

The City Council of the City of Elizabeth City met in work session on Monday, September 26, 2016 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 Joe Peel  
Councilman Ray Donnelly  
Mayor Pro Tem Anita Hummer  
Councilman Tony Stimatz (*arrived at 5:35 p.m.*)  
Councilman Michael Brooks  
Councilman Rickey King  
Councilman Johnnie Walton

MEMBERS ABSENT: Councilwoman Jean Baker  
Councilman Darius Horton

OTHERS PRESENT: Assistant City Manager Angela Cole  
City Attorney Bill Morgan  
Finance Director Sarah Blanchard  
Planning Director June Brooks  
Chief of Police Eddie Buffaloe  
Public Utilities Director Paul Fredette  
Fire Chief Larry Mackey  
Inspections Director Stanley Ward  
Parks and Recreation Director Bobbi White  
City Clerk Vivian White

The City Council work session was called to order by Mayor Joe Peel at 5:30 p.m. Mayor Peel welcomed everyone to the meeting and recognized Councilman Michael Brooks to give the invocation, after which Mayor Peel led the Pledge of Allegiance.

**1. Agenda Adjustments and Approval:**

Mayor Peel called for any adjustments to and approval of the agenda.

**Motion was made by Councilman Rickey King, seconded by Mayor Pro Tem Anita Hummer, to approve the agenda with any necessary corrections. Those voting in favor were: Donnelly, Hummer, Brooks, King and Walton. Against: None. The motion carried unanimously. (Councilman Stimatz had not yet arrived.)**

*(Clerk Notation: No adjustments to the agenda were requested.)*

**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. Discussion/Consideration – Adoption of Resolution in Support of One-Quarter Percent County Sales Tax:**

Mayor Peel recognized Assistant City Manager Angela Cole for her comments. She advised that the Board of County Commissioners adopted a resolution during their July 11, 2016 meeting to impose an additional quarter percent local option sales tax. She said that it is estimated that the tax increase would generate \$1,022,221 annually. She pointed out that the ballot date for this referendum would be Tuesday, November 8, 2016. She noted that the Council had discussed this matter with the County Commissioners during a Joint Meeting held on September 15, 2016. She stated that staff had been directed at that time to draft a resolution in support of the sales tax referendum for consideration. Ms. Cole reviewed the draft resolution for the City Council.

Ms. Cole recognized invited guests, School Superintendent Dr. Larry Cartner and Board of Education Chairman Barry Overman to present details of the school district's proposed use of the funding, should the referendum is approved. Mayor Peel also recognized Mr. Doug Gardner, Chairman of the Education Foundation as being in attendance.

Dr. Cartner reviewed for the Councilors a proposed three-year plan developed by the school district to show anticipated use of the funding. He pointed out that the amount of tax revenue is unknown at this time, but for illustration purposes a figure of \$250,000 annually had been used.

**Motion was made by Councilman Johnnie Walton, seconded by Councilman Rickey King, to adopt and sign the resolution in support of the County's proposed one-quarter percent sales tax with the adjustment that the increased funding will not supplant the level of K-12 funding and that proceeds will be monitored by the ECPP Board of Education's Finance Department; these proceeds will be used to enhance educational opportunities for K-12 students in Pasquotank County.**

*(Clerk notation: Pursuant to a motion made at the end of this discussion, the following is provided in a near verbatim format.)*

Councilman Donnelly: Superintendent, did the Commissioners endorse your three year plan and have they given support to it?

Dr. Cartner: They received it. I sent a copy to them this morning. I have not heard anything but positive comments from Manager Bunch. So that would be what I would have to go on at this point.

Councilman Donnelly: My understanding is you, when this passes; you're going to have to request the money on an item by item basis. Is that accurate?

Dr. Cartner: Item by item is probably not as accurate as saying project by project, which is much the way we receive our capital funds now. We have a project, we put it out for bid and then we request the money from the County. So I would see this probably going forward in much the same manner.

Councilman Donnelly: It would be segregated money?

Dr. Cartner: That is the promise from the County, yes sir.

Councilman Donnelly: Promises, promises. Thank you.

Councilman Brooks: So the motion that you are making Councilman Walton is to make sure someone is monitoring or overseeing the money? That's the motion you trying to make?

Councilman Walton: Yes, yes.

Councilman Brooks: Okay.

Mayor Peel: Also that the money would not supplant what's already being given, I heard you say.

Councilman Walton: Sure, sure.

Councilman Walton: Could these minutes be put in verbatim form?

Mayor Peel: Sure.

Councilman Brooks: Before the motion got a chance to be seconded, Donnelly raised his hand, so I want to go back – you never said it lacked for a second. So, I second Johnnie's motion.

Mayor Peel: We had a second.

Councilman Brooks: Who seconded it?

Mayor Peel: Rickey did.

Councilman Brooks: You need a pair, man, you must be saving your energy for that game....

Mayor Peel: Mr. Stimatz.

Councilman Stimatz: Yes sir, Mr. Mayor. A couple questions for the group here. In looking at the resolution the County passed, they did not specifically say that they were going to plus up school funding. They didn't say that. Even after we talked to them about it and said 'you need to put that in your resolution because that's what people want to hear.' So they didn't put that in the resolution. I feel very strongly that that needs to be spelled out and so, in our resolution that we have before us I hope I've captured what you want, Mr. Walton in the resolution with the words. If you look at the handout that you got...

