

STATESVILLE CITY COUNCIL MEETING AGENDA
FEBRUARY 17, 2020
City Hall - 227 S. Center Street, Statesville, NC
Pre-Agenda Meeting – 6:00 p.m. 2nd Floor Conference Room
Regular Meeting – 7:00 p.m. Council Chambers

- I Call to Order**
- II Invocation** (Only at Council Meeting)
- III Pledge of Allegiance** (Only at Council Meeting)
- IV Adoption of the Agenda** (Only at Council Meeting)
- V Public Comment** (Only at Council Meeting)
- VI 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 January 06, 2020 Pre-Agenda and City Council meeting minutes. *Pg. 3 & 10***
 - B. Consider approving 2nd reading of AX19-05, an ordinance to annex the property located at 1217 Williams Road; PIN 4724-91-1920. *(Ashley) Pg. 21***
 - C. Consider approving 2nd reading of AX19-06, an ordinance to annex the property located at 257 Hill Haven Road, PIN 4733-41-5934. *(Ashley) Pg. 26***
 - D. Consider approving the budgetary appropriation and purchase of bullet proof vests in fiscal year 2020 associated with the Bulletproof Vest Partnership and Budget Amendment #2020-13. *(Bowen) Pg. 31***
 - E. Make a formal request that the City of Statesville be an official co-sponsor of the 2020 Friday After Five Summer Concert Series, providing in-kind services as listed below. *(Tomlin) Pg. 33***
 - F. Consider approving a motion to close West Broad Street from Kelly to Mulberry Street, from 2:45 p.m. to 10:30 p.m. on the following dates in order to accommodate the 2020 “Friday after Five Summer Concert Series”, organized by the Downtown Statesville Development Corporation and the Greater Statesville Chamber of Commerce: May 8, May 22, June 12, June 26, July 17, August 7, August 21 (possible makeup date), September 4. *(Tomlin) Pg. 34***
 - G. Consider approving 2nd reading of an ordinance to establish No Parking Zones on all roadways located within the Statesville Business Park. *(Onley) Pg. 36***

- H. Consider approving the write-off of approximately \$1,500 in parking tickets and \$16,420 in penalty fees for parking tickets. *(Tucker) Pg. 39*
- I. Consider approving the semi-annual write-off of approximately \$163,154.50 in utility accounts. *(Tucker) Pg. 40*
- J. Consider approving a request from the Statesville Police Department to apply for a grant which would provide full and decreasing salaries and vehicles for four officers over a period of four years. This would be equivalent to \$450,000 over four years. *(Addison) Pg. 41*
- K. The Statesville Police Department is requesting permission to accept \$210,000 of School Resource Funding for additional School Resource Officers from Iredell Statesville Schools and to approve Budget Amendment #2020-12. *(Addison) Pg. 43*

REGULAR AGENDA

- VII Present the 2019 Mayor’s Cup Award to “Andy Smith, Lake Mountain Coffee” *(Miller) Pg. 45*
- VIII Conduct a public hearing and consider approving AX20-02 first reading of an ordinance to annex the properties located at 2131, 2151 & 2155 Amity Hill Road. *(Ashley) Pg. 46*
- IX Conduct a public hearing and consider approving first reading of Rezoning Request ZC20-02 for the property located adjacent to 163 James Farm Road; Tax Map 4745-59-1376 from R-10 (Low-Density Residential) District to R-5MF (High-Density Multi-Family Residential). *(Ashley) Pg. 53*
- X Consider a request to accept Troutman Drive into the City’s street maintenance system. *(Harrell) Pg. 65*
- XI Consider approving adding \$300,000 to an existing multi-year contract with Lee Electrical Construction. *(Maclaga) Pg. 68*
- XII Review the draft Statesville City Council Code of Ethics and establish a practice to adopt a new Resolution at the beginning of each year. *(Messick, Smith) Pg. 69*
- XIII Receive and give direction on moving forward with a Vance Hotel development agreement or sale. *(Smith) Pg. 70*
- XIV Call for a vote to cancel the contract for the parking deck previously approved to be constructed at the corner of East Front Street and Meeting Street. *(Smith) Pg. 71*
- XV Other Business
- XVI Closed Session (Following the Pre-Agenda Meeting if Needed)
- XVII Adjournment

**MINUTE BOOK 27, PAGE
STATESVILLE CITY COUNCIL PRE-AGENDA MEETING – JANUARY 06, 2020
CITY HALL – 2nd FLOOR CONFERENCE ROOM, STATESVILLE, NC – 6:00 P.M.**

Council Present: Mayor Constantine H. Kutteh presiding, Jap Johnson, William Morgan, John Staford, David Jones, Steve Johnson, Doris Allison, Amy Lawton, Fred Foster

Council Absent: 0

Staff Present: Ron Smith, Brenda Fugett, Ralph Staley, Nancy Davis, Leah Gaines Messick, Chris Tucker, Sherry Ashley, Richard Griggs, John Ferguson, Nikki Gregory, David Addison, Scott Harrell, John Maclaga, Derek Slocum, Andy Weatherman, Mildred Minor, Pam Navey, Danny Nicholson

Media: Record & Landmark, Statesville Free News

Others: 2

I Call to Order

Mayor Kutteh called the meeting to order. He advised that Council will move to Closed Session following the meeting to discuss a property acquisition, a contract matter, and to preserve the attorney-client privilege.

II Invocation (Only at Council Meeting)

III Pledge of Allegiance (Only at Council Meeting)

IV Adoption of the Agenda (Only at Council Meeting)

V Public Comment (Only at Council Meeting)

VI 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 2nd reading of Rezoning Request ZC19-07 for the property located at 393 Twin Oaks Road, Tax Map 4753-99-4940 from Iredell County RA (Residential Agricultural) District to City of Statesville RA (Residential Agricultural) District due to annexation. (Ashley)**

REGULAR AGENDA

VII Presentation and introduction of the winners of the Statesville Mascot Challenge. Richard Griggs stated that 2 of the 3 winners will be present, and the overall winner, a student at American Renaissance School, will be present and will make a few remarks.

VIII Receive a presentation regarding the Vance Hotel from Stephen Barker. (Smith)

Mayor Kutteh stated that staff is not asking for Council to take any action on this item tonight.

City Manager Ron Smith said he is only looking for some assurance from Council that it can move forward with Mr. Barker and formally authorize staff to come back with more information and a path forward on this request at the retreat.

IX Consider granting permission to the Statesville Police Department staff to accept a grant from the NC Governor’s Crime Commission, Federal VAWA-Violence Against Women Act – for up to \$110,292.03 for the purpose of supporting the department’s Domestic Violence Initiative, Victim Advocate, and two (2) Domestic Violence Investigators salaries, fringe benefits, supplies, and training and approve Budget Amendment #10. (Navey)

Pam Navey stated that the Department received notification from GCC/VAWA that the grant funding is available for acceptance. This grant is for 12-months and will be effective from October 1, 2019 through September 30, 2020. This has been delayed because the funds were held up last year for the year that actually started in October. Her request to apply for next year’s grant funding for this is the next item on the agenda.

Council member S. Johnson asked if the matching funds have already been budgeted for in this budget year. Chris Tucker replied that the funds will be taken from the General Fund Contingency line item.

Mayor Kutteh suggested that the Department budget for the matching funds in the coming budget year instead of taking the match out of General Fund Contingency.

In response to a question from Council member Stafford, Navey explained that the funds have already been expended and these are reimbursement funds.

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

X Consider granting permission to the Statesville Police Department staff to apply for a grant from the NC Governor’s Crime Commission, Federal VAWA-Violence Against Women Act – for up to \$150,000 for the purpose of supporting the department’s Domestic Violence Initiative, Victim Advocate, and 2 Domestic Violence Investigators salaries, fringe benefits, supplies, and training. (Navey)

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

XI Consider approving a request for water service connections at 2151 and 2155 Amity Hill Road. (Harrell)

Scott Harrell stated that the residences at 2131, 2151 and 2155 Amity Hill Rd, which are located on two parcels, are currently being served by a single water service connection (located at 2131). The owner of these properties, Mr. Steven Stewart, is requesting two new water service connections so each residence will have a separate connection. The parcel with 2131 and 2151 Amity Hill Rd is 4.11 acres and has a current tax value of \$147,380. The parcel with 2155 Amity Hill Rd is 0.72 acres and has a current tax value of \$32,080. The properties are adjacent to the Larkin Golf Course development. The nearest City sewer is approximately 870 feet to the west. Both parcels are served by City Electric. If approved, the water tap fee of \$525 will apply for both connections. The water system development fee does not apply to either new connection. When existing structures are

sharing a water and/or sewer connection and the shared connection existed prior to 2004 (when system development fees began), the system development fee is not charged if the owner seeks to establish separate connections. The subject properties are on an existing Sanitation services route. At the current tax rate, the annual City property tax for both properties will be \$983.08. The Department recommends approving both water service connections subject to inside rates and the applicable tap and system development fees, contingent on receipt of a petition for voluntary annexation for both parcels. If approved, City crews will install the water service connections upon payment of the applicable tap fees and receipt of voluntary annexation petitions for both parcels.

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

- XII Consider approving a resolution directing the City Clerk to investigate a petition of annexation for the property located at 1217 Williams Road, receive the City Clerk's Certificate of Sufficiency and consider approving a resolution fixing the date of February 03, 2020 for a public hearing on the question of the petitioned annexation. (Ashley)**

Sherry Ashley stated that the property being considered for annexation was submitted by the owner, Cynthia Branch, and is located at 1217 Williams Road. The property is approximately 2.16 acres in size and is not contiguous to the primary corporate limits of the City of Statesville, and therefore, the petition is being processed as a voluntary satellite annexation. The property is located in the City's Zoning Jurisdiction, is zoned R-5M and therefore will not have to be rezoned. Since the change in regulations of statutory annexations, it has been the policy of the City to annex properties voluntarily requesting annexation so long as the site is not too remote and in close proximity to existing routes for city services. On December 16, 2019 Council approved a water tap to the property contingent on submission of a voluntary annexation petition. In 2017 Council approved an annexation request for the purpose of water service at 1209 Williams Road which is approximately 150 feet away from the subject property. The tax value of this property is \$49,550. At the current tax rate, the annual City property tax will be \$271.43. The water tap and system development fee of \$1,177 will apply. The property is served by City electric service. The Department and the City Manager recommends approving the resolution to set a date for a public hearing on this annexation request.

- XIII Consider approving a resolution directing the City Clerk to investigate a petition of annexation for the property located at 257 Hill Haven Road, receive the City Clerk's Certificate of Sufficiency and consider approving a resolution fixing the date of February 03, 2020 for a public hearing on the question of the petitioned annexation. (Ashley)**

Sherry Ashley stated that the property being considered for annexation was submitted by the owner, Jerry Ray Jordan, and is located at 257 Hill Haven Road. The property is approximately 1.39 acres in size and is not contiguous to the primary corporate limits of the City of Statesville, and therefore, the petition is being processed as a voluntary satellite annexation. The property is located in Iredell County's Zoning Jurisdiction and is zoned R-20 and therefore will have to be rezoned to a City Zoning District if annexed. Since the change in regulations of statutory annexations, it has been the policy of the city to annex properties voluntarily requesting annexation so long as the site is not too remote and in close proximity to existing routes for city services. On December 16, 2019 Council approved a water tap to the subject property contingent on submission of a voluntary annexation petition. The tax value of this property is \$121,580. At the current tax rate, the annual City property tax will be \$666.01. The water tap and system development fee of

\$1,177 total will apply. The property is served by City electric service. The Department and the City Manager recommends approving the resolution to set a date for a public hearing on this annexation request.

Council member Staford asked if Council is required to annex these satellite properties immediately or can they be annexed at a future date. He has learned that when the City annexes these satellite locations, it then has to run trash trucks to them.

City Attorney Messick advised that once an application for annexation is received, the City must process it. Mayor Kutteh asked Messick what circumstances would allow the City to withhold services for up to 10 years by statute. Messick replied she will check the State Statutes regarding this. Mayor Kutteh explained that a deferral of services usually only happens if a city does not already have water and sewer to an area that wants to be annexed.

Ron Smith added that staff would not make a recommendation to annex if there were no City services and it did not make sense to annex the property, but these instances are not kept on file.

Council member agreed to move Items XII and XIII to the Consent Agenda.

XIV Consider reviewing the Statesville City Council Code of Ethics – Resolution No. 25-10 dated October 4, 2010. (Smith)

Ron Smith stated that this item was requested by Council Member David Jones, with the support of Frederick Foster and Amy Lawton. The intent is to request that the City Attorney review the current Ethics Resolution (No. 25-10) for any areas that need to be updated or clarified and bring any recommended updates or items to the Winter Retreat (January 22-23, 2020) for review and a vote. It would then become the Council's practice to adopt this Resolution and require that Council Members sign an Oath of Ethics annually.

Council member Jones explained that he, Frederick and Amy received the ethics information as part of their orientation after being elected. He and Frederick took this to a class they attended for new Council members and asked the instructor to review the Ethics Resolution and make recommendations. The instructor would not and recommended that they give it to the City Attorney to review and provide updates and recommendations. The instructor did advise that many municipalities had recently updated their Code of Conduct and Code of Ethics so that is what they are asking for at this time. Jones stated that the Ethics Resolution is ten years old and should be reviewed and that there may be things that Council wants to add to it. He added that he would like for Council to approve and sign a Code of Ethics annually.

Messick stated that there are some updates she would recommend. She advised that Troutman, Mooresville and Iredell County had recently updated their Code of Ethics. She will present an updated code to Council in February.

XV Consider approving the purchase of one (1) fire engine (1500 GPM Pumper on a Spartan Metro Star chassis) from Marion Body Works, Inc., and to approve Budget Amendment #9 in the amount of \$730,000 to reflect this purchase. (Weatherman/Smith)

Andy Weatherman stated that during this year's budget discussions, there was a request to replace a fire engine. Ultimately, the decision was made to wait until next year and not

include this request in the budget, with the caveat that if the truck failed its pump test, to come back to the Council for reconsideration. Engine 1 is our located in Station 1, which is the highest use station. The truck has been in and out of the shop since the Summer, and we would like to request permission to order a new vehicle. If approved, Engine 1 would be replaced and moved into our reserve fleet, replacing an older, open-cab truck that does not meet NFPA Standards. This request would likely have been the number one capital priority in the upcoming FY2020-2021 budget. However, due to the delay in receiving the vehicle after the initial order (the contract states 390 days), staff would like to order the truck now. The proposed contract would require no payment up front. Once the chassis is completed and delivered to Marion Body Works, the City will pay for that portion. Upon completion of the remainder of the vehicle, payment will be due in full. This payment structure allows our fire department personnel to review the final build and require any changes necessary. If Council approves this purchase, the vehicle would be delivered to the City sometime around March 2021. During the May 2019 budget meetings, this item was discussed, but it was not included in the approved budget. However, staff was encouraged to come back to Council if the truck did not pass a pump test, which it did not. Budget for the truck, with tax and tags is \$730,000 (\$637,000 for the truck, \$85,000 to equip to City of Statesville specs, plus tax and tags). Payment details are listed above. Although no money is due at this point, the funds will be assigned from fund balance, hence the need for the BA. This purchase would bring our unassigned fund balance to roughly 35% of our operating budget. Staff recommends Council approve the purchase of the truck with tax and tags. The City Manager recommends that due to the need, priority among all capital needs, and the time it takes to build and receive a fire engine, he recommends making this purchase.

Mayor Kutteh explained that the funding must be reserved in this year's budget from the General Fund in order to receive it in the next budget year.

Council members briefly discussed Alpha and Bravo calls responded to by the Fire Department.

XVI Further discussion and possible decision regarding the contract and direction for the Municipal Services Building. (Smith)

Ron Smith stated that this item has been requested by two Council members to be placed on the January 6th agenda. The specific request is to consider delaying or terminating the Municipal Services Building contracts (for the building and the associated road improvements) and project until a needs assessment and site analysis is performed. This request is due to the proposed change in the scope of the project from a Fire Station, Police Substation, and EMS base to solely a Police Headquarters building. Council approved a contract with G. L. Wilson Building Company on November 18, 2019 for construction of the base bid (police substation) portion of the Municipal Services Center. Council voted on December 6th to postpone the decision to convert the building to a Police Headquarters until the Winter Budget Retreat on January 22-23.

The Costs to Date: The City has contracts with CBSA (MSC design) and McGill (Amity Hill Rd realignment) for design, bidding & award, and construction administration tasks. If the project is paused at this time, the City will owe them for the completed tasks, which are design and bidding & award. For CBSA, this totals \$480,824. For McGill, this totals \$123,500. The overall total is \$604,324.

If the conversion to the Police Department headquarters is approved, there will be an additional \$69k in design costs. The Construction Admin contract cost is \$59,664 for CBSA and \$81,500 for McGill (\$141,164 total). These tasks are in the current contracts but will not be expended unless we proceed with construction.

Damages could be based on money spent in reliance on the award of the contract. On further research, the City Attorney found that the contract is not legally binding until it has been executed, and the pre-audit has been performed and affixed to the contract in accordance with GS 159-28. Without a Notice to Proceed issued by the City pursuant to a legally binding contract, the builder cannot recover reliance damages. We only waive sovereign immunity when there is a valid contract, and sovereign immunity protects municipalities from being sued for quantum meruit and estoppel. If the City revokes this Contract after execution, but before LGC Approval has been given (we are scheduled to go to the February meeting), then the contract will be considered terminated for convenience. The damages that can result from termination for convenience are payment for work executed, reasonable costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed, and possibly all costs incurred in terminating subcontracts and purchase orders and all costs of demobilization.

Regarding revocation of the contract in relation to LGC approval – the City can only terminate the contract at no penalty if we did not get approved by the LGC or if we otherwise lose financing from a lending institution. Termination of the contract prior to LGC approval for convenience can still lead to the damages outlined in the paragraph above.

Smith stated that at this point, staff needs guidance from Council on how to move forward. The project and contract were awarded by the previous Council, and staff has been moving forward in good faith based on that approval. The contract is currently in GL Wilson's hands and we have given them our final edits. Staff is also planning to continue moving forward to submit our debt/financing request to the February LGC meeting. Staff is attempting to move forward on a contested project that is ever-changing. For the staff to be held accountable, we need to have firm guidance on the Council's direction.

Council member Foster stated that the previous Council voted 5-3 to approve this so the contracts should be signed, and this should not even be a question at this point.

Messick advised that Council has a right to terminate a contract at any point and she has laid out what the damages to the City would be.

Mayor Kutteh asked that Council members debate this item during the Council meeting.

XVII Boards and Commissions Updates:

11/14/2019 Design Review Committee Meeting Minutes

12/3/2019 Board of Adjustment Minutes

12/12/2019 Design Review Committee Meeting Minutes

12/18/2019 Technical Review Committee Meeting Minutes

12/19/2019 Stormwater Advisory Commission Meeting Minutes

No discussion or comments for this item.

XVIII Other Business

No other business was discussed.

XIX Closed Session

Mayor Kutteh asked for a motion to move to Closed Session to discuss a property acquisition, a contract matter, and to preserve the attorney-client privilege.

Council member Foster made a motion to move to Closed Session to discuss a property acquisition, a contract matter, and to preserve the attorney-client privilege seconded by Council member Allison. The motion carried unanimously.

Upon return from Closed Session Mayor Kutteh stated that a property acquisition and a contract matter was discussed, and no action was taken.

