

STATESVILLE CITY COUNCIL MEETING AGENDA

AUGUST 05, 2019

City Hall - 227 S. Center Street, Statesville, NC

5:00 p.m. - City Council Pre-Agenda Meeting – 3rd Floor Conference Room

7:00 p.m. - City Council Regular Meeting – 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 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 June 17, 2019 and July 15, 2019 Pre-Agenda and City Council meeting minutes. Pgs. 3, 6, 16, 20**
 - B. Consider approving an ordinance to amend the Renewable Energy Portfolio Standards Electric Rider (Schedule REPS), the Customer Generation Credit Rider–Type 1 (Schedule CG-1), and the Customer Generation Credit Rider–Type 2 (Schedule CG-2). (Maclaga) Pg. 29**

REGULAR AGENDA

- VI Conduct a public hearing and consider approving site plan (Quasi-Judicial) P19-07 for the development of a Fairfield Inn Hotel located at 1243 Tonewood Street, Tax Map 4745-35-1049. (Currier) Pg. 44**
- VII Conduct a public hearing and consider approving first reading of rezoning request ZC19-01 for the property located at 2530 Simonton Road; Tax Map 4755-34-0551 from B-5 (General Business) District to R-15 (Urban Fringe Low Density Residential) District. (Currier) Pg. 49**
- VIII Receive the Revised bike and pedestrian estimate for US-21 widening (Project #U-5799) and consider approving a written request to accommodate bike and pedestrian facilities on US-21 for the scope of the project. (Ashley) Pg. 57**
- IX Consider approving a request for a water service connection for a parcel off Bakery Lane. (Harrell) Pg. 61**
- X Consider approving the purchase of four garbage collection trucks, one Curotto Can and Budget Amendment #2. (Slocum) Pg. 63**

XI Councilman Stafford has asked to review with Council the Electric Utilities' policy of requiring electrical inspections on homes that have been vacant for more than six months, prior to power being restored. (Smith) Pg. 66

XII Boards and Commissions Updates:

1. 05/28/2019 Planning Board Meeting Minutes (Pg. 68)
2. 06/10/2019 Called Planning Board Meeting Minutes (Pg. 71)

XIII Other Business

XIV Closed Session (Following the Pre-Agenda Meeting if Needed)

XV Adjournment

**MINUTE BOOK 27, PAGE
CITY OF STATESVILLE PRE-AGENDA MEETING– JUNE 17, 2019
CITY OFFICE BUILDING, 227 S. CENTER STREET, STATESVILLE, NC – 6:00 P.M.
STATESVILLE, NORTH CAROLINA**

Council Present: Mayor Constantine H. Kutteh presiding, J. Johnson, Morgan, Staford, S. Johnson, Allison, M. Johnson

Council Absent: Williams, West

Staff Present: R. Smith, Messick, Fugett, Staley, Davis, Currier, Tucker, Ferguson, Lee, Addison, Slocum, Harrell, Maclaga, Gregory, Nesbit, Ashley

Media: Record & Landmark, Statesville Free News

Others: 3

Call to Order

Mayor Kutteh called the meeting to order and advised that a Closed Session would be held following the pre-agenda meeting to consult with the City Attorney, discuss a personnel matter, discuss an economic development matter, and discuss a property acquisition.

Invocation (*Only at Council Meeting*)

Pledge of Allegiance (*Only at Council Meeting*)

Adoption of the Agenda (*Only at Council Meeting*)

Public Comment (*Only at Council Meeting*)

Mayor Kutteh reviewed the following Consent Agenda items.

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 May 22, 2019 Budget Workshop meeting minutes.**
- B. Make a formal request that the City of Statesville be an official co-sponsor of the 2019 Crossroads Classic (Criterium Bike and Running Race) and Swap Meet, providing in-kind services as listed below. (Tomlin)**
- C. Consider approving a request from DSDC to close Court Street in downtown Statesville for the 2019 Crossroads Classic Swap Meet on Saturday, August 03, 2019 from 7:00 a.m. to 1:00 p.m., and also that a temporary towing enforcement of vehicles along the race route be in effect during the closure period. (Cornelius)**

- D. Consider approving a request to close the West Broad Street Parking lot in Downtown Statesville for the *2019 Cruise In* on the following Mondays - June 10, July 8, August 12, September 9, October 14 from 5:00 p.m. to 10 p.m. *(Cornelius)*
- E. Consider approving a request from DSDC to close selected streets in downtown Statesville for the *2019 Crossroads Classic* (Bike and Running Races) on Saturday, August 03, 2019 from 1:00 p.m. to 11:00 p.m., and also that a temporary towing enforcement of vehicles along the race route be in effect during the closure period. *(Cornelius)*

REGULAR AGENDA

- VII Present a Proclamation declaring June 17, 2019 as National Garbage Collector Day.
- VIII Conduct a public hearing and consider approving an economic incentive for Project Donut. *(Chris Younger, IEDC)*
Mayor Kutteh advised that this is the first tenant at the Carolina Industrial Park, property that the City purchased, near Davis Regional Medical Center.

Page

- IX Conduct a public hearing and consider approving first reading of TA19-04 filed by City Council to Amend Article 6 - Development Standards, Section 6.07 - Sign Regulations, I. Exempt Signs, 3. Flags. *(Currier)*
Mayor Kutteh stated that the only change to the ordinance is to change the allowed size of flag to 40 x 80. Everything else will remain the same.
- X Conduct a public hearing and consider approving site plan (Quasi-Judicial) P19-06 for the Residence at Northgate Multi-family Development located at 1831 Old Wilkesboro Rd, Tax Map 4735-24-2817. *(Currier)*
Mayor Kutteh stated that this is an 80 unit multi-family complex.
- XI Conduct a public hearing and consider approving first reading of Text Amendment TA19-03 filed by the City of Statesville to amend Article 6 - Development Standards, Section 6.07 - Sign Regulations, H. Prohibited Signs, S. Houses of Worship, Schools and Daycare Centers and Table 6-13. *(Currier)*
Mayor Kutteh stated that will allow changeable copy LED signs for the places listed above.
- XII Implement a Career Development Program for Public Safety Departments (Police and Fire). *(Smith)*
Mayor Kutteh stated that the recommendations from the consultant in the study would allow for quicker advancement through the ranks for the Fire and Police Departments.
- XIII Consider adopting a resolution to affix the terms, conditions, and rate for the interfund loan from the Electric Fund to the Airport Fund. *(Tucker)*
Mayor Kutteh asked Staley if there are any State or Local requirements as to when this must be done. Staley said the loan needs to be in place by June 30, 2019 but we will have until July 31, 2020 to refinance if Council chooses to do that.
- XIV Stormwater Service Fee Update. *(Slocum)*
Derek Slocum stated that staff will address questions they have received.

XV Consider approving 2nd reading of an ordinance to annex the property located at 1831 Old Wilkesboro Road located at the intersection of Old Wilkesboro Road and Bradley Farm Road. (Currier)

Mayor Kutteh stated that there was a split vote on this item at the first reading, so it has been placed on the Regular Agenda. He said if there is still a dissenting vote, it can be recorded in the minutes.

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

XVI Appoint/re-appoint a member to the Airport Commission. (Ferguson)

Mayor Kutteh explained the procedure that will be followed for nominations and voting.

XVII Consider appointing/reappointing two members to the Board of Adjustment. (Currier)

XVIII Consider appointing/reappointing two regular members to the Design Review Committee. (Currier)

Council members agreed to move this item to the Consent Agenda to reappoint John Marshall and Rebecca Jones to the Design Review Committee since there are no other applications on file for this board.

XIX Consider appointing/reappointing two regular members and one alternate member to the Planning Board. (Currier)

David Currier advised that staff had received another application for this board since the meeting packet had went out. He handed out copies of the application to Council.

XX Consider approval of a debris removal contract with Ceres Environmental and a debris monitoring contract with Thompson Consulting Services. (Slocum)

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

XXI Boards and Commissions Updates: None

XXII Other Business: None

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

Constantine H. Kutteh, Mayor

Attest:

Brenda Fugett, City Clerk

**MINUTE BOOK 27, PAGE 397
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Council Present: Mayor Constantine H. Kutteh presiding, J. Johnson, Morgan, Staford, West, S. Johnson, Allison, M. Johnson, Williams via Phone

Council Absent: 0

Staff Present: R. Smith, Messick, Fugett, Staley, Davis, Currier, Cornelius, Tucker, Ferguson, Lee, Addison, Griggs, Minor, Slocum, Harrell, Maclaga, Gregory

Media: Record & Landmark, Statesville Free News, WCCB News

Others: 50

Call to Order

Mayor Kutteh called the meeting to order.

Invocation

The City Clerk gave the invocation.

Pledge of Allegiance

Mayor Kutteh led the Pledge of Allegiance.

Adoption of the Agenda

Mayor Kutteh advised that Items XV, XVIII and XX were moved to the Consent Agenda at the Pre-Agenda meeting. Council member J. Johnson made a motion to adopt the agenda as amended, seconded by Council member Allison. The motion carried unanimously.

Public Comment

Fredrick Little, 373 Holland Dr., a 26-year City Sanitation employee, spoke on behalf of City Sanitation employees against outsourcing the Sanitation Department. Mr. Little advised that moral is already low because of working conditions that they have been faced with due to vehicle and mechanical issues and a shortage of personnel. Learning that Council was exploring outsourcing the Sanitation Department and that they may lose their jobs in the near future, has caused additional stress and anxiety to all involved. He asked if Council has thought about what will happen if they outsource the department and another hurricane hits the city, or an ice storm. Who will provide additional assistance for snow removal, or when a resident needs a special trash pick-up due to a death, etc., carts and sanitation services that are needed for special events, a resident has an emergency and needs loose leaves picked up from the curb, just to name a few instances that an outsourced company would not provide these extra services. Mr. Little said that members of the department consider themselves professionals in this field. They do love and care about their jobs and love providing personal service to the citizens of Statesville and take pride in going the extra mile to help the citizens of Statesville. The department employees respectfully request that Council keep these thoughts in mind when deciding what is best for the citizens of Statesville and these employees who are also citizens of Statesville and allow them to continue doing their jobs for many years to come.

J.D. Williams, 808 Caldwell St., stated he agreed with Mr. Little's comments. He asked how much money has been paid in from the Sanitation Fee and if that money is being used for the Sanitation Department. Mr. Williams pointed out that the starting salary in the Sanitation Department is around \$24,000 a year, which is below the poverty wage level of \$27,000. He said that the Sanitation Department does a fabulous job and then related instances where sanitation workers have gone above and beyond to assist elderly folks and other citizens. Mr. Williams stated that this type of service will not happen with an outsourced company. He asked that Council look for other ways to cut spending and keep the City Sanitation Department as it is.

Consent Agenda

Mayor Kutteh stated that all items below are considered to be routine by City Council and will be enacted by one motion. There will be no separate discussion on these items unless a Council member so requests, in which event, the item will be removed from the Consent Agenda and considered with the other items listed in the Regular Agenda.

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- XVII Consider reappointing two members to the Board of Adjustment. (Currier)**
- XX Consider approval of a debris removal contract with Ceres Environmental and a debris monitoring contract with Thompson Consulting Services. (Slocum)**

Mayor Kutteh asked if any Council members wanted any items removed from the Consent Agenda. There being none, Mayor Kutteh asked for a motion to approve the Consent Agenda.

Council member J. Johnson made a motion to approve the Consent Agenda, seconded by Council member Allison. Council member Staford voted Nay on Item XV. The vote was unanimous on the remainder of the Consent Agenda items.

REGULAR AGENDA

- VII Present a Proclamation declaring June 17, 2019 as National Garbage Collector Day.** Mayor Kutteh thanked the Sanitation Department for the excellent job they do and presented a proclamation from City Council to Sanitation Department Director Fred Morrison and the department.

Morrison asked the workers present to stand and thanked them for their hard, outstanding and dedicated work.

Council member Allison and Council member J. Johnson thanked the Sanitation Department for the outstanding work that they do.

- VIII Conduct a public hearing and consider approving an economic incentive for Project Donut. (*Chris Younger, IEDC*)**

Chris Younger stated that this business, Project Donut, is requesting an economic development incentive be granted for 13.8 acres of land at the Carolinas Interstate Corporate Park at no cost and a first right of refusal on the adjacent 10 acres to its north at market rate for potential future use and growth. The incentive has a value of approximately \$276,000, depending on the land appraisal. This incentive is based upon new taxable investment over the next five years of approximately \$6,800,000 by the company. The new facility will be 42,000 sq. ft. in size and will create twenty new full-time positions. The company will install water and sewer infrastructure necessary to serve the new facility at their expense and in cooperation with the City of Statesville to where the City could connect to that water and sewer for additional projects at the park. The approximate value and cost of this new infrastructure installed by the company will be \$267,000.

Mayor Kutteh declared the public hearing open and asked if anyone present wanted to speak in favor or against this item. There being no speakers, Mayor Kutteh declared the public hearing closed and asked for a motion on the matter.

Council member Staford asked City Attorney Messer if in her opinion this incentive is legal per the North Carolina State Constitution. Messer replied that it is.

Council member M. Johnson made a motion to approve, seconded by Council member Morgan. The motion carried unanimously.

- IX Conduct a public hearing and consider approving first reading of TA19-04 filed by City Council to Amend Article 6 - Development Standards, Section 6.07 - Sign Regulations, I. Exempt Signs, 3. Flags. (*Currier*)**

David Currier stated that the previous ordinance allowed the maximum of a 96 sq. ft. flag. Camping World was denied a variance to go to a 3,200 sq. ft. flag by the Board of Adjustment. Subsequently the City Council increased the allowed flag size from 96 sq. ft. to 1,000 sq. ft. On June 15, 2018, Camping World representatives applied for a 25' x 40' flag to fly from up to a 130 ft. pole that was code sufficient. On that date, staff issued the permit to them for this. It was later discovered that they were flying the larger 40 x 80 ft. flag. A long-standing North Carolina law allows communities to regulate the size, height,

and illumination of flags and can have different codes or requirements for different zoning districts. The 1,000 sq. ft., 25' x 40' flag, standard stock, was allowed in the City Code in all Business 4 (B4) and Business 5 (B5) zoning districts on properties that had at least 100 linear ft. along an interstate right-of-way, with only one large flag of that nature on site. So those two districts are treated differently, which is legal. The balance of the City is still under the regulation of a maximum size of 8' x 12' or 96 sq. ft. flag on a 40 ft. pole. Staff was directed by Council to propose an ordinance for Council's consideration that would allow for a 40' x 80' flag in the B4 and B5 zoning districts with at least 100 linear ft. along an interstate right-of-way, which is the only change from the current standards.

