

STATESVILLE CITY COUNCIL MEETING AGENDA

MAY 4, 2020

**City Hall - 227 S. Center Street, Statesville, NC
Closed Session Meeting – 6:00 p.m. Council Chambers
Regular Meeting – 7:00 p.m. Council Chambers**

- I Call to Order**
- II Invocation**
- III Pledge of Allegiance**
- IV Adoption of the Agenda**
- 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 April 20, 2020 Council Meeting minutes. *Pg. 3***
 - B. Consider approving a Tolling Agreement with the United States Corps of Engineers (USACE) to be attached to a USACE Environmental Permit Application in relation to the Runway Safety Area Extension Project. *(Ferguson) Pg. 6***
 - C. Consider approving Budget Amendment #2020-18, #2020-19, #2020-20 to bring Fund 505- Airport Improvement Fund to current actual. *(Tucker) Pg. 13***
 - D. Receive the Statesville Convention and Visitors Bureau’s Quarterly Financial Report for the quarter ended December 31, 2019. *(Tucker) Pg. 20***
 - E. Consider approving the audit contract for fiscal year ending June 30, 2020 with Martin Starnes & Associates, CPA’s, P.A. *(Tucker) Pg. 22***

REGULAR AGENDA

- VI National Nurses Week Proclamation. *(Mayor Kutteh) Pg. 32***
- VII Continue the public hearing from the March 16, 2020 City Council meeting and consider approving the first reading of an ordinance to annex the properties located adjacent to 110 Vance PO Road. *(Ashley) Pg. 33***
- VIII Continue the public hearing from the March 16, 2020 City Council meeting and consider approving the first reading of Rezoning Request ZC20-01 for the properties located adjacent to 110 Vance PO Road; Tax Maps 4765-32-5949 & 4765-33-7215 IC-CB (Iredell County Community Business) to R-8MF (Medium-Density Multi-Family Residential Conditional Use) District. *(Ashley) Pg. 40***

- IX Consider amending a portion of the Special Events Ordinance (Chpt. 20, Article V, Sec. 20-148) to give more organizations the ability to sponsor events on city property that involve the distribution of alcohol, and streamline the special events permitting process. (Smith) Pg. 54**
- X Consider authorizing funding for easement acquisition for the water main extension to serve Larkin Commerce Park and approving Budget Amendment No. 2020-22. (Harrell) Pg. 59**
- XI Receive the Fiscal Year 2020-2021 Manager’s recommended budget from the City Manager and staff, and set a public hearing on the budget for May 18, 2020 at 7:00 PM. Consider setting Board workshop sessions. (Smith) Pg. 61**
- XII Other Business**
- XIII Closed Session**
- XIV Adjournment**

**MINUTE BOOK 29, PAGE 073
STATESVILLE CITY COUNCIL MEETING – APRIL 20, 2020
CITY HALL – COUNCIL CHAMBERS, STATESVILLE, NC – 7:00 P.M.**

Council Present: Mayor Constantine H. Kutteh presiding, J. Johnson, Morgan, Staford, Jones, Foster, S. Johnson, Allison, Lawton via phone

Council Absent: 0

Staff Present: R. Smith, Fugett, Davis, Nesbit

Media: 0

Others: 0

I Call to Order

Mayor Kutteh called the meeting to order.

II Invocation

Mayor Kutteh asked for a moment of silence.

III Pledge of Allegiance

Mayor Kutteh led the Pledge of Allegiance.

IV Adoption of the Agenda

Mayor Kutteh announced that Item B on the Consent Agenda has been removed.

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

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

V Public Comment

No speakers.

VI 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. Mayor Kutteh reviewed the following Consent Agenda.

A. Consider approving the March 02, 2020 Pre-Agenda and Council meeting minutes, and the March 16, 2020 Council meeting minutes.

~~**B. Consider approving two additional School Resource Officer positions for Iredell-Statesville Schools and approve Budget Amendment #21. (Addison)**~~

C. Consider approving Work Authorization #12 for Engineering Consulting Services by Parish and Partners for the Runway 10-28 Safety Enhancements

Project-Supplemental Environmental Assessment at the Statesville Regional Airport in the amount of \$85,288.00, a State Grant in the amount of \$76,759.00 representing 90% of the costs, and Budget Amendment #14. (Ferguson)

Mayor Kutteh asked if any Council member wanted to move any items from the Consent Agenda to the Regular Agenda. Hearing none, he asked for a motion to approve the Consent Agenda.

Council member J. Johnson made a motion to approve, seconded by Council member Morgan.

REGULAR AGENDA

- VII Consider a motion to Continue the public hearing for the first reading of Annexation request AX20-01, an ordinance to annex the properties located adjacent to 110 Vance PO Road, PINs 4765-32-5949 & 4765-33-7215 until the May 04, 2020 City Council meeting. (Ashley)**

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Council member S. Johnson made a motion to continue the public hearing for the first reading of Annexation request AX20-01 until the May 04, 2020 City Council meeting seconded by Council member Allison. The motion carried unanimously.

- VIII Consider a motion to Continue the public hearing for the first reading of Rezoning request ZC20-01 for the properties located adjacent to 110 Vance PO Road; Tax Maps 4765-32-5949 & 4765-33-7215 IC-CB (Iredell County Community Business) to R-8MF (Medium-Density Multi-Family Residential Conditional Use) District until the May 04, 2020 City Council meeting. (Ashley)**

Council member Jones made a motion to continue the public hearing for the first reading of Rezoning request ZC20-01 until the May 04, 2020 City Council meeting, seconded by Council member Staford. The motion carried unanimously.

IX Boards and Commissions Updates:

1. 03/17/2020 Board of Adjustment Meeting Minutes
2. 03/12/2020 Design Review Committee Meeting Minutes
3. 02/27/2020 Historic Preservation Commission Meeting Minutes
4. 02/25/2020 Planning Board Meeting Minutes
5. 03/04/2020, 03/18/2020, 04/01/2020 Technical Review Committee Meeting Minutes

X Other Business

Mayor Kutteh gave an update on the Census and described how the city, state and county receives funding based on the census numbers. He asked citizens to please fill out their census forms.

Mayor Kutteh explained how the City has moved employees from departments that have been severely impacted by the Covid-19 virus, such as the Recreation & Parks

Department, to work in other departments to avoid layoffs and/or furloughs of city employees.

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

Council member Morgan 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 M. Ferguson, Airport Manager
DATE: April 21, 2020

ACTION NEEDED ON: May 4, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Approve Tolling Agreement with the United States Corps of Engineers (USACE) to be attached to a USACE Environmental Permit Application in relation to the Runway Safety Area Extension Project.

1. **Summary of Information:** In 2006, during the runway extension project, it was determined by the Corps of Engineers that mechanized land clearing of wetlands adjacent to the Localizer installation (which was part of the runway extension project in 2006) was not properly permitted. This agreement allows for mitigation of the impacts during the permitting process for the Runway Safety Area Project. The City Attorney has reviewed this and is available for any questions.
2. **Previous Council or Relevant Actions:** This project has been approved for 100% FAA funding.
3. **Budget/Funding Implications:** This is in relation to the Runway Safety Area Project for which we will receive a 100 % FAA Grant of \$9.3 million.
4. **Consequences for Not Acting:** Project will not be able to move forward and we will lose this grant.
5. **Department Recommendation:** Staff approves
6. **Manager Comments:** Recommend for approval.
7. **Next Steps:**
8. **Attachments:**
 - 1) USACE Tolling Agreement
 - 2) USACE Permit Application

TOLLING AGREEMENT

WHEREAS, the United States of America, on behalf of the United States Army Corps of Engineers (Corps) may file a complaint against the City of Statesville (“potential defendant(s)”) for , inter alia, alleged violations of Sections 301(a), 309, & 404 of the Clean Water Act (“CWA”), 33 U.S.C. Sections 1311(a), 1319, & 1344 and/or Section 9, 10, or 13 of the Rivers and Harbors Act of 1899, 33 U.S.C. Sections 401, 403, or 407, and/or Ocean Dumping Act Sections 101 and/or 103 (33 U.S.C. 1411, 1413), at a site commonly known as the Statesville Regional Airport, located at 238 Airport Road, Statesville, Iredell County, North Carolina.