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

Brenda Fugett, City Clerk

Constantine H. Kutteh, Mayor

**MINUTE BOOK 27, PAGE
STATESVILLE CITY COUNCIL MEETING – JANUARY 06, 2020
CITY HALL – 2nd FLOOR CONFERENCE ROOM, STATESVILLE, NC – 7:00 P.M.**

Council Present: Mayor Constantine H. Kutteh presiding, Jap Johnson, William Morgan, John Staford, David Jones, Steve Johnson, Doris Allison, Amy Lawton, Fred Foster

Council Absent: 0

Staff Present: Ron Smith, Brenda Fugett, Ralph Staley, Nancy Davis, Leah Gaines Messick, Chris Tucker, Sherry Ashley, Richard Griggs, Nikki Gregory, David Addison, Scott Harrell, John Maclaga, Derek Slocum, Andy Weatherman, Mildred Minor, Pam Navey, Danny Nicholson, Ed Hodges

Media: Record & Landmark, Statesville Free News

Others: 97

I Call to Order

Mayor Kutteh called the meeting to order.

II Invocation

The City Clerk gave the Invocation.

III Pledge of Allegiance

Mayor Kutteh led the Pledge of Allegiance.

Mayor Kutteh announced that Items IX, X, XI, XII, XIII had been moved to the Consent Agenda.

Mayor Kutteh stated that Item XIV was discussed during the Pre-Agenda meeting and has been removed from this agenda but will be heard at a February Council meeting.

Mayor Kutteh advised that Item XVI will be moved to after Item VII on the Consent Agenda.

Mayor Kutteh asked for a motion to approve the amended agenda.

IV Adoption of the Agenda

Council member Foster made a motion to adopt the amended agenda, seconded by Council member J. Johnson. The motion carried unanimously.

V Public Comment

Todd Scott, 116 Natawest Drive, President of the Statesville NAACP, spoke in favor of building the Municipal Services Center as a Police Headquarters.

Bryan Summers, 140 E. Bell Street, spoke in favor of building the Municipal Services Center as a Police Headquarters and in favor of a plan to move forward with the Vance Hotel.

VI 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 2nd reading of Rezoning Request ZC19-07 for the property located at 393 Twin Oaks Road, Tax Map 4753-99-4940 from Iredell County RA (Residential Agricultural) District to City of Statesville RA (Residential Agricultural) District due to annexation. (Ashley)**

Mayor Kutteh asked for a motion to approve the Consent Agenda.

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

REGULAR AGENDA

VII Presentation and introduction of the winners of the Statesville Mascot Challenge.

Recreation & Parks Director Richard Griggs stated that last summer, City Council approved the City's participation in the CCOG 2019 Love Where You Live Grant Program. City of Statesville staff members Nancy Davis, Richard Griggs and Sherry Ashley, along with DSDC Executive Director Marin Tomlin and Chamber of Commerce President Shannon Viera, submitted the idea of a Statesville Mascot Contest and were awarded a \$500 matching grant. Several dozen entries were received and now the successful contest is completed, and the winning entries have been notified. He announced that the 3rd place winner was Adam Szafranski, art teacher at Statesville High School, 2nd place winner was Lindsay Phillips and 1st place winner was daughter of Lindsay, Lena Phillips.

Lena Phillips described how she came up with the idea of her entry for the Statesville Mascot.

VIII Receive a presentation regarding the Vance Hotel from Stephen Barker. (Smith)

Stephen Barker reviewed a presentation of his vision for the Vance Hotel which is to make it into a 64-room boutique hotel and work with the Civic Center to benefit both facilities.

Ron Smith stated that he and Mr. Barker have been talking about this for a little over a year now since the residential project at the Vance dissolved in early 2019. There has been a lot of interest in the Vance and staff has talked to many people over the last year or so, but Mr. Barker has been steadfast in conversations with staff. Staff is coming to Council at this time to find out if Council wants staff to move forward with their discussions and hopefully bring additional information to Council at the annual Retreat meeting for an in depth discussion as to how this would look from an agreement standpoint, from a vetting standpoint, whatever Council needs over the course of the next couple of weeks, but really just to move forward. Smith pointed out that the photos are very important. They show the condition of the Vance and that it is deteriorating, which he has informed Council of on

several occasions. If it is left to sit as it is, it will continue to deteriorate. Staff is trying to shore up the roof, but it is a losing battle because they are only doing patches. He needs some guidance as to where Council wants to go with the Vance. This is as close in the last year that we have been to coming together on some sort of project.

Council member Foster asked how long it would take Mr. Barker to renovate the building and get it up and running. Mr. Barker replied that regular hotel renovations usually take around 18 months, but the Vance renovation would probably take 24-36 months, primarily because it takes 7-10 months just to do the historic qualifications and the historic credits for the hotel.

Council member Morgan asked if Mr. Barker will be asking for a financial contribution from the City. Mr. Barker said many different things have been discussed, but at this point there is nothing specific. The financial part needs a more in-depth discussion so he would leave this open-ended for the moment. If Council decides they want to move forward with something like this, then those discussions will be had at a later date.

Mayor Kutteh asked Mr. Barker if he would anticipate having some of the financial information available for Council to discuss at their Retreat meeting on January 22nd & 23rd. Barker replied no, probably not. He said this deal is going to take time, 24-36 months, and will require having a lot of patience. His goal is to have the renovation finished sometime in 2022 in order to celebrate the 100-year birthday of the Vance Hotel.

Council member Stafford asked those in the audience who are in support of the preservation of the Vance Hotel to stand. Approximately 30 stood. Stafford stated he would like to personally thank each and every one of them for attending the meeting to support the Vance Hotel, expressing their love for Statesville and for our precious yet fragile historic architecture. He hopes Council will support them in preserving and maintaining that inventory.

Council member Foster made a motion to let the City Manager continue discussions with Mr. Barker and to bring what information they can to the Retreat meeting, seconded by Council member Stafford. The motion carried unanimously.

Council member S. Johnson thanked Mayor Kutteh for the efforts he has put forth for several years in an effort to achieve a suitable result for the Vance Hotel.

XVI Further discussion and possible decision regarding the contract and direction for the Municipal Services Building. (Smith)

Ron Smith stated that this item has been requested by two Council members to be placed on the January 6th agenda. The specific request is to consider delaying or terminating the Municipal Services Building contracts (for the building and the associated road improvements) and project until a needs assessment and site analysis is performed. This request is due to the proposed change in the scope of the project from a Fire Station, Police Substation, and EMS base to solely a Police Headquarters building. Council approved a contract with G. L. Wilson Building Company on November 18, 2019 for construction of the base bid (police substation) portion of the Municipal Services Center. Council voted on December 6th to postpone the decision to convert the building to a Police Headquarters until the Winter Budget Retreat on January 22-23.

The Costs to Date: The City has contracts with CBSA (MSC design) and McGill (Amity Hill Rd realignment) for design, bidding & award, and construction administration tasks. If the project is paused at this time, the City will owe them for the completed tasks, which are design and bidding & award. For CBSA, this totals \$480,824. For McGill, this totals \$123,500. The overall total is \$604,324.

If the conversion to the Police Department headquarters is approved, there will be an additional \$69k in design costs. The Construction Admin contract cost is \$59,664 for CBSA and \$81,500 for McGill (\$141,164 total). These tasks are in the current contracts but will not be expended unless we proceed with construction.

Damages could be based on money spent in reliance on the award of the contract. On further research, the City Attorney found that the contract is not legally binding until it has been executed, and the pre-audit has been performed and affixed to the contract in accordance with GS 159-28. Without a Notice to Proceed issued by the City pursuant to a legally binding contract, the builder cannot recover reliance damages. We only waive sovereign immunity when there is a valid contract, and sovereign immunity protects municipalities from being sued for quantum meruit and estoppel. If the City revokes this Contract after execution, but before LGC Approval has been given (we are scheduled to go to the February meeting), then the contract will be considered terminated for convenience. The damages that can result from termination for convenience are payment for work executed, reasonable costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed, and possibly all costs incurred in terminating subcontracts and purchase orders and all costs of demobilization.

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Smith stated that at this point, staff needs guidance from Council on how to move forward. The project and contract were awarded by the previous Council, and staff has been moving forward in good faith based on that approval. The contract is currently in GL Wilson's hands and we have given them our final edits. Staff is also planning to continue moving forward to submit our debt/financing request to the February LGC meeting. Staff is attempting to move forward on a contested project that is ever-changing. For staff to be held accountable, it needs to have firm guidance on the Council's direction.

Council member Lawton stated that she thought the Council had decided to table this item at their last meeting and to discuss it further at the Retreat meeting. She would like to hear from the Council members who have brought it forward again to either delay it or terminate it as to what their reasoning behind that is exactly.

Council member S. Johnson stated that subsequent to the last Council meeting, where he made the motion, there was some discussion as to whether or not Council could terminate the contract or whether they should postpone it. He said he came to the meeting that evening with the intention to terminate it, but following the guidance of legal counsel, he was convinced that the best course of action was to postpone. Subsequent to that meeting, he spoke with the City Manager who expressed some trepidation about whether he would be on sound footing if he delayed signing the contract until after the Retreat meeting if negotiations between G.L. Wilson and the City were concluded and the parties

arrived at a satisfactory conclusion. Council member S. Johnson pointed out that there is not actually a contract at this time because it is his understanding that the details and negotiations of the contract are still ongoing. He said that Mr. Smith believed though that because Council once again seems to be undecided and split on this, then perhaps if the original vote was 5-3 in favor of signing the contract at the conclusion of negotiations, then he would have some legal or moral obligation to go ahead and sign it. Council member S. Johnson said that at point he came to the conclusion that he needed to follow through with his original intent to vote to terminate the contract so he asked Council member Stafford to join him to request that the item be put back on the agenda.

Ron Smith stated that there has been a lot of discussion as to the validity of the contract after it left the hands of Council when it was approved the first time, and the point at when he actually could sign it and that conversation is correct. He said that negotiations for the contract have continued to move forward, with the intent of signing it and staff has been working through the process. If the contract had come in today, that would have been a difficult signature obviously, but if the final contract had come in over the course of the last month or so, he would have been acting under an obligation to the Council that approved the contract and he would have signed it. There have been no efforts by anybody to slow this process down.

Mayor Kutteh asked Messick to address her analysis of the legal implication of whatever action Council might take relative to this. Messick stated that if Council revokes a contract that has not yet been signed, which there is no contract right now, a contract is not binding with a municipality until it is signed, the City has done the pre-audit certification and has issued a notice to G.L. Wilson to proceed. So, the City has no binding contract right now. If Council revokes the contract tonight, there would be no damages that a court could assess against the City. Sovereign immunity would be in place which protects municipalities in suits like this as long as there is not a binding contract.

Messick explained that if the contract is revoked after being signed, for any reasons other than lack of LGC approval or lack of funding, some reason of a financial nature, then it would be considered as a termination of convenience and significant damages could be assessed, the worst being loss profit damages to G.L. Wilson, which would be the largest amount of damages that G.L. Wilson would be entitled to.

Mayor Kutteh clarified that Council member S. Johnson is saying that in all likelihood the contract will be ready for Ron Smith to sign before it can be further discussed at the retreat meeting on January 22nd so if Council is going to reconsider it, then it needs to be done now before the contract is ready to be signed and Mr. Smith will be obligated to sign it at that point. Council member S. Johnson replied that that is correct. Council member Lawton asked if this would take the item off the table at the retreat. S. Johnson replied that he assumes it would.

Council member Foster stated that the previous Council already voted 5-3 to approve this. If this Council keeps doing this and stalling, nothing will ever move forward and nothing will get done. He said this has already been approved and the project should move forward.

Council member S. Johnson said that Council needs to develop a long-range capital plan and prioritize what the most important needs of the City are. He acknowledged that it has been said that this building has been planned for ten years, but a month ago it was a totally

different building and that is what happens when the city does not have a long-term strategic plan on how it is going to address its needs. The city has a new Council and a unique opportunity to assess where it is and what its needs are, prioritize those needs and develop a strategy to address them over time. Council has an opportunity to begin the process to take control of the City's finances. Next budget year, the City will retire \$941,000 in debt service payments and can then begin to develop a strategy to pay for critical operational needs. If the City exercises discipline now, it can begin to address those needs without another tax increase. Now is not the time to go further in debt and forfeit this opportunity to take control of the City's finances. If Council goes forward with this project and assumes another \$11 million in debt, it will find it difficult to pay for the legitimate operational needs of the city. A vote for this project is not a vote for one tax increase, but a vote for at least two and probably three. One tax increase to service this debt, another tax increase to pay for increased operational costs and operational capital equipment needs in the future and probably a third tax increase to address legitimate building needs such as the warehouse and garage. In the budget year we are currently in, there remains \$5.2 million in equipment needs, many of which have been postponed for years. Multi-million-dollar projects such as the warehouse and the garage have yet to even be discussed in detail. Council member S. Johnson said that he has lived and worked in Statesville for 39 years and many days in those 39 years, he spent more time on Shelton Avenue at his business than he did at his home. During that time, not one private citizen of south Statesville has walked in his business and said that south Statesville needs an \$11 million Police Station, which a month ago was planned to be a Fire Station. He said that if he really believed that borrowing and spending \$11 million to build the Municipal Services Building, which will require tax increase, would benefit the area, he would vote for it. S. Johnson stated that no citizen in south Statesville will get a better job, get a more reliable car, or get better benefits at work as a result of building the Municipal Services Center at this time. Citizens in south Statesville do realize that a growing economy with better jobs and an expanding tax base for more disposable income for themselves will help the city provide for its services and benefit them personally. Council member S. Johnson said he believes it will better serve the city's citizens for Council to take control of the city's finances and become good, prudent stewards of the city's future. More debt service will rob the city of the opportunity to control its finances and do nothing to improve south Statesville over time. If the city embarks on this debt, the next several years will be like the last several years; more debt, higher taxes and economic stagnation.

Council member Foster said that the city has not put any work or faith into the south side of Statesville. Building the Municipal Services Center will help improve the neighborhood, hopefully bring in more businesses, a grocery store and industrial that will provide jobs. He understands that the city has a spending problem, but it must invest in south Statesville for the area to move forward.

Council member Allison said that south Statesville consists of homeowners, the Larkin development, as well as poor and underprivileged people. Safety is important to all these people in south Statesville and it seems like the feeling is that south Statesville is not worthy of spending \$11 million on to build the Municipal Services Center there. The Police Department has outgrown itself and there is no plan for them. It's easy to tell citizens that they will be taxed, but they will always pay taxes and if it's not for this project, it will be for another one.

Council member Morgan gave a history of how the building evolved to where it is today. He stated that the City has already spent over \$1.1 million on costs for this project for

architectural fees, engineering fees, and drawings. Residential growth is coming from the south. Over 2,000 homes are projected to be built over the next 5-7 years between Troutman and south Statesville. During conversations with leadership in Raleigh last Friday, he found out that Amtrak has made a decision to run rail service from Asheville to Raleigh, however, they do not own all the railway. Amtrak's solution to this is to offer Amtrak Thruway Service. At this point, the plan is to come to Statesville, they like the Depot building where the City's Police Department's Patrol Division is currently located. The plan is slated to be put in place within 18-20 months, which creates a problem for the City as to where it will relocate the Patrol division if this becomes a reality. Morgan stated that from an ethical aspect, before the recession, there was conversation that there would be revitalization in the southern end of the City, of course with the recession, that changed plans. The downtown revitalization is finished, and now it is time to follow through with what has been discussed for over ten years and to show some effort in the southern end of the City. November 18, 2019, the previous Council voted 5-3 to follow through with this and award a contract in good faith to G.L. Wilson. He believes that Council is going down a slippery slope by every Council undoing what the previous Council has done. Of course, Council is always welcome to revisit things, but this is dangerous. With elections come consequences, so there is nothing to say that something this Council does a month from now, a new Council may undo. At that point we are stagnant and not doing anything. There is a need for this facility from a practical and development standpoint. A study was done to determine the best location. Yes, an updated area study should be done, but at this point Council needs to move forward with this project. He voted with the previous Council to approve this and sticks with that vote.

Council member Staford stated that the one thing that one Council can do that another Council cannot undo is debt. In the last 2+ months of their terms, the previous Council spent \$15 million. One of the issues Council was dealing with when he was elected was the Vance Hotel. The cost to do that project was \$7 million and made no fiscal sense whatsoever. Administrations change and they have the right to change policies and decisions made by the previous administration. He said in the two years that he has been on Council he has never heard the need for a new police station expressed by anybody. If Council was voting tonight to build a new warehouse and garage, which would be in that ward, and a new fire station located closer to Garner Bagnal Boulevard and Shelton Avenue where it has good coverage for the City north, south, east and west, he would probably vote yes to incur that debt; but to vote for an \$11 million expenditure for a police station that the need for had never been previously discussed is ludicrous. Council members Morgan and Allison stated that is not true.

Council member Allison stated that there has been an issue with policing and storage. After Chief Addison came to the city during his evaluations of the department, he found issues that needed to be addressed such as officers that were holding positions that they had no training for, and he has begun fixing these issues.

Mayor Kutteh said he believes that what Council member Staford is saying is that there was never any discussion by Council of locating the entire police department in a building on this site. Staford agreed that is correct.

Council member Morgan said from what he understands and based on his conversation with Chief Addison, there would be very little change to the original architectural plan for the building. So, the opportunity arose, and Chief Addison saw the availability and the benefit of having the entire police department in one location and this building would

handle that. That is how the project has evolved to this point. Morgan acknowledged that a discussion strictly about relocating the entire police department to this building was never had by Council, but there have been many discussions as to whether it should be for police, fire and EMS. He recalled that Council member Stafford's biggest objection to the building was that it was the wrong location for the fire station, but nothing was said that the police station should not be there. Council has voted to approve this, and it should move forward. At the request of Council member Morgan, Chief Addison said that very few structural changes would be required, mainly it was just a repurposing of space. This building would give the department about 4,000 additional sq. ft. and would allow for growth.

Council member Jones stated that it is very clear that we have a failed planning process with the strategic leaders in this community and that is City Council. We are talking about a project that changed in a 60-day period. Council needs to develop a strategic plan and stick to it, then the budget ties to that. Council also needs to determine what its priorities are and rate them according to need. He pointed out that this building is not even listed in the budget.

Council member J. Johnson recalled that the only time expansion of the police department was discussed was 6-7 years ago when Council purchased the tire business property next to the police department and the reason given to purchase at that time was so the city would own the property when the police department needed to expand and it would all be downtown.

Council member Lawton stated that she thought this was going to be a discussion item at the retreat and now the process is being circumvented again. Council needs to work together to find a solution to this and circumventing what Council decided at the last meeting does not do that. Council member S. Johnson said the only reason he is doing this is because once the contract negotiations are complete, the City Manager is compelled to sign the contract.

Ron Smith stated that as it stands today, he is legally obligated to sign the contract once negotiations are complete. The bid from G.L. Wilson is only good for 60 days and the city is running the risk of losing its financing and it goes to LGC February 4th.

Julia Wilson with G.L. Wilson explained where the project is at. She cautioned Council against terminating the project. She asked Council for clear direction and support for the project.

Finance Director Chris Tucker said that the city only received one bank bid from BB&T for 20 years and 3%. He advised that it is possible that the City may not get another bank bid.

Council member S. Johnson made a motion to revoke the contract, seconded by Council member J. Johnson.

Upon further discussion, Council member S. Johnson withdrew his motion.

Council member Stafford made a motion for staff to suspend all activity regarding signing the contract and financing and to research the viability of a police sub-station, seconded by Council member S. Johnson. The vote on the motion was as follows:

Ayes: Staford, S. Johnson, J. Johnson, Jones
Nays: Morgan, Allison, Foster, Lawton
Tie Vote: 4-4
Mayor Kutteh voted Nay
Motion Failed 4-5

Council member S. Johnson made a motion to pause everything except financing, seconded by Council member J. Johnson. The vote was as follows:

Ayes: S. Johnson, J. Johnson, Jones, Lawton, Staford
Nays: Morgan, Foster, Allison
Motion carried: 5-3

- IX Consider granting permission to the Statesville Police Department staff to accept a grant from the NC Governor’s Crime Commission, Federal VAWA-Violence Against Women Act – for up to \$110,292.03 for the purpose of supporting the department’s Domestic Violence Initiative, Victim Advocate, and two (2) Domestic Violence Investigators salaries, fringe benefits, supplies, and training and approve Budget Amendment #10. (Navey)**

This item was moved to the Consent Agenda at the Pre-Agenda meeting.