Council member West asked if it was correct that Camping World had applied for a permit to fly a 25' x 40' flag, after the City compromised and increased the allowed size of flag to be flown to 25' x 40' and then they put up a flag larger than that. Currier replied that was correct. The application was submitted by the sign vendor who was in the employment of Camping World to procure the permits for the flag.

Mayor Kutteh declared the public hearing open and asked if anyone present wished to speak in favor or in opposition of this item. There being no speakers, Mayor Kutteh declared the public hearing closed.

Council member Stafford made a motion to approve first reading of TA19-04 filed by City Council to Amend Article 6 - Development Standards, Section 6.07 - Sign Regulations, I. Exempt Signs, 3. Flags as submitted, seconded by Council member J. Johnson.

After a lengthy discussion, the vote on the motion was as follows:

Ayes: Stafford, J. Johnson, S. Johnson
Nays: Morgan, West, Allison, M. Johnson, Williams
Motion Failed: 3-5

X Conduct a public hearing and consider approving site plan (Quasi-Judicial) P19-06 for the Residence at Northgate Multi-family Development located at 1831 Old Wilkesboro Rd, Tax Map 4735-24-2817. (Currier)

Mayor Kutteh explained that this is a quasi-judicial hearing and that all speakers must be sworn in. He swore in those that wished to speak.

Planning Director David Currier stated that a rezoning request for this development was heard by the Planning Board in February 2014 and approved by Council in March 2014 to rezone the property from R-10 to R-5MF (Conditional Use) for an apartment complex. The conditions approved for this rezoning request were; the number of residential units shall not exceed 84 with at least 80% of the units housing population aged 55 and older (considered elderly), the petitioner will request all City of Statesville utilities and the developer will meet the parking requirements of the UDO. The site is currently in the process of being annexed into the City. The proposed development is located on the south side of Old Wilkesboro Road at its intersection with Bradley Farm Road. Residence Housing Associates, LLC is requesting site-plan approval for the development. The site is one parcel and is approximately 7.5 acres in size. The plan indicates that the complex will contain 80 apartment units in one L-shaped building. The development will have one entrance off Old Wilkesboro Road and a future connection to Kenhill Road. The site will have 108 parking spaces which meets the code requirement of 80 for elderly multi-family

residential development. All landscaping requirements are met. One, and two-bedroom units will be included in the development. The requirement of ten percent active open space for multi-family developments is met with a walking trail and open space to the east of the building along with a proposed gazebo. Sidewalk is shown on the plan and will be provided along the road frontage of the property on both Old Wilkesboro Road and Bradley Farm Road along with curb and gutter. The elevation of the building includes vinyl and brick veneer materials. Multi-Family plans require TRC, Planning Board and City Council approval. The TRC reviewed and approved the plan on April 17, 2019. The Planning Board recommended unanimously to approve the site plan with the condition that the plan show the amount of handicap accessible parking as required in the North Carolina Building Code at the May 28th meeting. The plan shows 5 handicap accessible parking spaces which is the number required by the North Carolina Building Code. The estimated tax value of the property that is requested for annexation is \$63,430. The intended use of this property is for an 80-unit apartment complex estimated at a 3.3 million dollars in value. The city will provide all utilities. A budget analysis for the annexation is attached. The Planning Department and the City Manager recommends approving the site plan for the Residence at Northgate contingent on the dedication of Right-of-Way on Old Wilkesboro Road.

Currier answered questions from Council members.

Mayor Kutteh declared the public hearing open.

James Pressly, the project sponsor, described the project and the requirements that must be met to live there.

Donnie Chapman was sworn in then stated that he owns property adjoining this site. He asked to see the site plan again for further review. Upon review, Mr. Chapman had no questions.

Randy Mason was sworn in then stated he lives a short distance from the site. He asked why the 55+ requirement is set at 80% and who will the other 20% of the residents be. Pressly stated that the minimum set by the Housing Finance Department is 80%, but with this project all residents must be 55+. This site will be highly regulated and monitored by on-site property managers.

There being no other speakers, Mayor Kutteh declared the public hearing closed.

Council member M. Johnson made a motion to approve site plan 19-06 based upon the findings of fact that have been heard in the public hearing as testified by Mr. Currier that the project meets the legal zoning requirements of R5-CU, which has been in place for several years, meets all the tenants for the NC Housing Finance Compliance in this award to be composed of 84 units, with a minimum threshold of population age 55 and above, which the applicant has stated will be 100% population above 55, it will be serviced by all City municipal utilities, it meets all the requirements of the Unified Development Ordinance, and specifically meets the parking, common area, landscape, interconnectivity, sidewalk and gutter and architectural standards required by the City of Statesville. It has been approved by the City Technical Review Committee and the City Planning Board and is 100% compliant with the City's ordinance for this type of project, seconded by Council member Williams.

Mayor Kutteh clarified that the project will only have 80 units although it was approved for 84 units.

Council member M. Johnson asked the applicant if he would like to amend the application to state 84 units. The applicant declined to amend the application.

Council member M. Johnson amended his motion to state that the project will be composed of 80 units, which is under the allowed maximum density of 84 units.

Council member Stafford said he is opposed to this because he has received several calls from his constituents concerned about the 80/20 55+ threshold and he is also concerned about fire coverage in this area.

The vote was as follows:

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

Nays: Stafford

Motion Carried: 7-1

XI Conduct a public hearing and consider approving first reading of Text Amendment TA19-03 filed by the City of Statesville to amend Article 6 - Development Standards, Section 6.07 - Sign Regulations, H. Prohibited Signs, S. Houses of Worship, Schools and Daycare Centers and Table 6-13. (Currier)

David Currier stated that the purpose for this amendment is to allow changeable copy LED signs for houses of worship, schools and daycare centers in residential districts. Currently houses of worship, schools and daycare centers are not permitted to have changeable copy LED signs in residential zoning districts. The Planning Department has received multiple request to allow for this type of sign. After review, the department has determined that many other jurisdictions allow for changeable copy LED signs for these uses in residential zoning districts. The Planning Board recommended approval of the amendment as presented. Staff has renumbered this amendment to better fit the ordinance since the time of the Planning Board meeting however the new language and the intent of the amendment have not changed. Planning Department staff and the City Manager recommend approval of the amendment as presented. There are no budget implications based on this request.

Mayor Kutteh declared the public hearing open and asked if anyone present wished to speak in favor or in opposition to this item. There being no speakers, Mayor Kutteh declared the public hearing closed.

Council member Stafford made a motion to approve first reading of Text Amendment TA19-03 filed by the City of Statesville to amend Article 6 - Development Standards, Section 6.07 - Sign Regulations, H. Prohibited Signs, S. Houses of Worship, Schools and Daycare Centers and Table 6-13, seconded by Council member S. Johnson. The motion carried unanimously.

XII Implement a Career Development Program for Public Safety Departments (Police and Fire). (Smith)

City Manager Ron Smith stated that in the 2018-2019 budget, staff was asked to develop a career development plan for public safety. This was primarily due to the high level of

turnover experienced in the Police Department, and to a lesser degree in the Fire Department. The Human Resources Department explained at the time that there was also the need for a bigger picture compensation strategy for the City moving forward, and that ideally the two would complement each other. The career development portion of this was planned to be implemented in January 2019. However, based on the fact that we could not find a consultant to complete the study, it was delayed. We are now to the point of having both pieces of this completed, with the Career Development Plan being the first to come to City Council for approval and implementation.

- Staff proposes scenario I of Gallagher's options, with a change to make a Police Officer I advancement requirement at 2 years not 3 (with certifications).
- The overall plan is to provide in-grade benchmarks that will be added to positions below captain. This will allow for movement within the grade prior to a formal promotion.
 - In the Police Department this will take the form of a Police Officer, Police Officer I (2.5% increase at 2 years with all training and certifications), Master Police Officer (5% increase at 5 years overall), Master Corporal (5% at 3 years after making corporal) and Master Sergeant (5% at 3 years after making Sergeant). To achieve these titles will mean obtaining the required years of service and certifications.
 - In the Fire Department, the positions of Fire Fighter I (2.5% increase at 2 years), Master Fire Fighter (5% at 5 years overall), and Master Lieutenant (5% after 3 years after making lieutenant).
- Not everyone will be eligible for an increase in the upcoming year, primarily based on the high number of recent hires. However, those hired in 2018 can move up in 2020 (with requisite training and certifications) and those from 2019 can move up in 2021.
- Anyone above Captain will not be included in the career development program, as they have already gotten to the point of promotions. However, based on our compression issues, we are proposing that these employees receive a blanket 5% increase as they will see no future benefit from the plan. If we do not include these increases, we will be increasing the number of police officers and fire fighters that make more than their supervisors.
- We have the money to cover this in this current fiscal year. Next year, we will be short in the true career development money, but we can cover it through other means.
- We will need to amend our personnel policy to mirror this, which will likely occur on July 15th.
- At some point when funds are more readily available, we have to look hard at starting salaries in both of these departments, as well as the impacts this program will have on positions at or above Captain. This will contribute to compression at the higher end of the scale if we do not address their pay long-term. There are adequate funds to cover these expenditures within this year's budget. The Departments and the City Manager recommend approval.

Council member M. Johnson made a motion to approve with the following amendments:

- 1. Adopt the Base Plan as submitted**
- 2. Change the Entry Level Pay Grade for Police Officers from Level 16 to Level 17**
- 3. Give every Police Officer the \$1,882 pay increase**
- 4. Guarantee Police Officers a 3% annual pay increase**
- 5. The Fire Department employees will get everything outlined in the plan for their department as submitted with no amendments.**

The vote on the motion is as follows:

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

Nays: J. Johnson, Staford, S. Johnson

Motion Carried: 5-3

XIII Consider adopting a resolution to affix the terms, conditions, and rate for the interfund loan from the Electric Fund to the Airport Fund. (Tucker)

Finance Director Chris Tucker stated that this resolution will establish the terms, conditions, and rate for the interfund loan from the Electric Fund to the Airport Fund. The resolution is consistent with Resolution 01-19 in that, if outside borrowing is more advantageous by July 2020, the City may reimburse its prior expenditures. The debt schedule is consistent with the adopted debt service amount in the FY2019-2020 budget. Staff and the City Manager recommend approval as presented.

Council member M. Johnson asked staff to analyze the possibility of moving some of the airport capital project funds back into the General Fund if there is an overlap of funding.

Council member Staford said he would like to investigate financing this with an outside source and not from the Electric Fund. Tucker explained that Council has until July 2020 to seek outside financing if they choose.

Council asked staff to provide them with a 6-month finance report of the revenues and fuel sales projections for the Airport at the end of July and what the cost of the loan would be in the regular market for a term of 15 years.

XIV Stormwater Service Fee Update. (Slocum)

Derek Slocum gave an update on portions of the Stormwater Program that have been implemented. Doug Jewell, consultant, addressed questions that were posed at the previous Council meeting.

ADD Receive report on the Municipal Services Center.

Marty Beal with CBSA Architects gave an update on the status of the completion of the design for the Municipal Services Center. He stated that the anticipated schedule has fallen behind, and they are now looking at completion in approximately 3-4 weeks. During the process, they have had to address changes to the building code and the ADA code. CBSA provided an updated project budget back in May and reported that construction costs continue to rise. We have advertised the project and interest in it is growing. We have talked with contractors who find this project very attractive. In the past few months we have seen in the bidding market that contractors are very, very busy and are in a

position now where they can select projects that they would like to bid on. We have had several projects that we have had to rebid simply because we did not have enough interest to comply with the three-bid rule. This project, based upon the volume of the project and discussing it with contractors, would take precedent over many other projects in the bid market. We would just need to make sure that we select a bid day that is not in conflict with any other project. Most of the contractors we have talked to, local and those in Winston-Salem, Greensboro, Charlotte, and the Ashville area, have told us that they would be interested in bidding on this project.

Mayor Kutteh asked Beal if he anticipates that this might be ready for the July 15th Council meeting.

XV Consider approving 2nd reading of an ordinance to annex the property located at 1831 Old Wilkesboro Road located at the intersection of Old Wilkesboro Road and Bradley Farm Road. (Currier)

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

XVI Appoint/re-appoint a member to the Airport Commission. (Ferguson)

Airport Manager John Ferguson stated that Mr. Jay Browns' position on the Airport Commission is up for renewal and he is requesting to be re-appointed. Brett Law, David Bullins, Dr. Joseph Glasgow, and Sam McDowell have also applied for appointment.

Council member West nominated Jay Brown

Council member M. Johnson nominated David Bullins

The vote on the nominations was as follows:

Jay Brown: 3

David Bullins: 3

Sam McDowell: 1

Second vote on the nominations was as follows:

Jay Brown: 3

David Bullins: 4

David Bullins was appointed to the Airport Commission

XVII Consider appointing/reappointing two members to the Board of Adjustment. (Currier)

David Currier stated that the following Board of Adjustment members' terms expire June 30, 2019. These members continue to serve until new appointments are made:

David Steele - Would like to be considered for reappointment (has served 4 terms)

Vacant – Formerly Sandra Campbells seat (expires 6/30/21)

Two other active applicants on file for the Board of Adjustment are Steve Knight (currently serving on the Storm Water Advisory Board), and Laurence Rosenfeld (currently serving on the Planning Board). Their information, as well as the current Board Roster, is attached for your review.

J. Johnson nominated David Steele for reappointment, seconded by M. Johnson. The nomination carried unanimously.

Staford nominated Larry Rosenfeld with the condition that Rosenfeld must resign from the Planning Board if appointed to the Board of Adjustment.

M. Johnson nominated Tammy Wyatt.

The vote was as follows:

Larry Rosenfeld: 4

Tammy Wyatt: 3

Larry Rosenfeld was appointed to the board.

XVIII Consider appointing/reappointing two regular members to the Design Review Committee. (Currier)

This item was moved to the Consent Agenda at the Pre-Agenda meeting to reappoint John Marshall and Rebecca Jones to the Design Review Committee.