Councilman Walton: Sure I did.

Councilman Stimatz: I changed that last 'whereas' – the whereas that you don't have in front of you - that 'the current level of funding for K-12 schools does not adequately address educational technology needs or support the hiring of sufficient quality teachers,' Is that a fair statement?

Dr. Cartner: That would be a fair statement.

Councilman Stimatz: Okay. So I wanted to change that last 'whereas' to say that, which states more of the situation, the 'whereas' as it is - is not really a 'whereas.'

Councilman Walton: Where is that located, Tony?

Councilman Stimatz: It's the second red, underlined paragraph.

Mayor Peel: Johnnie, it's right there in front of you.

Councilman Walton: Oh, I saw that draft. But I also saw the draft that's in the ....

Councilman Stimatz: Right, this is a change to the draft we got in our package.

Councilman Walton: Well, you changed it.

Councilman Stimatz: No, I'm suggesting this. That's why I'm pointing it out to you, Mr. Walton. I'm hoping I'm capturing what you said. The other thing I ask...

Councilman Walton: Do you want me to read it to you again?

Councilman Stimatz: What's that?

Councilman Walton: The motion I made.

Councilman Stimatz: No, I don't need that. I know what you said. I just want to make sure I'm capturing...because the point was - is that we're looking at improving the educational quality and environment for our students. Okay? What they're getting, what hits them. Not what hits anything else. The other thing that I would suggest in ours is, if you go down to the last 'whereas' in the resolution itself, it says 'if all proceeds

generated by the tax are provided to the Elizabeth City-Pasquotank County School District to be used according...,' I think we, as a City need to say right after that 'Elizabeth City-Pasquotank County School District in addition to current levels of funding.' We expect this to be in addition to current levels of funding, not in lieu of, not a supplement; and where you put something in and take it away, not an earmark for it where they move funds. I would suggest that ... I guess I'd like to make an amendment to the resolution to include the paragraph – the 'whereas' as I said - and add the phrase so that it now reads 'if all proceeds generated by the tax are provided to the Elizabeth City-Pasquotank County School District in addition to current levels of funding to be used according to an established, publicized plan.' That makes it clear that we expect that money to be in addition to the School Board's current budget.

Mayor Peel: And that was what you were saying, Mr. Walton.

Councilman Walton: Well, that's what the word 'supplant' means, isn't it? That you're not going to replace....

Mayor Peel: What you read - was that the motion or were those suggested changes to the document?

Councilman King: That was his motion.

Councilman Walton: I will make my motion again.

Mayor Peel: What we're trying to do is get what you said in your motion in the document.

Councilman Walton: That's why I'm going to do it again. I make the motion to adopt and sign the resolution in support of the County's proposed one-quarter percent sales tax with the adjustment that the increased funding will not supplant the level of K-12 funding and that proceeds will be monitored by the ECPP Board of Education's Finance Department; these proceeds will be used to enhance educational opportunities for K-12 students in Pasquotank County.

Mayor Peel: Okay, so the last part of that would be suggested change to the wording.

Councilman Stimatz: I looked at this earlier and felt the same way Mr. Walton did. I offer those words to the group. Pick your poison. I do think that the sentence 'in addition to current levels of funding' has to go in the resolution at the bottom. That's my intent – I don't expect it to be in lieu of. And, as Mr. Walton says 'not to supplant anything.' That simple phrase says very clearly that we expect this to be in addition to current levels of funding.

Councilman King: Exactly.

Councilman Stimatz: The question of supervision by the Pasquotank County School System ....

Mayor Peel: Both of you are saying the same thing; you're just saying it a little differently. So, we just need to decide how we want it to be said. Mr. Walton, will you read that last part again?

Councilman Walton: Okay. 'These proceeds will be used to enhance educational opportunities for K-12 students in Pasquotank County.'

Mayor Peel: Start back where you talk about supplant.

Councilman Walton: 'With the adjustment that the increased funding will not supplant the level of K-12 funding...'

Councilman Stimatz: Can I ask you to stop right there? That's what my phrase says. That's the language I would add to say that.

Councilman Walton: Are we saying the same thing?

Mayor Peel: Right, you are saying the same thing.

Councilman Stimatz: But you have to put something in the resolution. You have to change the wording of the resolution. I'm suggesting, if you want we can say 'not to supplant the current level of funding.' Is that fine? That covers the first part. You have a follow on to that.

Councilman Walton: But you still haven't put everything that I said.

Councilman Stimatz: I know that, sir. I know that. I'm just trying to capture that first part by saying 'not to supplant the current level of funding.' Okay?

Councilman Walton: Sure.

Councilman Stimatz: You have a second codicil.

Mayor Peel: Go ahead with the second part.

Councilman Walton: 'And that proceeds will be monitored by the ECPPS Board of Education's Finance Department; these proceeds will be used to enhance educational opportunities for K-12 students in Pasquotank County.'

Chairman Barry Overman: We can appreciate that, but we can't legally monitor the referendum funding. It would be nice if we could. But that's funding that comes into the County that I'm sure we can't monitor.

Councilman Stimatz: And we can't really task them.

