

**City Council Budget Work Session
June 5, 2023**

The City Council of the City of Elizabeth City met in work session on Monday, June 5, 2023 in Council Chambers, located on the 2nd floor of the Municipal Administration Building, 306 E. Colonial Avenue, Elizabeth City, NC.

MEMBERS PRESENT: Mayor Pro Tem Kem Spence
Councilman Johnson Biggs
Councilman Joseph Peel
Councilwoman Rose Whitehurst (*Arrived at 5:15 p.m.*)
Councilwoman Katherine Felton
Councilman Johnnie Walton

MEMBERS ABSENT: Mayor Kirk Rivers
Councilman Javis Gibbs
Councilwoman Barbara Baxter

OTHERS PRESENT: City Manager Montre' Freeman
Chief of Police J. Phillip Webster
Finance Director, Alicia Steward
Assistant Finance Director Brian Lewis
Human Resources Director Montique McClary
Electric Superintendent Donnell White
Interim Community Development Director Reggie Goodson
Deputy Chief of Police James Avens
Public Utilities Director Dwan Bell
Parks and Recreation Director Sean Clark
Grants Administrator Jon Hawley
Fire Chief Chris Carver
ECDI Director Debbie Malenfant
IT Director Matthew Simpson
IT Systems Analyst Pedro Holley II
City Clerk April Onley

Mayor Pro Tem Spence called the Budget Work Session to order at 5:00 p.m. He advised that Mayor Rivers was out of town and would be unable to attend the meeting, so he would be chairing in his place. Councilman Walton provided the invocation, after which Councilman Biggs led the Pledge of Allegiance.

**1. Presentation – General Fund Budget Presentation for FY 2023-2024
Continued;**

Mayor Pro Tem Spence directed that they would begin tonight's discussion with Electric Distribution. Manager Freeman noted that Councilman Peel had asked about the numbers for the hourly wages for linemen for comparable companies. He said that Dominion is paying between \$46 and \$47 per hour and contractors are between \$46 and \$52. In November, our linemen were moved up to \$42 per hour from \$35. The second question was could we operate with 15 people in that field instead of 18. The short answer is that we could. Councilman Walton asked if there would be many overtime hours. Superintendent White said people would be on call every week, but that was the case even with full staff; that was just a department that needed to be on call. Councilman Biggs asked if there would be salary savings? Manager Freeman said there would be about \$93,000 after the increases if we moved up to \$45 an hour for those positions. Councilman Peel asked how many linemen we had right now? Mr. White said we have a crew of 12, but that includes foremen. We technically have eight linemen. Councilwoman Felton said she was not against raising the salaries, but they were just raised in November

and it hadn't even been a year yet and we hadn't done anything for anyone else. She noted she was not saying don't give these positions a raise, but she felt we may want to wait. Councilman Peel said his concern was that we were having an issue finding people for these positions and needed to make it more attractive. Mayor Pro Tem Spence said he worried that Public Utilities personnel got looked down on sometimes and they had extremely important roles. We are losing a lot of our public works personnel. He agreed with Councilwoman Felton that they'd just recently gotten a raise, and we cannot continue to raise for one position and neglect the others. One is as important as the other. Councilman Peel said he didn't disagree with that, but we needed to keep in mind that this was the Electric Fund. We have the money here and we can do something here. We need to have people when the lights go out.

Mayor Pro Tem Spence asked what the Council's pleasure was here? Move from \$42 an hour to \$46? Manager Freeman said his recommendation was to leave it at \$42, but possibly consider a sign-on bonus. They could also consider moving up to \$45, which would still result in a \$94,000 savings because we were moving from 18 to 15. Mr. White noted that this was just for journeymen linemen, as the lower levels were at the right paygrades. Manager Freeman said the salaries coming in were good, it was just the higher levels we were having trouble keeping personnel at. Councilman Walton asked what taking them to \$46 would be? Manager Freeman said he hadn't done those calculations yet.

Councilman Biggs asked how many journeymen we have right now? Mr. White said we have three working on the crews, plus two foremen. Councilman Biggs asked from a critical staffing level, are we at the bare minimum to operate? Mr. White said it depends on what happens. Day-to-day is one thing, but when you have storms, that's something else. If something serious happens, we would be in trouble and have to call contractors in. We would not have a choice and we're going to pay the contractors up to \$80 an hour. Councilman Biggs asked if he said that we have people out there willing to come to work, is that correct? Mr. White said that's correct, but they do have to start as an apprentice. Councilman Biggs asked if the problem was that they're coming in and training and then leaving when they get to a higher level? Mr. White said that was a problem but we've put something in the contract that they have to stay for a three-year period once they get to that higher level. Councilman Biggs said he understood what everyone was saying and his concern was that if we have a weather problem, we don't have enough people to get the lights back on and we'll have to contract something out that we should be able to do ourselves. Even if we only attract one or two people, that will help.

