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CITY OF STATESVILLE COUNCIL MEETING – April 14, 2014
CITY HALL COUNCIL CHAMBERS– 7:00 P.M.
STATESVILLE, NORTH CAROLINA

Mayor Costi Kutteh presiding:

Council Present: J. Johnson, West, M. Johnson, Huggins, Schlesinger, Watt, Phifer, Morgan

Council Absent: 0

Staff Present: Fugett, Gaines, Pressley, Davis, Smyth, Hutchens, Currier, Collins, Harrell, Watts, Houpe, Hudson, Salmon

Others: 4

Media Present: John Hamlin-Statesville Record & Landmark, Dave Veiser-Charlotte Observer

I **Call to Order**
Mayor Kutteh called the meeting to order.

II **Invocation**
The Invocation was given by the City Clerk.

III **Pledge of Allegiance**
Mayor Kutteh led the Pledge of Allegiance.

IV **Public Comment**
Mayor Kutteh stated that during the second meeting of each month citizens are invited to speak about matters not on the current agenda. There were no speakers.

Council member M. Johnson asked to be recused from voting on the Consent Agenda due to a conflict of interest.

Council member Schlesinger made a motion to recuse Council member M. Johnson, seconded by Council member West. The motion carried unanimously.

V **Consent Agenda** – All items below are considered to be routine by 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. **Consider approving the minutes of the March 03, 2014 City Council meeting, the March 13, 2014 Pre-Agenda meeting and the March 17, 2014 City Council meeting.**

B. **Consider approval of Budget Amendment #35 to appropriate $3,720 in insurance proceeds to the Electric Utilities account 030-8100-462-1503.**

C. **Consider approving additional non-depreciable capital amount of $1,875 for 3 network switches.**

D. **Consider approving 2nd reading of ZC14-02 filed by Mr. David Pressly, Jr. for the Property located on Old Wilkesboro Road between Candlestick Drive and Bradley Farm Road; Tax Map 4735-24-2817 from R-10 to R-5MF CU.**
Mayor Kutteh advised that Mr. Currier has distributed a revised Conditional Use Permit that included the conditions that the applicant will request all City of Statesville utilities and right-of-way exaction will be obtained during site plan review upon request by the City after the applicant has had time to reconfigure the site to have the required parking spaces.

E. **Consider approving 2nd reading of ZC14-01 filed by the City of Statesville for the property located on Old Mocksville Road between I-40 and White Fox Trail; Tax Map 4756-80-9225 from MU to LI.**

F. **Consider authorizing McGill Associates to provide assistance with Third Creek NPDES permit renewal in an amount not to exceed $6,000.**

G. **Consider approval of the annual audit contract for fiscal year ending June 30, 2014.**

H. **Consider a request from the BalloonFest Committee to continue the lease of airport property for the use of a storage shed.**

I. **Consider approving a request from Phil McLain to continue a lease with the City, for property located at the Statesville Regional Airport.**

J. **Consider a request from the Civil Air Patrol (CAP) to hold an Aerospace Education/Rocket day at the Airport.**

K. **Consider approving a resolution directing the City Clerk to investigate a petition of annexation for the property located to the south of North Pointe Boulevard, approximately 18.464 acres, Parcel Identification Number 4745-26-5948, receive the City Clerk's Certificate of Sufficiency, and consider approving a resolution fixing May 05, 2014 for a public hearing on the questions of the petitioned annexation**

L. **Consider approval of a temporary construction encroachment for façade improvements for the City Center building at 211 South Center Street.**

M. **Notification of an emergency capital purchase of a GIS server and associated items.**

N. **Consider approving an addendum to the second economic development agreement with Providencia, USA.**

O. **Consider approving a municipal agreement between NC Department of Transportation and the City of Statesville for improvements on I-40 (Project #I-5320).**

P. **Consider granting an extension of the requirement for Statesville Flying Service (SFS) to construct a terminal as required by their 7.91 acre leasehold.**

Mayor Kutteh asked if there were any items on the Consent Agenda that Council wished to be moved to the Regular Agenda. There being none, he asked for a motion.

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

Council member Morgan made a motion to bring Council member M. Johnson back, seconded by Council member J. Johnson. The motion carried unanimously.

Regular Agenda

VI **Recognize Margery Turnipseed for her outstanding years of service as a Board of Adjustment member and former Chairman of the board for the City of Statesville.**
Mayor Kutteh said that Ms. Turnipseed was first appointed in 1987 to the Board of Adjustment as an alternate and was then appointed as a regular member of the board. She served the last several years as the Chairperson and in 26+ years of service only missed one meeting. He presented Ms. Turnipseed with a plaque of appreciation for her many years of service to the City of Statesville.