Councilman Walton: I understand what you're saying. You can't say it in the original statement to the public, but you can put that into the resolution that we're talking about. Am I right Dr. Cartner?

Dr. Cartner: Well, not to confuse the issue, Councilman Walton – the best that we could do to monitor would be to request a monthly report of what's in there. That would be the extent of the monitoring we could do.

Mayor Peel: Well, let me ask. Are you talking about actually monitoring the expenditure of the money?

Councilman Walton: Yes.

Mayor Peel: You all will do that.

Chairman Overman: Absolutely.

Dr. Cartner: Absolutely.

Councilman Walton: Well, that's what I'm talking about.

Mayor Peel: Well they will be able to do that.

Councilman Walton: Well, what did you think I was talking about? I mean, so I can understand, myself....

Chairman Overman: Overseeing it is what I felt like you were saying.

Councilman Walton: Well, what's the difference in what you're saying then? I mean if a person....

Mayor Peel: Well once they get it, they monitor. But I think what you're saying is you can't oversee it when the County has it.

City Manager Olson: You don't have control of the money.

Chairman Overman: That's all we can do is request.

Councilman King: And if the County says 'no' after you request it, there's nothing you can do?

Mayor Peel: No. But once they get the money, then you guys are in charge of the money.

Chairman Overman: That's right.

Dr. Cartner: Right. And it would be tracked and anybody who wanted to know how much was spent for what could certainly see that.

Councilman Walton: I would like to see it. I've been checking with the Board and it's hard to find information out. How do you see it?

Dr. Cartner: We would be glad to show it to you. Simply ask for a financial statement.

Councilman Walton: Okay.

Mayor Peel: Alright, so where are we with the last part of what you have?

Councilman Walton: I'm fine with it, myself. Tony got some suggestions I'm sure.

Mayor Pee: Tony?

Councilman Stimatz: I go back to the point that the last 'whereas' as originally provided did not make sense to me. Because it's not a 'whereas.' It talks about encouraging – that's not a 'whereas.' A 'whereas' is a statement – sort of a statement of fact or statement of situation. So, I suggested that change in terminology to say 'the current level of funding for K-12 schools does not adequately address educational technology needs or support the hiring of sufficient quality teachers, and the City Council strongly encourages additional funding for these purposes.'

Mayor Peel: One suggestion I might make to that would be 'or others as the school district deems appropriate.' Because the way that's worded may tie their hands.

Councilman Stimatz: Alright, 'these or other items as the school board deems appropriate.'

Chairman Overman: I wouldn't speak for my entire board on this, but I feel like it would be appropriate – we can't - we're not looking at supplanting recurring costs. This will be project money. So to put in there that we would keep teachers – ultimately that would be the goal – but we would try not to use that funding just for teachers because that is a recurring cost.

Mayor Peel: Right.

Councilman Stimatz: So, if I could add these words, Mayor, then it would read 'Whereas, the current level of funding for K-12 schools does not adequately address educational technology needs or support the hiring of sufficient quality teachers, and the City strongly encourages additional funding for these or other items the School Board deems appropriate.' Let's say purposes, other purposes.

Mayor Peel: That's good.

Councilman Stimatz: I offer that as a friendly amendment to the resolution. Do we need a motion on that?

Mayor Peel: Where did you put the supplanting piece?

Councilman Stimatz: In the bottom. I make it a motion, because the Clerk says we need a motion.

Motion was made by Councilman Stimatz, to include that whereas...

Councilman Donnelly: We have a motion on the floor.

Councilman Stimatz: This is a procedural motion to amend the resolution..

City Clerk: You just need a friendly amendment to Councilman Walton's motion.

Councilman Stimatz: Okay. I offer a friendly amendment which would strike out the current last 'whereas,' insert the one that's provided to you with the phrase 'or these or other purposes the school board deems appropriate' and insert the phrase after the words in the resolution 'Elizabeth City-Pasquotank County School District not to supplant the current levels of funding.' Is that acceptable Mr. Walton?

Councilman Walton: No. Because the plan that you all submitted to us – or did we submit the plan to you all? – the sheet that looks like this – color coded.

Chairman Overman: We submitted that.

Councilman Walton: We asked you for that and you did it and I think it's a good plan myself.

Councilman Stimatz: It's still in there Mr. Walton.

Councilman Walton: But I'm saying I think it's a good plan. But now you're adding more stuff to it, Tony. Talk about teachers, you talk about professional development. You don't say nothing about hiring teachers. He's adding that. I don't think that the public wants to hire teachers. That should be your job. You're doing that anyway. So don't ask me for another quarter cent to hire the best teachers because I think you're already doing that – that you can find.

Mayor Peel: Mr. Brooks.

Councilman Brooks: Mr. Mayor. I listen at you, Mr. Overman; you said the money, you'd try not to use it for teachers because it's a recurring cost. That means that it could be used for that.

Chairman Overman: Well, just like you, we can't speak for future boards, just like Commissioners. They are limited to what they can say because a future board could change it entirely. But in the resolution there's an acknowledgement that the money is going to be used for potentially what's important to the system now. And now, technology is what is important to us. So, we have a ladies and gentlemen's agreement or a head nod for them – if we get this through – it's going to be used for special projects and be singular in that. That it won't be used to just add to the tax that's existing. And so, we can only take them at that word - and then we take it and make the promise as a board that we're only going to use it for project-based funding that we don't currently have.

