

**City Council Regular Session
June 8, 2015**

The City Council of the City of Elizabeth City met in regular session on Monday, June 8, 2015 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 Johnnie Walton

MEMBERS ABSENT: Councilman Kem Spence
Councilman Darius Horton

OTHERS PRESENT: City Manager Rich Olson
City Attorney Bill Morgan
Finance Director Sarah Blanchard
Planning Director June Brooks
Chief Eddie Buffaloe
Electric Department Superintendent Karl Clow
Assistant to the City Manager Angela Cole
Human Resources Director Katherine Felton
Public Utilities Director Paul Fredette
Fire Chief Larry Mackey
IT Director Matthew Simpson
Inspections Director Stanley Ward
Parks and Recreation Director Bobbi White
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 gave the invocation, after which he led the Pledge of Allegiance.

1. Agenda Adjustments and Approval:

Mayor Peel stated that a number of items needed to be added to the agenda, as follows:

- a. Presentations by the Mayor;
- b. Closed Session for discussion of acquisition of property;
- c. Closed Session to consider Closed Session minutes.

Councilman Walton requested that the following item be removed from the Consent Agenda and placed on the Regular Agenda for discussion:

- a. Consideration – Adoption of Various Budget Amendments as Required for Accounting Purposes.

Motion was made by Mayor Pro Tem Anita Hummer, seconded by Councilwoman Jean Baker, to approve the agenda with necessary adjustments. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The 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. Presentations:

Mayor Peel stated that on Friday, May 29, 2015, the City enjoyed a big day when the City was named a Coast Guard City. He acknowledged that a lot of planning and work was involved in organizing the events commemorating the Coast Guard City designation and noted that several persons had been recognized for their work during the actual ceremony. He announced that it was his pleasure to be able to recognize a number of people who were additionally involved in the execution of the events. He read the following names and presented a thank you letter and special medallion that had been minted to celebrate the occasion to each individual who was able to be present.

Those recognized were as follows:

Captain Bruce C. Brown, Commanding Officer, US Coast Guard Elizabeth City
Lt. John Mabus, Chaplain, USCG Elizabeth City
LTJG Kevin Riley, USCG Elizabeth City
Ms. Doris J. Creps, Protocol Specialist, USCG Elizabeth City
Ms. Mary Cherry Tirak, Museum of the Albemarle
Ms. Wanda Lassiter, Museum of the Albemarle
Mr. Bill McCrea, Museum of the Albemarle
Mr. Wayne Mathews, Museum of the Albemarle
Ms. Heather Fletcher, Cupcakery Bakery
Ms. Suzanne Stallings, The Plant Park
Tim and Cindy Williams, MMT Printers
Lt. Jamie Lacombe, Elizabeth City Police Department
Captain John Etheridge, Elizabeth City Police Department
Chief of Police Eddie Buffaloe, Elizabeth City Police Department
Mr. Dexter Williams, Streets Division, City of Elizabeth City
Mr. Paul Gregory, Streets Division, City of Elizabeth City
Mr. Doug Davis, Streets Division, City of Elizabeth City
Mr. Karl Clow, Electric Division, City of Elizabeth City
Ms. Vivian White, City Clerk, City of Elizabeth City
Ms. June Brooks, Director of Planning, City of Elizabeth City
Mr. Barry Overman, Deputy Fire Chief, City of Elizabeth City

Mr. Wayne White, Volunteer
Mr. Karl Bowden, Arts of the Albemarle
Mr. Billy Caudle, Arts of the Albemarle Center Players
Mr. Samuel Mickey, Sam S Karaoke DJ
Ms. Lisa Doecker, Museum of the Albemarle
Ms. Katie Murray, Arts of the Albemarle
Ms. Bobbi White, Director of Parks and Recreation, City of Elizabeth City
Andy and Karin Montero, Montero's Restaurant
Ms. Debbie T. Sauls, Volunteer

Mayor Peel announced that for those who are not military people, the medallions are pretty special items! He stated that on behalf of the City Council and himself, he wished to thank everyone who played a part in making this very special occasion such a success.

4. Comments from the Public:

Susan Neal Matousek, Homeless, provided a copy of the American with Disabilities Act guidelines to the City Clerk for distribution to the Council members. She stated that these guidelines are not being followed in Elizabeth City. She said that there are white collar and blue collar criminals in Elizabeth City that come after people with disabilities to extort from them and abuse them. She requested that the Council allocate monies for people with disabilities and for advocacy regarding their rights. She said that she has a managed disability and would not be banned and treated unfairly for standing up for herself and her son.

