

**MINUTE BOOK 23, PAGE 471
CITY OF STATESVILLE COUNCIL MEETING – May 17, 2010
CITY COUNCIL CHAMBERS – 7:00 P.M.
STATESVILLE, NORTH CAROLINA**

Mayor Costi Kutteh presiding:

Council Present: J. Johnson, Steele, Matthews, Gregory, Eisele, Huggins,
M. Johnson, Matthews

Staff Present: Gaines, Fugett, Hites, Salmon, Currier, Anderson,
Smyth, Bullins, Cranford, Cornelison, Davis, Pressley,
Hutchins, Stephens, Pritchard, Cline

Media Present: J. McNally – Record & Landmark
D. Vieser – Charlotte Observer

Visitors: 16

Invocation

The invocation was given by the City Clerk.

Pledge of Allegiance

Mayor Kutteh led the Pledge of Allegiance.

Mayor Kutteh explained during the second meeting of each month, citizens are invited to speak about matters not on the current agenda.

Summer Lipford, 613 W. Sharpe Street, felt the City is not in compliance with the American Disabilities Act (ADA). In response to Mr. Hites article in the Statesville Record & Landmark addressing City compliance with ADA regulations, Ms. Lipford stated she had spoken with several members of the Police and Fire Departments and was told they have no knowledge of ever being trained on how to deal with people with disabilities. Ms. Lipford stated she had requested an interpreter for her son for this meeting and was told an interpreter would be at the meeting only if her son attended. Ms. Lipford reported she would attend and speak at every meeting until everyone was treated equally.

CONSENT AGENDA – All items below are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion on these items unless a Council member so requests, in which event, the item will be removed from the Consent Agenda and considered with other items listed in the Regular Agenda.

- A. Approve minutes of the Council meeting of April 19, 2010, and the Continued Council meeting of April 26, 2010.**
- B. Consider passing a motion to close a portion of North Center Street, between Feimster and Bingham Streets on Friday, June 11, 2010 from 7:30 a.m. until 11:00 a.m. to accommodate the Statesville High School graduation ceremony at “Greyhound Hollow”.**
- C. Consider passing a motion closing a portion of Cooper Street on May 21st from 5:30 p.m. to 9:00 p.m. for the “Backyard Alley Bash” for an end of the year middle school party.**
- D. To pursue a Justice Assistance Grant (JAG) from the Bureau of Justice Assistance and to authorize Daniel Miglin to represent the City of Statesville in the application and manage the grant when awarded.**

- E. **Appropriate insurance reimbursement proceeds (\$24,724) to the Fire Department account # 010-5300-422-1503 for the repair of Engine 3 and approve Budget Amendment #49.**
- F. **Approve \$1,500 for replacement of the Tree Commission's desktop computer and approve Budget Amendment #50.**

Upon a motion by Council member J. Johnson, seconded by Council member Gregory, the Consent Agenda was unanimously approved.

Regular Agenda

Conduct a public hearing to consider the 2010-2011 budget.

Finance Director Lisa Salmon reported the budget proposal of \$77,146,911 contains the following four operating funds:

General Fund	\$25,024,085
Electric Fund	\$40,811,500
Water and Sewer Fund	\$10,305,271
Civic Center Fund	\$ 1,006,055

In addition to the City's recommended operating budget, proposals are included for the following other annually appropriated funds:

Health Insurance Fund	\$3,318,500
Property and Casualty Liability Fund	\$ 759,774
Occupancy Tax Fund	\$ 605,000

Ms. Salmon explained the budget proposal is balanced with the citywide property tax rate of \$.038 per \$100 in assessed valuation. Revenues from ad valorem property taxes are \$10,653,984 based on estimated property values of \$2.9 billion. Staff is recommending a new schedule of fire inspection fees developed by the Fire Chief. Estimated revenues with these new fees are \$96,000, up from \$30,000 last year. The budget proposal includes a 5.0% increase in retail electric rates, necessary due to a 5.0% increase the City will receive in wholesale purchased power effective July 1, 2010. Staff is also recommending a 6.0% increase in water and sewer rates and the appropriation of \$677,821 in fund balance to partially fund capital needs this year. Without the use of this amount of fund balance, a rate increase of over 14% would be necessary to balance the budget.

Mayor Kutteh stated before he opened the public hearing he would like to remind citizens this is not a time to interact with Council, but an opportunity to voice budget concerns and comments. He announced there will be a Budget Workshop meeting on Monday, May 24, 2010 at 5:00 p.m. Mayor Kutteh explained by state law, the budget must be approved by Council, prior to midnight, June 30, 2010.

