

**City Council Work Session  
January 26, 2026**

The City Council of the City of Elizabeth City met in Work Session on Monday, January 26, 2026 in Council Chambers, located on the 2<sup>nd</sup> floor of the Municipal Administration Building, 306 E. Colonial Avenue, Elizabeth City, NC.

MEMBERS PRESENT: Mayor Kirk Rivers  
Mayor Pro Tem Johnson Biggs  
Councilman Joseph Peel  
Councilman Kem Spence  
Councilwoman Katherine Felton  
Councilman Ronnie Morris

MEMBERS ABSENT: Councilman Javis Gibbs  
Councilwoman Rose Cartwright  
Councilman Tim Jackson

OTHERS PRESENT: City Manager Reginald Goodson  
City Attorney Bill Morgan  
Chief of Staff Monica Cole  
Electric Superintendent Donnell White  
Interim Chief of Police Eddie Graham  
Public Utilities Director Dwan Bell  
Fire Chief Chris Carver  
HR Director Aresta Johnson  
Interim Finance Director Brian Lewis  
Development Services Director Carl Best  
Planner II Dylan Lloyd  
Parks and Recreation Director Stacy Williams  
Grants Administrator Jon Hawley  
IT Director Matthew Simpson  
ECDI Director Debbie Malenfant  
IT Systems Analyst Pedro Holley II  
City Clerk April Onley

Mayor Rivers called the City Council's Work Session to order at 5:31 p.m. Mayor Rivers provided the invocation, after which Attorney Morgan led the Pledge of Allegiance.

**1. Agenda Adjustments and Approval:**

Mayor Rivers asked the Council's pleasure on the prepared agenda.

**Motion was made by Mayor Pro Tem Johnson Biggs, seconded by Councilwoman Katherine Felton to approve the agenda as presented. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. Motion carried.**

**2. Presentations:**

**a. Presentation – Award of Service Weapon and Badge;**

Chief Graham recognized Adrian Bowen whose retirement from the City became effective on January 1<sup>st</sup>. Mr. Bowen started his career in the 1980s and worked with the highway patrol until 2018. When Mr. Bowen came to the ECPD, he worked with Community Policing amongst various other duties. He has retired with over four years of service with the ECPD.

Mayor Rivers recited the formal resolution for Mr. Bowen to formally award him with his service sidearm and badge. He called for a motion to adopt the resolution, as presented.

**Motion was made by Councilman Kem Spence, seconded by Councilman Joseph Peel to adopt Resolution #2026-01-01 awarding Adrian Bowen with his service sidearm and badge. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. Motion carried.**

**RESOLUTION #2026-01-01  
AWARDING BADGE AND SERVICE SIDEARM  
TO RETIRING POLICE OFFICER**

**WHEREAS**, G.S. 20-187.2 provides that retiring members of municipal law enforcement agencies may receive, at the time of their retirement, the badge worn or carried by them during their service with the municipality; and

**WHEREAS**, G.S. 20-187.2 further provides that the governing body of the municipal law enforcement agency may, in its discretion, award to a retiring member the service sidearm of such retiring member; and

**WHEREAS**, Police Officer Adrian Bowen served as a member of the Elizabeth City Police Department for a period of four (4) years and retired from the City of Elizabeth City on December 31, 2025.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Elizabeth City, North Carolina that the badge and service weapon worn and/or carried by Police Officer Adrian Bowen be awarded to him on the occasion of his retirement.

**ADOPTED** this 26<sup>th</sup> day of January 2026.

\_\_\_\_\_  
E. Kirk Rivers  
Mayor

\_\_\_\_\_  
April Onley, NCCMC  
City Clerk

**3. Finance Committee:**

**a. Presentation – FY 2025 Audit;**

Mayor Pro Tem Biggs announced that the first item under this evening's Finance Committee would be the presentation of the FY 2025 audit. He was pleased to announce that this was the first time in many years that Elizabeth City had an audit submitted on time. He thanked the manager and City staff for their hard work in getting this done.

Manager Goodson said he would share the Council's feelings with the staff and he appreciated the accolades. He introduced auditor, Danna Layne to give the presentation.

Mrs. Layne advised that in addition to being on time, the audit has already been approved by the state for release. The purpose of the audit is for her to serve as the Council's eyes. You want an unmodified opinion, which means that the statements are fair. As part of the audit, she seeks evidence from the state, downloads bank statements, and works with the City attorney, and so on. She did issue an unmodified opinion on this year's audit.

Exhibit C is the first exhibit and could be found on page 15. It is the modified accrual balance sheet for funds. Total assets are about \$27 million, with about \$22 million in cash / restricted cash. The net worth in the general fund is about \$23 million with about half of it unassigned.

Exhibit E (page 18) shows that there was roughly \$26 million budgeted for revenue, which came in about \$2 million over budget, mainly in governmental funds and investments. There was a change in fund balance of about \$3.8 million.

Business type funds are full accrual because they should operate like a business. Those funds consist of water / sewer, electric and stormwater. In water / sewer, the total was \$22.5 million with more than \$19 million in cash. The value was about \$49 million with total assets of \$73

million. The deferrals have to do with retirement. There are liabilities of about \$2.4 million with the largest portion being accounts payable. The \$5.2 million shown has the largest portion with OPEB, loans to other funds, etc.

Electric system liabilities are about \$5 million, primarily accounts payable and other accruals. Non-concurrent liabilities are about \$3.5 million (pension and OPEB). The net position is \$25 million of which about \$6 million is unrestricted.

Exhibit G is the profit and loss statement for those funds. Water and sewer reflects \$14 million in revenue and \$11 million in expense. The change in net position was an increase of \$3.7 million. The electric fund operating revenue was \$35.5 million with operating expenses of \$35 million. Non-operating revenue and transfers reflected a decrease of about \$537,000.

