

**MINUTE BOOK 25, PAGE 375
CITY OF STATESVILLE PRE-AGENDA MEETING – February 26, 2015
CITY HALL – 227 S. CENTER STREET, STATESVILLE, NC – 4:30 P.M.
STATESVILLE, NORTH CAROLINA**

Mayor Costi Kutteh presiding:

Council Present: J. Johnson, Schlesinger, Morgan, West, Williams, M. Johnson, Schlesinger

Council Absent: Phifer

Staff Present: Fugett, Currier, Pressley, Salmon, Anderson, Harrell, Cornelison, Smyth, Gaines, Cornelius, Hudson, Houpe

Others: Marin Tomlin, Jim Prosser

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

I Call to Order

Mayor Kutteh called the meeting to order and advised that City Council would hold an Executive Session following the meeting to discuss a land acquisition matter and to preserve the attorney-client privilege.

Mayor Kutteh introduced Jim Prosser the Executive Director of Centralina Council of Governments. Mr. Prosser has been working with the City and Downtown Statesville Development Corporation to develop a Request for Qualifications (RFQ) for folks that want to do development in and around the downtown. The deadline for RFQ submittals was yesterday, February 25, 2015. The submittals will be vetted by the Committee who will then make a recommendation to City Council.

Mr. Prosser stated three specific responses were received to the Request for Qualifications. Two were for housing and one for a hotel. Two other developers with significant local ties that had an interest in hotel development that expressed strong interest but indicated they were not quite ready to do a Request for Qualification. His recommendation is that we provide information to the steering committee that would allow them to provide options for both hotel and residential and dual track this so the City would have more options and both would be available to Council for consideration. Mr. Prosser advised that Council does not have to go through an RFQ process to work with a developer but basic information is needed such as has the developer done this type of work before and if so where, can the developer get financing and equity and what process does the developer use.

Mr. Prosser explained that after Council selects a developer, or in this case there may be two, one for hotel and one for residential, then Council would enter into a Preliminary Development Agreement which is a period of due diligence. During this period Council should provide the developer with the opportunity to see what they can do by providing them with an exclusive, however there is always an escape clause built into this. During the due diligence period a developer will be making an investment of \$50,000 - \$100,000 so they want some kind of exclusive insurance after investing this much money.

Mayor Kutteh summarized that there are a total of five developers interested in hotel and residential development and of those five, three were site specific about developing a hotel at the Vance Hotel. The other two were interested in residential development with one being site specific and one not.

Council members agreed that the steering committee should review the RFQ's first and give them to Council at the March 16th meeting then Council will be prepared to discuss how they want to proceed at the April 9th Pre-Agenda meeting.

At Marin Tomlin's request, Mr. Prosser explained the selection process Council will follow after receiving a recommendation from the steering committee.

Mayor Kutteh reviewed the agenda as follows:

- II 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 February 12, 2015 Pre-Agenda meeting and the February 16, 2015 City Council meeting.**
 - B. Consider a formal request from the Downtown Statesville Development Corporation and the Greater Statesville Chamber of Commerce that the City of Statesville be an official co-sponsor of the 2015 Piedmont Healthcare Friday After Five Summer Concert Series, providing in-kind services.**
 - C. Consider approving a motion to close West Broad Street from Kelly Street to Mulberry Street, from 3:00 p.m. to 10:00 p.m., on May 8, May 22, June 12, June 26, July 10, July 24, August 14, August 28 and September 11 in order to accommodate the “Friday after Five Summer Concert Series.”**
Council member Watt clarified that rain dates are included in this request. Marin Tomlin further explained that if there are no rain dates then there will be nine concerts.
 - D. Consider approving a request from the Statesville Police Department to appropriate \$19,000 in the Drug seizure Fund, and approval of Budget Amendment #31.**
Mayor Kutteh stated this will allow the police department to begin the accreditation process through the Commission on Accreditation for Law Enforcement Agencies, Inc. The process is expected to take 2-3 years before final accreditation is awarded.
 - E. Consider reclassifying the Street Superintendent position to a Street/Stormwater Superintendent.**
Mayor Kutteh explained this reclassification is being requested because Stormwater Phase II regulations will impact Statesville. This position will assist with the development of a stormwater management program and the early implementation of a stormwater management program, as well as supervising the day to day operations of the Street Division.
 - F. Consider approving 2nd reading of TA15-01 filed by the City of Statesville to Amend Article 7 Alternate Development Patterns, Section 7.01 Cluster Subdivisions, G.**
Mayor Kutteh stated a revised ordinance has been distributed that includes the addition of the wording “except for lot width and Section 7.01,G.2” under Article 7, Section 7.01,G.
 - G. Consider approving 2nd reading of ZC15-01 filed by the City of Statesville on behalf of Earl and Charlene Koester for the Property located at 2184 Salisbury Road; Tax Map 4753-85-7975 from Iredell County R-A to the City of Statesville’s R-A.**
 - H. Consider appointing Rob Collier to the Statesville Convention and Visitors Bureau Board.**