XIX Consider appointing/reappointing two regular members and one alternate member to the Planning Board. (Currier)

David Currier stated that the following Planning Board members' terms expire June 30, 2019. These members continue to serve until new appointments are made:

Mark Tart - Would like to be reappointed to the Board (Has served 3 terms)

Donald Daniel - Would like to be reappointed to the Board (Has served 2 terms)

Charlotte Reid (Alternate) – Has not indicated if she would like to be reappointed to the board (Has served 1 term)

There are 3 active applicants on file for the Planning Board. They are Alisha Cordle, Dr. Joseph Glasgow, and Jacquelyn Wallace-Meade.

West made a motion to re-appoint Tart, Daniel and Reid as Regular members, and Wyatt as an alternate, seconded by M. Johnson. The motion carried unanimously.

XX Consider approval of a debris removal contract with Ceres Environmental and a debris monitoring contract with Thompson Consulting Services. (Slocum)

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

XXI Boards and Commissions Updates: None

XXII Other Business: None

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

Constantine H. Kutteh, Mayor

Attest:

Brenda Fugett, City Clerk

**MINUTE BOOK 27, PAGE
STATESVILLE CITY COUNCIL PRE-AGENDA MEETING – JULY 15, 2019
CITY HALL – 3RD FLOOR CONFERENCE ROOM, STATESVILLE, NC – 6:00 P.M.
STATESVILLE, NORTH CAROLINA**

Council Present: Mayor Constantine H. Kutteh presiding, J. Johnson, Morgan, Staford, Williams, West, S. Johnson, Allison, M. Johnson

Council Absent: 0

Staff Present: R. Smith, Fugett, Staley, Davis, Messick, Currier, Tucker, Maclaga, Harrell, Minor, Gregory, Lee, Nicholson, Griggs, Ashley, Gregory, Lee, Cornelius, Onley, Roberts, Slocum

Media: Record & Landmark, Statesville Free News

Others: 2

I Call to Order

Mayor Kutteh called the meeting to order and advised that Council will hold a Closed Session meeting following the Pre-Agenda meeting to consult with the City Attorney regarding a litigation matter.

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.

Mayor Kutteh reviewed the following Consent Agenda items.

- A. Consider approving the May 23, 2019 Budget Workshop meeting minutes and the June 03, 2019 Pre-Agenda and Council meeting minutes.**
- B. Consider accepting Centralina Council of Governments 2019 Love Where You Live funds in the amount of \$500 for a project that furthers the community's efforts towards being a creative, fun place. *(Davis)***
- C. Receive and concur with the FY2019-20 Budget for the Statesville Convention and Visitors Bureau. *(Tucker)***

- D. **Consider approving 2nd reading of Text Amendment TA19-03 filed by the City of Statesville to amend Article 6 - Development Standards, Section 6.07 - Sign Regulations, H. Prohibited Signs, S. Houses of Worship, Schools and Daycare Centers and Table 6-13. (Currier)**
- E. **Consider approving a request from United Way of Iredell County to place a sculpture in the streetscape area near the corner of South Center Street and Court Street. (Currier)**
 In response to a question from Mayor Kutteh, David Currier stated that staff has confirmed that the sculpture will not be in the site triangle or create a sight obstruction.

REGULAR AGENDA

- VII **Presentation of Life Saving Awards to Lieutenant Anthony Armstrong, Firefighter Isaac McCurdy, Firefighter Joshua Brouse, and Firefighter Brett York. (Lee)**
- VIII **Blair Richey, Iredell County Director of Emergency Medical Services, will give a presentation and recognize the Statesville Fire Department and First Responders and provide an update on the Fire Department’s response to EMS incidents.**
- IX **Receive a report from Ronnie Charles, with Arthur J. Gallagher & Co., concerning the NC Classification & Compensation Diagnostic and Recommendations (Compensation Strategies Report). (Smith)**
 Ron Smith stated that staff would like Council to receive this report tonight, then allow staff to analyze it and bring back recommendations and costs for implementation. There are some policy changes that could take place in the short term that would have little or no monetary impact. The bigger discussion will come through the budget process for next year.
- X **Appoint one member to the Alcohol Beverage Commission. (Nicholson)**
- XI **Consider adoption of the Statesville Mobility and Development Transportation Plan. (Ashley)**
 Sherry Ashley stated that Jessica Rossi will also attend to give a brief update on her previous report and answer any further questions that Council may have.
- XII **Consider approving a Professional Services Agreement with WithersRavenel for preliminary engineering and design for the Shelton Avenue multi-use path. (Ashley)**
 Ashley stated that the City requested STBG-DA funds for the preliminary engineering and design of the Shelton Avenue Multi-Use Path. The local agreement with NCDOT and the budget has been approved. NCDOT has just approved the professional services agreement proposed with WithersRavenel in the amount of \$525,807.81 (including incidentals). However, since the contract exceeds \$500,000, Council approval is required.
- XIII **Receive bike and pedestrian estimate for US-21 widening (Project #U-5799) and consider approving a written request to accommodate bike and pedestrian facilities on US-21 for the scope of the project. (Ashley)**
 Mayor Kutteh stated that City Council approved a resolution requesting sidewalks and bike lanes be incorporated on both sides of the US 21 widening project from Pump Station Road to Fort Dobbs Road. NCDOT has provided an estimate of \$197,947.70 to accommodate the

city's request. This figure includes new 5-foot sidewalks where they do not exist, along with 2 feet of additional berm to accommodate the widening for bike lanes. In anticipation of the estimate, city staff had estimated \$215,000.00. NCDOT's estimate is lower by approximately \$17,052.30. In addition, \$23,401.00 fee in lieu of funds are available to contribute towards the cost. Therefore, staff recommends approving the written request to accommodate bike and pedestrian facilities on US 21. Budget funds in projected construction year, June 2021 and authorize use of \$23,401.70 fee in lieu of funds towards the project.

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

Mayor Kutteh 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.

XV Consider extending the existing resurfacing contract with JT Russell to include Division EE. (Harrell)

Mayor Kutteh stated that JT Russell is nearing completion of the 2018-19 resurfacing contract (Division DD) and has agreed to hold their contract unit prices for Division EE resurfacing. \$465,000 is budgeted in FY2019-20 for Division EE resurfacing. Staff recommends extending the current contract with JT Russell to include Division EE resurfacing and authorizing staff to apply any remaining funds to street maintenance. Scott Harrell added that staff has had no problems with the quality of JT Russell's previous work.

XVI Consider approving a Resolution to decrease retail electric rates by approximately 1.7% for all rate schedules listed in the Attachments Section below. (Maclaga)

Mayor Kutteh said that due to excellent performance of NCMPA1 assets, the wholesale rate for NCMPA1 members dropped by 2%, effective July 1, 2019. The City employed GDS Associates, who performed a similar study in 2018 for the City, to find a financially sound way to pass on these savings to electric customers. A 1.7% revenue rate reduction (approximate) allows the City to pass on savings with reasonable certainty over a period of at least five years and possibly longer, depending on a variety of factors, while preserving the City's ability to finance large capital projects already planned or underway for the Electric Department. The rate decrease would be effective for all rate classes beginning with the August 1, 2019 bill. If approved, the rate reduction would allow the City, for the first time in decades, to have a lower Residential Rate than Duke Energy by approximately 0.5%. This information is presented in more detail in GDS Associates' attached presentation material on the rate study. The approximately 1.7% rate reduction

should allow all customers to benefit without harming the Electric Fund's balance or cash flow during the next five years.

XVII Councilman Stafford has requested that the Council consider a change to the Minimum Housing Code as it relates to abandoned and nuisance (eyesore) structures. (Smith)

ADD Vote on leaving the Sanitation Department as it is.

ADD Take a vote to request Iredell County to have their Building Inspector inspect the house located at the corner of Walnut and Race St.

XVIII Boards and Commissions Updates:

1. 04/16/19 and 05/09/19 Airport Commission Meeting Minutes
2. 05/09/19 and 06/20/19 Design Review Committee Meeting Minutes
3. 06/05/19, 06/19/19, and 07/03/19 Technical Review Committee Meeting Minutes

XIX Other Business

Chris Tucker introduced Brian Roberts the new Assistant Finance Director.

Council member M. Johnson made a motion to move to Closed Session to consult with the City Attorney regarding a pending litigation matter, seconded by Council member Allison. The motion carried unanimously.

Upon return from Closed Session, Mayor Kutteh stated that a pending litigation matter had been discussed with the City Attorney and no action was taken.

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

Brenda Fugett, City Clerk

Constantine H. Kutteh, Mayor

**MINUTE BOOK 27, PAGE
STATESVILLE CITY COUNCIL MEETING – JULY 15, 2019
CITY HALL – 3RD FLOOR CONFERENCE ROOM, STATESVILLE, NC – 7:00 P.M.
STATESVILLE, NORTH CAROLINA**

Council Present: Mayor Constantine H. Kutteh presiding, J. Johnson, Morgan, Staford, Williams, West, S. Johnson, Allison, M. Johnson

Council Absent: 0

Staff Present: R. Smith, Fugett, Staley, Davis, Messick, Currier, Tucker, Maclaga, Harrell, Minor, Gregory, Lee, Nicholson, Griggs, Ashley, Gregory, Lee, Cornelius, Onley, Roberts, Slocum

Media: Record & Landmark, Statesville Free News

Others: 60

I Call to Order

Mayor Kutteh called the meeting to order asked all to stand for the invocation and the pledge of allegiance.

II Invocation

The City Clerk gave the invocation.

III Pledge of Allegiance

Mayor Kutteh led the Pledge of Allegiance.

Mayor Kutteh advised that two items have been added to the agenda: 1. Consideration of how to proceed with the Sanitation Department, and 2. Request the Iredell County Building Inspector to inspect the house located at the corner of Walnut and Race St.

IV Adoption of the Agenda

Council member Williams made a motion to adopt the amended agenda, seconded by Council member Allison. The motion carried unanimously.

V Public Comment

Reverend Robin Williams, 129 West Allison Street, Statesville, spoke against privatization of the City Sanitation Department and the need for Council to replace the old equipment. She asked for those present who are against the privatization of the Sanitation Department to stand. Approximately 25 members of the audience stood in support.

Todd Scott, 116 Natawest Drive, Statesville, President of the local NAACP, spoke against privatization of the Sanitation Department.

Eric Sturtevant, Union Grove, NC, stated that he disagrees with the city's handling of the non-conforming size flag being flown at Camping World.

Bob Brawley, Cumberland Road, Statesville, spoke against Council's decision regarding the non-conforming size flag being flown at Camping World.

Donny Bradley, 248 N. Center Street, Statesville, spoke against Council's decision regarding the non-conforming size flag being flown at Camping World and asked Council to revisit the issue.

Mike Morris, 256 Salem Creek Dr., Statesville, spoke against Council's decision regarding the non-conforming size flag being flown at Camping World and asked Council to reconsider amending the ordinance.

Mayor Kutteh asked those present who were in support of amending the flag size ordinance to stand. Approximately 20 members of the audience stood in support.

John Downs, Carroll St., Statesville, asked that Council take action against vacant, dilapidated, residential structures. He handed out photos to Council members of dilapidated properties in the city with some showing raccoons and other animals living in them.

Brian Long, 436 West End Avenue, Statesville, asked Council to take action against dilapidated residential properties. He pointed out that these dilapidated properties will inhibit residential growth around the revitalized downtown, as well as growth in the tax base.

Mayor Kutteh said that since there are so many present regarding the Sanitation Department matter, that this item will be heard first.

ADD Consideration of how to proceed with exploring privatization of the Sanitation Department.

Mayor Kutteh explained that the only action Council asked staff to take, was to investigate the feasibility of privatizing the Sanitation Department. There was never any action to cancel the department. Requests for proposals were sent out, but that is all. This action could be taken for any department in the city to investigate different ways to run the city more cost efficiently.

Council member J. Johnson said he believes the Sanitation Department is the best run department in the city, and the one department that he receives the least number of complaints for about.

Council member J. Johnson made a motion to stop any exploration of privatizing the Sanitation Department, seconded by Council member Staford.

Council member M. Johnson stated that when the City went through the recession, it did not lay off any employees, which was made possible by a concerted effort by the Council during that time, which not many local governments were able to do, and that thought has not changed. He explained during budget discussions, some Council members wanted to remove the Sanitation Fee, which equates to \$.03 cents on the tax rate. However, to get rid of it, that revenue must be made up in some other way in the budget. He said his preference is not to see an additional rise in taxes. So, he suggested that Council look at different options to do that, and one of those options already being explored, was outsourcing the Sanitation Department or leasing. However, at no point in time did anyone

ever say, intimate or suggest that any member of the Sanitation Department of this city would lose their job. M. Johnson said that he requested a verbatim transcript, from the audio recording, of what he said about this from the City Clerk. He read from the transcript that during the discussion of outsourcing the Sanitation Department that he stated, "the city would absorb through other departments, every member of the Sanitation Department". It is Council's job to consider capital costs, but regardless, there has never been any intention and it has never been said, that any city employee would lose their job because of capital costs.

Council member Staford asked Council member J. Johnson to amend his motion to include the \$936,000 that was set aside in the budget to purchase the proposed equipment for the Sanitation Department and that staff research purchasing the equipment that the department needs to do their job.

Mayor Kutteh advised Council member Staford that he needs to make a motion to amend the motion made by J. Johnson and then if that motion receives a second then Council will vote on the amended motion.

Mayor Kutteh asked if there is \$936,000 in the budget for this purpose. Ron Smith replied there is not. He stated there was \$400,000 set aside specifically for the two biggest needs of the department. Some of the remainder funds of the original \$936,000 that was in the first proposed budget was put towards other line items with Economic Development being the primary.

Mayor Kutteh asked for a vote on the motion first made by Council member J. Johnson stating that he will then entertain a motion about the capital expenditures.

Council member Morgan said he would like to see the proposals that staff has received for privatization before he votes to disregard the option even though if it ever came down to employees losing their jobs he would not vote for it, however, he would like to see the information before he makes a final decision.

Council member West stated that he agrees with Council member Morgan and that a Council member's request for additional information should be honored.

The vote on the motion was as follows:

Ayes: J. Johnson, Allison, Williams, S. Johnson, Staford

Nays: West, Morgan, M. Johnson

Motion carried 5-3

Council member Staford made a motion for staff to research the funding of the equipment that was originally earmarked in the budget as first presented to Council and asked staff to bring Council a payment schedule on that for an outright purchase and for leasing.

Council discussed what the actual equipment needs for the department are.

Mayor Kutteh stated that during the budget process, \$400,000 was kept in the budget for the purchase of a couple of the requested vehicles. Staff can bring options for the other equipment to Council at the next meeting.

VI Consent Agenda

Mayor Kutteh stated that all the 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.

