

**City Council Regular Session
June 26, 2017**

The City Council of the City of Elizabeth City met in regular session on Monday, June 26, 2017 in Council Chambers, located on the 2nd floor of the Municipal Administration Building, 306 E. Colonial Avenue, Elizabeth City, NC.

MEMBERS PRESENT: Mayor Joe Peel
Councilwoman Jean Baker
Councilman Ray Donnelly
Mayor Pro Tem Anita Hummer
Councilman Tony Stimatz
Councilman Michael Brooks
Councilman Darius Horton
Councilman Johnnie Walton

MEMBERS ABSENT: Councilman Rickey King (*Excused – Illness*)

OTHERS PRESENT: City Manager Rich Olson
City Attorney Bill Morgan
Interim Finance Director Evelyn Benton
Police Chief Eddie Buffaloe
Electric Department Superintendent Karl Clow
Assistant City Manager Angela Cole
Interim Human Resources Director Monica Cole
Parks and Recreation Director Dexter Harris
Fire Chief Larry Mackey
ECDI Director Debbie Malenfant
Deputy City Clerk April Onley
Public Utilities Director Joe Pearce
Community Development Director Matt Schelly
IT Director Matthew Simpson
City Clerk Vivian White

The City Council regular session was called to order by Mayor Joe Peel at 7:00 p.m. Mayor Peel welcomed everyone to the meeting and recognized Councilman Darius Horton to give the invocation, after which Mayor Peel led the Pledge of Allegiance.

1. Agenda Adjustments and Approval:

Mayor Peel requested the Council's pleasure regarding approval of the prepared agenda.

Motion was made by Mayor Pro Tem Hummer, seconded by Councilwoman Baker to approve the agenda with any necessary changes.

Councilman Stimatz stated that the Committee Reports not covered during the Work Session needed to be added to the agenda.

Councilman Brooks requested to add "Holly Koerber article."

Councilman Walton requested to add "Proposed DIG Program," "Proposed Utility Billing Audit," and "Update on Utility Billing." Councilman Stimatz pointed out that all three of the items requested by Councilman Walton had been discussed during the 5:30 p.m. Work Session. He noted that Councilman Walton was absent from that meeting. Councilman Donnelly stated that the Council had already spent a good amount of time discussing those items during the Work Session.

Motion was made by Councilman Stimatz, seconded by Councilman Donnelly to take those three items off the agenda. Those voting in favor of the motion were Baker, Donnelly, Hummer, and Stimatz. Against: Brooks, Horton and Walton. Motion carried.

Councilman Walton requested a vote by show of hands, which revealed the same 4-3 vote tally.

Councilman Horton requested to add “a discussion of Councilman Walton” to the agenda.

Mayor Peel requested a vote on the motion to approve the agenda with the additions requested by Councilman Stimatz, Councilman Brooks and Councilman Horton.

Those voting in favor of the motion were: Baker, Hummer, Stimatz, Brooks Horton and Walton. Against: Donnelly. Motion carried.

2. Statement of Disclosure:

The City Clerk read the Statement of Disclosure. No conflict of interest disclosures regarding items listed on the agenda were made.

3. Comments from the Public:

Mayor Peel advised that the Council would be required to stop public comments at 7:30 p.m. in order to hold the two Public Hearings scheduled during the meeting. He stated that at the conclusion of the Public Hearings, public comments would resume.

Terra Fox, 409 W. Church Street, Elizabeth City, NC referred the Councilors to a handout she provided on behalf of the League of Women Voters of Northeastern NC. She spoke about her concern for the absence of equal rights for women under the law and stated that the Constitution’s 14th Amendment did not require discrimination on the basis of sex, but also did not prohibit it. She opined that the passage of the Equal Rights Amendment to the Constitution would help those most in need, including women and children living in poverty, victims of domestic violence, and women subjected to pay inequality. She requested that the City Council consider adopting a resolution in support of the Equal Rights Amendment for presentation to the General Assembly.

Nita Coleman, 111 Dances Bay Trail, Elizabeth City, NC provided a number of handouts to the City Councilors in support of her concerns regarding the proposed Better Care Reconciliation Act being considered by the US Senate. She stated that as a pediatrician in practice locally for 35 years, she had seen firsthand the difference in health care available to poor and low income children largely due to Medicaid. She noted that Medicaid had been a safety net since 1965 for the poor and people with disabilities; and reported that almost 70% of Medicaid enrollees in North Carolina are kids. She noted that cuts to Medicaid would have a far reaching effect on our most vulnerable citizens. She requested that members of the City Council call Senator Burr and Senator Tillis and ask them to vote “no” on the proposed legislation.

Chrissy Riggs, 114 Whitehurst Street, Elizabeth City, NC requested that the City Council reconsider the benefits decision made regarding retirees. She stated that a ten-day grace period was not long enough for citizens to pay their utility bills and requested that the City Council consider expanding the time to thirty days. She complained that low wages locally made it difficult for residents to pay their bills. She requested that the Council make good on their promise to hold Mr. Olson accountable for the utility billing issues. She chastised some members of Council for treatment of Councilman Walton, Councilman Brooks and Councilman Horton, which she opined was shameless.

Paul Riggs, 114 Whitehurst Street, Elizabeth City, NC stated that he had previously asked for an answer regarding whether the City Manager made a statement during a Council meeting that he had not hired an outside troubleshooter to look at the utility problem. He again asked for an answer to that question and said that he was not going to let that matter go. He spoke about the Paris Climate Agreement and said that it was never about science. He opined that the deal was bad for America and was neither cost-effective nor possible. He stated that Elizabeth City was too poor to be donating the people’s money and suggested that if the elected officials wanted to provide money for the cause, they should use their own.

Alice Redding, 914 Riverside Avenue, Elizabeth City, NC expressed her pleasure regarding the new waterfront plan being proposed by the City Council. She shared her displeasure regarding parking requirements in the downtown area. She stated that she

felt a public apology was due by the Council for releasing a customer's personal utility information.

