

**MINUTE BOOK 24, PAGE 416
CITY OF STATESVILLE COUNCIL MEETING – May 21, 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: 0

Staff Present: Fugett, Hites, Salmon, Pressley, Harrell, Currier, Gaines, Pritchard, Smyth, Bullins, Anderson, Rimmer, Davis, Houpe, Hutchens, Billings

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

Others: 24

Call to Order

Mayor Kutteh called the meeting to order.

Invocation

The Invocation was given by the City Clerk.

Pledge of Allegiance

Girl Scout Troops 10058 and 10558 led the Pledge of Allegiance

Public Comment

Mayor Kutteh explained that during the second meeting of each month citizens are invited to speak about matters not on the current agenda. He asked if there was anyone present who wished to speak. 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 the minutes of the City Council meetings of April 16th and May 7th, 2012 and the Pre-Agenda meeting of May 03, 2012.**
- B. Consider a request from Mr. William Poole for a water tap to serve 411 Third Creek Road.**
- C. Consider approval of a request to close a portion of North Center Street, between Feimster and Bingham Streets on Saturday, June 9, 2012 from 7:30 a.m. until 11:00 a.m. to accommodate the Statesville High School graduation ceremony at "Greyhound Hollow".**

Council member J. Johnson made a motion to approve the Consent Agenda, seconded by Council member Gregory. The motion carried unanimously.

Mayor Kutteh stated there was one addition to the agenda at the request of City Attorney Edmund Gaines to give an update report on the Business Park expansion between Pate Dawson and Keith Corporation.

Regular Agenda

Conduct a public hearing on the 2012-2013 Budget.

Mayor Kutteh stated the purpose of the public hearing is to hear input from citizens who wish to speak; no decision will be made by Council tonight. The first Budget Workshop will be held on Tuesday, May 29, 2012 at 5:00 p.m. in the 2nd floor Training Room in the City Offices building. Mayor Kutteh called the first speaker signed up to come forward and speak.

James Settlemyre, 738 W. End Avenue, emphasized that he is on a fixed income and the City and the County are constantly asking for more money. He stated Council needs to realize there are people in the City living on fixed incomes and people who cannot afford to eat. Mr. Settlemyre stated he is tired of City Council spending money like water and he is thoroughly disgusted with both City and the County government.

Wanda Wood, 717 Winterfield Road, stated she agreed with Mr. Settlemyre and also lives on a fixed income. She spoke against the City spending money on projects such as the streetscape project then wanting to raise taxes, electric rates, water/sewer rates and impose additional fees when some people cannot even afford to pay their mortgages. Mrs. Wood emphasized that the City needs to learn to operate within its budget the same as citizens are expected to do.

David Pressley, 632 Dogwood Road, advised that 16% of Statesville residents are living below the poverty level and he deals with them every day. A \$7.00 sanitation fee may not seem like a lot to some people but to these people it is an added cost that would be difficult for them to pay.

Ken Grant stated he does not live in Statesville but he runs Homestead Realty and operates several businesses in town. Presently he is renting houses and the deposits required by the City, some up to \$600, and other utilities have made it to the point that people cannot afford it. He emphasized the City cannot keep adding on all these fees and expect people to move to Statesville. He asked Council to reconsider some of these fees during budget discussions.

Larry Pitman, 111 Eaglewood Drive, stated he is a member of the Iredell Building Association and the Iredell Landlord Association. Mr. Pitman stated all the proposed increases constitutes close to a 30% increase or more on payments already being made by Statesville citizens. He asked how Council can justify adding such a burden to those on fixed incomes and those who are seeking to balance their budgets with what income they have coming in. Mr. Pitman felt these costs will continue to go up if implemented, based on the City's need for more money and that there has to be a stopping point. He suggested adding temporary help to reduce labor and insurance costs and pointed out several ways unnecessary projects and expenses could be eliminated to reduce the budget.

Johns Garland, 1613 Museum Road, stated according to his calculations his property taxes have raised 25%. He said he is also on a fixed income and is on the City utility budget plan. When electric rates were increased last year his budget plan payment went up 15% but his usage did not change so he has been making interest free loans to the City. He understood that if wholesale electric rates increase, the City must increase their rates to cover that. He questioned why the Council could not justify using Occupancy Tax funds to pay for the streetscape project when they were able to justify using it to buy the Vance Hotel. He asked that Council consider the citizens comments and wishes when making budget decisions.

Vanessa Davidson, 174 Wallace Springs Road, stated she represents the poor people of Statesville which there are more of than affluent people. She asked Council to visit the electric utility payment center on shut-off day and view the people begging to get their lights turned on because they do not have the \$55 reconnection fee.