WHEREAS, the purpose of any such complaint would be to obtain appropriate injunctive relief and to impose appropriate civil or criminal penalties for potential defendant’(s) alleged violations of the statute(s) cited above;

WHEREAS, the Corps accepted an after-the-fact (ATF) permit application from the potential defendant(s) in an attempt to settle the above claims;

WHEREAS, both parties believe that their interests will best be served by continuing the ATF permit process without the disruption that might be occasioned should the United States file a complaint in the immediate future;

AND WHEREAS both parties acknowledge the requirement found at 33 C.F.R. 331.11(c) for an applicant for an ATF permit to provide a signed tolling agreement;

THEREFORE, the United States and potential defendant(s) stipulate and agree as follows:

1. The United States and potential defendant(s) agree that the time between the acceptance by the Corps of the ATF permit application and the final Corps decision (as defined at 33 CFR 331.10), *plus one year thereafter*, will not be included in calculating any statute of limitations that might be applicable to the alleged statutory violation(s) described above. Potential defendants agree not to assert, plead, or raise in any fashion on behalf of any party, whether by answer, motion, or otherwise, any defense or avoidance based on the running of any statute of limitations that may apply during that period or any defense or avoidance based on laches or other principle concerning the timeliness of commencing a civil action, based on the failure of the United States to file its complaint during that period.

2. Potential defendants further agree not to transfer the property in question during the pendency of this tolling agreement nor during the pendency of any civil action brought as described above, without first notifying the United States and giving the United States a reasonable opportunity to oppose such transfer.

3. Nothing in this tolling agreement shall restrict or otherwise prevent the United States from filing a complaint regarding any alleged statutory violation(s) not described above, at any time.

4. This tolling agreement does not constitute any admission of liability on the part of potential defendants; nor does it constitute any admission or acknowledgment on the part of the United States that any statute of limitations has run or that any statute of limitations is applicable to the statutory claims described above.

5. This tolling agreement contains the entire agreement between the parties, and no statement, promise or inducement made by any party to this agreement, or any agent of such parties, that is not set forth in this agreement shall be valid or binding. This tolling agreement may not be enlarged, modified or altered except in writing signed by the parties. This tolling agreement may be executed in counterparts.

FOR the United States of America:

District Counsel
Wilmington District, U.S. Army Corps of Engineers

DATE

FOR (“potential defendant(s)”)

BUSINESS/LAND OWNER
COMPANY NAME

DATE

U.S. ARMY CORPS OF ENGINEERS
APPLICATION FOR DEPARTMENT OF THE ARMY PERMIT
33 CFR 325. The proponent agency is CECW-CO-R.

Form Approved -
OMB No. 0710-0003
Expires: 31-AUGUST-2013

Public reporting for this collection of information is estimated to average 11 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of the collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters, Executive Services and Communications Directorate, Information Management Division and to the Office of Management and Budget, Paperwork Reduction Project (0710-0003). Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RETURN your form to either of those addresses. Completed applications must be submitted to the District Engineer having jurisdiction over the location of the proposed activity.

PRIVACY ACT STATEMENT

Authorities: Rivers and Harbors Act, Section 10, 33 USC 403; Clean Water Act, Section 404, 33 USC 1344; Marine Protection, Research, and Sanctuaries Act, Section 103, 33 USC 1413; Regulatory Programs of the Corps of Engineers; Final Rule 33 CFR 320-332. Principal Purpose: Information provided on this form will be used in evaluating the application for a permit. Routine Uses: This information may be shared with the Department of Justice and other federal, state, and local government agencies, and the public and may be made available as part of a public notice as required by Federal law. Submission of requested information is voluntary, however, if information is not provided the permit application cannot be evaluated nor can a permit be issued. One set of original drawings or good reproducible copies which show the location and character of the proposed activity must be attached to this application (see sample drawings and/or instructions) and be submitted to the District Engineer having jurisdiction over the location of the proposed activity. An application that is not completed in full will be returned.

(ITEMS 1 THRU 4 TO BE FILLED BY THE CORPS)

1. APPLICATION NO.	2. FIELD OFFICE CODE	3. DATE RECEIVED	4. DATE APPLICATION COMPLETE
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(ITEMS BELOW TO BE FILLED BY APPLICANT)

5. APPLICANT'S NAME First - John Middle - M Last - Ferguson Company - City of Statesville E-mail Address - jferguson@statesvillenc.net	8. AUTHORIZED AGENT'S NAME AND TITLE (agent is not required) First - Bradley Middle - Stuart Last - Luckey Company - Pilot Environmental, Inc. E-mail Address - bluckey@pilotenviro.com
6. APPLICANT'S ADDRESS: Address- 238 Airport Road City - Statesville State - NC Zip - 28677 Country - U.S.	9. AGENT'S ADDRESS: Address- P.O. Box 128 City - Kernersville State - NC Zip - 27285 Country - U.S.
7. APPLICANT'S PHONE NOs. w/AREA CODE a. Residence b. Business c. Fax 704.873.1111 704.873.1113	10. AGENTS PHONE NOs. w/AREA CODE a. Residence b. Business c. Fax (336) 708-4997

STATEMENT OF AUTHORIZATION

11. I hereby authorize, Pilot Environmental, Inc. to act in my behalf as my agent in the processing of this application and to furnish, upon request, supplemental information in support of this permit application.

SIGNATURE OF APPLICANT See Attached 
DATE

NAME, LOCATION, AND DESCRIPTION OF PROJECT OR ACTIVITY

12. PROJECT NAME OR TITLE (see instructions) Statesville Regional Airport	
13. NAME OF WATERBODY, IF KNOWN (if applicable) UNT to Back Creek	14. PROJECT STREET ADDRESS (if applicable) Address 238 Airport Road City - Statesville State- NC Zip- 28677
15. LOCATION OF PROJECT Latitude: +N 35.766004 Longitude: -W -80.967692	
16. OTHER LOCATION DESCRIPTIONS, IF KNOWN (see instructions) State Tax Parcel ID 4723094032 Municipality Statesville Section - Township - Range -	

17. DIRECTIONS TO THE SITE

From intersection of Interstate 40 and Stamey Farm Road. South on Stamey Farm Road approximately 1 mile. Cross US Highway 70. Continue South on Old Bethlehem Road approximately 1/4 mile to Project Area.

18. Nature of Activity (Description of project, include all features)

See Attached.

19. Project Purpose (Describe the reason or purpose of the project, see instructions)

See Attached.

USE BLOCKS 20-23 IF DREDGED AND/OR FILL MATERIAL IS TO BE DISCHARGED

20. Reason(s) for Discharge

See attached.