- X Consider granting permission to the Statesville Police Department staff to apply for a grant from the NC Governor’s Crime Commission, Federal VAWA-Violence Against Women Act – for up to \$150,000 for the purpose of supporting the department’s Domestic Violence Initiative, Victim Advocate, and 2 Domestic Violence Investigators salaries, fringe benefits, supplies, and training. (Navey)**

This item was moved to the Consent Agenda at the Pre-Agenda meeting.

- XI Consider approving a request for water service connections at 2151 and 2155 Amity Hill Road. (Harrell)**

This item was moved to the Consent Agenda at the Pre-Agenda meeting.

- XII Consider approving a resolution directing the City Clerk to investigate a petition of annexation for the property located at 1217 Williams Road, receive the City Clerk’s Certificate of Sufficiency and consider approving a resolution fixing the date of February 03, 2020 for a public hearing on the question of the petitioned annexation. (Ashley)**

This item was moved to the Consent Agenda at the Pre-Agenda meeting.

- XIII Consider approving a resolution directing the City Clerk to investigate a petition of annexation for the property located at 257 Hill Haven Road, receive the City Clerk’s Certificate of Sufficiency and consider approving a resolution fixing the date of February 03, 2020 for a public hearing on the question of the petitioned annexation. (Ashley)**

This item was moved to the Consent Agenda at the Pre-Agenda meeting.

XIV Consider reviewing the Statesville City Council Code of Ethics – Resolution No. 25-10 dated October 4, 2010. (Smith)

This item was discussed at the Pre-Agenda meeting and a revised Code of Ethics will be heard at a February Council meeting.

XV Consider approving the purchase of one (1) fire engine (1500 GPM Pumper on a Spartan Metro Star chassis) from Marion Body Works, Inc., and to approve Budget Amendment #9 in the amount of \$730,000 to reflect this purchase. (Weatherman/Smith)

Andy Weatherman stated that during this year's budget discussions, there was a request to replace a fire engine. Ultimately, the decision was made to wait until next year and not include this request in the budget, with the caveat that if the truck failed its pump test, to come back to the Council for reconsideration. Engine 1 is our located in Station 1, which is the highest use station. The truck has been in and out of the shop since the Summer, and we would like to request permission to order a new vehicle. If approved, Engine 1 would be replaced and moved into our reserve fleet, replacing an older, open-cab truck that does not meet NFPA Standards. This request would likely have been the number one capital priority in the upcoming FY2020-2021 budget. However, due to the delay in receiving the vehicle after the initial order (the contract states 390 days), staff would like to order the truck now. The proposed contract would require no payment up front. Once the chassis is completed and delivered to Marion Body Works, the City will pay for that portion. Upon completion of the remainder of the vehicle, payment will be due in full. This payment structure allows our fire department personnel to review the final build and require any changes necessary. If Council approves this purchase, the vehicle would be delivered to the City sometime around March 2021. During the May 2019 budget meetings, this item was discussed, but it was not included in the approved budget. However, staff was encouraged to come back to Council if the truck did not pass a pump test, which it did not. Budget for the truck, with tax and tags is \$730,000 (\$637,000 for the truck, \$85,000 to equip to City of Statesville specs, plus tax and tags). Payment details are listed above. Although no money is due at this point, the funds will be assigned from fund balance, hence the need for the BA. This purchase would bring our unassigned fund balance to roughly 35% of our operating budget. Staff recommends Council approve the purchase of the truck with tax and tags. The City Manager recommends that due to the need, priority among all capital needs, and the time it takes to build and receive a fire engine, he recommends making this purchase.

Council member Stafford made a motion to approve, seconded by Council member Lawton. The motion carried unanimously.

Council member Morgan stated he would like to discuss what calls the Fire Department responds to at the Council Retreat meeting.

XVI Further discussion and possible decision regarding the contract and direction for the Municipal Services Building. (Smith)

This item was moved to after VIII on the Regular Agenda.

XVII Boards and Commissions Updates:

No discussion or comments for this item.

XVIII Other Business

Ron Smith announced that Planning Director David Currier is retiring after 42 years of service with the City effective February 01, 2020.

XIX Closed Session

None

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

Brenda Fugett, City Clerk

Constantine H. Kutteh, Mayor

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Sherry Ashley, Assistant Planning Director
DATE: January 22, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving 2nd reading of annexation request AX19-05, an ordinance to annex the property located at 1217 Williams Road; PIN 4724-91-1920.

Summary of Information:

The property being considered for annexation was submitted by Cynthia Branch (owner) and is located at 1217 Williams Road. There is an existing home located on the property. The subject property is approximately 2.16 acres in size and encompasses Iredell County Parcel Identification Number (PIN) 4724-91-1920. The subject property is not contiguous to the primary corporate limits of the City of Statesville, and therefore, the petition is being processed as a voluntary satellite annexation. The property is located in the City's Extra Territorial Jurisdiction, is zoned R-5M and therefore will not have to be rezoned.

Since the change in regulations of statutory annexations, it has been the policy of the city to annex properties voluntarily requesting annexation so long as the site is not too remote and in close proximity to existing routes for city services.

Previous Council or Relevant Actions: On December 16, 2019 Council approved a water tap to the subject property contingent on submission of a voluntary annexation petition. In 2017 Council approved an annexation request for the purpose of water service at 1209 Williams Road which is approximately 150 feet away from the subject property. The public hearing and first reading was held and approved at the February 03, 2020 Council meeting.

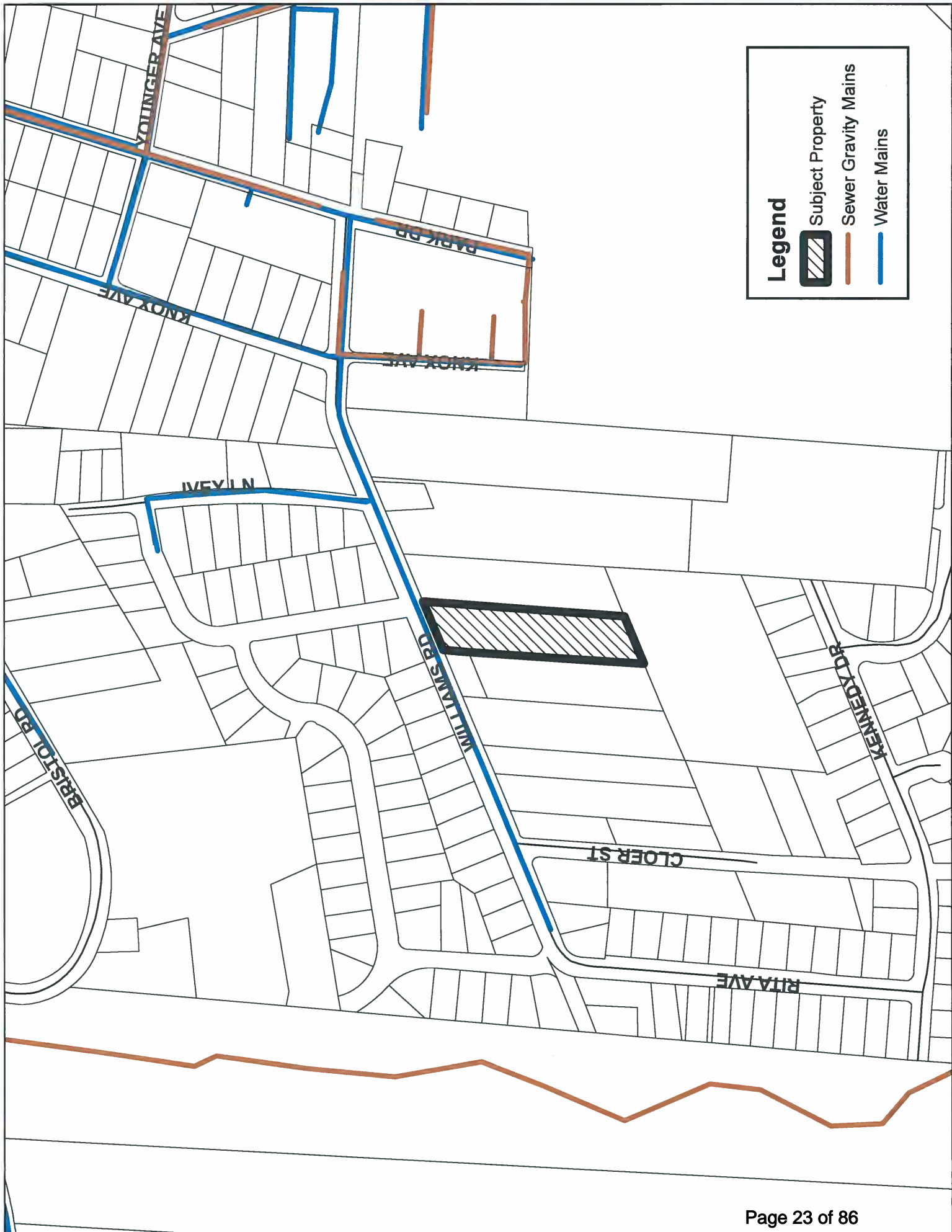
Budget/Funding Implications: The tax value of this property is \$49,550. At the current tax rate, the annual City property tax will be \$271.43. The water tap and system development fee (\$1,177 total) will apply. The property is served by City electric service.

Department Recommendation: The department recommends approving first reading of the ordinance to annex the property at 1217 Williams Drive.

Manager Comments: Recommend for approval.

Attachments:

1. City Limit Location Map
2. Utility Location Map
3. Ordinance for Annexation



ORDINANCE NO. _____

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF STATESVILLE,
NORTH CAROLINA**

**(1217 Williams Rd)
Tax Map 4724-91-1920**

WHEREAS, the Statesville City Council has petitioned under G.S. 160A-58.1, to annex the area described below; and

WHEREAS, the Statesville City Council has by resolution directed the Clerk to investigate the sufficiency of the petition; and

WHEREAS, the City Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at Statesville City Hall at 7:00 o'clock p.m. on the 3rd day of February, 2020 after due notice by publication on the 24th day of January, 2020; and

WHEREAS, the Statesville City Council finds that the area described therein meets the standards of G.S. 160A-58. 1(b), to wit:

- a. The nearest point of the proposed satellite corporate limits is not more than three (3) miles from the corporate limits of the City;
- b. No point on the proposed satellite corporate limits is closer to another municipality than to the City;
- c. The area described is so situated that the City will be able to provide the same services within the proposed satellite corporate limits that it provides within the primary corporate limits;
- d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation;

WHEREAS, the Statesville City Council further finds that the petition has been signed by all the owners of real property in the area who are required by law to sign; and

WHEREAS, the Statesville City Council further finds that the petition is otherwise valid, and that the public health, safety and welfare of the City and of the area proposed for annexation will be best served by annexing the area described;

NOW, THEREFORE, BE IT ORDAINED BY the Statesville City Council of the City of Statesville, North Carolina that:

Section 1. By virtue of the authority granted by G.S. 160A-58.2, the following described noncontiguous territory is hereby annexed and made part of the City of Statesville, as of the February 29, 2020 at 11:59 p.m.

Description

BEGINNING at Cynthia Branch's northwest corner in the center of Williams Road, and thence South 5 deg. 42 min. West 627 feet; thence south 68 deg. 12 min. West 150 feet; thence north

5 deg. 42 min. East 627 feet to the center of Williams Road; thence North 68 deg. 12 min. East 150 feet to the BEGINNING. For back title, see Deed Book 189, page 2119, Iredell County Registry.

Property Address: 1217 Williams Road, Statesville, NC

Section 2. Upon and after February 29, 2020 at 11:59 p.m., the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Statesville and shall be entitled to the same privileges and benefits as other parts of the City of Statesville. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the City of Statesville shall cause to be recorded in the office of the Register of Deeds of Iredell County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Iredell County Board of Elections, as required by G.S. 163-288.1.

The Ordinance was introduced by a first reading by Council member _____, seconded by Council member _____, and unanimously carried on the 3rd day of February, 2020.

AYES:
NAYS:

The second and final reading of this ordinance was heard on the 17th day of February, 2020 and upon motion of Council member _____, seconded by Council member _____, and unanimously carried, was adopted.

AYES:
NAYS:

The Ordinance to be in full force and effect from and after the 29th day of February, 2020 at 11:59 p.m.

City of Statesville

Constantine H. Kutteh, Mayor

ATTEST:

Brenda Fugett, City Clerk

APPROVED AS TO FORM:

Leah Gaines Messick, City Attorney

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Sherry Ashley, Assistant Planning Director
DATE: January 22, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving 2nd reading of AX19-06, an ordinance to annex the property located at 257 Hill Haven Road, PIN 4733-41-5934.

Summary of Information:

The property being considered for annexation was submitted by Jerry Ray Jordan (owner) and is located at 257 Hill Haven Road. There is an existing home located on the property. The subject property is approximately 1.39 acres in size and encompasses Iredell County Parcel Identification Number (PIN) 4733-41-5934. The subject property is not contiguous to the primary corporate limits of the City of Statesville, and therefore, the petition is being processed as a voluntary satellite annexation. The property is located in Iredell County's Zoning Jurisdiction and is zoned R-20 and therefore will have to be rezoned to a City Zoning District if annexed.

Since the change in regulations of statutory annexations, it has been the policy of the city to annex properties voluntarily requesting annexation so long as the site is not too remote and in close proximity to existing routes for city services.

Previous Council or Relevant Actions: On December 16, 2019 Council approved a water tap to the subject property contingent on submission of a voluntary annexation petition. Council held the public hearing and unanimously approved first reading at their February 3, 2020 meeting.

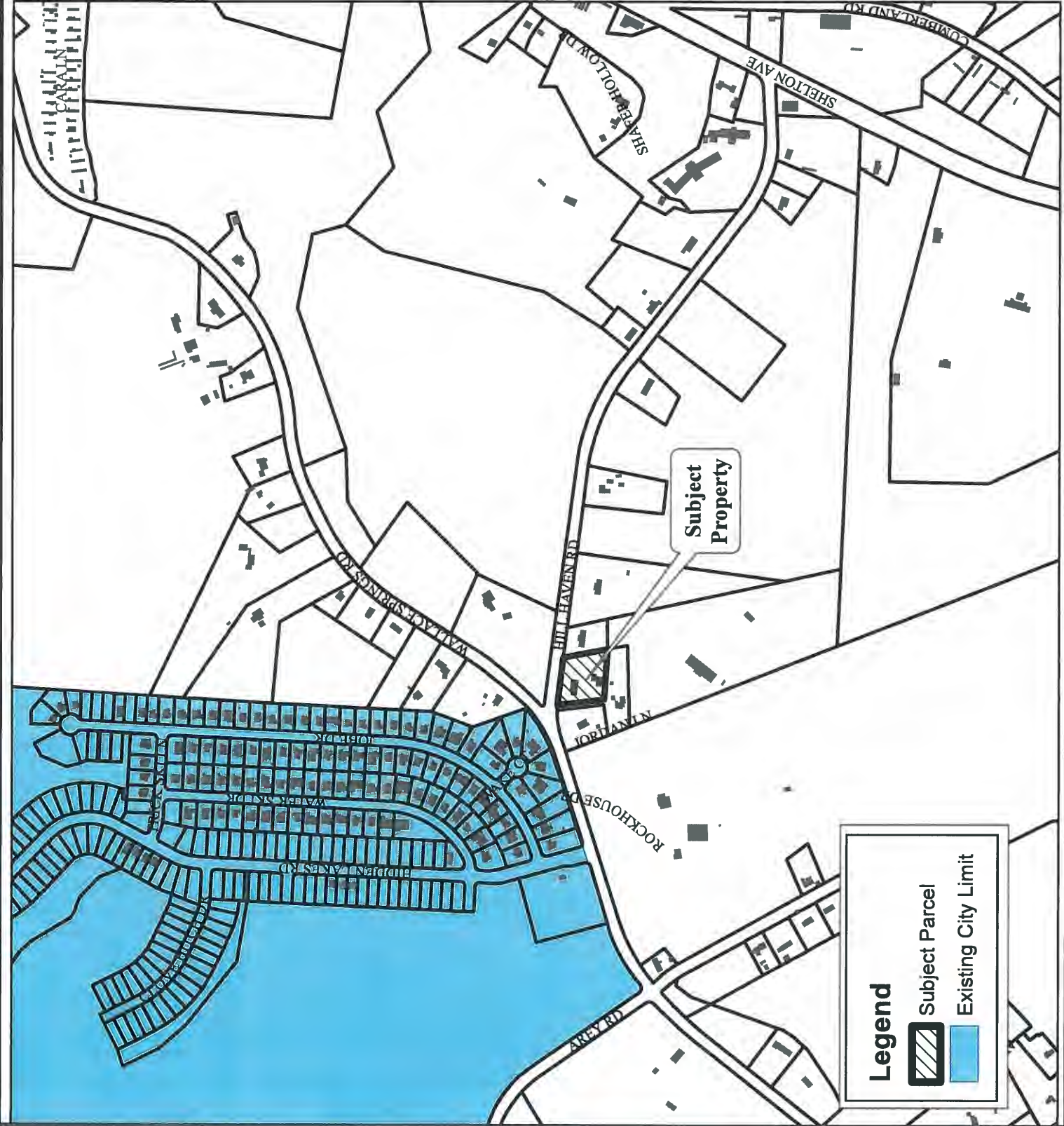
Budget/Funding Implications: The tax value of this property is \$121,580. At the current tax rate, the annual City property tax will be \$666.01. The water tap and system development fee (\$1,177 total) will apply. The property is served by City electric service.

Department Recommendation: The department recommends approving first reading of the ordinance to annex the property at 257 Hill Haven Rd.


