

**MINUTE BOOK 25, PAGE 424  
CITY OF STATESVILLE PRE-AGENDA MEETING – May 28, 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, Williams, M. Johnson (via phone)

**Council Absent:** Phifer, West, Watt

**Staff Present:** Pressley, Fugett, Smyth, Watts, Houpe, Harrell, Triplett, Currier, Davis, Ferguson, Shelton, Styers, Anderson

**Others:** 3

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

**I Call to Order**

Mayor Kutteh called the meeting to order and advised an Executive Session would be held following the Pre-Agenda meeting to discuss two land acquisition matters and to preserve the attorney client privilege.

Mayor Kutteh stated that Item B on the Consent Agenda would be moved to first on the Regular Agenda.

David Currier introduced John Ferguson the new Airport Manager. Mayor Kutteh asked staff to provide a summary of the Phase I Airport Study.

**II Consent Agenda**

Mayor Kutteh reviewed the Consent Agenda as follows:

- A. Consider approving the minutes for the May 14, 2015 Pre-Agenda meeting.**
- B. Consider authorizing Strategics Consulting to prepare a Federal Action Plan and approve Budget Amendment #40 in the amount of \$5,000.**  
Move to Regular Agenda.
- C. Make a formal request that the City of Statesville be an official co-sponsor of the Statesville Criterium Bike Race, providing in-kind services.**  
Marin Tomlin stated this is the fourteenth year the race has been held.
- D. Consider approving a motion to close selected streets in Downtown Statesville for the Statesville Criterium Bicycle Race on Friday, July 31, 2015. It is also requested that a temporary towing enforcement of vehicles along the race route be in effect during the closure period.**
- E. Consider approving a request by Pastor Lonnie Harper, Miracle Tabernacle of Deliverance, to close a portion of Monroe Street between Clay Street and Rickert Street, on Saturday, June 13, 2015, between 8:00 a.m. and 5:00 p.m. in order to host a community fellowship event.**
- F. Receive a report of an emergency non-depreciable capital purchase of a Hydraulic Tamp and a Battery/Hydraulic Crimp Tool by the Electric Utilities Department.**  
Mayor Kutteh stated it was necessary to replace the hydraulic tamp at the cost of \$1,435 because replacement parts were not available. The crimp tool is used on a daily basis to make proper electrical connections and was replaced since the repair cost would have exceeded 50% of a new purchase of \$1,700. Funds are available in the operating budget for these purchases.
- G. Consider approving a request from Mr. Fred Heath for a sewer tap to serve a parcel on Northside Drive.**  
Mayor Kutteh said the property consists of two parcels located on Northside

Drive; the southern parcel fronts Northside Drive and is inside the City Limits; the northern (rear) parcel is outside the City limits. The structure to be served extends across the parcel line, making it part inside and part outside the City limits. The owner, Mr. Fred Heath, indicates the septic system is 40 years old and they do not wish to maintain it any longer. The closest sewer main is at the north end of Mr. Heath's property. The property is currently served by City water and electric. Staff recommends approving a sewer connection subject to inside rates and System Development Fees contingent on receiving a petition for voluntary annexation of the northern (rear) parcel at 1336 Northside Drive. The tax value on the property to be annexed is approximately \$427,000.

**H. Consider approving a semi-annual write-off of approximately \$117,311.34 in utility accounts.**

Mayor Kutteh stated that 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, 2013 and December 31, 2013 in the amount of \$117,311.34. This amount may decrease slightly should monies be collected 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 \$14,481.00 in utility bad debts during the period referenced above.

Council member Schlesinger asked that this item be moved to the Regular Agenda so the public can see how much money the City loses from people not paying their bills.

**I. Receive and concur with the 2015-2016 Budget for the Statesville Convention and Visitors Bureau.**

Mayor Kutteh stated the 2015-2016 Statesville Convention and Visitors Bureau Budget is in the amount of \$176,628. \$77,000 is budgeted for the billboard program, and \$47,000 for the grant program for a total of \$129,200 in promotions.

Mayor Kutteh asked Gene Triplett to present a report to City Council at some point in the future as to how the billboard program is working.

**J. Consider approving 2<sup>nd</sup> reading of ZC15-05 filed by the City of Statesville on behalf of Energy United for the property located adjacent to 567 Mocksville Highway; Tax Map 4765-34-5432 from IC-R-20 to the City of Statesville's B-4.**

**K. Consider approving 2<sup>nd</sup> reading of ZC15-06 filed by Dr. Michael Simmons & Sullivan Road Partners, LLC to rezone the three parcels located on Arlington Avenue between Lee and Carolyn Streets, Tax Maps 4745-61-3275, 4745-61-5301, and 4745-61-6420, from R-10 (Urban Low Density Residential) to O-1 (Office Single Lot) for professional and medical offices.**

**Regular Agenda**

**B. Consider authorizing Strategics Consulting to prepare a Federal Action Plan and approve Budget Amendment #40 in the amount of \$5,000.**

Mayor Kutteh reminded Council that Leslie Mazingo of Strategics Consulting spoke briefly at the Council Retreat concerning Federal Funding of local projects. The first task is to prepare a Federal Action Plan and we will have a better feel for how to move forward after the Federal Action Plan is complete. Staff recommends authorizing Strategics Consulting agreement in the amount of \$5,000 and approve Budget Amendment #40.

