

**MINUTE BOOK 24, PAGE 340  
CITY OF STATESVILLE COUNCIL MEETING – February 06, 2012  
CITY HALL COUNCIL CHAMBERS – 7:00 P.M.  
STATESVILLE, NORTH CAROLINA**

**Mayor Costi Kutteh presiding:**

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

**Council Absent:** None

**Staff Present:** Cornelison, Fugett, Davis, Hites, Hutchens, Rimmer, Pressley, Collins, Salmon, Smyth, Harrell, Anderson, Hudson, Currier, Cranford

**Media Present:** Dave Veiser-Charlotte Observer, Jim McNally-Record & Landmark, Bethany Fuller-Record & Landmark

**Others:** 17

**Call to Order**

Mayor Kutteh called the meeting to order.

**Invocation**

The Invocation was given by the City Clerk.

**Pledge of Allegiance**

Mayor Kutteh led the Pledge of Allegiance

Mayor Kutteh advised that the following three items would be added to the Regular Agenda:

1. Approve an option to purchase for the property located at 128 E. Front Street.
2. Consider approval of allocating \$10,000 for services associated with due diligence for a potential land acquisition.
3. Authorize the City Attorney to prepare and have executed a contract to acquire the real property located at 311 S. Meeting Street and to approve Budget Amendment #28.

**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 the minutes of the Pre-Agenda meeting of January 05, 2012 and the City Council meeting of January 09, 2012.
- B. Receive a report of a capital purchase in the Public Works/Warehouse Department.
- C. Approve the purchase of used furniture for the Public Works Administration.
- D. Approve 2nd reading of an ordinance establishing a stop intersection at Avondale Drive and Chestnut Lane.
- E. Approval of Budget Amendment #24 to appropriate \$5,807 in insurance proceeds to Electric Utilities account #030-8100-462-1503.
- F. Approve a resolution stating the City's 2007 water supply plan meets the requirements of NC General Statute 143-355(L).
- G. Receive and concur with the financial report of the Statesville Convention and Visitors Bureau as of December 31, 2011.

Council member Stallard made a motion to approve the Consent Agenda, seconded by Council member West. The motion carried unanimously.

**Regular Agenda**

**Presentation to Paula Steele.**

Mayor Kutteh presented a plaque to Paula Steele in honor of her years of service as a Council member and for her work and dedication to the City Hall renovation project. Mrs. Steele thanked Mayor Kutteh, Council members and the citizens of Ward One.

Mayor Kutteh thanked City staff and citizens who organized and participated in the City Hall Open House.

**Presentation of the 2011 Mayor's Cup Award to Save-A-Lot representatives Lavette Teeter, Kirk Lawton, Jim Lawton, Mike Scanlan, David Fussell and A.J. Nowell.**

Mayor Kutteh explained the Mayor's Cup Award is awarded by the Statesville Community Appearance Commission to an organization that has contributed to the betterment, beauty and appearance of the City. He presented the Mayor's Cup Award to Kirk and Jim Lawton, Lavette Teeter, Mike Scanlan, David Fussell and A.J. Nowell for the Save-A-Lot grocery store in the Forest Heights Shopping Center.

**Conduct a public hearing and approve first reading of an ordinance to condemn the structure located at 126 E. Bell St. as unfit for human occupancy.**

David Currier stated this structure is owned by Sandra Gilbert and the lien holder is Michael Waks. Both Ms. Gilbert and Mr. Waks live in California. Mr. Waks stated he does not care what the City does with the house. The house has been sitting vacant for several years. Ms. Gilbert stated she had started remodeling the house but every time she would have something done, people would break in and steal the new items or rip out the work that had been done. She has basically walked away from it. Vagrants have been living in the house and it appears they have been doing illegal activities. The current value of the house is \$69,490.00 and the estimate to repair the structure is \$38,500.00. The house exceeds the 50% requirement for demolition.

Mayor Kutteh declared the public hearing open and asked if there was anyone present who wished to speak in opposition or in favor of this item. There being no speakers, Mayor Kutteh declared the public hearing closed.