Cash available at year end comes from several different pots including unrestricted, grants, customer deposits and unrestricted investments. The \$22.8 million ties to the financial statements for cash and cash equivalence. There is a request for a cash management policy to be adopted by the City because when you have interest earned it should not be negative. NC Department of Revenue taxes are being directly deposited instead of coming to the City first to pay bills. If there's money left over, then it is sent to the NCCMT. The FY 2024 cash available was about \$24 million and FY 2023 was \$26 million. Unassigned and unrestricted fund balance gives an idea of what you could spend without red tape tied to it. The general fund was nearly \$13 million. Other funds have no unassigned or unrestricted attached to them.

Mayor Pro Tem Biggs mentioned that he'd requested a balance on the various funds because the City has a lot of capital needs that must be addressed. When people look at the audit and see the net position, the Council gets asked, "How much cash do you have?" It's not as simple as what the unassigned fund balance is in the general fund

Mrs. Layne explained that cash is usually more than the unassigned. The unassigned is the equity to pay for those capital projects. The state expects a certain amount set aside.

Mayor Pro Tem Biggs felt that with the amount in the water and sewer fund, the City could pay off some inter-fund debt. We have more than the capacity to do that.

Mrs. Layne continued that disclosures are included on pages 22-54. Subsequent events are on pages 52-54. Compliance items are pages 97-115. The figures for compliance reports are going up for 2026.

The City received a report issued for internal control, which was a repeat finding. Another finding was failure to pay employee payroll taxes in a timely manner. The federal program that was tested had an issue due to some contacts, but there were no findings on the state programs that were tested.

There were two other reports noted: communication of material weaknesses and communication to those charged with governance. There was no change in accounting policies, no significant difficulties with performing the audit, no disagreements with management and management has signed the required documentation as needed.

Mrs. Layne moved to the Performance Indicators of Concern for the various funds. The general fund balance available was fine and was recorded at 71%. No fund balance was used for operations. Total fund balance needs to be greater than \$0. Elizabeth City was at \$23 million, so that indicator was fine as well.

For the water / sewer fund, the quick ratio was 9x the amount required. The operating net income (including debt service) must be a positive number and Elizabeth City was fine, ending at \$4.8 million. The unrestricted cash for water / sewer totaled about 7%, so that one passed as well. There is grant funding coming that will hopefully push our water and sewer ratio back up. A lot of smaller towns have failing water and sewer systems, so that's something to keep an eye on, but we have a lot of grants coming in.

For electric, the quick ratio is 2x where it needs to be. Direct costs are positive at \$977,000. The electric fund does not have enough money kept in the reserves. It should be 16% for two months' worth of expenses and it's at about 7%. There are no reported late debt payments or anything like that.

Mayor Pro Tem Biggs asked if that was because we have so much sitting in the capital line. Mrs. Layne replied that it was not; the number is calculated by looking at the figures together.

Councilman Peel asked for clarification on the 6.6%. Mrs. Layne explained that the City should have two months' worth of funding to pay bills in the reserve for that fund. Right now, you don't have enough cash set aside for two months' worth of operating expenses.

Mayor Pro Tem Biggs inquired if there was anything she saw that might have caused that 10% runoff. Mrs. Layne stated that without the trial balance in front of her she could only guess, but she would assume it's related to the cost of power. Cities and towns don't react to that increase until subsequent year end.

Councilman Peel pointed out that means we're buying for more than we're selling for. Mrs. Layne concurred that could be it, plus other costs associated with the utility. Councilman Peel was concerned that the City was losing money. Mrs. Layne noted that was correct; however, it was only reflective of that particular year. She was not sure if the City had implemented a rate increase for 2026 or not. Mayor Rivers pointed out that they had passed on the rate riders, but had been a bit behind. The riders were not initially passed on to the customers as soon as they were passed to the City.

Mrs. Layne mentioned that an electric co-op she audited for has to adjust mid-year. You have no choice but to raise rates considering the cost of power. Mayor Pro Tem added that the City did have two true-ups that came on in April that were not passed on until October. I did not know if that would account for 10% though.

Mrs. Layne shared that the electric co-op she worked with explained that they get charged if they hit X percentage of usage. It's the rate for the whole month. If you have one abnormally cold day and the rest are normal or one abnormally hot day, they hit you with that rate you reached on the abnormal day for the whole month. It's another reason those can fluctuate.

Mrs. Layne continued that the only other issue she noted was the investment policy outside of the ones she had already mentioned. The unit response letter has to discuss the items that were failed. The City Council has 60 days to sign and submit that document.

Mayor Pro Tem Biggs asked if Mrs. Layne had a template for the investment policy. Mrs. Layne confirmed that she had several. Manager Goodson stated that staff had received a few examples and were currently working on that. They intend to have that in front of the Council for review in the next few weeks.

Mayor Pro Tem Biggs asked if there were any other policies Mrs. Layne felt the City needed to address. Mrs. Layne noted that the payroll item was another recommendation prior to this year. She understood that someone had been engaged to clean up the liability accounts. There are too many liability accounts for the City. She shared that with the Chief of Staff before leaving on field work because it's a big project and she felt that might have been how the payroll taxes were missed. The balance was growing, but it was impossible to see it across 160 accounts.

Mayor Rivers asked the Council's pleasure on accepting the results of the audit.

**Motion was made by Councilman Joseph Peel, seconded by Councilman Kem Spence to accept the results of the FY 2025 audit. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. Motion carried.**

#### **b. Consideration – Award Bid for Substation;**

Manager Goodson advised that Mr. Cheatwood's timeline required bids to be placed by a certain date. He introduced Mike Dawson of Progressive Engineering who was present via Zoom. Mr. Dawson stated that the substation equipment bids were received and opened on December 18<sup>th</sup>. They originally expected about 13-14 months for delivery, but most of the pieces will be in within six months. He and staff were very excited to see those numbers.

There is also an award for substation and switching facilities. Sealed proposals were opened on December 18<sup>th</sup> for this as well. Three bids were received and Substation Enterprise Inc. submitted the lowest bid with a delivery time of 50-52 weeks, which was about what was expected. He pointed out that was still within the timeline and came in a little under budget.