Mayor Pro Tem Spence said we have the money in the Electric Fund to do it and listening to this, we're in a bind and this would help. Councilwoman Felton said she liked the idea of the sign-on bonus and she liked that they had to sign the contract that they agreed to stay for the period of time deemed necessary or return the bonus.

Manager Freeman directed the Council's attention to Energy Management. Councilman Biggs asked how many people are in the department? Walter said there were four people, usually five and the meter readers also fell under the department, so there were 12 total with one vacancy. Director Bell noted the vacancy was from the retirement of Ricky Albertson and currently being advertised. Walter said the peak generation unit was a 1987 and they needed to replace it as they were no longer able to find parts for it. The other large item, the RTUs, remote telemetric units, were being brought up to date from telephone line to fiber optics, but that could be staged in if they had to. The substation batteries were not all bad, but they were getting older and nearly the end of the lifespan. He estimated if they phased in those items, that line item could be brought down the \$100,000, which was what was shown in the budget.

Councilman Biggs noted they'd sold a generator to fund some of the fuel earlier in the year. Walter said they probably wouldn't have had a shortage in the fuel line item, but it had unfortunately skyrocketed this year. He did not expect to have to buy any more fuel before July 1st.

Mayor Pro Tem Spence directed the Council's attention to the Water and Sewer Fund. Councilman Biggs said we'd done an increase in water and sewer this year and we were expected to increase again with the budget according to the previous study – are we still looking at doing that? Manager Freeman said that would be the Council's call. So far, the

only thing that had been discussed is the refuse for the downtown district. In terms of the rest, the Council said they'd wanted to look at the Rural Water study to decide where they wanted to go from there, and they won't be able to look at us until December. Director Bell said he didn't even know if that timeline was still accurate – it may be even later than that. Manager Freeman said the feeling was that 4.02% was where we probably needed to be. Councilman Peel said we may be even worse than that now because we hadn't raised them in so long. He asked what the manager's recommendation was on rates. Manager Freeman said he was a fan of getting the Rural Water study. Councilman Peel clarified, so we'll look at January or February to get those rates and do a raise? Manager Freeman said he can use the suggested 4.02% recommendation for Council consideration. Councilman Peel said he felt that might be a good idea. Councilman Walton noted that we're not going to have but so many more meetings. Councilman Peel said the good thing about this is we can raise rates at any time, it doesn't necessarily have to be in the budget. Councilman Biggs felt that they should probably discuss it formally during the next meeting to give the manager direction to get on Rural Water's list. **Councilman Peel said he'd like to put it on the agenda.** MPT Spence agreed that he'd like it on the agenda. Councilwoman Felton said she was good with discussing it but was not necessarily comfortable with raising rates again within the same year.

Councilman Peel pointed out that there was a significant amount of money in the non-departmental fund. Councilman Biggs asked if money was in contingency, could they not go ahead and allocate that out to repair work? Manager Freeman said that they could. Councilman Biggs asked if they could put that much money in contingency – he thought there was a rule about only have so much in contingency? Manager Freeman said they could put whatever they wished in contingency. Councilman Peel asked if there was something they should be doing with this money. Director Bell said there were numerous projects they could use the money for. The Find and Fix It was constantly coming across needed repairs. Councilman Peel asked if we would be better off putting this money in a line item that showed we were going to do something with it instead of just leaving it in contingency? Manager Freeman said that in theory it would, but we don't know what we need to do until we get reports back. Councilman Biggs noted that if it's in contingency, it has to come to the Council to be spent. He asked how long is left on the Find and Fix it. Director Bell said some of it has to be spent on the front-side of the Find and Fix It such as with grant writing and things like that. Councilman Biggs said he did not remember doing any budget amendments for the contingency this year. At least if it's allocated out, we can say we've got this money in place to take action as quickly as possible. The \$1.3 million won't fix all of our problems but it will help. Councilman Walton said he didn't think we should earmark it until the problems arise. He felt we didn't have amendments because no one wanted to spend money because of the LGC. We may end up using the fund for the Find and Fix It or something else. Who knows what will show up, but we know something will. We don't need to earmark it.