Mayor Kutteh reviewed the following Consent Agenda items.

- A. Consider approving the May 23, 2019 Budget Workshop meeting minutes and the June 03, 2019 Pre-Agenda and Council meeting minutes.**
Mayor Kutteh advised that Item 2 on Page 14 of the minutes will be removed.
- B. Consider accepting Centralina Council of Governments 2019 Love Where You Live funds in the amount of \$500 for a project that furthers the community's efforts towards being a creative, fun place. (Davis)**
- C. Receive and concur with the FY2019-20 Budget for the Statesville Convention and Visitors Bureau. (Tucker)**
- D. Consider approving 2nd reading of Text Amendment TA19-03 filed by the City of Statesville to amend Article 6 - Development Standards, Section 6.07 - Sign Regulations, H. Prohibited Signs, S. Houses of Worship, Schools and Daycare Centers and Table 6-13. (Currier)**
- E. Consider approving a request from United Way of Iredell County to place a sculpture in the streetscape area near the corner of South Center Street and Court Street. (Currier)**

Mayor Kutteh asked if any Council members wanted any items removed from the Consent Agenda. Hearing none, Mayor Kutteh asked for a motion to approve the Consent Agenda.

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

REGULAR AGENDA

- VII Presentation of Life Saving Awards to Lieutenant Anthony Armstrong, Firefighter Isaac McCurdy, Firefighter Joshua Brouse, and Firefighter Brett York. (Lee)**
Chief Spencer Lee described the incident and presented the Life Saving Awards.
- VIII Blair Richey, Iredell County Director of Emergency Medical Services, will give a presentation and recognize the Statesville Fire Department and First Responders and provide an update on the Fire Department's response to EMS incidents.**
Blair Richey gave an update on the improvements and changes that have been made in both departments with continuous communication between both organizations to make sure that citizens get the help they need whether it be home health care or other healthcare needs that need to be reported to the Iredell County Department of Health and Human Services.

Regulatory Compliance Officer, Amanda, gave accounts of several critical calls that the Statesville Fire Department responded to that resulted in the patient surviving.

Dr. Brian Beaver, Medical Director, thanked the City for the working relationship between EMS and the City Fire Department. He reviewed the Alpha and Bravo level calls that generate a Statesville Fire dispatch and how they are vital to the scene.

Iredell County Commissioner Gene Houpe stated he is speaking on behalf of the Iredell County Commissioners, administration and staff, who appreciates the City's investment and partnership with Iredell County, and the impact the Statesville Fire Department makes on the community.

Ron Smith described the handout given to Council of the breakdown of the Alpha and Bravo calls. He advised that staff is working to reduce the number of these calls while trying to avoid missing any critical calls. It's not as simple as just saying the department will not respond to Alpha or Bravo calls.

Council member Staford reiterated the need for the city to find either cost savings or ways to supplement the city's involvement with EMS calls.

IX Receive a report from Ronnie Charles, with Arthur J. Gallagher & Co., concerning the NC Classification & Compensation Diagnostic and Recommendations (Compensation Strategies Report). (Smith)

Korita Jones presented the results of the study.

Ron Smith asked Council and staff to review the findings and stated that a planning session will be held to discuss implementing some of these findings.

X Appoint one member to the Alcohol Beverage Commission.

Council member J. Johnson made a motion to re-appoint Michelle Rokes, seconded by Council member West. The motion carried unanimously.

XI Consider adoption of the Statesville Mobility and Development Transportation Plan. (Ashley)

Ashley briefly described what has transpired previously for this item. Jessica Rossi, Kimley-Horn consultant for the plan, gave a short recap of the discussion held at the March 18th and April 11th Council meetings.

Council member S. Johnson said that he now understands that this plan is fluid and can be changed as needed. He stated he will vote for it with the understanding that Council can revisit it at their winter planning session.

Council member M. Johnson made a motion to approve, seconded by Council member Williams. The motion carried unanimously.

XII Consider approving a Professional Services Agreement with WithersRavenel for preliminary engineering and design for the Shelton Avenue multi-use path. (Ashley)

Ashley stated that the City requested STBG-DA funds for the preliminary engineering and design of the Shelton Avenue Multi-Use Path. The local agreement with NCDOT and the budget has been approved. NCDOT has just approved the professional services

agreement proposed with WithersRavenel in the amount of \$525,807.81 (including incidentals). However, since the contract exceeds \$500,000, Council approval is required.

Council member M. Johnson made a motion to approve a Professional Services Agreement with WithersRavenel for preliminary engineering and design for the Shelton Avenue multi-use path, seconded by Council member Morgan.

Council member Staford stated he will not vote for this.

Council member S. Johnson said that this provides no private sector or commercial growth.

The vote on the motion was as follow:

Ayes: M. Johnson, Morgan, Allison, Williams

Nays: J. Johnson, S. Johnson, Staford, West

Tie Vote: 4-4

Mayor Kutteh voted Aye

Motion carried 5-4

XIII Receive the bike and pedestrian estimate for US-21 widening (Project #U-5799) and consider approving a written request to accommodate bike and pedestrian facilities on US-21 for the scope of the project. (Ashley)

Ashley stated that the City requested STBG-DA funds for the preliminary engineering and design of the Shelton Avenue Multi-Use Path. The local agreement with NCDOT and the budget has been approved. NCDOT has just approved the professional services agreement proposed with WithersRavenel in the amount of \$525,807.81 (including incidentals). However, since the contract exceeds \$500,000, Council approval is required. The total cost of the project is as follows:

Total Cost:	\$753,750 (Professional services agreement and some acquisition costs)
DA Request	<u>-\$603,000</u> (State monies, 80% of total)
	=\$150,750 (City 20% match)

WithersRavenel's agreement provides for Project Management and Administration, Site Inventory and Analysis, Master Planning, Public Presentation and Outreach, Opinion of Probable Construction Costs, Preliminary/Schematic Design, Right-of-way Plans/Design Development Documents, Permitting Services and Final Construction Plans and Documents. Therefore, staff recommends approval of WithersRavenel Professional Services agreement for \$525,807.81 (\$498,748.31 plus \$27,059.50). There are no budget implications (PE/Design phase only/Already approved as project fund #315). The Department recommends approval of the professional services agreement as presented in the amount of \$525,807.81. The City Manager commented in the Staff Report that this project has been ongoing since November 2017, and staff has been working with and waiting for NCDOT's approval of the agreement. This request will require no new money, only approval of the agreement.

Council member M. Johnson stated that this could potentially only cost the city half of the \$105,000.

Council member Staford made a motion to approve with a 10' ft. berm instead,

seconded by Council member J. Johnson.

After further discussion, Council member Stafford withdrew his motion. J. Johnson withdrew his second to the motion.

Council member Stafford made a motion to postpone this item until the August 5th meeting, seconded by Council member Williams. The motion carried unanimously.

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 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 Stafford 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: Stafford, 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 4, 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

XV Consider extending the existing resurfacing contract with JT Russell to include Division EE. (Harrell)

Harrell stated that JT Russell is nearing completion of the 2018-19 resurfacing contract (Division DD) and has agreed to hold their contract unit prices for Division EE resurfacing. \$465,000 is budgeted in FY2019-20 for Division EE resurfacing. Staff recommends extending the current contract with JT Russell to include Division EE resurfacing and authorizing staff to apply any remaining funds to street maintenance. Scott Harrell added that staff has had no problems with the quality of JT Russell's previous work.

Council member Staford made a motion to approve extending the existing resurfacing contract with JT Russell to include Division EE, seconded by Council member J. Johnson. The motion carried unanimously.

XVI Consider approving a Resolution to decrease retail electric rates by approximately 1.7% for all rate schedules listed in the Attachments Section below. (Maclaga)

Maclaga said that due to excellent performance of NCMPA1 assets, the wholesale rate for NCMPA1 members dropped by 2%, effective July 1, 2019. The City employed GDS Associates, who performed a similar study in 2018 for the City, to find a financially sound way to pass on these savings to electric customers. A 1.7% revenue rate reduction (approximate) allows the City to pass on savings with reasonable certainty over a period of at least five years and possibly longer, depending on a variety of factors, while preserving the City's ability to finance large capital projects already planned or underway for the Electric Department. The rate decrease would be effective for all rate classes beginning with the August 1, 2019 bill. If approved, the rate reduction would allow the City, for the first time in decades, to have a lower Residential Rate than Duke Energy by approximately 0.5%. This information is presented in more detail in GDS Associates' attached presentation material on the rate study. The approximately 1.7% rate reduction should allow all customers to benefit without harming the Electric Fund's balance or cash flow during the next five years.

Gary with GSD Associates reviewed a PowerPoint presentation of the rate reductions.

Council member M. Johnson made a motion to approve a Resolution to decrease retail electric rates by approximately 1.7% for all rate schedules listed in the Attachments as presented by staff, seconded by Council member Morgan. The motion carried unanimously.

Council member Morgan pointed out that the CIP for the 2020 fiscal year for the electric department is \$11 million.

XVII Councilman Staford has requested that the Council consider a change to the Minimum Housing Code as it relates to abandoned and nuisance (eyesore) structures. (Smith)

Council member Staford read N.C.G.S 160A-442 that states: Dwellings means any building, structure, manufactured home, mobile home or part thereof used or occupied for human habitation or intended to be so used. Staford said that in the State statute that

obviously includes buildings that are vacant, because otherwise it would not have applied to receivership laws and so forth. However, City staff interprets the statement in the code “intended to be so used” is at the option of the current owner whether or not they want to have that property occupied. The City Attorney has advised that the ordinance must be amended to include vacant buildings. Council cannot just instruct the Planning Director that its intention is to include vacant buildings. Staford requested that the ordinance be amended to state “used and occupied for human habitation or was ever intended to be so used”. Doing this would enable staff to include these properties that are vacant and have fallen into a state of disrepair and are a blight on the neighborhood

A majority of Council members agreed to instruct staff to present a text amendment to them for consideration.

ADD Consider making a request to the Iredell County Commission for their Building Inspector inspect the house located at 531 Walnut Street.

Council member Staford made a motion to make a request to the Iredell County Commission for their Building Inspector to inspect the house located at 531 Walnut Street and for the Building Inspector to notify the owner of any needed repairs, which must be completed within 90 days, seconded by Council member Allison. The motion carried unanimously.

XVIII Boards and Commissions Updates:

1. 04/16/19 and 05/09/19 Airport Commission Meeting Minutes
2. 05/09/19 and 06/20/19 Design Review Committee Meeting Minutes
3. 06/05/19, 06/19/19, and 07/03/19 Technical Review Committee Meeting Minutes

XIX Other Business

None

Council member West 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: John Maclaga, Electric Utilities Director
DATE: July 19, 2019

ACTION NEEDED ON: 08/05/2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving a resolution to amend the Renewable Energy Portfolio Standards Electric Rider (Schedule REPS), the Customer Generation Credit Rider – Type 1 (Schedule CG-1), and the Customer Generation Credit Rider – Type 2 (Schedule CG-2).

Summary of Information:

The Renewable Energy Portfolio Standards Electric Rider is a pass-through payment to the State which is used to subsidize renewable generation in North Carolina (e.g. solar, wind, biomass, etc.). All electric customers in North Carolina pay a REPS charge. The State adjusts REPS charges annually.

The Customer Generation Credit Riders and Renewable Energy Credit Rider are means by which the North Carolina Municipal Power Agency Number 1 (NCMPA1) pays customers on our electric system for benefits it sees for their use of approved generators at specific times. NCMPA1 adjusts these pass-through payments annually.

Previous Council or Relevant Actions: Adopted REPS rider by Ordinance No. 08-14 on June 2nd, 2014 and Riders CG-1, CG-2 was adopted by resolution No. 13-05 on June 20, 2005. Revisions of all three riders were adopted by Ordinance No. 30-18 on August 06, 2018.

Budget/Funding Implications: These monies represent pass-through payments to the State of North Carolina (REPS) or from NCMPA1 (Customer Generation Credits).

Department Recommendation: Staff recommends Council approve amendments to these three riders to maintain the pass-through values from ElectriCities, to be effective for bills rendered on or after September 1, 2019.

Manager Comments: Recommend approval of the request.

Attachments:

1. REPS Rider, Rider CG-1, Rider CG-2

ORDINANCE NO. _____

ORDINANCE AMENDING ELECTRIC RATE SCHEDULES

WHEREAS, the City Council is empowered to establish the rates for electric and water/sewer utility services that the City provides to its customers.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Statesville that there is hereby amended the following electric rate schedules.

Renewable Energy Portfolio Standards Electric Rider (Schedule REPS)
Customer Generation Credit Rider – Type 1 (Schedule CG-1)
Customer Generation Credit Rider – Type 2 (Schedule CG-2)

The rate schedules as presented in the attachment are amended as of September 1, 2019 for the purpose of billing and raising revenues for the City of Statesville.

Adopted this 5th day of August 2019.

City of Statesville

Constantine H. Kutteh, Mayor

ATTEST:

Brenda Fugett, City Clerk

CITY OF STATESVILLE

RIDER CG-1

CUSTOMER GENERATION CREDIT RIDER – TYPE 1 GENERATORS

PAGE 1 of 5

GENERAL

The Customer Generation Credit Rider CG-1 (Rider CG-1) is offered by the City of Statesville (City) to a qualifying non-residential customer (Customer) with on-site generation (Customer Generation) that has entered into an operating agreement for Type 1 generation with North Carolina Municipal Power Agency No. 1 (NCMPA1). Operation of the generator under such agreement will enable City to reduce its wholesale power costs from NCMPA1. This rider enables the City to share a portion of the wholesale power cost savings with Customer by applying a Monthly Customer Generation Credit to Customer's electric bill, under the terms and conditions described below.

AVAILABILITY

Rider CG-1 is available only to a non-residential customer that meets all of the following criteria:

1. Customer is currently served under one of the following non-residential rate schedules with a monthly non-coincident peak billing demand: Schedules MG, LG, EG, IM, CT, IT, EI, CI and VI;
2. Customer has a monthly non-coincident peak demand of at least 350 kW during at least three months of a twelve month period; and
3. Customer has or will have on-site customer-owned generation of 350 kW or greater that will be available for operation in accordance with the operating agreement for Type 1 generation between the Customer and NCMPA1.