VII **Conduct a public hearing and consider approving an economic incentive to a new Company based upon its proposed expansion and investment at an existing industrial building located in Statesville, NC.**

Mike Smith with Statesville Regional Development stated this Company proposes a minimum of $6 million in new capital investment over 36 months through the acquisition and up-fitting of an industrial building. The up-fit will include modifications to building structure and installation of fixtures and equipment typical to a manufacturing facility. The project will also include the creation of 40 net new jobs created over 36 months. The economic incentive shall be based upon the City's making a grant up to $89,496 over a 5 year period based on $6 million in new taxable investment.

Mayor Kutteh declared the public hearing open and asked if there is anyone who would like to speak in favor or in opposition of this item. There being none, he declared the public hearing closed.

Council member J. Johnson made a motion to approve an economic incentive to this company, seconded by Council member Phifer. The motion carried unanimously.

VIII **Conduct a public hearing and consider approving first reading of TA14-01 filed by the City of Statesville to Amend Article 1 - Administration, Section 1.04, Responsibilities for Application of Code, A. 5., Article 2 - Development Review Process, Section 2.10, Application Processes, Table 2-1: Summary of Application Procedures and Section 2.15 - Site Development Plans, B.**
Mr. Currier stated the purpose of this amendment is to require development in B-5 zoning districts to be reviewed and approved by City Council and allow expansions of less than 25% square footage with a cap of 5,000 sq. ft. in the B-3, B-4 and B-5 Districts to be reviewed and approved by staff and the Technical Review Committee. The Planning Board's recommendation was a favorable unanimous vote as presented and no one from the public spoke at the courtesy hearing.

Mayor Kutteh declared the public hearing open and asked if there is anyone present who wished to speak in favor or in opposition of this item. There being none, he declared the public hearing closed.

Council member Huggins expressed concern regarding metal buildings and this may let them become an eyesore. Mayor Kutteh advised that this amendment to the ordinance does not waive any of the zoning ordinance requirements such as architectural standards.

Council member M. Johnson said the 25% square feet or 5,000 square feet should be the lifetime cumulative and anything after this triggers a site plan review.

Council member West stated this amendment is to expedite the process for a small structure that has little or no impact.

Council member Morgan asked who will monitor the total of each expansion. Mr. Currier replied that the Planning Department staff will.

Council member West made a motion to approve first reading of TA14-01 with a lifetime cumulative cap of 25% or 5,000 square feet and meets the current UDO requirements, seconded by Council members M. Johnson. The motion carried unanimously.

IX **Consider approving first reading of an ordinance establishing a 25 mph speed limit on Chestnut Street and Millsaps Road with appropriate signage to accompany the change.**
Assistant Chief Watts stated the motoring public has established Chestnut Street and Millsaps Road as a cut through route to NC Hwy 115. In recent years, the volume of traffic has increased. The Traffic Safety Director recently studied the traffic conditions on both Chestnut Street and Millsaps Road after receiving residential complaints concerning vehicular speeding. The study revealed a very high volume of traffic for a residential area. Chestnut Street and Millsaps Road have several curves, hills, and valleys and the streets are narrow, with an average width of 18 feet, and have little to no shoulder, with no sidewalks for pedestrian foot traffic. The Traffic Safety Director recommends that a 25 mph speed limit be established for Chestnut Street and Millsaps Road.

Council member Schlesinger asked if lowering the speed limit has been effective in the past. Chief Watts replied to a degree.

Council member M. Johnson made a motion to approve first reading of an ordinance establishing a 25 mph speed limit on Chestnut Street and Millsaps Road with appropriate signage to accompany the change, seconded by Council member Huggins. The motion carried unanimously.

Council member West asked if a percentage of resident must request this and are the residents in the area are notified of this. Chief Watts replied there are no requirements to performing a traffic study and there is no statute that requires that citizens be notified of the change. Mayor Kutteh reminded West that this is the first reading of the ordinance so citizens will have a chance to let their wishes be known if they oppose this.

X **Consider supporting the proposed changes to House Bill 439 - Taxation of site infrastructure land as attached.**

Mr. Pressley stated the Council has been approached by the County Commission asking for the City's support of their proposed amendments to House Bill 439. He explained that House Bill 439 was passed last session and was intended to make it easier to get agriculturally zoned property for industrial purposes and to abate the taxes on it. There are several restrictions and as a result the County Commission made some changes and asked for the City's support. Staff recommends approval.

Council member M. Johnson stated he is not for this because it is not based in reality. He said we will not get any industrial clients without utilities. Mayor Kutteh stated he agrees with this, but the request would only be made for property where utilities are available. There are not going to be very many instances where this will apply. This is just another tool that can be helpful to us in attracting businesses.

Council member J. Johnson made a motion to approve supporting the proposed changes to House Bill 439, seconded by Council member West. The motion carried unanimously.