Director Bell noted that they were doing smoke testing today and they found all sorts of issues, so he had no doubt we'd find places it was needed. Councilman Biggs asked about debt service. Director Steward explained that there was an issue and it was a duplicate based on how the LGC wanted something reported and something will be coming back off of that.

Councilman Biggs asked what are the bank charges in Customer Service? Director Steward said those are for online payments. Councilman Biggs asked if there's a convenience fee? Director Steward said there's a fee for customers, but we are charged based on how many are flowing through the site. Councilman Biggs said they're able to hit the customer and us for fees? Manager Freeman said that was correct and he wanted IT to be able to get us updated so that we can get out of situations like that. Director Steward added that more people than ever use the online services now.

Mayor Pro Tem Spence moved the Council to Water Treatment. Director Bell noted that when you're dealing with gas, there's a lot of dangerous things involved. They have a lot of issues they want to address, but money only goes so far. Manager Freeman noted that part of this process is proprietary so although there are companies that are slightly cheaper, we have to use who we have to use, which is beating us up a little bit. The cost has doubled twice since 2021. Director Bell said he wanted to see if there was a grant loan package out there and maybe that was something that could be grouped into a project and phased in. Mr. Staten noted that we're having well issues as well. Well 9 ran

into an issue that, even after thousands of dollars to rehab, it still is not as efficient as before. Director Bell said there are so many needs with the water and sewer department that they'll take whatever they can get really. Manager Freeman said he really wanted to put together a capital improvement plan, see what they can issue debt on and see what they can phase over a multi-year process. They're dealing with age and wear-and-tear on infrastructure. This isn't something that we can get to completely in this budget. He said he would like to be in a position where we can issue the "best" debt. If some of these projects are not funded this year, they will need to be considered in the near future.

Councilman Biggs said they had asked the General Assembly for replacement of the raw water reservoir. He hoped that we would get something toward that. Director Bell said right now, we're using the secondary tank and we're at 2.4 million gallons per day. We have no room for emergencies. We need to get back to 3 million gallons of redundancy. Once everything with the LGC clears up, we can get some projects cleared up. Manager Freeman noted that we're in the process to get some things awarded but we're having to get them freed up in pieces because of everything with the LGC. Councilman Biggs asked if part of the grant funding we couldn't access right now was for the rehab. Director Bell said it was. He said that tank was over 80 years of age. If it's rehabbed, it can't be warrantied beyond six months, so it's really not worth it. Unfortunately, it's a grant loan package, so that's where everything got halted with the project. Our mechanics of the water plant are brand new. The only thing left is the raw water reservoir and the issue with the wells. We do have a brand new transmission line. Mr. Staten said we had bad news on the generator too. Director Bell said this had been an ask last year. Mr. Staten said when they'd tested the generator last week, it did not go well. The transfer from generator to regular power was not able to happen. The generator is on its last leg. Councilman Peel asked if that's the \$300,000 one? Manager Freeman said it was. He was trying to hold off until we had more wiggle room with the LGC to get a different way to fund it. Director Bell said the generator had been failing its emissions tests the last few rounds. Councilman Peel asked if they needed to look at that number. Manager Freeman said they were going to have to consider it. Councilman Peel said they only have \$340,000 in there. Manager Freeman said he prioritized, which was the only thing he put in there. It's not necessarily new bad news, but he had originally been hopeful about more creative funding that didn't look like would come to pass. We wouldn't be able to phase the generator in.

Mayor Pro Tem Spence asked the Council if they had any questions about Wastewater Treatment. Councilman Biggs asked why we're not spending the budgeted amount in maintenance and repair? We haven't hit it in the last three years. Director Bell said they were told to get by with what they could get by with. He noted he could absolutely run through the full amount right now, but had been instructed to spend in moderation. Councilman Biggs suggested that if it's allocated and if it's for maintenance then they should be spending it. Manager Freeman said there's slightly under \$100,000 left now. Director Bell said they have the EAA going on as well, so he also didn't know how they could use that. They may be able to pull money from there as well. He was also banking on the EAA to come back and they needed to have some funds for that too. Councilman Biggs said he appreciated being conservative, but on maintenance, you can never fix it tomorrow for as cheap as you can fix it today. If we're seeing it and it's not been spent, it looks like an easy way to cut and it really should be used. Director Bell mentioned sometimes we had to wait for certain money to hit, like the Powell Bill, so we couldn't do street repavings when we were ready to do them and then we ended up with leftover money. Manager Freeman said he intended to do a true capital improvement across after this budget was passed. He wanted to be sure that we identified things that were single year and multi-year and we are audited under two different requirements.