Sarah Ownley, 307 Adams Creek Road, Elizabeth City, NC spoke about the release of her personal utility history by the City Council. She said that by doing so, the City's integrity had not been restored. She characterized the action as a "pathetic bullying tactic." She alleged that the Council had lied about her and suggested that the City get its facts straight before attacking her. She stated that the release of her records was counter-productive, in that the public had perceived it as punishment rather than trying to set the record straight. She promised that her social media group was stronger than ever and that they would do everything they could to "vote you guys out of here." She requested a copy of the work order to disconnect her utilities that would provide the time the action took place. She maintained that she should not have been disconnected because she paid "not with a check, not through a savings account, but with my debit card." She stated that on March 6, 2017, the exact amount of her payment was returned to her card. She stated that citizens asking for account printouts from August until present are not receiving those printouts and in addition customers are still not receiving their utility deposits. She asked for answers to those concerns.

John Bannow, 106 Tiara Court, Elizabeth City, NC asked if the City was ready to tackle installation of the \$3.5 million Nexgrid system in view of the issues experienced with the failed utility billing conversion. He stated that it was his perception that the biggest hurdle would be to get the Customer Service Department employees to embrace change. He opined that although the departmental employees seem to follow policy most of the time, it appeared to him that exceptions are made. He stated that in the case of Sarah Ownley, the City did not follow its return check policy. He also stated that he found it highly unlikely that the City followed its cutoff policy in the case of Sarah Ownley. He complained that new customers of the City still do not have accounts established and have not been receiving utility bills.

Bridget Colbert, 1002 Asbury Lane, Elizabeth City, NC presented a series of statements that she termed as "facts" with regard to the City's failed utility billing conversion and the formation and goals of the social media group "Enough is Enough." She alleged that City Manager Olson fired the former Finance Director because he was worried about covering up his mistakes. She alleged that the Daily Advance published an article about Sarah Ownley tampering with meters only after Ms. Ownley spoke about the City Manager's employment history during the Town Hall Meeting. She intimated that after the May 22, 2017 Council meeting during which Ms. Ownley stated that she would not pay her utility bill until everything was corrected, Ms. Onley received a disconnect notice on her door the next day in retaliation. She disputed the information that had been provided in the City's press release regarding the dates of Ms. Onley's returned payment. She stated that these types of issues show a pattern of the City covering its tracks. She schooled the Council on the banking terms "e-check," "point of sale transaction" and "debit card" to support her statement that Ms. Onley used a debit card to make the returned utility payment. She offered copies of Ms. Onley's bank statement as proof of her comments. She alleged that the City Manager is guilty of lying during Council meetings and suggested that Councilmembers should not believe him.

Jesse Harmon, 702 Parsonage Street, Elizabeth City, NC complained that there was no industry locally for people to find jobs. He encouraged Councilors Brooks, Horton and Walton to seek another term of office; and complimented the work they were doing on the Council. He stated that the rest of the Councilmembers "need to go home." He stated that the Council had lost sight of their purpose and were putting the "gold" in their pockets and throwing "dirt" to the people. He stated that "the people" aren't dumb because they knew that politics was dirty. He described the City Manager and the City Attorney as "some sort of Vegas hitmen" and suggested they should leave. He stated "come after me if you want to and you are going to see a bad day." He said that his lawyers would make sure they ended up with nothing. He stated that the Council was "shameful" and had "disgraced this city." He suggested that if the City Manager was blackmailing the Councilors they should "put his butt in jail." He suggested that the City needed an industry to employ 300-400 people, like the old cotton mill.

Faith Long, 205 E. Burgess Street, Elizabeth City, NC stated that the City Council should not have tried to vote out prayer from Council meeting because the City needed all the prayer it could receive because it was going downhill. She requested that Councilors Brooks, Horton and Walton seek elected office again. She stated that the citizens continue to give the City “more and more” and get nothing in return. She asked that the potholes in front of her home on Burgess Street and on her street be looked into. She suggested that someone be hired to go around and hold people accountable for the trash in the City. She stated that the current quick turnaround to pay utility bills is not sufficient.

4. Approval of Minutes:

Mayor Peel requested the Council’s pleasure regarding approval of the draft minutes presented.

a. City Council Town Hall Meeting May 17, 2017

Motion was made by Councilwoman Jean Baker, seconded by Councilman Darius Horton to approve the minutes of the May 17, 2017. Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

b. City Council Regular Session May 22, 2017

Motion was made by Councilman Darius Horton, seconded by Councilwoman Jean Baker to approve the minutes of the May 22, 2017 Regular Session. Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

5. Consent Agenda:

(Note: Items “a” through “e” recommended for approval by the Finance Committee during their meeting of June 22, 2017)

Mayor Peel recognized City Manager Olson to read the items on the Consent Agenda into the record. Mr. Olson recommended approval of all items, as follows:

Beginning of Consent Agenda:

a. Consideration – Adoption of the following Fiscal Year-end 2016-2017 Budget Amendments:

BUDGET AMENDMENTS

BE IT ORDAINED by the City Council of the City of Elizabeth City that the following amendments be made to the annual budget ordinance for the fiscal year ending June 30, 2017:

SECTION I.

	<u>(Increase)/(Decrease)</u>	
(103990.0000) General Fund Balance Appropriated	34,954	
(104200.0200) Administrative – Salaries & Wages - Regular		24,350
(105000.1700) Public Buildings – Maintenance of Vehicles		2,654
(105450.0200) Public Works Administration – Salaries & Wages - Regular		4,288
(105450.1700) Public Works Administration – Maintenance of Vehicles		3,662

(To record overages in General Fund)

This will decrease General Fund Balance by \$34,954

SECTION II.

