/Mobile Home] District. The site in question is not part of a subdivision, and therefore, will not fragment a subdivision. The current tax value of the property is estimated to be \$4,500.

2. Bridges Street [15 foot strip Addie Taylor Land], Tax PIN #6366-1155-0872-000, approximately 0.03 acres, zoned OP [Tract B] – Adopt Ordinance 2010-21

The property under consideration for annexation located on Bridges Street, is contiguous to the present City limits, contains approximately 0.03 acres and is zoned OP [Office & Professional] District. The site in question is not part of a subdivision, and therefore, will not fragment a subdivision. The current tax value of the property is estimated to be \$1,313.

3. 1001, 1007, 1009 and 1013 Treatment Plant Road [Lots 8-10 and A.C. Dudley Division], Tax PIN #'s 6376-1295-3733-000, 6376-1295-3909-000, 6376-1296-3016-000, and 6376-1296-3114-000, 2.88 acres, zoned R15M [Tract C] – Adopt Ordinance 2010-22

The property under consideration for annexation located at 1001, 1007, 1009 and 1013 Treatment Plant Road, is contiguous to the present City limits, contains approximately 2.88 acres and is zoned R15M [Single-Family Residential/Mobile Home] District. The site in question is not part of a subdivision, and therefore, will not fragment a subdivision. The current tax value of the property is estimated to be \$234,576.

4. **Mayberry Loop Road [Lots SR 1178, Lots 1179, Pt. Laughton, Lonnie Boyd Land, Acreage J.T. Oglesby Crab Point, Pt. W.H. Laughton Land], PIN #'s 6376-1296-8847-000, 6386-0906-0865-000, 6386-0907-2203-000, 6386-0907-4178-000, 6386-0507-3670-000, 6386-0507-4680-000, and 6386-0507-6599-000, 14.23 acres, zoned R15M [Tract E] – Adopt Ordinance 2010-24**

The property under consideration for annexation located on Mayberry Loop Road, is contiguous to the present City limits, contains approximately 14.21 acres and is zoned R15M [Single-Family Residential/Mobile Home] District. The site in question is not part of a subdivision, and therefore, will not fragment a subdivision. The current tax value of the property is estimated to be \$653,778.

5. **Bridges Street [Acre Mansfield Park Morehead], PIN #6366-1046-5000-000, 0.785 acres, zoned OP [Tract F] – Adopt Ordinance 2010-25**

The property under consideration for annexation located on Bridges Street, is contiguous to the present City limits, contains approximately 0.60 acres and is zoned OP [Office & Professional] District. The site in question is not part of a subdivision, and therefore, will not fragment a subdivision. The current tax value of the property is estimated to be \$126,785.

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

Mayor Jones closed the public hearing.

Councilman Ballou MOVED, seconded by Councilman Nelson, and carried unanimously, [Councilman Thompson not present during the voting], to adopt Ordinance 2010 – 20 granting voluntary contiguous annexation for the City-owned property located at 130 Willis Road, [Municipal Sewage Pump Station], Tax PIN #6366-0907-0196-000, 0.14 acres, zoned R15M [Tract A]; adopt Ordinance 2010-21 granting voluntary contiguous annexation for the City-owned property located at Bridges Street [15 foot strip Addie Taylor Land], Tax PIN #6366-1155-0872-000, approximately 0.03 acres, zoned OP [Tract B]; adopt Ordinance 2010-22 granting voluntary contiguous annexation for City-owned property located at 1001, 1007, 1009 and 1013 Treatment Plant Road [Lots 8-10 and A.C. Dudley Division], Tax PIN #'s 6376-1295-3733-000, 6376-1295-3909-000, 6376-1296-3016-000, and 6376-1296-3114-000, 2.88 acres, zoned R15M [Tract C]; adopt Ordinance 2010-24 granting voluntary contiguous annexation for City-owned property located at Mayberry Loop Road [Lots SR 1178, Lots 1179, Pt. Laughton, Lonnie Boyd Land, Acreage J.T. Oglesby Crab Point, Pt. W.H. Laughton Land], PIN #'s 6376-1296-8847-000, 6386-0906-0865-000, 6386-0907-2203-000, 6386-0907-4178-000, 6386-0507-3670-000, 6386-0507-4680-000, and 6386-0507-6599-000, 14.23 acres, zoned R15M [Tract E]; and adopt Ordinance 2010-25 granting voluntary contiguous annexation for City-owned property located at Bridges Street [Acre Mansfield Park Morehead], PIN #6366-1046-5000-000, 0.785 acres, zoned OP [Tract F]. [Annexation Ordinances 2010-20, 2010-21, 2010-22, 2010-24 and 2010-25 are attached to Ordinance Book #6 in the vault.]