**Council member Huggins made a motion to approve first reading of an ordinance to condemn the structure located at 126 E. Bell St. as unfit for human occupancy. The motion carried unanimously.**

**Conduct a public hearing and consider approval of first reading of an ordinance establishing a 25 mph speed limit on all streets within the Tara's Trace subdivision, with appropriate signage to accompany the change.**

Assistant Chief Rimmer stated the Traffic Safety Director recently studied the traffic conditions in this subdivision. The Traffic Safety Director found that the majority of the streets within the Tara's Trace subdivision have several curves limiting visibility. The streets are narrow, with an average width of 20 feet, and have little to no shoulder. Within the Tara's Trace subdivision there is a large population of children that cross the streets, frequenting the adjacent soccer complex and playground facilities. Upon the completion of the study it is the opinion of the Traffic Safety Director that ensuring pedestrian and the motoring public's safety and welfare requires that a 25 mph speed limit be established for all streets within the Tara's Trace subdivision.

Council member West asked if there was a consensus by the residents to establish the 25 mph speed limit. Assistant Chief Rimmer replied the request initiated from several complaints made by subdivision residents.

Mayor Kutteh declared the public hearing open and asked if there was anyone present who wished to speak in opposition or in favor of this item. There being no speakers, Mayor Kutteh declared the public hearing closed.

**Council member Eisele made a motion to approve first reading of an ordinance to establish a 25 mph speed limit on all streets within the Tara's Trace subdivision, seconded by Council member Stallard. The motion carried unanimously.**

**Consider approval of a lease addendum for the Champion Air leasehold at the Statesville Regional Airport and a request to construct additional parking within the newly leased area.**

Phil Collins reported that Champion Air is requesting additional parking for their current leasehold area at the Airport. An addendum to the current leasehold to include 31,101.84 square feet is proposed. The current parking area would be extended between approximately 200 and 225 feet to the northeast. The purpose for this request is to accommodate for increasing demand for parking at their

hangar. A 7460-1 form (Notice of Proposed Construction or Alteration) was submitted to the FAA in October. On January 5 a Final Determination was received, which stated that the FAA had no objections with the proposed construction. The Airport Commission reviewed the request and unanimously recommended approval and charging \$0.10 per square foot. This lease will terminate at the end of the existing lease of which ten years remain.

**Council member J. Johnson made a motion to approve an addendum to the current Champion Air leasehold to include 31,101.84 square feet at the price of \$.10 per square foot for the balance of the existing lease, seconded by Council member Stallard. The motion carried unanimously.**

**Consider a request from Carolina Aviation Technical Services (C.A.T.S.) to operate as a limited service fixed base operator (FBO) and assignment of the Evernham Lease.**

Phil Collins stated this is a request from Carolina Aviation Technical Services (C.A.T.S.) to operate as a limited service fixed base operator (FBO) which will consist of aircraft maintenance and parts sales. They have requested use of the Evernham hangar which would require City Council to assign the Evernham Lease to C.A.T.S. C.A.T.S. projects first year sales of \$1.34 million which would result in \$78,000 in tax revenue of which the City would realize \$3,220 of that amount after State withholding. The applicant has indicated that he would not base any aircraft in the hangar and therefore, would not meet the \$5 million minimum requirement that is required of other tenants along Taxiway F. The Evernham lease does not contain this requirement but it could be included as part of the lease assignment. Sales tax revenue will not equal that of what the property tax revenue would be but C.A.T.S. has stated they are willing to cover the difference in revenues in an annual rental payment to insure that the same amount of revenues would be received by the City as if there were \$5 million based in the hangar. If Council decides to approve this request, the lease would need to be assigned to C.A.T.S. and amended to adhere to the "Minimum Standards for Fixed Base Operators Providing Commercial Aeronautical Services". Planes will be defueled before work begins then refueled with the fuel that was removed. The Airport Commission unanimously recommended that this would be an excellent addition to the Statesville Airport; however Taxiway F is intended for corporate tenants not commercial tenants. Mr. Collins stated some tenants along Taxiway F had expressed concern of the traffic that could result from this.

Mayor Kutteh clarified that the Airport Commission had unanimously recommended that City Council not approve this request. Mr. Collins replied that was correct, the Commission felt it was not a good fit at the Evernham hangar.

Council member Stallard pointed out that an FBO operator normally also fuels aircraft. Mr. Collins stated there are seven different types of FBO's and seven different services. In order to sell fuel, the business must provide all seven different services.

**Council member J. Johnson made a motion to deny the request from Carolina Aviation Technical Services (C.A.T.S.) to operate as a limited service fixed base operator (FBO) and assignment of the Evernham Lease, seconded by Council member Stallard. The motion carried unanimously.**

**Appropriate FEMA reimbursement proceeds (\$4,599) to the Fire Department account # 010-5300-422-1000 and approve BA # 23.**

Chief Hutchens stated on August 29, 2011, the Statesville Fire Department was requested by Emergency Management and the North Carolina Fire Chiefs Association to respond to eastern North Carolina to assist with the disaster response as a result of Hurricane Irene. These funds are reimbursement from Hyde County.