Regular Agenda

- III Mayor Kutteh will swear in Council member William Morgan to the NC Financial Literacy Council.**
Mayor Kutteh congratulated Council member Morgan on his appointment to the NC Financial Literacy Council.
- IV Consider authorizing staff to proceed with development of a municipal service district for the Woods Drive Dam.**
Mayor Kutteh stated the City has asked the residents to contribute \$6,000 up front and to create a municipal service district that will generate another \$3,600 per year. Based on the tax values in that area it will require a \$0.21 per \$100 valuation going forward.

Once the \$6,000 is escrowed at the City Attorney's office staff will move forward with the project.

Scott Harrell added that all thirteen of the involved owners are in favor of this.

V Conduct a public hearing and consider making an economic incentive to an existing Statesville based industry that has been recently acquired by new ownership known as "Project Barracuda".

Mayor Kutteh stated that Project Barracuda proposes an 18 month expansion project totaling \$2.3 million, \$800,000 in new equipment in 2015 and a \$1.5 million building expansion in 2015-2016. Project Barracuda currently employs 30 at an average wage of \$20 per hour and will hire a minimum of 15 new employees with potential for 45 in 18 months. The economic incentive shall be based upon the City's making an appropriation of \$30,893 over a 5 year period based on the investment.

VI Consider adopting a Resolution to support the Yadkin Pee-Dee River Basin High Rock Lake Nutrient Strategy Development Project.

Joe Hudson stated that in June 2014, North Carolina Department of Environment and Natural Resources (NCDENR) revised the "North Carolina Nutrient Criteria Development Plan" (NCDP) as required by the US Environmental Protection Agency. The NCDP targets High Rock Lake as the first waterbody to receive Numeric Nutrient Criteria using the new process.

Since 1998, the City of Statesville and other technical stakeholders have been working with NCDENR to develop tools to evaluate sources of nutrient loading to High Rock Lake. With the development of these tools nearly complete, NCDENR began the process of receiving input from interested stakeholders to develop the Numeric Nutrient Criteria for High Rock Lake in January 2015.

To more effectively participate in the upcoming stakeholder process, the Yadkin Pee-Dee River Basin Association (YPDRBA) has commissioned a project to collectively engage DENR and other stakeholders to produce comprehensive, cost-effective, flexible, and adaptive processes and requirements. This attached resolution supports the YPDRBA project. The City of Statesville is a member of YPDRBA and budgets for annual dues. This resolution does not obligate the City to take further action.

Mr. Hudson introduced Forest Westall with McGill & Associates further explained the NC Nutrient Criteria Development Plan and recommended that Council adopt this resolution as this effort is in the best interest of the City.

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

VII Consider approving the following changes to the organization of the Police Department: Deletion of a patrol officer position and creation of a new position of "Police Technology Specialist".

Mayor Kutteh stated that staff is requesting that a current patrol officer position be deleted and a new position be created classified as "Police Technology Specialist". In 2006 Officer Robert Beard with prior training and experience in the field of technology volunteered to assist with the repair and maintenance of departmental technology related equipment when needed. With the rapid development and use of technology throughout the department this officer's specialty was quickly needed on a full time basis. For the last eight plus years, this officer has continually worked as an Information Technology Specialist and fulfilled the department's needs without any additional recognition or compensation for the advanced training, skills and knowledge required for the position. A tremendous amount of responsibility has been placed on the current officer "assigned" as police technology specialist to continually train, conduct research and evaluate and maintain new technology throughout the entire department. At the same time the officer must remain proficient with existing older generation technology already in use. If the officer currently assigned to this position were to leave the employ of the City of Statesville, only a police officer vacancy would be created. This would immediately create a situation in which we would have to enter into several maintenance contracts, create a police tech position at that time, or assign and train one of the general City I.T. specialists to be assigned to the police department in more of a full-time capacity, or a combination of all the above. The total annual cost to reorganize the aforementioned position will have little impact on the Police Department salaries. The increased salary costs can be funded with existing lapsed salaries.

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

VIII Consider an appointment to the Planning Board.

Mayor Kutteh stated that Mr. Robb Collier who was chairman of the Planning Board had to resign because he moved outside the City limits and the Extraterritorial Jurisdiction. Therefore a new member needs to be appointed. Mayor Kutteh advised that staff is researching the addition of alternates to the Planning Board.