Manager Comments:

Attachments:

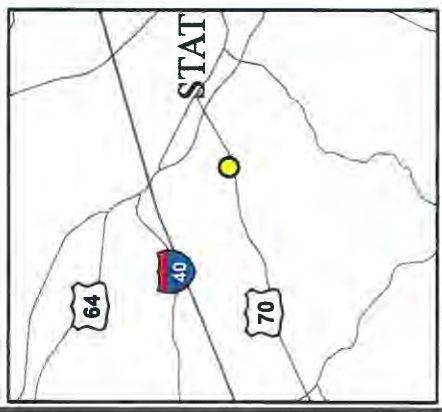
1. City Limit Location Map
2. Utility Location Map
3. Ordinance for Annexation

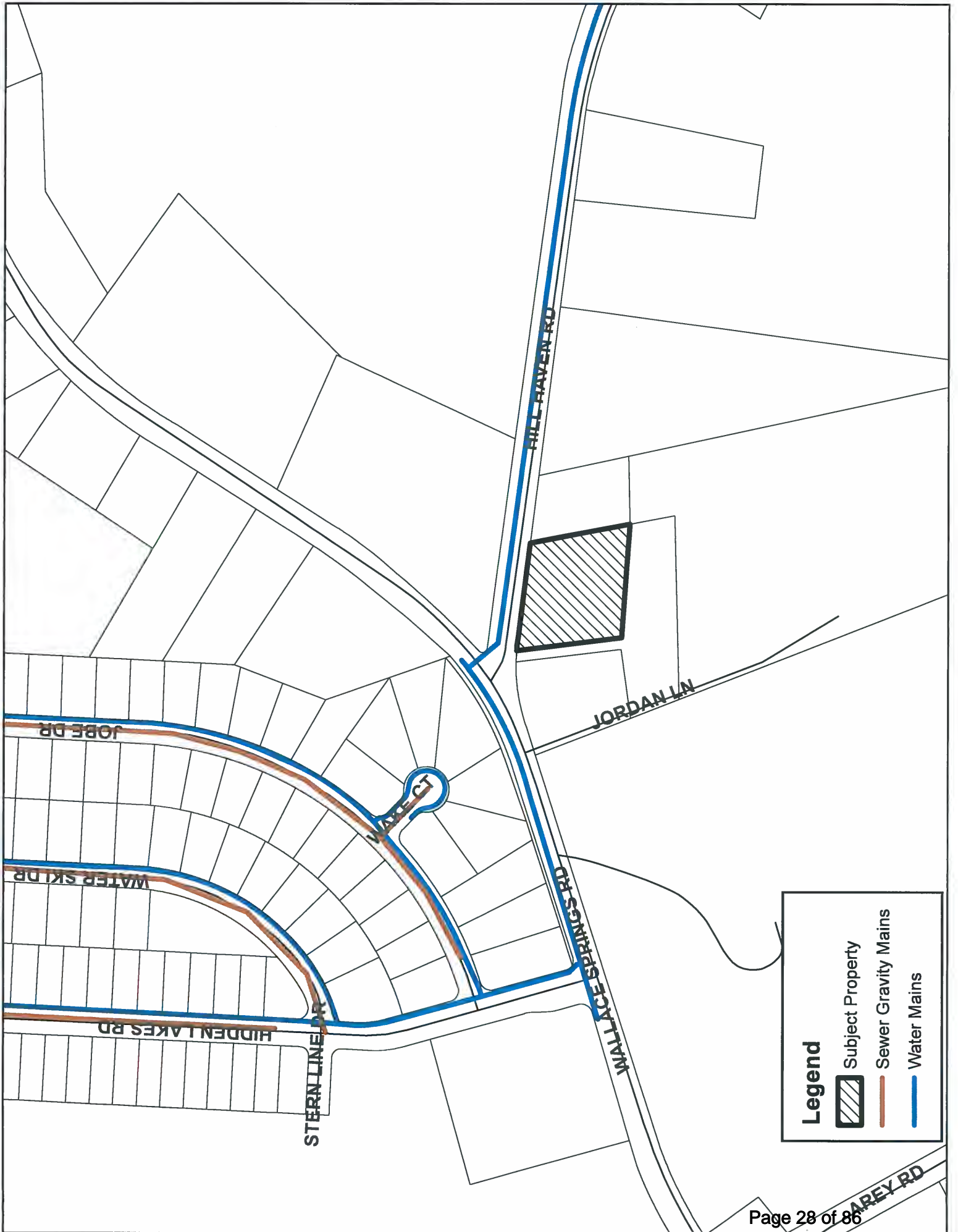


Legend

-  Subject Parcel
-  Existing City Limit

**City of Statesville
Planning Department**
257 Hill Haven Road
Property





Legend

-  Subject Property
-  Sewer Gravity Mains
-  Water Mains

AREY RD

ORDINANCE NO. _____

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF STATESVILLE, NORTH CAROLINA

**(257 Hill Haven Road)
Tax Map 4733-41-5934**

WHEREAS, the Statesville City Council has petitioned under G.S. 160A-58.1, to annex the area described below; and

WHEREAS, the Statesville City Council has by resolution directed the Clerk to investigate the sufficiency of the petition; and

WHEREAS, the City Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at Statesville City Hall at 7:00 o'clock p.m. on the 3rd day of February, 2020 after due notice by publication on the 24th day of January, 2020; and

WHEREAS, the Statesville City Council finds that the area described therein meets the standards of G.S. 160A-58. 1(b), to wit:

- a. The nearest point of the proposed satellite corporate limits is not more than three (3) miles from the corporate limits of the City;
- b. No point on the proposed satellite corporate limits is closer to another municipality than to the City;
- c. The area described is so situated that the City will be able to provide the same services within the proposed satellite corporate limits that it provides within the primary corporate limits;
- d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation;

WHEREAS, the Statesville City Council further finds that the petition has been signed by all the owners of real property in the area who are required by law to sign; and

WHEREAS, the Statesville City Council further finds that the petition is otherwise valid, and that the public health, safety and welfare of the City and of the area proposed for annexation will be best served by annexing the area described;

NOW, THEREFORE, BE IT ORDAINED BY the Statesville City Council of the City of Statesville, North Carolina that:

Section 1. By virtue of the authority granted by G.S. 160A-58.2, the following described noncontiguous territory is hereby annexed and made part of the City of Statesville, as of the February 29, 2020 at 11:59 p.m.

Description

BEGINNING at a point at the northwest corner of the property identified as PIN 4733415934 Jerry Ray Jordan Property at its property boundary with Stephen and Rebecca Akers Property

Deed Book 2090 Page 2086, and running thence with the line South Southeast approximately 233.28 feet along the shared property line to the point of the southwest corner of PIN 4733415934 Jerry Ray Jordan Property, thence running approximately 250 feet east southeast to the point of the southeast corner of PIN 4733415934 Jerry Ray Jordan Property, thence running approximately 223.25 feet north northwest to the point of the northeast corner of PIN 4733415934 Jerry Ray Jordan Property, thence running approximately 238.59 feet west northwest along Hill Haven Road ROW encompassing approximately 1.39 acres in total.

Property Address: 257 Hill Haven Road, Statesville, NC

Section 2. Upon and after February 29, 2020 at 11:59 p.m., the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Statesville and shall be entitled to the same privileges and benefits as other parts of the City of Statesville. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the City of Statesville shall cause to be recorded in the office of the Register of Deeds of Iredell County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Iredell County Board of Elections, as required by G.S. 163-288.1.

The Ordinance was introduced by a first reading by Council member _____, seconded by Council member _____, and unanimously carried on the 3rd day of February, 2020.

AYES:
NAYS:

The second and final reading of this ordinance was heard on the 17th day of February, 2020 and upon motion of Council member _____, seconded by Council member _____, and unanimously carried, was adopted.

AYES:
NAYS:

The Ordinance to be in full force and effect from and after the 29th day of February, 2020 at 11:59 p.m.

City of Statesville

Constantine H. Kutteh, Mayor

ATTEST:

Brenda Fugett, City Clerk

APPROVED AS TO FORM:

Leah Gaines Messick, City Attorney

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Chris Bowen, Statesville Police Department
DATE: January 31, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving the budgetary appropriation and purchase of bullet proof vests in fiscal year 2020 associated with the Bulletproof Vest Partnership and Budget Amendment #2020-13

- 1. SUMMARY OF INFORMATION:** The Bulletproof Vest Partnership (BVP) Program reimburses states, counties, federally recognized tribes, cities, and local jurisdictions up to 50% of the cost of body armor vests purchased for law enforcement officers. The Police Department has participated in this program since 2001 and has been awarded a reimbursement of \$7,358.35 for FY2020. Funds are appropriated in the operating budget for the purchase of the City's share of the vests. Please approve BA 2020-13
- 2. Previous Council or Relevant Actions:** Statesville City Council has approved this reimbursement in past funding years.
- 3. Budget/Funding Implications:** This action will increase the overall budget by \$7,358.35 and allow the Police Department to additional vests.
- 4. Consequences for Not Acting:** If the City of Statesville did not this reimbursement, we would expend additional monies for police vests.
- 5. Department Recommendation:** The Police Department recommends that the City accept the grant and purchase the additional vests.
- 6. Manager Comments:** Recommend for approval.
- 7. Next Steps:**
- 8. Attachments:** Budget Amendment #2020-13

CITY OF STATESVILLE
BUDGET AMENDMENT #2020-13
February 17, 2020
 FISCAL YEAR 2019-2020

FUND / ACCOUNT #	ACCOUNT TYPE	DESCRIPTION	CURRENT BUDGET	CHANGE (+ / -)	AMENDED BUDGET
General Fund					
010.5100.340.40.00	Revenue	Other Revenue - Federal Funds	61,000	7,358	68,358
Total Revenues			<u>61,000</u>	<u>7,358</u>	<u>68,358</u>
General Fund					
010.5100.36.00	Expenditure	Police - Uniforms	97,537	7,358	104,895
Total Expenditures			<u>97,537</u>	<u>7,358</u>	<u>104,895</u>

DESCRIPTION: To appropriate receipt of grant revenues and to appropriate for the corresponding grant expenditures in the Police Department

Budget Officer

Finance Director

APPROVED BY CITY COUNCIL:

City Clerk

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Marin Tomlin, Downtown Statesville Development Corporation
DATE: January 29, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Make a formal request that the City of Statesville be an official co-sponsor of the 2020 Friday After Five Summer Concert Series, providing in-kind services as listed below.

Summary of Information:

Downtown Statesville Development Corporation and the Greater Statesville Chamber of Commerce are currently organizing the 2020 Friday After Five Summer Concert Series set for May 8, May 22, June 12, June 26, July 17, August 7, August 21 (possible makeup date), September 4 in Downtown Statesville. DSDC and the Statesville Chamber of Commerce appreciate the City's assistance in preparation of this community event.

In keeping with the City's Special Events Sponsorship Policy, we would like to make a formal request that the City of Statesville be an official co-sponsor of the 2020 Friday after Five Summer Concert Series, providing in-kind services such as electrical hookups, security, drop off and removal of barricades, sanitation pickup, trash and recycling containers and other services as approved by the City Manager.

We are expecting between 1,000 – 2,000 in attendance at each of these concerts. Thank you for your consideration in this matter and for your support of the 2020 Friday after Five Summer Concert Series.

Previous Council or Relevant Actions: This has been approved by Council for previous years.

Budget/Funding Implications: There are some, minimal budget impacts, due to the provision of services. However, this has been traditionally been absorbed by the City.

Department Recommendation:

Manager Comments: Recommend for approval.

Attachments: None

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Marin Tomlin, Downtown Statesville Development Corporation
DATE: January 29, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving a motion to close West Broad Street from Kelly to Mulberry Street, from 2:45 p.m. to 10:30 p.m. on the following dates in order to accommodate the 2020 “Friday after Five Summer Concert Series”, organized by the Downtown Statesville Development Corporation and the Greater Statesville Chamber of Commerce: May 8, May 22, June 12, June 26, July 17, August 7, August 21 (possible makeup date), September 4.

Summary of Information:

- See attached map of proposed closure area(s).
- This is an annual, community-oriented event held in Downtown Statesville, which is supported by the community and sponsored by the DSDC and GSCC.
- Traffic will be temporarily diverted with appropriate signage that will cause minimal inconvenience to the general public.
- All appropriate emergency service personnel (Fire, EMS, and Police) will be made aware of the temporary closure in advance of the event.
- Businesses in the affected area will be notified of the event dates and the street closure request.

Previous Council or Relevant Actions:

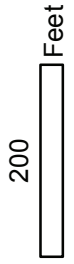
Budget/Funding Implications:

Department Recommendation:

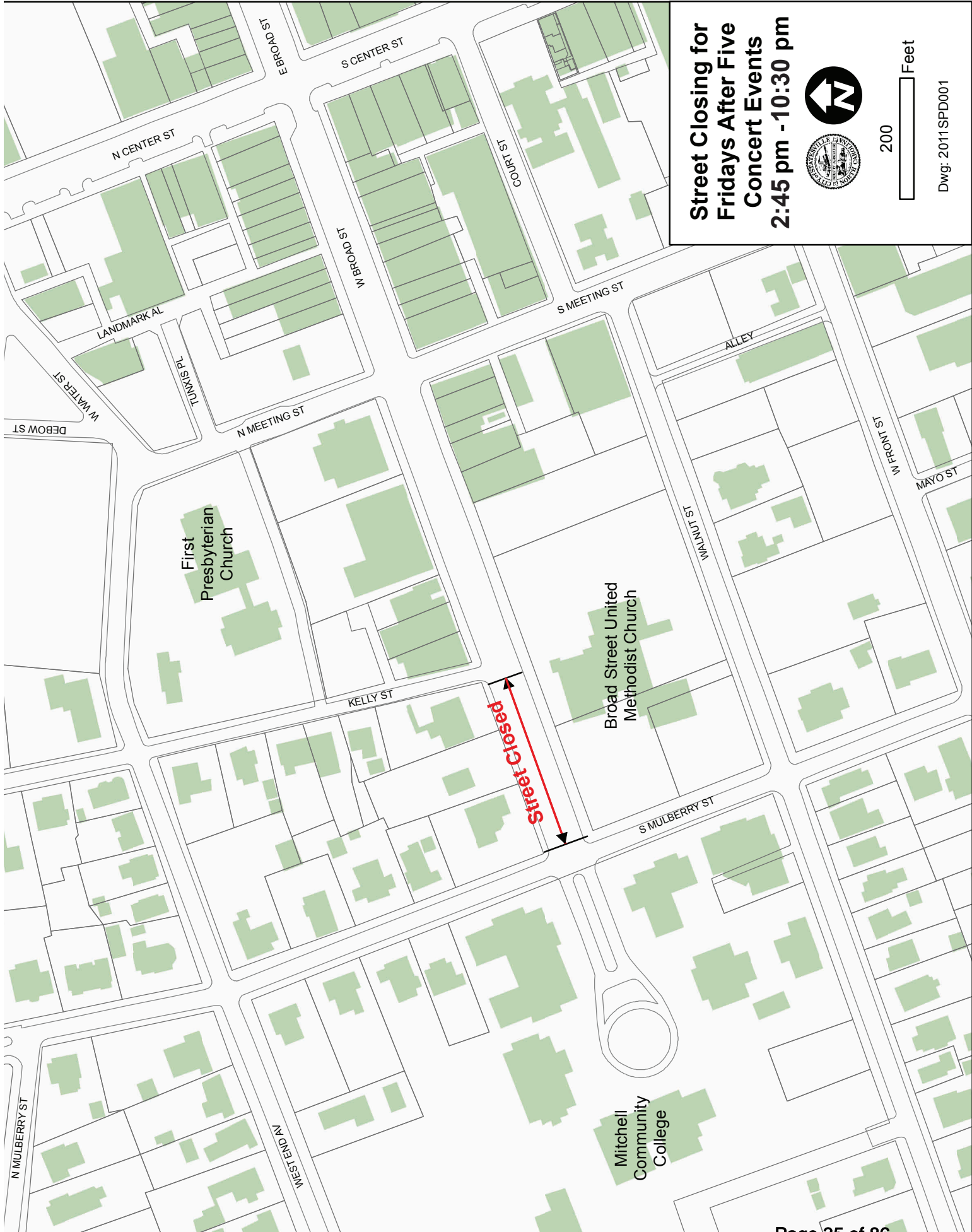
Manager Comments: Recommend for approval.

Attachments:

**Street Closing for
Fridays After Five
Concert Events
2:45 pm - 10:30 pm**



Dwg: 2011SPD001



First
Presbyterian
Church

Broad Street United
Methodist Church

Mitchell
Community
College

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Assistant Chief David Onley, Statesville Police Department
DATE: January 22, 2020

ACTION NEEDED ON: February 03, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving 2nd reading of an ordinance to establish No Parking Zones on all roadways located within the Statesville Business Park.

Summary of Information:

Several representatives from businesses located within the Statesville Business Park have made staff aware of parking concerns within the industrial area. Vehicles are parking on roadways within the area preventing safe passage of motoring traffic and affecting business operations for facilities located in the business park. Establishing “No Parking Zones” on all roadways within the area will permit signage posting and enforcement actions on those vehicles violating this ordinance.

Previous Council or Relevant Actions: Council unanimously approved first reading of the ordinance at their February 03, 2020 meeting.

Budget/Funding Implications: None

Department Recommendation: Staff recommends establishing no parking zones on Business Park Drive, Advantage Place and Progress Place located in the Statesville Business Park.

Manager Comments: Recommend for approval. This has been an ongoing problem at the Park, and it seems that this action, partnered with signs and enforcement is the most appropriate approach.

Attachments:

1. No Parking Ordinance
2. Aerial Photo of Business Park



Year Tire & Rubber

Cameron Presbyterian Church

Auto Equipment

Elmwood AME Zion Church

Cheney Brothers, Inc. (STV)

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 12, ARTICLE V, DIVISION 1 OF THE CODE OF THE CITY OF STATESVILLE, TO DESIGNATE “NO PARKING ZONES” ON BUSINESS PARK DRIVE, ADVANTAGE PLACE AND PROGRESS PLACE.

WHEREAS, business representatives from companies located in the Statesville Business Park have requested measures to prevent roadway parking within the industrial area; and

WHEREAS, vehicles, specifically tractor trailers, have presented a traffic hazard to the motoring public and industrial transport operations ; and

WHEREAS, designation of no parking zones along these roadways will increase safety for the motoring public; and

WHEREAS, it has been determined that roadways within the Statesville Business Park be designated as no parking zones.

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Statesville that Chapter 12, Article V, Division 1 of the Code of the City of Statesville be amended by adding the following to the official ordinance file maintained by the Traffic Safety Director:

**“No Parking Zones”
All sections of the following roadways:
Business Park Drive, Advantage Place and Progress Place**

This ordinance was introduced for first reading by Council member _____, seconded by Council member _____, and unanimously carried on the ____ day of _____, 2020.

AYES:
NAYS:

The second and final reading of this ordinance was heard on the ____ day of _____, 2020, and upon motion of Council member _____, seconded by Council member _____, and unanimously carried, was adopted.

AYES:
NAYS:

This ordinance is to be in full force and effect from and after the _____ day of _____, 2019.

CITY OF STATESVILLE

Constantine H. Kutteh, Mayor

APPROVED AS TO FORM

Leah Gaines-Messick, City Attorney

ATTEST:

Brenda Fugett, City Clerk

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Christopher Tucker, Finance Director
DATE: February 06, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving the write-off of approximately \$1,500 in parking tickets and \$16,420 in penalty fees for parking tickets.

1. Summary of Information:

Since June 2017 the City has performed a semi-annual write-off of parking tickets. This write-off is for parking tickets that had been placed for collection between July 01, 2017 and June 30, 2018. This amount may decrease slightly should we collect monies on a ticket prior to the actual write-off date.

There was \$8,855.00 issued out in parking tickets between July 01, 2017 and June 30, 2018. We are writing off \$1,500.00 in parking tickets. The write-off percentage is 16.94%.

There was \$18,149.00 issued out in penalty fees for parking tickets between July 01, 2017 and June 30, 2018. We are writing off \$16,420.00. The write-off percentage is 90.47%.

These parking tickets will still show in our Customer Information 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.

2. Previous Council or Relevant Actions: Council performed its last write-off of \$290 and \$4,100 on May 6, 2019 via consent agenda.

3. Budget/Funding Implications: The write-off will hit the General Fund as a bad debt expenditure.

4. Consequences for Not Acting: The City's Accounts Receivable (Asset) balance will be stated higher than what is reasonably collectable.

5. Department Recommendation: Approve as presented.

6. Manager Comments: Concur with Department Recommendation.

7. Next Steps: Collections staff will move accounts into a write-off status. Finance will expend the bad debt amount.

8. Attachments: None

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Christopher Tucker, Finance Director
DATE: February 06, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving the semi-annual write-off of approximately \$163,154.50 in utility accounts.

1. Summary of Information:

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.

Staff is presenting for your consideration, the write-off of utility accounts that had been placed for collection between July 01, 2017 and December 31, 2017 in the amount of \$55,768.51. The gross billing for this period was \$30,191,120. The write-off percentage is .08%. The City recovered \$23,144 in utility bad debts during the period referenced above.

Also, for your consideration, the write-off of utility accounts that had been placed for collection between January 01, 2018 and June 30, 2018 in the amount of \$107,385.99. The gross billing for this period was \$31,968,472. The write-off percentage is .34%. The City recovered \$44,285 in utility bad debts during the period referenced above.