Larry Pressley stated that this plan scans the possible funding opportunities at the federal funding level. He named several project options that Council could choose from to try to get funding for. Most likely a report will be ready for Council within two months.

**III Consider approving first reading of an ordinance establishing a 25 mph speed limit on Beverly Drive with appropriate signage to accompany the change.**

Mayor Kutteh said the motoring public has now established Beverly Drive 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 Beverly Drive after receiving a residential complaint concerning vehicular speed. The study revealed a high volume of traffic for a residential area. The Traffic Safety Director found that Beverly Drive consists of curves, hills, and numerous drive cuts. The street is narrow, with an average width of 18 feet, and has little to no shoulder, with limited sidewalks for pedestrian foot traffic. As a matter of public safety, it recommended that a 25 mph speed limit be established for Beverly Drive.

**IV Request approval to write-off parking tickets that are 7 years or older in the amount of approximately \$37,765.**

Mayor Kutteh 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 2,669 and the amount is \$37,765 for tickets dated 01/01/04 through 05/01/08. This amount may decrease if any payments are received before the write-off is processed.

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

**V Consider authorizing additional work by CCOG and approve Budget Amendment #39 in the amount of \$25,000.**

Mayor Kutteh said that as discussed at the last Council meeting staff is presenting a proposal to engage Jim Prosser and his staff to move forward with Downtown Development. Staff recommends including the following items from Exhibit D which details proposed services and costs.

Item III: \$5,000 as indicated on page 3 of Exhibit D.

**Items from Appendix D:**

Phase VII	\$ 5,900
Phase VIII	\$12,000
Contingency	<u>\$ 2,100</u>
TOTAL	\$25,000

This approach allows us to choose services we need and additional services can be authorized at a later date as needed. Staff recommends authorizing Centralina Council of Government to perform additional work in the amount of \$25,000 and approve Budget Amendment #39. He clarified that CCOG will not bill the City for anything they do not do.

**VI Receive a report and consider approving oversizing options for the I-77 Rest Area sewer.**

Scott Harrell stated the City's agreement with the NC Department of Transportation to provide sewer service to the proposed I-77 rest area includes the opportunity for the City to increase the capacity of the sewer system beyond what DOT needs for the rest area. This increased capacity, or oversizing, will allow the City to provide sewer service to additional customers along the I-77 corridor north of Statesville. NC DOT is reimbursing the City for the cost of the base system; the cost of any oversizing is the responsibility of the City.

The proposed sewer system consists of a pump station on Mitchell Farm Rd. which will pump flows to a second pump station adjacent to Fifth Creek near Exit 54. This pump station will pump to the City's existing sewer system on Christopher Lane. In order to handle the projected flows from the rest area, both pump stations will pump through six-inch force mains at a rate of 180 gallons per minute (gpm). At this pumping rate, there is some additional capacity available. Staff has worked with our engineering consultant to develop oversizing options that would further increase the available capacity of the new system. These options are described below:

Option 1: Increase the Fifth Creek pump station from 180 gpm to 890 gpm with a 10-inch force main. Estimated cost: \$325,000.

Option 2: Option 1, plus increase the Mitchell Farm Rd. pump station to 315 gpm with an 8-inch force main. Estimated cost: \$480,000.

Option 3: Option 2, plus a section of 16-inch gravity sewer near Exit 54. The gravity sewer will facilitate customer tie-ins and future system expansion. Estimated cost: \$940,000.

Option 4: Option 3, with the 16-inch gravity sewer extended to the west side of I-77. Estimated cost: \$1,512,000.

Staff recommends proceeding with design and construction bidding for all options. The final decision on which oversizing components to fund can be made once construction bids have been received. Mr. Harrell clarified that these are cumulative costs.

Larry Pressley said that staff can research statutes to determine whether or not tie on fees can be charged other than system development fees.

Council member Schlesinger asked if there is any grant funding available for this type of project. Mr. Pressley replied there may be and staff can research this, but most likely the project would not be eligible since NCDOT is funding \$2.5 million of it. Schlesinger asked if a pro-forma has been done to determine the rate of return on this investment.

Council member M. Johnson said this project would be considered shovel ready and Council should have Strategics Consulting investigate as soon as possible what federal funds are available and go ahead and install a 16" gravity line because eventually we are going to need it.

Mayor Kutteh asked what size of service area this will open up. Brandon Pridemore explained.

Larry Pressley stated the consulting fee for proceeding with design and construction bidding for all the options is \$20,000.

**Council member Williams made a motion to move to Executive Session in accordance with N.C.G.S. 143-318.11(a)(5) to discuss two land acquisition matters 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.**

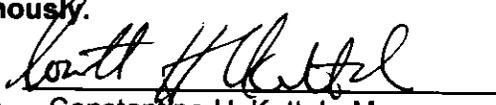
**Upon return to open session Mayor Kutteh advised that two land acquisition matters were discussed and the attorney-client privilege was preserved. No action was taken.**

**Council member Morgan made a motion to adjourn, seconded by Council member Schlesinger. The motion carried unanimously.**

Attest:

  
Brenda Fugett, City Clerk



  
Constantine H. Kutteh, Mayor