**Council member J. Johnson made a motion to approve the appropriation of FEMA reimbursement proceeds of \$4,599 to the Fire Department account #010-5300-422-1000 and approve Budget Amendment #23, seconded by Council member Gregory. The motion carried unanimously.**

**Consider funding for replacement of the City garage roof and approval of Budget Amendment #22.**

Scott Harrell stated the City garage facility was built in 1978 and since then, the roof has been repaired on multiple occasions. There are still several leaks in the roof, resulting in unsafe conditions for garage personnel. During an average rainfall, water pools in several locations on the garage floor, runs around and behind the main breaker panel, and drips directly onto overhead lighting, requiring garage staff to leave those lights off until conditions are drier. Based on recent experience with roof repair work on other City facilities and information gathered from local contractors, staff recommends that a budget of \$42,000 be established for replacement of the garage facility roof. The work would include complete removal of the existing roof material and installation of a new roof system, with replacement of flashing, gutters, downspouts, and other roof related materials as needed. Staff recommends allocating \$42,000 for replacement of the garage facility roof and approval of Budget Amendment #22.

**Council member West made a motion to approve a budget of \$42,000 for the replacement of the City garage roof and approval of Budget Amendment #22, seconded by Council member J. Johnson. The motion carried unanimously.**

**Approve an option to purchase the property located at 128 E. Front Street.**

City Attorney, Edmund Gaines explained that previously in Closed Session, Council had approved taking a 90 day option on the property at 128 E. Front Street for \$120,000. The owner's representative has signed an option to the City setting forth those terms with no option fees.

**Council member Stallard made a motion to approve a 90 day option to purchase the property located at 128 E. Front Street for \$120,000, seconded by Council member Eisele. The motion carried unanimously.**

**Consider funding for Phase I and Phase II environmental site assessments at 128 E. Front Street and approve Budget Amendment #25.**

Scott Harrell stated the December 21, 2011 Option to Purchase Agreement for the above-referenced property includes a provision for the City to perform environmental testing and soil borings on the property. Staff has received a proposal for a Phase I environmental site assessment and a general cost estimate for a Phase II environmental site investigation from AMEC Environment & Infrastructure of Raleigh, NC in the amount of \$2,600. Staff recommends accepting the Phase I proposal in the amount of \$2,600 and allocating a total of \$20,000 for environmental work. AMEC has performed site assessments in the past for the City, including at the adjacent Parrish Tire site. As the Phase I conclusions will dictate the scope of the Phase II (soil boring) investigation for the site, a detailed cost for the Phase II work is not known at this time. Staff recommends allocating \$20,000 for environmental testing at 128 E. Front Street and approval of BA # 25.

**Council member Huggins made a motion to approve funding for Phase I and Phase II environmental site assessments at 128 E. Front Street and approve Budget Amendment #25, seconded by Council member Stallard. The motion carried unanimously.**

**Consider approval of a drive aisle extension at Pecan Park.**

Larry Pressley stated that staff has investigated the need to modify the traffic flow through Pecan Park parking lot based on recent changes to the lot due to the Downtown Streetscape project. The parking lot's southern driveway off North Center Street has been converted to a one-way entrance only as per the Downtown Streetscape plans. This change has affected the vehicular flow by requiring cars to wind their way further through the lot to get to an exit and is causing more congestion in the parking lot. A 12' wide one-way drive aisle is proposed across the back of Pecan Park that will allow a more direct access to the Water Street driveway exit for the southern portion of the lot. The project will require removal of the existing sidewalk to be replaced with a 12' wide asphalt drive aisle with an estimated cost of \$2,500, and the relocation of three electric poles at an estimated cost of \$16,500. An alternative to run the electrical lines and services underground proved to be cost prohibitive. Staff recommends approval of the construction of a 12' wide drive aisle along the rear of Pecan Park at an estimated cost of \$ 19,000. Funds from the respective operating budgets will cover the cost. Staff anticipates the loss of one parking space.

Council member Huggins asked if the Budget Amendment included the signage for this. Mr. Pressley replied there are existing signs in place and if more are needed, staff is prepared to install them.

