

**MINUTE BOOK 26, PAGE 066
CITY OF STATESVILLE COUNCIL MEETING – April 18, 2016
CITY HALL – 227 S. CENTER STREET, STATESVILLE, NC – 7:00 P.M.
STATESVILLE, NORTH CAROLINA**

Mayor Costi Kutteh presiding:

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

Council Absent: West

Staff Present: Pressley, Fugett, Gaines, Davis, Smyth, Currier, Harrell, Watt, Cornelius, Cornelison, Gregory, Houpe, Staley, Shelton

Media Present Amy Fuhrman-Statesville Free News, Nina Mastandrea-Statesville Record & Landmark

Others: 4

I Call to Order

II Invocation

The City Clerk gave the invocation.

III Pledge of Allegiance

Girl Scout Troop #2455 led the Pledge of Allegiance.

IV Public Comment - During the second meeting of each month citizens are invited to speak about matters not on the current agenda.

There were no speakers.

V Consent Agenda

Mayor Kutteh stated that 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 low bid from Siemens Industry, Inc. for purchase of three (3) reclosers from section one of the specifications in the amount of \$64,168.**
- B. Consider approval of the audit contract for fiscal year ending June 30, 2016.**
- C. Item C was moved to the Regular Agenda.**
- D. Consider a request from David Edwards for a water tap to serve 2474 Shelton Avenue at inside rates and System Development Fees with voluntary annexation.**

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.

Upon a motion by Council member J. Johnson, seconded by Council member Morgan, the Consent Agenda was unanimously approved.

REGULAR AGENDA

Mayor Kutteh advised there has been another addition to the agenda. This is an ordinance to amend Statesville's Code of Ordinances, Section 13.2 to add the accumulation of friable asbestos, hazardous conditions or environmentally unsafe conditions as an enumerated nuisance.

Mayor Kutteh stated this item will be considered after the Power Cross presentation.

C. Consider approving an extension of Camden Road.

City Engineer Harrell advised that staff has received a request from a property owner wishing to build a residence on an unopened section of Camden Road. Per the Unified Development Ordinance, new residences must have frontage on a public street. The extension of Camden Road will be built to City standards for a minor residential street. The owners have requested to pay the fee in lieu of curb, gutter and sidewalk, to match the surrounding streets. Staff from Engineering, Planning, and the Fire Marshall's offices have reviewed the proposed roadway alignment and have no objections. City water and sewer are available at the site. Staff recommends approving the extension of Camden Rd.

Council member M. Johnson asked if the sewer service is down the center of the unopened portion of Camden Road. Mr. Harrell replied he believes it is toward the southern end of the right-of-way. Council member M. Johnson said he is concerned that if someone ever opens up Camden Road built to specifications that these improvements will need to be ripped out. He said if the road were to be opened in the future what elevations would you tell them to put it at. Mr. Harrell said they did submit a proposal and he will review it and report his findings. Council member M. Johnson asked if the City can accept the road as it is since it may be tore out at some point in the future. Mr. Pressley stated the City cannot accept it unless it is built to City standards. Mr. Harrell said the fee in lieu of for 500 ft. of curb, gutter and sidewalk amounts to \$25,000.

Mr. Pressley and City Attorney Gaines both agreed that there was precedent to allow the fee for the curb and gutter to be waived.

Council member M. Johnson made a motion to approve the extension of Camden Road, approximately 500 feet and to waive the fee for the curb and gutter, but the fee in lieu of must be paid for the sidewalk or the sidewalk built. Council member Schlesinger seconded the motion which was unanimously approved.

VI Receive an update from Power Cross

Natalie Storment reflected that Council approved the 99 year lease on Abernathy Field for Power Cross. She advised they had received a grant from Major League Baseball which allowed them to do a lot of work on the field. Pictures were provided showing the improvements. Ms. Storment invited Council to visit the facility.

VII Swear in Council member William Morgan as the Governor's appointee to the NC Literacy Commission.