Councilman Brooks: It was a good meeting between the City Council and the County Commissioners – it was a good meeting. And, we was talking about the tax increase, the main thing we was focused on as far as high tech and helping our children. That the 'sell' was our children. That's what the 'sell' was. The 'sell' wasn't 'try not' or 'may not' do it for teachers. That wasn't the 'sell.' So I want to be consistent with the 'sell.' The 'sell' was on the kids and what everybody was talking about in those two meetings – we

was on one accord with that. Now, when I hear the resolution, we got the 'maybe,' 'may not,' 'try,' 'try not', this and that. You know? And that's not a good feel for me. I know that you can't oversee it, you can only monitor it – I understand all that. But it's a sad day if we as the County Commissioners and the City Councilors do that tax increase so we can help our children and then we find out that it's going towards hiring teachers or keeping teachers retainage and like you said – that's a reoccurring thing. You know? And that's the roadblock that I see. It's a sour taste in my mouth because I was thinking in terms of the children – making sure that they have the stuff that we can bring them up to the high tech era, you know? But if you take that money and don't specifically put over there in the high tech area, whether we have control over it or however it goes, I'm not concerned with that. I just want it to be used for what we discussed and more to the concern, what we were concerned with it being used for. So I don't want to do like the North Carolina Lottery – talking about they doing an educational lottery – and it don't go towards education. That's the pitfall in all of this. I don't know how we could weed through all the muck – I don't know if we can do that; but you'd understand more that I'm talking about if you was at that meeting. Because I was impressed with how the Councilors and County Commissioners were in one accord in that. And basically the same conversation we're having now - that it's no way to oversee it. You only can monitor it.

Dr. Cartner: Just so everyone is clear, this resolution being debated is yours. We did not craft it. It was crafted by Council.

Mayor Peel: That's right.

Dr. Cartner: So, we didn't put anything in there, so this is an issue for Council.

Councilman Brooks: Oh, I know it's an issue for Council. I was just updating you on what we had discussed and why we was in favor of it. I understand that was a Council resolution. I read it before I came here. I understand that. But I wanted to make sure. See, our resolution and what the board does and what you are able to do, you know? Once we give the money I want to make sure it goes for what we discussed it to be used for. And that don't have to do with our resolution. It have to do with what ya'll can do as the board and the superintendent. So I understood that. I read that before I came to the meeting.

Mayor Peel: Let me – it's difficult to rewrite something when you're in a meeting - let me make a suggestion. Mr. Walton, I'm going to take what you just said a minute ago and Tony, I think what I heard Mr. Walton say was that he was concerned that what is in the second line after that 'whereas' is maybe too specific. And so if we said – if we rewrote that to say, 'whereas the current level of funding for K-12 schools does not adequately address the student needs identified in the school district's three-year plan, and the City strongly encourages additional funding for these or other purposes.' Is everybody okay with that?

Councilman Walton: No. I like the three-year plan, myself.

Mayor Peel: Well, that's what I just said – I just put that in there.

Councilman Stimatz: Works for me.

Councilman Walton: Read it again.

Mayor Peel: 'Whereas the current level of funding for K-12 schools does not adequately address the student needs identified in the school district's three-year plan, and the City Council strongly encourages additional funding for these or other purposes.'

Councilman Donnelly: So, we've taken the teachers out.

Mayor Peel: And then down below we would add the phrase about the supplanting. And that should cover everything you've got in there. Are you okay with that?



Councilman Walton: I had another one that you might – for the last line.

Mayor Peel: Go ahead.

Councilman Walton: ‘Now therefore be it resolved by the City Council of the City of Elizabeth City that the Council supports the passage of a one quarter percent County sales tax and use tax. All proceeds generated by the tax or provided to the Elizabeth City-Pasquotank County School District, to be used according to an established, publicized plan to be monitored by the ECPPS Board of Education’s Finance Department.’ ‘Whereas, this shall insure that each student has the knowledge and skills needed to participate meaningfully in today’s society.’

Mayor Peel: Tony, isn’t that where you added the ‘supplanting?’

Councilman Stimatz: Yes. I put the supplanting in there. Mr. Walton wants the monitoring issue. I don’t think we – I’ll turn to the attorney on this – because I don’t think we can direct somebody to do something even in a resolution.

City Attorney: Well, as I understand the word ‘monitor,’ that just merely means ‘to watch’ – not to control necessarily the spending of. So I think any citizen has the right to monitor the school board’s spending or the County’s spending or the City’s spending for that matter. I don’t personally have a problem with the word ‘monitor.’

Councilman Stimatz: Except that we’re telling – I can see if we said the School Board monitor - but the language you used – the Finance Department – we can’t task the Finance Department. We can ask the School Board. I agree with the concept.

Councilman Walton: Let me tell you this. Let me tell you what was put in the Daily Advance on 9-10-16. “While not suggesting how the tax revenues should be used, County Manager Rodney Bunch and Finance Officer Sheri Small said County staff could easily keep the extra sales tax revenue separate from other school funds. The County could also use the money to reimburse the school district only for approved expenses, they added.”

Mayor Peel: Well, I think the only suggestion would be instead of the Finance Department being the one to monitor, that the School Board would be put in there.