Director Bell noted that the cost for parts was outrageous right now. Councilman Biggs pointed out that we'd spent a huge amount of money on maintenance, probably more than what the vehicles were worth. He said if anyone asked why we wanted to move into the Enterprise contract, you could show them what our maintenance costs were.

Director Steward asked the Council to look at the overall budget as well, because it allowed Finance to make sure they were not going over the "bottom line" as that was a violation.

Councilman Biggs said we have significantly shorted ourselves in the past in wages and overtime in water and sewer maintenance. He asked if we needed to increase the line item for overtime because it has moved up steadily since 2021. Director Bell said from an overtime perspective, we had a huge issue with the cold snap. Just last week, we had about 10 water leaks. That's outside of sewer leaks. We had the MACU situation. There have been a lot of unusual calls, and then we're assisting the pump station guys. A lot of the maintenance guys have their salaries split, so they're under two different line items so they're divvied up. We have had more calls this year than really ever before. Our guys are burnt out. Manager Freeman said he hoped that once we got through Find and Fix it and made repairs, we were going to be able to bring our overtime in this line item down. Councilwoman Felton said when the system is as old as ours, you can usually expect problems. Councilman Biggs said he disagreed that when we finished Find and Fix it the costs would go down – he felt there would still be other issues, just in other places. Director Bell said they would likely have to do a budget amendment later in the overtime if it looked like they were going over it. Councilman Biggs said he just didn't like going into something knowing that they'd constantly gone over it. Councilwoman Felton asked if he suggested increasing it? Councilman Biggs said he did. He knew we were guessing in the dark, but he felt we should consider doing something.

Director Bell said he knew there was a focus on electric, but water and sewer, the pump station, these were also important positions. We are losing people to Virginia, to Raleigh, to the beach. We are experiencing the same issues as electric. They can take their licenses and make tons of money somewhere else. Councilman Biggs said the only difference is the revenue is not the same – we're making money in electric, so we have wiggle room. That's why I keep coming back to raising rates and I know it's unpopular. To give our water and sewer employees more money, we have to raise rates. It's all we can do. Director Bell said we'd lost an operator last year who left us for an increase of nearly \$20,000. Councilman Biggs said he would not get so discouraged when they leave to go as far away as Greenville. They're having to do a lot to move that far away. It's not the same as when they leave us to go to the County or Norfolk or Currituck. Director Bell said the last three we lost were to Greenville, Fairfax and another area of Virginia because they said they could not provide for their families off of what we paid. We are losing the skillset we need. Manager Freeman said they could sit down and look at what the proposed increase was and see where other similar municipalities are at and bring it back on Monday, if they'd like. Director Bell said he would reach back out to Rural Water and see where they were timeline wise. Councilman Biggs asked if they could send us a contract or whatever we'd need from them to get them moving forward. If we can get that ready to go, we can get it approved and move on. Director Bell said he felt we should keep them on board once we get them as well because they offer a lot to the municipalities they work with. **Manager Freeman said he would bring back some numbers and a suggestion for Monday.**

Storm Water – Councilman Biggs asked if we're doing anything with stormwater right now? Director Bell said we have a study underway with Aecom that's almost complete. They've also had divers come out and check some underwater things. We have a Tiber Creek study that's been done, but we can't fund it. We have a lot of plans in place but we need to fund them. Jon is prepared to apply for some grants when they open up the cycle. There's a particular \$5 million grant that we're looking at that we were denied for in the last cycle, but we are going to reapply this go round. He felt that if we could get Tiber Creek and Flora funded, those were his major wants. Beyond that, he'd like to get a master plan in place. Councilman Peel asked if we still had issues with the beavers. Director Bell said that we did. We had actually found a group who worked with municipalities to help trap beavers and relocate them so they were working on that.