Mayor Kutteh swore in Council member William Morgan as the Governor's appointee to the NC Literacy Commission. He was first appointed to fill an unexpired term but has now been appointed to a four year term.

ADD Consider approving an ordinance to amend Statesville's Code of Ordinances, Section 13.2 to add the accumulation of friable asbestos, hazardous conditions or environmentally unsafe conditions as an enumerated nuisance.

Mayor Kutteh advised this is the first reading of an ordinance to amend Statesville's Code of Ordinance, Section 13.2.

Attorney Gaines advised this is being added to the ordinance upon the recommendation of the School of Government.

Upon a motion by Council member Morgan, seconded by Council member J. Johnson, the first reading of an ordinance to amend Statesville's Code of Ordinances, Section 13.2 to add the accumulation of friable asbestos, hazardous conditions or environmentally unsafe conditions as an enumerated nuisance was unanimously approved.

VIII Consider a motion to approve a Preliminary Development Agreement with Richard Angino of Third Wave Housing.

City Manager Pressley briefly explained the agreement. He also advised the dates on the agreement have been changed to coincide with City Council meeting dates.

Council member Schlesinger asked how we can do a parking deck study until we see what he has in mind for the back of the building.

Mr. Pressley recalled the plans for the back of the building showed parking on the basement level. Doing away with the ramp would greatly enhance the access from that area.

Council member M. Johnson made a motion to approve, with the caveat that monthly meeting dates are changed to coincide with City Council meeting dates. The motion was seconded by Council member Watt and it was unanimously approved.

IX Adopt the 5-year Technology Master Plan.

Mayor Kutteh noted that the first year of this plan will get the city in place for the AMI program.

Nikki Gregory stated that on January 4th, 2016, the City Council awarded a contract to Team is to perform a comprehensive study, resulting in a 5-year IT (Information Technology) Master Plan. This Master Plan is included in each of the Council packets for review. Issues included in this Master Plan are based upon questionnaires completed by each department, needs and network assessments, and security and compliancy considerations. Within the Plan, the projects are organized and scheduled by dependencies, priorities, impact, and compliance requirements. The table below reflects the estimated costs by funding source, by year, should the Council adopt this IT Master Plan. The most critical project was immediately identified as the Local Government Information Technology Solution (LGITS), based on all the criteria listed above. This project replaces our existing Financial, Human Resources, and Utility Billing packages with newer, more compatible software. Please note, the proposed LGITS solution will need to be implemented prior to moving forward with the AMI project, since the existing system will not interface directly with AMI. For this reason, the LGITS multi-year project is represented on its own line in the table below.

	General Fund	Electric Fund	Water/Sewer Fund
Local Government Information Technology Solution (LGITS)	\$263,438	\$203,813	\$157,750
Year 1 (in addition to LGITS)	\$165,036	\$18,607	\$6,257
Year 2	\$108,395	\$13,120	\$10,430
Year 3	\$109,000		\$13,000
Year 4	\$40,200	\$15,000	\$15,000
Year 5	\$33,950	\$2,310	\$5,790

Staff recommends that Council adopt the 5-year IT (Information Technology) Master Plan.

Mr. Harrigan presented a power point presentation showing details of the proposal. This plan will replace the AS 400.

Council member Schlesinger asked why mobile devices are scheduled for the fifth year. Mr. Harrigan replied that infrastructure has to be in place to support these tools.

Council member Williams asked how long they will have to keep the AS400 running. Ms. Gregory explained the timeline. She said at least another year is needed for utility billing.

Council member Williams questioned the amount of data being brought into the new system. Ms. Gregory advised three years of history will be moved.

Council member M. Johnson asked to see capital and recurring expenses compared to what is currently in place. Ms. Gregory provided the requested information to Council.

Mayor Kutteh suggested the 2.2.12 I.T. staff member be pulled out of this proposal and decided separately. He also asked if the plan could be compressed into 3 years.

Council member Watt made a motion to approve the 5-year Technology Master Plan, except to remove staff member 2.2.12 and compact this to a 3 year plan. Council member Williams seconded the motion and it was unanimously approved.