IX Consider approving first reading of an ordinance to amend Chapter 20 of the City Code relating to placing items in the right-of-way (outdoor dining).

Mayor Kutteh said the proposed ordinance allows for the following changes related to sidewalk encroachments in the downtown area:

- Allows for food and/or beverage service
- Allows for tables and chairs to remain on the sidewalk until 11:00 p.m. in an unenclosed area
- Recognizes sandwich board encroachments
- Strengthens the City position relating to hold harmless and indemnification and removal of encroachments during emergency situations
- (note) Design guidelines will be changed to allow for commercial grade outdoor propane heaters and fans for seasonal use.

Eddie Gaines advised that a revised ordinance will be distributed to Council members on Monday. Mayor Kutteh asked that the ordinance be distributed on Friday or over the weekend if possible to allow Council members time to review the revised ordinance.

X Consider approving first reading of an ordinance to amend the Cemetery Ordinance in the City Code, the City Services Policy Manual and the Cemetery Regulations.

Mayor Kutteh said that in November of 2013, City Council revised text to the Cemetery Ordinance in the City Code, the City Services Policy Manual and the Cemetery Regulations to not allow grave openings or interments on legal holidays observed by the City.

After a busy holiday season for several funeral homes, this policy made it difficult to schedule multiple interments in a short period of time with fewer days. It has been requested by Rutledge and Bingham, Nicholson and Bunch Johnson Funeral Homes that the policy be revised to not allow interments on Thanksgiving Day and Christmas Day only. Grave openings would be allowed as it may help in the preparation for multiple burials in a short period of time. These changes will better accommodate our local funeral homes in the event of multiple services when a holiday would create an additional scheduling problem for families and the funeral homes.

Staff recommends the following text amendment to:

- Chapter 6, Article 2, Section 6.30 of the City Code: Grave Openings on Weekends
- City of Statesville Services Policy Manual, Recreation and Parks, E. Cemetery Rules and Regulations, 3. Interments:
- Under the heading "Interment" of the City of Statesville Recreation and Parks Department Cemetery Rules and Regulations

For grave openings in City cemeteries on weekends it shall be the duty of the funeral home director, or his authorized agent, to notify the enforcement officer or his duly authorized representative, no later than 4:00 p.m. Friday for a Saturday or Sunday service. Exception: the enforcement officer or his duly authorized representative will be on-call from 9:00 a.m. until 12:00 noon the day after Thanksgiving and on a previously designated day and time if Christmas falls on such a day that exceeds three consecutive days without on-call hours. ~~No grave openings or interments will be made on legal holidays observed by the city~~ allowed on Thanksgiving Day or Christmas Day.

XI Consider using remaining funds from the purchase of 2 shuttle vans to resurface 6 tennis courts at Caldwell Park and to replace a park maintenance truck that was totaled in an accident and approve Budget Amendment #30.

Mayor Kutteh advised that there is \$15,560 remaining from the \$110,000 allocated to purchase two shuttle vans. The cost to resurface all 6 tennis courts at Caldwell Park is \$17,100. Staff recommends using \$10,500 of remaining funds from the van purchase to help with this resurfacing. Additional funds needed are available in the normal operating budget. Vehicle #1702 was involved in an accident and deemed a total loss. The cost of a new truck is \$18,660 including taxes and tags. We received an insurance reimbursement for this vehicle of \$9,711. In addition to the insurance reimbursement, staff recommends using \$5,060 of the remaining funds from the van purchase to assist in the purchase of a replacement vehicle. Additional funds needed are available in the normal operating budget.

Mr. Kelly Standish asked if the old shuttle vans could be used to transport veterans to the VA Hospital because many veterans have transportation issues. Mayor Kutteh explained the old vans could not be used for this purpose. He directed Mr. Pressley to assist Mr. Standish with getting in touch with the Iredell County Transportation Director regarding this issue.

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

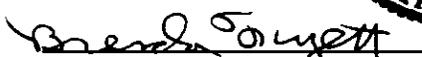
Council member Morgan made a motion to move to Executive Session in accordance with N.C.G.S. 143-318.11(a)(5) to discuss a land acquisition matter, and N.C.G.S. 143-318.11(a)(3) to preserve the attorney-client privilege, seconded by Council member J. Johnson. The motion carried unanimously.

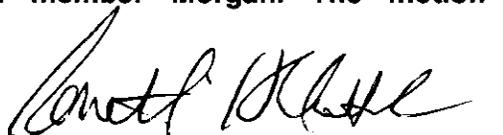
Upon return to open session Mayor Kutteh advised that a land acquisition matter was discussed and the attorney-client privilege preserved and no action was taken.

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

Attest:




Brenda Fugett, City Clerk


Constantine H. Kutteh, Mayor