John Perry, 106 Westcott Drive, stated he was representing Statesville's Firefighter's Association and had served the City of Statesville for 24 years. Mr. Perry said firefighters did not choose a career with the Fire Department only for the money and they are willing to sacrifice whatever necessary to serve and protect the citizens of Statesville. Mr. Perry explained with the cost of living increasing and salaries remaining the same for the past two years, firefighters were making considerably less now. Mr. Perry addressed the proposed change in how overtime is calculated and an increase in employee health insurance

costs. He asked that Council remember their priorities and not forget the firefighters.

Teresa Case, 404 Oakhurst Rd, offered several examples of instances her husband, James Case, made sacrifices to his personal life, in the call of duty as a city firefighter. Mrs. Case felt the money proposed to renovate City Hall should be spent on City employees. Mrs. Case stated under this budget, many employees would no longer be able to afford health insurance.

Bill Bee, 210 Ridgeway Avenue, felt Council should persuade businesses to locate in Statesville by lowering the taxes. He felt social programs should be eliminated for people who won't work or pay taxes.

Henry Scott, Belmont Community, stated numerous motorized vehicles were being driven in Kimbrough Park. Mayor Kutteh advised Mr. Scott staff would investigate.

There being no other speakers, Mayor Kutteh closed the public hearing.

Mayor Kutteh reminded the speakers and the audience that no action would be taken on the budget until Council and city leaders had deliberated on it.

Staff requests permission to pursue a Justice Assistance Grant (JAG) from the Bureau of Justice Assistance and to authorize Daniel Miglin to represent the City of Statesville in the application and manage the grant when awarded.

Chief Anderson explained the Statesville Police Department received notification from the Bureau of Justice Assistance (BJA) that we are eligible to receive \$28,471 in funding via the 2010 Justice Assistance Grant (JAG). This grant requires no match from the City of Statesville. Chief Anderson stated over the last four years there has been an 80% reduction of violent crimes, including robberies and violent assaults. The Police Department proposes to utilize \$23,471 of these funds to supplement the overtime budget in order to put additional officers on the streets at peak call volume times, for special events, and to conduct special operations such as drug interdiction, checkpoints, etc. In addition, \$5,000 will be utilized towards training and supplies for Statesville/Iredell Gang Initiative (SIGI) events. When awarded, this grant will go into effect October 1, 2010. The Statesville Police Department also requests that Daniel Miglin be authorized to represent the City regarding this grant and act as Grant Manager.

Upon a motion by Council member M. Johnson, seconded by Council member Huggins, the motion to pursue a Justice Assistance Grant (JAG) from the Bureau of Justice Assistance and to authorize Daniel Miglin to represent the City of Statesville in the application and manage the grant when awarded was unanimously approved.

Conduct a public hearing concerning the condemnation of 1116 4th St. and consider passing first reading of an ordinance to condemn the structure as unfit for human occupancy.

Planning Director David Currier stated the Iredell County Health Department had been working with the owners since September 2008 to fix a very bad sewage leak. The Iredell County Health Department turned the case over to the City of Statesville in January of 2009. The City gave the owners 15 days to repair the leak, it has never been repaired. Furthermore, the City has maintained the yard and the Police have been called to the house 84 times since 2008. The property was condemned under NCGS 160A-193.

Council member M. Johnson asked when the owner's vacated the residence. Mr. Currier replied he was not sure. Council member M. Johnson questioned if there had been remediation. Mr. Currier reported there had been no remediation to his knowledge but there is no continuing source of contaminant.

Mayor Kutteh declared the public hearing open and asked if there was anyone who wished to speak in opposition or in favor of this issue. There being no speakers, Mayor Kutteh closed the public hearing and asked for a motion from Council.

Upon a motion by Council member Huggins, seconded by Council member J. Johnson, the motion to pass first reading of an ordinance to condemn the structure as unfit for human occupancy was unanimously approved.

Consider passing second reading of ZC09-08 filed by Nelson Jones and Chris Tribble for the property located at 214 Phoenix Street; Tax Map 4734-27-3387 from R-10M to LI CU.