APPLICATION FOR RIDER

Customer must make an initial written application to City in order to begin receiving credits under Rider CG-1. In its application, Customer must supply the technical specifications of the Customer Generation as specified in Exhibit A, attached hereto. In determining whether to approve the application of Customer, City may consider the number of customers already being served under the rider, City's expected power cost savings under the NCMPA1 Wholesale Rate, changes in City loads, effects of other load management programs, and any other considerations deemed important by the City. City is under no obligation to approve applications for credits under Rider CG-1.

TERM OF RIDER

The initial term of Rider CG-1 shall begin June 20, 2005 and end May 31, 2006. Commencing June 1, 2006, and annually thereafter, Rider CG-1 shall automatically renew for one (1) year increments, provided, however, that either the Customer or the City may terminate Rider CG-1 effective on or after June 1, 2006, by giving written notice to the other party at least sixty (60) days prior to any such termination date.

CITY OF STATESVILLE

RIDER CG-1

CUSTOMER GENERATION CREDIT RIDER – TYPE 1 GENERATORS

PAGE 2 of 5

OPERATION OF CUSTOMER GENERATION

Under the terms of the operating agreement for Type 1 generation, NCMPA1 shall have the exclusive right to call upon the Customer to operate the Customer Generation.

COSTS OF CUSTOMER GENERATION

The Customer shall be responsible for all costs associated with owning, operating, maintaining, making capital additions to, and removing from service the Customer Generation, including, but not limited to, all costs of materials, fuel, fuel storage, manpower, spare parts, and equipment for the Customer Generation.

DETERMINATION OF CUSTOMER GENERATION OUTPUT

Each month, NCMPA1 will determine the Customer Generation Output. The Customer Generation Output shall be the average of the integrated clock hour kW outputs of the Customer Generation metered during the hours that NCMPA1 called on the Customer Generation to run under its Type 1 generator contract. Customer Generation Output shall be net of output used by auxiliaries of Customer Generation.

DETERMINATION OF CUSTOMER ON-PEAK LOAD

Each month, NCMPA1 will also determine the Customer On-Peak Demand. The On-Peak Demand shall be the average of the integrated clock hour kW demands measured during the hours of the OnPeak Period on the day identified as the Peak Management Day used by the North Carolina Municipal Power Agency Number 1 (NCMPA1) for wholesale billing purposes during the corresponding month of Customer's billing.

DETERMINATION OF MONTHLY CUSTOMER GENERATION CREDIT

The Monthly Customer Generation Credit shall be computed and applied to the Customer's monthly electric bill. The Monthly Customer Generation Credit shall be computed as follows:

Monthly Customer Generation Credit (\$) = (a) * (b). Where,
(a) is the lesser of:
(i) Customer Generation Output (kW); or,
(ii) Customer On-Peak Demand (kW); and,

CITY OF STATESVILLE

RIDER CG-1

CUSTOMER GENERATION CREDIT RIDER – TYPE 1 GENERATORS

PAGE 3 of 5

(b) is the Customer Generation Credit Rate (\$/kW-month)

MONTHLY CUSTOMER GENERATION CREDIT RATE

June through September

\$11.48/kW-month

City may revise the Customer Generation Credit Rate that will be applicable for the one-year term beginning on June 1, 2006, and for any subsequent one-year terms to reflect changes in City's demand charges under the NCMPA1 Wholesale Rate.

PROTECTION OF SYSTEMS

The Customer shall provide, install, maintain, and operate protective equipment, switching, voltage control, load shedding, and other facilities necessitated by the Customer Generation and take or refrain from taking action related to the Customer Generation as shall be required in order to meet the City's reasonable requirements to assure continuity and adequacy of service, stability of the interconnected facilities of City's distribution facilities, and safety procedures. Customer shall comply with any facility connection requirements or operation procedures specified by the City.

RESPONSIBILITY FOR METERING OF CUSTOMER GENERATION OUTPUT

City will install, or cause to be installed, and own the metering and associated metering equipment, communication equipment, and/or telemetry equipment required for measuring the kW output of the Customer Generation. Customer will pay an up-front fee to cover the costs related to the purchase, installation, ownership, operation, maintenance, or leasing of such equipment. The metering, communications, and telemetry equipment shall meet functional specifications required by City. Customer will provide City a schematic for all existing facilities connected to the Customer Generation and of the Customer Generation itself. City will cooperate with Customer to revise the schematic for the planned initial connection of the metering, communications, and telemetry equipment and for all modifications planned subsequently.

Customer shall provide City with access to the metering, communications, and telemetry equipment for the Customer generation as requested by City.

Where appropriate to obtain meter readings, Customer shall have the right to install, maintain, and use similar duplicative metering, communication, and telemetry as check meters.

Upon request of Customer, City shall provide Customer with copies of hourly data for the kW output levels of the Customer Generation and, upon reasonable prior notice of Customer, City shall provide

Customer with copies of any other data, information or reports that City acquires from or produces by the metering equipment or the check metering equipment.

CITY OF STATESVILLE

RIDER CG-1

CUSTOMER GENERATION CREDIT RIDER – TYPE 1 GENERATORS

PAGE 4 of 5

In the event the metering equipment is inoperative due to equipment failure, the performance of necessary maintenance, or otherwise, readings from check metering equipment, if available, shall be used, provided such check metering is functioning properly. In the absence of meter data and data from station operating logs, City shall estimate the required data in the manner it deems reasonable.

City and Customer shall coordinate the maintenance of metering, communication, and telemetry equipment and shall endeavor to minimize adverse effects of such maintenance on the operation of Customer Generation and on the accounting for output of Customer Generation.

ADOPTED

The rider was established by City of Statesville Resolution Number 13-05, which was adopted on June 20, 2005. The rider was amended by Ordinance Number xx-xx on August 05, 2019 and is effective on applicable bills rendered on or after September 1, 2019.

CITY OF STATESVILLE

RIDER CG-1

CUSTOMER GENERATION CREDIT RIDER – TYPE 1 GENERATORS

PAGE 5 of 5

EXHIBIT A

DESCRIPTION OF CUSTOMER GENERATION

CUSTOMER NAME:

FACILITY NAME

FACILITY CONTACT PERSON:

FACILITY LOCATION:

TYPE OF GENERATOR:

NUMBER OF UNITS

GENERATOR(S) RATING (kW) GENERATOR

MANUFACTURER:

GENERATOR VOLTAGE:

INSTALLATION DATE:

CITY OF STATESVILLE

RIDER CG-2

CUSTOMER GENERATION CREDIT RIDER

PAGE 1 of 6

GENERAL

Customer Generation Credit Rider (Rider CG-2) is offered by the City of Statesville (City) to a qualifying non-residential customer (Customer) with on-site generation (Customer Generation) that can be called upon by the City to reduce Customer's peak demand during the On-Peak Period of certain Peak Management Days, defined below. Such operation will enable City to reduce its wholesale power costs from North Carolina Municipal Power Agency No. 1 (NCMPA1). This rider enables the City to share a portion of the wholesale power cost savings with Customer by applying a Monthly Customer Generation Credit to Customer's electric bill, under the terms and conditions described below.

AVAILABILITY

Rider CG-2 is available only to a non-residential customer that meets all of the following criteria:

1. Customer is currently served under one of the following non-residential rate schedules with a monthly non-coincident peak billing demand: Schedules MG, LG, IM, CT, IT, and CI.
2. Customer has a monthly non-coincident peak demand of at least 150 kW during at least three months of a twelve month period; and
3. Customer has or will have on-site customer-owned generation of 150 kW or greater that will be available for operation when called upon by the City.

APPLICATION FOR RIDER

Customer must make an initial written application to City in order to begin receiving credits under Rider CG-2. In its application, Customer must supply the technical specifications of the Customer Generation as specified in Exhibit A, attached hereto. In determining whether to approve the application of Customer, City may consider the number of customers already being served under the rider, City's expected power cost savings under the NCMPA1 Wholesale Rate, changes in City loads, effects of other load management programs, and any other considerations deemed important by the City. City is under no obligation to approve applications for credits under Rider CG-2.

TERM OF RIDER

The initial term of Rider CG-2 shall begin June 20, 2005 and end May 31, 2006. Commencing June 1, 2006, and annually thereafter, Rider CG-2 shall automatically renew for one (1) year increments, provided, however, that either the Customer or the City may terminate Rider CG-2 effective on or after

CITY OF STATESVILLE

RIDER CG-2

CUSTOMER GENERATION CREDIT RIDER

PAGE 2 of 6

June 1, 2006, by giving written notice to the other party at least sixty (60) days prior to any such termination date.

OPERATION OF CUSTOMER GENERATION

During the term of this Rider, the City shall have the exclusive right to call upon the Customer to operate the Customer Generation under the terms and conditions of this Rider.

City will notify Customer to operate the Customer Generation on certain Peak Management Days, defined as non-holiday weekdays during the months of June through September.

Peak Management Days exclude the Independence Day (July 4th) and Labor Day holidays. In the event that Independence Day falls on a Saturday, the preceding Friday shall be deemed to be the Holiday. In the event that Independence Day falls on a Sunday, the following Monday shall be deemed to be the Holiday.

Upon notification by the City of a Peak Management Day, Customer will operate Customer Generation from 2:00 PM through 6:00 PM local time, defined as the On-Peak Period. Customer will operate Customer Generation at maximum available output, not to exceed the Generator Rating(s) set forth on Exhibit A attached hereto. The Customer shall not be required to operate the Customer Generation more than 200 hours per year.

NOTIFICATION PROCESS

Notification by the City to operate Customer Generation on a Peak Management Day will be provided to the Customer by direct telephone communications or automatic signal, as mutually agreed. The City will use diligent efforts to provide advance notice to the Customer of Peak Management Days.

However, the City does not guarantee that advance notice will be provided. The Customer will indemnify and hold the City harmless against any and all claims that may be asserted against the City by third parties that arise from or are in any manner related to the Customer's response to a notification provided by the City hereunder.

COSTS OF CUSTOMER GENERATION

The Customer shall be responsible for all costs associated with owning, operating, maintaining, making capital additions to, and removing from service the Customer Generation, including, but not limited to, all costs of materials, fuel, fuel storage, manpower, spare parts, and equipment for the Customer Generation.

CITY OF STATESVILLE

RIDER CG-2

CUSTOMER GENERATION CREDIT RIDER

PAGE 3 of 6

DETERMINATION OF PEAK DAY CUSTOMER GENERATION OUTPUT

Each month, City will identify the one Peak Management Day on which NCMPA1 experienced the highest average load during the On-Peak Period (i.e., the basis for demand charges to the City under the NCMPA1 Wholesale Rate). The Peak Day Customer Generation Output shall be the average of the integrated clock hour kW outputs of the Customer Generation metered during the hours of the OnPeak period for the identified Peak Management Day. Peak Day Customer Generation Output shall be net of output used by auxiliaries of Customer Generation. Peak Day Customer Generation Output will be determined only for the months of June through September.

DETERMINATION OF CUSTOMER ON-PEAK DEMAND

Each month, City will also determine the Customer On-Peak Demand. The Customer On-Peak Demand shall be the average of the integrated clock hour kW demands measured during the hours of the On-Peak Period for the identified Peak Management Day described above. Customer On-Peak Demand will be determined only for the months of June through September.

DETERMINATION OF MONTHLY CUSTOMER GENERATION CREDIT

The Monthly Customer Generation Credit shall be computed and applied to the Customer's monthly electric bill for the months of June through September only. The Monthly Customer Generation Credit shall be computed as follows:

Monthly Customer Generation Credit (\$) = (a) * (b). Where,
(a) is the lesser of:
 (i) Customer Generation Output (kW); or,
 (ii) Customer On-Peak Demand (kW); and,
(b) is the Customer Generation Credit Rate (\$/kW-month)

MONTHLY CUSTOMER GENERATION CREDIT RATE

June through September	\$11. 32 <u>48</u> /kW-month
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City may revise the Customer Generation Credit Rate that will be applicable for the one-year term beginning on June 1, 2006, and for any subsequent one-year terms to reflect changes in City's demand charges under the NCMPA1 Wholesale Rate.

CITY OF STATESVILLE

RIDER CG-2

CUSTOMER GENERATION CREDIT RIDER

PAGE 4 of 6

PROTECTION OF SYSTEMS

The Customer shall provide, install, maintain, and operate protective equipment, switching, voltage control, load shedding, and other facilities necessitated by the Customer Generation and take or refrain from taking action related to the Customer Generation as shall be required in order to meet the City's reasonable requirements to assure continuity and adequacy of service, stability of the interconnected facilities of City's distribution facilities, and safety procedures. Customer shall comply with any facility connection requirements or operation procedures specified by the City.

RESPONSIBILITY FOR METERING OF CUSTOMER GENERATION OUTPUT

City will install, or cause to be installed, and own the metering and associated metering equipment, communication equipment, and/or telemetry equipment required for measuring the kW output of the Customer Generation. Customer will pay an up-front fee to cover the costs related to the purchase, installation, ownership, operation, maintenance, or leasing of such equipment. The metering, communications, and telemetry equipment shall meet functional specifications required by City. Customer will provide City a schematic for all existing facilities connected to the Customer Generation and of the Customer Generation itself. City will cooperate with Customer to revise the schematic for the planned initial connection of the metering, communications, and telemetry equipment and for all modifications planned subsequently.

Customer shall provide City with access to the metering, communications, and telemetry equipment for the Customer generation as requested by City.

Where appropriate to obtain meter readings, Customer shall have the right to install, maintain, and use similar duplicative metering, communication, and telemetry as check meters.

Upon request of Customer, City shall provide Customer with copies of hourly data for the kW output levels of the Customer Generation and, upon reasonable prior notice of Customer, City shall provide Customer with copies of any other data, information or reports that City acquires from or produces by the metering equipment or the check metering equipment.

In the event the metering equipment is inoperative due to equipment failure, the performance of necessary maintenance, or otherwise, readings from check metering equipment, if available, shall be used, provided such check metering is functioning properly. In the absence of meter data and data from station operating logs, City shall estimate the required data in the manner it deems reasonable.

CITY OF STATESVILLE

RIDER CG-2

CUSTOMER GENERATION CREDIT RIDER

PAGE 5 of 6

City and Customer shall coordinate the maintenance of metering, communication, and telemetry equipment and shall endeavor to minimize adverse effects of such maintenance on the operation of Customer Generation and on the accounting for output of Customer Generation.