Mayor Pro Tem Biggs noted that the next lowest bidder was Peak Substation Services at about \$20,000 more, but their window of time delivery is significantly lower. Is that something we should consider when looking at this? Is that delivery window being shorter worth that additional cost?

Mr. Dawson said it could be. When looking at these, they evaluated the delivery times for all the equipment. They didn't think it would be advantageous to spend the extra money because the transformers are still going to take a year. The delivery time is improved because of the manufacturer of the switches. They have heard from some of the reps that there's been trouble there and they've not been hitting the delivery times they are promising. As such, they do not feel it's advantageous to spend the extra \$20,000 there.

Mr. Dawson continued to the bid for the substation transformers, which had to be re-bid. The first bid was set for December 18<sup>th</sup>, but only one bid came in. It was subsequently rebid for an additional three weeks and received a second bid. The bids were opened and read on January 8<sup>th</sup>. The low bid was Westco at \$1,459,852 with a 52-week delivery time. The bids were not as straightforward as we usually expect. We typically require that transformers have a total cost where we get the transformers, the delivery, the offloading to the concrete pads and any dress out and that's a single total, but everyone split it up this time. There's a possibility that we may not have to pay about \$80,000 of the amount, but that depends on if the transformers can be shipped fully assembled or not. We will not know until the transformers have been completely designed.

Mayor Pro Tem Biggs asked if this was an item that required action tonight. Electric Superintendent White confirmed that it did. Mayor Pro Tem Biggs turned the floor over to Mayor Rivers for official Council action.

**Motion was made by Mayor Pro Tem Johnson Biggs, seconded by Councilman Joseph Peel to approve the three bids, as recommended by staff. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. Motion carried.**

Mayor Pro Tem Biggs verified that a budget amendment for this matter had already been processed. Interim Finance Director Lewis assured him that \$500,000 had already been appropriated for this purpose.

**c. Consideration – Ratify / Approve Contract for City Manager;**

Mayor Pro Tem Biggs said he believed Attorney has been working on this and it was ready for a vote. Attorney Morgan stated that he had given a final draft to Manager Goodson, which did include the three items the Council requested, the vehicle allowance, a three-year timeframe instead of one year and the change in compensation.

Mayor Pro Tem Biggs turned the floor over to Mayor Rivers for official Council action.

**Motion was made by Councilman Kem Spence, seconded by Councilwoman Katherine Felton to ratify the City Manager's contract renewal. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. Motion carried.**

**d. Consideration – Approve Chemical Purchase for Lift Stations;**

Mayor Pro Tem Biggs inquired if there was a corresponding budget amendment for this item. Director Bell replied that there was; however, he had just received it from Finance that evening. Mayor Pro Tem Biggs noted that the Council had not amended the agenda to include the budget amendment, so they would move this item to the Consent Agenda on the next meeting. Interim Finance Director Lewis passed the budget amendment in question around to each of them.

**Motion was made by Councilwoman Katherine Felton to send the matter to the full Council for consideration. The motion was seconded by Councilman Kem Spence.**

Councilman Peel asked if waiting until the next meeting also meant they would have to wait to fix the odor. Director Bell replied that the chemical is already in use and appears to be working well. Neither he nor his staff have noticed any odors since using it.

**Those voting in favor of the motion were: Peel, Rivers, Spence, Felton and Morris. Against: None. Motion carried unanimously by Finance Committee. Carried forward to February 9, 2026 Regular Session for full Council consideration.**

**e. Consideration – Award Bid for UDO Revision;**

Mayor Pro Tem Biggs reminded everyone that Manager Goodson and Director Best discussed this item during the Council retreat. Manager Goodson told the Council that they received three quotes. A staff team went through the material and chose N Focus for a not-to-exceed rate of \$119,600. The amount that was budgeted was \$130,000. The timeline for this revision is seven months.

Director Best stated that staff chose this firm because they did a lot of UDOs in NC, they met our budget and insurance requirements and we liked that they had a “do not exceed” amount in their quote. They are from NC and we felt comfortable with the members who reviewed the three proposals that came in December. N Focus offered the best for the money.

Mayor Pro Tem Biggs asked if, when the process begins, will they do sessions with the Council or have open dialogue with the community to gain feedback. Director Best confirmed that as required by law in NC, they must have several public meetings. They would have to have a meeting with the residents as well. It goes before the Planning Commission and there are one or two hearings with the Council.

Mayor Rivers asked if this vote was time sensitive. Did it need to be approved tonight? Mayor Pro Tem Biggs felt there was no reason not to move forward. He turned the floor over to Mayor Rivers for official Council action.

**Motion was made by Councilman Kem Spence, seconded by Councilman Joseph Peel to award the UDO revision to N Focus. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. Motion carried.**

Mayor Rivers asked the manager if he had anything he needed to add before they moved into the Regular Session.

Manager Goodson stated that about five or six years ago there was a lot of turnover in the Finance Department, so staff is working to improve the product delivered in the department. We have improved, but that doesn't mean we don't have more improvements coming. He was proud of the staff for completing the audit on time. He was proud of bringing the bank recons back in house. Heather Corbett completed 10 months of bank recons in about three to four months, which had previously been something not even a hired third-party team had been able to do. The staff is doing great work and will continue to improve. The goal is to bring a clean audit with no findings.

Mayor Pro Tem Biggs pointed out that the audit doesn't break out the solid waste fund and he knew the Council had a lot of discussion about the need for improvement over there. Is there a way we might be able to have that broken out from water / sewer so we can see a better illustration of how we stand? That's a fund that's going to expand and we have a lot of focus around trying to improve the needs over there.

Manager Goodson said he had made note of the request and would get the information over to him.