- IV.B. Public Hearing: Request for Voluntary Non-Contiguous Annexation of the City-Owned Property located at 3100 and 3104 Tootle Road [Lots 3 & 4, Ashley Place], Tax PIN #6376-0777-2667-000 and 6376-0777-3666-000, 0.93 acres, zoned R20 [Tract D] – Adopt Ordinance 2010-23**

The nearest point on the proposed satellite corporate limits for the property located at 3100 and 3104 Tootle Road is approximately 800 feet from the existing City limits. The area for proposed annexation is so situated that the Town of Morehead City will be able to provide services on the same basis as it provides the primary corporate limits. The site in question is part of an existing subdivision, and therefore, will fragment a subdivision. The Town of Morehead City currently has 300.35 acres located in satellite annexed areas. The addition of this satellite [0.93 acres] when added to the area within all other satellite corporate limits totals 301.28 acres and does not exceed 25 percent [1,388.38] of the area within the primary corporate limits. The property is zoned R20 [Residential] and the current tax value is estimated to be \$148,197. The Planning Committee of the Council reviewed the proposed annexation and recommended adoption.

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

Mayor Jones closed the public hearing.

Councilman Ballou MOVED, seconded by Councilman Horton, and carried unanimously, [Councilman Thompson not present during the voting], to adopt Ordinance 2010-23 granting Voluntary Non-Contiguous Annexation of the City-Owned Property located at 3100 and 3104 Tootle Road [Lots 3 & 4, Ashley Place], Tax PIN #6376-0777-2667-000 and 6376-0777-3666-000, 0.93 acres, zoned R20 [Tract D]. [Annexation Ordinance 2010-23 is attached to Ordinance Book #6 in the vault.]

V.A. New Business: Consider adoption of the FY 2010/2011 Budget Ordinance 2010-26 in the total amount of \$19,523,514 with a Tax Rate of \$.22 per \$100 Valuation and Adoption of the FY 2010/2011 Municipal Goals

Manager Martin reported that the Council conducted several work sessions on the budget proposal for FY2010/2011 and the draft goals. The Budget Ordinance and Goals reflecting input received and discussed during these sessions was presented. He thanked the Council for all the time and effort they placed into preparing the budget. The proposed budget for FY 2010/2011 total is \$19,523,514.00 which maintains the tax rate at \$0.22 per \$100 of property valuation.

Councilman Cordova MOVED, seconded Councilman Thompson, to adopt FY 2010/2011 Budget Ordinance 2010-26 in the total amount of \$19,523,514 with a Tax Rate of \$.22 per \$100 Valuation and the FY 2010/2011 Municipal Goals. The motion passed with a vote of four [4] to one [1] with Councilman Horton opposing.

Councilman Horton stated that he disagrees with many of the things in the budget and submitted a letter noting those items. [Attached to and made a part of these minutes is a letter dated June 8, 2010, from Councilman Horton which was received by the City Clerk during the Town Council Meeting.]

V.B. New Business: Consider Appointments and/or Reappointments of Planning Board and Board of Adjustment Members

The Council reviewed the rosters for both the Planning Board and Board of Adjustment. The seats of those board members highlighted are set to expire in August of this year. Everyone is eligible for reappointment and all have indicated their desire to continue to serve. Also included is a list of other Morehead City residents who have indicated their willingness to serve.

Mayor Jones reported that the seat openings are Curtis Fleshman, Jacquelyn Maucher, and John Creech. Mrs. Maucher & Mr. Creech are reappointees from the ETJ [extra-territorial jurisdiction] area and are recommendations to the Carteret County Commissioners which make these appointments.

Councilman Nelson MOVED, seconded by Thompson, and carried unanimously, to reappoint Curtis Fleshman as an In-City Member to the Morehead City Planning Board with a term of office from August 15, 2010 to August 15, 2013, and to recommend to the Carteret County Board of Commissioners to reappoint Jacquelyn Maucher and John Creech to serve as ETJ Members of the Morehead City Planning Board with terms of office from August 15, 2010 to August 15, 2013.

Councilman Thompson, MOVED, seconded by Councilman Ballou, and carried unanimously, to reappoint Laura Drewyor and James Walker as In-City Members and Dick Gambill and Dave Robertson as In-City Alternatives to the Morehead City Board of Adjustment with terms of office from August 27, 2010 to August 27, 2013 and to recommend to the Carteret County Board of Commissioners to reappoint Bill Ward as Extraterritorial Member and Joe Green as Extraterritorial Alternate to the Morehead City Board of Adjustment for terms of office from August 27, 2010 to August 27, 2013.