21. Type(s) of Material Being Discharged and the Amount of Each Type in Cubic Yards:

Type Amount in Cubic Yards	Type Amount in Cubic Yards	Type Amount in Cubic Yards
Earthen Fill - 440,000 Cu Yd		

22. Surface Area in Acres of Wetlands or Other Waters Filled (see instructions)

Acres 0.73 acres wetlands
or
Linear Feet 662.6' stream channel

23. Description of Avoidance, Minimization, and Compensation (see instructions)

See Attached.

24. Is Any Portion of the Work Already Complete? Yes No IF YES, DESCRIBE THE COMPLETED WORK

25. Addresses of Adjoining Property Owners, Lessees, Etc., Whose Property Adjoins the Waterbody (if more than can be entered here, please attach a supplemental list).

a. Address- See Attached

City - State - Zip -

b. Address-

City - State - Zip -

c. Address-

City - State - Zip -

d. Address-

City - State - Zip -

e. Address-

City - State - Zip -

26. List of Other Certificates or Approvals/Denials received from other Federal, State, or Local Agencies for Work Described in This Application.

AGENCY	TYPE APPROVAL*	IDENTIFICATION NUMBER	DATE APPLIED	DATE APPROVED	DATE DENIED
NCDEQ-DEMLR	S&EC		NA		
NCDEQ-DWR	401 WQC		NA		

* Would include but is not restricted to zoning, building, and flood plain permits

27. Application is hereby made for permit or permits to authorize the work described in this application. I certify that this information in this application is complete and accurate. I further certify that I possess the authority to undertake the work described herein or am acting as the duly authorized agent of the applicant.

SIGNATURE OF APPLICANT

DATE

SIGNATURE OF AGENT

DATE

The Application must be signed by the person who desires to undertake the proposed activity (applicant) or it may be signed by a duly authorized agent if the statement in block 11 has been filled out and signed.

18 U.S.C. Section 1001 provides that: Whoever, in any manner within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals, or covers up any trick, scheme, or disguises a material fact or makes any false, fictitious or fraudulent statements or representations or makes or uses any false writing or document knowing same to contain any false, fictitious or fraudulent statements or entry, shall be fined not more than \$10,000 or imprisoned not more than five years or both.

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Christopher Tucker, Finance Director
DATE: April 21, 2020

ACTION NEEDED ON: May 4, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider acceptance Budget Amendment #2020-18, #2020-19, #2020-20 to bring Fund 505- Airport Improvement Fund to current actual.

- 1. Summary of Information:** The City uses a hybrid Special Revenue/Capital Project Fund numbered Fund 505 which is called the Airport Improvements Fund. This fund dates back to fy2009 when it was called the South Parallel Taxiway Fund. Throughout the fund's life, it has mainly been used to segregate smaller NCDOT Airport projects. There are four main revenue sources: NCDOT grants, Iredell County matches, Interest Earnings, and City of Statesville matches.

In particular, the City's matches have mostly come from the fund's original transfer from the General Fund in the amount of \$1,225,000, which happened in fy2009. Since fy2009, an additional \$63,477 has been transferred to the fund from the General Fund. The original seed money has done very well to last over ten years.

Over the last several years, the Airport has been very successful in obtaining significant grant funding for larger scale improvement projects. Those projects have rightfully been placed into their own capital project funds. Recently, one of these new funds (Fund 518 – Runway Safety Area CPF) is expected to incur some expenditures that will not be grant covered. The logical solution is to transfer money from Fund 505 to use as the funding source.

As staff worked to make that transfer happen, it became clear that Fund 505 needed to be cleaned up a bit in order to get closed projects down to actual, so that it was clear what monies could be made available for undetermined future projects.

Staff is confident that BA #2020-18 accomplishes this by bringing project budgets to actual, and establishing a line item called Future Projects, that serves as a contingency of sorts. As new projects come along, this line can be reduced by the exact amount needed for a particular project.

To illustrate, BA #2020-19 does this exact thing for the match described earlier for Fund 518. (BA #2020-14, is the complimentary BA that will receive the transfer from Fund 505).

In addition, the Airport received the good news that it has received over \$1M in grant funds to reimburse the City for the purchase of the Collier property, purchased in 2016. The receipt of those monies, and the subsequent appropriation into the future projects line item is accomplished with BA #2020-20.

2. **Previous Council or Relevant Actions:** There have been many budget amendments over the years.
3. **Budget/Funding Implications:** These budget amendments close projects and set up a mechanism for future project matches.
4. **Consequences for Not Acting:** Fund will be difficult to manage and understand.
5. **Department Recommendation:** Approve as presented.
6. **Manager Comments:** Concur with Department Recommendation.
7. **Next Steps:** Staff will enter budget amendments into financial software.
8. **Attachments:**
 - 1) Budget Amendments #2020-18, #2020-19, #2020-20
 - 2) NCDOT Grant Award Letter

CITY OF STATESVILLE
BUDGET AMENDMENT #2020-18
March 16, 2020
FISCAL YEAR 2019-2020

FUND / ACCOUNT #	ACCOUNT TYPE	DESCRIPTION	CURRENT BUDGET	CHANGE (+ / -)	AMENDED BUDGET
Airport Improvement Fund					
505.0000.340.86.30	Revenue	NCDOT - 36237.46.10.2	1,450,000	(81,440)	1,368,560
505.0000.340.86.31	Revenue	Iredell County - 36237.46.10.2	80,555	(4,523)	76,032
505.0000.340.86.35	Revenue	NCDOT - 36237.46.12.1	149,999	(98,250)	51,749
505.0000.340.86.36	Revenue	Iredell County - 36237.46.12.1	8,333	(5,458)	2,875
505.0000.340.86.37	Revenue	NCDOT - 36237.46.13.1	129,759	(72,749)	57,010
505.0000.340.86.38	Revenue	Iredell County - 36237.46.13.1	7,209	(4,041)	3,168
505.0000.340.86.39	Revenue	NCDOT - 36237.46.10.3	234,000	(45,359)	188,641
505.0000.340.86.40	Revenue	Iredell County - 36237.46.10.3	13,000	(2,519)	10,481
505.0000.340.86.41	Revenue	NCDOT - 36237.46.11.2	171,000	(56,009)	114,991
505.0000.340.86.42	Revenue	Iredell County - 36237.46.11.2	9,500	(3,111)	6,389
505.0000.340.86.43	Revenue	NCDOT - 36237.46.11.3	2,000	-	2,000
505.0000.340.86.44	Revenue	Iredell County - 36237.46.11.3	111	-	111
505.0000.340.86.45	Revenue	NCDOT - 36237.46.13.2	40,500	(3,387)	37,113
505.0000.340.86.46	Revenue	Iredell County - 36237.46.13.2	2,250	(188)	2,062
505.0000.340.86.47	Revenue	NCDOT - 36237.46.14.1	358,504	-	358,504
505.0000.340.86.48	Revenue	Iredell County - 36237.46.14.1	19,916	(5,419)	14,497
505.0000.340.86.49	Revenue	NCDOT - 36237.46.11.4	303,755	(444)	303,311
505.0000.340.86.50	Revenue	Iredell County - 36237.46.11.4	16,875	(24)	16,851
505.0000.340.86.51	Revenue	NCDOT - 36237.46.15.1	86,811	(58)	86,753
505.0000.340.86.52	Revenue	Iredell County - 36237.46.15.1	4,823	(3)	4,820
505.0000.340.86.53	Revenue	NCDOT - 36237.46.15.2	63,641	-	63,641
505.0000.340.86.54	Revenue	Iredell County - 36237.46.15.2	3,536	-	3,536
505.0000.340.86.59	Revenue	NCDOT - 36237.46.16.1	240,931	(42,595)	198,336
505.0000.340.86.60	Revenue	Iredell County - 36237.46.16.1	13,385	(2,558)	10,827
505.0000.340.86.61	Revenue	Iredell County Land Purchase Seed	250,000	250,000	500,000
505.0000.340.86.57	Revenue	NCDOT - 36244.59.6.1	818,445	(22,788)	795,657
505.0000.340.86.58	Revenue	Iredell County - 36244.59.6.1	45,469	(1,269)	44,200
505.0000.340.86.55	Revenue	NCDOT - 36244.59.6.2	-	-	-
505.0000.340.86.56	Revenue	Iredell County - 36244.59.6.2	-	-	-
505.0000.395.10.00	Revenue	Transfers From General Fund	2,220,407	(931,930)	1,288,477
505.0000.370.00.00	Revenue	Investment Earnings	56,043	37,278	93,321
Total Revenues			<u>6,800,757</u>	<u>(1,096,844)</u>	<u>5,703,913</u>