Mayor Rivers commended the Council and staff for continuing to build up the fund balance. He was proud that of hitting a 71% fund balance and that was even with spending millions on purchasing needed items in the CIP that will allow us to meet the needs of the City. We are being wise stewards of our taxpayers' money. Cities our size generally have about 25% - 48%.

Manager Goodson advised that the City's Financial Consultant Susan Tezai had joined the meeting virtually.

Mrs. Tezai pointed out that those particular funds such as stormwater were listed as “non-major” and were split out in the financial report. She directed the Council on the pages where they could locate them within the document. In addition, she said she wanted to take a moment to remind the Council of how far they have come. In FY 2022, the fund balance was only 15.7% and was reported as a finding in that audit. This increase how strong your management and financial oversight has become. She congratulated the Council on putting such capable people in place who helped them bring the general fund into such a good position. The Finance Department has done a great job, worked hard and made a lot of progress. She was confident that there were even more good things to come.

Mayor Rivers added that there was a federal delay that pushed the due date for audits back to February; however, the City still turned ours in by the original December date. This was the first time we had an audit delivered on time in nine years and he was proud of everyone involved for making it happen.

#### **4. Regular Agenda:**

##### **a. Any Item Removed from the Finance Committee Agenda;**

No items were removed from the Finance Committee Agenda.

##### **b. Consideration – Appointment to the Planning Commission (By Motion and Roll Call Vote);**

**Motion was made by Mayor Pro Tem Johnson Biggs, seconded by Councilwoman Katherine Felton to appoint Jeff Terry to a three-year term on the Planning Commission. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. A roll call vote followed, which yielded the same results. Motion carried.**

##### **c. Consideration – Appointment to the Alcohol Beverage Control Board (By Motion and Roll Call Vote);**

Mayor Rivers stated that the ABC Board required a joint appointment, which had been at a standstill for some time. He would be willing to serve on the board if the Council and subsequently, the County, would agree to his service.

**Motion was made by Mayor Pro Tem Johnson Biggs, seconded by Councilwoman Katherine Felton to recommend the appointment of Mayor Rivers to serve as the joint appointee on the ABC Board. Those voting in favor of the motion were Biggs, Peel, Spence, Felton and Morris. Against: None. A roll call vote followed, which yielded the same results. Motion carried.**

##### **d. Consideration – Adopt Condemnation and Demolition Ordinances for 1105 Southern Avenue, 702 Roanoke Avenue and 305 Bell Street;**

**Motion was made by Councilman Kem Spence, seconded by Councilman Joseph Peel to adopt Ordinance #2026-01-02, Ordinance #2026-01-03 and Ordinance #2026-01-04 ordering the condemnation and demolition of 1105 Southern Avenue, 702 Roanoke Avenue and 305 Bell Street, respectively. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. Motion carried.**

### **ORDINANCE #2026-01-02 CONDEMNATION AND DEMOLITION**

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**AN ORDINANCE DIRECTING THE MINIMUM HOUSING INSPECTOR TO REPAIR OR DEMOLISH THE BUILDING HEREIN DESCRIBED AS UNFIT FOR HUMAN**

**HABITATION AND DIRECTING THAT A NOTICE BE PLACED THEREON THAT THE SAME MAY NOT BE OCCUPIED UNTIL REPAIRED, OR THAT THE STRUCTURE BE DEMOLISHED.**

**WHEREAS**, the City Council of the City of Elizabeth City finds that the property described herein is unfit for human habitation under the local and state codes, and that all of the provisions of said codes have been met as a condition of the adoption of this Ordinance; and

**WHEREAS**, said structure should be repaired to meet the requirements of the Code or demolished as directed by the Minimum Housing Inspector, and should be placarded by placing thereon a notice prohibiting use for human habitation; and

**WHEREAS**, the owners of said structure has been given a reasonable opportunity to bring the premises up to the standards of the subject codes in accordance and pursuant to an order issued by the Minimum Housing Inspector on **November 11, 2025**; and the owner has failed to comply with said order.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Elizabeth City that:

**Section 1.** The Minimum Housing Inspector is hereby directed to post on the house at **1105 Southern Ave.** (Map 25, Block C, Parcel #105B and Tax I.D. 892309060008) a sign containing the legend:

**"This building is unfit for human habitation; the use or occupancy of this building for human habitation is prohibited and unlawful."**

**Section 2.** The Minimum Housing Inspector is hereby authorized and directed to proceed to repair or demolish the above-described structure in accordance with his order to the owner thereof dated **January 26, 2026** and after abatement, then charge the property owners for all expenses incurred, including any accrued interest after the initial billing.

**Section 3.** It shall be unlawful for any person to remove or cause to be removed said placard from any building to which it is affixed. It shall likewise be unlawful for any person to occupy or to permit the occupancy of any building herein declared to be unfit for human habitation.

**Section 4.** This Ordinance shall become effective upon receipt of acceptable Title Search by the City Attorney.

**ADOPTED**, this 26<sup>th</sup> day of January 2026

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E. Kirk Rivers  
Mayor

*Attest:*

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April D. Onley, NCCMC  
City Clerk

(SEAL)

**ORDINANCE #2026-01-03**

## CONDEMNATION AND DEMOLITION

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### **AN ORDINANCE DIRECTING THE MINIMUM HOUSING INSPECTOR TO REPAIR OR DEMOLISH THE BUILDING HEREIN DESCRIBED AS UNFIT FOR HUMAN HABITATION AND DIRECTING THAT A NOTICE BE PLACED THEREON THAT THE SAME MAY NOT BE OCCUPIED UNTIL REPAIRED, OR THAT THE STRUCTURE BE DEMOLISHED.**

**WHEREAS**, the City Council of the City of Elizabeth City finds that the property described herein is unfit for human habitation under the local and state codes, and that all of the provisions of said codes have been met as a condition of the adoption of this Ordinance; and

**WHEREAS**, said structure should be repaired to meet the requirements of the Code or demolished as directed by the Minimum Housing Inspector, and should be placarded by placing thereon a notice prohibiting use for human habitation; and