Bill Hiemer, 107 Osprey Cove, Elizabeth City, NC thanked City Manager Olson and Chief of Police Buffaloe and all personnel for their superb handing of the Westboro Baptist Church situation on Sunday, May 31, 2015. He complimented the planning, execution, communication and results surrounding the event. He stated that he felt the Council may be headed back into an atmosphere of confrontation and disagreement, based on his observations during the previous City Council meeting. He said that the confrontation and disagreements seemed to be based not upon policies, but on personalities. He stated that type of situation should not be acceptable to any member of the Council or citizens of the City. He said that verbal jabs toward other members of Council, the City Manager and even public speakers are neither appropriate nor helpful. He asked the Councilors to stick to comments that will help move the City forward and "don't just say no; say no, I think I have a better idea." He requested that the Councilors bring solutions, not just problems. He stated that the travel allowance, at least for some members on Council, is too high. He encouraged all members of Council to attend appropriate meetings and conferences to further their knowledge and leadership skills. He said that the travel allowance is not a "slush fund" and should only be used for appropriate functions. He pointed out that \$50,000 is budgeted for Community Support Grants. He encouraged the Council to factor into the new budget all activities they wish to fund in order that the taxpayers know how much money the Council is willing to donate to causes. He thanked the City Councilors for their hard work and their service.

5. Approval of Minutes:

Mayor Peel called for the Council's pleasure regarding approval of the minutes.

- a. City Council Special Meeting of April 20, 2015:

Motion was made by Mayor Pro Tem Anita Hummer, seconded by Councilwoman Jean Baker, to approve the City Council Special Meeting minutes of April 20, 2015. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

- b. City Council Work Session of May 26, 2015:

Motion was made by Mayor Pro Tem Anita Hummer, seconded by Councilwoman Jean Baker, to approve the City Council Work Session minutes of May 26, 2015. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

- c. City Council Regular Session of May 26, 2015:

Motion was made by Mayor Pro Tem Anita Hummer, seconded by Councilwoman Jean Baker, to approve the City Council Regular Session minutes of May 26, 2015. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

6. Consent Agenda:

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:

(Clerk Notation: All Items on the following consent agenda were recommended for approval by the Finance Committee during their meeting of June 4, 2015.)

Beginning of Consent Agenda:

- a. Consideration – Authorization for the Elizabeth City Police Department to submit a grant application for the FY 2015 COPS Grant Hiring Program;
- b. Consideration – Authorization for City Manager to execute Grant Contract No. 6469 with NCDENR on behalf of the City;
- c. Consideration - Accept the offer of \$10,000 made by Morgans Corner Solar Energy, LLC for the property identified as PIN: 7977499329 and Map P112-107 with a physical address of 00000 Mill Pond Road and direct that the City Attorney prepare the required documents to effect the sale;

- d. Consideration - Approve the Community Support Grant application for Home Team Foundation, Inc. in the amount of \$2,300; and the Community Support Grant application to the AAU 15 and Under and AAU 17 and Under Basketball Teams totaling \$2,800 utilizing \$1,850 in remaining Community Support Grant funds and \$3,250 in City Council travel monies by adoption of the following budget amendment;

BUDGET AMENDMENT

BE IT ORDAINED by the City Council of the City of Elizabeth City that the following amendment be made to the annual budget ordinance for fiscal year ending June 30, 2015:

SECTION I. That the Legislative Travel Expense (104100.1400) be decreased by \$3,250, and Community Support Grants (106620.6000) be increased by \$3,250.

That Community Support Grants (106620.6000) be decreased by \$5,100, Home Team Foundation, Inc. (106620.5888) be increased by \$2,300, and AAU Basketball Teams (106620.4595) be increased by \$2,800.

(To record transfer from City Council travel to Community Support Grants and record Home Team Foundation, Inc. and AAU Basketball Team contributions.)

ADOPTED, this 8th day of June 2015.

Joseph W. Peel
Mayor

Vivian D. White, CMC/NCCMC
City Clerk

- e. Consideration - Approve the transfer of travel money from Councilwoman Jean Baker as follows: \$323.64 to Mayor Joe Peel and \$62.76 to Councilman Tony Stimatz.

End of Consent Agenda.

Motion was made by Councilman Ray Donnelly, seconded by Councilwoman Jean Baker, to accept the Consent Agenda as presented. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

6. Public Hearings:

- a. Consideration – Hold a Public Hearing to Receive Comment on RZ-01-15 filed by Northeastern Professional Associates, Inc. to rezone approximately 5.5 acres of a 13.52 acre tract from R-15 to GB at 1149 N. Road Street.

Mayor Peel declared the meeting into public hearing at 7:30 p.m. and inquired of the City Clerk if persons were present who wished to speak on this item. The City Clerk responded that one individual wished to be heard; and she called Mr. Marshall Knight, 751 Body Road, Hertford, NC to the podium.

Mr. Knight stated that he is president of Northeastern Professional Associates and advised that he was present to answer any questions that the Councilors may have regarding the rezoning request.

Councilman Stimatz stated that the request wasn't quite clear to him. He pointed out that the request is to rezone the front half of the property to GB, but the back half of the property will remain zoned residential. He asked how access would be maintained to the residentially zoned land. Mr. Knight responded that the back portion of the property is swampland. The City Attorney asked to comment that the access issue would not be affected by the rezoning, which will only apply to the use of the land and not access rights to the rear portion of the property.

