

**MINUTE BOOK 24, PAGE 049
CITY OF STATESVILLE COUNCIL MEETING – September 20, 2010
IREDELL COUNTY GOVERNMENT CENTER – 7:00 P.M.
STATESVILLE, NORTH CAROLINA**

Mayor Costi Kutteh presiding:

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

Staff Present: Hites, Gaines, Davis, Fugett, Anderson, Currier, Smyth, Miglin, Salmon, Pressley, Bullins, Barone, Stephens, Hutchens, Cornelison, Cranford, Watts

Media Present: Jim McNally – Statesville Record & Landmark
Dave Veiser – Charlotte Observer

Visitors: 9

Call to Order

Invocation

The invocation was given by the City Clerk.

Pledge of Allegiance

The Pledge of Allegiance was led by Girl Scout Troop #10314.

Public Comment

Mayor Kutteh explained during the second meeting of each month, citizens are invited to speak about matters not on the current agenda. Mayor Kutteh asked if there was anyone present who wished to address the Council. There were no speakers.

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 the other items listed in the Regular Agenda.

- A. Approve minutes of the Pre-Agenda Meetings of July 29, 2010 and August 12, 2010 and the Council Meetings of August 02, 2010 and August 16, 2010.**
- B. Consider passing second reading of ZC10-03 filed by the City of Statesville for the properties Located on N. Barkley and Dover Roads from Iredell County RA and City of Statesville R-20 to City of Statesville PUD.**
- C. Consider passing second reading of an ordinance releasing parcels from Statesville's zoning jurisdiction.**
- D. Consider appointment of Donna Karr to the Downtown Design Review Committee for the remainder of a term expiring 06/30/2012.**
- E. Consider reappointment of Peter Molleur to the Tree Board.**
- F. Approve BA #11 to appropriate \$6,500 from the Civic Center Fund to fund the City's participation in the Community Branding Project.**
- G. Approve a request from the Downtown Statesville Development Corporation that the City of Statesville be an official co-sponsor of the 2010 Pumpkin Fest.**

- H. Consider passing a Resolution of Intent to annex City-owned property and fixing a date for a public hearing on the question of the annexation.
- I. Consider passing a motion to close selected streets in Downtown Statesville on Saturday, November 6, 2010 between 5:30 a.m. and 7:30 p.m. for the 2010 Pumpkin Fest. In addition, it is requested that a temporary towing enforcement of vehicles that are in the street closure area be in effect during the listed times.
- J. Consider passing a motion closing Cooper Street to traffic on Friday, October 1, 2010 from 4:00 p.m. to 9:30 p.m. for the American Renaissance School "Fall Festival".
- K. Consider passing a motion closing Sylvia Street at the Turner Street intersection on Saturday, September 25, 2010 from 12-8 p.m. for the 19th annual Rankintown Reunion.
- L. Consider passing a motion to close Gordon Avenue and Stockton Street, between North Center Street and North Tradd Street on Sunday, November 7, 2010 between 7:00 a.m. and 5:00 p.m. This request is being made by the International Slalom Skateboard Association (ISSA) in order to hold the main event of the 6th Annual Dixie Cup skateboard race.
- M. Consider a motion to close a portion of Moreland Drive on Friday, November 5, 2010, from 7:30 p.m. until 12:00 a.m. The closure is being requested by the "Downhillbillies" skateboarding organization, to kick off the 6th Annual Dixie Cup, with the main event to be held November 7, 2010, in Statesville.
- N. Consider approving BA# 13 to transfer funds from the Drug Seizure Fund to the General Fund for the purchase of 12 sets of body armor for the Police Department.
- O. Consider approving Budget Amendment #12 to appropriate funds from the Drug Seizure Fund for the purchase of a police canine (\$2,350) and training (\$5,500).
- P. Consider allocating a NC Governor's Crime Commission Grant in the Police Department for the purchase of 65 VIPER radios and approve Budget Amendment #14.
- Q. Consider approval of a non-capital purchase of 12 sets of Globe Turnout Gear-Pants & Coat for the Fire Department.
- R. Consider approval for the Fire Department to apply for the 2010 Staffing for Adequate Fire and Emergency Response (SAFER) grant administered through FEMA.
- S. Consider purchase of a Pipeline Television Inspection System and related components using previously approved capital appropriations.
- T. Consider approving Budget Amendment #10 to allocate Year 2 of the Statesville/Iredell Gang Initiative Grant from the NC Governor's Crime Commission.
- U. Consider approval to amend Kooks Custom Headers incentive agreement to reflect jobs and investment over three years.