These accounts will still show in our Customer Information 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.

- 2. Previous Council or Relevant Actions:** Council performed its last write-off of \$47,696.69 on May 6, 2019 via consent agenda.
- 3. Budget/Funding Implications:** The write-off will hit the funds where the charges originate as bad debt expenditures.
- 4. Consequences for Not Acting:** The City's Accounts Receivable (Asset) balance will be stated higher than what is reasonably collectable.
- 5. Department Recommendation:** Approve as presented.
- 6. Manager Comments:** Concur with Department Recommendation.
- 7. Next Steps:** Collections staff will move accounts into a write-off status. Finance will expend the bad debt amount.
- 8. Attachments:** None

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: David Addison, Chief of Police
DATE: February 5, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving a request from the Statesville Police Department to apply for a grant which would provide full and decreasing salaries and vehicles for four officers over a period of four years. This would be equivalent to \$450,000 over four years.

1. Summary of Information: The Statesville Police Department has forty-six (46) officers assigned to uniform patrol. The uniform patrol division responds to 911 calls for service twenty-four (24) hours a day and seven (7) days a week. During the calendar year of 2019, the Statesville Police Department received 81,285 calls for service. Officers responded to 61,910 calls for service which includes self-initiated calls for service. Total 911 calls for service in 2019 increased 9% over 2018. Officers responded to 14% more 911 calls for service in 2019 verses 2018. The staffing on patrol has remained the same since around the mid to late 1980's.

During our initial crime presentation, we requested eight (8) additional patrol officers along with other personnel. We are requesting to apply for a grant with the North Carolina Governor's Highway Safety Program which will provide salaries for four officers (including one corporal) at 100% for the first year, 80% for the second year, 75% for the third year and 50% for the final year of the grant. This grant would also provide a vehicle for each position (four vehicles). This grant would assist with our need to increase staffing while reducing the cost to the City of Statesville. Without this opportunity the full cost of the officers and vehicles would be absorbed in the City of Statesville's budget. The need for additional personnel is critical for the Statesville Police Department and the community.

2. Previous Council or Relevant Actions: None

3. Budget/Funding Implications: If we can obtain this grant, the City of Statesville would off-set around \$450,000 in personnel and equipment. This would allow the City of Statesville to fund other projects or support other personnel needs.

4. Consequences for Not Acting: If the City of Statesville does not receive this grant, we would be funding any new officers at full cost and provide vehicles at full cost. This would divert funding from other projects and personnel needs.

5. Department Recommendation: The Statesville Police Department recommends the City of Statesville applies for this grant opportunity. This would minimally impact the first budget

year while saving the City of Statesville about \$459,000 over four years. The need for officers on patrol to answer the increasing calls for service is critical.

6. **Manager Comments:** I think it is logical to say that as our City grows in population and geographically, there will be additional pressure on the patrol unit of our Police Department. This grant could act as a financial bridge to help us build into that growth, and the staff it will likely require. You have heard that the Chief will be asking for additional personnel in this coming year. Although there is no guarantee those positions will be funded, this grant could provide some relief to both the activity and financial burden that we are currently and will continue to feel over the next four years (life of the grant). At the end of the grant, we will have to make the decision as to whether to continue funding those positions.
7. **Next Steps:** If the grant request is successful, a Budget Amendment will be brought back to Council to determine whether to accept the money.
8. **Attachments:** None

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: David Addison, Chief of Police
DATE: February 5, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

The Statesville Police Department is requesting permission to accept \$210,000 of School Resource Funding for additional School Resource Officers from Iredell Statesville Schools and to approve Budget Amendment #12.

1. **Summary of Information:** The Statesville Police Department is receiving funding from the Iredell Statesville School system to pay for School Resource Officers. These additional monies would be used to fund vehicles, equipment and training required for these positions. There is no financial obligation for the City of Statesville.
2. **Previous Council or Relevant Actions:** None
3. **Budget/Funding Implications:** If we do not accept this additional funding, we will not be able to obtain the necessary equipment or additional vehicles needed.
4. **Consequences for Not Acting:** If the City of Statesville did not accept this funding, we would not be able to provide the additional training and equipment needed for the SROs.
5. **Department Recommendation:** The Statesville Police Department recommends the City of Statesville accept these monies. This funding would enhance our SRO program.
6. **Manager Comments:** This is a new, one-time funding source provided by Iredell County to enhance school safety. It will allow us to outfit two additional SROs with non-recurring expenses. Recommend for approval.
7. **Next Steps:**
8. **Attachments:** None

CITY OF STATESVILLE
BUDGET AMENDMENT #2020-12
February 17, 2020
 FISCAL YEAR 2019-2020

FUND / ACCOUNT #	ACCOUNT TYPE	DESCRIPTION	CURRENT BUDGET	CHANGE (+ / -)	AMENDED BUDGET
General Fund					
010.5100.360.12.00	Revenue	School Resource Officer	96,845	210,000	306,845
Total Revenues			<u>96,845</u>	<u>210,000</u>	<u>306,845</u>
General Fund					
010.5100	Expenditure	Police Expenditures	10,270,697	210,000	10,480,697
Total Expenditures			<u>10,270,697</u>	<u>210,000</u>	<u>10,480,697</u>
<i>DESCRIPTION: To appropriate additional County funding for School Resource Officer expenditures</i>					

Budget Officer

Finance Director

APPROVED BY CITY COUNCIL:

City Clerk

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Lynn Miller, Superintendent of Parks & Public Grounds
DATE: January 28, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Present the 2019 Mayor's Cup Award to "Andy Smith, Lake Mountain Coffee"

1. Summary of Information:

"Lake Mountain Coffee", formerly Sky Mountain Coffee, was selected to receive the Mayor's Cup Award for their recent renovation project located at 110 West Broad Street and their commitment to improving Statesville.

The Mayor's Cup is awarded each year by the Community Appearance Commission to the person or organization that has made a significant contribution to improving the appearance of Statesville.

2. Previous Council or Relevant Actions:

Recipients in recent years:

2018 – Johnson Greenhouses
2017 – McDonald's
2016 – Carolina Landmark Realty

3. Budget/Funding Implications: N/A

4. Consequences for Not Acting: Failure to award a Mayor's Cup Recipient for 2019

5. Department Recommendation: Award Mayor's Cup to "Lake Mountain Coffee" as recommended by the Community Appearance Commission.

6. Manager Comments: No recommendation.

7. Next Steps: Present Mayor's Cup award at February 17 City Council meeting.

8. Attachments:

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Sherry Ashley, Planning Director
DATE: February 5, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Conduct a public hearing and consider approving AX20-02 first reading of an ordinance to annex the properties located at 2131, 2151 & 2155 Amity Hill Road.

1. Summary of Information: The properties being considered for annexation were submitted by Scott Stewart (owner) and are located at 2131, 2151 and 2155 Amity Hill Road. Three houses exist on two parcels and are all served by a single water tap at 2131 Amity Hill Road. The applicant is requesting two new water taps (2151 and 2155 Amity Hill Road) so each residence has a separate connection. The subject properties are approximately 4.83 acres in size and encompass Iredell County Parcel Identification Numbers (PINs) 4743-14-6912 and 4743-15-4268. The subject properties are not contiguous to the primary corporate limits of the City of Statesville, and therefore, the petition is being processed as a voluntary satellite annexation. The properties are located in the City's Extra Territorial Jurisdiction, are zoned HI (Heavy Industrial) and therefore will not have to be rezoned.

Since the change in regulations of statutory annexations, it has been the policy of the city to annex properties voluntarily requesting annexation so long as the site is not too remote and in close proximity to existing routes for city services.

2. Previous Council or Relevant Actions: On January 6, 2020 Council approved two water taps to the subject property contingent on submission of a voluntary annexation petition and on February 3, 2020 Council approved the date of February 17, 2020 for the public hearing on this request. In 2018 Council approved an annexation request for the purpose of water service at 2162 Amity Hill Road which is approximately 200 feet away from the subject property.

3. Budget/Funding Implications: The tax value of these properties is \$179,460. At the current tax rate, the annual City property tax will be approximately \$980. The water taps and system development fees (\$2,354 total) will apply for the two homes requested for new water taps. The properties are served by City electric service.

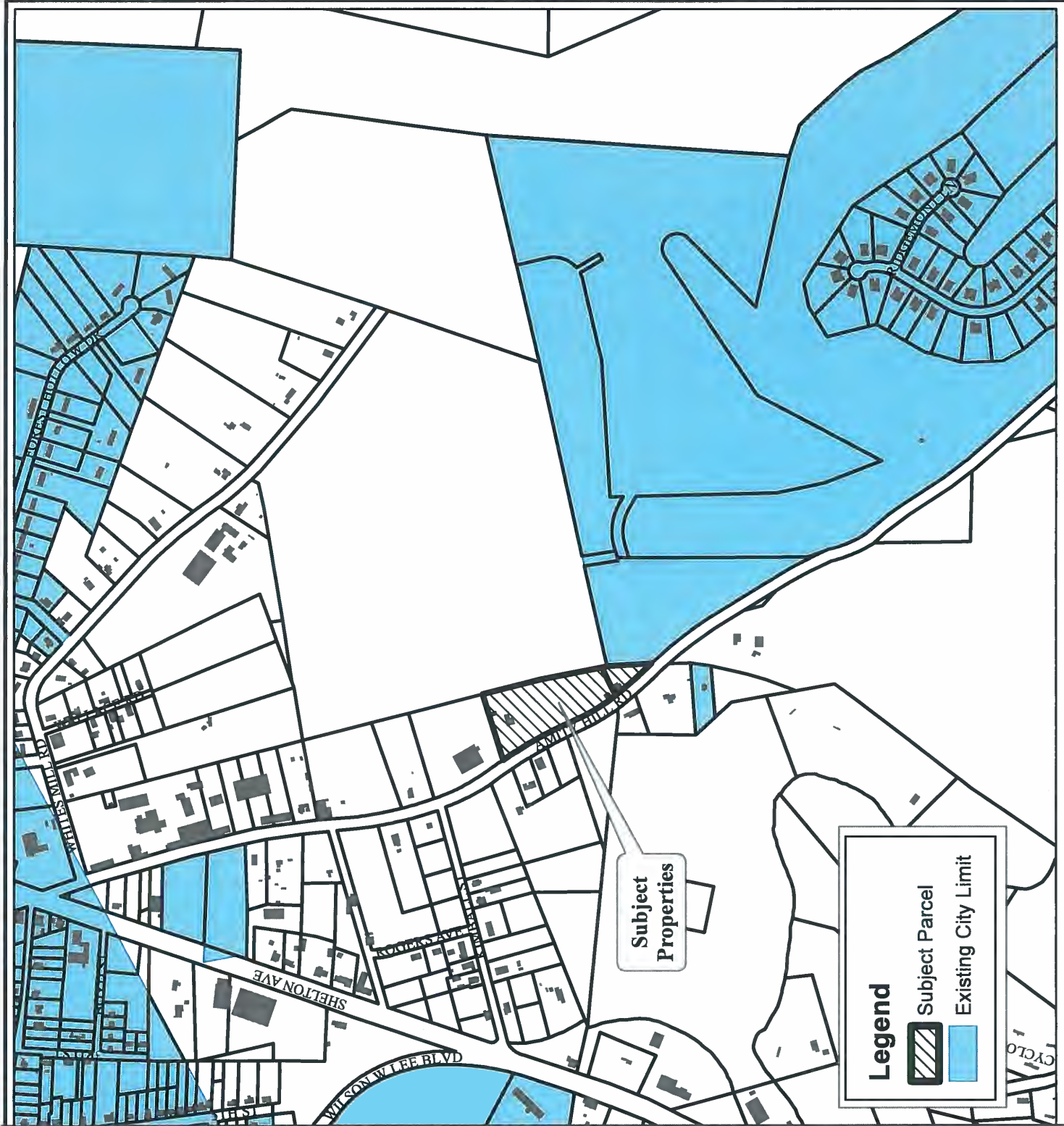
4. Consequences for Not Acting: Without action the three residences would be connected to the City water system and charged outside rates. The City would not receive additional property tax. We would also not be following the current policy of the city to annex properties voluntarily requesting annexation so long as the site is not too remote and in close proximity

to existing routes for city services.

5. **Department Recommendation:** The department recommends passing the first reading of the annexation request at 2131, 2151 & 2155 Amity Hill Road.
6. **Manager Comments:** Recommend for approval.
7. **Next Steps:** If approved the second reading on this annexation will be held on March 2, 2020. The property will be officially annexed into the city on March 31, 2020.

Attachments:

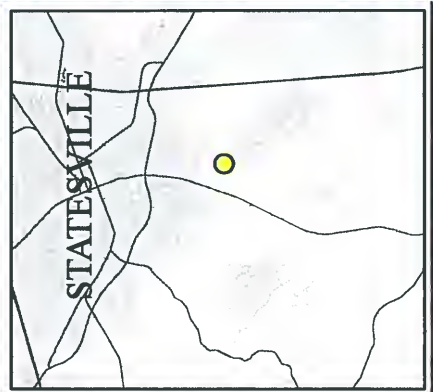
1. City Limit Location Map
2. Utility Location Map
3. Ordinance for Annexation



Legend

-  Subject Parcel
-  Existing City Limit

**City of Statesville
Planning Department**
Scott Stewart
Properties





Utilities

-  Subject Properties
-  Sewer Gravity Mains
-  Water Mains

ORDINANCE NO. _____

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF
THE CITY OF STATESVILLE, NORTH CAROLINA**

**(2131, 2151 & 2155 Amity Hill Road)
Tax Map 4743-15-4268 & 4743-14-6912**

WHEREAS, the Statesville City Council has petitioned under G.S. 160A-58.1, to annex the area described below; and

WHEREAS, the Statesville City Council has by resolution directed the Clerk to investigate the sufficiency of the petition; and

WHEREAS, the City Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at Statesville City Hall at 7:00 o'clock p.m. on the 17th day of February, 2020 after due notice by publication on the 7th day of February, 2020; and

WHEREAS, the Statesville City Council finds that the area described therein meets the standards of G.S. 160A-58. 1(b), to wit:

- a. The nearest point of the proposed satellite corporate limits is not more than three (3) miles from the corporate limits of the City;
- b. No point on the proposed satellite corporate limits is closer to another municipality than to the City;
- c. The area described is so situated that the City will be able to provide the same services within the proposed satellite corporate limits that it provides within the primary corporate limits;
- d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation;

WHEREAS, the Statesville City Council further finds that the petition has been signed by all the owners of real property in the area who are required by law to sign; and

WHEREAS, the Statesville City Council further finds that the petition is otherwise valid, and that the public health, safety and welfare of the City and of the area proposed for annexation will be best served by annexing the area described;

NOW, THEREFORE, BE IT ORDAINED BY the Statesville City Council of the City of Statesville, North Carolina that:

Section 1. By virtue of the authority granted by G.S. 160A-58.2, the following described noncontiguous territory is hereby annexed and made part of the City of Statesville, as of the March 31, 2020 at 11:59 p.m.

Description

PIN 4743-15-4268

BEGINNING at a point in the center of the railroad tract of Southern Railroad, said point being the Northeast corner of Ray Orren (Deed Book 1061, Page 1808, Iredell County Registry); thence with the Northern line of Orren, South 70 deg. 20 min. 40 sec. West 90.00 feet to an existing iron pin, said existing iron pin being North 19 deg. 25 min. 13 sec. West 143.50 feet from a railroad spike in the center line of Amity Hill Road (SR2342) and said railroad spike being North 43 deg. 13 min. 53 sec. West 143.28 feet to p.k. nail located in the centerline of the railroad and Amity Hill Road; and thence continuing with the Northern line of Orren, South 70 deg. 20 min. 40 sec. West 54.71 feet to a point in the center of Amity Hill Road; thence with the center of Amity Hill Road along a curve to the right, having a length of 307.23 feet and a radius of 1,398.29 feet and a chord bearing of North 28 deg. 38 min. 49 sec. West and a chord distance of 306.61 feet to a point in the center of the road and thence continuing with the center of the road, North 22 deg. 47 min. 45 sec. West 62.12 feet to a point in the center of the road; and thence continuing with the center of the road along a curve to the left, having a length of 150.28 feet and a radius of 1,019.89 feet and a chord bearing of North 26 deg. 34 min. 21 sec. West and a chord distance of 150.14 feet to a point in the center of the road and thence North 23 deg. 56 min. 10 sec. West 117.54 feet to a point located in the Eastern portion of the roadway; and thence with the Southern line of Allie Edmiston (Deed Book 773, Page 581, Iredell County Registry), North 73 deg. 58 min. 48 sec. East 47.62 feet to an existing shaft; and thence continuing with the Southern line of Edmiston, North 73 deg. 58 min. 48 sec. East 244.8 feet to an iron rod set; thence continuing with the Southern line of the Edmiston, North 73 deg. 58 min. 48 sec. East 63.00 feet to a point in the center of the Southern Railroad tracks; and thence with the center of the railroad tracks, South 13 deg. 34 min. 00 sec. East 419.80 feet to a point; and thence continuing with the center of the railroad tracks along a curve to the right, having a length of 194.45 feet and a radius of 2146.94 feet and a chord to the point of the BEGINNING and being 4.105 acres more or less, and all according to a survey for Steven S. & Deborah S. Stewart by Alfred F. Williams Registered Land Surveyor dated May 27, 1998. For back title see Deed Book 146, Page 261 and Deed Book 154, Page 100 Iredell County Registry.

PIN 4743-14-6912

BEGINNING at a mark in the center line of the pavement of the Amity Hill Road, southwest corner of E.B. Gentry's tenant house lot (see Deed Book 150, Page 100) in the line of R.H. Bennett, and running thence with the line of E.B. Gentry, North 62 deg. 28 min East 199 feet to a point in the centerline of the A.T.O. Railroad tracks, and running thence with the centerline of the A.T.O. Railroad track, South 7 deg. 20 min. East 27.5 feet, and South 13 deg. East 106 feet, and South 2 deg. West 106 feet to a point in the center line of the railroad tracks, and also being the center line of the Amity Hill Road where it crosses the tracks; thence with the center line of the Amity Hill Road, North 66 deg. 30 min. West 105 feet, and North 43 deg. West 150 feet to the point of the BEGINNING, and being the identical property conveyed to Linda O. Stewart and husband Steve H. Stewart by General Warranty Deed recorded in Book 1061, Page 1808, Iredell County Registry.

Property Address: 2131, 2151 & 2155 Amity Hill Road, Statesville, NC

Section 2. Upon and after March 31, 2020 at 11:59 p.m., the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Statesville and shall be entitled to the same privileges and benefits as other

parts of the City of Statesville. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the City of Statesville shall cause to be recorded in the office of the Register of Deeds of Iredell County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Iredell County Board of Elections, as required by G.S. 163-288.1.

The Ordinance was introduced by a first reading by Councilmember _____, seconded by Councilmember _____, and unanimously carried on the 17th day of February, 2020.

AYES:
NAYS:

The second and final reading of this ordinance was heard on the 2nd day of March, 2020 and upon motion of Councilmember _____, seconded by Councilmember _____, and unanimously carried, was adopted.

AYES:
NAYS:

The Ordinance to be in full force and effect from and after the 31st day of March, 2020 at 11:59 p.m.

City of Statesville

Constantine H. Kutteh, Mayor

ATTEST:

Brenda Fugett, City Clerk

APPROVED AS TO FORM:

Leah Gaines Messick, City Attorney

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Sherry Ashley, Planning Director
DATE: February 05, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Conduct a public hearing and consider approving first reading of Rezoning Request ZC20-02 for the property located adjacent to 163 James Farm Road; Tax Map 4745-59-1376 from R-10 (Low-Density Residential) District to R-5MF (High-Density Multi-Family Residential).