Mayor Peel thanked Mr. Knight and declared the public hearing closed.

Mr. Olson recognized Planning Director Brooks to give the staff report. Ms. Brooks stated that the request is to rezone 5.5 acres of a 13.52 acre tract on the west side of North Road Street from residential to general business. She said that the applicant intends to purchase a portion of the property from the current property owners upon approval of the rezoning request. She indicated that it is the applicant's intention to utilize the property for future expansion of Northeastern Professional Associates medical offices located south of the side.

Ms. Brooks reported that the Planning Commission reviewed the application during their May 5, 2015 meeting. She stated that during that meeting, several residents from the adjacent Villa Acres neighborhood expressed concern regarding flooding in the area. Ms. Brooks reported that after that discussion, the applicant amended his initial request to rezone the entire 13-acre parcel to only rezone 5.5 acres on the front portion of the site, which is outside the floodway. She stated that the modification had been accepted by the Planning Commission, and the Commission unanimously recommended approval.

Councilman Stimatz asked if the back portion should be rezoned at a later time, since the property is unbuildable, in order to reduce the tax burden. Ms. Brooks stated that the tax assessor would take the fact that the property is unbuildable into account when assessing a value.

Councilman Donnelly asked if there was a need for a holding pond on the site. Ms. Brooks stated that the site plan review process has not yet begun. She advised that if more than 10,000 square feet is disturbed, a retention pond for runoff is required. She stated that would be addressed during site plan review.

Councilwoman Baker inquired if there is any way for people to build in the floodway in the City limits. She pointed out that Pasquotank County had enacted a floodway ordinance some years ago that allowed building, as long as it did not impede the flow of flood waters. She stated that the structures had to be built on pilings, among other things. Mr. Olson stated that he thought there may be some confusion between the terms “flood plain” and “floodway.” He stated that building could occur in the flood plain, but elevation of the structures, among other requirements, had to take place.

Motion was made by Councilman Tony Stimatz, seconded by Mayor Pro Tem Anita Hummer, to adopt the following ordinance approving Rezoning Request R-01-15 to rezone 5.5 acres of the property at 1409 N. Road Street from Residential R-15 to General Business (GB) and further identified as Property Identification Number 891402860580. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

**Ordinance # 2015 06-01
Rezoning Request RZ-01-15
1409 N Road Street (PIN 891402860580)**

WHEREAS, on May 5, 2015, the Planning Commission reviewed Petition RZ-01-15 by Northeastern Professional Associates Inc., (William Owens) to rezone approximately 5.5 acres of a 13.52 acre tract on the west side of N. Road Street from Residential R-15 to General Business (GB) and further identified as PIN 891402860580; and

WHEREAS, the Planning Commission opened the floor for public comments in regards to this request; and

WHEREAS, as a result of these comments and review, the Planning Commission believes that the proposed rezoning of this property will allow for development of professional offices with minimal disturbance of wetlands; and

WHEREAS, the Joint Pasquotank County/Elizabeth City Land Use Plan was considered; and

WHEREAS, the Planning Commission recommends approval of the rezoning request.

NOW THEREFORE, BE IT ORDAINED that the City Council of the City of Elizabeth City does hereby approve this request to amend the Official Zoning Map to show that a portion of the above referenced parcel as GB (General Business).

ADOPTED, this the 8th day of June, 2015.

Joseph W. Peel
Mayor

Vivian D. White, CMC/NCCMC
City Clerk

- b. Consideration – Hold a Public Hearing to receive comment on the Fiscal Year 2015-2016 Budget Ordinance.

Mayor Peel recognized City Manager Olson to describe this request for the Council. Mr. Olson stated that budget preparation began on February 23, 2015 with a pre-budget work session. He reported that as City Manager, he is required under state statute to present a budget to the City Council. He said that he did so on April 20, 2015. He advised that there had been two budget work sessions held with the City Council and that the Finance Committee had held two additional meetings.

Mr. Olson stated that City staff had made the changes that were requested by the City Council and had prepared the actual budget ordinance on which to have the public hearing. He reviewed the proposed budget ordinance for the Council by fund and stated that the total budget is \$65,801,658, with inter-fund transfers of \$1,955,000, resulting in a net budget of \$63,846,658.

Mr. Olson stated that a tax levy of 64¢ per \$100 valuation is proposed on the estimated total value of \$1,113,696,809. He advised that it is estimated that a 94% collection rate will be achieved. He said that the Municipal Service District Tax is proposed to be \$.085 per \$100 assessed valuation within that district. He pointed out that the budget includes a 1.5 percent cost of living adjustment for all City employees, as well as a 1 percent Christmas bonus and continuation of the existing longevity plan at a rate of \$125 per year of service.