~~CITY OF STATESVILLE~~

~~RIDER CG-2~~

~~CUSTOMER GENERATION CREDIT RIDER~~

~~PAGE 5 of 6~~

ADOPTED

The rider was established by City of Statesville Resolution Number 13-05, which was adopted on June 20, 2005. This rider was amended by ordinance No. ~~30-18xx-xx~~ on August ~~6, 2018~~05, 2019 and is effective on applicable bills rendered on or after September 1, ~~2018~~2019.

CITY OF STATESVILLE

RIDER CG-2

CUSTOMER GENERATION CREDIT RIDER

PAGE 6 of 6

EXHIBIT A

DESCRIPTION OF CUSTOMER GENERATION

CUSTOMER NAME:

FACILITY NAME

FACILITY CONTACT PERSON:

FACILITY LOCATION:

TYPE OF GENERATOR:

NUMBER OF UNITS

GENERATOR(S) RATING (kW)

GENERATOR MANUFACTURER:

GENERATOR VOLTAGE:

INSTALLATION DATE:

CITY OF STATESVILLE

ELECTRIC RATE RIDER REPS

RENEWABLE ENERGY PORTFOLIO STANDARDS (REPS) CHARGE

Page 1 of 2

APPLICABILITY

The Renewable Energy Portfolio Standards Charge set forth in this Rider is applicable to all customer accounts receiving electric service from the City of Statesville, except as provided below. These charges are collected for the expressed purpose of enabling the City to meet its Renewable Energy Portfolio Standards compliance obligations as required by the North Carolina General Assembly in its Senate Bill 3 ratified on August 2, 2007.

BILLING

Monthly electric charges for each customer account computed under the City's applicable electric rate schedule will be increased by an amount determined by the table below:

MONTHLY CHARGES			
CUSTOMER	RENEWABLE RESOURCES	DSM/ENERGY EFFICIENCY	TOTAL REPS CHARGE
Residential	\$0.72	\$0.00	\$0.72
Commercial	\$3.93	\$0.00	\$3.93
Industrial	\$40.51	\$0.00	\$40.51

EXCEPTIONS

Industrial and Commercial Customer Opt-out - All industrial customers, regardless of size, and large commercial customers with usage greater than one million kWh's per year can elect not to participate in City's demand-side management and energy efficiency measures in favor of its own implemented demand-side management and energy efficiency measures by giving appropriate written notice to the City.

CITY OF STATESVILLE

ELECTRIC RATE RIDER REPS

RENEWABLE ENERGY PORTFOLIO STANDARDS (REPS) CHARGE

Page 2 of 2

LOW USAGE ACCOUNTS

The following service schedules will not be considered accounts because of the low energy use associated with them and the near certainty that customers served under these schedules already will pay a per account charge under another residential, commercial or industrial service schedule:

- Schedule OL – Outdoor Lighting Service (unmetered)

SALES TAX

To the above charges will be added any applicable North Carolina Sales Tax.

ADOPTED

This rider was adopted by Ordinance No. 08-14 on June 2, 2014. This rider was amended by Ordinance No. xx-xx on August 05, 2019 and is effective for bills rendered on or after September 1, 2019.

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: David Currier, Planning Director
DATE: July 24, 2019

ACTION NEEDED ON: August 5, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Conduct a public hearing and consider approving site plan (Quasi-Judicial) P19-07 for the development of a Fairfield Inn Hotel located at 1243 Tonewood Street, Tax Map 4745-35-1049.

Summary of Information:

The site is located north of Interstate 40 and is bounded by Tonewood Street to the east, Sunset Hill Road to the north and Pump Station Road to the west (See GIS Map). The property is undeveloped and is approximately 3.11 acres in size and zoned B-5 (General Business) District. The submitted site-plan calls for the development of a Fairfield Inn hotel. The site will have a right in/right out access point on Tonewood Street and a full vehicular access point on Pump Station Road.

New construction in the B-3, B-4 or B-5 zoning districts is required to get Planning Board and Council approval. The site is located in the City of Statesville's Extraterritorial Jurisdiction and will have to be annexed into the City Limit prior to the issuance of the certificate of occupancy in order to be served by city utilities. The building is proposed to be 14,221sf and have 94 hotel rooms. Both the setback and Landscape requirements are met. The site has 110 parking spaces which meets the requirement of 100 spaces. Sidewalk will be added along Tonewood Street and Sunset Hill Road per the Unified Development Ordinance. The applicant has asked for a waiver from Council to omit the sidewalk requirement along Pump Station Road. If the waiver is not granted the applicant will be required to pay a fee in lieu of or construct the sidewalk. The site contains a 20-foot easement for future greenway construction. The exterior walls will be constructed of an EFIS material, masonry and cement fiber (see elevation) which meets the aesthetic architectural requirements of the UDO.

The Technical Review Committee approved this request at its July 3rd meeting contingent upon the following:

- Label Storm Easements (Stormwater Control Access Easement)
- Having and Operations and Maintenance Agreement for stormwater approved and recorded
- Adding a traffic control sign for the right-in right-out on Tonewood Street

- Obtaining Council waiver for sidewalk along Pump Station Road or pay fee in lieu of or construct the sidewalk.
- Provide City staff with a copy of the driveway permit.
- Provide City staff with an encroachment agreement with DOT allowing street trees and sidewalk in the NCDOT Right-of-Way.
- Submitting an elevation certificate as the southern portion of the property is in the flood zone.

Previous Council or Relevant Actions: The Planning Board recommended to approve the site-plan with the above contingencies.

Budget/Funding Implications: The tax value of this property is \$630,710. The estimated value of the completed development is approximately \$9.5 million. Water and sewer at this location will be provided by the City, while electricity is in a customer choice area.

Department Recommendation: Staff recommends approving the site plan based on the contingencies listed above.

Manager Comments: Recommend for approval.

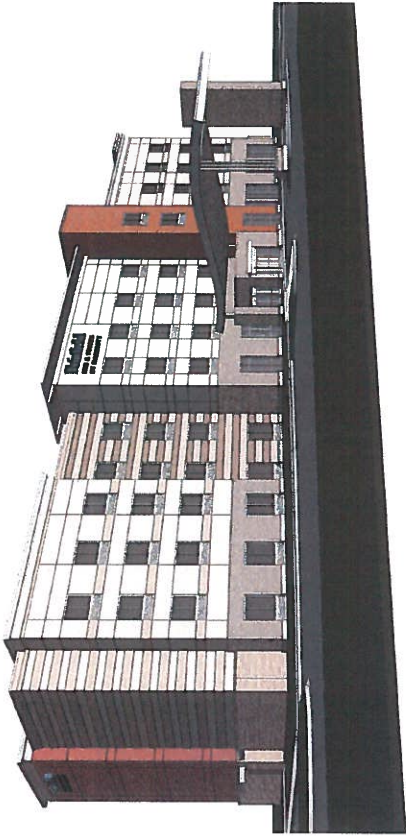
Attachments:

1. Aerial Photo
2. Site Plan
3. Elevations





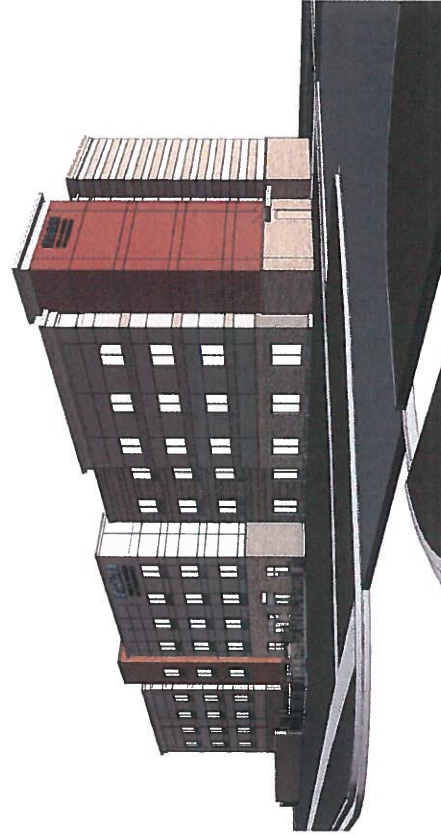
1 FRONT ELEVATION PERSPECTIVE 1
SCALE



2 FRONT ELEVATION PERSPECTIVE 2
SCALE



4 BACK ELEVATION PERSPECTIVE 2
SCALE



3 BACK ELEVATION PERSPECTIVE 1
SCALE

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: David Currier, Planning Director
DATE: July 24, 2019

ACTION NEEDED ON: August 5, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Conduct a public hearing and consider approving first reading of rezoning request ZC19-01 for the property located at 2530 Simonton Road; Tax Map 4755-34-0551 from B-5 (General Business) District to R-15 (Urban Fringe Low Density Residential) District

Summary of Information:

Rezoning Request

Ms. Glenda Bowman is requesting to rezone the property from B-5 (General Business) District to R-15 (Urban Fringe Low Density Residential) District. The property has always been used for single-family residential and a sale of the property is pending. The buyer is unable to have the property assessed for the purpose of obtaining a loan as the property is zoned B-5.

Evaluation

The property is approximately 0.85 acres. The property is in proximity to residential and commercial uses and is adjacent to R-15 zoned property. The 2005 Land Use Plan calls for this area to be mixed use which allows for a mixture of uses including residential.

The surrounding zoning districts and land uses are as follows:

<u>NORTH OF THE SITE:</u>	B-5; Single-family residential uses
<u>EAST OF THE SITE:</u>	R-15; Maple Leaf senior living home
<u>SOUTH OF THE SITE:</u>	R-15; Single-family residential uses, Martha's Ridge Subdivision
<u>WEST OF THE SITE:</u>	B-5; Statesville Ag & Turf

Staff Recommendation

Being that the land use plan calls for the property to be mixed use, there is a single-family home on the property and the property is adjacent to other residentially zoned properties, staff recommends approving the request. Also, if the owner wishes to zone the property to a commercial district in the future, they can again apply to rezone the property.

Planning Board Recommendation

The 2005 Land Use Plan shows this area as Mixed Use and single-family residential uses are

allowed in Mixed Use designations. R-15 is a single-family residential zoning district so Planning Board recommends approval of the request as it is consistent with the Land Use Plan.

Previous Council or Relevant Actions: None

Budget/Funding Implications: B-5 properties generate more tax revenue than R-15 properties so the tax revenue generated from this parcel will be less. The estimated land value would decrease from \$136,000 to approximately \$61,000.

Department Recommendation: The department recommends approving the rezoning request.

Manager Comments: Recommend for approval.

Attachments:

1. Council Consistency Statement
2. Planning Board Consistency Statement
3. Certification of Mailed Notices
4. Zoning Map
5. Aerial Photo
6. Rezoning Ordinance



To: Statesville City Council
From: David Currier, Planning Director
Date: August 5, 2019
Subject: Rezoning
Case: ZC19-01
Address: 2530 Simonton Rd

- 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 _____

- 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: David H. Currier, Planning Director



To: Statesville Planning Board
 From: Andrew Ventresca, Senior Planner
 Date: July 23, 2019 _____
 Subject: Rezoning
 Case: ZC19-01
 Address: 1243 Simonton Road

- 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 R-15 is consistent with the mixed use designation and also matches the zoning district of the adjacent properties. Not rezoning the property creates a hardship for the owner.
- 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 _____

7/24/19 Mark Tart
 Date: Mark Tart, Planning Board Chairman

7/24/19 Andrew Ventresca
 Date: Andrew Ventresca, Senior Planner



To City Council:

Subject: Certification Letter

Dear Council,

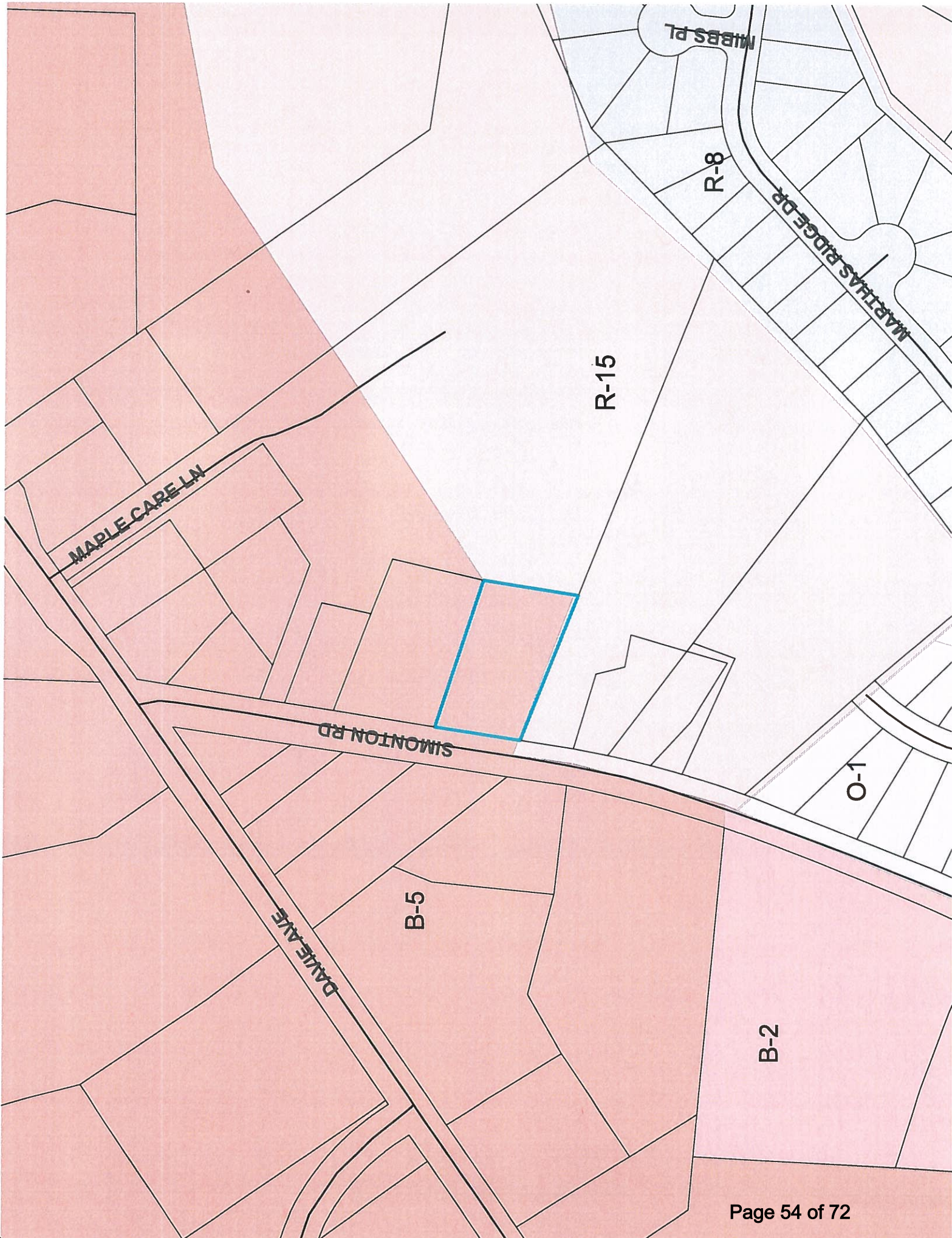
The purpose of this letter is to certify that the adjacent property owners of PIN 4755-34-0551 located at 2530 Simonton Road, case ZC19-01 were mailed notice of this rezoning request on July 9, 2019.