Councilman Walton: Well, the School Board is going to monitor the Finance Department, I hope.

Mayor Peel: Yes. Ultimately it is the Board’s responsibility.

Councilman Walton: But I would still like for both of them to be coordinated for all students toward the same type of technology that we are asking for. It’s like two football teams. If I gave two teams some money, I wouldn’t want one going out and buying shoes and the other one helmets - because you are looking out for something different.

Mayor Peel: Do you think the School Board could do that?

Councilman Walton: I just hope they wouldn’t. You know, everybody should be given the same opportunities. I think they did a good job with grades one through three; and hopefully there will be an oversupply of sales tax monies. But we should monitor it.

Mayor Peel: So, you are okay with the School Board being in there?

Councilman Walton: Sure. Oh, yes. I said the school board.

Mayor Peel: No, you said the Finance Committee.

Councilman Walton: No, no, no. Okay. You monitor the Finance Department don’t you Mr. Cartner? That would be inclusive of everything.

Mayor Peel: Yes, he monitors everything. Alright, so is everyone....

Councilman Stimatz: Could you reread all that?

Mayor Peel: 'Whereas, the current level of funding for K-12 schools does not adequately address the needs of students as outlined in the school district's three year plan.'

Councilman Walton: Who put that sentence in there, anyway?

Mayor Peel: I'm suggesting that we change it to that.

Councilman Walton: Somebody typed it up so it had to be added by somebody.

Mayor Peel: You mean the one in red? Tony sent this out as something for us to consider.

Councilman Walton: Tony.

Mayor Peel: Right.

Councilman Stimatz: Okay, that's clear.

Mayor Peel: And so what I'm doing is trying to change that to get in there what you are suggesting needs to be in there. 'And the City strongly encourages additional funding for these purposes or others as deemed appropriate.'

Councilman Walton: So, are you taking out the hiring of quality teachers?

Mayor Peel: Yes, right, you wanted that out. That's coming out. And so what's going in in place of that is the three-year plan. That's what you asked for.

Councilman Walton: Okay. Sure.

Mayor Peel: Now, I don't have the wording – it almost seems to me that the next part of what he wants needs to be in the 'now, therefore' about the monitoring of the spending of the money.

City Clerk: It would have to be.

Mayor Peel: So it needs to be incorporated in there. So, what I just said will be the last 'whereas' so that we would then say 'now therefore be it resolved by the City of Elizabeth City that the Council supports the passage, so on and so forth...' Tony where did you ...

Councilman Stimatz: Right after ECPCSD – right after the word district. Not to supplant the current levels of funding....and if I'm correct, Mr. Walton's statement said – 'to be used according to an established, publicized plan monitored by the School Board to insure each student has the knowledge and skills needed .....

Mayor Peel: Okay, if we make those two changes I think we got everything everybody wanted in there. Alright, re-writing on the fly.

Councilman King: So you made a friendly amendment?

Mayor Peel: Yes we have the motion, yes.

Councilman Walton: Well, I'd still like to see it before it's signed. I mean that wouldn't be hard to do would it?

Mayor Peel: Well, if we're going to pass it tonight, we will have to – I don't know if we can type it up.

Councilman Walton: Well, she's going to have to change something anyway.

Mayor Peel: If we can retype it and move it to the Regular Agenda that would be the only way to do it.

**Motion was made by Councilman Tony Stimatz, seconded by Councilman Rickey King, to table discussion and consideration of this item pending staff work to bring it back for the Regular Meeting at 7 o'clock.**

Councilman Brooks: So she got to make the alterations between this and the next meeting?

Mayor Peel: Which means we can't tarry.

Councilman Walton: Technology - won't take long.

Mayor Peel: Okay. All in favor of that motion say aye; any opposed, say nay.

*(Clerk notation: The vote on the motion is recorded as follows:)*

**Those voting in favor of the motion were: Donnelly, Hummer, Stimatz, Brooks, King and Walton. Against: None. The motion carried unanimously.**

Mayor Peel: I think we can assure you gentlemen that we do support this – it's just a matter of getting the wording correct. We thank you all for all that you do for this community in all the roles that you serve.

Chairman Overman: Thank you so much.

Dr. Cartner. Thank you. We appreciate your time.

Councilman King: Mr. Cartner, right now how many Chromebooks do you have in school for, I guess it's first and second grade and high school.

Dr. Cartner: Councilman King, I can't tell you an exact number because it varies from school to school. What I can tell you is that this year our hope is to do grade three, grade seven and all high school English. But each school has purchased some along the year. I can get that number for you, but I do not know that number.

Councilman King. Okay. I appreciate that number, sir. I have one more burning question on me and I asked it in the Joint Meeting. What is it about the kids paying the \$20 for the Wi-Fi?

Dr. Cartner: They are not paying \$20 for the Wi-Fi. There is a technology fee for elementary of \$10 and a technology fee for six through twelve of \$20. What it is, Mr. King, it is for insurance for breakage of the technology we already have out there. So we are not charging students to use Wi-Fi. This is the model that is used in about forty other systems across the state and so our request of \$10 and \$20 is significantly lower than most of our colleagues. And it's just about insuring what we already have out there - graphing calculators, Chromebooks, some iPads, some laptops - so when something is broken that we have insured that in some manner we can repair it.