(105310.8100) Fire Inspections – Debt Service - Vehicle	5,000	
(105400.8100) Inspections – Debt Service - Vehicle		5,000

(To transfer debt payment from Inspections to Fire Inspections.)

ADOPTED, this 26th day of June 2017.

Joseph W. Peel
Mayor

Attest:

Vivian D. White, CMC/NCCMC
City Clerk

b. Consideration – Adoption of the following Fiscal Year 2017-2018 Budget Ordinance:

FY 2017-2018 BUDGET

BE IT ORDAINED by the City Council of the City of Elizabeth City, North Carolina:

SECTION 1. It is estimated that the following revenues will be available for the City of Elizabeth City for the fiscal year beginning July 1, 2017 and ending June 30, 2018:

<u>General Fund</u>	
Current Year's Property Taxes	\$ 7,715,133
Delinquent Property Taxes	242,167
Sales Taxes	1,497,970
Powell Bill Funds	480,000
Local Option Sales Tax	3,612,427
Investment Earnings	63,000
Licenses and Permits	425,500
Sales and Services	773,447
Payments in Lieu of Taxes and Services	1,775,000
Other Revenues	4,429,974
TOTAL GENERAL FUND REVENUES	\$ 21,014,618
<u>Electric Fund</u>	
Energy Sales	\$ 32,087,594
Other Revenues	2,822,538
TOTAL ELECTRIC FUND REVENUES	\$ 34,900,682
<u>Water & Sewer Fund</u>	
Water Sales	\$ 4,850,000
Sewer Sales	3,025,000
Other Revenues	2,107,605
TOTAL WATER & SEWER FUND REVENUES	\$ 9,982,605
<u>Stormwater Utility Fund</u>	
Residential Revenue	\$ 207,000
Commercial Revenue	210,000
Other Revenues	3,620
TOTAL STORMWATER UTILITY FUND REVENUES	\$ 420,620
<u>Solid Waste Fund</u>	
Residential Revenue	\$ 1,561,721
Other Revenues	380,736
TOTAL SOLID WASTE FUND REVENUES	\$ 1,942,457
SUBTOTAL	\$ 68,260,982
LESS INTERFUND PAYMENTS	<1,875,000>
TOTAL	\$ 66,385,982

SECTION 2. The following amounts are hereby appropriated for the operation of the City of Elizabeth City and its activities for the fiscal year beginning July 1, 2017 and ending June 30, 2018:

General Fund

Legislative	\$	147,118
Administrative		455,314
Finance		393,326
Tax		140,000
Legal		68,800
Code Enforcement		162,233
Planning		412,932
Public Building		765,393
Police		6,549,189
Fire		4,471,609
Fire Inspections		278,911
Inspections		333,191
Public Works		2,735,383
Parks and Recreation		2,852,584
Non-Departmental		788,957
Human Resources/Safety Liability		288,531
Information Technologies		171,147
TOTAL GENERAL FUND APPROPRIATIONS	\$	21,014,618
<u>Electric Fund</u>		
Data Processing	\$	153,033
Warehouse & Purchasing		233,644
Non-Departmental		26,562,206
Customer Service Department		562,281
Electric Distribution		6,077,795
Energy Management		1,311,723
TOTAL ELECTRIC FUND APPROPRIATIONS	\$	34,900,682
<u>Water & Sewer Fund</u>		
Data Processing	\$	129,349
Non-Departmental		1,468,752
Customer Service Department		542,049
Water Supply & Treatment		2,034,959
Wastewater Treatment		1,822,745
Water & Sewer Maintenance		3,984,751
TOTAL WATER & SEWER FUND APPROPRIATIONS	\$	9,982,605
<u>Stormwater Utility Fund</u>		
Stormwater Utility	\$	420,620
TOTAL STORMWATER UTILITY FUND APPROPRIATIONS	\$	420,620
<u>Solid Waste Fund</u>		
Solid Waste	\$	1,942,457
TOTAL SOLID WASTE FUND APPROPRIATIONS	\$	1,942,457
SUBTOTAL	\$	68,260,982
LESS INTERFUND PAYMENTS		<1,875,000>
TOTAL	\$	66,385,982

SECTION 3. There is hereby levied a tax at the rate of \$.655 per \$100 valuation of property as listed for taxes as of January 1, 2017 for the purpose of raising the revenue listed as "Current Year's Property Taxes" as set forth in the foregoing estimates of revenue and a motor vehicle fee of \$15.00 per vehicle.

The tax rate is based on an estimated total valuation of property for the purpose of taxation of \$1,138,414,822 and an estimated rate of collection of 96 percent.

SECTION 4. There is hereby levied a tax at the rate of \$.085 per \$100 valuation of property listed for taxes as January 1, 2017 located within the Municipal Service Tax District.

SECTION 5. That a holiday bonus of \$300 be given to all FLSA non-exempt employees in November.

SECTION 6. That pay compression adjustment be continued at the rate of \$125 per year of employment.

SECTION 7. That the health insurance coverage be authorized with Municipal Insurance Trust and employees and eligible retirees shall pay \$39.72 per month towards their health insurance coverage.

SECTION 8. That the parking rental fee remain \$25.00 monthly for City-owned parking lots.

SECTION 9. That the City of Elizabeth City fee schedule be adopted by reference which includes an electric rate decrease.

SECTION 10. That the City of Elizabeth City Capital Improvement Program be adopted.

SECTION 11. The Budget Officer shall be authorized to reallocate departmental appropriations among the various expenditures within each department.

SECTION 12. Outstanding purchase orders and projects as of June 30, 2017, are hereby re-appropriated to this budget.

SECTION 13. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

ADOPTED this the 26th day of June 2017.