Upon a motion by Council member Matthews, seconded by Council member Eisele, the Consent Agenda was unanimously approved.

REGULAR AGENDA

Approve co-sponsorship of the 2010 Carolina Balloon Festival to be held October 22-24.

Recreation and Parks Director Brent Cornelison stated the Carolina Balloon Festival committee (CBF) requests the use of the property at the airport and the same level of support from city departments as provided for the event in 2009. Those services are as follows:

Planning Department – coordinates schedules and hanger access for FBO, assist with ingress/egress routing, issues NOTAMS and coordinates Lowe's gate access.

Recreation and Parks Department – mows festival area, provides picnic tables and provides access to maintenance building for CBF staff.

Police Department – provides 2 supervisors and 4 officers. An additional 5 officers will be provided and paid by the CBF.

Fire Department– provides one engine company to be on site during fueling times. Fire Marshall inspects and issues permits for vendors.

Sanitation Division– provides garbage truck, necessary carts and staff for trash disposal. The removal of trash from grounds is handled by volunteers.

Street Division – may provide assistance of installing temporary access points in case of poor weather conditions.

Finance Department – processes vendor licenses.

Council member Steele made a motion to approve co-sponsorship of the 2010 Carolina Balloon Festival, seconded by Council member Gregory. The motion was unanimously approved.

Consider one appointment to the ABC Board.

Mayor Kutteh reported that Michelle Rokes' term will expire on October 1, 2010 and she is seeking reappointment to the local ABC Board. Mayor Kutteh stated there are 2 other active applicants requesting to be on the ABC Board. They are Angela Graham and William Wortman, Jr.

Council member Matthews nominated Michelle Rokes.

Council member J. Johnson made a motion to close the nominations and to approve the appointment of Michelle Rokes to the ABC Board, seconded by Council member Eisele. The motion was unanimously approved.

Conduct a public hearing and consider passing first reading of an ordinance to condemn the structure at 1707 Forest Dr. as unfit for human occupancy.

David Currier reported the Iredell County Animal Control requested City Code Enforcement to inspect the structure on August 31, 2010 after they had responded to a complaint regarding the animals at the residence. According to the owner the structure has not been occupied for 10 years, but a pig had been housed in the residence for a number of years. The structure is filled with pig urine and feces, rats and dead turtles. Excessive clutter makes some rooms inaccessible and the floor has fallen through in some areas. The owner has been charged with eleven counts of cruelty to animals. Mr. Currier stated originally staff posted the house as Unfit for Human Habitation under NCGS 160-A-193 but has since been advised the structure will be condemned under Public Health Nuisance NCGS 130A-19. Mr. Currier stated the owner would have thirty

days to appeal the decision after the second reading at the Superior Court level. He reminded Council prior to this first reading the owner had sixty days to bring the structure into compliance.

Mayor Kutteh declared the public hearing open.

Linda Patterson, property owner, explained she had not lived in the house for years and had been using it for an animal house. She stated she was told by officials she could not enter the premises after it was posted. Ms. Patterson first stated she would like to have the opportunity to clean the residence and bring it into compliance then later stated she did not care what happened to it and just wanted to retrieve personal items from the structure.

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

Mr. Currier stated Ms. Patterson needs to verify with the Health Department if it is safe to go in the residence to clean it. Mr. Currier suggested Council approve first reading and if the owner does begin clean-up, staff will report any progress at the second reading.

Council member Steele made a motion to approve first reading of an ordinance to condemn the structure at 1707 Forest Dr. as unfit for human occupancy, seconded by Council member Eisele. The motion passed unanimously.

Conduct a public hearing and consider passing first reading of an ordinance to condemn the structure at 1107 Goldsboro Avenue as unfit for human occupancy.

David Currier stated this structure caught fire on August 29, 2009. The owners (Yesid & Nelly Vargas) removed the main structure but left the floor system and the foundation. The remains of the house present an unsafe condition and there are numerous violations of the City's Minimum Housing Code.

Council member Steele asked if there had been any contact with the owner. Mr. Currier replied in May the owner stated he would remove the remaining debris but nothing has happened as of this date. Mr. Currier stated the city would pay for the cleanup then lien the property for reimbursement.