Airport Improvement Fund					
505.6510.73.01	Expenditure	36237.46.10.2	1,611,111	(84,795)	1,526,316
505.6510.73.35	Expenditure	36237.46.12.1	166,666	(109,166)	57,500
505.6510.73.36	Expenditure	36237.46.13.1	144,177	(80,833)	63,344
505.6510.73.37	Expenditure	36237.46.10.3	260,000	(50,398)	209,602
505.6510.73.38	Expenditure	36237.46.11.2	190,000	(62,232)	127,768
505.6510.73.39	Expenditure	36237.46.11.3	2,223	-	2,223
505.6510.73.40	Expenditure	36237.46.13.2	45,000	(2,981)	42,019
505.6510.73.41	Expenditure	36237.46.14.1	398,337	-	398,337
505.6510.73.42	Expenditure	36237.46.11.4	337,505	(492)	337,013
505.6510.73.02	Expenditure	36237.46.15.1	96,457	(65)	96,392
505.6510.73.03	Expenditure	36237.46.15.2 - Other	-	-	-
505.6510.75.03	Expenditure	36237.46.15.2	70,713	-	70,713
505.6510.71.00	Expenditure	36237.46.16.1 - 1	1,143,494	(1,117,484)	26,010
505.6510.74.43	Expenditure	36237.46.16.1 - 2	166,667	(2,348)	164,319
505.6510.73.45	Expenditure	36237.46.16.1 - 3	1,120,489	(6)	1,120,483
505.6510.73.43	Expenditure	36237.46.16.1 - 4	101,034	(44,979)	56,055
505.6510.73.05	Expenditure	36244.59.6.1	909,384	(25,318)	884,066
505.6510.73.04	Expenditure	36244.59.6.2	-	-	-
505.6510.87.15	Expenditure	Transfer to Glideslope CPF	37,500	-	37,500
505.6510.87.18	Expenditure	Transfer to Runway Safety Area CPF	-	-	-
505.9999.99.99	Expenditure	Future Projects	-	484,253	484,253
Total Expenditures			<u>6,800,757</u>	<u>(1,096,844)</u>	<u>5,703,913</u>
<i>DESCRIPTION: To bring Fund 505 to fy19 year end actual and set appropriation to allow for future project contributions</i>					
_____ Budget Officer			_____ Finance Director		
APPROVED BY CITY COUNCIL:					
_____ City Clerk					

CITY OF STATESVILLE
BUDGET AMENDMENT #2020-19
March 16, 2020
 FISCAL YEAR 2019-2020

FUND / ACCOUNT #	ACCOUNT TYPE	DESCRIPTION	CURRENT BUDGET	CHANGE (+ / -)	AMENDED BUDGET
Airport Improvement Fund					
Total Revenues			-	-	-
Airport Improvement Fund					
505.6510.87.18	Expenditure	Transfer to Runway Safety Area CPF	-	85,288	85,288
505.9999.99.99	Expenditure	Future Projects	484,253	(85,288)	398,965
Total Expenditures			484,253	-	484,253

DESCRIPTION: To decrease Future Project appropriation to allow for a local match transfer to the Runway Safety Area CPF

 Budget Officer

 Finance Director

APPROVED BY CITY COUNCIL:

 City Clerk

CITY OF STATESVILLE
BUDGET AMENDMENT #2020-20
March 16, 2020
FISCAL YEAR 2019-2020

FUND / ACCOUNT #	ACCOUNT TYPE	DESCRIPTION	CURRENT BUDGET	CHANGE (+ / -)	AMENDED BUDGET
Airport Improvement Fund					
505.0000.340.86.59	Revenue	NCDOT - 36237.46.16.1	198,336	1,009,901	1,208,237
505.0000.340.86.60	Revenue	Iredell County - 36237.46.16.1	10,827	192	11,019
505.0000.340.86.61	Revenue	Iredell County Land Purchase Seed	500,000	-	500,000
					-
505.0000.370.00.00	Revenue	Investment Earnings	93,321	9,662	102,983
		Total Revenues	<u>802,484</u>	<u>1,019,755</u>	<u>1,822,239</u>
Airport Improvement Fund					
505.9999.99.99	Expenditure	Future Projects	398,965	1,019,755	1,418,720
		Total Expenditures	<u>398,965</u>	<u>1,019,755</u>	<u>1,418,720</u>

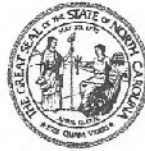
DESCRIPTION: To receive NCDOT grant appropriation and increase its corresponding expenditure appropriation

Budget Officer

Finance Director

APPROVED BY CITY COUNCIL:

City Clerk



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

JAMES H. TROGDON, III
SECRETARY

MODIFIED GRANT

Date: 12/16/2019

The Honorable Costi Kutteh
Mayor
City of Statesville
P.O. Box 1111
Statesville, NC 28687

Dear Mayor Kutteh:

This is in response to Change Request #4000019756 dated November 21, 2019 for Federal Block Grant *Non-Primary Entitlement* Project #36237.46.16.1 for **Statesville Regional Airport**.

This letter acts as an amendment for Project #36237.46.16.1 that was executed by the State of North Carolina on June 23, 2017. This amendment authorizes an additional amount of funding be allocated to the project. It also recognizes that all other terms and conditions of the Grant Agreement between the parties dated June 23, 2017 shall remain in full force and effect for the duration of the Grant Agreement.

This additional amount is **\$1,012,046**. The current maximum obligation is now **\$1,221,586**.

The legal scope of the project shall now read:

CORPORATE APRON & LAND ACQUISITION DEVELOPMENT (PHASE I)

Under the terms of the grant agreement, this document is incorporated into, and constitutes Amendment No. 1 to the above-referenced grant agreement.

Sincerely,

DocuSigned by:
Julie White
B1309F15DE4B46D... (SEAL)

Julie A. White
Deputy Secretary of Multi-Modal Transportation

JAW/ah

Mailing Address:
NC DEPARTMENT OF TRANSPORTATION
DIVISION OF AVIATION
1560 MAIL SERVICE CENTER
RALEIGH, NC 27699-1560

Telephone: 919-814-0550
Fax: 919-840-9267

Website: www.ncdot.gov/aviation

Location:
RDU AIRPORT
1050 MERIDIAN DRIVE
MORRISVILLE, NC 27560

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Christopher Tucker, Finance Director
DATE: April 21, 2019

ACTION NEEDED ON: May 4, 2019
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Receive the Statesville Convention and Visitors Bureau's Quarterly Financial Report for the quarter ended December 31, 2019

1. **Summary of Information:** Please find for your information the 2020.Q2 Financials for the Statesville Convention and Visitors Bureau (SCVB). The SCVB's position is consistent with where it should be at this stage of the fiscal year. They currently have adequate fund balance to support their position.