Mr. Olson reported that Blue Cross Blue Shield is proposed to continue as the City's health insurance provider to include the Healthy Options program.

Mr. Olson stated that the electric rate decrease is proposed to be 13%, with a water and sewer rate increase of three percent. He pointed out that the water and sewer

surcharge is being rolled into the base rate, which will have a zero net effect on customer bills.

Mayor Peel declared the meeting into public hearing and inquired if persons were present who wished to be heard. Upon reply by the City Clerk that no one wished to be heard, Mayor Peel declared the public hearing closed.

Councilman Walton stated that he had requested some information, which had been sent to him, regarding the weatherization program. He said that the information was not clear to him; and he inquired what the term "retrofit" meant. Mr. Olson stated that "retrofit" is a determination made by the Energy Officer of additional improvements needed above just weatherization improvements. Councilman Walton stated that he had counted the units depicted on the maps supplied by staff, but could not verify the 180 units that had been reported as being improved. Mr. Olson responded that the Energy Officer was working on the information and additional information would be forthcoming. Councilman Walton requested the addresses of the properties that had been weatherized.

Councilman Stimatz stated that he had requested that language be added to the budget to indicate that the City is paying for 84 hours per pay period for certain specific personnel in the Police Department. He stated that he would like to see that language added to the ordinance. Mr. Olson stated that he would look into that matter, because that was usually not something that would be a part of a budget ordinance. Councilman Stimatz agreed and stated that for fifteen years the City had been paying more than was budgeted.

Councilman Stimatz stated that he had asked previously about buying used cars versus new cars for the, non-pursuit vehicles that were needed. Mr. Olson stated that he did not have an answer for that question because he believed the issue had been resolved since the budget reflects buying five new police vehicles.

Councilman Stimatz stated that a survey of the condition of the pilings at Mariners' Wharf had been requested. He asked if that needed to be budgeted. Mr. Olson responded that the survey could be done within the normal operating budget of the Parks and Recreation Department.

Councilman Stimatz advised that the term "longevity" had been discussed by the Council earlier. He pointed out that it is actually a "pay compression adjustment."

Motion was made by Councilman Tony Stimatz, seconded by Councilwoman Jean Baker, that the Council change the term "longevity" to the term "pay compression adjustment" in the budget.

Councilman Stimatz stated that the reason longevity is paid is because there has not been a pay study. He said it was like the sewer surcharge that was rolled into the base rate. He stated that the Council should make sure they are doing the right thing as they

go along, and he preferred calling it a “pay compression adjustment,” which is really what it is. He advised that he has spoken with a lot of people who have a problem “paying people to stay around longer.”

Councilman Walton stated that changing the name doesn’t change the outcome.

Councilman Donnelly commented that the new term makes it clearer that the payment is really not longevity.

Councilwoman Baker said that the term “longevity” “gives the connotation that someone’s getting a bonus for the number of years they’ve been here.” She stated that is not what the City uses the payment for. Mr. Olson responded that the reason the longevity plan was created was to address the salary compression issue. He pointed out that it is commonly known in the private and public sectors as “longevity.” He said that there are a number of long-term City employees that are making the same or a few thousand dollars more, as newly hired employees. He said that is the reason the plan was put in place.

Councilman Donnelly stated that he is willing to go with the name change until a pay study is conducted. He stated that he would like to make a friendly amendment to that affect. Councilman Stimatz accepted the friendly amendment.

Councilman Brooks commented “there we go with that word “study” again.” “Studies always require money.” He stated that he understood the issue perfectly and questioned why there was a need to change the term. He pointed out that the employees and the Council understood the purpose of the payments and it appeared that the Council is “fine tuning clear.”

Councilman Stimatz stated that for ten years on the Council, it was not clear to him that the payment was a “pay compression adjustment.”

Councilman Donnelly stated that because of the word change, it would force the Council to conduct the study to insure that the City’s pay scales are appropriate. He said that otherwise, it remains “longevity” and there is no need for a change.

Councilman Walton stated “we study everything.” He said that the Council keeps spending money that the citizens could use more. He suggested that the Council work on the big issues and leave the small ones alone.

Mayor Pro Tem Hummer asked if the study would be done in-house. Mr. Olson responded that there was \$20,000 in the budget to hire an outside firm to do the salary study. He said that he was recommending that the study not be done until after January 2016 when the new City Council could decide how to proceed.

Mayor Peel called for the vote on the motion to change the term “longevity” to “pay compression adjustment” until a pay study is conducted.

Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, and Brooks. Against: Walton. The motion carried.

Mayor Peel called for a motion to send the budget ordinance forward.

Motion was made by Councilman Tony Stimatz, seconded by Mayor Pro Tem Anita Hummer, to place the budget approval on the agenda for June 22, 2015.

Councilman Stimatz stated that he would “not make a big deal out of it” but the Police Athletic League budget had increased from \$35,000 to \$45,000 to \$55,000 in the last three years without a lot of background information. He stated he would not make a recommendation to change the budgeted amount, but he expected to have some significant talks in the next fiscal year about what’s going on with the management and costs for the program.