Mayor Kutteh declared the public hearing open. There were no speakers in favor or opposition of this item. Mayor Kutteh declared the public hearing closed.

Council member Steele made a motion to approve first reading of an ordinance to condemn the structure at 1107 Goldsboro Avenue as unfit for human occupancy, seconded by Council member Gregory. The motion was unanimously approved.

Consider approving a Site Plan for P10-05, Black Pontiac Expansion, located at 809 Salisbury Road; Tax Maps 4744-52-0889, 4744-42-8884, 4744-52-1781, and 4744-52-3752.

David Currier stated the site is located at 809 Salisbury Road. The 4 properties that make up Black Pontiac on this side of the street consist of approximately 5.81 acres. Most of the property is zoned B-4 with the exception of parcel #4744-52-3752 which is B-4 CU. Currently there are 3 existing buildings on the site. The applicant is proposing to expand two of the buildings. The building closest to Club Drive (the existing showroom) which is stucco would be expanded by adding 5,794 sq. ft. for service bays and a 1,920 sq. ft. service canopy. These expansions would also be constructed of stucco. The existing metal parts and service building (blue building) would be renovated by adding stucco to the front and painting the other sides to match the showroom building. This building would be expanded with matching metal consisting of a 3,859 sq ft. service area and a 1,664 service

canopy. The existing driveways will remain for access to and from the site and 68 parking spaces will be provided. The future right-of-way for Salisbury Road per the Thoroughfare Plan is shown on the site plan. It is not proposed to be dedicated at this time due to the impact it would have on the site. In addition this thoroughfare will be revisited with the update of the Comprehensive Transportation Plan.

All of the rezoning conditions have been met with the exception of the 20 ft. buffer approved on the conceptual plan for the future parking lot expansion. At this time only a portion of the parking would be constructed, therefore a temporary waiver is given for the side yard based on the topography and future parking expansion. Signage is shown on the elevations however, signs are permitted separately and must meet the sign ordinance. The renovations and additions to both existing buildings comply with the new Design Standards.

The TRC reviewed and approved the site plan on August 2, 2010 contingent upon submittal of the electric load data, the future right-of-way and the oil/water separator being shown on the site plan and the parcels being combined before receiving the zoning clearance. All of the revisions have been made, therefore the site is in compliance with the City's development regulations and staff would recommend approval.

Council member M. Johnson requested the applicant to match new fence to the current fence that runs along Dorset Place. Mr. Currier stated per City Ordinance the fence must be black or dark green chain link. Mr. Currier explained there would also be a landscape buffer along the fence.

Council member Stallard made a motion to approve Site Plan P10-05, seconded by Council member Matthews. The motion was unanimously approved.

Approval of budget amendment BA#15 in the amount of \$881,000 for the Substation 5 replacement project and approval of a contract authorizing a property swap.

Larry Cranford reported this project was not completed before the end of the 2009-2010 fiscal year, June 30, 2010. The unspent funds in the account (approx \$650,000) should have been encumbered to roll over to the current fiscal year. Due to an oversight, the unspent funds were not encumbered and were moved to the electric fund balance at the end of last fiscal year. This budget amendment will correct this error and move \$650,000 from the electric fund balance to the Substation 5 account. In order to make the new substation more compatible with the surrounding downtown area, staff has negotiated a land swap with the owner of the surrounding property, Bob Stegall. This will allow the new substation to be located beside the existing cell tower behind the Farm & Garden Services store on Light Street. Moving the substation to this location will require additional overhead distribution line construction at a cost of \$97,000. Staff has also priced the option of constructing the southern portion of the distribution line underground, from Debow Street along the rear stone wall of the Fourth Creek Cemetery. The cost to do this segment of line underground would raise the additional relocation cost to \$224,500.

Mr. Cranford reported City Attorney Eddie Gaines has modified the agreement as discussed at the pre-agenda meeting to advise that "clean up" of the property did not include any environmental cleanup that may be required.

Council member M. Johnson made a motion to approve contingent upon the dip at the intersection of Light St. and Cemetery St. to be moved to the third pole back, and approve BA #15, seconded by Council member Stallard. The motion was unanimously approved.

Approval of a letter of agreement with the North Carolina Municipal Power Agency #1 to receive up to \$287,362 in System Expansion Funding for the Providencia project.

