

**MINUTE BOOK 25, PAGE 233
CITY OF STATESVILLE PRE-AGENDA MEETING – May 29, 2014
CITY HALL – 227 S. CENTER STREET, STATESVILLE, NC – 4:30 P.M.
STATESVILLE, NORTH CAROLINA**

Mayor Costi Kutteh presiding:

Council Present: J. Johnson, Schlesinger, Watt, Morgan, M. Johnson

Council Absent: Phifer, West, Huggins

Staff Present: Pressley, Fugett, Collins, Hutchens, Hudson, Salmon, Cornelison, Miglin, Watts, Davis, Currier, Harrell, Windsor, Shelton, Gaines

Visitors: Jim Prosser, Phil Hazel

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

Mayor Kutteh called the meeting to order and advised an Executive Session would be held following the Pre-Agenda meeting to discuss an Economic Development matter with Jim Prosser. He stated there is one addition to the agenda; a request for a street closing.

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 May 15, 2014 Pre-Agenda meeting and the May 19, 2014 City Council meeting.**
- B. Consider approving a request from the Statesville Police Department to apply for a grant from the National Association of Drug Diversion Investigators (NADDI) for \$5,000 in evidence purchase funds and to authorize Daniel Miglin to represent the City of Statesville in this process.**
Sergeant Dan Miglin stated the Statesville Police Department is eligible to receive up to \$5,000 in evidence purchase funds via a grant from NADDI, sponsored by Purdue Pharma. If awarded, these funds will be used by our Narcotics Investigators to purchase evidence used to prosecute offenders for the illegal diversion of prescription drugs that is increasingly plaguing Statesville. There is no match required by the City.
- C. Consider approving a request from Impact Inc. to close the 500 block of South Center Street, between West Bell Street and Garfield Street on Saturday, June 14, 2014, between 12:00 noon and 8:00 p.m. to sponsor the annual “Juneteenth” event celebrating the end of slavery in the United States.**
No report or comments on this item.
- D. Consider approving 2nd reading of an amendment to the City Code, Chapter 13 Nuisances, Section 13-2.3 Nuisances enumerated.**
David Currier stated Council unanimously approved first reading of this item at the previous meeting.
- E. Consider approving a request by the Finance Department to write-off approximately \$650.00 in miscellaneous accounts receivables.**
Lisa Salmon said there are two owners who owe nuisance abatements and are in bankruptcy. Legally the City cannot collect the amounts owed.
- F. Consider approving a request by the Finance Department to write-off parking tickets that are 7 years or older in the amount of approximately \$158,360.**
Mrs. Salmon stated this request is to approve a write-off of parking tickets that are older than 7 years and are uncollectible by the collection agency. The number of parking tickets to be written off is 2,234 and the amount is \$158,360 for tickets dated 01/01/03 through 05/1/07. This amount may decrease if any payments are received before the write-off is processed.

G. Consider approval of a semi-annual write-off of approximately \$104,026.21 in utility accounts.

Mrs. Salmon said since December 1994 the City has performed a semi-annual write-off of utility accounts that had been placed for collection eighteen to twenty-four months prior to the write-off date. These accounts were returned to the City by the collection agency after no significant progress had been made on the accounts and they had ceased collection activity. At this time, staff plans to perform a semi-annual write-off of utility accounts that had been placed for collection between July 1, 2012 and December 31, 2012 in the amount of \$104,026.21. This amount may decrease slightly should we collect monies on an account prior to the actual write-off date. These accounts will still show in our computer system for a minimum of three years after the write-off with a zero balance and a notation of the amount we have written off. The City recovered \$16,579.00 in utility bad debts during the period referenced above.

Mayor Kutteh explained that during this period of time the City billed approximately \$25 million so this amount is a very small percentage.