Councilman Walton stated that he “was a little closer to it” than Councilman Stimatz and suggested that Councilman Stimatz “may not be around what’s going on.” He said the PAL building stays very busy and gives kids a lot of programs that other organizations are filled up with and cannot handle that number of people. He stated “PAL is doing a tremendous job.” He said that he thought the City Council should support them as much as possible. He stated that he did not think the Council should “micro-manage everything that we do.” He advised that he knew that PAL was doing good things because he “goes out with them.”

Councilman Donnelly stated that on the one hand he agreed with Councilman Walton, but on the other hand he needed facts. He asked Councilman Walton to bring back some numbers to help the Council. Councilman Walton stated that the information was already in the staff memo. Councilman Donnelly requested that Councilman Walton provide his additional facts.

Mayor Pro Tem Hummer stated that she did not think it is micro-managing to ask to see numbers. She stated that she agreed with Councilman Donnelly and pointed out that everything the Council does is done with taxpayer money. She inquired of Mr. Olson the amount that Pasquotank County contributes to the PAL program. Mr. Olson responded “nothing.” Mayor Pro Tem Hummer pointed out that children are accepted who live outside the City. She stated that she was certain the program would welcome a donation from the County.

Mr. Olson stated that he would work with the Police Department to provide residency numbers for the kids participating in the PAL program.

Mayor Peel pointed out that a joint City/County meeting had not been held in some time. He suggested that the issue of PAL may be a good discussion for a joint meeting once the numbers are determined.

Councilman Brooks commented that all parents cannot afford to send their kids to camp or go on vacation during the summer and “PAL kicks in.” He suggested that the Council needs to consider that without the PAL program, those kids would not have anywhere to go. He said that he would agree the County should participate in the funding, but whether or not they do, he thought PAL was doing a great job. He stated that he would support anything in the City’s budget that could be appropriated for PAL.

Councilman Walton stated that PAL deals with inner-City kids; and the other facilities, such as South Park, deal with other certain sections of the community.

Mayor Pro Tem Hummer pointed out that City residents also live and are taxed by the County and oftentimes that fact is overlooked.

Councilman Donnelly commented that he was very disappointed in the fact that no one came to speak on the City’s budget during the public hearing.

Councilman Walton asked Finance Director Blanchard “what is that type of budget that you can pass – we talk about it every year – you can pass it but it’s not the balanced budget – it’s a budget you can pass in the first of July, but then you come back and make some changes.” Ms. Blanchard responded that would be an interim budget. Councilman Walton pointed out there are still some things that have not been decided in the Legislature. Mr. Olson responded that staff is waiting on a number of different issues. Councilman Walton stated “that could be our reason this time.” He said he had brought it up a few times and was told it would look like the City could not handle its own business.

Mr. Olson stated that the Local Government Commission would not look kindly on an interim budget, since other options are available to the City. He said that he hoped the Legislature would “leave town” before June 22 when the next City Council meeting is scheduled. He said that if things do take place that are beneficial to the budget, staff will make last minute changes. He pointed out that the Council could possibly have a Special Called Meeting if the need arises. Mr. Olson stated that in all likelihood, Legislative changes will not be effective until July 1, 2016.

Mayor Peel called for a vote on the motion to send the Budget Ordinance to the June 22, 2015 meeting.

Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks and Walton. Against: None. The motion carried.

7. Regular Agenda:

- a. Consideration – Declaration of Seat Vacant on Board of (Zoning) Adjustment and Appointment to Board of (Zoning) Adjustment by Roll Call Vote.

Mayor Peel recognized City Manager Olson for the background on this request. Mr. Olson stated that the Board of Adjustment had filed a letter with the office of the Mayor requesting that an individual be removed from the Board for non-attendance. He advised that a candidate had been identified to fill the vacancy.

Councilman Stimatz inquired why it took so long to get to the point of declaring the seat vacant; noting that the last meeting attended was December 2013. He pointed out that this has come up from the public before - regarding whether members are meeting attendance requirements. He stated that it needs to be made clear who is attending and not attending for the public's information. City Attorney Morgan responded that the Board of Adjustment does not meet every month, but on an as-needed basis. He stated he did not know how many meetings had been held since December 2013.

Planning Director Brooks stated that the City Attorney was correct in that the Board does not meet every month. She said that the Bylaws require that if a member misses three consecutive meetings, the member should resign or be replaced.

Motion was made by Councilman Tony Stimatz, seconded by Councilman Ray Donnelly, to declare the seat vacant. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

(Clerk notation: The seat declared vacant was held by Linwood Bennett, with a term ending June 30, 2016.)

Motion was made by Councilwoman Jean Baker, seconded by Mayor Pro Tem Anita Hummer, to appoint Geraldine H. Hill to serve the unexpired term on the Board of Zoning Adjustment ending June 30, 2016.