David Boone, 704 Oakdale Drive, felt that it is absolutely wrong and unconscionable to increase the heavy burden of government, the heavy tax and heavy fees that we already have, especially during the current economy. He urged Council to take whatever steps necessary to avoid implementing a sanitation fee and a tax increase. He asked that Council not take on the additional work planned for the rest of the streetscape project. He felt that this project is probably the most unpopular act of local government in twenty years.

There being no other speakers, Mayor Kutteh declared the public hearing closed. He thanked all citizens who spoke for their comments.

Conduct a public hearing and consider approving first reading of an ordinance for ZC12-02 filed by Earl Anderson for the property located at 1407 Salisbury Road; Tax Map 4744-90-4585 from HI to B-5.

David Currier stated that Mr. Earl Anderson is requesting to rezone the parcel located at 1407 Salisbury Road from HI to B-5 to allow more retail uses in the existing shopping center. Currently the existing center contains 9 leasable units with a second building located in the rear. The tract is zoned HI (Heavy Industrial) District and contains a total of approximately 2.18 acres. Most of the uses in the B-5 include retail sales and services. There are a handful of uses that would be more restrictive and several uses in the HI that are currently allowed that would be prohibited. The surrounding zoning districts and land uses are as follows:

- NORTH OF THE SITE:** HI (Heavy Industrial) District, L. Gordon Iron and Metal Co., R-8MFM (Medium Density Manufactured Home Multi-Family Residential) District, Single-family homes, dilapidated homes and vacant lots
- EAST OF THE SITE:** HI (Heavy Industrial) District, T & S Fabricators, Optiglass PC, Tarheel Emergency, Graphics Galore, Direct Stone, and Muffler Clinic
- SOUTH OF THE SITE:** HI (Heavy Industrial) District, Wholesale Direct, Shell, and Tri-State
- WEST OF THE SITE:** B-5 (General Business) District, ABC Store, Cleaning Market, and Nissan, HI (Heavy Industrial) District, Americas Finest Car Wash and vacant manufacturing site (formerly Beauty Maid Mills)

The 2005 Land Development Plan projects the property to be industrial. This includes wholesale, office, warehouse, and production activities. However, the ABC site was rezoned from HI to B-5 in May of 2007. The B-5 district exists from I-77 to the ABC store and there are other uses along Salisbury Road, even though they are zoned HI, that are also uses permitted in B-5. Staff could support either district; however, the existing structure is better suited to accommodate retail uses more than industrial uses. Therefore, staff's recommendation is favorable to rezone to B-5 and this area should be re-evaluated with the update of the Land Development Plan in the future. The Planning Board's recommendation is favorable with a unanimous vote as presented and no one spoke in opposition at the Planning Board courtesy hearing.

Council member M. Johnson asked if B-5 parking requirements are more stringent than they are for HI. Mr. Currier replied yes they are and this property does meet those requirements.

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

Council member Stallard made a motion to approve first reading of ZC12-02, seconded by Council member M. Johnson. The motion carried unanimously.

Update report from City Attorney Edmund Gaines on the Business Park expansion between Pate Dawson and Keith Corporation.

Mr. Gaines explained that as part of the economic incentive agreement with Pate Dawson, Pate Dawson is entering into a lease for the property where they are moving their facility at the Statesville Business Park with Keith Corporation. As you know the Keith Corporation built the shell building that is on this 19.88 acre tract of property. The title to this is still in the name of the City of Statesville. As part of that agreement the City has agreed to convey the property to the Keith Corporation upon the Keith Corporation and Pate Dawson entering into the lease, which they are on the verge of doing. He asked Council to approve a resolution to convey this 19.88 acre tract in the Statesville Business Park to the Keith Corporation.

Mayor Kutteh explained it was not known until now whether or not Pate Dawson was going to purchase or lease the property and now it has been determined that they are going to lease it.

Council member M. Johnson made a motion to approve a resolution to convey this 19.88 acre tract in the Statesville Business Park to the Keith Corporation, seconded by Council member Stallard. The motion carried unanimously.

Consider additional funding for replacement of the City garage roof and approval of Budget Amendment #40.

Scott Harrell stated on February 06, 2012 City Council approved Budget Amendment #22 in the amount of \$42,000 for replacement of the City garage facility roof. During the bidding process, it was discovered that portions of the roofing material contain asbestos. While this material does not represent a risk for City personnel in the garage, it does restrict the methods for removal, handling and disposal of these materials during the roof replacement process. Staff requested and received revised bids reflecting the additional cost for proper removal and

disposal of the asbestos containing material. The low bid was received from Dry Tech Commercial Roofing Services, Inc. in Mooresville for the amount of \$47,240.00.

Staff recommends allocating an additional \$8,000 for replacement of the garage facility roof and approval of Budget Amendment #40. This will result in a total project budget of \$50,000.

Council member West made a motion to approve additional funding for replacement of the City garage roof and Budget Amendment #40, seconded by Council member Stallard. The motion carried unanimously.