**WHEREAS**, the owners of said structure has been given a reasonable opportunity to bring the premises up to the standards of the subject codes in accordance and pursuant to an order issued by the Minimum Housing Inspector on **November 7, 2025**; and the owner has failed to comply with said order.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Elizabeth City that:

**Section 1.** The Minimum Housing Inspector is hereby directed to post on the house at **702 Roanoke Avenue** (Map 55, Block A, Parcel #05 and Tax I.D. 891311654147) a sign containing the legend:

**"This building is unfit for human habitation; the use or occupancy of this building for human habitation is prohibited and unlawful."**

**Section 2.** The Minimum Housing Inspector is hereby authorized and directed to proceed to repair or demolish the above-described structure in accordance with his order to the owner thereof dated **January 26, 2026** and after abatement, then charge the property owners for all expenses incurred, including any accrued interest after the initial billing.

**Section 3.** It shall be unlawful for any person to remove or cause to be removed said placard from any building to which it is affixed. It shall likewise be unlawful for any person to occupy or to permit the occupancy of any building herein declared to be unfit for human habitation.

**Section 4.** This Ordinance shall become effective upon receipt of acceptable Title Search by the City Attorney.

**ADOPTED**, this 26<sup>th</sup> day of January 2026.

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E. Kirk Rivers  
Mayor

*Attest:*

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April D. Onley, NCCMC  
City Clerk

(SEAL)

**ORDINANCE #2026-01-04  
CONDEMNATION AND DEMOLITION**

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**AN ORDINANCE DIRECTING THE MINIMUM HOUSING INSPECTOR TO REPAIR OR  
DEMOLISH THE BUILDING HEREIN DESCRIBED AS UNFIT FOR HUMAN  
HABITATION AND DIRECTING THAT A NOTICE BE PLACED THEREON THAT THE  
SAME MAY NOT BE OCCUPIED UNTIL REPAIRED, OR THAT THE STRUCTURE BE  
DEMOLISHED.**

**WHEREAS**, the City Council of the City of Elizabeth City finds that the property described herein is unfit for human habitation under the local and state codes, and that all of the provisions of said codes have been met as a condition of the adoption of this Ordinance; and

**WHEREAS**, said structure should be repaired to meet the requirements of the Code or demolished as directed by the Building Inspector, and should be placarded by placing thereon a notice prohibiting use for human habitation; and

**WHEREAS**, the owners of said structure has been given a reasonable opportunity to bring the premises up to the standards of the subject codes in accordance and pursuant to an order issued by the Building Inspector on **January 26, 2026**; and the owner has failed to comply with said order.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Elizabeth City that:

**Section 1.** The Minimum Housing Inspector is hereby directed to post on the house at **305 Bell St.** (Map 35, Block D, Parcel #11 and Tax I.D. 891416727580) a sign containing the legend:

**"This building is unfit for human habitation; the use or occupancy of this building for human habitation is prohibited and unlawful."**

**Section 2.** The Minimum Housing Inspector is hereby authorized and directed to proceed to repair or demolish the above-described structure in accordance with his order to the owner thereof dated **January 26, 2026** and after abatement, then charge the property owners for all expenses incurred, including any accrued interest after the initial billing.

**Section 3.** It shall be unlawful for any person to remove or cause to be removed said placard from any building to which it is affixed. It shall likewise be unlawful for any person to occupy or to permit the occupancy of any building herein declared to be unfit for human habitation.

**Section 4.** This Ordinance shall become effective upon receipt of acceptable Title Search by the City Attorney.

**ADOPTED**, this 26<sup>th</sup> day of January 2026.

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E. Kirk Rivers

Mayor

*Attest:*

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April D. Onley, NCCMC  
City Clerk

(SEAL)

**e. Consideration – Call for a Public Hearing – RZ 05-25;**

Councilman Peel pointed out that according to the memorandum, it appeared it was staff's intention to allow Albemarle Electric take over the electrical part of this. Would that be forever? He said he was not too excited about that prospect. Would the County provide water?

Superintendent White replied that the power would be supplied by the City since the property would have to be annexed for the rezoning.

Mayor Rivers noted that this item was just a call for the public hearing. Councilman Peel inquired why the Council would proceed with calling for a public hearing if it's something they do not need to do. There are already multiple buildings coming up out there for which we can't provide service. We stopped the one on Parsonage Street, we tabled it, and I think we need to table the rest of these until we get further down the line and make sure we have funding to do these things.

Manager Goodson explained that when applicants come forward with their development proposals, staff lets them know what services we have right now and what we may have in a couple of years. We hope to have that electricity in a few years. The applicant then makes the decision on whether they continue to move forward. Many of these companies are spending \$100,000 on development plans, and often tell staff that by the time they get through the process and start building it will be several years down the road. This is just the rezoning case. There haven't been any building permits or anything like that issued. This decision is fully that of the applicant. We give them a complete picture of what utilities we have to provide and they make the decision to come forward or not.

Councilman Spence agreed that if staff gives an estimate of two years for service and the applicants still make the decision to move forward, it's on them. As long as we're telling them, it should be their decision to make in the end.

Mayor Rivers felt that the in the worst case scenario there is at least another provider out there that can supply the electricity to this if the City can't. If the City suddenly said we didn't want to build out for electricity in that area, there is another provider that could give them what they needed. There is still electricity and water available in that area that could take care of the subdivision. We do have that as a backup plan.

Mayor Pro Tem Biggs wondered if this particular call for public hearing and the companion piece for annexation needed to go back to the drawing board. He said he would hate to give away all of the services out there and not them long-term. Should we not pause here and have the attorney look at it before we start moving forward?

Attorney Morgan noted that typically when we get the dual requests, we go ahead and vote on the annexation first. Manager Goodson advised that the annexation was the next item on the agenda and would be required in order for the rezoning to proceed. They have to annex to receive our sewer.