Joseph W. Peel
Mayor

Attest:

Vivian White, CMC/NCCMC
City Clerk

- c. Consideration – Authorization for Mayor Joseph Peel to execute the Contract Agreement for Grant # 2017-127-3214-2593 for the Parkview Interceptor Storm Resiliency Improvement Project in the amount of \$475,532;
- d. Consideration – Authorization for the City Manager to enter into a contract with Eastern Carolina Engineering, PC for the design and construction related engineering services for the Parkview Interceptor Project;
- e. Consideration – Acceptance of Offer made by Corner Stone Missionary Baptist Church for the surplus property located at 300 Shepard Street in the amount of \$1,500 and instruct the City Attorney to prepare all documents required to close the sale;
- f. Consideration – Adoption of the following ordinance declaring street closings for the 2017 National Night Out event:

ORDINANCE #2017-06-04
AN ORDINANCE DECLARING A ROAD CLOSURE FOR THE ANNUAL NATIONAL NIGHT OUT EVENT

WHEREAS, the City Council of Elizabeth City acknowledges a long tradition of providing an annual National Night Out for the pleasure of its citizens; and

WHEREAS, the City Council of Elizabeth City acknowledges its citizens realize a financial and public safety benefit from holding the annual National Night Out event; and

WHEREAS, the City Council of Elizabeth City acknowledges the festival event requires approximately three hours to install signing and traffic control, amusement and entertainment structures and equipment, food and other retail vendors, and other attractions, and also requires approximately two (2) hours for removing same, and litter;

NOW THEREFORE BE IT ORDAINED, by the City Council of Elizabeth City pursuant to the authority granted by G.S. 20-169 that they do hereby declare a temporary road closure during the day(s) and times set forth below on the following described portion of a State Highway System route:

Date:	Tuesday, August 1, 2017
Time Duration:	1:00 p.m. until 11:00 p.m.
Route Description:	E Ehringhaus Street (US Business Highway 17) from the S McMorrine Street intersection, eastward to the S Water Street (SR 34/1164) right-of-way

S Water Street/Southern Avenue (SR 34/1164) –
Shepard Street intersection westward along Shepard
Street to the Museum of the Albemarle egress
driveway

S Water Street (SR 34/1164) from the Shepard Street
intersection, north to the E Church Street intersection

This ordinance to become effective when signs are erected giving notice of the limits and times of the event, and implementation of adequate traffic control to guide through vehicles around the event site.

SECTION I. EFFECTIVE DATE: This Ordinance shall take effect immediately upon adoption.

SECTION II. SEVERABILITY CLAUSE: If any section, or part of provision of this Ordinance is declared unconstitutional or invalid by a court of competent jurisdiction, then it is expressly provided and it is the intention of the City Council of the City of Elizabeth City in passing this Ordinance that its parts shall be severable and all other parts of this Ordinance shall not be affected thereby and they shall remain in full force and effect.

READ, CONSIDERED, AND ADOPTED at a regular meeting of the City Council of the City of Elizabeth City, North Carolina, during which a quorum was present, held on the 26th day of June, 2017.

Joseph W. Peel
Mayor

Attest:

Vivian D. White, CMC/NCCMC
City Clerk

End of Consent Agenda.

Mayor Peel requested the Council's pleasure regarding approval of the Consent Agenda.

Motion was made by Councilman Darius Horton, seconded by Councilman Tony Stimatz, to approve the Consent Agenda as presented. Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

6. Public Hearings:

- a. Hold a Public Hearing to receive comment regarding the Repeal of Chapter 151 "Rental Housing Code" of the City of Elizabeth City Code of Ordinances.

Mayor Peel recognized Mr. Olson to provide the background regarding this matter. Mr. Olson provided a brief background of the City's Rental Housing Code history and stated that the North Carolina General Assembly had outlawed such a program for municipalities effective January 1, 2017. He stated that the City Council had requested a local bill that would allow the City to keep its program, but the Legislature did not consider the City's request. He stated that the purpose of repealing Chapter 151 of the Code is to reflect changes made to state law.

Mayor Peel declared the Public Hearing open at 7:30 p.m. and inquired of the City Clerk if persons were present who wished to be heard. Upon her reply that no one wished to speak, Mayor Peel declared the Public Hearing closed.

Motion was made by Councilman Stimatz, seconded by Councilman Walton, to adopt the following ordinance repealing Chapter 151, Rental Housing Code, from the City of Elizabeth City Code of Ordinances in its entirety.

Mayor Peel invited discussion on the motion.

Councilman Stimatz stated that it was a “sad day” in Elizabeth City when the General Assembly took away the City’s ability to have a rental housing program. He reported that the quality and viability of the City’s rental housing stock had been greatly improved since the program’s inception. He noted that it was a program that paid for itself. He reported that he visited Raleigh a number of times to speak to the legislators that were trying to do away with the program. He lamented that he did not know the answer to reverse the General Assembly’s decision.

Councilman Walton stated that he did not understand Councilman Stimatz’ position, since he was first for the program and now wanted to repeal it. He suggested that Councilman Stimatz was being “clever.”

Councilman Brooks reiterated that the action being considered was only to be in compliance with state legislation.

Councilman Stimatz stated that the Council’s rules of procedure and rules of decorum are constantly being violated. He pointed out that he was not against the rental housing program; indeed he fought long and hard for it to continue. He noted that he had spoken often in previous Council meetings regarding his concern for the change being considered by the Legislature. He stated that Councilman Brooks had rightly pointed out that in order to comply with state law, which the Council swore an oath to do, made necessary the action to repeal the Rental Housing Code. He noted that by making the procedural motion, it did not mean he was against the program.

Councilwoman Baker thanked Councilman Stimatz for all the work he did in trying to save the City’s ordinance from repeal. She stated that she felt the City’s citizens would suffer because the City would not be able to protect them from landlords who do not take proper care of their units.

Councilman Walton stated that he thought the rental housing program served its purpose and the housing stock did improve.

Councilman Horton inquired the reason why the Legislature would consider this type of action. Councilman Stimatz responded that some cities, particularly larger cities such as Charlotte, were using their rental housing program as a tool to obtain probable cause to take law enforcement action. He noted that major apartment associations were also lobbying strongly for its passage.