Mayor Peel called for a roll call vote, which is recorded as follows:

**Brooks – yes
Stimatz – yes
Hummer – yes
Walton – yes
Baker – yes
Donnelly - yes**

Against: None. The motion carried.

- b. Consideration – Award of Community Support Grant Application to River City CDC and Adoption of Related Budget Amendment.

Mayor Peel recognized City Manager Olson to provide the background for this consideration.

Mr. Olson stated that this item went before the Finance Committee on June 4, 2015; and the reason it was not placed on the Consent Agenda was because City staff was awaiting additional information from River City CDC regarding the exact purpose for the funding. He said that staff had now received the information; and reported that the monies would be used to fund children's games during the upcoming Juneteenth celebration. He pointed out that all the Community Support Grant funding had been exhausted; and reported that Councilman Donnelly had requested that \$500 from his travel budget be used to subsidize this Community Support Grant Application.

Motion was made by Councilman Tony Stimatz, seconded by Councilman Michael Brooks, to approve funding of the Community Support Grant application for River City in the amount of \$500 utilizing City Council travel monies by adoption of the following budget amendment. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

BUDGET AMENDMENT

BE IT ORDAINED by the City Council of the City of Elizabeth City that the following amendment be made to the annual budget ordinance for fiscal year ending June 30, 2015:

SECTION I. That the Legislative Travel Expense (104100.1400) be decreased by \$500 and Community Support Grants (106620.6000) be increased by \$500.

That Community Support Grants (106620.6000) be decreased by \$500 and River City Community Development Commission (106620.5840) be increased by \$500.

(To record transfer from City Council travel to Community Support Grants for River City CDC request.)

ADOPTED, this 8th day of June 2015.

Joseph W. Peel
Mayor

Vivian D. White, CMC/NCCMC
City Clerk

c. Consideration – Community Relations Commission Funding Request.

Mayor Peel recognized Mr. Olson to provide background on this request.

Mr. Olson reported that the City had received a proposed budget from the Community Relations Commission in the amount of \$10,750 after completion of his recommended

budget. He stated that he had included \$1,300 in the Manager's Recommended Budget for fiscal year 2015-2016, which is the same allocation as the current fiscal year. He said that historically, the City and County share equally in the funding for the CRC. Mr. Olson advised that he had received notice that the Board of County Commissioners had authorized \$2,500 for the CRC in fiscal year 2015-2016.

Councilman Stimatz stated that the problem with the CRC is that it was created several years ago, but has gotten no direction from the Council or Pasquotank County during that time. He said that the Vision 2020 Building Strong Families action team had identified a number of things that the CRC could be doing. Councilman Stimatz advised that a review of the CRC began and during that review, a budget was formulated. He said that the continuing problem is that neither the City nor the County wants to direct the CRC to do anything. He said that the CRC is looking for direction; and most of the things that have been done, they initiated on their own, in some cases with their own money. He pointed out that the CRC is no different than any other commission created by the City or the County.

Councilman Stimatz reported that the CRC had spent some time in formulating a budget that would allow work to be done in a number of areas. He stated that the question is whether the City and County want the CRC to meet the mission statement that has been directed by the two governments. He advised that Pasquotank County had allocated \$2,500 for the coming fiscal year, but again had not given guidance on what is to be done. He reiterated that the Commission is seeking to know how important their work is perceived to be, the amount of funding that will be committed and direction for the activities desired by the governing bodies to be carried out.

Councilman Brooks stated that he personally thought the CRC should be disbanded. He questioned the budgeted amounts for some of the items in their proposed budget and the need for the proposed activities. He stated that he did not believe the City should provide money to a group that was duplicating things that the City already has, such as the proposed community events calendar.

Councilwoman Baker stated that she would not vote for the entire requested amount, but would be willing to vote to match the amount that Pasquotank County has proposed. She pointed out that the CRC has "new blood" and she thought there were new ideas and new energy in the group. She proposed that a review could be completed regarding the success of the group after the year.

Motion was made by Councilwoman Jean Baker, seconded by Councilman Ray Donnelly, to provide \$2,500 towards the CRC and re-evaluate at the end of another year.

Mayor Peel asked if the Council had additional discussion.

Councilman Donnelly stated that he had looked through the proposed CRC budget and definitely felt that the Witherspoon-Harris Award program is significant to the entire

community. He said he valued that program and had attended several of them. He pointed out that the Council often talks about youth and doing things for kids; and he stated that the youth conference and youth mediation training has been done several times in the past. He stated that it was a great program. He said that he would like to see that program funded - and was his justification for seconding the motion to raise the amount of \$2,500.

Councilman Walton stated that although the members of the group had formed personal relationships, he did not see that things had gotten better over the years. He said that the CRC should be gathering all the people of the City together and that they could be doing a better job. He stated that the City and County were the agencies that were supposed to be taking care of the citizens, and if the County had committed to be involved, the City should go along. Councilman Walton stated that a member of the CRC was an expert in conflict resolution and suggested that that member should try to bring the City and County together to solve the issue of the water dispute rather than paying a mediator.