Solid Waste – Councilman Biggs asked if we can really afford to operate solid waste ourselves? Can we really afford to operate solid waste as it operates today? We have very few trucks, we have a growing city. Our 1999 truck went down for good. Director Bell reminded them of the truck that the rat chewed through the wires last year, which was still not up and running. Insurance did help with the cost, but we still had to foot a portion. We're hoping to have the truck back by the end of the week. However, we had a different truck go down on Friday. He did not feel that that one was going to be able to start running again due to the packing blade. We've had it welded in the past, but it has exceeded its life cycle. He said he did not feel we were in a position where we could afford to do solid waste any longer. Councilwoman Felton said she was not for putting any employees out

of a job or decreasing benefits. If we need to get more trucks or fix trucks, she was just not for hurting our employees in any way. Director Bell said he understood and his conversation with vendors was that they wanted to hire our employees. He spoke with our trash truck drivers and with what the vendors offered to pay, they wanted to go. The ones who did not want to go, we would find places for them elsewhere within the department. Councilwoman Felton said the ones who were willing to go that was fine, but has anyone talked to them about the longevity they'd be losing, the retirement, the state retirement? Director Bell said he did. It's only trash and recycling. Those guys are all new – our oldest employee is about to retire, but he would come out of retirement to go to work for the vendors. Manager Freeman said he had not sat down with HR to put numbers on the table so they can see it in front of them, but Director Bell has had the cursory conversations, but the employees are excited about the possibility. He did not want to go further with the conversation until he heard from the Council, but this piece is eating us alive. The only answer to it would be able to get into a lease and switch out the trucks, but even in that, it's going to be extremely expensive because we need so many of them at once. There are other ways to talk through it, but I've just had Director Bell see where everyone's mindset was for now. Councilwoman Felton said that was just her opinion, but she didn't want any employee to feel someone was pushing them out. She wanted everyone to know the whole truth. Director Bell said he would want whoever it was to come in and talk with the employees, but they've all said it would be easiest for them to just hire our employees because they already know the routes and the procedure. He said he was over in maintenance and repair here and he hadn't even gotten quotes on the new problems. One of the vendors we purchase vehicles from said they have vehicles going to Canada, and they're willing to sell them to us for somewhere in the \$350,000 range. Councilman Biggs said he wasn't necessarily a fan of outsourcing because we wouldn't have control over the service, but when you look at the department total line, we're going to end up over budget this year most likely. We may not generate enough revenue to cover the expense of this enterprise. This is only going to get worse if we don't replace vehicles or something else. He said he'd had a discussion at maybe looking into short-term consideration of how we do our recycling collection because that's a whole other route. Maybe we offer a convenience site inside the city that would be easy for people to come and drop off their recycling. The city is growing and it's not stopping. Councilwoman Felton agreed that we definitely need trucks.

Mayor Pro Tem Spence said he was not against contracting out, but he felt we needed to bring the truck drivers in, have the manager and HR explain the pros and cons and then whatever decisions they made, they made. He didn't want anyone to feel pushed out and anyone who stayed to be punished by a lesser salary or have nothing to do. We want to keep all staff who want to stay and we want to make it clear to the ones who want to go that they can do that. We need it to come from the manager and from the HR director. They will be thorough and transparent and they need to be the ones to relay the information. We can't afford to keep going like this. Director Bell said if we put it out to bid, you never know who may want to come on board. The few he spoke with were into it, but we won't know what all of them will offer. Mayor Pro Tem Spence said if it did get put out, don't just say yes because they're the best price. We still want to have the same quality or the better quality of service. They are still representing the City. Manager Freeman said before we put it out to bid we need to do an interest letter, have them do a presentation to the Council and talk through the matter. He would prefer that if the Council decided they wanted to do something like this, that they slow-walk it and have presentations, Q&A and get very clear on what their services are. Then they can narrow it down from there.

Councilman Biggs said if we did decide to go that route, we also need to think about what if the company we contract with defaults on the contract. Several years ago, Bertie County contracted EMS service and almost overnight, they stopped answering calls, so Bertie had to go out and fix it. I would want us to make sure that we hold onto some trucks so we have it if everything falls apart. Director Bell said he'd worked at a municipality that had contracted their refuse and they kept a few trucks just in case something happened. The only thing they continued to do was deliver trash when new accounts were set up. Councilman Biggs asked how many employees would potentially be affected by this? Director Bell said it would be four, one of whom would be retiring in December. Councilman Biggs said he felt confident we could find other positions in Public Utilities for three employees for sure if we needed to. He pointed out that we're already in the hole

right now trying to run this. The contracting out is another thing, but we need to do something, whether it's just scaling back on recycling or something. We have to do something as soon as possible. Contracting is going to take some time and it won't happen tomorrow, but we're not generating enough revenue to cover the expense of running the department. Director Bell said if we lease trucks, it cuts down on the maintenance. He felt if we did lease, the line item would reduce.