Councilman Stimatz suggested that the Fair Housing Act should be explored to determine if there was a way to restore some of the program, although he did not hold much hope of that happening.

Councilman Donnelly suggested tabling the matter pending further research by staff. Councilman Stimatz responded “the law has already spoken.”

Mayor Peel called for a vote on the motion.

Those voting in favor of the motion were: Baker, Hummer, Stimatz, Brooks, Horton and Walton. Against: Donnelly. Motion carried.

**ORDINANCE # 2017 – 06-05
TO REPEAL
Chapter 151: Rental Housing Code of the City of Elizabeth City Code of Ordinances in its Entirety**

WHEREAS, for many years, the City of Elizabeth City conducted a successful Rental Registration and Inspections Program; and

WHEREAS, regulations for the rental inspections program were codified as Chapter 151 of the City’s Code of Ordinances entitled “Rental Housing Code”; and

WHEREAS, the North Carolina General Assembly adopted legislation effective January 1, 2017, which made unlawful the continuation of the City’s rental inspection program.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ELIZABETH CITY THAT:

SECTION I. Effective June 27, 2017, Chapter 151 “Rental Housing Code” is hereby repealed in its entirety.

SECTION II. CODIFICATION. The provisions of this Ordinance shall be published as appropriate in the City of Elizabeth City Code of Ordinances as soon as practicable after its adoption.

SECTION III. SEVERABILITY CLAUSE. If any section, or part or provision of this Ordinance is declared unconstitutional or invalid by a court of competent jurisdiction, then it is expressly provided and it is the intention of the City Council of the City of Elizabeth City in passing this Ordinance that its parts shall be severable and all other parts of this Ordinance shall not be affected thereby and they shall remain in full force and effect.

READ, CONSIDERED, AND ADOPTED at a regular meeting of the City Council of the City of Elizabeth City, North Carolina, during which a quorum was present, held on the 26th day of June 2017.

Joseph W. Peel
Mayor

Attest:

Vivian D. White, CMC/NCCMC
City Clerk

- b. Hold a Public Hearing to receive comment regarding Downtown Improvement Grant Program Application for The Bridal Lounge – 501 Cardwell Street.

Mayor Peel introduced the subject of this public hearing and recognized Grants Management Specialist Dawn Harris to provide the background information for the Council.

Ms. Harris stated that the matter under consideration is a Downtown Improvement Grant application for Sandra Sutton to make physical improvements to The Bridal Lounge located at 501 Cardwell Street. She noted that the space is approximately 7,200 square feet; and although it is a residential structure, it has consistently been used as commercial property. She reported that the zoning for this area is General Business (GB).

Ms. Harris noted that Ms. Sutton originally began her bridal business at this location in May 2013; but due to repair issues that may have been hazardous to her customers and employees, she relocated her business to 407 McArthur Drive. She stated that the structure at 501 Cardwell Street has remained vacant; and Ms. Sutton now wishes to return to that location.

Ms. Harris furthered that a lease had been executed, but repairs/renovations needed to be completed in order for her business to have a habitable work environment. She noted that \$1,923.72 remains in the DIG program for fiscal year 2016-2017. She

advised that it is a requirement of the program that applicants must request at least \$2,500; but staff was requesting that the Council waive that requirement. She stated that the project that Ms. Sutton is performing has a total cost of \$8,623.00, and if the Council awards the requested \$1,923.72, the funds will be applied to interior building improvements. Using PowerPoint slides, Ms. Harris further explained the improvements being proposed by Ms. Sutton.

Ms. Harris referenced additional information provided in the agenda packet to address Council concerns expressed during the June 12, 2017 meeting in relation to marketing of the DIG program.

Mayor Peel declared the Public Hearing open and inquired of the City Clerk if persons were present who wished to speak. The City Clerk replied that one speaker was present and called the following individual to the podium.

Hezekiah Brown, 106 Terrilynn Way, Elizabeth City, NC noted that there are a small number of minority businesspersons in Elizabeth City. He pointed out that the City Council has an opportunity to assist a young, local entrepreneur by extending the DIG funding to her to improve her business. He stated his dismay over a recent newspaper article that alleged Ms. Sutton somehow used special influence to obtain the funding due to the fact that her father supported Mayor Peel in the last election. He noted that Ms. Sutton has been in business for four years, serves a diverse community and is willing to invest \$6,000 of her own money as matching dollars for the grant. He said that it is absolutely wrong to consider such matters as elections in situations such as this. He requested that the Council find ways to encourage minorities to go into business rather than to find ways to hold them down.

Mayor Peel declared the Public Hearing closed and inquired of the Council their pleasure regarding this matter.

Motion was made by Councilwoman Jean Baker, seconded by Councilman Ray Donnelly to waive the requirement that this application must be in the amount of \$2,500 or more, and approve Sandra Sutton's Bridal Lounge Downtown Improvement Grant request in the amount of \$1,923.72 for a total project cost of \$8,623.

Mayor Peel invited discussion on the motion.

Councilman Brooks commented that the information provided in the newspaper article was incorrect when it read that he opposed the application by Ms. Sutton. He stated emphatically that it was he who first brought up the idea of expanding the program outside the downtown area. He said that his concern was that it appeared to be "trickledown economics" whereby those outside the downtown area had to wait for assistance at the risk of grant funding being depleted. He suggested that he would agree with putting more funding toward outside businesses.

Councilman Horton stated that he believed that by approving the grant request for Ms. Sutton would be akin to holding her down since others in the program have been able to receive one-half of their project cost up to \$20,000. He noted that a dollar for dollar match in this case would be \$4,311.50. He said that he was not in favor of changing the \$2500 minimum rule and only providing \$1,923.72.

Councilman Walton stated that the news reporter had called him for a comment on the grant request, not the other way around. He read the newspaper article aloud and disputed the notion that he, Councilman Brooks and Councilman Horton were against the applicant. He stated he was against the process.