Mayor Pro Tem Biggs recalled that a few years ago there were some questions about whether the force main on Halstead had the capacity to handle the coming growth there. Are we 100% sure we have the capacity in the force main to support what's coming online?

Director Bell shared that the Timmons Group came down last week and they are starting that process. Based on what they have, they feel like we're in a great space with the force main.

We don't generally know how much sewer will be required until later when an applicant actually submits their sewer request.

Councilman Peel felt that the Council needed to determine whether the annexation was valid first and table the other part until a later meeting.

Superintendent White pointed out that part of the development in question has already been annexed into the City and the other part has an agreement with Albemarle Electric.

Mayor Rivers advised that if the annexation did not pass, they can't do the subdivision. These items go hand in hand. If we intend to deny the rezoning, they will probably pull the annexation. We don't have to necessarily take a vote after we hold the public hearing, but it will keep us from having to go through another step. Proceeding with the public hearing will give us the opportunity to move forward with voting it down, passing it or tabling it. This will just keep everything moving forward to the next meeting. We can hear from the public and staff at that time. I would think we should move forward with both of them and make a decision after the hearing about what we want to do.

Councilman Spence agreed that they did not have to cast a vote until the next meeting. They were just being asked to call for the hearing right now.

Director Best asked if the Council wanted the developer to come in and answer any questions at the next meeting. Mayor Rivers replied that they would leave that up to the developer. From listening to the manager, he felt that the Council's concerns were just around whether services would be available. If the developer is willing to wait two years and we have good reports that some things are going to be possible in about 18 months' time, then that's good news.

Councilman Peel added that there was still the issue that we do not have the money to pay for it yet. We're assuming everything will move smoothly, but we don't have the money yet. We're getting ahead of ourselves a little bit. He reiterated that he still had a problem with the AEMC service aspect. If we do this, we have to take full advantage of what we're doing. We need to be building the fund. It's not in the greatest shape right now. We don't need to give business away. All we're voting on now is whether we can do it. We can decouple these things and take the rezoning back up at a later date. I won't vote for it the way it's written.

Mayor Rivers asked if our regulations said that you cannot receive the sewer without the electric once a piece of property is annexed into the city. Attorney Morgan did not believe that was the case. Mayor Rivers pointed out that if we annex property, then you have to take our sewer, water and electric. Was that not correct? Director Bell was not sure.

Manager Goodson explained that once property is annexed, it is in our territory. But as you've done before, you can vote to allow another electric provider to serve electric there. Mayor Rivers noted that the Council would have to vote to allow it. They would have to make an exception. Once property is in our territory, it then must take our electric, water and sewer. If the Council deems that we would not like to service those, we have the option to pass it on. Manager Goodson confirmed that was correct.

Councilman Peel opined that made the paragraph in question even worse because it's giving that power away. We'd have to vote to do that and we haven't voted to do that. Mayor Rivers stated that was why the annexation was so important. The annexation needs to be first. After we do the sufficiency investigation, then we will do the hearing. We can go ahead and make the call on the sufficiency piece, bring that back and then we'll call for the other.

**Motion was made by Councilman Joseph Peel, seconded by Councilman Ronnie Morris to table the Call for a Public Hearing on RZ 05-25 until after the sufficiency investigation on the annexation returned. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None, Motion carried.**

- f. Consideration – Adopt Resolution for Sufficiency Investigation (Corresponding Item to RZ 05-25);**

Mayor Rivers told the Council this was the aforementioned corresponding item to RZ 05-25. With this, the City Attorney would perform a title search to make sure all the signatures are present and correct before proceeding with the step in the annexation.

Councilman Biggs said that when looking at annexations, he would like to see a rough draft of what the additional cost of adding these properties into the City would carry. If we're looking at this one, the proposal here potentially is for 565 residential units. What does that look like for additional strain for Police and Fire? What does that mean for water and sewer? As we continue to add these things and the city continues to grow, the staffing and resources we're going to need are going to come at a cost. We have to pay for these things up front and before the base really realizes it. We could get ahead of ourselves with the fixed cost of operations. That fund balance could quickly go in the other direction if we're not forecasting the right way. We're in a great position right now but we could end up in a hole very quickly.

Councilman Peel stated that he was not opposed to growth, but from the audit we learned that the Electric Department is not in the greatest shape, fund balance-wise. We know we're probably not charging enough. We also know we're getting a 4.5% increase from ElectriCities. We know we're spending about \$10 million for the new substation. Someone needs to figure up how much we're going to have to raise rates to pay for all this. We can welcome all these people in but at some point it has to be paid for. When you top that with water and sewer, we can't do any of that without more money. We need to get a handle on some of the costs we're looking at before we start approving all of this stuff willy-nilly because we're going to have to pay for it. We need to be ready to tell people their electric bill is going up.

**Motion was made by Councilman Joseph Peel, seconded by Councilman Ronnie Morris to approve Resolution #2026-01-02 directing the city attorney to investigate the sufficiency of the annexation petition for Tanglewood Crossing. Those voting in favor of the motion were: Peel, Spence, Felton and Morris. Against: Biggs. Motion carried.**

Councilman Peel was concerned that if the Council intended to bring these calls forward for public hearing, they should un-table the one for Parsonage Street. There's no reason to hold that one hostage. If we're going to rezone all this stuff, we need to pull the other one out of holding. We should not approve some and not others without good reason. We need to have all of them on there.

Mayor Pro Tem Biggs noted that they did table the hearing on the rezoning until a later meeting. Councilman Peel said he understood, he just felt that they should treat everyone alike.

Mayor Pro Tem Biggs asked if when staff is notifying these developers they are making sure that it is in some type of formal document. Do we have something between us and the developer so they can't come back and say we won't allow them use of their property?

Manager Goodson explained that during the TRC meeting, staff does record and take minutes and that's when these aspects are mentioned. Mayor Pro Tem Biggs said he just wanted to make sure we had some backup there.

Director Best added that it is also included in the staff report.