As the ex-officio member to the SCVB Board, I can report that the Board has been both fiscally responsible and their decision to work with Spokeology to develop and execute their marketing strategy has already produced positive results.

2. **Previous Council or Relevant Actions:** Council concurred with the SCVB fy20 Budget on the Consent Agenda at its regularly scheduled July 15, 2019 meeting. This is the second quarterly update for the fiscal year.
3. **Budget/Funding Implications:** None
4. **Consequences for Not Acting:** Council would not have received a report that they requested.
5. **Department Recommendation:** Receive report as presented.
6. **Manager Comments:** Concur with Department Recommendation.
7. **Next Steps:** None
8. **Attachments:**
SCVB: Income Statement for 2020.Q2

Statesville Convention and Visitors Bureau
Statement of Revenues and Expenditures

	Original Budget	Amend-ments	Amended Budget	Percent of Fiscal Year Completed:		50.00%
				Ending Balance Jul - Dec 19	Favorable Unfavorable	Percent Collected Expended
Income						
316.00 · Dist from Hotel/Motel Tax Fund	\$ 226,908	\$ -	\$ 226,908	\$ 114,012.40	(\$112,895.60)	50.25%
Other revenues and sources:						
361.00 · Investment income	1,500	-	1,500	905.71	(594.29)	60.38%
364.00 · Advertising/Marketing	3,000	-	3,000	-	(3,000.00)	0.00%
399.00 · Fund Balance Appropriated	50,000	-	50,000	-	(50,000.00)	0.00%
Total Income	281,408	-	281,408	114,918.11	(166,489.89)	40.84%
Expense:						
Administration:						
102.02 · Salary-Support Staff	6,300	-	6,300	2,939.88	3,360.12	46.66%
103.01 · Payroll Taxes	482	-	482	617.27	(135.27)	128.06%
103.05 · Unemployment Compensation	100	-	100	6.95	93.05	6.95%
103.08 · Banking Services	100	-	100	-	100.00	0.00%
104.00 · Annual Audit	2,650	-	2,650	1,987.50	662.50	75.00%
111.00 · Telephone - Local Service	1,500	-	1,500	365.64	1,134.36	24.38%
121.00 · Office Rent	1,900	-	1,900	918.40	981.60	48.34%
121.10 · Utility Service	550	-	550	191.80	358.20	34.87%
133.00 · Copies	100	-	100	-	100.00	0.00%
133.10 · Supplies and Equipment	7,458	-	7,458	1,311.08	6,146.92	17.58%
144.00 · Computer/Software	2,500	-	2,500	344.46	2,155.54	13.78%
154.00 · Property, Liab & Work Comp	3,000	-	3,000	1,903.00	1,097.00	63.43%
157.00 · Miscellaneous	3,746	-	3,746	137.21	3,608.79	3.66%
Total Administration	30,386	-	30,386	10,723.19	19,662.81	35.29%
Promotion:						
103.06 · Unemployment Compensation	124	-	124	-	124.00	0.00%
211.00 · Telephone - 800 number	-	-	-	-	0.00	N/A
211.10 · Website Maintenance	2,500	-	2,500	554.19	1,945.81	22.17%
214.00 · Travel and Training	2,500	-	2,500	-	2,500.00	0.00%
218.00 · Postage - Brochures & Inquiries	10,000	-	10,000	264.65	9,735.35	2.65%
233.00 · Promotional Supplies	-	-	-	-	0.00	N/A
233.05 · Billboard Marketing	65,000	-	65,000	28,542.00	36,458.00	43.91%
233.10 · Sales and Marketing	-	-	-	-	0.00	N/A
233.30 · Advertising/Marketing	125,000	-	125,000	35,482.51	89,517.49	28.39%
233.50 · Tourism Promotional Projects	15,000	-	15,000	6,244.24	8,755.76	41.63%
253.00 · Memberships	500	-	500	321.00	179.00	64.20%
253.10 · Subscriptions	50	-	50	-	50.00	0.00%
Total Promotion	220,674	-	220,674	71,408.59	149,265.41	32.36%
Tourism Related:						
302.02 · Visitor Center Staff	15,000	-	15,000	6,859.80	8,140.20	45.73%
303.01 · Visitor Center Payroll Taxes	1,148	-	1,148	524.76	623.24	45.71%
304.10 · NC Civil War Trails	200	-	200	200.00	0.00	100.00%
321.00 · Visitor Center Rent	10,000	-	10,000	5,204.29	4,795.71	52.04%
321.10 · Utility Service	3,000	-	3,000	1,086.86	1,913.14	36.23%
333.10 · Visitor Center Supplies	1,000	-	1,000	586.53	413.47	58.65%
Total Tourism Related	30,348	-	30,348	14,462.24	15,885.76	47.65%
Fund Balance Reserves:						
Reserve Fund Balance	-	-	-	-	0.00	0.00%
Total Fund Balance Reserves	-	-	-	-	0.00	-
Total Expense	281,408	-	281,408	96,594.02	184,813.98	34.33%
Revenue Over (Under) Expenses	\$ -	\$ -	\$ -	\$ 18,324.09	\$18,324.09	N/A

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Christopher Tucker, Finance Director
DATE: April 21, 2020

ACTION NEEDED ON: May 4, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Consider approval of the audit contract for fiscal year ending June 30, 2020 with Martin Starnes & Associates, CPA's, P.A.

1. **Summary of Information:** In accordance with NC General Statutes, the City is required to have an annual independent audit. Martin Starnes & Associates, CPAs, P.A. from Hickory, NC has conducted the City's annual independent audit for the previous four years. The previous year's audit fee was \$46,100. This is the final year of a five-year proposal.
2. **Previous Council or Relevant Actions:** Council has approved the audit contract each year as required.
3. **Budget/Funding Implications:** The audit contract for fiscal year ending June 30, 2020 calls for a fee of \$46,100. This fee is consistent with the amount quoted in the original proposal and is consistent with the budgeted amount found in Finance Admin – Professional Services.
4. **Consequences for Not Acting:** The City would violate the Statute.
5. **Department Recommendation:** Approve as presented.
6. **Manager Comments:** Concur with Department Recommendation.
7. **Next Steps:** Auditor will submit contract for LGC approval. Staff will engage auditor for fieldwork.
8. **Attachments:**
 - 1) MSA contract

The of and	Governing Board City Council
	Primary Government Unit (or charter holder) City of Statesville, NC
	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name Martin Starnes & Associates, CPAs, P.A.
	Auditor Address 730 13th Avenue Dr. SE, Hickory, NC 28602

Hereinafter referred to as Auditor

for	Fiscal Year Ending	Audit Report Due Date
	06/30/20	10/31/20

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC staff within four months of fiscal year end. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit Report Reissued Form (available on the Department of State Treasurer website). These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools or hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 28 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the parent government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to charter schools or hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. Applicable to charter school contracts only: No indebtedness of any kind incurred or created by the charter school shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the charter school shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions.

29. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 16 for clarification).

30. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.

31. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

32. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: Auditor Governmental Unit Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	Title:	Email Address:
Ralph Staley, CPA	Assistant City Manager	rstaley@statesvillenc.net

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees below. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year billings. Should the 75% cap provided below conflict with the cap calculated by LGC staff based on the prior year billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC 3 .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

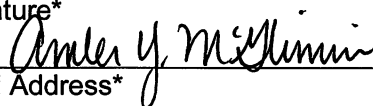
Primary Government Unit	City of Statesville, NC
Audit Fee	\$ See fee section of engagement letter
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$ N/A
Writing Financial Statements	\$ N/A
All Other Non-Attest Services	\$ N/A
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$ 34,575.00

DPCU FEES (if applicable)

Discretely Presented Component Unit	N/A
Audit Fee	\$
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Martin Starnes & Associates, CPAs, P.A.	
Authorized Firm Representative (typed or printed)* Amber Y. McGhinnis	Signature* 
Date* 03/10/20	Email Address* amcghinnis@martinstarnes.com

GOVERNMENTAL UNIT

Governmental Unit* City of Statesville, NC	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	
Mayor/Chairperson (typed or printed)* Constantine H. Kutteh, Mayor	Signature*
Date	Email Address ckutteh@statesvillenc.net

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
 Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer* (typed or printed) Christopher Tucker, Finance Director	Signature*
Date of Pre-Audit Certificate*	Email Address* ctucker@statesvillenc.net

**SIGNATURE PAGE – DPCU
(complete only if applicable)**

DISCRETELY PRESENTED COMPONENT UNIT

DPCU*	
N/A	
Date DPCU Governing Board Approved Audit Contract* (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
N/A	
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

DPCU Finance Officer (typed or printed)*	Signature*
N/A	
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all
required signatures prior to submission.

PRINT



Report on the Firm's System of Quality Control

To the Shareholders of Martin Starnes & Associates CPAs, P.A. and the
Peer Review Committee, North Carolina Association
Of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates CPAs, P.A. (the firm) in effect for the year ended December 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and an audit of an employee benefit plan.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates CPAs, P.A. in effect for the year ended December 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin Starnes & Associates CPAs, P.A. has received a peer review rating of pass.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

May 3, 2018

Raleigh
4060 Barrett Drive
Post Office Box 17806
Raleigh, North Carolina 27619
919 782 9265
919 783 8937 FAX

Durham
3500 Westgate Drive
Suite 203
Durham, North Carolina 27707
919 354 2311
919 489 8183 FAX

Pittsboro
10 Sanford Road
Post Office Box 1399
Pittsboro, North Carolina 27312
919 542 6000
919 542 5764 FAX

City of Statesville

North Carolina



Office of the Mayor

Proclamation

NATIONAL NURSES WEEK May 6-12, 2020

WHEREAS, Florence Nightingale, born in 1820, is known as the founder of modern nursing; and

WHEREAS, Clara Barton, a nurse who earned the nickname "angel in the battlefield" during the Civil War, went on to create the American Red Cross in 1881; and

WHEREAS, today, there are more than 3.9 million professionally active RNs and licensed practical nurses in the United States; and

WHEREAS, nursing is the nation's largest health care profession and one of the largest workforces in the United States; and

WHEREAS, nearly 20% of all registered nurses in the United States holds a master's degree; and

WHEREAS, there are hundreds of registered nurses working in Statesville; and

WHEREAS, National Nurses Week was designated by the White House and President Nixon in 1974, and has been recognized each year from May 6 to May 12; and

WHEREAS, nurses are on the frontlines of a world pandemic and face unprecedented times; and

WHEREAS, nurses are considered the most trustworthy of all professions in the United States.

NOW THEREFORE, the Statesville City Council does hereby proclaim May 6 to May 12, 2020 as **NURSES WEEK IN STATESVILLE** and asks all Statesville citizens to join in extending our great appreciation for the dedication and service nurses provide to our community every day.

Adopted this 4th day of May, 2020.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Seal of the City of Statesville on this 4th day of May, 2020.

Constantine H. Kutteh, Mayor

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Sherry Ashley, Planning Director
DATE: March 3, 2020

ACTION NEEDED ON: May 4, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

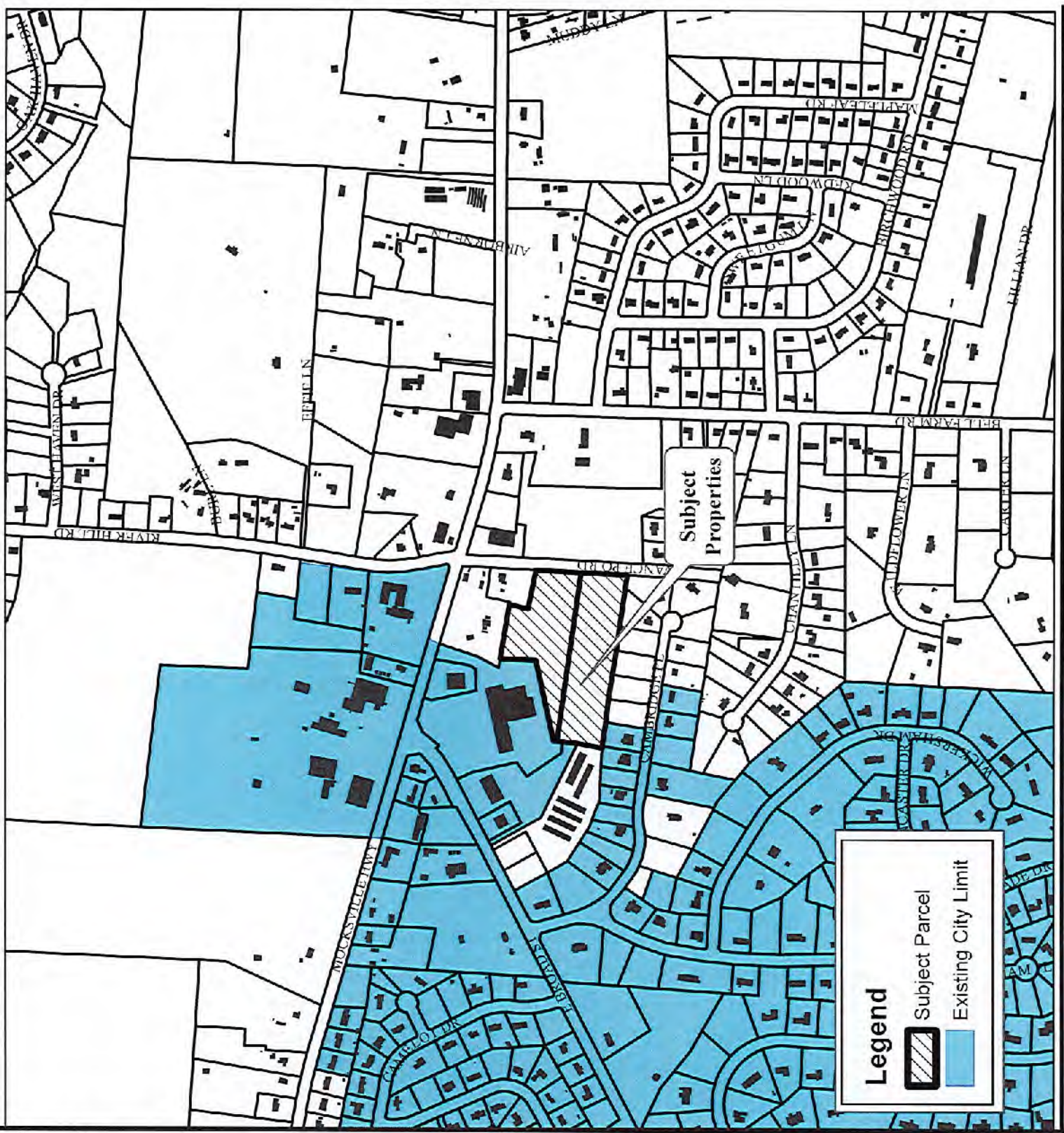
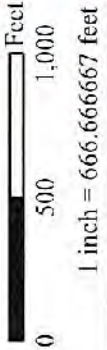
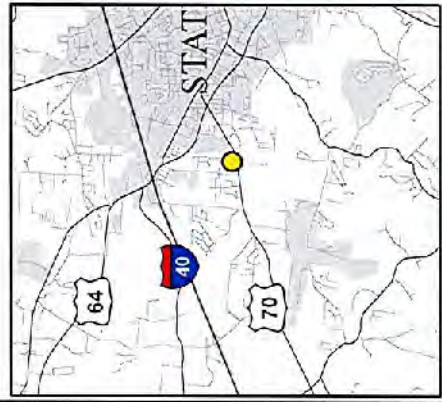
Continue the public hearing from the March 16, 2020 City Council meeting and consider approving the first reading of an ordinance to annex the properties located adjacent to 110 Vance PO Road, PINs 4765-32-5949 & 4765-33-7215.