Councilman Horton stated that he had a problem from the perspective that if the rules are going to be changed, they should be changed "holistically."

Councilman Horton stated that he would like to make a motion that the Council "waive the requirement of this application, that it must be in the amount of \$2,500 or more and approve Sandra Sutton's grant request. . ." Councilman Horton was interrupted by Councilman Brooks reminding him that a motion was already on the floor.

Councilman Horton stated that he wanted to amend the motion on the floor to add “to allocate \$2,387.78 from the 2017-2018 DIG program.” He said that he wanted to give Ms. Sutton half of her project amount, since the Council is changing the rules anyway. Councilwoman Baker stated that she could not accept the friendly amendment because she did not believe the action could be taken that way.

Mayor Peel noted that one way to accomplish that goal would be to allow Ms. Sutton to reapply in the new fiscal year and for Council to waive the 12-month waiting requirement. He pointed out that the Council had not yet passed the 2017-2018 budget.

Councilman Stimatz questioned why this suggestion had not come up previously in order that it could have been handled correctly. He asked if there could be a set-aside in the budget for the next fiscal year. Mr. Olson stated that the easiest way to accomplish the Council’s discussion would be to waive the 12-month waiting period requirement at the start of the new fiscal year. Mr. Olson pointed out that the proposed new guidelines for the program provided \$20,000 for outside businesses during the first round of funding.

Councilman Donnelly called for the question.

Mayor Peel requested Council’s pleasure on the motion on the floor.

Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

Mayor Peel declared a five minute recess at 9:00 p.m. The Council reconvened at 9:05 p.m. and continued with Public Comments.

7. Regular Agenda:

a. Consideration – Re-Appointment to the Tourism Development Authority.

Mayor Peel requested the Council’s pleasure regarding the reappointment of Councilwoman Jean Baker to the Tourism Development Authority.

Motion was made by Councilman Tony Stimatz, seconded by Councilman Ray Donnelly to recommend to the Pasquotank County Board of Commissioners that Councilwoman Jean Baker be reappointed as the City Council representative on the Tourism Development Authority for a two-year term expiring on June 30, 2019.

Mayor Peel conducted a roll call vote, as follows: In favor of the motion: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried

b. Consideration – Re-Appointments to the Airport Authority.

Mayor Peel requested the Council’s pleasure regarding the reappointment of Donald W. Payne and Orestes Gooden to the Airport Authority.

Motion was made by Councilman Tony Stimatz, seconded by Mayor Pro Tem Anita Hummer to reappoint Donald W. Payne to serve a two year term on the Elizabeth City-Pasquotank County Airport Authority with the term expiring on June 30, 2019. Mayor Peel conducted a roll call vote, as follows: In favor of the motion: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried

Motion was made by Councilman Tony Stimatz, seconded by Councilman Darius Horton to reappoint Orestes Gooden to serve a two year term on the Elizabeth City-Pasquotank County Airport Authority with the term expiring on June 30, 2019. Mayor Peel conducted a roll call vote, as follows: In favor of the motion: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

c. Consideration – Adoption of Resolution Endorsing the Goals of the Paris Climate Agreement.

Mayor Peel recognized Mr. Olson for the background on this item. Mr. Olson explained that a citizen had requested during the June 12, 2017 Council meeting that the Council consider adopting a resolution in support of the Paris Climate Accord in light of President Trump's declaration to withdraw from the agreement. Mr. Olson referred the Council to the information provided in the agenda packet, which consisted of a copy of the Paris Climate Agreement and a brief published by the Natural Resources Defense Council (NRDC) that summarized the major points of the agreement. He noted that staff had prepared a draft resolution for the Council's review and consideration.

Motion was made by Councilman Donnelly, seconded by Councilman Horton to adopt the Resolution Endorsing the Goals of the Paris Climate Agreement as presented.

Mayor Peel invited discussion on the motion.

Councilman Stimatz stated that there were two "whereas" sections included in the draft resolution that referred to President Trump. He stated that he did not feel those two sections were germane to the matter being considered by the Council and requested that the two sections be removed. Councilman Donnelly inquired if the suggestion was a friendly amendment. Councilman Stimatz responded in the affirmative. Councilman Donnelly accepted the friendly amendment, as did Councilman Horton.

Mayor Peel called for a vote on the amended motion.

Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

**Resolution # 2017 – 06-03
Endorsing the Goals of
the Paris Climate Agreement**

WHEREAS, in November and December of 2015, the 21st Conference of the Parties to the United Nations Convention on Climate Change (UNFCC COP21) took place in Paris; and

WHEREAS, the UN Intergovernmental Panel on Climate Change (IPCC) has warned of the consequences of failing to limit the rise in global average temperature to at most two degrees Celsius (above pre-industrial times), beyond which the impacts of global warming would pose a threat to humanity and could lead to irreversible climate change; and

WHEREAS, as the UNFCC COP21, an agreement was reached by all 195 participating State Parties, including the United States of America; and

WHEREAS, the Signatories of the Paris Climate Agreement agreed to a series of steps to address climate change; and

WHEREAS, American compliance with the terms of the Paris Accord would lead to business opportunity for companies in the smart grid, renewable power and efficiency industries; and

WHEREAS, the City of Elizabeth City supports and commits to goals and initiatives consistent with support of the goals of the Paris Climate Agreement; and

WHEREAS, a goal of compliance with the objectives and measures of the Paris Climate Agreement would be consistent with current City goals and objectives and set bold but achievable goals for the future; and

WHEREAS, compliance with the Paris Climate Agreement by the City of Elizabeth City and other governmental agencies would produce economic opportunity for Elizabeth City employees and employers; and

WHEREAS, the City of Elizabeth City and the rest of the planet would be adversely affected by the failure of the world to achieve the objectives of the Paris Climate Agreement; and

WHEREAS, a diverse group of states, cities, local governments, corporations and non-profits have produced an open letter committing themselves to provide the leadership necessary to meet the United States' commitment to the Paris Climate Agreement; and

WHEREAS, the language of that letter is attached hereto; and

WHEREAS, it would be in the interests of the City of Elizabeth City for the City Council and local government to join in the effort to meet the United States' commitment to the Paris Climate Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Elizabeth City that it will join its fellow state and local governments in endorsing the goals of the Paris Climate Agreement; that the City will commit itself in its own operations and policies to continuing its efforts towards sustainability and reduction of greenhouse gas emissions; and that the City Council does hereby authorize the adoption of this Resolution in favor of the Paris Climate Agreement and in opposition to the President's decisions.