V.C. Authorize a Contract for Architectural Services for the Renovation of Fire/EMS Station No. #2 on Arendell Street

Manager Martin reported that the City acquired the former NEWS-TIMES Building and land on Arendell Street to convert it to become Fire/EMS Station No. #2. The City has secured financing for the acquisition and renovation of the facility and the Council has adopted a capital project ordinance. The United States Department of Agriculture [USDA] is providing the funding and requires that an architect be engaged to design the improvements and submit plans and specifications for their approval prior to the release of funding for the project. The Public Safety Committee of the Council and City staff have considered options for architectural services and recommend authorizing a contract with C.R. Francis, Architect of New Bern. Mr. Francis had done several successful projects for the City including the Train Depot renovation, Fire/EMS Station No. #3 renovations, the Fisher Street Recreation Center roof replacement and energy efficiency improvements, the Webb Library renovation and most recently the new Jaycee Park bathroom and amenities facility. Two [2] of these projects also involved USDA funding so Mr. Francis is very familiar with their requirements.

Councilman Horton stated he would like an overview of the project.

Manager Martin reminded the Council that the project is to replace the obsolete Fire Station currently located at Camp Glen. The City bought the former NEWS TIMES Building on Arendell Street. The USDA is funding the project and requires an architect's review prior to release of the funds for the project. The Public Safety Committee of the Council reviewed the proposed project and recommended C.R. Francis Architects.

Councilman Horton questioned if the Fire/EMS Department were planning on using the entire building?

Manager Martin advised that the Fire/EMS Department will use the bays and the current office area will be converted into living quarters, staffing, Fire/EMS offices, etc. It is proposed to locate the satellite police facility currently located at the Peletier Harbor Shops at Fire/EMS Station #2 to eliminate paying for the current rental space. It is also proposed that all space provided in Fire/EMS Station No. #2 will be utilized with no additional space being built. Preliminary schematics for the building are available, but nothing formal has been approved by the Public Safety Committee in terms of the renovation.

Councilman Ballou read comments about the project from the minutes of the Special Meeting held on May 11, 2010, as follows: *“Councilman Ballou commented that he wanted it fully understood that the budget on this project would not be increased by the action currently before the Council. He advised the Public Safety Committee discussed this in detail and the Committee Members have been assured by the City Manager that they will be active in the design process with the goal of staying within budget to the maximum extent possible.”*

Manager Martin further explained that a preliminary review by an engineer recommended replacing the roof. He reiterated that the USDA requires an architect to design the structure.

Councilman Horton commented that he wanted to review the schematic drawings to ascertain how far the project was detailed and questioned if the City had considered using the services of Morehead City based architects.

Manager Martin commented that the Public Safety Committee had discussed other architects, but Morehead City has had good rapport with C. R. Francis Architects at very reasonable costs and has relied on their professional expertise on other Morehead City projects.

Councilman Thompson cited the experience of C.R. Francis Architects on projects he has done for Morehead City in the past.

Upon a question from Councilman Nelson, Councilman Horton stated he had no one in particular to recommend as an architect for this project.

Councilman Ballou MOVED, seconded by Councilman Cordova and carried unanimously, to authorize a Contract for Architectural Services for the Renovation

of Fire/EMS Station No. #2 on Arendell Street with C. R. Francis Architects of New Bern, North Carolina.

VI. Citizen Requests/Comments:

Ken Wood of 910 Harrell Drive spoke about the preliminary project of bringing the Aircraft Carrier USS Kitty Hawk to Morehead City. He stated he met a gentlemen who is associated with this group proposing to moor the craft on the south side of Carrot [sic] Island. Mr. Wood stated it would be a financial trap and would need millions of dollars to support and if our local businesses want to support this project fine, but he was of the opinion that not one Morehead City tax dollar should go to this effort. He hoped that Morehead City would go on record as not supporting this project financially in any way whatsoever.

Porter Wilson of 704 Evans Street commented that before the City turns the project down, it should at least explore the feasibility of this ship for the economic impact it would be for Morehead City and Carteret County in general. It would be an economic boon to the area, but the potential attraction has to be evaluated. One may have millions of dollars of income for the millions of dollars of investment.

Mayor Jones stated that for the record, the City Council has had no involvement with this project and it has not been discussed with the Council.

VII. City Manager's Report:

City Manager Martin gave appreciation to the Council and staff for their efforts on the FY2010/2011 Budget and Goals.

VIII. Council Requests/Comments

Mayor Jones reported that temporary improvements have been made to the Jib property fencing and that the City is waiting for the CAMA comments on a permit before additional actions.

Councilman Thompson questioned the time line for the completed boat launch on Radio Island.

Mayor Jones stated that the project is on schedule at the present time and awaiting approval from the various agencies on the project.

Mayor Jones also commented that he compliments Norfolk/Southern Railroad and their efforts to contain the whistle of the train during the night hours. Just as expected, the recent concerns resulted from the actions of a new engineer on the route.