- 1. Summary of Information:** The property being considered for annexation was submitted by Landon Greene LP, agent for property owners, and is adjacent to 110 Vance PO Road. The subject property is approximately 8.33 acres in size and encompasses Iredell County Parcel Identification Numbers (PINs) 4765-32-5949 & 4765-33-7215. The subject properties are contiguous to the primary corporate limits of the City of Statesville. The properties are located in Iredell County's Zoning Jurisdiction and zoned CB (Central Business) District and therefore will have to be rezoned. The applicant has submitted a rezoning application to zone the property to R-8MF CU (Medium Density Multi-Family Residential Conditional Use) District to allow for up to 60 units of independent senior housing. The public hearing for the annexation and rezoning will both be held on March 16, 2020.
- 2. Previous Council or Relevant Actions:** In February of 2017 an application was submitted to annex and rezone these two properties from IC-CB (Iredell County Community Business) to R-5MF (High Density Multi-Family Residential) District with the intention of using the site for an 80-unit workforce housing complex. The request was approved by the Planning Board on February 28, 2017. The case was then heard by Council and was tabled on March 20, 2017 before both the rezoning and annexation were withdrawn by the applicant. Then in 2018 a second application was submitted to rezone the property to B-2 (Neighborhood Business) District again with the intention of an 80-unit workforce house complex. The request was again approved by the Planning Board on January 23, 2018 but was withdrawn by the applicant prior to being heard by Council on February 5, 2018. Since the application was withdrawn prior to a decision by Council the applicant is permitted to submit another request for the same properties after 180 days have elapsed.
- 3. Budget/Funding Implications:** The tax value of this property is \$195,420. City sewer is available at the site. The property is in Energy United's electric service area and Iredell Water Corporations water service area.
- 4. Consequences for Not Acting:** Without annexation of the property Council cannot consider rezoning the properties as they are currently in Iredell County's Zoning Jurisdiction.

5. **Department Recommendation:** The department recommends passing the first reading of the ordinance to annex the property adjacent to 110 Vance PO Road.
6. **Manager Comments:** Concur with Department Recommendation.
7. **Next Steps:** If approved the second reading will be May 18, 2020. The annexation will be effective on May 18, 2020.
8. **Attachments:**
 - 1) City Limit Location Map
 - 2) Utility Location Map
 - 3) Ordinance for Annexation

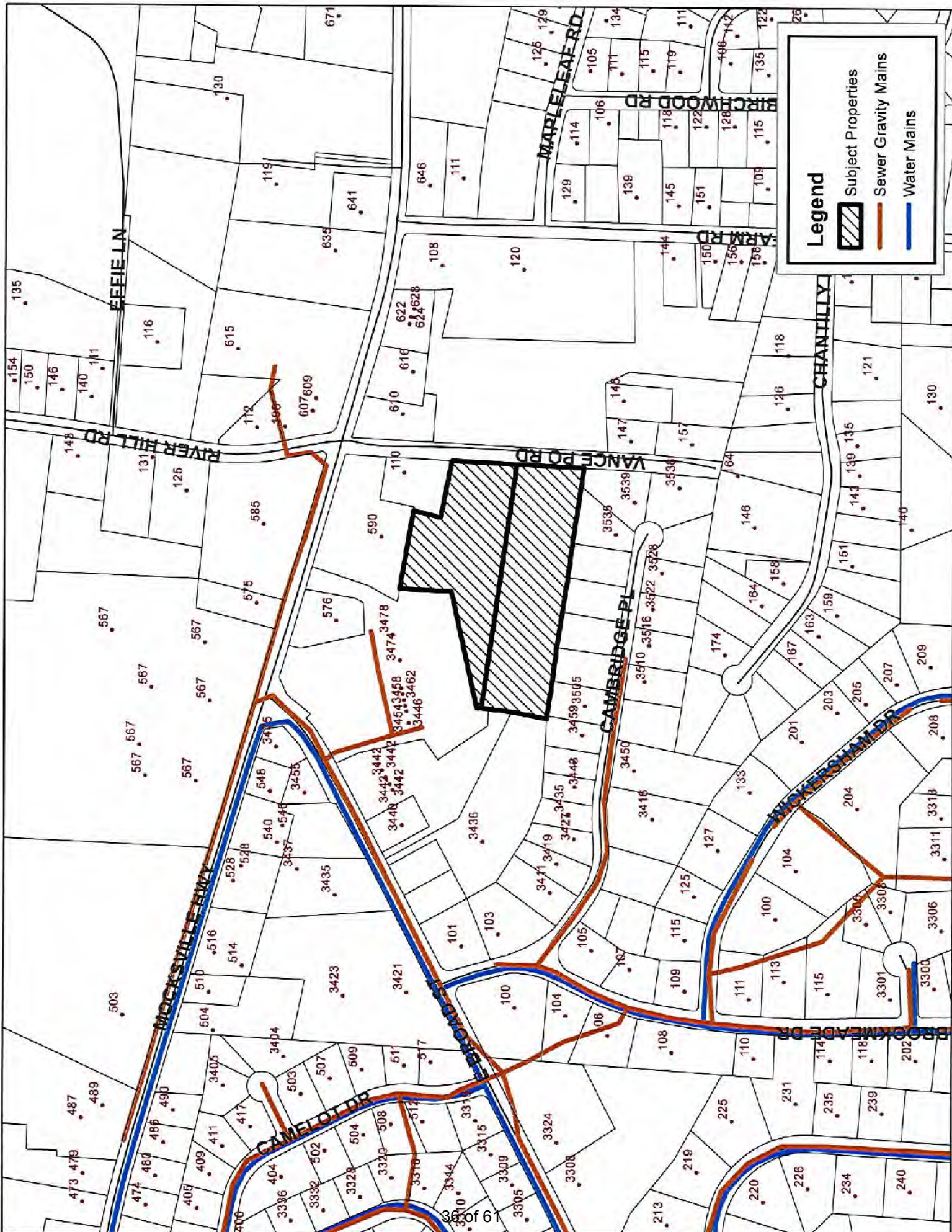
**City of Statesville
Planning Department**