ADOPTED, this the 26th day of June, 2017.

Joseph W. Peel
Mayor

Attest:

Vivian D. White, CMC/NCCMC
City Clerk

d. Committee Reports: *(added to agenda from Work Session)*

- a) EC-PC Economic Development Commission: Mayor Pro Tem Hummer, Councilwoman Baker, Councilman King and Mayor Peel

Mayor Pro Tem Hummer advised that the recent meeting did not have a quorum present. She stated that a general discussion was held regarding recent activities of the EDC Director.

- b) Central Communications Advisory Board: Councilman Brooks

Councilman Brooks had no report.

- c) Fireman's Relief Fund Board: Councilman Brooks

Councilman Brooks reported that ten \$700 scholarships had been awarded this year and that it is expected that over \$21,000 will be distributed this year to 22 retirees.

- d) NC Eastern Municipal Power Agency: City Manager Olson and Mayor Peel

Mr. Olson advised that the June meeting was cancelled.

- e) Elizabeth City Downtown, Inc.: Councilman Donnelly

Councilman Donnelly reported on the Mariners' Wharf Film Festival currently in progress. He noted that there would not be a film shown on Tuesday, July 4 due to the holiday celebration being held at the park. He announced that the season' Music on the Green Series would begin July 25. He noted that the Parks and Recreation Department is working on a fall bike ride schedule.

f) Elizabeth City Area Chamber of Commerce Board: Mayor Peel

Mayor Peel reported that new this year is the Chamber's sponsorship in the fall of welcome events for the college students of COA, ECSU and MACU.

g) Finance Committee: Mayor Pro Tem Hummer, Councilman Donnelly, Councilman Horton and Mayor Peel

Mayor Pro Tem Hummer reported that all items on the Finance Committee agenda were forwarded to the City Council for consideration.

h) Parks and Recreation Advisory Board: Councilman Walton

Councilman Walton stated that the new splash pad was awesome and is being used extensively.

Councilman Brooks asked to interject a comment. He stated that he had noticed that the umbrellas for the picnic tables were not there on a previous Saturday and parents had to sit in the hot sun. Mr. Olson responded that on that particular day, the winds were too high to put the umbrellas out. Councilman Brooks requested that staff make arrangements to have shade provided. Mr. Olson stated that he would follow up on the matter.

i) Elizabeth City/Pasquotank County Airport Authority: Councilman Stimatz

Councilman Stimatz reported that the Authority would meet on June 28, 2017.

j) Storm Water Advisory Board: Councilman Stimatz, Councilman King and Councilman Brooks

Councilman Stimatz reported that the next quarterly meeting would be held in July or August 2017.

k) Tourism Development Authority: Councilwoman Baker

Councilwoman Baker reported that she was unable to attend the last meeting.

l) Community Relations Commission: Councilman Brooks

Councilman Brooks had no report.

e. Discussion of "Holly Koerber article" *(requested by Councilman Brooks)*

Mayor Peel recognized Councilman Brooks for his comments. Councilman Brooks stated that the issue he wanted to discuss had been covered earlier in the meeting during the Public Hearing discussion for The Bridal Lounge Downtown Improvement Grant. He stated that he had been upset by the Daily Advance article and felt it was not a situation whereby race had any place in the discussion.

f. Discussion of "Councilman Walton" *(requested by Councilman Horton)*

Mayor Peel recognized Councilman Horton for his comments. Councilman Horton stated that the reason he placed this item on the agenda was because he was interested in what Councilman Walton had to say about the three matters he asked to be placed on the agenda that had been denied.

Councilman Walton stated that he did not believe there was a need to conduct a utility billing audit. He said that at this point in time, the results would not mean anything. He furthered that if nothing was done with the results of the audit, it didn't make any sense to do it. He alleged that the evidence "was already contaminated" because part time workers had been employed to help with the conversion. He said that spending money on an audit would be throwing money away.

Councilman Walton asked the City Manager what the cost would be for ElectriCities to take over the City's billing processes. Mr. Olson responded that he had a proposal he would be glad to share, but since he did not know the item would come up during the meeting, he was not prepared to provide information at this time. He stated that City staff is still evaluating processes before making a recommendation to the Council.

Councilman Walton stated that the City's IT person had not been involved in the utility billing conversion and asked the City Manager the reason behind that. Mr. Olson responded that the process began before the IT Director was hired. Councilman Walton opined that the IT Director is a "very educated, very intellectual person" and should have been involved. Councilman Brooks agreed that something "was not quite right about that." Councilors Walton and Brooks pointed out that the City had hired an outside IT person to troubleshoot the conversion and should have at least involved the City's IT Director.

Councilman Stimatz asked to clarify why the outside consultant had been hired. He stated that the consultant was hired because of a whistleblower complaint and it would not have been possible to use someone employed by the City to investigate that complaint. He stated that the City had not hired anyone outside to troubleshoot the issues with the software.

Councilman Horton inquired why the City's IT Director had not been brought in when the Edmunds problems were first realized. Mr. Olson responded that it was the decision of the former Finance Director not to utilize the IT Director.

Councilman Horton opined that if the City's IT Director had been involved in the process, the City may not have experienced the issues with the failed utility billing conversion in the first place.