Consider approving the purchase of a historical public power community sign.

Kent Houpe stated the City of Statesville Electric Utilities would like to install a historical marker in the area of Light and Water Streets. This sign would present Statesville as being the first Public Power community in the state of North Carolina. The proposed sign would be identical to the other historical signs in town, which are 24"x24" and bronze in color. Based on the quotes received, the cost would be \$835. The City of Statesville Street Department will supply the pole for the sign and will install it and Electricities will reimburse 50% of the cost. The sign would read as follows:

Site of North Carolina's First Public Power Community, Statesville, N.C.

Near this location on February 4, 1889, the City of Statesville introduced electric lighting to its citizens. A steam powered electric generator was used to illuminate 22 carbon arc electric street lights in Statesville's downtown for a momentous two hours.

Council member West asked if a location had been decided on. Mayor Kutteh explained it was discussed at the pre-agenda meeting that the sign should be placed in a busier area where it can be seen. Mr. Houpe stated staff had considered installing the sign on Water Street by CVS or it could be moved further up the hill where it would be more visible.

Council member J. Johnson stated that after hearing citizen comments during the budget public hearing he felt that even though this is only \$835, this item should be put on the back burner until the economy improves. He said Council has lost sight of looking after the little money.

Council member Stallard made a motion to approve the purchase of a historical public power community sign, seconded by Council member M. Johnson. The vote was as follows:

Ayes: Stallard, M. Johnson, Gregory, West, Eisele, Matthews, Huggins

Nays: J. Johnson

Motion carried 7-1

Consider approving funding to repaint existing street poles in the downtown area.

Rob Hites stated the City has a contractor working right now re-painting the cross arms in and around downtown as part of routine maintenance as well as the green fluted posts that were installed in the 1930's and 1940's and have a light sheen of rust on them. At Council's request Kent Houpe checked with the contractor and they quoted \$90.00 per post to paint them for a total cost of \$1,980 which includes the cost of the paint. The funds for painting the poles come from maintenance monies in the Electric Fund and are not part of the Streetscape budget. Some of the posts may be replaced in future years by streetscape activity but they need repainting and staff believes they will be in service at least three more years.

Council member Gregory asked if there are City employees that could paint these poles. Mr. Hites replied that the shorter poles could probably be painted by Recreation & Parks employees but he advised against City employees painting the tall poles with electric lines. Council member West stated it has been his experience that anytime he has used regular workers for painting projects he has ended up having to hire professional painters to fix their mess.

Council member Stallard made a motion to approve funding to repaint existing street poles in the downtown area, seconded by Council member M. Johnson. The vote was as follows:

Ayes: Stallard, M. Johnson, Gregory, West, Eisele, Matthews, Huggins

Nays: J. Johnson

Motion carried 7-1

Receive an update report on the Streetscape project.

Brendon Pritchard reported it is now sixteen months into the Streetscape construction and work is continuing to progress. Since the last update the contractor has completed the milling and new asphalt paving on Center Street and has installed temporary paint striping. The rock work has been completed on the fixed planters at the square and the Recreation Department has planted annuals in some of the planter pots.

On the East Broad Street section, the contractor has completed the curb and gutter, new sidewalk and brick pavers on the south side from Broad Street to Tradd Street. The asphalt wedging has been completed, the parking spaces have been re-established on the south side and the new street lights have been set. On the north side of East Broad Street the new storm drain line has been completed and the electrical subcontractor has installed the majority of the electrical conduits and some of the light bases.

In the weeks ahead, work will be completed on the electrical conduits and light bases on the north side, the planter area drains will be installed, crews will begin the new curb and gutter and then the new flatwork and brick pavers. The landscaper has started on the irrigation system on the south side and should have it completed as well as planting the trees and grass.

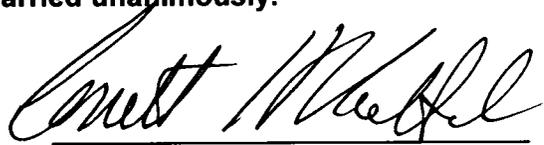
As mentioned earlier, the paint markings on Center Street are temporary and the permanent markings will not be installed until after E. Broad Street is paved. Staff met with NCDOT regarding removing the cones blocking the southbound thru lane at the Water Street intersection before the permanent paint markings were completed. They agreed to removing the cones and evaluating the intersection to function as it is presently marked. This would be a change from the proposed plans which called for removing the parking on the east side of Center Street north of Water Street and narrowing to one north bound lane. Our requested changes will save the parking spaces and leave two north bound lanes to lessen the conflicts with left turns north of Water Street. This will be evaluated to see if any adjustments need to be made.

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

ATTEST:


Brenda Fugett, City Clerk




Constantine H. Kutteh, Mayor