**RESOLUTION #2026-01-02  
DIRECTING THE CITY ATTORNEY TO INVESTIGATE A  
PETITION RECEIVED UNDER G. S. 160A-31  
157 ACRES  
BETWEEN THE 17 BYPASS AND STOCKBRIDGE AT TANGLEWOOD  
PARCEL IDs: 7993 741815 and 7993 757018**

**WHEREAS**, a petition requesting annexation of an area described in said petition has been received on January 26, 2026 by the City Council; and

**WHEREAS**, G. S. 160A-31 provides that the sufficiency of the petition shall be investigated by the City Clerk or City Attorney before further annexation proceedings may take place; and

**WHEREAS**, the City Council of the City of Elizabeth City deems it advisable to proceed in response to this request for annexation;

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Elizabeth City:

**THAT** the City Clerk and City Attorney are hereby directed to investigate the sufficiency of the above described petition and to certify as soon as possible to the City Council the result of her investigation.

**ADOPTED**, this the 26<sup>th</sup> day of January 2026

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E. Kirk Rivers  
Mayor

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April Onley, NCCMC  
City Clerk

**g. Consideration – Call for a Public Hearing – Amendments to Flood Plain Ordinance;**

**Motion was made by Councilman Kem Spence, seconded by Councilman Katherine Felton to call for a public hearing to be held on during the 7:00 p.m. February 9, 2026 Regular Session of the City Council. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. Motion carried.**

**h. Discussion – Potential Joint City-County Meeting;**

Manager Goodson shared that he'd recently had his monthly meeting with the County Manager, during which they discussed a proposed joint meeting for the Council and Commissioners. The joint meetings are held on months with five Mondays, the next of which would be in March. This would be the City's turn to host. He asked the Council if that would be agreeable.

**Motion was made by Mayor Pro Tem Johnson Biggs to call for a joint City-County meeting to be held on Monday, March 30<sup>th</sup> at a time and place to be determined shortly. The motion was seconded by Councilman Joseph Peel. Those voting in favor of the motion were: Biggs, Peel, Spence, Felton and Morris. Against: None. Motion carried. Unanimous.**

**i. Presentation – Remaining Departmental Presentations from Retreat Day 2;**

**Elizabeth City Downtown, Inc.** - Director Malenfant explained that downtown is the business service district and the municipal service district. From an organizational perspective, she reports to the Chief of Staff, who then reports to the City Manager and the Council, but she also has a Board of Directors. There is a part-time admin assistant working for ECDI who is paid from non-profit funds. ECDI partners with, incorporates and plans across City departments. They support permitting and operations for downtown events. They work very closely with the HPC and do marketing and promotion of downtown as a district. They manage the community calendar and advocate for business recruitment and retention. They are a City-aligned non-profit that can amass money, partnerships and volunteers to keep things tight. The director is paid by the City and then ECDI as a non-profit partially reimburses the City for the director's position and benefits. The City provides the director's salary and benefits, a small amount for communications, office supplies, contract services and some development training. The City provides an annual appropriation to ECDI and in-kind support for the NC Potato Festival. As a non-profit, ECDI funds the portion of the salary reimbursed to the City, the assistant's salary, rent, office equipment, furnishings, public art and beautification, website services, professional services, and some capital project contributions. In addition to City

funding, they receive funding from Pasquotank County, grants, private contributions, some City-County shared costs, and sometimes they receive state allocations and fundraisers. About 70% of the budget comes from fundraisers and sponsorships. They are an accredited organization. The City leads a project when it is Council / Administration or involves infrastructure, regulation, procurement, etc. ECDI leads when it's business outreach, etc. Others are shared. The City gains value from downtown development because it drives improved property values and increased property tax revenue and sales tax revenue. The reuse of blighted community spaces leads to many new fees. She listed a series of successful projects and downtown events that are hosted by ECDI.

The future vision for downtown is cluster-based development. They pick an area to focus on and recruit businesses and build out from that area. The next focus areas are South Water Street, Ehringhaus and the Road Street corridor. Currently, they are working on improved parking strategies, sidewalks and outdoor assets, community spaces and continued expansion of public art. They do keep the public informed of construction and there is a community calendar on their website.

Director Malenfant brought the Mariners' Wharf stage project to the Council's attention. They have met with a group of stakeholders about the need for a stage at the park. Usually stages are rented and brought in. There is a platform there that has a stage but it is not raised and does not have a cover. We have received initial renderings from a design company that includes an overhang, handicap ramp and accessible walk. At some point they will be coming to the Council to ask for permission to proceed with the project. The next step is to start putting together specific cost numbers and they will need the City's approval to move forward because it is a City asset. She noted that she would defer the official request to a future meeting.

Mayor Pro Tem Biggs asked if there was any feedback around this at all before it comes back for official action. There has been a group that's been working on this for several months.

Councilman Peel thought it was a good idea. He was glad the storage area was on the river side. He wondered if, acoustically, they needed to close more of that side in so the sound gets directed straight ahead. His experience down there is that the river sucks the sound out. It seems like if you had something on that side, it would cause the sound to go to the audience and not the river.

Director Malenfant confirmed that was one of the reasons they put the side on there. We're trying to not drastically impact the view of the water from the street, the businesses or the public. We have built into the side to have retractable sides so they can be used but aren't constantly blocking the view.

**Human Resources-** HR Director Johnson advised that the HR Department consisted of three full-time staff members and one part-time employee. Focus areas included providing talent acquisition services, facilitating onboarding (95 employees in 2025), managing safety and liability compliance and conducting orientation sessions. There are a series of safety workshops that will be held for all employees in February. All new hires go through an orientation session and sign off on the personnel policy. HR also process payroll and prepares workplace benefits and protection. They host an employee benefits fair. Last year's fair was held at the community center. During the fair, community agencies come together and let all employees know the benefits available to them.