Councilman King: So these are the ones that you have in place already? That's what they are paying for?

Dr. Cartner: Yes, sir.

Councilman King: But not all students?

Dr. Cartner: Yes sir, everybody in grades K-12 are doing that, because everybody in K-12 uses technology every day – they are using the existing technology that's out there.

But the piece that probably you may have missed in the discussion – there is a hardship form and the goal is to get technology into the hands of students – not to keep them from it. So, there is a hardship form in place. We have multiple folk who have stepped forward as community sponsors and just said ‘I want to sponsor five kids at the secondary level.’ What we ask them to do is to select the school they want to do that at. We’ve had numerous churches step forward and say ‘we’ll be glad to do that.’ So really it should not be an issue for anyone.

Councilman King: For the students right now, is there a lot of those kids that don’t have the Chromebooks or the iPads or the iPhones in high schools?

Dr. Cartner: No sir, there is technology already in our schools right now.

Chairman Overman: It’s not withheld from anyone, Mr. King, if that’s what – whether they pay or not – it’s not withheld. It’s not that ‘well you didn’t pay, so you can’t use it.’ It’s not like that at all.

Councilman King: So in 2017 you’ll be investing \$250,000 in grades three to seven and high school English.

Dr. Cartner: Yes – that is what the order is for right now to move forward. So that’s the first order and then you can see the second order - grades four, eight and high school biology. So as we move forward, those are the orders. Yes, sir.

Councilman King: The plan looks good; I mean if we can just keep it on track.

Councilman Brooks: I’m going to ride on the back. I think that’s what the conversation was about with that tax. What this conversation right there was just about. There is \$10 to \$15 per kid, which you explained, hardship and everybody. So we thought with that tax increase that it would take the burden off of somebody somewhere. You know, the ones that can’t afford to pay, maybe can go to it. That’s what the conversation was about. So we went circular, but that’s exactly what the conversation went. Why that tax increase went through so readily because Councilman King said the same thing you said and we was riding on the back of what he said. And so, from what I’m understanding is that the kids that can’t afford it – can’t afford – they still have access to technology. But if people – if the students don’t take care of their technology like they should, there is a cost behind it. So that’s what we was trying.

Dr. Cartner: There is a plan in place.

Chairman Overman: If I could summarize it Mr. King, we feel so strongly as a board, that if we don’t do this, we’re not going to get where we need to be. That we’ve carried our General Fund down to an extreme level this year that we can’t do again. But we felt like we had to commit that money so without this going through it’s going to put us in another situation of creating a new plan and see how we’re going to make it. Because we can’t afford to dip into our General Fund again next year. But we felt strongly that money in the bank was not helping our children. As bad as it is – and we’re not held like cities and counties of keeping that minimum – but we still like to keep a minimum because we are in a bad place with hurricanes and everything else. It costs us \$1 million every 30 days to operate. And so, we need to keep that kind of money in the bank. But it got to the point that we can’t keep it in the bank because we’re not meeting the growth that we need to meet. So, we’re spending down lower than we even feel comfortable, but acknowledging that is the only way that we can get our kids where they need to be – to invest the money in them.

Councilman Walton: Well, I think you guys are doing a good job, but we have to get the word out there and this advertisement right here is good, you know? People need to know that if you spend \$4, you’re only giving up a penny. Four dollars – you’re giving up a penny. But right now, if you buy something for \$1.00, they’ll charge you not \$1 and 7% of a penny, they charge you \$1.07. So, you know, it rounds off to that next number anyway. It is small and it’s so many kids that could be helped by us supporting this. So continue getting the word out, let us talk more about it, because people are watching.

And you know ya'll can make it work and continue to look out for the children of this county. Thank you.

Chairman Overman: Mr. Walton, it creates so many conversations because people say 'the county has direct input on the school board's budget.' But indirectly you guys affect us as much as anything – Port Elizabeth alone with people shopping there – that's what creates that quarter cent sales tax. So when people drive from Plymouth and Columbia and Perquimans County and Gates County to shop, we take advantage of their spending and it supplants the school board. So every time you guys create something in the City where they can shop, that money, if this is passed, comes to the school. That's spreading it as thin as possible and not putting more burden on the Pasquotank residents – it spreads it out to everyone that shops here, which is a great advantage to our residents.

Mayor Peel: Thank you again gentlemen.

**Mayor Peel: Mr. Walton, you asked earlier that the minutes of this be done in verbatim?**

**Councilman Walton: Yes.**

**Mayor Peel: We need a motion to do that.**

**Councilman Walton: So moved.**

**Mayor Peel: Do we have a second:**

**Councilman Brooks: I second it.**

Mayor Peel: Any discussion?

Councilman Stimatz: Shouldn't that be near verbatim?

Councilman Walton: Shouldn't it be what?

Councilman Stimatz: Near verbatim.

Mayor Peel: Yes, it just leaves the "uhs" out and stuff.

Councilman Walton: Yes that will be fine.

Mayor Peel: You okay with that?

Councilman Walton: Yes.

Mayor Peel: Alright, all in favor say aye; any opposed nay. Thank you.