1. Summary of Information:

Larry Pittman is requesting to rezone the property from R-10 (Low Density Residential) District to the R-5MF (High Density Multi-Family Residential) District. The purpose of this rezoning request is to add density to the current Georgetown Place subdivision by reducing the minimum lot size requirements. The applicant states there will be approximately 44 residential units if the plan is revised.

The site is approximately 8.2 acres in size and located on the northern side of James Farm Road (see map). The intent of this request is to allow for smaller minimum lot sizes which would allow a mix of single-family homes and duplex homes adding 15 additional units to the original development. The applicant proposes approximately 44 total units if the plan is approved. Since the original sketch plan was approved in 2004 the City's Stormwater Regulations have changed. These changes require additional land area to be used for stormwater measures reducing buildable area. The applicant intends on using a similar layout to what was approved in 2004. Sewer is available to the site and is located in the areas of the proposed road right-of-way of the 2004 sketch plan. The site will be served by City sewer, Iredell Water Corporation and Duke Energy. Stub out roads to adjacent properties will be required during sketch plan review. Sketch plans for subdivisions are required to be reviewed by the Planning Board and City Council following review by the Technical Review Committee (TRC).

The surrounding zoning districts and land uses are as follows:

NORTH OF THE SITE: LI (Light Industrial) District & B-4 (Highway Business) District; Undeveloped
EAST OF THE SITE: R-15; Single-family Homes
SOUTH OF THE SITE: LI & O&I-2 (Office & Institutional Complex) District, Undeveloped, Single-family Homes
WEST OF THE SITE: R-15 & R-10, Undeveloped, Single-Family Homes

2. Previous Council/Relevant Actions: In 2003 the subject property was rezoned from R-15 (Urban Fringe Low Density Residential) District to R-10 (Low Density Residential) District for the purpose of a single-family subdivision. In 2004 Council approved a sketch plan for a 29-

lot single-family subdivision (Georgetown Place – See Attached Plat). In 2005 the property was annexed into the Statesville City limits. Only four lots along James Farm Road have been recorded and developed. The remainder of the original property remains one lot. On January 28, 2020 the Planning Board heard the case and unanimously recommended to approve the request with the following motion:

The 2005 Land Development Plan projects the property to be Mixed Use. Mixed Use states that residential development shall not exceed 12 units per acre. Since the proposed development of approximately 44 units is approximately 5.5 units per acre and does not exceed 12 units per acre and all utilities are available on site, staff's recommendation is **favorable** to the rezoning request. Also, a revised sketch plan will require approval by TRC, Planning Board and Council.

3. **Budget/Funding Implications:** If approved, the development will provide at least 40 new residential lots that will require City services. These new residential lots will also increase the property tax base and population numbers that impact funding.
4. **Consequences for Not Acting:** Since the change in stormwater regulations, not acting on the request would probably make the original approved development not feasible to develop as some buildable lots would be lost due to additional stormwater measures being required.

5. **Department Recommendation:**

The 2005 Land Development Plan projects the property to be Mixed Use. Mixed Use states that residential development shall not exceed 12 units per acre. Since the proposed development of approximately 44 units is approximately 5.5 units per acre and does not exceed 12 units per acre and all utilities are available on site, staff's recommendation is **favorable** to the rezoning request. Also, a revised sketch plan will require approval by TRC, Planning Board and Council.

6. **Manager Comments:** Recommend for approval.

7. **Next Steps:** If approved the second reading of this request will be heard on March 2, 2020, upon approval of the second reading the property will be officially zoned R-5MF. If the applicant submits a revised sketch plan it will be reviewed by TRC, Planning Board and Council.

Attachments:

1. Council Consistency Statement
2. Planning Board Consistency Statement
3. Certification of Mailed Notices
4. Zoning Map
5. Aerial Photo
6. Utilities Map
7. Example Photo
8. Approved Sketch Plan
9. Rezoning Ordinance



To: Statesville City Council
From: Sherry Ashley, Planning Director
Date: 2/17/20
Subject: Rezoning
Case: 20-02 Larry Pitman
Address James Farm Road (Georgetown Place Subdivision)

The zoning amendment **is approved and is consistent with the City's comprehensive land use plan** and is reasonable and in the public interest because The 2005 Land Development Plan projects the property to be Mixed Use. Mixed Use states that residential development shall not exceed 12 units per acre. Since the proposed development of approximately 44 units is approximately 5.5 units per acre and does not exceed 12 units per acre and all utilities are available on site.

In addition to approving this zoning amendment, this approval is **also deemed an amendment to the City's comprehensive land use plan**. The change in conditions the City Council has taken into account in amending the zoning ordinance to meet the development needs of the community are as follows: _____

The zoning amendment **is rejected because it is inconsistent with the City's comprehensive land plan** and is not reasonable and in the public interest because _____

Date: Constantine H. Kutteh, Mayor

Date: Sherry Ashley, Planning Director



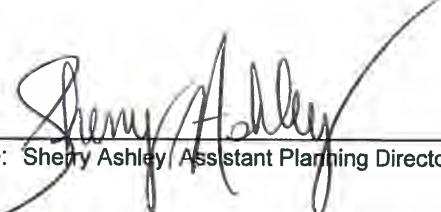
To: Statesville Planning Board
 From: Andrew Ventresca, Senior Planner
 Date: January 28, 2020
 Subject: Rezoning
 Case: ZC20-02
 Address: James Farm Road (Georgetown Place Subdivision)

- The zoning amendment is **approved and is consistent with the City's comprehensive land use plan** and is reasonable and in the public interest because The 2005 Land Development Plan projects the property to be Mixed Use. Mixed Use states that residential development shall not exceed 12 units per acre. Since the proposed development of approximately 44 units is approximately 5.5 units per acre and does not exceed 12 units per acre and all utilities are available on site.

- In addition to approving this zoning amendment, this approval is **also deemed an amendment to the City's comprehensive land use plan**. The change in conditions the Planning Board has taken into account in amending the zoning ordinance to meet the development needs of the community are as follows: _____

- The zoning amendment is **rejected because it is inconsistent with the City's comprehensive land plan** and is not reasonable and in the public interest because _____

 1/29/2020
 Date: Mark Tart, Planning Board Chairman


 Date: Sherry Ashley, Assistant Planning Director



To City Council:

Subject: Certification Letter

Dear Council,

The purpose of this letter is to certify that the adjacent property owners of PIN 4745-59-1376 located adjacent to 163 James Farm Road, case ZC20-02 were mailed notice of this rezoning request on January 14, 2020.

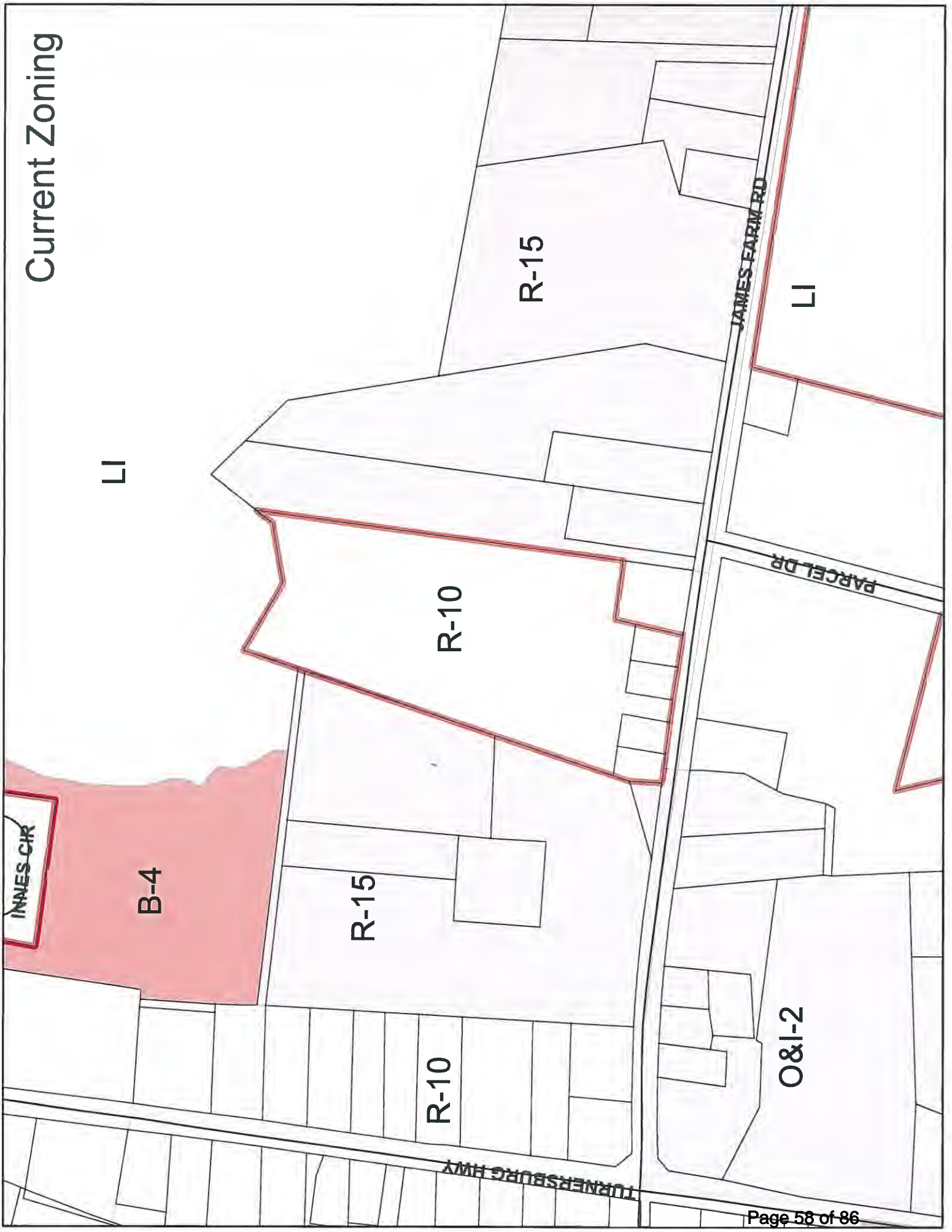
Thank you,

A handwritten signature in dark ink, appearing to read "Andrew Ventresca".

Andrew Ventresca

Senior Planner

Current Zoning





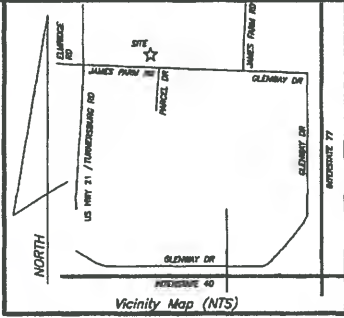


Utilities

-  Subject Property
-  Sewer Gravity Mains
-  Water Mains



Curve	Radius	Length	Chord	Chord Bear.
C1	408.26'	57.27'	57.23'	N 12°21'00" E
C2	408.26'	21.36'	21.37'	N 17°51'40" E
C3	90.16'	24.31'	24.24'	N 27°04'50" E
C4	90.16'	39.08'	38.03'	N 53°35'50" E
C5	40.18'	37.14'	35.83'	S 45°11'50" W
C6	16.83'	20.68'	20.98'	S 31°08'59" E
C7	35.00'	36.58'	34.93'	N 68°23'30" W
C8	45.00'	38.83'	35.60'	N 76°36'25" E
C9	45.00'	44.47'	42.68'	S 36°58'46" E
C10	45.00'	34.29'	33.47'	S 17°12'50" W
C11	45.00'	30.18'	29.50'	S 54°11'30" W
C12	45.00'	25.24'	22.98'	S 86°14'07" W
C13	25.00'	34.50'	31.83'	S 56°54'12" W
C14	25.00'	43.99'	38.53'	S 31°15'37" E
C15	35.00'	13.38'	13.30'	N 87°22'37" E
C16	35.00'	11.91'	11.86'	N 66°40'19" E
C17	45.00'	83.82'	58.61'	S 82°27'02" E
C18	45.00'	38.05'	36.96'	S 17°34'28" E
C19	45.00'	37.25'	36.20'	S 30°23'17" W
C20	45.00'	34.35'	33.52'	S 75°38'30" W
C21	45.00'	32.90'	32.18'	N 61°12'30" W
C22	35.00'	29.30'	24.75'	N 60°57'58" W
C23	25.00'	39.27'	35.36'	S 53°19'49" W



FILED FOR REGISTRATION
 Doc ID: 01007830002 Type: CAP
 Recorded: 08/07/2006 at: 1:12:43 PM
 Fee Amt: \$42.00 Page 1 of 2
 Iredell County, NC
 Brenda D. Bell, Register of Deeds
 BK 49 Pg 62-63

Now or Formerly
 J.C. Fox
 1184-1660
 Zoned: L-1

See survey titled J.C. Fox,
 dated January 17, 2000,
 Job number: 10798BND1-REV,
 as performed by Kestler
 Surveying, Inc.

Notes:
 Driveways for Lot 1 and Lot 4
 will be permitted on James Farm
 Rd., driveways for Lot 2 and Lot 3
 will only be permitted on Limerick Ln.

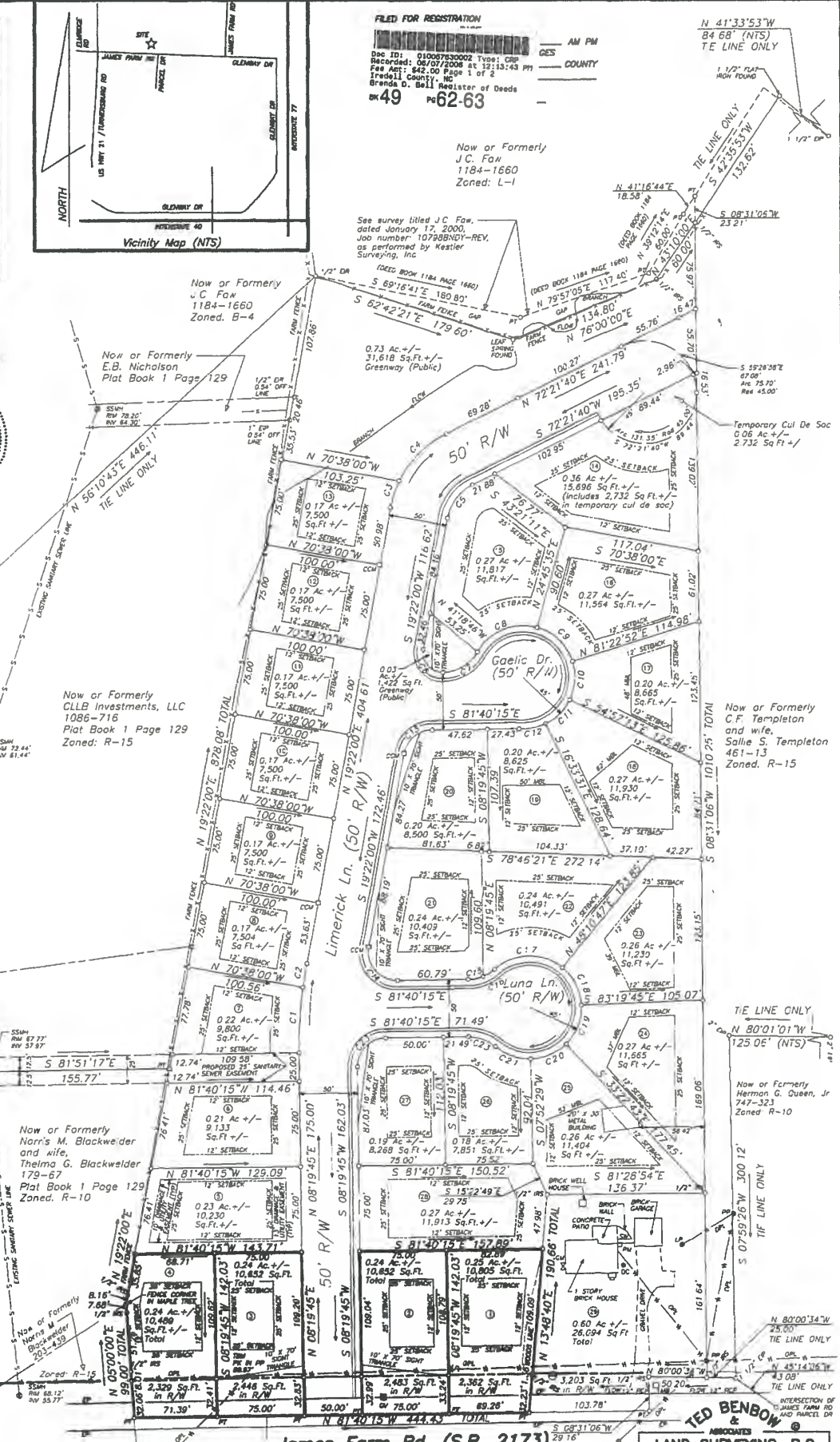
Notes:
 Greenways to be dedicated to the
 City of Statesville for public use.



- LEGEND**
- DR - EXISTING IRON ROD AS SHOWN
 - CP - EXISTING IRON PIPE AS SHOWN
 - HP - HIGH RIDGEBY SET WITH YELLOW PLASTIC CAP
 - SP - EXISTING SPARKING SPRING
 - SS - SURVEY SPRING SET
 - UL - UTILITY OF POWER POLE
 - OP - OVERHEAD POWER LINE
 - RF - EDGE OF PAVEMENT
 - HW - RIGHT OF WAY
 - PI - POINT
 - PC - EXISTING FINISHED WALKWAY
 - BC - BACK OF CURB
 - PN - PAVED IDENTIFICATION NUMBER
 - LP - LIGHT POLE
 - MS - NOT TO SCALE
 - HW - FINISHED WALKWAY
 - PM - POWER METER
 - HW - WATER METER
 - HW - WIRE
 - TRD - TELEPHONE CROSSING
 - CON - EXISTING CONCRETE MONUMENT
 - SSHW - SANITARY SEWER MANHOLE
 - HD - NORTH ARROW DISK
 - MOSS - NORTH CAROLINA GEODETIC SURVEY
 - RP - REINFORCED CONCRETE PIPE
 - TSM - TEMPORARY IDENTIFICATION
 - FL - FINISHED FLOOR ELEVATION
 - OS - OIL VALVE
 - SW - SIDEWALK
 - MB - MANHOLE
 - OS - OIL METER
 - OC - OIL FILLER CAP
 - CCM - CONCRETE MONUMENT (CONTROL)
 - TYP - TYPICAL
- DATE OF MONUMENT SET CONTAIN THE SURVEYOR'S NAME AND LICENSE NUMBER. ALL MONUMENT SIZES ARE OUTSIDE DIMENSIONS UNLESS OTHERWISE SPECIFIED.
- ALL PROPERTY CORNERS ARE 1/4" IRIS UNLESS OTHERWISE SPECIFIED.

9.442 Ac. +/- Total

Final Subdivision Plat For
"Georgetown Place"
 Phase I (Lots 1 - 4)
 Bethany Township, Iredell County, NC
 Owner of Record: Larry G. Pitman
 and wife, Ruth Pitman
 Developers Address:
 122 Rockhaven Dr.
 Statesville NC 28677
 Phone: (704) 876-3777
 Deed Reference: 1503-101
 PIN: 4745 59 2422
 Job Number: 031006 (031006Ph1.dwg)
 Field Date: October 16, 2003
 Plat Date: November 11, 2003
 Revised Plat Date: January 22, 2004
 Revised Plat Date: February 5, 2004
 Revised Plat Date: March 3, 2004
 Revised Plat Date: April 28, 2004
 Revised Plat Date: May 26, 2005
 Revised Plat Date: June 15, 2005
 Revised Plat Date: October 11, 2005
 Revised Plat Date: November 7, 2005
 Revised Plat Date: May 8, 2006



James Farm Rd. (S.R. 2173)
 R/W width unknown
 (No recorded reference found)

TED BENBOW
 SURVEYOR
 LAND SURVEYING, P.C.