H. Consider approving the write-off of approximately \$1,462.25 in water and sewer assessments.

Mrs. Salmon stated in 1988, the City's legal staff advised the City that we may not pursue any legal proceedings on amounts greater than 10 years old from the date of the last installment billed. On advice from legal counsel, staff requested that Council begin an annual write-off of assessments on accounts that have surpassed the statute of limitation for collection. At this time, staff requested that Council approve the annual write-off of water and sewer in the amount of \$1,462.25. This amount may decrease slightly should we collect money on an account prior to the actual write-off date

I. Receive and concur with the financial report of the Statesville Convention and Visitor Bureau as of April 30, 2014.

Mrs. Salmon said as required by Council ordinance, the financial report of the SCVB as of April 30, 2014 is submitted for Council's review.

Regular Agenda

Add Consider approving a request to close a portion of N. Mulberry Street between Carroll Street and Oakhurst Road, on Saturday, June 14, 2014, between 5:00 p.m. and 9:00 p.m. This closure is being requested by local resident, Sherri Coarsey, in order to host a community party.

Assistant Chief Mike Watts stated that Sherri Coarsey, community member, has surveyed the affected residents within the area and gained their support for this temporary closure. The Coarsey family is hosting a community party to say farewell to neighbors' Jodi and John Pippin. The event will consist of food and family entertainment for invited guests. Traffic will be detoured around this portion of Mulberry Street. Appropriate signage will be in place during the event and should cause minimal inconvenience to the motoring public. Barricades will be placed at the following intersections: Mulberry Street at Oakhurst Road and Mulberry Street at Carroll Street.

Council members agreed by consensus to move this item to the Consent Agenda.

III Receive and concur with the 2014-2015 Budget for the Statesville Convention and Visitors Bureau.

Mrs. Salmon stated the 2014-2015 Budget Ordinance for the Statesville Convention and Visitors Bureau in the amount of \$159,370 in total revenues and appropriations was adopted by the Bureau's Board of Directors on May 20, 2014 and is hereby submitted for City Council review. Revenues and related program expenses meet Council ordinance requirements.

Mr. Phil Hazel stated that the board voted to eliminate the Director of SCVB position and will go back to its principal charge which is to fund tourism and growth and enhancement projects.

Council members agreed by consensus to move this item to the Consent Agenda.

IV Conduct a public hearing and consider approving first reading of an ordinance to annex the LR Wooten Property located to the north of Northside Drive, Iredell County Parcel Identification Number 4725-90-3950.

Phil Collins stated the property being considered for annexation is approximately 1.962 acres in size and encompasses Iredell County Parcel Identification Number (PIN) 4725-90-3950. The subject property is currently occupied by industrial uses and zoned Heavy Industrial (HI) District. The property is surrounded on three sides by the primary corporate limits of the City of Statesville, and therefore, the petition is being processed as a voluntary contiguous annexation. The tax value of the subject property is currently \$325,010 which would generate property tax revenue in the amount of \$1,332.54 annually for the City of Statesville.

Mayor Kutteh asked what their reason is for requesting annexation. Mr. Collins replied the applicant will request City sewer service after the annexation process is complete.

Council member Schlesinger asked if the applicant is having septic issues. Mr. Collins replied they are not having issues, they just wish to eliminate the septic system.

V Consider approval of a municipal agreement between NC Department of Transportation and the City of Statesville to provide sewer service to the proposed I-77 Rest Area.

Scott Harrell stated NCDOT is planning to build a new rest area on I-77 north of Statesville to replace four existing rest areas in Iredell County. The advantage to the chosen location, just south of Tomlin Mill Road (Exit 59), is that the rest area can be built in the median of the interstate, allowing motorists traveling in both directions to enter the rest area by exiting left.