Mayor Peel stated that Councilman Stimatz had reported that the CRC was looking for direction and suggested that if Councilman Walton had some ideas for things they could be doing, that is what the Council should be telling them.

Mayor Pro Tem Hummer stated that the idea of community relations began with Mr. W. C. Witherspoon and Mr. Cader Harris during their formation of the Hope Group in the 1980s. She pointed out that the idea then was to bring the community together and handle race relations and she thought that should be the direction for the Community Relations Commission now.

Councilman Brooks stated that he had reconsidered his statement about disbanding the CRC, because he thought the Witherspoon-Harris Award program was needed.

Councilman Donnelly stated that Mr. Donald McCabe had done a lot in getting the CRC moving in its early days and thanked him for his efforts.

Councilman Stimatz pointed out that the co-chairs of the CRC had been invited to the meeting to answer any questions the Councilors had and were present to speak if needed.

Mayor Peel recognized Dr. Anthony Sharp and Mr. Jarrett Koch, co-chairs of the CRC to come to the podium.

Dr. Sharp thanked the Council for the opportunity to address them and reviewed the CRC mission statement, a copy of which had been provided to the Councilors. In referring to recent events that have happened around the country, Dr. Sharp pointed out the good that an organization such as the CRC can provide to a community. He stated that the CRC planned to take the recommendations made by the Vision 2020 citizen group head on. He asked for the Council's support for increased budget funding.

Councilman Walton inquired of Dr. Sharp the things included in the Vision 2020 plan that the group planned to tackle. Dr. Sharp responded that the proposed budget was based on the recommendations that came from the Vision 2020 report as well as their mission statement; and upon Councilman Walton's request, he read directly from the Championing Diversity Action Team report to detail those objectives. One of the things mentioned by Dr. Sharpe included the CRC organizing two new events annually that celebrate the community's diversity. Councilman Walton asked if that had been done. Dr. Sharp responded that for some while the Commission had lacked a full roster and had limited funding, but now the membership was filled with some new members that had a real excitement for the work. Mr. Koch stated that the CRC did have plans in place for some events that the CRC would like to put on. He pointed out that sponsoring those events were contingent upon the Commission having adequate funds to provide for them. He said that one of the events that had been worked on over the last sixteen months was a diversity-themed triathlon, which required a lot of coordination and planning. Mr. Koch stated that the CRC's focus regarding the community events calendar that had been mentioned earlier in the meeting is to bring all community calendars for all community organizations together in order to better coordinate community events and bring people together.

Councilman Brooks inquired if the CRC would partner with the school system when planning the proposed youth conferences. Dr. Sharpe responded that the CRC would do so and in fact had done so previously with other youth conferences. He reported that they had worked very well and the CRC wished to continue with them.

Councilman Brooks asked the City Manager if the City could allocate monies later on should a "catastrophic event" occur requiring additional funds for the CRC. Mr. Olson responded that the City Council could allocate resources as it deems fit and a budget amendment could be approved should the need arise.

Councilman Walton again expressed his concerns that the CRC had not put on an event during the sixteen month time period since the Vision 2020 recommendations were published. He stated that the City needs to continually assess its programs, and if they are not working, the City does not need to support them. Dr. Sharp replied that during that period, the CRC only had a budget of \$1,300, but managed to do a number of events, a listing of which had been provided to the Council. Dr. Sharp stated that the organization was looking for financial support, and if received, he thought the Council would see a different output.

Mayor Peel called for the Council's pleasure on the motion on the floor to provide \$2,500 to the Community Relations Commission.

Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

- d. Consideration – Adoption of Various Budget Amendments as Required for Accounting Purposes.

Councilman Walton stated that he had no concerns regarding the budget amendments, except for the second one regarding legal expenses for the water dispute. Mr. Olson asked Councilman Walton to advise his specific concern. Councilman Walton asked if the City is putting money away in case the County wins. Mr. Olson responded that the City is not. Councilman Walton stated that he had a problem with that and began to discuss the issue. Mr. Olson advised that the matter should be discussed in Closed Session and stated that the budget amendment being presented is to appropriate funds to pay for legal expenses. Mayor Peel advised that the budget amendment could be discussed, but the litigation could not.

Motion was made by Councilman Tony Stimatz, seconded by Councilman Ray Donnelly to adopt the following budget amendments as presented. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

(Clerk Notation: This item was recommended for approval by the Finance Committee during their meeting of June 4, 2015.)

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 fiscal year ending June 30, 2015:

SECTION I. That the Tourism Development Authority Grant (103180.000) and Legislative Departmental Expenses (104100.3300) be increased by \$5,000.

(To record Tourism Grant for Coast Guard City expenses.)