630 BISHOP HILL DRIVE, EXT.
 STATESVILLE, N. C. 28686
 PHONE (704) 876-9881
 FAX (704) 876-9822
 www.boundarydevelopment.com

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF THE AFTER DESCRIBED PROPERTY FROM R-10 (LOW DENSITY RESIDENTIAL) DISTRICT TO R-R-5MF (HIGH DENSITY MULTI-FAMILY RESIDENTIAL) DISTRICT

**ZC 20-02 Larry Pitman
James Farm Road
PIN 4745-59-1376**

WHEREAS, A NOTICE TO THE GENERAL PUBLIC AND PARTICULARLY THE CITIZENS OF THE City of Statesville's planning jurisdiction was duly given, notifying them of a public hearing to be held on February 17, 2020 at 7:00 p.m. in the Council Chambers at City Hall, 227 South Center Street, Statesville, North Carolina, for the purpose of considering a proposed ordinance to change the zoning classification of the after described property from R-10 to R-5MF; said notice having been published in the Statesville Record and Landmark, a newspaper having general circulation in this area on February 7, 2020 & February 14, 2020, all in accordance with the procedure set forth in N.C.G.S. 160A-360; and

WHEREAS, said public hearing was duly held in accordance with law, and all persons present were given an opportunity to be heard on said proposed ordinance prior to any action being taken thereon by the City Council;

NOW, THEREFORE, BE IT ORDAINED, that the zoning classification of the after described property be changed as particularly set out below, said property being more particularly described as follows:

LEGAL DESCRIPTION

BEGINNING at a ½ iron rod set in the common lines of J.C. Faw (Deed Book 1184, Page 1660), C.F. Templeton and wife, Sallie S. Templeton (Deed Book 461, Page 13); said point and place of beginning is also located South 42° 35'53" West 132.62 feet from 1 ½ inch found flat iron, said 1 ½ inch found flat iron is located North 41 ° 33'35" West 86.68 feet from a 1 ½ inch existing iron pin; thence with the line of C.F. Templeton and wife, Sallie S. Templeton (Deed Book 461, Page 13), South 08° 31'06" West 848.62 feet to a 1 ½ inch iron rod set, thence North 81° 28'54" West 136.7 feet to a ½ inch iron set; thence South 13° 48'40" West 190.66 feet (passing through a ½ inch iron rod set at 158.43 feet) to a point in the northern boundary line of the right of way of State Road No. 2173 known as James Farm Road; thence with the northern boundary line of the right of way of James Farm Road (State Road No. 2173) North 81° 40'15" West 444.43 feet to a point in the western boundary line of Norris M. Blackwelder (Deed Book 203, Page 439); thence with the western boundary line of Norris M. Blackwelder (Deed Book 203, Page 449) North 05° 00'00" East 99 feet (passing through a ½ inch iron rod set at 40.06 feet and a ½ inch iron rod set at 91.32 feet) to a maple tree; thence continuing with the line of Norris M. Blackwelder (Deed Book 179, Page 67) and with the line of CLLB Investments LLC (Deed Book 1986, Page 716) North 19° 22'00" East 913.93 feet (passing through a ½ inch iron rod set in the new line of J.C. Faw (Deed Book 1184, Page 1660), thence South 62° 42'21" East 179.60 feet to a found leaf spring; thence North 76° 00'00" East 134.80 feet to a ½ inch iron rod set; thence 43° 10'00" East 60.00 feet to the point and place of beginning, being approximately 8.843 acres, more or less, and designated as Tract I on a survey prepared by Ted M. Benbow dated November 11, 2003/ For Back title

reference see Deed Book 284, Page 255; Deed Book 461, Page 11.

James Farm Road, Statesville, NC 28625

This ordinance was introduced for first reading by Councilmember _____, seconded by Councilmember _____, and unanimously carried on the _____ day of _____, 2020.

Ayes:
Nays:

The second and final reading of this ordinance was heard on the _____ day of _____, 2020 and upon motion of Councilmember _____, seconded by Councilmember _____, and unanimously carried, was adopted.

Ayes:
Nays:

This ordinance is to be in full force and effect from and after the _____ day of _____, 2020.

CITY OF STATESVILLE

Constantine H. Kutteh, Mayor

APPROVED AS TO FORM:

By: _____
Leah Gaines Messick, City Attorney

ATTEST:

Brenda Fugett, City Clerk

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Scott Harrell, Executive Director of Public Works / City Engineer
DATE: February 03,2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider a request to accept Troutman Drive into the City's street maintenance system.

Summary of Information: The City has received a request to accept Troutman Drive into the City's street maintenance system. The request is from Mr. Charles McNiel, who represents the property owners along Troutman Dr.

For the City to accept a street for maintenance, the street must meet the City's existing standards. Any improvements or repairs needed to comply with City standards are typically performed at the expense of the requesting party.

City staff has inspected Troutman Dr. and determined that the following improvements are needed to meet City standards:

1. Pavement patching, repair, and overlay in several locations;
2. Installation of concrete sidewalk and curb & gutter;
3. Dedication of a 50 ft wide right-of-way.

These items have been reviewed with Mr. McNiel. He is requesting that the City participate in the necessary improvements to Troutman Dr by funding a portion of the work. His request is based on the neighborhood being annexed in 1990, the presence of city water and sewer utilities in the street, and the use of the street by the City Sanitation Division.

Previous Council or Relevant Actions: In previous street acceptance requests, the needed improvements have been performed by the requesting party. On one occasion (Commerce Blvd), the City participated in the process. In that case, the property owners deposited 50% of the estimated improvement cost with the City, the City performed the work, and then assessed the remaining amount to the property owners (full cost was borne by the property owners). The Commerce Blvd approach has been discussed for several other streets, including Troutman Drive, but none of the interested parties have elected not moved forward.

Budget/Funding Implications:

1. Pavement Repair: City staff has estimated the pavement repairs to cost about \$35,000.
2. Sidewalk and curb & gutter: Due to the lack of sidewalk and curb & gutter on the adjoining streets in the vicinity of Troutman Drive, staff recommends fee-in-lieu

payments instead of installation. The street is approximately 1,045 feet in length. The sidewalk fee-in-lieu (\$20/ft) is \$20,900. The curb & gutter fee-in-lieu (\$15/ft, both sides) is \$31,350.

In similar situations, Council has previously waived the curb & gutter fee-in-lieu, but not the sidewalk fee-in-lieu. Staff supports a similar approach here.

3. 50 ft right-of-way: Troutman Dr is currently located on two privately-owned parcels. Dedicating a right-of-way will require a survey and recording a new subdivision plat.

Department Recommendation:

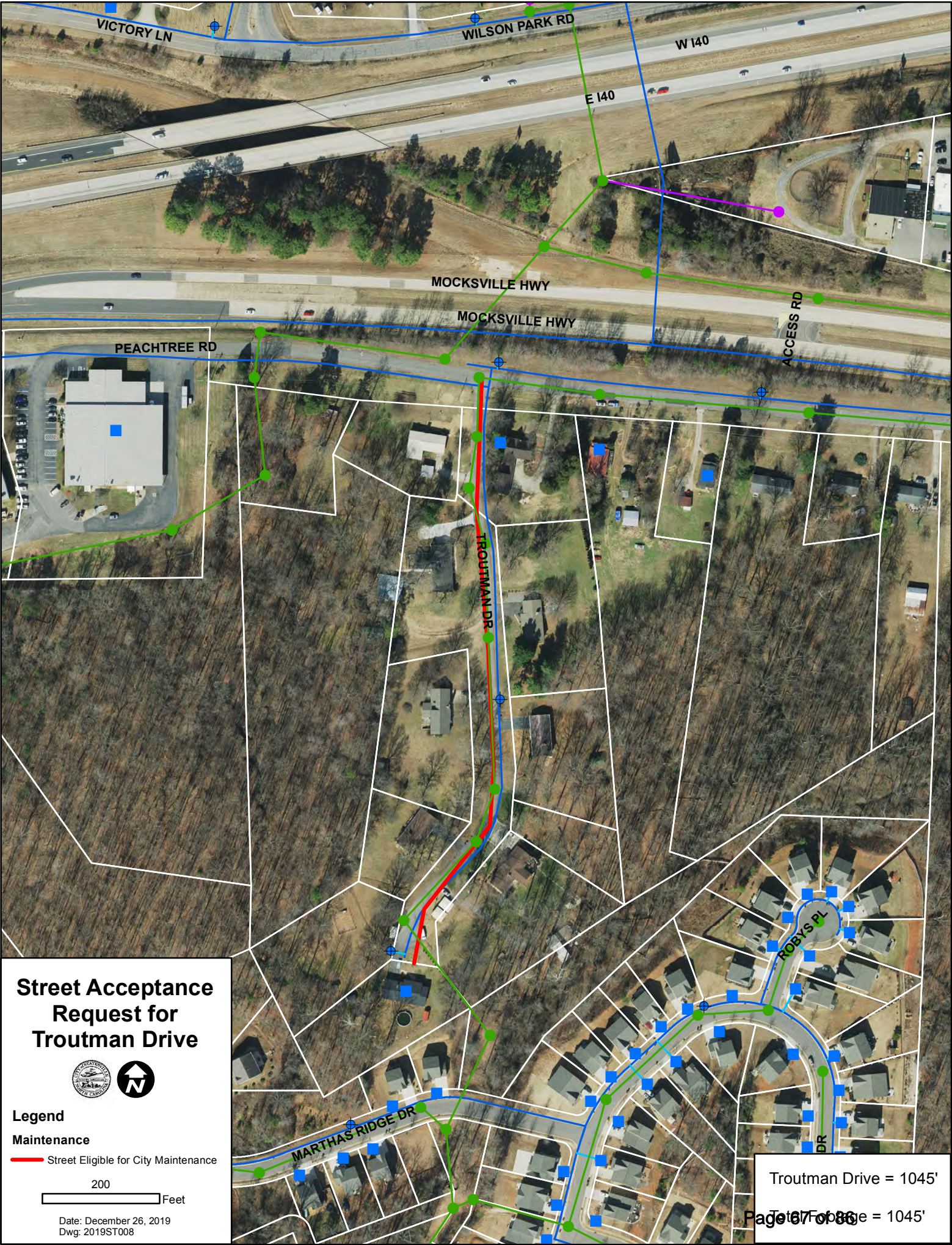
Staff recommends extending the “Commerce Blvd” option to Troutman Drive, in which:

1. The residents deposit 50% of the estimated cost of the improvements with the City (approx. \$17,500);
2. The residents dedicate a 50 ft right-of-way for Troutman Drive;
3. The residents pay the sidewalk fee-in-lieu (\$20,900);
4. The City performs the needed pavement improvements as part of the next resurfacing contract (FY20-21);
5. The City accepts Troutman Dr for City maintenance; and
6. The City assesses the adjoining property owners for the remaining cost of the improvements (approx. \$17,500).

Manager Comments: Recommend in favor of the department’s recommendation.

Next Steps: Staff will communicate Council’s decision to Mr. McNiel.

Attachments: Location map



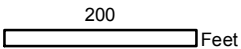
Street Acceptance Request for Troutman Drive



Legend

Maintenance

— Street Eligible for City Maintenance



Date: December 26, 2019
Dwg: 2019ST008

Troutman Drive = 1045'

Page 17 of 86

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: John Maclaga, Electric Utilities Director
DATE: January 29, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving adding \$300,000 to an existing multi-year contract with Lee Electrical Construction.

- 1. Summary of Information:** Lee Electrical Construction is one of two contractors assisting the City with large projects. Presently, the balance left on the contract is under \$50,000. The City is using Lee to help with several projects, including ongoing NCDOT work along East Broad Street. In order to continue to use Lee's services, the Electric Department needs Council approval to spend another \$300,000.
- 2. Previous Council or Relevant Actions:** This is related to the April, 2018, multi-year contract with Lee Electrical Construction and a related, May, 2019 request for approval to spend beyond the original amounts.
- 3. Budget/Funding Implications:** The Electric Department's budget is able to handle the request.
- 4. Consequences for Not Acting:** The City could face conflict with the NCDOT for failure to act in good faith to relocate its electric lines in the area of several projects, notably along I-77 and East Broad Street.
- 5. Department Recommendation:** Staff recommends Council approve adding \$300,000 to an existing multi-year contract with Lee Electrical Construction.
- 6. Manager Comments:** Recommend for approval.
- 7. Next Steps:** Upon approval, staff will handle getting monies added to the existing Purchase Order.
- 8. Attachments:** None

CITY COUNCIL ACTION REQUEST

TO: Mayor and City Council
FROM: Ron Smith, City Manager
DATE: January 29, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Review the draft Statesville City Council Code of Ethics and establish a practice to adopt a new Resolution at the beginning of each year.

- 1. Summary of Information:** This item was requested by Council Member David Jones, with the support of Frederick Foster and Amy Lawton. The City Attorney has reviewed, and made edits to the existing Code of Ethics, which was adopted in 2010. The changes are minor, including language encouraging Council to stay current about new or ongoing legal or ethical issues, and a requirement that Council Members adopt the Code of Ethics annually.
- 2. Previous Council or Relevant Actions:** Resolution No. 25-10 was adopted on October 4, 2010.
- 3. Budget/Funding Implications:** None.
- 4. Consequences for Not Acting:** This was requested by three Council members to move the discussion about ethical issues forward. Not acting would stymie that effort.
- 5. Department Recommendation:**
- 6. Manager Comments:** Recommend for approval.
- 7. Next Steps:** The resolution will be adopted and reviewed again in the upcoming year.
- 8. Attachments:** Draft Resolution

CITY COUNCIL ACTION REQUEST

TO: City Council
FROM: Ron Smith, City Manager
DATE: February 11, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Receive and give direction on moving forward with a Vance Hotel development agreement or sale.

- 1. Summary of Information:** We will be discussing a refined proposal from Stephen Barker to redevelop the Vance Hotel. The details of the proposal are forthcoming, although it is not significantly different than what Council has seen in the past. As this is a contract issue, the terms will be discussed in closed session and any decision would be made in open session.
- 2. Previous Council or Relevant Actions:** Mr. Barker made a presentation to Council on January 6, 2020. No decisions were made, and staff was tasked with bringing back more details for the Council to review.
- 3. Budget/Funding Implications:** This would be dependent upon an agreement between the City and the developer.
- 4. Consequences for Not Acting:** We continue searching for a new developer. The hotel will continue to degrade.
- 5. Department Recommendation:**
- 6. Manager Comments:** No comments at this time, prior to discussions with City Council.
- 7. Next Steps:** If approved, a sale would have to go through an upset bid process.

CITY COUNCIL ACTION REQUEST

TO: City Council
FROM: Ron Smith, City Manager
DATE: February 11, 2020

ACTION NEEDED ON: February 17, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Call for a vote to cancel the contract for the parking deck previously approved to be constructed at the corner of East Front Street and Meeting Street.

- 1. Summary of Information:** Two Council members have requested that the contract to build the parking deck be cancelled. This is in light of a potential agreement to redevelop the Vance Hotel. Previously, the developer has proposed to construct a parking deck that would overlap on the footprint of the deck previously approved.
- 2. Previous Council or Relevant Actions:**
 - a. Estimated construction costs were brought to Council in February of 2019 at the Winter Retreat. Staff was directed to work to lower the overall cost to \$3.5mm.
 - b. After working through that process and bringing the overall cost to \$3.8mm, the parking deck contract was considered on May 20, 2019, but was not approved. Discussion was had about considering surface parking directly behind the Civic Center and staff was asked to analyze this option and come back to Council.
 - c. On July 15, 2019 staff made a presentation to Council detailing best estimates on the costs of surface parking options. This was not approved, and the issue was tabled to December 04, 2019. It has not been reconsidered.
 - d. A motion to rescind the previous action and reconsider the parking deck contract was made and approved on October 7, 2019 and the parking deck was approved at \$3.8mm.
 - e. A contract was executed with Simcon in November 2019 and design and approval efforts have taken place since that time.
- 3. Budget/Funding Implications:** A funding plan was approved that would pay for the deck from Civic Center and Occupancy Tax reserves, as well as a transfer from the Electric Fund. If the contract is cancelled the City will be liable for the costs incurred by the contractor and subcontractors to the date of cancellation. Scott Harrell and Leah Messick are in the process of developing an estimate of what those costs might be. That will be available prior to the upcoming meeting.
- 4. Consequences for Not Acting:** The deck will continue its current path to construction.

5. Department Recommendation:

6. Manager Comments: Considering the contentious nature of this issue and because the contract has been executed based on a previous Council action, staff will answer any questions but is not providing a recommendation on this item.

7. Next Steps: If the contract is cancelled, we will notify our contractor of the decision and work toward a settlement. If the contract is not cancelled, work will continue. Construction and demolition of existing structures could start as soon as March.

Attachments:

1. May 20, 2019 CAR for parking deck approval
2. July 15, 2019 CAR for surface parking options
3. October 7, 2019 CAR for parking deck approval
4. Excerpts from each of the three meetings

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager

FROM: Scott Harrell, P.E., Public Works Executive Director/City Engineer

DATE: May 13, 2019

ACTION NEEDED ON: May 20, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider awarding the construction contract for Phase 1 of the downtown parking deck to Simcon Company, LLC and approving Budget Amendment #29.

SUMMARY OF INFORMATION:

In May of 2018 Council directed staff and McGill Associates to complete design documents for the downtown parking deck and to solicit bids for its construction. At the initial bid opening, only one bid was received, so the project was re-advertised in accordance with state statutes. At the second bid opening, one bid was received from Simcon Company, LLC (Simcon) in the amount of \$4.55M for Phase 1 (construction of new parking deck over the Meeting & Front St parking lot) and \$0.86M for Phase 2 (rehabilitation of the existing Vance deck with added lower level parking).

Simcon, staff, and the design team met several times to discuss options to reduce the cost of Phase 1. These efforts were successful in lowering the Phase 1 base cost. The revised project cost estimates are summarized below:

Phase 1 Parking Deck:	\$3,240,000
<u>Elevator (required by code):</u>	<u>\$180,000</u>
Phase 1 Construction Cost:	\$3,420,000

Inspections / Materials Testing:	\$200,000
<u>Contingency (5%):</u>	<u>\$180,000</u>
Subtotal:	\$380,000

Total Cost – Phase 1: \$3,800,000

Other tasks related to the project include relocating electric infrastructure along Meeting St and replacing concrete curbing along Front St and Meeting St. The anticipated costs of these tasks are \$150,000 and \$10,000, respectively.

Budget/Funding Implications: Staff is presenting three options for consideration using the following assumption: The electric infrastructure relocation (\$150k) will be paid by the Electric Fund; concrete curb replacement (\$10k) will be paid from Street Maintenance.

Option 1: This option uses a combination of all Occupancy Tax Fund – Fund Balance as of 6/30/18, and 68% of the Civic Center Fund – Fund Balance as of 6/30/18, with the remaining balance being covered by Loan Proceeds. A debt payment matrix is included for reference.

Option 2: This option uses a combination of all Occupancy Tax Fund – Fund Balance as of 6/30/18, and Loan Proceeds. A debt payment matrix is included for reference.

Option 3: This option is financing the whole project, leaving the fund balances intact. A debt payment matrix is included for reference.

CAVEAT: Any outside financing sought will require LGC approval as this is an improvement to real property.

Department Recommendation: Design team negotiations with the contractor lowered the construction costs by about \$1.1M.

Manager Comments: At the Winter Retreat Staff was requested to bring back a parking deck estimate, with the high-end cost for consideration of the project being \$3.5m. Much work has gone into getting to that number and the construction cost has been decreased to below that threshold.

Finance has provided three financing options for your review, all of which are a heavy lift for the occupancy tax fund.