8. Comments and Inquiries on Non-Agenda Items:

Councilman Brooks stated that the City had a program to assist senior citizens to roll out their garbage cans and wanted to know if the program was still in use. He asked the City Manager if he was aware of that program. Mr. Olson responded that he was not aware of the program but would check and report back. He pointed out that the Public Works employees are very conscientious about helping citizens, especially the elderly. Councilman Brooks commended citizens for coming to Council meetings to bring their concerns. He requested that Mr. Olson look into the Burgess Street pothole problem mentioned by the speaker during public comments.

Councilman Stimatz, in referring to the citizen speaker's prayer comments, stated that the Council took up that matter for discussion because there was a court case decided requiring that prayers offered during government meetings had to be non-denominational. He said that was not acceptable to some members of Council. He continued that later, to be in line with a Supreme Court decision to allow prayer, the Council voted prayer back in. He noted that the Councilors swore an oath to uphold the Constitution. He stated that another speaker had complained about downtown parking regulations. He noted that at least four years ago, a change had been made to the Unified Development Ordinance that exempted the Central Business District from any parking requirements.

Councilman Brooks stated that Councilman Stimatz was incorrect in his statements about prayer during Council meetings. He said the issue was that the name of Jesus could not be used in prayer during government meetings. He stated that the decision to reinstate prayer did not come down from the federal level; it was restored when Councilman Horton came on the Council. He stated that, prior to that time "we didn't have the votes to get it through."

Councilman Horton stated that when he joined the Council, a “moment of silent reflection was being utilized.” He said that the decision to restore prayer was made prior to the Supreme Court decision. He complimented the recent Juneteenth celebration and reminded everyone about the upcoming ECSUGives day.

Mayor Pro Tem Hummer had no further comments.

Councilwoman Baker thanked everyone for their prayers and well wishes during her recent surgery.

Councilman Walton reiterated that he thought the City should involve the IT Director with the billing issue problems.

He stated that he would like to make two motions regarding his leftover travel money for fiscal year 2016-2017.

He said he would “like to give a free flag football camp for the kids with a share of my monies.” He said “I make that in a motion.”

Mayor Peel advised that the matter would need to go to the Finance Committee. Councilman Walton responded that he would amend his motion to send the item to the Finance Committee.

The City Manager advised that there would not be another Finance or Council meeting before the end of the fiscal year. He stated that the only way to accomplish Councilman Walton’s desire would be to hold a Special Called Meeting. Councilman Walton stated that he wanted to suspend the rules because he knew the money was available.

Mayor Peel advised that the money could be taken from the next fiscal year’s fund balance, since that is where unused money goes.

Councilman Horton seconded Councilman Walton’s motion.

Mayor Peel stated that Councilman Walton would need to provide the appropriate information regarding who the money would go to in order to take up the matter. Councilman Walton stated that he would do so.

Mayor Peel called for a vote on the motion.

Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

Councilman Walton stated that he would also like to fund a diversity monument somewhere in the City. Mayor Peel clarified by saying that Councilman Walton was proposing a committee to look into erecting a diversity statue. Councilman Walton stated that he would be the chair. Mayor Peel stated that the committee would need to decide on a proposal before the subject of money could be discussed.

Mayor Peel requested a second to Councilman Walton’s motion to appoint Councilman Walton as chairman of a committee to research the erection of a diversity statute somewhere in the City.

The motion was seconded by Councilman Horton.

Mayor Peel advised that the Council would receive a proposal with a design, estimated cost, location and any other pertinent details from Councilman Walton’s committee. He asked for a vote on the motion.

Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

Councilman Donnelly thanked the League of Women Voters of Northeastern North Carolina and Dr. Nita Coleman for their presentations during the meeting. He opined

that they were both informative and timely. He stated that he would certainly be making calls regarding the Medicaid issue.

Councilman Donnelly stated that he thought the Council should honor those with beliefs other than Christianity when invocations are offered during Council meetings. He said that the Council needed diversity in its prayers. He stated that, with the Constitutional change regarding prayer, having the audience rise to participate was not included. He opined that standing was a choice of the audience members and suggested that the request to rise during prayer should be suspended.

Councilman Brooks stated that he understood Councilman Donnelly's concern, but offered that people would either stand or they wouldn't, according to their beliefs. He suggested that the matter of rising during invocations should not be a consideration.

Mayor Peel requested that the Councilors should help by suggesting names of persons willing to give the invocation during Council meetings. He noted that it had been very difficult for staff to find persons willing to do so.

Councilman Horton requested that staff look into the matter of who would give invocations during Council meetings. He said that it was his recollection that the Council voted to not invite persons from the community to provide invocations during Council meetings.

Councilman Horton stated that he had another matter that he would like considered.

Motion was made by Councilman Horton, seconded by Councilman Brooks, to send to the Finance Committee that \$850 of his travel money be given to the Pink Pearls organization and that \$850 be given to the Visions of Hope.

Mr. Olson reminded the Council that a Public Hearing would be required by the Council for both Councilman Walton's request as well as Councilman Horton's request after the matters are discussed by the Finance Committee. Mayor Peel advised that information had been discussed earlier in the meeting that the funding would need to come from next fiscal year's fund balance.

Mayor Peel requested that Councilman Horton provide the pertinent information about the two organizations to allow staff to present the items to the Finance Committee. He stated that he would.

Mayor Peel called for a vote on the motion.

Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

Councilwoman Baker requested to make one more motion.

Motion was made by Councilwoman Baker, seconded by Councilman Horton, to put the resolution regarding ratification of the Equal Rights Amendment on the next meeting's agenda. Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Horton and Walton. Against: None. Motion carried.

9. Adjournment:

There being no further business to be discussed, Mayor Peel adjourned the meeting at 10:14 p.m.

Joseph W. Peel
Mayor

Vivian D. White, CMC/NCCMC
City Clerk