*(Clerk notation: The vote on the motion is recorded as follows:)*

**Those voting in favor of the motion were: Donnelly, Hummer, Stimatz, Brooks, King and Walton. Against: None. The motion carried unanimously.**

#### **4. Presentation – Arts of the Albemarle Annual Report of Activities:**

Mayor Peel recognized Assistant City Manager Cole for her comments on this item. Ms. Cole stated that the Council appropriated \$25,000 in the fiscal year 2016-2017 budget toward Arts of the Albemarle. She advised that Arts of the Albemarle has also been a recipient of Community Support Grant funding. She noted that the City Council has required that organizations receiving direct appropriations must provide the City Council with various documents, including an annual budget and current board information. She stated that a report of programming and use of the appropriated funds is also to be provided to the Council.

Ms. Cole introduced Ms. Keli Hindenach, Executive Director of Arts of the Albemarle to give her report of their annual activities. Ms. Hindenach thanked the City Council for the opportunity to present.

Ms. Hindenach reported that over 6,000 students had been served during the fiscal year from over five counties. She noted that the HAS-IT partnership with the Museum of the Albemarle, Port Discover and Arts of the Albemarle was going well and plans were in the works to develop some new theming in partnership with the downtown for that program. She stated that the First Friday Art Walk, SPLASH, Arti-Gras, Taste of the Albemarle and River City Rhythm and Brews events had been experiencing record-breaking attendance. She reported that membership for Arts of the Albemarle continues to increase, with a 43% increase experienced over the last two years.

Ms. Hindenach reviewed their performing arts programs for 2015-2016 and noted that over 5,000 tickets had been sold. She reported that the School of the Arts served 60 students, which was an all-time high, with over \$10,000 in scholarships being awarded to youth in the community. She reported that Arts of the Albemarle continues to feature three artists for the Visual Arts Program on a monthly basis and had designated a community gallery to feature partnerships with various organizations and schools.

Councilman Stimatz pointed out that a number of kids involved with the Center Players had gone on to bigger and better things. Ms. Hindenach agreed and reported that James Madison University, North Carolina School of the Arts and the American Music and Drama Academy in New York City had each accepted Center Player students into their performing arts programs.

There being no further questions of Ms. Hindenach, Mayor Peel thanked her for her presentation.

##### **5. Discussion – Proposed Unified Development Ordinance Text Amendment for Micro-breweries:**

Mayor Peel recognized Assistant City Manager Cole to provide background for this discussion. Ms. Cole reported that the City Manager's office had shared the information being presented with this discussion with two individuals who have indicated their interest in starting a micro- or nano-brewery operation. She stated that both have an interest in the downtown area. She noted that earlier in the day, Councilman Stimatz had requested additional information regarding the state's regulation of these types of establishments; and staff had provided a response to the City Council from ALE Agent Parker.

Ms. Cole stated that this discussion was meant to inform the City Council about the idea of microbrewery enterprises, but the first official step in the UDO text amendment process would be to draft ordinance language for Planning Commission consideration. She reported that staff would do that with public engagement.

Ms. Cole recognized Planning Director June Brooks for her report. Ms. Brooks stated that staff had researched other jurisdictions in North Carolina regarding the manner in which they handle microbreweries and brew pubs. She noted that staff had contacted Asheville, Raleigh, Greensboro, Rocky Mount, Wilmington, Kinston, Boone, Kernersville and several other jurisdictions. Ms. Brooks stated that information had also been obtained from the American Planning Association; and that staff had also worked with both Alcohol Law Enforcement and the Fire Department regarding regulatory requirements.

Ms. Brooks stated that the information provided in the agenda packet represented a draft ordinance, but acknowledged that there were some concerns regarding what staff was putting forward. She said that by no means was the draft provided set in stone. She stated that the information was presented just to get the Council familiar with what brew pubs and microbreweries are and where staff thinks the City may want to go.

Ms. Brooks reported that staff is proposing the addition of definitions to the UDO of a brewery, a brew pub and a microbrewery. She reviewed these definitions as provided in the agenda packet for the Council. She pointed out that staff is also proposing to amend the use table to add microbreweries as a use. She noted that because current night clubs, bars and taverns require a Special Use Permit, she thought that brew pubs and microbreweries also should go through a Special Use Permit process.

Ms. Brooks stated that staff had developed guidelines and had limited the use to the Central Business District. She noted that if Council deems appropriate, staff could add the use to additional districts.

Using a PowerPoint map depicting parks and churches downtown, Ms. Brooks stated that staff was not looking at a space separation at this time for this use, because the use would basically be eliminated if a space separation was considered from churches and parks.

Ms. Brooks stated that staff's proposal is that 30% of the gross revenue be derived from food sales. She said she was aware that there was some concern with the individuals that were considering such an operation. She advised that staff had talked with the ALE officer; and because of the type of state permitting required, the state does not require food sales for this type of permit. She said that if spirituous liquor is served, the state requires 30% food sales. She said that if the Council wants a certain percentage of food sales for these types of uses that would be at the Council's direction. Ms. Brooks stated that staff is suggesting that food be available during business hours. She said that, where permitted by local ordinance, state or federal laws, retail carry out beer shall be allowed to be sold; that the activities not generate traffic noise or fumes or odors beyond the normal occurrence of the zoning district; and that they must adhere to all federal and state laws regarding the sale. She reported that in the Central Business District, the City does not require parking, so no parking recommendation is being made. Ms. Brooks stated that in staff's research, jurisdictions could not be found that allowed outside storage by operators; therefore, staff suggests that no outside storage be permitted.