Mr. Currier reported the first public hearing was on July 20, 2009. Mr. Spillman and Mr. Nelson asked for a straight rezoning to allow an asset recovery operation to expand by adding an office to the site located at Phoenix, N. Miller, Yadkin and Piedmont Streets. The Council wanted the applicant to consider a conditional use rezoning. Therefore, Council member Steele made a motion to table the request. The applicants were to work with staff on the conditions. The second public hearing for a conditional use rezoning was on September 21, 2009. Council member Matthew's motion was for a conditional use for an office space with a permanent foundation only; the property would have landscaping according to the ordinance; only house vehicles on a limited time basis and not permanent; there would be no scrap metal or damaged vehicles of any type; hours of operation 8-6; the existing lighting is fine; temporary storage of vehicles. However, the owner Mr. Spillman (Mr. Jones partner at that time) would not agree to the conditions so Councilman Matthews amended his motion to table this issue and stated if the applicants want to further discuss the request he would like to be part of the discussion. Now Mr. Jones who is no longer partners with Mr. Spillman is requesting to untable the request with the exception of numbers 1 - would like to use matching metal to skirt the mobile office instead of brick because of the costs and nature of being a mobile office and 5 - no more than 2 wrecked or damaged vehicles stored on the site at any one time. The Planning Board's recommendation from June 23, 2009 was favorable to rezone the property from R-10M to LI with a unanimous vote.

Council member Huggins asked if there is any type of buffering required when previously heard by Council. Mr. Currier replied the expansion would allow for buffering. Council member Huggins asked if there are complaints from the neighbors. Mr. Currier answered there were no after hours activities likely to generate complaints as the hours of operation are 8-6.

Council member Stallard questioned the timeline for compliance. Mr. Currier answered conditions must be met before zoning is changed.

Council member M. Johnson expressed concern that damaged vehicles would be leaking gasoline, diesel fuel or other harmful chemicals into the ground. Mr. Nelson Jones came forward and stated he had never witnessed any wrecked vehicles on the lot. Council member M. Johnson asked Mr. Jones if he would consider changing condition 5 to "no wrecked vehicles parked on the lot". Mr. Jones replied he did not object to that change.

Council member Eisele reported there were water wells on the property. Council member Matthews asked if he had permission to develop the property with the

wells there. Mr. Jones replied he did and reported most of the trucks are new from Freight Liner.

Council member Eisele asked if the owner wanted to change the use would they need to request permission from Council. Mr. Currier replied yes.

Mayor Kutteh asked for a motion from Council.

Upon a motion by Council member Matthews, seconded by Council member Stallard, the motion to pass second reading, with conditions 1-7 as written in the staff report, of ZC09-08 filed by Nelson Jones and Chris Tribble for the property located at 214 Phoenix Street; Tax Map 4734-27-3387 from R-10M to LI CU was unanimously approved.

Conduct a public hearing and consider passing first reading of TA10-01 filed by the City of Statesville to amend Section 20.18 Fencing and Section 40.3 Rules Governing Boundaries.

Mr. Currier explained when the regulations for fencing were put into the zoning ordinance it was originally intended to be applied in the Highway 115 South Corridor specifically. However, through several text amendments to the CB, CBP and Municipal Service Districts, it was taken out in error. Therefore to prevent chain link, square wire, barbed wire, concertina wire and razor wire types of fences in this gateway corridor, language has been added to include the H-115 District. Mr. Currier stated in addition, there are several properties in the city that are split by different zoning districts. One such property has come in with development plans and is seeking a variance to try to resolve the matter of which district regulations apply. Therefore, at this time staff is proposing a text amendment that allows the owner/developer to use the regulations for the district in which the greatest portion of the lot lies. Staff will be researching the possibility of identifying all the properties that are split zoned and rezoning them to the appropriate district in the near future. The Planning Board's recommendation was favorable as presented with a unanimous vote.

Council member Gregory asked if the existing fencing would be grandfathered. Mr. Currier replied yes.

Council member Matthews asked what would constitute losing the grandfather rights. Mr. Currier replied if there is a change of use.

Mayor Kutteh declared the public hearing open and asked if there was anyone who wished to speak in opposition or in favor of this issue. There being no speakers, Mayor Kutteh closed the public hearing and asked for a motion from Council.

Upon a motion by Council member M. Johnson, seconded by Council member Eisele, the motion to pass first reading of TA10-01 filed by the City of Statesville to amend Section 20.18 Fencing and Section 40.3 Rules Governing Boundaries, was unanimously approved.

Update on the Scroggs house located at 621 West Sharpe Street.

Mr. Currier displayed current photos of the Scroggs residence. He reported the roof has been secured and interior water damage repaired. Mr. Currier stated there is some interior work requiring completion but Mr. Scroggs is working on it and making progress.

Consider appointment to the Planning Board.

Mr. Currier reported Mr. Jesse Barker had resigned from the Planning Board as of April 16, 2010. A new member needs to be appointed to fulfill his unexpired term, which ends on June 30, 2011. The four active applicants on file for the Planning Board are Bernard Robertson, Lonnie White, Jr., Warren Campbell, and Karen Taylor

Mayor Kutteh asked if there were any nominations.

Council member Huggins nominated Bernard Robertson, seconded by Council member Gregory to be appointed to the Planning Board to fulfill the unexpired term ending June 30, 2011. The motion was unanimously approved.