Council member Matthews asked if any sort of separation such as a curb or fence is planned to offset the driveway/street from the actual park where pedestrians may be walking around. Mr. Pressley stated staff felt the drive aisle is relatively narrow and had not planned on any kind of separation.

Council member West pointed out that a portion of this is a private drive. Mr. Pressley stated the 12' will be constructed on City property and it is a shared drive with the residents to the east. That utility pole that is in the center of that driveway is one that will be relocated.

**Council member J. Johnson made a motion to approve a drive aisle extension at Pecan Park, seconded by Council member Eisele.**

Council member M. Johnson pointed out that the radius needs to be revised on the drive aisle heading north towards the Barnard building and asked Council member J. Johnson to accept an amendment to his motion. Mr. Pressley stated that this is an acceptable approach and staff had considered doing that but had not included it in their presentation. Council member J. Johnson asked if this would add to the cost. Mr. Pressley stated the only additional cost would be for paint.

**Council member J. Johnson agreed to amend the motion to include revising the radius as discussed. Council member Eisele also agreed. The motion to approve a drive aisle extension at Pecan Park with the radius revised carried unanimously.**

**Consider approval of an encroachment agreement to allow PSNC to install a rectifier, anode bed, and associated cables along Oakdale Drive and under Hartness Road.**

Larry Pressley explained that PSNC has requested permission to install a rectifier and an anode bed in the right-of-way on the east side of Oakdale Drive, between Hartness Road and Bryant Street. An underground cable will be installed north from the rectifier to the existing gas line beneath Hartness Road, as well as south to the proposed anode bed. The work adjacent to Oakdale Drive will be installed via open trench, approximately 180 feet in length, while the connection to the gas line beneath Hartness Road will be accomplished with an underground bore and one pavement cut/excavation in Hartness Road. Staff recommends approval of the Encroachment Agreement, subject to proof of insurance with the City of Statesville names as the insured or a bond equal to the value of the work.

Council member M. Johnson asked if the anode radials will go onto private property. Mr. Pressley replied they will stay in the City right-of-way.

Council member Eisele asked how long this project will take. Mr. Pressley answered he did not have a definite time frame but staff anticipates approximately a week.

**Council member J. Johnson made a motion to approve an encroachment agreement to allow PSNC to install a rectifier, anode bed, and associated cables along Oakdale Drive and under Hartness Road, seconded by Council member Stallard. The motion carried unanimously.**

**Consider approval of Budget Amendment #26 for the purchase of plant and fill material for the downtown plant pots in the amount of \$20,000.**

Brent Cornelison stated these funds will be used to purchase plant and fill material for the new downtown pots within the scope of the new streetscape project.

**Council member M. Johnson made a motion to approve Budget Amendment #26 for the purchase of plant and fill material for the downtown plant pots in the amount of \$20,000, seconded by Council member Eisele. The motion carried unanimously.**

**Authorize the City Attorney to prepare and have executed a contract to acquire the real property located at 311 S. Meeting Street and to approve BA# 28.**

Rob Hites stated the owners of the property located at 311 S. Meeting St. have agreed to sell the real property to the City for a price of \$68,000. The Civic Center Fund has sufficient resources to acquire the property. The Budget Amendment appropriates \$69,300 in Civic Center Fund Balance for the purchase price of \$68,500, plus approximately \$800 in closing costs.

**Council member Huggins made a motion to authorize the City Attorney to prepare and have executed a contract to acquire the real property located at 311 S. Meeting Street and to approve Budget Amendment #28, seconded by Council member West. The motion carried unanimously.**

**Consider approval of allocating \$10,000 for services associated with due diligence for a potential land acquisition.**

Larry Pressley stated as a result of Thursday's Closed Session to discuss a land acquisition matter, staff presents a recommendation to allocate \$10,000 for services associated for due diligence for this potential land acquisition and approve Budget Amendment #27.

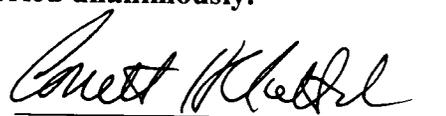
**Council member M. Johnson made a motion to approve allocating \$10,000 for services associated with due diligence for a potential land acquisition, seconded by Council member Stallard. The motion carried unanimously.**

**There being no further business, Council member West made a motion to adjourn, seconded by Council member Gregory. The motion carried unanimously.**

ATTEST:

  
Brenda Fugett, City Clerk



  
Constantine H. Kutteh, Mayor