Thank you,

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

Andrew Ventresca

Senior Planner



R-15

R-8

MAPLE CARE LN

SIMONTON RD

DAYLE AVE

B-5

B-2

O-1

TIBBS PL

MARTHAS RIDGE DR

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF THE AFTER DESCRIBED PROPERTY FROM B-5 (GENERAL BUSINESS) DISTRICT TO R-15 (URBAN FRINGE LOW DENSITY RESIDENTIAL) DISTRICT

**ZC19-01 Glenda Bowman
2530 Simonton Road
PIN 4755-34-0551**

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 August 5, 2019 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 B-5 to the R-15; said notice having been published in the Statesville Record and Landmark, a newspaper having general circulation in this area on July 26, 2019 & August 2, 2019, 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 an existing iron pin in the eastern margin of SR 2322, northwest corner of J.W. Wallace; thence North 10 deg. 00 min. East 139.90 feet to an existing iron pin in the eastern margin of SR 2322, corner of Minnie Whitener; thence with Whitener’s line South 71 deg. 7 min. 30 sec. East 271.15 feet to an existing iron pin, corner of Whitener, in the line of W.O. Hollingsworth; thence with Hollingsworth’s line South 16 deg. 29 min. West 157.33 feet to an existing iron pin, corner of Hollingsworth, in the line of J.W. Wallace; thence with Wallace’s line North 66 deg. 53 min. 30 sec. West 256.83 feet to the beginning, all in accordance with a survey prepared by Gerald V. Grant, Registered Surveyor, on September 21, 1979. For back title see Deed Book 142, Page 636; Deed Book 1732, Page 270 and Deed Book 1689, Page 2014, Iredell County Registry: **2530 Simonton Road, Statesville, NC 28625**

This ordinance was introduced for first reading by Council member _____, seconded by Council member _____, and unanimously carried on the _____ day of _____, 2019.

Ayes:

Nays:

The second and final reading of this ordinance was heard on the _____ day of _____, 2019 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.

ATTEST:

CITY OF STATESVILLE

Brenda Fugett, City Clerk

Constantine H. Kutteh, Mayor

APPROVED AS TO FORM:

By: _____
Leah Gaines Messick, City Attorney

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Sherry Ashley, Assistant Planning Director
DATE: July 24, 2019

ACTION NEEDED ON: August 5, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Receive the REVISED bike and pedestrian estimate for US-21 widening (Project #U-5799) and consider approving a written request to accommodate bike and pedestrian facilities on US-21 for the scope of the project.

SUMMARY INFORMATION:

City Council approved a resolution requesting sidewalks and bike lanes be incorporated on both sides of the US-21 widening project from Pump Station Road to Fort Dobbs Road. NCDOT has provided an estimate of \$197,947.70 to accommodate the city's request. This figure includes new 5-foot sidewalks on both sides where they do not exist, along with 2 feet of additional berm to get to 12 feet to accommodate the widening for 4 ft. bike lanes on both sides. In anticipation of the city's share, city staff had estimated \$215,000.00. NCDOT's estimate of \$197,947.70 is lower by approximately \$17,052.30. In addition, \$23,401.00 fee in lieu of funds are available to contribute towards the cost. Therefore, staff recommends approving the written request to accommodate bike and pedestrian facilities on US 21. The total cost of the project is as follows:

Estimated Cost by NCDOT:	\$197,947.70
Fee in Lieu available	<u>-\$23,401.00</u>
	= <u>\$174,546.70±</u> (City 30% match)

Previous Council or Relevant Actions: At the July 15th Council meeting staff was asked to approach NCDOT about the width of the berm in an effort to realize a cost savings.

Staff contacted NCDOT regarding alternatives to the 12 ft. berm. The following are the options for consideration:

1. Per NCDOT, the sidewalks and bike lanes appear to be able to be accommodated within the 10 ft. berm. This is contingent upon no utility conflicts and a redesign fee. NCDOT will provide this information prior to the August 5th meeting, therefore Council could approve this option with anticipated reduced costs, or
2. Approve the original request as presented, or
3. Eliminate the pedestrian and bicycle facilities.

Budget/Funding Implications: Budget funds in projected construction year, June 2021 and authorize use of \$23,401.70 fee in lieu of funds towards the project.

Department Recommendation: Approve written request to accommodate bike and pedestrian facilities on US-21

Manager Comments: Recommend for approval of Option #1, understanding there are contingencies.

Attachment(s):

Revised:

1. Previous cost estimate from NCDOT.
2. Draft written request to accommodate bike and pedestrian facilities.
3. Revised cost estimate from NCDOT forthcoming prior to August 5, 2019.

TABLE 1 – COST SHARE DETAILS

Description	Amount (\$)	Cost Share Ratio (%NCDOT/%City of Statesville)	NCDOT Share (\$)	City of Statesville Share (\$)
Construction Costs				
New 5-foot Sidewalk	\$251,559.00	70/30	\$176,091.30	\$75,467.70
2-foot of Additional Berm Width for Sidewalk	\$17,325.00	0/100	\$0.00	\$17,325.00
Right of Way Costs				
10-foot berm	\$14,468,066.00	100/0	\$14,468,066.00	\$0.00
Additional cost for 12-foot berm	\$105,155.00	0/100 *NOTE* City of Statesville is responsible for 100% of the difference between the 10' and 12' berm right of way costs	\$0.00	\$105,155.00
TOTAL for 5' sidewalk w/12' berm:				\$197,947.70

"Draft"

Date

Ms. Beverly G. Robinson
NC Department of Transportation
Project Management Unit
1595 Mail Service Center
Raleigh, NC 27699-1595

RE: Letter of Support for Pedestrian/Bicycle Facilities for US 21 (Turnersburg Highway) widening, STIP Project #U-5799

Dear Ms. Robinson,

The City of Statesville has received the cost sharing details for Pedestrian and Bicycle facilities as part of the widening of US 21 in your letter dated April 29, 2019. Please accept this letter as confirmation that the City of Statesville desires to accommodate both pedestrians and cyclists as part of the US 21 (Turnersburg Highway) widening project.

*Amend per decision

It is our understanding that the city is responsible for 30% cost share for the sidewalks and 100% for the additional 2 ft. berm right-of-way in the amount of \$197,947.70 as estimated in the Cost Share details of your letter dated April 29, 2019.

The City of Statesville is aware that the local funding will be due when the project is authorized by NCDOT for construction in June of 2021 and is subject to additional requirements to be described in a Municipal Agreement with NCDOT. The City of Statesville also confirms that the city will be responsible for the maintenance of the sidewalk.

Sincerely,

Constantine H. Kutteh, Mayor
City of Statesville

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Scott Harrell, Exec Dir of Public Works / City Engineer
DATE: July 24, 2019

ACTION NEEDED ON: August 05, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving a request for a water service connection for a parcel off Bakery Lane.

Summary of Information:

Staff has received a request from Piedmont Landco, LLC (Mr. Howard Bryan) for a water service connection for a parcel located on an unopened portion of Bakery Lane, approximately 100 ft. south of 2nd St.

The parcel is in the City's ETJ and is zoned B-4. The surrounding properties are also zoned B-4 and are currently residential. Mr. Bryan does not have a specific development plan for the parcel but intends to build a construction office or similar structure. Any development plan will be subject to review and approval by TRC, Planning Board, and by the City Council.

Mr. Bryan proposes to access the parcel by constructing a driveway through the Bakery Ln right-of-way. If water service is approved, he will install the water service line parallel to the driveway. He is requesting a waiver from the UDO requirement for connection to the City's sanitary sewer system (Section 8.04.A), since City sewer is not available at the site.

Mr. Bryan has indicated that if voluntary annexation is required as a condition of the water service connection, he will install a well instead.

Previous Council or Relevant Actions: There has been no recent Council action regarding this parcel. Mr. Bryan submitted a bid to purchase the adjacent parcel from the City in July 2018. An upset bid was received from Mr. David Triventi; Mr. Bryan made a counteroffer and Council approved the sale to Mr. Bryan in August 2018.

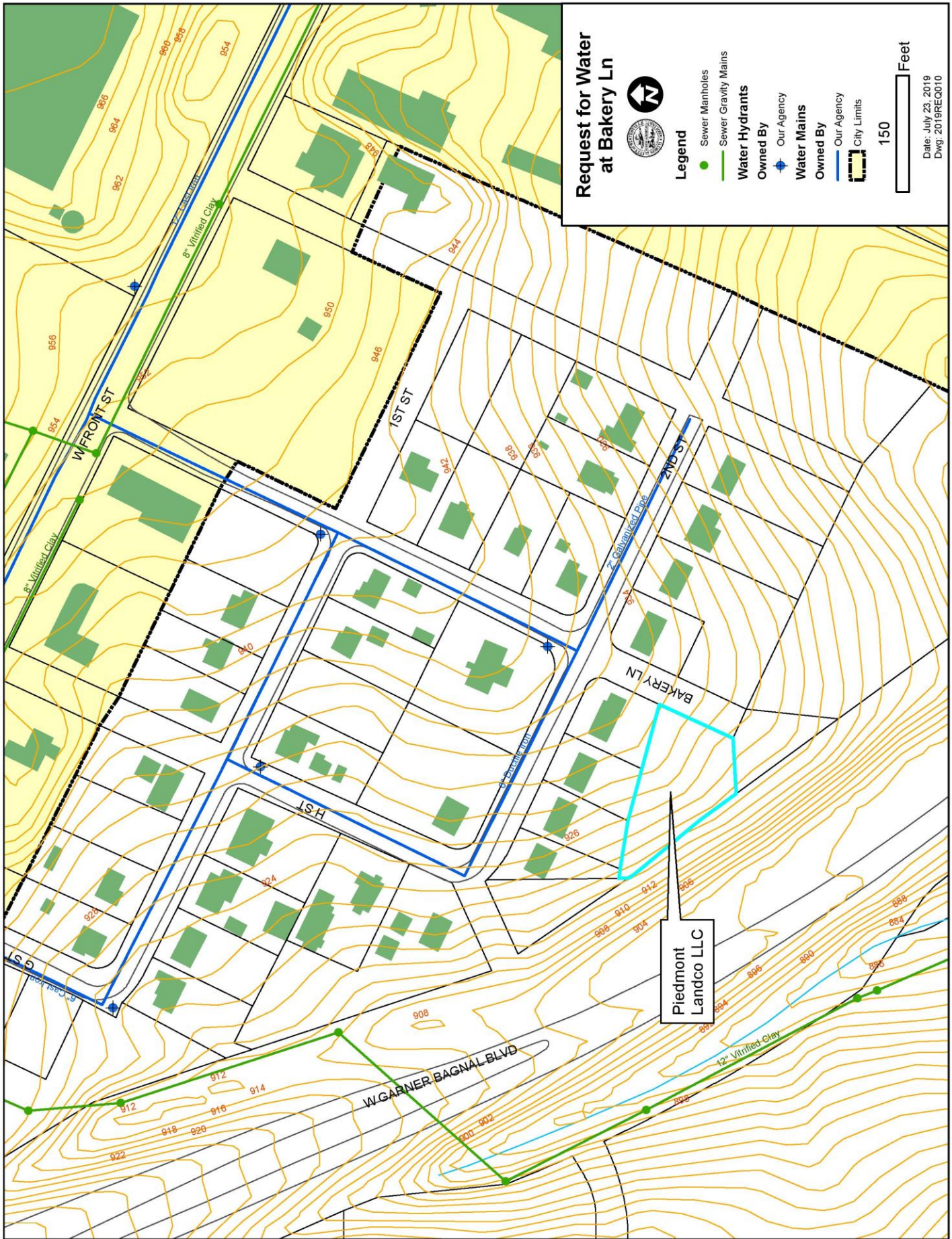
Budget/Funding Implications: The current tax value of the parcel is \$12,600. According to Mr. Bryan, the anticipated value of the proposed building is \$55,000.

Department Recommendation:

1. Approve a water service connection subject to inside rates and System Development Fees, contingent on the applicant submitting a petition for voluntary annexation.
2. Waive the requirement for commercial properties to connect to the City's sanitary sewer system, since such a connection is not economically practical for this parcel.

Manager Comments: I am in agreement with staff concerning the annexation issue.

Attachments: Location Map



CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Derek Slocum, Public Works Director
DATE: July 18, 2019

ACTION NEEDED ON: August 05, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approving the purchase of four garbage collection trucks, one Curotto Can and Budget Amendment #2.

Summary of Information:

Under G.S. 143-129(e)(3), local governments may make purchases from suppliers who are selected through a group purchasing program that is a “formally organized program that offers competitively obtained purchasing services at discount prices to two or more public agencies.” The City of Statesville has a membership with the Heil/Sourcwell Contract (formerly National Joint Powers Alliance), a group purchasing program that meets the statute’s requirements.

Staff has obtained a quote from Carolina Environmental Systems, Inc. (Kernersville, NC) for the following waste collection trucks:

Requesting Department: Public Works-Sanitation	<u>Anticipated Delivery</u>	
<u>Description</u>		
1-Heil PT 1000, 20 CY, Rear Loading on 2020 Freightliner truck	\$155,985	August
2-Heil Dura Pack 5000, 25 CY Rear Loading on 2020 Freightliner Truck	\$359,358	September
1-Heil Half Pack Odyssey Residential 40 CY Auto-Front Loader on a 2020 Mack truck	\$346,986	7-10 days
1-Heil Curotto-Can Automated Carry Can	<u>\$ 32,982</u>	30-45 days
Total	\$895,311	

Tag, title, and road tax fees are: \$8,044
Contract Cost: \$903,355

The curotto-can is the mechanism on the front of the automated trucks that grabs and empties the garbage and recycling carts. On the recommendation of the City’s fleet manager, purchasing an additional curotto-can will allow staff to service these units while keeping trucks in operation.