XI **Consider re-appointing/appointing two members to the Statesville Airport Commission to serve a term beginning on July 1, 2014 and ending on June 30, 2017 and appoint a new member to finish serving the term of Kevin Sarro which will end June 30, 2015.**

Mr. Collins stated the terms of David Alexander and L.A. Parks on the Statesville Airport Commission will come to an end on the 30th day of June. Both Mr. Alexander and Mr. Parks are willing to serve another term on the Airport Commission. Mr. Sarro has moved from the area and notified staff that he would be unable to complete his term on the Airport Commission. Therefore, the City Council will need to appoint someone to replace him. Staff has received 9 applications from volunteers interested in serving on the Airport Commission. As you are aware, the Airport Commission consists of seven (7) voting members (5 appointed by the city council, 1 member of city council appointed by the mayor and 1 member of the county commission). No more than three of the seven appointed members may live out of the city limits. Mr. Parks is the only member that resides outside of the city limits.

Council member J. Johnson made a motion to re-appoint David Alexander and L.A. Parks, seconded by Council member Schlesinger. The motion carried unanimously.

Council member J. Johnson made a motion to appoint Todd Bodell to fill Kevin Sarro's unexpired term, seconded by Council member M. Johnson. The motion carried unanimously.

XII **Consider appointing one regular member to the Board of Adjustment to complete the term of Margery Turnipseed ending June 30, 2015, and appointing one alternate member to complete the term of Eric Carrillo ending on June 30, 2015.**

Mr. Collins stated Margery Turnipseed has resigned from the Board of Adjustment and it is requested of the City Council to appoint a member to fulfill her seat on the Board for the remainder of her term which ends June 30, 2015. Alternate member Sandra Campbell has been filling in since Mrs. Turnipseed resigned and is interested in continuing as a regular member. Alternate member Eric Carrillo whose term ends June 30, 2014 has resigned from the Board of Adjustment as his employment has been

relocated to Winston Salem. Therefore, it is also requested of the City Council to appoint someone to replace his seat as an alternate member to the Board at this time. If Ms. Campbell is appointed as the regular member, the City Council will need to appoint two alternate members to serve the remainder of the two vacated terms. Staff has received four applications from volunteers interested in serving on the Board of Adjustment; all reside within the City limits. The Board of Adjustment membership consists of five regular members and two alternate members appointed by the City Council.

Council member West nominated Kevin Combs to complete the term of Margery Turnipseed, seconded by Council member Schlesinger.

Council member Huggins nominated Sandra Campbell to complete the term of Margery Turnipseed, seconded by Morgan.

Council member West withdrew his nomination of Kevin Combs.

Upon a vote Council unanimously voted to appoint Sandra Campbell to complete the term of Margery Turnipseed ending June 30, 2015.

Council member West made a motion to appoint Kevin Combs and Nicholas Yount as alternates, seconded by Watt. The motion carried unanimously.

XIII **Consider approving a request from Champion Air for; (1) the City to relocate the existing fencing along the old property line of the Airport to the new Airport property line running along Old Airport Road (including newly purchased property), (2) Champion Air to place a gravel surface over the empty space between the Champion Air and JRM Air hangars and (3) Champion Air to install a new additional fuel tank.**

Phil Collins stated Champion Air is requesting additional lease area at the Airport adjacent to their current lease area. The purpose of the request is to add parking spaces. As you may recall, the City Council approved additional lease area for Champion Air in 2012 to the north of the original lease area for the same purpose. A portion of the area that Champion Air is interested in was recently purchased (Bailey Property) and is outside of the airport fencing. Champion Air is requesting that the City relocate the fence from its current location to run along the property line along Old Airport Road. The length of fencing to be relocated is approximately 950 feet. Staff has received an estimate of the cost to relocate this portion of the fence. The estimated cost of the fence relocation is $7,800. If the City decides to lease the area to Champion Air and charges a rate of $0.20 per square foot, the City could receive up to $7,400 in supplemental rent in addition to the additional $3,110 resulting from the 2012 parking. Assuming all of the area could be used for parking space. Also, this estimation does not include the additional area for a future potential lease south of the area in question. A 7460-1 form, Notice of Proposed Construction or Alteration will be submitted to the FAA, which is required when construction is proposed at an airport and the review determines whether the proposal would conflict with the airspace requirements of the airport. Also, a gas line is located in the area in question. Staff has contacted PSNC, owner of the gas line, and requested verification that a parking lot can be placed over the gas line. The Airport Commission reviewed this request and unanimously recommended approval to City Council.

Council member J. Johnson made a motion to approve a request from Champion Air for; (1) the City to relocate the existing fencing along the old property line of the Airport to the new Airport property line running along Old Airport Road (including newly purchased property), (2) Champion Air to place a gravel surface over the empty space between the Champion Air and JRM Air hangars and (3) Champion Air to install a new additional fuel tank, seconded by Council member Schlesinger. The motion carried unanimously.

Council member West made a motion to adjourn the meeting, seconded by Council member Phifer. The motion carried unanimously.

Constantine H. Kutteh, Mayor

Attest:

Brenda Fugett, City Clerk