SECTION II. That the Water and Sewer Retained Earnings Appropriated (313990.0000) and Water and Sewer Legal Expenses (316600.0401) be increased by \$20,000.

(To record estimated legal expenses for RO water contract dispute.)

SECTION III. That the Aviation Park Retained Earnings Appropriated (633990.0000) and Land Options expenditures (639008.8102) be increased by \$3,335.

(To record extension of options for property in Phase II of Aviation Park.)

ADOPTED, this 8th day of June 2015.

**Joseph W. Peel
Mayor**

**Vivian D. White, CMC/NCCMC
City Clerk**

8. Comments and Inquiries on Non-Agenda Items:

Councilman Donnelly thanked everyone for helping to make the Coast Guard City designation ceremony such a success. He stated that he was very disappointed that people did not come forward to talk about the coming year's proposed budget.

Councilwoman Baker stated that if persons have never put on an event of any size, it would be pretty amazing to find out what it takes to put an event on. She gave examples of the various tasks involved and pointed out that it doesn't happen overnight. She said that she had been involved with Ghost Walk for 17 of its 19 years and planning begins in February for the October event. She pointed out that the planning for the Taste of the Albemarle event that was just held began in February as well, because it takes a lot of people a lot of time. She thanked everyone for attending the Taste of the Albemarle event and stated that it was well attended and the food provided by the twenty restaurants was great. She congratulated Parks and Recreation Director Bobbi White for winning the Woman of Excellence award. She reminded everyone about the Tuesday "Movie on the Green" at Mariners' Wharf Park.

Councilman Walton stated that he was not trying to downplay activities because he had been a head football coach before and knew what it takes to put things together. He stated that the City needs to assess its programs and if they are not working, they may need to be changed. He said when the right information is taken and applied, that is when change happens. He stated that a public comment speaker had said that "things have gotten back to the way they were." Councilman Walton stated that it's a person's right to disagree if he does not agree with everyone else in order to discuss matters. He said that people should not take it personally, but move on to the next issue.

Mayor Pro Tem Hummer stated that the day of the Coast Guard City designation ceremony was beautiful. She said that the Commandant's speech was very complimentary of Elizabeth City; and the highlight for her was the flyover conducted by the Coast Guard. She stated that it was a historic moment that the City will never see again. She acknowledged that every year the budget is a tough job to put together and she expressed her disappointment that no one came to express their concerns. She said that she would like to hear the negative comments and to learn what people expect of her personally.

Councilman Stimatz stated that a lot has been going on and mentioned that many events are planned in the coming months, such as Juneteenth, 4th of July, National Night Out, Coast Guard Week and Ghost Walk. He said that there is a lot of vibrancy in town and the real estate market is picking up, which is an encouraging sign. He said

that there were a number of things happening from an economic development standpoint that will bode well for the City. He stated that he thought the City was on the right track and commented that every budget is a compromise. He said that the Council likes the public's input and pointed out that it makes an impact on the Council's decisions. He stated "it's your money that we are shepherding and hopefully we are doing it right." He agreed with Councilman Donnelly that the public needs to come and publicly let the Council know what they think about the budget.

Councilman Brooks stated that he is one of the few Council members that people unload on all the time. He said people tell him what they think the Council is doing and not doing. He stated that he encourages people to come to the podium to express their thoughts. He said that often when he brings things before the Council, the matters are coming from others and not always himself. He reported that a pothole at the corner of Roanoke and Tatum had been repaired and he was glad to see someone else had reported it. He said if you "give people the opportunity to do for themselves, maybe they will do something for themselves." He stated that he was giving people the opportunity and "next year they will have even more."

Mayor Peel stated that things are beginning to look up in the City and reported that things are beginning to improve in the real estate market. He said that some folks were looking around to maybe start or move some businesses to Elizabeth City over the last month or so.

Mayor Peel called for the motion to go into Closed Session.

Motion was made by Mayor Pro Tem Anita Hummer, seconded by Councilwoman Jean Baker, to go into closed session as allowed by NCGS 132-318.11(a)(5) Acquisition of Property and NCGS 143-318.10(e) Approval of Closed Session Minutes. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

Mayor Peel declared a five minute recess after which the Council reconvened in Closed Session at 8:57 p.m.

Motion was made by Councilman Tony Stimatz, seconded by Councilman Ray Donnelly to come out of Closed Session. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

The Council returned to Regular Session at 9:10 p.m.

Motion was made by Councilman Tony Stimatz, seconded by Mayor Pro Tem Hummer to approve as presented the Closed Session minutes for the meetings held on January 12, 2015, February 23, 2015, March 3, 2015 and April 13, 2015. Those voting in favor were: Baker, Donnelly, Hummer, Stimatz, Brooks, and Walton. Against: None. The motion carried.

9. Adjournment:

There being no further business to be discussed, Mayor Peel adjourned the meeting at 9:12 p.m.

Joseph W. Peel
Mayor

Vivian D. White, CMC/NCCMC
City Clerk