HR also coordinates workers' compensation claims. Last year, the department received a reimbursement back of \$87,000+. HR investigates employee and citizen concerns. They coordinate open enrollment every May. They review the departmental budget to ensure that it is as fiscally astute as possible. They maintain property and liability coverage to ensure adequate protection. They monitor policy compliance and make sure everyone has access to the personnel policy manual. As of October 1<sup>st</sup>, anyone working with minors has to have a separate background check to make sure they are suitable to work with our youth. HR also oversees the Wellness Committee.

**Finance Committee** – Interim Director Lewis explained that the Finance Department deals with every department's budget. They ensure that everyone is in compliance with the statutes. NCGS 159 governs the Finance Department. All funds that come in have to be managed and

maintained, from franchise fees to utility funds. There are four divisions in the Finance Department: Accounting, Purchasing, Data Processing and Customer Service. After the budget ordinance is appropriated, they have to make that money is available before it is spent. They govern internal controls to ensure that daily processes are covered and that no one is handling cash from beginning to end. They also go over the procurement process, all bids, projects, POs and contracts. Data Processing is working through bank recons and making sure meter readers are going out on time. Customer Service now has a contact center that is open until 7:00 p.m. to assist customers on an extended schedule.

**j. Consideration / Discussion – PIO;**

Mayor Rivers told the Council that he requested this item to be brought forward. He had looked into the cities closest to us that had PIOs. In the last two weeks, many of those PIOs were putting out information concerning the cold weather to their citizens. They tell the story to all the citizens concerning growth. With the City Scoop and EC Live, we have our departments taking on additional duties to get those things out. People are responding to these things, but we need to make sure it continues.

**Motion was made by Mayor Pro Tem Johnson Biggs to direct Manager Goodson to begin developing a PIO job description and budget for inclusion in the next year's budget. The motion was seconded by Councilman Kem Spence.**

Mayor Rivers was concerned that if the motion was approved as stated, the position would not come online until July 1<sup>st</sup>.

Mayor Pro Tem Biggs noted that we're very close to budget time and it was probably best to proceed in this fashion. We don't want to do anything mid-year. It's a need but it's not an immediate need. It will be a general fund expense.

Mayor Rivers said he felt that it was an immediate need. Staff will have to continue taking up the slack until then. There are a lot of things this Council wants to know and the citizens want to know. We're always saying we need to tell our story. We've got four months left in this budget and I would ask that we do this sooner rather than later. Even right now talking about the warming center, those types of things need to be going out. Our Police Department does their own press conferences and the PIO can assist with that. A city our size should be getting that out. If the manager can't find the funds, then it could wait, but if we have the funds available, I think it would be to our advantage to get the person on board. With the motion now, we wouldn't be able to hire anyone until July 1<sup>st</sup>. If they're available, we could get someone in place in February or March.

Councilman Spence agreed that if the money was available, then why not go ahead and move forward; however, if it's not there, it would have to wait.

Manager Goodson reminded the Council that the position was not budgeted with the current budget but if it's something the Council wants to pursue, staff can try to find the funding. We try to be fiscally conservative. If you want me to take a look, I can do that.

Councilman Spence did not think it would hurt to look for the funding.

Mayor Rivers stated that right now, the motion on the floor puts the position in the next fiscal year. Councilman Spence said it didn't matter to him either way, but if it was a dire need, he could vote for it now.

Mayor Pro Tem Biggs reiterated that the PIO is not a position that the City currently has. We have to develop it and then figure out where it will be housed. What's an appropriate timeline for the manager to put that together?

Councilwoman Felton recalled that when Vivian White served as the Deputy Clerk, she also filled the role of the PIO. She did not remember her precise job description, but that might give something to work from. The Council could make a friendly amendment if the manager could find the required money.

Mayor Rivers asked Councilwoman Felton if she would like to make that amendment.

**Councilwoman Felton asked for a friendly amendment to allow the option of bringing the position on prior to July 1<sup>st</sup> provided that the manager could find the necessary funding.**

Councilman Spence accepted the amendment.

Mayor Pro Tem Biggs said he would accept the amendment provided that the position and its specifics still had to return to the Council for ultimate approval. Councilman Spence concurred.

**The friendly amendment was accepted by both Mayor Pro Tem Johnson Biggs and Councilman Kem Spence.**

Mayor Rivers stated that if the manager was able to secure the funding, the position would return to the Council for a final vote. Mayor Pro Tem Biggs added that everything about the position would need to return, from the funding to the job description.

**Those voting in favor of the motion were: Biggs, Spence, Felton and Morris. Against: Peel. Motion carried.**

Mayor announced that the overnight warming center would be open this evening as it is expected to be very cold. The Parks & Recreation Director, Fire Chief and Police Chief met this afternoon and will be opening the warming center based off the temperatures projected. We will likely be open the next seven days based off weather conditions. Tonight they were at the Senior Center. They are trying to get one location instead of it being mobile, but there are activities going on at different buildings, which is why it has been moving. He thanked the Council for extending the warming center to the overnight center. We had people drop food donations off. Councilman Gibbs, Councilman Spence and Mayor Pro Tem Biggs had all offered their assistance and brought donations. We are continuing to give back to our citizens.

We will be making an appeal to our citizens because we need both sexes available to oversee the shelter. The staff is manning it while we're at the meeting. If there are volunteers or organizations who would like to give, please let us know. We found out that we need pillows. The people staying overnight asked for those so we will be trying to get some for them. We do need more blankets. When people entered they were hungry and we were able to send some to SOULS to eat. The Police Department did a great job checking on the people who would not go anywhere. We do get a lot of calls from people asking us to go check on people and the Police Department checked on those people throughout the night and then the next morning. They offered to transport them but they wanted to stay where they were, so they just continued to monitor them.

#### **5. Adjournment:**

Having no further business to be discussed, Mayor Rivers adjourned the meeting at 7:48 p.m.

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E. Kirk Rivers  
Mayor

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April Onley, NCCMC  
City Clerk

