

**MONDAY – 5:30 P.M.**

**JUNE 28, 2010**

**WORK SESSION**

The City Council of the City of Elizabeth City held a work session on the above date and time in the City Council Chambers of the Municipal Administration Building with Mayor R. A. McLean presiding. Those members attending were: J. M. Baker, M. E. Brooks, L. Hill-Lawrence, L. A. Hummer, R. E. King, B. S. Meggs, J. A. Stimatz and J. B. Walton. Staff attending were: City Manager R. C. Olson, City Clerk D. S. Pierce-Tamplen, City Attorney W. H. Morgan, Human Resource Director K. W. Felton, Fire Chief L. M. Mackey, Electric Director K. F. Clow, Police Chief C. E. Crudup, Inspections Director S. E. Ward, Parks and Recreation Director B. V. White, Public Utilities Director P. A. Fredette and Finance Director S. E. Blanchard.

Mayor R. A. McLean established a quorum was present and opened the meeting by welcoming those attending. He called upon Councilwoman L. Hill-Lawrence for the invocation after which the Pledge of Allegiance to the Flag of the United States of American was given.

**1} APPROVAL OF THE AGENDA:**

Mayor McLean called for approval of the agenda.

***A motion was made by Councilwoman B. S. Meggs, seconded by Councilman R. E. King to approve the agenda as presented. Those voting in favor of the motion were: Meggs, King, Baker, Brooks, Hill-Lawrence, Hummer, Stimatz and Walton. Against: None. Motion carried.***

**2} FUTURE FIRE STATION LOCATIONS:**

City Manager R. C. Olson stated at the May 24<sup>th</sup> meeting Chief Mackey went over his department's desire to apply for a number of FEMA grants. Based on the outcome of those discussions, the Council requested the Chief to come back and discuss some issues associated with future fire station locations.

Chief Mackey presented a power point presentation. He stated that the need for three fire stations in Elizabeth City has been apparent for a long time; however, there hasn't been a push to bring this need to a reality. Our Station One is designed to house four fire fighters and it presently houses nine fire fighters. Station Two was designed to house four fire fighters and it houses five fire fighters. He discussed the response time of both stations at the present time.

He feels the theoretical need for a third station located in the vicinity of Halstead Boulevard and Edgewood Drive is crucial. When we are able to build a fourth station it should be located somewhere around Thunder Road. This determination is derived from the number of pressure hydrants within the area and is part of the distribution study of pressure hydrants within the fire district. He went over the process for applying for grants through FEMA. He also discussed in detail the response time of the fire department to the different areas of the City.

### **3} RESTRUCTURE OF ELECTRIC RATE SCHEDULE FOR SEASONAL STRUCTURE:**

Mr. Olson stated that at the present time the City has five electric rate classifications that cover residential customers and commercial entities. The RS-1 rate is the rate that affects the majority of our customers. At the present time, the retail electrical rate for this Class is \$12.68 per kWh. The City several decades ago had a rate schedule that was seasonally based. We have completed a limited amount of modeling to determine whether it would be feasible to adopt a seasonal rate. The primary basic assumption utilized was that the City's cost to purchase power will stay constant and any modification to the rates will need to generate the same amount of income as the City presently receives. Staff is proposing a rate reduction of 8% for the power used in the months of December, January and February, which would be the bills our customers receive in January, February and March. To offset the reduction and receive the same amount of revenue, electric rates would need to be increased 3% for the months of March through November. In the month of December, January and February, the City consumes about one third of its total kWh for a year. The proposed monthly charges will be: \$9.18 per month Basic Facilities Charge and 12.68 cents per kWh for all kWh Energy Charge. To insure that we have a good rate design something we have not done in at least decades is to have an outside consultant like RW Beck or another utilities consultant come in and do a detailed modeling of our system. In that modeling process we will be able to determine that if we do this two tier rate that it will have no affect on 35,40,50% of our population. Twenty-five percent of our population will experience a slight or moderate increase while the other 25-50% will have a slight decrease. That can easily be done. City staff only modeled the residential as it is a lot harder to model the commercial because of the demand meters and some of the calculations we need to do. We need to do a more detailed analysis that we do not have the expertise to do. He then went on to explain several scenarios of customer's bills depicting savings and increases.

Following further discussion and asking/answering questions, it was the consensus of Council to have Mr. Olson to do additional research on this issue and bring it back to City Council in July.

**4} ELIMINATION OF LIVE BROADCAST:**

Councilman Brooks stated that when we were at the retreat it was brought up a way to perhaps improve Council's image was to do away with the live broadcast of the meetings.

Mr. Olson stated there is no statutory requirement for the City Council to televise its meeting.

Following discussion, it was the consensus of City Council to continue the live broadcast of the City Council meetings.

**5} COMMITTEE REPORTS:**

Mayor McLean stated due to the time frame we would not be able to do the committee reports at this time.

**6} ADJOURNMENT:**

There being no further business to come before the Council at this time, Mayor McLean called for a motion to adjourn.

***A motion was made by Mayor Pro Tem L. A. Hummer, seconded by Councilman R. E. King to adjourn the meeting. Those voting in favor of the motion were: Hummer, King, Baker, Brooks, Hill-Lawrence, Meggs, Stimatz and Walton. Against: None. Motion carried.***

Mayor McLean adjourned the meeting at 6:55 p.m.

---

Dianne S. Pierce-Tamplen, MMC  
City Clerk

---

Roger A. McLean  
Mayor