Details of the agreement include:

1. Extension of the City's sanitary sewer system by construction of two lift stations and approx. 38,650 linear feet of six-inch diameter force main;
2. Extension of a gravity sewer main to the facility location within the median of I-77;
3. Extension by NC DOT of an Iredell Water Corporation water main into the facility location within the median of I-77;
4. Design, construction, right-of-way, and easement acquisition costs to be borne by NC DOT;
5. Design and construction to be supervised by City staff;
6. Option to upsize the sewer system to provide additional capacity, at an estimated cost to the City of \$100,000 to \$125,000;
7. Completion of construction by April 2016. Estimated project cost is \$2,934,250.

Staff recommends approval of the municipal agreement with NC DOT to provide sewer service to the proposed I-77 rest area and upsizing the sewer system to accommodate future development; this will increase its capacity from approximately 100,000 gallons per day to 180,000 gallons per day. The proposed agreement has been reviewed by City Attorney Eddie Gaines.

Council member M. Johnson asked what comes out of Christopher Lane and goes to gravity. Mr. Pressley said it is gravity at Christopher Lane, there is no station there. Council member M. Johnson pointed out that the agreement states there is a pump station located at Christopher Lane. Mr. Pressley said that must be a typo error because it is a gravity sewer. Council member M. Johnson asked what size is the line connecting onto the force main, what size is the gravity line at Christopher Lane. Mr. Harrell replied it is a 12" line. Council member M. Johnson asked Mr. Harrell if he is advocating going from a 6" to an 8" line. Mr. Harrell said he is. Mr. Pressley said staff will analyze that capacity and get it as close to capacity as possible. Council member M. Johnson said it concerns him that 180 gpd under state standard only gives us 375 houses permitted as an equivalent residential unit, so if we do that, our view from a land planning, concept point of view should be directed towards the commercial and industrial side of this. We should not just release this ad hock for whatever. He said that under measured flows, the last analysis in Statesville was 165 gpd over all residential units which would push it to 1,000, but it is not nirvana. Mr. Pressley said staff will go back and review the capacity information. Mayor Kutteh asked if this will be total capacity. Mr. Harrell replied yes it is.

Council member M. Johnson pointed out that the agreement says that the City will be responsible for the supervision of Iredell Water Corporation's installation. Mr. Harrell said that Iredell Water Corporation personnel will supervise their water main extension. Mr. Pressley said this will be included in the contract; City staff will coordinate with them but will not be supervising but will do what it takes to make sure that the contract is well administered. Council member M. Johnson said the agreement states that the City will coordinate the engineering and installation of this water service. Mr. Pressley said it will be in the same contract and the engineering inspections and that sort of thing.

Council member Schlesinger asked at what point does the City have control of the water in this new sewer line. Council member M. Johnson replied to just before the Auto Auction. Mr. Pressley said just the lower end; most of it is in Iredell Water Corporation territory. Council member Schlesinger said he was just wondering how much the City could get from the water and sewer services. Mayor Kutteh said not much because the majority of it is in non-City of Statesville water area. Mr. Pressley pointed out that the benefit to the City is the annexations into the City if someone wants to tie into the sewer line, not so much the revenue from water and sewer services.

Council member M. Johnson asked if the agreement includes the cost of the environmental fees and Mr. Gaines fees Mr. Pressley said the consultant will get someone to acquire the easements but staff would most likely have these reviewed by Mr. Gaines as well.

Council member M. Johnson asked what utilities will the City need to move. He said that the right-of-ways have been outlined and he would like staff to anticipate what conflict resolutions will occur amongst the utilities in the proposed right-of-ways. Mr. Pressley said nothing is being run within the NCDOT right-of-way other than from the median straight through to the pump station and where it parallels the right-of-way. NCDOT does not want it parallel, and neither do we, inside their right-of-way of I-77. Council member M. Johnson said he is talking about the newly acquired easements for the utilities. He said if we have conflicts in those easements we have to resolve them, if we have a water line that conflicts with the elevation and the force main, we have to bear the expense of moving it. Mr. Pressley said we are okay on that. He said that the issue that was critical to him was that we did not want to install a force main or any kind of facility inside of NCDOT's right-of-way because if they ever widen the road the City would have to pay the cost to relocate the lines. NCDOT is not holding us responsible for what is under the interstate and once we start towards town that will all be outside and will be an easement to the City of Statesville. If for some reason NCDOT expanded over that, they would have to acquire additional easements to locate the line. Council member M. Johnson said that is not what he is talking about. He said if you come up Turnersburg Road and the City of Statesville has a water line outside of NCDOT right-of-way that we conflict with when running the force main and we have to move it, or if Iredell Water Corporation has a line through one of these proposed easements, just calculate what the cost of the movements would be because the City is responsible for paying for this according to this agreement. Mr. Pressley said he will review this and report back to Council.