Councilman Peel said he was not in favor of contracting out because this is an essential service. He noted that if something went wrong, they would not call the company – they'd be calling us. If you contract out, you lose control. It sounds good, but this is another one of the issues that the city has let flounder for too long and hasn't addressed. We need to look at maybe buying one of the trucks or leasing the fleet. We need to look at recycling because we're losing money. Everyone's losing money in recycling. He suggested we eliminate recycling and make a place for citizens to recycle in town. Director Bell said the County might let us partner with them and their existing sites. He said our employees can't even take the holidays off because they have to keep up with the routes. Councilman Biggs said he felt that we should go with the convenience site option. That's less wear and tear, less fuel. Nothing we decide is going to be popular with everyone, but we cannot continue to afford to do this. Director Bell noted the trucks would still continue to run daily because the routes are expanding, but it wouldn't be as long. Now they run the route and come right back and run it again because they have to get the recycling. Manager Freeman said from a morale standpoint, our employees are burned out. They are having to work holidays, they get no time away.

Councilman Peel said he'd like to have a discussion on Monday about recycling – can we stop it? Can we establish a central location for it? Can we buy a truck? Lease a truck? What can we do about raising rates? How much do we need to raise them to make some of these things happen? Councilman Biggs said he'd be interested to see what the maintenance costs were – how much was the lease comparable to the maintenance?

Councilwoman Felton asked about the drivers who work on holidays – she said there was a time when they got double time-and-a-half, and is this still the case? Director Bell said they got double time for that. Councilwoman Felton said we don't know when the trucks are coming now anyway. Director Bell said he just did a flyer planning out for the holiday, but now we're down some trucks so we're going to have to rethink it. Councilman Biggs said they did a great job advertising around holidays. Mayor Pro Tem Spence asked if it was safe to tell their constituents to put their trash out on holidays and everything? Director Bell said yes, for now. Councilman Biggs said in some of our more affordable, multi-family areas, they use dumpsters that are not provided by us. We'll miss impacting them if we raise the rates. Director Bell said some of them pay a tipping fee rate, even if it's not city, but not Herrington Village and places like that. Councilman Biggs said that raising refuse rates does not affect everyone like water and sewer or electric rates do.

Director Bell asked Director Malenfant to join in regarding the downtown garbage rates. Ms. Malenfant said the residential rates are \$11 per account, small commercial office spaces are \$13, and then \$80 for restaurants and then Virginia Dare is \$200 per month. When they did they request to add the additional compactor, they looked at the effect on the downtown. They believe the third compactor will result in other pickups going down. They estimate the annual costs to be about \$3,353 per month of \$40,000 annually. The revenue based on the current rates is \$4,961 per month. It covers the cost of the actual compactors, but it does not cover the cost of any personnel that have to be sent over or when there's an issue. It only covers services from GFL and no labor. If they were to increase the residential to \$13, it will generate additional \$266 per month. Increasing to \$15, \$532 per month. Increasing small commercial to either \$15 or \$17. Did not recommend raising restaurants because it would not generate a significant amount of increased revenue. Councilman Peel asked if she was recommending that we need to raise the rates? Director Malenfant said she felt raising residential and small commercial would be good, but not medium or large commercial.

Councilwoman Whitehurst asked if she was saying not to increase them because there were so few in number? Director Malenfant said yes, but also because they are already at a significant amount. They are having to physically haul their trash to a compactor and pay a large amount for the pleasure of doing so. There are 133 residential spaces, 106

small commercial, and 23 medium commercial. Some of these buildings are old and have not been updated, so some of them that should technically have multiple meters only have one. We could evaluate if these truly fall into small commercial or medium commercial. It's not going to generate a significant amount of additional money since it's such a small number. At some point, possibly through community development, there should be some evaluation of AirBnB. They are being charged a regular residential rate and they generate more than a regular residential. They are not registered as businesses. We don't have any regulations.

Councilman Peel said he had no problems raising those downtown rates. He said he'd like to add it onto Monday's agenda as well.

2. Adjournment:

There being no further business to be discussed, Mayor Pro Tem Spence adjourned the meeting at 7:22 p.m.

E. Kirk Rivers
Mayor

April D. Onley
City Clerk, NCCMC

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