Ms. Brooks suggested that, in addition to the previous requirements stated for brew pubs, the microbrewery use should include one or more accessory uses, such as a tasting room, tap room, restaurant or retail or demonstration area, education or training and other incidentals accessible to the public.

Ms. Brooks stated that if the Council decides to extend the uses outside the Central Business District, she thought that some type of separation from churches, elementary schools, secondary schools, public parks and residentially zoned properties as well as parking regulations should be included.

Ms. Brooks requested feedback from the Council regarding her presentation.

Mayor Peel stated that the proposed definition for 'brew pub' included the word "restaurant." He said that brew pubs are not restaurants and suggested that the language be removed. He suggested that any reference to 30% food sales also be removed. He recommended that it be made clear in the ordinance what can be sold, such as food and unfortified wine; and what cannot be sold.

Councilman Stimatz stated that he had a problem creating a standard that is not a standard. He pointed out that the state does not require 30% food sales and he did not believe the City should either. He pointed out that the City's goal is to get people downtown and brew pubs would do that. He opined that these uses should be encouraged, not discouraged. He pointed out that with the possibility of food sales, adherence to applicable laws regarding food should be included in the ordinance in addition to alcohol laws. He suggested using the verbiage "all applicable federal, state and local laws and regulations." He suggested that for the parking regulation, the ordinance should state "as per the UDO."

Councilman Stimatz stated that if the use is to be allowed outside the Central Business District, parking and any other regulations could be handled through a Special Use Permit. He noted that a great place to create a microbrewery is the old granary, but it abuts a residential area and would not be allowed if a space distance is required. He said that there are reasons to prevent these uses outside the Central Business District, but it was the Council's job to decide where they want growth to go around these kinds of hubs. Ms. Brooks suggested that Council begin with the Central Business District and if interest arises for other districts, staff could come back with an amendment. Councilman Stimatz agreed and acknowledged that his comments were just for thought in the future.

Councilman Stimatz noted that he had read the American Planning Association material and stated that it was very informative, especially with regard to Special Use and Conditional Use Permits. He stated that if the City is already treating restaurants and other places with a Conditional Use Permit, that reasoning is good and will be consistent. Ms. Brooks suggested that a Special Use Permit be utilized in order to treat brew pubs in the same manner as other drinking establishments.

Councilman Stimatz asked if the City should restrict the use according to square footage in any way. Ms. Brooks responded that she did not think so, because the product would be placed in containers inside the establishment. She noted that production was limited to 15,000 gallons.

Councilman Donnelly stated that he agreed with all comments made, especially with regard to the restaurant component. He stated that he was also glad that space separation had been excluded in the downtown district, because parks and churches were everywhere in the district. He stated that brew pubs often evolve into microbreweries and he thought the City should do everything it could to develop this type of business in the downtown area because it would be an economic driver and would draw people and add to growth.

Mayor Peel inquired if there was any further discussion. Hearing none, he thanked Ms. Brooks for her presentation.

## **6. Committee Reports:**

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

Councilman King stated that the last meeting had been held at Moneyworth Linen Service. He stated that the tour of the facility was fascinating. He reported that during the summer, there are 300 employees, with 200 employees at other times of the year. Mayor Peel added that the technology used by the business is incredible.

- b) Central Communications Advisory Board: Councilman Brooks

Councilman Brooks had no report.

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

Councilman Brooks had no report.

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

Mayor Peel noted that City Manager Olson had included a report in his Manager's Weekly FYI regarding the last Power Agency meeting.

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

Councilman Donnelly announced that ECDI supports the development of brew pubs and microbreweries especially in the downtown district. He stated that new ECDI Director Debbie Malenfant would begin work on October 3, 2016. He invited everyone



interested to attend the Committee of 100 meeting on October 5, 2016 to receive an update on the Southern Hotel project. He stated that ECDI would be hosting a fundraising dinner in connection with Ghost Walk.

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

Mayor Peel reported that the Chamber is doing well under its new leader, Mike Hindenach. He announced that the Chamber will sponsor a candidates' forum on October 5, 2016.

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

Mayor Pro Tem Hummer stated that all items discussed by the committee had been forwarded to the full City Council for consideration.

h) Parks and Recreation Advisory Board: Councilman Walton

Councilman Walton had no report.

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

Councilman Stimatz stated that an offer had been made to a candidate for the Airport Manager's position and it had been accepted.

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

Councilman Stimatz stated that the Board would meet on Wednesday, September 28, 2016. He stated that during the last rain event, there was surprisingly little flooding. He pointed out that the work that had been done by the City for storm water drainage improvements had paid great dividends.

k) Tourism Development Authority: Councilwoman Baker

Councilwoman Baker was absent from the meeting.

Mayor Peel announced that a report from the Community Relations Commission would be added to the list of Committee Reports beginning in October.

## **7. Adjournment:**

There being no further business to be discussed, Mayor Peel adjourned the meeting at 6:46 p.m.

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Joseph W. Peel  
Mayor

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Vivian D. White, CMC/NCCMC  
City Clerk