VI Consider a request from Ms. Mary Byers for a water tap to be installed to serve 309 Bristol Drive.

Mr. Harrell said the property is located at 309 Bristol Drive and is approximately 765 feet from the City Limits. The house is served by a septic system and the nearest sanitary sewer is approximately 245 feet north of the property. Ms. Byers has indicated that the well is old and has been giving her problems with murky water and grit seeping through the lines. Staff recommends approval of a water connection subject to outside rates and System Development Fees without annexation.

Mayor Kutteh asked what the reason is for not annexing the parcel. Mr. Harrell explained the distance to the sewer.

Council members agreed by consensus to move this item to the Consent Agenda.

VII Receive a report regarding the City of Statesville's status as a Phase II Stormwater City.

Mr. Harrell stated that staff received a letter dated May 8, 2014 indicating that the City is now subject to the stormwater permitting requirements of the Clean Water Act (Phase II), which is administered by the NC Department of Environment and Natural Resources

(DENR). The Clean Water Act requires municipalities located within urbanized areas and with a population greater than 10,000 to submit an application for a Phase II Stormwater Discharge Permit.

The most recent US Census shows that the City is now located within an urbanized area. A deadline of June 1, 2015 has been given for the City to submit an application package for a Phase II Stormwater Discharge Permit. Once a permit is issued by DENR, permit holders are required to develop, implement, and maintain a stormwater management program consisting of six key measures:

1. Public education and outreach
2. Public participation/involvement
3. Illicit discharge detection and elimination
4. Construction site runoff control
5. Post-construction runoff control
6. Pollution prevention/good housekeeping

The May 8, 2014 letter included the following key dates and deadlines for complying with Phase II requirements:

- June 1, 2015: City submits application, stormwater management plan narrative, and application fee (\$860) to DENR
- Mid to Late 2015: DENR issues Phase II permit
- 12 months from permit date: City develops public education plan (mid to late 2016)
- 18 months from permit date: City develops post-construction program (early to mid-2017)
- 5 years from permit date: Full program implementation (mid to late 2020)

The permit term is five years; it is expected that the program be fully implemented by the end of the initial five year permit term, which is expected to occur in late 2020.

Mr. Pressley pointed out that the staff anticipated this back in 2007 and already complies with some of these requirements.

Council member Schlesinger asked what this changes. Mr. Pressley explained.

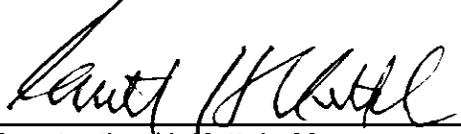
Council member Schlesinger made a motion to move to Executive Session to discuss an economic development matter in accordance with N.C.G.S. 143-318.11(a)(4) seconded by Council member J. Johnson. The motion carried unanimously.

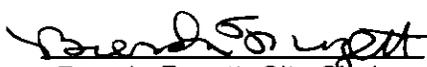
Upon return from Executive Session, Mayor Kutteh stated Council discussed an economic development matter and no action was taken.

There being no further business to discuss, Council member Schlesinger made a motion to adjourn the meeting, seconded by Council member J. Johnson. The motion carried unanimously.

Attest:




Constantine H. Kutteh, Mayor


Brenda Fugett, City Clerk