Attachments:

1. Budget Amendments #29A, #29B, #29C with corresponding debt payment matrices.

EXCERPT FROM THE MAY 20, 2019 STATESVILLE CITY COUNCIL MEETING MINUTES
VOLUME 27, PAGES 382-383

XIII Consider awarding the construction contract for Phase 1 of the downtown parking deck to Simcon Company, LLC and approving Budget Amendment #29. (Harrell)

Public Works Director Scott Harrell stated that in May 2018 Council directed staff and McGill Associates to complete design documents for the downtown parking deck and to solicit bids for its construction. At the initial bid opening, only one bid was received, so the project was re-advertised in accordance with state statutes. At the second bid opening, one bid was received from Simcon Company, LLC in the amount of \$4.55M for Phase 1 (construction of new parking deck over the Meeting & Front St parking lot) and \$0.86M for Phase 2 (rehabilitation of the existing Vance deck with added lower level parking).

Simcon, staff, and the design team met several times to discuss options to reduce the cost of Phase 1. These efforts were successful in lowering the Phase 1 base cost. The revised project cost estimates are summarized below:

Phase 1 Parking Deck:	\$3,240,000
<u>Elevator (required by code):</u>	<u>\$ 180,000</u>
Phase 1 Construction Cost:	\$3,420,000
Inspections / Materials Testing:	\$ 200,000
<u>Contingency (5%):</u>	<u>\$ 180,000</u>
Subtotal:	\$ 380,000
Total Cost – Phase 1:	\$3,800,000

Other tasks related to the project include relocating electric infrastructure along Meeting St and replacing concrete curbing along Front St and Meeting St. The anticipated costs of these tasks are \$150,000 and \$10,000, respectively.

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Staff is presenting three options for consideration using the following assumption: The electric infrastructure relocation (\$150k) will be paid by the Electric Fund; concrete curb replacement (\$10k) will be paid from Street Maintenance.

Option 1: This option uses a combination of all Occupancy Tax Fund – Fund Balance as of 6/30/18, and 68% of the Civic Center Fund – Fund Balance as of 6/30/18, with the remaining balance being covered by Loan Proceeds.

Option 2: This option uses a combination of all Occupancy Tax Fund – Fund Balance as of 6/30/18, and Loan Proceeds.

Option 3: This option is financing the whole project, leaving the fund balances intact.

CAVEAT: Any outside financing sought will require LGC approval as this is an improvement to real property.

Design team negotiations with the contractor lowered the construction costs by about \$1.1M.

City Manager Ron Smith commented in the Staff Report that at the Winter Retreat Staff was requested to bring back a parking deck estimate, with the high-end cost for consideration of the project being \$3.5m. Much work has gone into getting to that number and the construction cost has been decreased to below that threshold.

Finance has provided three financing options for your review, all of which are a heavy lift for the occupancy tax fund.

Council member M. Johnson made a motion to approve the estimated total cost of Phase 1 in the amount of \$3.8 million, Budget Amendment #29B, and the term of the loan using CDB funding at the discretion of Finance Staff. Council member Morgan seconded the motion. The vote on the motion was as follows:

**Ayes: M. Johnson, Morgan, West, Williams
Nays: J. Johnson, S. Johnson, Staford, Allison
Tie Vote: 4-4
Mayor Kutteh voted Nay.
Motion Failed 4-5**

Council member Staford made a motion to instruct staff to prepare a proposal to build a parking lot at the vacant space behind the Civic Center, seconded by J. Johnson. The vote on the motion was as follows:

**Ayes: Staford, J. Johnson, S. Johnson, Allison
Nays: M. Johnson, Morgan, West, Williams
Tie Vote: 4-4
Mayor Kutteh voted Aye
Motion Carried 5-4**

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager

FROM: Scott Harrell, PE

DATE: July 2, 2019

ACTION NEEDED ON: July 15, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Review options for additional parking at the Civic Center.

SUMMARY OF INFORMATION:

As directed by Council, staff has worked with McGill Associates to develop options for expanding parking at the Civic Center. Attached are two figures showing parking expansion options, which are summarized below:

<u>Option</u>	<u>Additional Parking Spaces</u>	<u>Estimated Construction Cost</u>
1	120	\$1,000,000
2	80	\$ 615,000

The estimates include design and bidding services and, in Option 1, demolition of the existing structures along S. Meeting St.

The cost to acquire the parcel at 315 S. Meeting St. is not included. The current tax value of this parcel is \$46,790.

In both scenarios, the upper bay (closest to the Civic Center) would be modified, reconstructed or removed by a future expansion of the Civic Center facility.

Budget/Funding Implications: The estimated cost per new parking space is \$8,333 for Option 1 and \$7,688 for Option 2. The cost to expand parking could be funded with Civic Center/Occupancy Tax funds.

If Council pursues either option for this project, staff will bring for consideration a budget amendment which uses the fund balance of the Occupancy Tax Fund and uses fund balance of the Civic Center Fund for any difference. The Fund Balance positions as of 6/30/18 of the Occupancy Tax Fund and the Civic Center Funds are \$904K and \$1.235M, respectively. Both funds performed well in Fiscal Year 2019, with both funds expected to add at least \$100K each (unaudited). Funding this project now will also move it forward from its planned CIP position in 2022.

Department Recommendation: Staff will proceed with design as directed by the City Council.

Manager Comments: As with the previous parking discussion, we will not know the exact costs of this project until bids are in hand. I would recommend providing guidance to staff if you would

like for us to move forward, and if so, the option(s) you would like to pursue. We would then work with McGill Associates to develop a more refined set of drawings and then move through the project bidding process. At that point we would come back to Council for a final decision and budget amendment.

Attachments:

1. Parking Layout Options 1 & 2

EXCERPT FROM THE JULY 15, 2019 STATESVILLE CITY COUNCIL MEETING MINUTES

VOLUME 27, PAGES 415-416

XIV Review options for additional parking at the Civic Center. (Harrell)

Harrell stated that staff has worked with McGill Associates to develop options for expanding parking at the Civic Center. Option 1 would add 120 additional parking spaces for an estimated construction cost of \$1,000,000. Option 2 would add 80 additional parking spaces for an estimated construction cost of \$615,000. The estimates include design and bidding services and, in Option 1, demolition of the existing structures along S. Meeting St. The cost to acquire the parcel at 315 S. Meeting St. is not included. The current tax value of this parcel is \$46,790. In both scenarios, the upper bay (closest to the Civic Center) would be modified, reconstructed or removed by a future expansion of the Civic Center facility. The estimated cost per new parking space is \$8,333 for Option 1 and \$7,688 for Option 2. The cost to expand parking could be funded with Civic Center/Occupancy Tax funds. If Council pursues either option for this project, staff will bring for consideration a budget amendment which uses the fund balance of the Occupancy Tax Fund and uses fund balance of the Civic Center Fund for any difference. The Fund Balance positions as of 6/30/18 of the Occupancy Tax Fund and the Civic Center Funds are \$904K and \$1.235M, respectively. Both funds performed well in Fiscal Year 2019, with both funds expected to add at least \$100K each (unaudited). Funding this project now will also move it forward from its planned CIP position in 2022. The City Manager included in the staff report that as with the previous parking discussion, staff will

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not know the exact costs of this project until bids are in hand and would recommend providing guidance to staff if Council would like for staff to move forward, and if so, the option(s) they want to pursue. Staff would then work with McGill Associates to develop a more refined set of drawings and then move through the project bidding process. At that point staff would come back to Council for a final decision and budget amendment.

Council member M. Johnson asked Derek Slocum if the probability of contaminated ground water existed. Staff did not have that information.

Council discussed only paving one acre or 60 spaces and not all of either Option 1 or Option 2.

Council member Staford made a motion to move forward with Option 2, instructed staff to investigate the ground water contamination for the retention pond if there is contamination. Council member J. Johnson seconded the motion. The vote on the motion was as follows:

Ayes: Staford, J. Johnson, S. Johnson

Nays: Morgan, Allison, Williams, M. Johnson, West

Motion failed: 5-3

Council member M. Johnson made a motion to table this item to a date certain of December 2, 2019, seconded by Council member Allison. The vote on the motion was as follows:

Ayes: M. Johnson, Allison, Morgan, West, Williams

Nays: J. Johnson, Staford, S. Johnson

Motion Carried: 5-3

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager

FROM: Scott Harrell, PE

DATE: October 1, 2019

ACTION NEEDED ON: October 07, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider awarding the construction contract for Phase 1 of the downtown parking deck to Simcon Company, LLC and approving Budget Amendment #3.

SUMMARY OF INFORMATION:

In December 2018 staff received bids for construction of the downtown parking deck. At the initial bid opening, only one bid was received, so the project was advertised in accordance with state statutes. At the second bid opening, one bid was received from Simcon Company, LLC (Simcon) in the following amount:

Phase 1: \$4.55M – Construction of new parking deck over the Meeting & Front St parking lot
Phase 2: \$0.86M – Rehabilitation of the existing Vance deck with added lower level parking
Total: \$5.35M

Simcon, staff, and the design team met several times in early 2019 to discuss options to reduce the project cost. During the February 2019 Council budget retreat, staff was directed to continue efforts to reduce the Phase 1 cost to \$3.5M.

The efforts with Simcon resulted in a Phase 1 base cost of \$3.24M. This and additional anticipated project costs are summarized below:

Phase 1 Deck Construction:	\$3,240,000
Add Elevator:	\$180,000
<u>Inspections / Materials Testing:</u>	<u>\$200,000</u>
Subtotal:	\$3,620,000

<u>Contingency (5%):</u>	<u>\$180,000</u>
Total Cost – Phase 1:	\$3,800,000

Other tasks related to the project include relocating electric infrastructure along Meeting St and replacing concrete curbing along Front St and Meeting St. The anticipated costs of these tasks are \$150,000 and \$10,000, respectively.

Previous Council or Relevant Actions: Council considered awarding the construction contract at the May 20, 2019 meeting. A motion to award the contract to Simcon Company, LLC did not pass. A subsequent motion directing staff to evaluate parking lot options on the Civic Center property was approved.

At the July 15, 2019 meeting, staff presented three options for additional parking at the Civic Center. Those options were:

- Option 1: Add 120 spaces with the estimated cost of \$1,000,000.
- Option 2: Add 80 spaces with the estimated cost of \$615,000.
- Option 3: Add 46 spaces with the estimated cost of \$500,000.

A motion to proceed with design of Option 2 did not pass. A subsequent motion to postpone further discussion of Civic Center parking options until December 2, 2019 was approved.

A motion to rescind the May 20 decision not to award the construction contract was considered at the October 07, 2019 meeting.

Budget/Funding Implications: Funding for this project is proposed to come from the Civic Center and Occupancy Tax Funds and will include a combination of cash payment and debt service. Financing will be necessary as this cannot be handled solely by the Occupancy Tax or Civic Center reserve funds. This debt service would be added to the Civic Center budget moving forward. The proposed funding approach is as follows:

Funding Proposal:

Cash: \$ 866,990 \$ 870,000 (Approx. 68% of Civic Center Fund Balance)
 + \$1,078,617 \$1,080,000 (Occupancy Tax Fund Balance)
 = \$1,945,607 \$1,950,000 (From combined Fund Balances)

Debt: \$1,854,393 \$1,850,000 to finance (debt service reflected in the table below)

Principal	Term in years	Annual Payment Amount / Million					
		10	\$1.85MM @ 10 years	15	\$1.85MM @ 15 years	20	\$1.85MM @ 20 years
\$ 1,000,000	Rate						
	2.65%	Tax Exempt Bank Qualified	115,146	213,020			
	3.20%	Taxable	118,430	219,096			
	2.85%	Tax Exempt Bank Qualified			82,860	153,291	
	3.55%	Taxable			87,134	161,198	
	3.25%	Tax Exempt Bank Qualified					68,779 127,241
	4.10%	Taxable					74,235 137,334

Please note that outside financing will require LGC approval as this is an improvement to real property.

Other project funding details:

- (1) The electric infrastructure relocation (\$150k) will be paid by the Electric Fund; concrete curb replacement (\$10k) will be paid from Street Maintenance.
- (2) Planned capital projects at the Civic Center over the next five years include the following:
 - 2021 – Roof (\$650,000), carpet replacement (\$125,000), and HVAC (\$75,000)
 - 2022 – Parking lot overlay (\$175,000) and HVAC (\$50,000)
 - 2023 – Building Improvements (\$100,000)
 - 2024 – Building Improvements (\$100,000)

Department Recommendation: Phase 1 of the parking deck will add 79 parking spaces. Design negotiations with the contractor lowered the construction costs by about \$1.1M. With this reduction, the anticipated contract cost is slightly higher than the \$3.5M goal, with a total project cost of approximately \$3.8M.

Manager Comments: At the Winter Retreat Staff was requested to bring back a parking deck estimate, with the high-end cost for consideration of the project being \$3.5m. Quite a bit of work went into getting to that number and the construction cost has been decreased to below that threshold. This bid is now approaching five months in age, although Simcon has agreed to maintain this number.

There have been some changes/actions that have occurred since this was last presented, including the alternative parking proposal behind the Civic Center (which has been put on hold until December). In addition, a developer approached the Council earlier this year to discuss and potentially develop the Vance Hotel, attempting to build consensus prior to coming to a City Council meeting. This developer was interested in building a parking deck to service the project. One design included a deck that would net 118 spaces on the Vance property, without using the Front and Meeting Street lot and keeping both alleys (driveway adjacent to livery building and the one adjacent to Café 220) intact

Also, \$50,000 was allocated in the FY2020 Civic Center budget to undertake a Market/Space Needs Analysis. The facility is booked through 2020 on the weekends and the intent of the study is to determine what the future needs of the facility are, what we can be doing better, and interior improvements that the City may want/need to make.

Although there does not appear to be a consistent lack of parking in downtown, there are times when patrons must park away from, and walk to, their destination. The number of visitors, based on the parking study, is going up and additional parking will eventually be needed. I would recommend looking at all the current variables in totality before pulling the trigger on this contract. In my opinion, it would be reasonable to determine if the Civic Center parking proposal is realistic, and if the Vance Hotel redevelopment is going to happen, prior to moving forward.

Attachments:

1. Parking Deck Plans
2. Budget Amendment #3

EXCERPT FROM THE OCTOBER 07, 2019 STATESVILLE CITY COUNCIL MEETING MINUTES

XXII Consider awarding the construction contract for Phase 1 of the downtown parking deck to Simcon Company, LLC and approving Budget Amendment #3. (Harrell)

Scott Harrell gave the following Staff Report:

In December 2018 staff received bids for construction of the downtown parking deck. At the initial bid opening, only one bid was received, so the project was advertised in accordance with state statutes. At the second bid opening, one bid was received from Simcon Company, LLC (Simcon) in the following amount:

Phase 1: \$4.55M – Construction of new parking deck over the Meeting & Front St. parking lot
Phase 2: \$0.86M – Rehabilitation of the existing Vance deck with added lower level parking
Total: \$5.35M

Simcon, staff, and the design team met several times in early 2019 to discuss options to reduce the project cost. During the February 2019 Council budget retreat, staff was directed to continue efforts to reduce the Phase 1 cost to \$3.5M.

The efforts with Simcon resulted in a Phase 1 base cost of \$3.24M. This and additional anticipated project costs are summarized below:

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Add Elevator:	\$ 180,000
<u>Inspections / Materials Testing:</u>	<u>\$ 200,000</u>
Subtotal:	\$3,620,000
<u>Contingency (5%):</u>	<u>\$ 180,000</u>
Total Cost – Phase 1:	\$3,800,000

Other tasks related to the project include relocating electric infrastructure along Meeting St. and replacing concrete curbing along Front St. and Meeting St. The anticipated costs of these tasks are \$150,000 and \$10,000, respectively.

Council considered awarding the construction contract at the May 20, 2019 meeting. A motion to award the contract to Simcon Company, LLC did not pass. A subsequent motion directing staff to evaluate parking lot options on the Civic Center property was approved.

At the July 15, 2019 meeting, staff presented three options for additional parking at the Civic Center. Those options were:

- Option 1: Add 120 spaces with the estimated cost of \$1,000,000.
- Option 2: Add 80 spaces with the estimated cost of \$615,000.
- Option 3: Add 46 spaces with the estimated cost of \$500,000.

A motion to proceed with design of Option 2 was not approved by Council. A subsequent motion to postpone further discussion of Civic Center parking options until December 2, 2019 was approved.

A motion to rescind the May 20 decision not to award the construction contract was considered at the October 07, 2019 meeting.

Funding for this project is proposed to come from the Civic Center and Occupancy Tax Funds and will include a combination of cash payment and debt service. Financing will be necessary as this cannot be handled solely by the Occupancy Tax or Civic Center reserve funds. This debt service would be added to the Civic Center budget moving forward. The proposed funding approach is as follows:

The Funding Proposal is as follows:

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\$1,000,000	Term in years						
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Please note that outside financing will require LGC approval as this is an improvement to real property.

Other project funding details:

- (1) The electric infrastructure relocation (\$150k) will be paid by the Electric Fund; concrete curb replacement (\$10k) will be paid from Street Maintenance.
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 - 2023 – Building Improvements (\$100,000)
 - 2024 – Building Improvements (\$100,000)

Phase 1 of the parking deck will add 79 parking spaces. Design negotiations with the contractor lowered the construction costs by about \$1.1M. With this reduction, the anticipated contract cost is slightly higher than the \$3.5M goal, with a total project cost of approximately \$3.8M.

Manager Comments: At the Winter Retreat Staff was requested to bring back a parking deck estimate, with the high-end cost for consideration of the project being \$3.5m. Quite a bit of work went into getting to that number and the construction cost has been decreased to below that threshold. This bid is now approaching five months in age, although Simcon has agreed to maintain this number.

There have been some changes/actions that have occurred since this was last presented, including the alternative parking proposal behind the Civic Center (which has been put on hold until December). In addition, a developer approached the Council earlier this year to discuss and potentially develop the Vance Hotel, attempting to build consensus prior to coming to a City Council meeting. This developer was interested in building a parking deck to service the project. One design included a deck that would net 118 spaces on the Vance property, without using the Front and Meeting Street lot and keeping both alleys (driveway adjacent to livery building and the one adjacent to Café 220) intact

Also, \$50,000 was allocated in the FY2020 Civic Center budget to undertake a Market/Space Needs Analysis. The facility is booked through 2020 on the weekends and the intent of the study is to determine what the future needs of the facility are, what we can be doing better, and interior improvements that the City may want/need to make.

Although there does not appear to be a consistent lack of parking in downtown, there are times when patrons must park away from, and walk to, their destination. The number of visitors, based on the parking study, is going up and additional parking will eventually be needed. I would recommend looking at all the current variables in totality before pulling the trigger on this contract. In my opinion, it would be reasonable to determine if the Civic Center parking proposal is realistic, and if the Vance Hotel redevelopment is going to happen, prior to moving forward.

Mayor Kutteh advised that the NC School of Government has informed Council that it can bring any item back up that it wants to at any time it wants to, as long as it is properly on the agenda. Since this item was properly placed on the agenda, a Motion to Rescind is not needed. As a result, he has asked staff to review the Council's Rules of Procedure which seem to be outdated.

Council member M. Johnson made a motion to appropriate \$3.8 million of which 5% is contingency, inclusive of the elevator, Deck 1 construction and materials and approve Budget Amendment #3, seconded by Council member Allison.

The vote on the motion was as follows:

Ayes: M. Johnson, Allison, West, Morgan, Williams, Stafford

Nays: J. Johnson, S. Johnson

Motion Carried: 6-2

At the request of Ron Smith, Ralph Staley, explained the process that needs to be followed to approve the debt financing for this project.

Council member Williams who was attending the meeting via phone, left the meeting.