Previous Council or Relevant Actions: At the July 15th City Council meeting staff was directed to bring a recommendation to Council to purchase Sanitation equipment. This was the result of a review of privatizing sanitation services, which began through the budget process. Some funds (\$400,000 for two vehicles) had been allocated within the FY2020 budget, and the Council deferred a decision on the remaining trucks and funding until that analysis took place.

Budget/Funding Implications: Overall purchase request is \$903,355. In May, the proposed FY 2019-20 budget for these 4 trucks was \$937,400.

Department Recommendation: Early in the budget process the City's fleet manager advised that seven sanitation trucks be replaced in this budget year; staff believes this is a good first step in returning this division's equipment status to a predictable and dependable level. Staff recommends approval of this purchase.

Manager Comments: The amount over \$400,000 that was allocated in this budget year is proposed to be allocated from fund balance. This will allow the City to move forward with this purchase without carrying debt into next year and beyond. We have additional sanitation equipment/vehicle needs next year that should be mostly within our reach to fund. Recommend for approval.

Attachments:

1. Budget Amendment #2

CITY OF STATESVILLE
BUDGET AMENDMENT #2
August 5, 2019
 FISCAL YEAR 2019-2020

FUND / ACCOUNT #	ACCOUNT TYPE	DESCRIPTION	CURRENT BUDGET	CHANGE (+ / -)	AMENDED BUDGET
General Fund					
010.0000.399.00.00	Revenue	Appropriated Fund Balance	-	538,000	538,000
Total Revenues			<u>-</u>	<u>538,000</u>	<u>538,000</u>
General Fund					
010.6600.01.00	Expenditure	Contingency	1,134,476	(400,000)	734,476
010.5580.74.00	Expenditure	Sanitation - C/O Equipment	-	938,000	938,000
Total Expenditures			<u>1,134,476</u>	<u>538,000</u>	<u>1,672,476</u>

DESCRIPTION: To fund Sanitation capital purchases using contingency and appropriated fund balance

 Budget Officer

 Finance Director

APPROVED BY CITY COUNCIL:

 City Clerk

CITY COUNCIL ACTION REQUEST

TO: City Council
FROM: Ron Smith, City Manager
DATE: July 29, 2019

ACTION NEEDED ON: August 05, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Councilman Stafford has asked to review with Council the Electric Utilities' policy of requiring electrical inspections on buildings that have had no City electric service for more than six months prior to power being restored.

Summary of Information:

In 2017, John Maclaga, Larry Pressley, and Lynn Smyth discussed interpretation of an Electric Utility policy concerning properties with no electric service for more than six months. The group, at that time, agreed that after six months of inactive service, a building needs to be inspected (by County Building Standards for residential properties or the City's Fire Marshall for commercial) before the City reconnects it, or an inspection can be required any time a City worker believes there may be a safety issue to any party.

The original policy was likely written when the City had its own inspections group. It is possible the City wasn't charging for electric-service-only safety inspections years ago in contrast with the \$75 residential property electrical safety inspection cost Iredell County charges in 2019.

The existing language that says inspections are necessary reads:

Minimum Wiring Requirements

The Customer must meet all federal, state, and local requirements for wiring including the National Electric Safety Code, other codes and safety standards, prior to connection to the City's utility system. A certificate of occupancy will be required before service is begun.

Temporary service on a premise may be available provided the service is for a fixed time period and approved by the Director of Electric Utilities and the appropriate office of inspections.

John Maclaga spoke with Lynn again, and she believes his interpretation is also good from a Risk Management standpoint as it shows internal controls the City has regarding energization of services. The two-part nature of the policy addresses things the City can see from the outside

(employee decision to ask for an inspection) and things that are possibly inside the structure (inactivity duration).

Chief Lee also agrees that inspections are a good idea after a period of inactivity from a fire safety perspective. The City's Fire Marshall can inspect commercial and industrial buildings after inactivity and presently does not charge for such inspections but does not have jurisdiction to inspect residential properties.

Other Utilities: Rocky Mount requires inspection after six month's inactivity; Concord and Gastonia after a year, Washington NC after 60 days. Duke and EnergyUnited require inspections only when their field crews want them performed because they believe something may cause harm (those cities mentioned previously also require inspections if there is an employee suspicion that energizing the meter base could cause harm).

Previous Council or Relevant Actions: None known.

Budget/Funding Implications: None known.

Department Recommendation: This is part of a larger issue that is being addressed by several department heads—that the Services Policy Manual needs revisions and updates—including an update on this issue. Although the draft review of the Services Policy Manual is not completed, the present draft eliminates obsolete, wordy, vague, and unnecessary information.

As to the issue of inspections after a duration of inactive electric service, John Maclaga recommends revising the language to be more specific than the existing policy but suggests rules for inspections after six months' inactivity or an employee judgment call for an inspection prior to reconnection.

Manager Comments: I have spoken with Lynn Niblock, and he is neutral on this issue. Most times, there are no issues found by County inspectors. However, one problem found could offset potentially significant damage to a building.

I would recommend we study this issue through the bigger review process of the Services Policy Manual.

City of Statesville Planning Board Meeting Minutes
City Hall 3rd Floor Conference Room
May 28, 2019

The Statesville Planning Board met on May 28, 2019 at 7:00 p.m. in the City Hall 3rd Floor Conference Room, 227 South Center Street, Statesville, N.C.

Members Present: Tart, Williams, Daniel, Rosenfeld, Robertson, Lange, Walker

Members Absent: Long, Reid

Council Present: 0

Staff Present: Andrew Ventresca-Senior Planner, Brenda Fugett-City Clerk

Visitors: 1

Media: 0

Welcome

Chairman Mark Tart called the meeting to order and asked for a motion to approve the March 26, 2019 meeting minutes.

Daniel made a motion to approve the March 26, 2019 meeting minutes as presented, seconded by Rosenfeld. The Motion carried unanimously.

P19-06 Site Plan Review: The Residence at Northgate Multi-Family Apartment located at 1831 Old Wilkesboro Road, PIN 4735-24-2817.

Andrew Ventresca gave the following Staff Report:

Background Information

A rezoning request for this development was heard by the Planning Board in February 2014 and approved by Council in March 2014 to rezone the property to R-5MF (Conditional Use) for an apartment complex. The conditions approved for this rezoning request were; the number of residential units shall not exceed 84 with at least 80% of the units housing population aged 55 and older (considered elderly), the petitioner will request all City of Statesville utilities. The site is currently in the process of being annexed into the City.

Request

The proposed development is located on the south side of Old Wilkesboro Road at its intersection with Bradley Farm Road. Residence Housing Associates, LLC is requesting site-plan approval for the development. The site is one parcel and is approximately 7.5 acres in size. The plan indicates that the complex will contain 80 apartment units in one L-shaped building. The development will have one entrance off Old Wilkesboro Road. The site will have 108 parking spaces which meets the code requirement of 80 for elderly multi-family residential development. All landscaping requirements are met. One, two- and three-bedroom units will be included in the development. The requirement of ten percent active open space for multi-family developments is met with a walking trail and open space to the east of the building along with a proposed gazebo. Sidewalk is shown on the plan and will be provided along the road frontage of the property on both Old

Wilkesboro Road and Bradley Farm Road along with curb and gutter. The elevation of the buildings is going to be of vinyl and brick veneer materials. Multi-Family plans require Technical Review Committee (TRC), Planning Board and City Council approval. The TRC reviewed and approved the plan on April 17, 2019.

In response to a question from Chairman Tart, Ventresca explained that the stub out road can be used as a second entrance and will be built to the end of the property line.

Rosenfeld expressed concern that there are only five handicap parking spots out of one-hundred spots. He felt this number is woefully inadequate and several more are needed since this development is for 55+ residents. Ventresca stated that the NC Building Code determines the number of spaces required and the Iredell County Building Inspectors enforce it.

Chairman Tart declared the courtesy public hearing open.

James Pressley, the project sponsor, stated that the parking requirements are governed by the NC Building Code, and he will confirm what the correct number of handicap parking spaces are.

Responding to questions from board members, Pressley advised that the rent amounts are income based and will range from \$450 per month to \$900 per month. An Apartment Manager will be living on site.

Walker and Daniel both agreed with Rosenfeld's concern for the number of handicap parking spaces.

There being no other speakers, Chairman Tart declared the courtesy public hearing closed.

Lange made a motion to approve Site Plan P19-06 with the understanding that the site plan meets NC Building Code regarding the number of required handicap parking spaces, seconded by Robertson. The motion carried unanimously.

Courtesy Hearing and Consideration of Text Amendment #TA19-03, filed by The City of Statesville to amend the Unified Development Code, Article 6, Section 6.07, J. Signs for Churches, Schools and Daycare Centers.

Ventresca stated that the purpose for this amendment is to allow changeable copy LED signs for churches, schools and daycare centers. Currently churches, schools and daycare are not permitted to have changeable copy LED signs. The Planning Department has received multiple requests to allow for this type of signs. After review, the Department has determined that many other jurisdictions allow for the changeable copy LED signs. The text is shown below for your review. The new language is underlined and highlighted.

Article 6 Development Regulations, Section 6.07 Sign Regulations, J. Churches, Schools and Daycare Centers is amended by adding a new letter J. as follows and renumbering the sign regulations uses:

J. Churches, Schools and Daycare Centers

Churches, Schools and Daycare Centers are permitted to have changeable copy LED free standing signs in all zoning districts except for the CB and CBP zoning district with the following regulations.

1. The changeable copy portion of the sign can be no larger than 30% of the total area of the permitted free-standing sign, the sign cannot be a flashing, fluttering or a rotating sign;
2. The text on the changeable copy area cannot change more than once every 30 seconds. There may be no scrolling of messages from left to right or top to bottom;
3. No sign may be illuminated beyond 0.5 foot-candles at the property line;
4. Sign must be manufactured to lessen the brightness level at night.

Rosenfeld asked that “church” be changed to “houses of worship” Ventresca stated he will make the changed.

Board members discussed if the amendment is broad enough.

Lange made a motion to approve with the amendment to change “church” to “houses of worship”, seconded by Walker. The motion carried unanimously.

City Council Update Reports

Ventresca gave updates on items that have been reviewed by the Planning Board then went to City Council.

Other Business

No Other Business.

There being no further business, Rosenfeld made a motion to adjourn, seconded by Walker. The motion carried unanimously.

**City of Statesville Called Planning Board Meeting Minutes
City Hall 3rd Floor Conference Room
June 10, 2019**

The Statesville Planning Board met on June 10, 2019 at 7:00 p.m. in the City Hall 3rd Floor Conference Room, 227 South Center Street, Statesville, N.C.

Members Present: Williams, Daniel, Rosenfeld, Robertson, Lange

Members Absent: Tart, Long, Walker, Reid

Council Present: William Morgan

Staff Present: Andrew Ventresca-Senior Planner, Brenda Fugett-City Clerk, April Nesbit-Deputy City Clerk, Nancy Davis-Public Relations Director

Visitors: 0

Media: Megan Suggs

Andrew Ventresca called the meeting to order and advised the board that a motion needs to be made to appoint an Acting Chairman since both the Chair and Vice-Chair are absent.

Robertson made a motion to appoint Todd Lange as Chairman, seconded by Williams. The motion carried unanimously.

TA19-04 Filed by the City of Statesville to Amend Article 6 Development Standards, Section 6.07 Sign Regulations, I. Exempt Signs, 3. Flags regarding size of flags permitted in the B-4 and B-5 Districts.

Ventresca stated that the purpose of this text amendment is to allow businesses to erect flags larger than the current size allowed in the code in commercial districts along interstate highways. The only thing changing is the allowed size of a flag. The language to be removed is shown as strikethrough and the new language is underlined and highlighted below:

Section 6.07 Sign Regulations be amended as follows:

- Amend Section 6.07 Sign Regulations, I. Exempt Signs as follows:

3. Flags

Flags as defined above shall not be included in the total allowable signage of a lot along with schools and the CB, CBP and Municipal Service Districts.

Schools are permitted to erect flags that represent “welcome, school name, mascot or similar subject matter”. Each school flag cannot exceed 4 ft. x 6 ft. in area. The total number of flags permitted is as follows:

0-5 acres - 2

5-10 acres - 4
10-20 acres - 6
20 + acres - 8

Businesses in the CB, CBP and Municipal Service Districts are permitted to erect flags that represent “open, welcome, sale, or decorative without advertisement”. Such flag cannot exceed 3 ft. x 5 ft. and is limited to one per business. There must be at least 7 feet of clearance from the bottom of the flag and it cannot project more than 6 feet from the building. If an “open” flag is erected, then no other open sign is permitted.

Advertising events or products on such flags is prohibited. Except in the B-4 or B-5 Districts, heights of flagpoles are limited to 40 feet and the maximum size of any governmental flag cannot exceed 8 feet by 12 feet. If located in the B-4 or B-5 District and on a property with 100 feet or more of frontage on an Interstate Highway right-of-way, heights of flagpoles can be a maximum of 130 feet and the maximum size of the flag cannot exceed 25 feet by 40 feet 40 feet by 80 feet and only one per site is permitted. Flagpole plans must have an engineer’s seal for stress load and wind shear.

In response to a request from Lange, Ventresca described what dimensions are allowed by other municipalities, the history of this particular flag ordinance, and what the city’s rationale was behind limiting the size of flags that could be flown.

Rosenfeld asked if the Gander pole has been engineered to fly this size flag. Ventresca replied that the city required them to provide the city with an Engineer Sealed flagpole plan certified to fly a 25 x 40 flag. He does not know if their pole is engineered to fly a 40 x 80 flag, but he will check on it.

Lange recommended that staff incorporate specific language in the ordinance regarding pole strength and adopt the United States Flag Code.

Lange stated that he would like the board to also recommend to City Council that the city should enforce the fines that have been levied against Gander for violating the code and flying a larger than allowed flag.

Lange declared the courtesy public hearing open and asked if anyone present wished to speak in favor or in opposition to this item. There being no speakers, Lange declared the courtesy public hearing closed.

Rosenfeld made a motion to recommend approval to City Council of TA19-04 and to include that an engineer’s seal be required for pole stress load and wind shear and the United States flag Code. Robertson seconded the motion. The motion carried unanimously.

There being no further business, Daniel made a motion to adjourn, seconded by Rosenfeld. The motion carried unanimously.