IX. CLOSED SESSION AS PER G.S. 143.318.11 TO APPROVE THE CLOSED SESSION MINUTES OF APRIL 13, 2010, AND MAY 11, 2010

Councilman Ballou MOVED, seconded by Councilman Horton, and carried unanimously, to enter into CLOSED SESSION.

Councilman Nelson MOVED, seconded by Councilman Thompson, and carried unanimously, to return to OPEN SESSION.

Councilman Nelson MOVED, seconded by Councilman Thompson, and carried unanimously, to approve and remain sealed the CLOSED SESSION Minutes of Tuesday, May 11, 2010.

Councilman Ballou MOVED, seconded by Councilman Thompson, and carried unanimously, to approve and spread upon the record the CLOSED SESSION Minutes of Tuesday, April 13, 2010.

There being no further business, the meeting was adjourned at 7:10 p.m.

Gerald A. Jones, Jr., Mayor

Attest:

Jeanne M. Giblin, City Clerk

For the last three years I have taken the position that Morehead City needed to address a number of issues that were going to hurt its financial future. At a time when most City and County governments are engaging in deep and spirited debates about ways to adjust smaller revenue streams with current persistent expenses, I find it discouraging that Morehead has not been willing to dig into these issues.

Our current budget is not adequate because we have not addressed the structural problems inherent in it. We have too much salary and expenses without adequate income. We have not implemented the necessary budgetary cuts over the last two years as our revenues and growth have slowed. This year we are only able to balance our budget by taking money from our reserve account. Next year the problems will most likely be worse. I think it is naïve and dangerous to assume that the economic picture is going to suddenly brighten however I believe we are acting as though that is what we expect.

Further, we have taken on very large projects with more and more debt. We are building a 5 million dollar police station, we paid over 1,600,000 for downtown properties, we will borrow over 2 million to buy and upfit a fire department and none of these projects will do anything but make our costs go up in the future, not down.

Morehead City was blessed over the last decade with very high growth rates which made it simple to grow and balance our budget. I believe those times are, for the near future, over and that we should have made adjustments in the face of these tremendous slow downs in growth. Our Council used to take pride in growing our reserves, now we hardly discuss the fact that they are in decline. The funding of all of the excess costs of the Baseball Park from our reserve account and our lack of willingness to adjust our department sizes to lower volumes of work and revenue has resulted in a much smaller reserve cushion. This cushion would have been useful to draw on in the future and it could have been used for emergencies instead of using it to fund entertainment venues.

I have pushed for two years to increase the money allocated for street repair. Last year we did increase money allocated to streets based upon my suggestions but the additional money was not spent. I do not think we are paying as we go for our streets. Future boards will be forced to borrow a lot of money to make up for what we are doing today—we are putting off for tomorrow what we should do today. Street repair requirements are fairly consistent over time and should be something that we fund each year adequately and without question. There is no excuse for ignoring infrastructure needs such as these.

I believe we should have funded a Cost of Living increase for our employees. I am not against taking extraordinary measure to save money but in a year where we spent so much on waterfront property, an extravagant police department, and funded huge cost overruns in a baseball park, it seems to me we have our priorities wrong. Our Police Department has a big problem with a high turnover rate. I believe it is because we are not paying adequate wages to retain good, trained police people. We are building a new police station that is costing over 5 million dollars. Is the huge and expensive building more valuable to us than retaining the people who work in it?

We have continued to fund a Federal post office with City money that the numbers show does less and less business each year. We continue to fund a city subsidized summer camp where the annual fee income is falling yet the wage costs and other costs continue to climb. We give our wealthiest citizens the right to save 2% on their property tax bills by paying early but this comes at a big cost to the City—and the budget.

We have allowed departments to continue with staffing levels that are just as high as or higher than they were when we were in boom times. Though business and work volumes have fallen we have left employee levels intact. I have offered these ideas and others as ways of cutting our budget and being able to offer our employees some simple Cost of Living increases. I had hoped that we could balance our budget AND put money towards reserves. Planning for the worst is better than hoping for the best.

While I'm sure the manager has spent significant time in the development of the budget I believe that the Council has done little to provide their opinions or input to the process. Most Councilmen run on a platform of keeping taxes low but I don't believe we have had any substantive debates on lowering taxes or significantly lowering expenses at all. In a time when Fiscal responsibility in government is more needed than it ever has been I don't think we've done the hard work it takes to get the job done adequately. Even the obvious, simple places where we could have and should have found savings were ignored.

Our current budget has not addressed the dramatic and permanent changes in our revenue stream. We have operated by digging into our reserves, not funding basic capital projects that should be funded every year, and holding back on basic raises for our employees. Those are some of the reasons that I do not support this current budget or the process that got us to this point.

David Horton
June 8, 2010
Morehead City Councilman