X Consider a proposal from Jewell Engineering Consultants for a stormwater utility study and approval of Budget Amendment #17

City Engineer Harrell advised that as requested at the February 11, 2016 Council retreat, staff has received a proposal from Jewell Engineering Consultants to study the potential development of a stormwater utility enterprise fund.

The proposal consists of three phases:

1. Identifying the stormwater program components to be funded by the utility and assembling relevant data.
2. Defining the utility through development of policies and consideration of public input.
3. Preparing for utility implementation – creating a customer database, rate structure, and utility ordinance.

At this time, staff recommends proceeding with Phase 1 of the study, which is estimated to take 4 – 6 months to complete. Jewell Engineering Services proposes to complete this work on a time and expense basis, not to exceed \$52,950. It is anticipated that a Stormwater Utility Advisory Board will be established during this time, to help evaluate the Phase 1 results and to prepare recommendations to Council. The entire study (all three phases) is anticipated to take 12 – 15 months, at a cost of \$125,000 to \$150,000. Some study components can be completed internally; staff will work with Jewell Engineering to identify and complete these tasks as appropriate. Staff recommends authorizing Jewell Engineering Consultants to proceed with Phase 1 of the stormwater utility study and approval of Budget Amendment #17.

Council member M. Johnson asked Mr. Doug Jewell to characterize the Stormwater Utility Advisory Board.

Mr. Jewell advised the board meets monthly for a period of 6-9 months with 8-12 members that represents a cross section of the community; Council, developers, public organizations, and someone from the environment field.

Council member M. Johnson asked if the board can survive the adoption of the ordinance.

Mr. Jewell replied it can. He further explained how to spend capital funds and prioritize capital improvements. Board can be very helpful in this process.

Council member M. Johnson asked if the data base will be constructed in house. He asked Mr. Jewell if he would bring council a reasonable model in spite of the other components and issues.

M. Johnson asked if the county will oversee day to day supervision since they have erosion control. Mr. Jewell advised Council can decide how this is handled.

City Manager Pressley recommended bringing it in house.

Mayor Kutteh asked if they have worked with others who did not have an advisory board.

Mr. Jewell replied yes and noted that it took longer.

Council member M. Johnson made a motion, seconded by Council member Morgan, to approve a proposal from Jewell Engineering Consultants for a stormwater utility study and approval of Budget Amendment #17

XI Consider approving a policy allowing adjustments to water bills after a leak in a customer's water service.

On February 1, 2016 Council approved a policy by which adjustments may be made to a customer's water bill in the event of a leak associated with a backflow prevention device. During that discussion the possibility of offering adjustments for all water leaks was suggested. After reviewing the practices of several surrounding municipalities and water providers, staff proposes the following policy:

The City of Statesville may credit a customer on City water service for excess water charges when the customer has a water leak and can provide a repair statement stating the nature of the leak, repairs made, and date work was completed.

The water billing adjustment will be based on the customer's previous six months average monthly consumption as determined by the Collections/Revenue Manager. If an average cannot be established from previous billings, an average shall be established with as many future billings as may be deemed necessary but not exceeding six following the repair of the leak.

Consideration for billing adjustments will be subject to the following conditions:

1. A billing adjustment will be granted only once within a 12 month period.
2. Adjustment will only be made to one (1) monthly bill.
3. No adjustments will be made to accounts past due, or for leaks older than 90 days.

Staff recommends approval of this policy, effective immediately.

Council member Williams asked if the customer has monthly bills, who picks the date for which bill gets the adjustment, customer or does the city choose.

Mr. Harrell stated he would use his judgment in each case unless Council specifically states who picks the bill that is adjusted.

Councilmember J Johnson made a motion, to approving a policy allowing adjustments to water bills after a leak in a customer's water service. The motion was seconded by Council member Morgan and unanimously approved.

Council member Schlesinger stated this needs to include language at the discretion of the Public Works Director for unique situations. The amendment was accepted by Council.