Larry Cranford reported as a result of the Providencia project, the City constructed approximately 1.6 miles of distribution line and installed eight transformers in order to serve the plant load. The estimated cost of this construction is \$287,381. Staff made application earlier this year to the North Carolina Municipal Power Agency #1 (NCMPA1) through the System Expansion Funding program for reimbursement to cover a portion of the cost of this construction. Funding through this program is based on the amount of load being added by a participant city as well as the cost of the project and the expected revenue to the NCMPA1 over a six year period. After approval by the ElectriCities Board of Directors, Statesville was recently notified that \$287,362 was approved for this project.

Council member Steele made a motion to approve a letter of agreement with the North Carolina Municipal Power Agency #1 to receive up to \$287,362 in System Expansion Funding for the Providencia project, seconded by Council member Matthews. The motion was unanimously approved.

Mayor Kutteh reported the total of the grants discussed at this meeting totaled \$1.65 million. Mayor Kutteh congratulated all staff for seeking and receiving substantial funding from various grants.

Grant authority to City Manager Rob Hites to sign a rail grant document for Alexander Rail and the Providencia USA project.

Rob Hites explained the City had received a \$100,000 grant from Norfolk Southern Railroad and a \$50,000 grant from Alexander Railroad to build a rail spur to transport raw materials and finished product to and from Providencia, USA, a \$100 million business and the City's largest electric customer. Both railroads requested in exchange for their grant they receive some guarantee that the rail service would be as projected. In September of 2008 the City of Statesville, Iredell County, GSDC and Providencia jointly agreed to guarantee Norfolk Southern a minimum rail traffic volume of 500 cars during the first three years of operation. If the minimum volume requirement is not met, Iredell County, the City of Statesville, GSDC and Providencia will all pay their pro rata portion to Norfolk Southern at \$400 per car for any shortfall at the end of the three year term. Alexander Rail is asking for the same agreement except any shortfall would be paid at \$200 per car at the end of the three year term.

Council member M. Johnson made a motion to approve granting authority to City Manager Rob Hites to sign a rail grant document for Alexander Rail and the Providencia USA project, seconded by Council member Steele. The motion was unanimously approved.

Authorize the Finance Director to engage special counsel for the proposed financing of the Streetscape Project and the City Hall Renovation Project.

Lisa Salmon stated this request is to authorize the Finance Director to engage the services of G. Thomas Lee of Womble Carlyle Sandridge & Rice, PLLC to serve as special counsel to the City in connection with the proposed financing of the Streetscape Project and City Hall Renovations. The fee will be \$10,000, plus out-of-pocket expenses for copying, transcript preparation, etc. Mr. Lee served as the City's special counsel for the financing of Fire Station # 4 in 2009 and the airport in 2005, as well as the GO bond refunding deal in 2002. Staff recommends approval of the request. Funds to pay this service will be part of the capital project budget.

Council member Stallard made a motion to approve authorizing the Finance Director to engage special counsel for the proposed financing of the Streetscape Project and the City Hall Renovation Project, seconded by Council member M. Johnson. The vote was as follows:

**Ayes: Stallard, M. Johnson, Eisele, Steele, Huggins, Matthews
Nays: J. Johnson, Gregory**

Motion passed 6-2

Approve a resolution and Deed of Release for an abandonment of a sanitary sewer easement for Harry Tsumas.

Larry Pressley stated Harry Tsumas had requested the City abandon a sanitary sewer easement. The easement is no longer necessary since service to that lot will be provided through a privately maintained force main and pump station. Staff has reviewed the request and the plans for serving the site through a private force main and recommends approval of the abandonment. The abandonment of the easement will be shown through recordation of a "combination plat".

Council member Steele made a motion to approve a resolution and Deed of Release for an abandonment of a sanitary sewer easement for Harry Tsumas, contingent upon the granting of a private sewer easement, seconded by Council member Stallard. The motion was unanimously approved.

Council member Steele made a motion to go into closed session to discuss a personnel matter, seconded by Council member Gregory. The motion was unanimously approved.

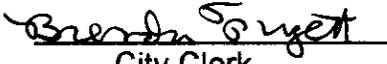
There being no further business, upon a motion by Council member Steele, seconded by Council member Matthews, Council unanimously approved the motion to adjourn.





Mayor

ATTEST:



City Clerk