Consider appointment to the Downtown Design Review Committee

Mr. Currier reported Jan Woodside, Downtown Design Review committee Chairman resigned from the committee on April 7, 2010. Ordinance 18-08 states that one of the five appointments on the Design Review Committee is to be a DSDC board member. All members are to have related experience in architectural design, construction, city planning, or a commitment to redevelopment of downtown. As the incoming Chairman of DSDC, Jon Dunham has agreed to serve as the DSDC representative on the Design Review Committee.

Upon a motion by Matthews, seconded by M. Johnson, the motion to appoint Jon Dunham to serve as the DSDC representative on the Design Review Committee was unanimously approved.

Consider appointing a member to the Statesville Airport Commission to serve a new term beginning on June 30, 2010 and ending on June 30, 2013.

Mr. Currier reported the term of Frank Mitchell on the Statesville Airport Commission will come to an end on the 30th day of June. However, Mr. Mitchell has been appointed to the Iredell County Board of Commissioners and has submitted his resignation letter from the Airport Commission. The City Council will need to appoint someone to take his place. The term of Steve Johnson on the Statesville Airport Commission will also come to an end on the 30th of June 2010. Mr. Johnson has stated that he would be interested in serving another term. The Board of County Commissioners will need to appoint Mr. Johnson to serve another term. Applications from other applicants expressing interest in serving on the Airport Commission have been received as well. The Airport Commission consists of seven (7) members, three (3) of which may hold residence outside of the current municipal limits. Currently, there are no members who reside outside of the City Limits. The interested applicants are:

- Jay Brown (previously served on the Airport Commission), Dallas Hines, Brian Chapman and Wm J. Wortman from within the current municipal limits
- David Heinmiller from outside of the current municipal limits.

Mayor Kutteh asked for nominations. Council member J. Johnson nominated Jay Brown.

Upon a motion by Council member J. Johnson, seconded by Council member Stallard, the motion to appoint Jay Brown to serve a new term beginning on June 30, 2010 and ending on June 30, 2013 was unanimously approved.

Request to award the contract for the purchase of a fire pumper for Fire Station #4.

Deputy Fire Chief Cline stated the Fire Department received two bids for the 1500 GPM Custom Pumper on April 26, 2010. C.W. Williams & Co. submitted a bid in the amount of \$478,987 and Stevens Fire Equipment submitted a bid for \$483,874. The Fire Department Apparatus Committee, the City Purchasing Agent, and the City Fleet Manager reviewed the bids and recommend acceptance of the bid from C.W. Williams & Co., Inc. The equipment specified for this apparatus is the same as other front line pumpers. Each item was bid individually as a way to reduce overall costs and will be awarded to the lowest bidder. The total estimate for equipment is \$167,133 bringing the total cost for the pumper to \$646,120. \$590,000 was allocated in the 2008-2009 budget to purchase this vehicle. The difference of \$56,120 will be funded as follows:

\$41,100	Savings from roof replacements at Station 1 & Station 3
\$7,900	Savings from other vehicle purchases
\$7,120	Contingency Fund

Council member Stallard asked what equipment was being purchased. Mr. Cline replied hoses, saw-saws, flood lights, medical equipment bag, laptop computer, radios, tax and tag for the vehicle, tool box, tools. Mr. Cline stated he had a complete itemized list Council could review.

Upon a motion by Council member M. Johnson, seconded by Council member Gregory, the request to award the contract for the purchase of a fire pumper for Fire Station #4 to C.W. Williams and Co., Inc. was unanimously approved.

Receive demolition costs for Garfield Recreation Center and approve Budget Amendment #52.

Recreation and Parks Director Brent Cornelison reported the low bid for demolition was \$26,140.00. The estimate from an outside party for Asbestos Abatement was \$550.00. Mr. Cornelison stated \$19,500 would be reallocated from the Parks Budget for the basketball pad at Abernathy Park, \$4,000 from Grace Park Improvements, and \$4,525 from General Expense (Contingency).

Mayor Kutteh asked what other charges were included in the \$28,025 total. Mr. Cornelison answered a 5% contingency fee.

Upon a motion by Council member J. Johnson, seconded by Council member Stallard, the motion to award the demolition contract of Garfield Recreation Center to Terry-Lynn and approve Budget Amendment #52 was unanimously approved.

Mayor Kutteh congratulated Finance Director Lisa Salmon on the Finance Department receiving the Certificate of Achievement for Excellence in Financial Reporting.

There being no further business, upon a motion by Council member Steele, seconded by Council member Matthews, Council unanimously approved the motion to adjourn.

ATTEST:

Mayor

Deputy City Clerk