XII Consider providing annual testing and maintenance services for backflow prevention devices.

At the February 1, 2016 regular meeting, Council discussed whether the City should provide testing and maintenance services of backflow prevention devices. Council requested that staff confirm whether similar policies are in place at other municipalities.

After contacting surrounding municipalities and state officials, only two municipalities were found to offer backflow testing services: Mount Pleasant, SC and Fayetteville, NC (irrigation systems only).

The proposal is to offer these services to eligible customers, who will be billed on their monthly utility bill. Customers can elect to enroll or discontinue the service at any time. The policy presented in February is below:

Backflow Prevention Devices – Annual Testing & Maintenance

The City of Statesville requires that all backflow prevention devices connected to the City's water distribution system be tested at least once each year, and that all maintenance and repair of backflow prevention devices be made at the customer's expense (Section 23-304 (j)). Customers who desire their backflow testing and maintenance be conducted by the City may elect to receive this service, subject to the following conditions:

1. The customer's utility account with the City must be in good standing with no outstanding or past due charges.
2. The customer's backflow prevention assembly must have been installed in accordance with City standards in a location that is readily and safely accessible. Any work necessary to meet this requirement must be performed by the customer at their expense prior to subscribing to the City's testing and maintenance service.

3. The cost for this service will be billed in equal installments on the customer's monthly utility bill. The rate is subject to review and adjustment on an annual basis.
4. Backflow prevention assemblies on fire protection lines and service connections larger than 2 inches in diameter are not eligible for the testing and maintenance service.
5. Tests on backflow prevention assemblies larger than 2 inches in diameter or on fire protection lines may be performed at the discretion of the Public Works Director.
6. Eligible customers may opt to receive this service at any time by contacting the City's Backflow/Cross-Connection Coordinator.
7. Exceptions to this policy will be at the discretion of the Public Works Director.

Staff anticipates the monthly charge for the testing and maintenance service to be between \$5 and \$7.50.

For customers who do not elect to utilize this service, City code still requires that they maintain their devices in good working order and submit evidence their device has been inspected and passed by a certified tester on an annual basis. For customers that do not comply with the annual testing requirement, staff proposes the following:

If, after due notice, a customer fails to submit evidence their backflow device has passed the required annual test, the City may elect to have the device tested and to bill the customer the cost of the test. (Due notice shall be at a minimum a written reminder of the annual testing requirement with a 30 day period to respond.)

This practice will generally be reserved for water service connections considered "high" or "severe" hazard by state and/or federal guidelines. Connections of this type include, but are not limited to: facilities with booster pumps; buildings with five or more stories above ground; hospitals and other medical facilities; car washes; laundries; swimming pools. Other commercial, industrial, and irrigation connections may be tested at the discretion of the Public Works Director.

Failure to pay the bill for testing, or to perform any repair work necessary to restore the device to working order, may result in shutting off the customer's water connection until the necessary payment and/or work has been completed.

Staff recommends approval of these backflow prevention device testing and maintenance policies, to go into effect on August 1, 2016.

Upon a motion by Council member Schlesinger, seconded by Council member Morgan, annual testing and maintenance services for backflow prevention devices was unanimously approved.

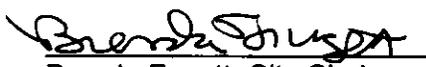
Public Works Director Harrell gave an update on the Woods Drive Dam. They are clearing brush and vegetation off the dam. This was an item the State had requested. They have also installed a bottom drain and repaired the storm drain.

City Attorney Gaines advised he is still waiting on Mr. Jones to sign the easements.

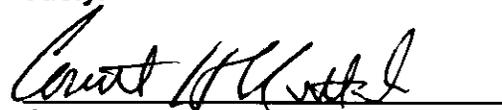
There being no further business, Mayor Kutteh asked for a motion to adjourn.

Council member Williams made a motion to adjourn, seconded by Council member J. Johnson. The motion carried unanimously.

Attest:


Brenda Fugett, City Clerk




Constantine H. Kutteh, Mayor