Vance PO Road
Properties



Legend

-  Subject Parcel
-  Existing City Limit



Legend

- Subject Properties
- Sewer Gravity Mains
- Water Mains

ORDINANCE NO. _____

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

**(Moorefield & Cheek Properties)
Vance PO Rd
PINs 4765-32-5949 & 4765-33-7215**

WHEREAS, the Statesville City Council has petitioned under G.S. 160A-31, to annex the area described below; and

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

WHEREAS, the City Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was opened at Statesville City Hall at 7:00 o'clock p.m. on the 16th day of March, 2020 after due notice by publication on the 6th day of March, 2020, was continued to the next regularly scheduled meeting on April 20, 2020, where it was continued until the May 4, 2020 Council meeting; and

WHEREAS, the Statesville City Council finds that the petition meets the requirements of G.S. 160A-31:

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

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

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

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

Description – PINs 4765-32-5949 & 4765-33-7215

All of that certain Lot or parcel of land situated in Iredell County, North Carolina and more particularly described as following:

Owner: Bobby Check, Tax PIN# 4765-33-7215

BEING ALL OF LOT NO. SEVEN (7) of the MINOR SUBDIVISION FOR LOWERY LAND COMPANY as the same is platted, planned and recorded at Plat Book 35, Page 69, Iredell County Registry and being the identical property conveyed from Lowery Land Company to Leslie C. Holshouser, Jr. and Wife Jacquelen G. Holshouser by General Warranty Deed dated May 10, 2000 and recorded at Deed Book 1199, Page 1196, Iredell County Registry, being more particularly described as follows:

Beginning in the centerline of Vance PO Road (S.R. 2317) the southeasterly corner of Lot 7, Plat Book 35, Page 69; thence N76°42'41"W a distance of 887.33' to the southwesterly corner of said Lot 7, the southerly line of Eastgate Commons Statesville, Deed Book 1279, Page 2238, Plat 39, Page 84; thence with said Eastgate Commons 3 calls: 1) N12°00'42"E a distance of 16.67', 2) N82°38'05"E a distance of 407.87'; 3) N07°22'57"E a distance of 177.89' to the southerly line of Tommy H. Laws D.B. 943, Page 300 thence S75°13'21"E a distance of 276.68'; to the westerly line of Wesley B. Lambreth Deed Book 1763, Page 1156, thence with Lambreth's line 2 calls: 1) S17°42'45"W a distance of 94.06'; 2) S73°32'50"E a distance of 229.79' to the centerline of Vance PO Road; thence S06°46'04"W a distance of 225.29' to the point of beginning, containing 4.023 Acres

Owner: John K. Moorefield, Tax PIN# 4765-32-5949

BEING ALL OF LOT NO. SIX (6) of the MINOR SUBDIVISION FOR LOWERY LAND COMPANY as the same is platted, planned and recorded at Plat Book 35, Page 69, Iredell County Registry, being more particularly described as follows:

Beginning at the northeasterly corner of Lot 8, Plat Book 21, Page 57 and running with the northerly line of said Lot 8, Plat Book 21, Page 57; N76°44'59"W a distance of 99.49' to the northeasterly corner of Lot 9, Plat Book 35, Page 68; thence with said Plat Book 35, Page 68, 3 calls: 1) N76°41'17"W a distance of 198.22'; 2) N76°48'36"W a distance of 120.25'; 3) N76°33'22"W a distance of 119.71' to the northeasterly corner of Lot 12, Plat Book 65, Page 107, thence N76°46'02"W a distance of 120.34'; to the northeasterly corner of Lot 13, Plat Book 35, Page 68, thence N76°39'00"W a distance of 119.90' to the northeasterly corner of Lot 14, Plat Book 41, Page 107 thence N76°46'52"W a distance of 120.03' to the northwesterly corner of said Lot 14; thence N82°20'36"W a distance of 10.03' to the southeasterly corner of ML Cassar Properties, LLC, Deed Book 2408, Page 1285; thence with said Cassar's line N12°00'42"E a distance of 224.93' to the southwesterly corner of Bobby R. Cheek, Lot 7 of Plat Book 35, Page 69, thence with the southerly line of said Lot 7, S76°42'41"E a distance of 887.33' to the centerline of Vance PO Road (S.R. 2317) thence with said centerline of Vance PO road S06°46'04"W a distance of 225.28' which is the point of beginning, Containing 4.612 Acres

Section 2. Upon and after April 6, 2020 at 11:59 p.m., the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Statesville and shall be entitled to the same privileges and benefits as other parts of the City of Statesville. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

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

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

AYES:

NAYS:

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

AYES:

NAYS:

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

City of Statesville

Constantine H. Kutteh, Mayor

ATTEST:

Brenda Fugett, City Clerk

APPROVED AS TO FORM:

Leah Gaines Messick, City Attorney

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Sherry Ashley, Planning Director
DATE: March 3, 2020

ACTION NEEDED ON: May 4, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Continue the public hearing from the March 16, 2020 City Council meeting and consider passing first reading of Rezoning Request ZC20-01 for the properties located adjacent to 110 Vance PO Road; Tax Maps 4765-32-5949 & 4765-33-7215 IC-CB (Iredell County Community Business) to R-8MF (Medium-Density Multi-Family Residential Conditional Use) District.

- 1. Summary of Information:** Rezoning Request – Landon Greene LP is requesting to rezone approximately 8.33 acres contained in parcels 4765-33-7215 & 4765-32-5949 adjacent to 110 Vance PO Road (see attached map) from Iredell County CB (Community Business) District to the R-8MF CU (Medium Density Multi-Family Residential Conditional Use) District for a 60 unit independent senior living facility. Conditional Use Zoning Districts are tied to the site plan submitted with the application and the applicant is proposing the following conditions:
 - The proposed development shall consist of a single phase of development and shall be a senior housing development for residents aged 55 years and above in compliance with the Federal HOPA Act (Housing for Older Persons Act)
 - The development will be restricted to a maximum of 60 units (a density of up to 7.3 units per acre)
 - Petitioner will keep a 125' setback as shown from proposed development to existing single family properties to the south. Allowed improvements within the proposed 125' setback shall include: stormwater management and utilities, and active open space.
 - Petitioner agrees to keep the existing wooded area to the north as a buffer.
 - Petitioner will construct a public road from the end of paved road on Vance PO Road to the proposed driveway entrance as per appropriate standards. Road will include curb and gutter on the proposed side of the development.
 - Petitioner shall install 5' sidewalk along Vance PO Road to Mocksville Highway. Petitioner will not be responsible for acquiring right of way or easements for the construction of the sidewalk.

Evaluation – The property is currently in Iredell County's zoning jurisdiction. The intended use of the property is an independent senior housing development. If the property is developed as multi-family it will require sewer service from the City of Statesville, therefore the applicant has also submitted a voluntary annexation request for the property. The site is contiguous to Statesville's city limits. The properties being requested for rezoning are currently undeveloped. The land use plan calls for the properties to be low density residential even though the property is zoned Iredell County Community Business. The site sits just south of the intersection of Vance PO Road and Mocksville Highway just east of the Mocksville Highway & Broad Street Intersection. The surrounding area consists of a

medium size shopping center, smaller scale commercial sites and single-family homes. All multi-family site plans regardless of zoning district are required to be reviewed by TRC, Planning Board (courtesy hearing) and Council (public hearing). The current zoning designation of Iredell County CB is comparable to the City's B-4 (Highway Business) District and therefore the R-8MF District is a less intensive zoning district. All utilities are available at the site.

The surrounding zoning districts and land uses are as follows:

<u>NORTH OF THE SITE:</u>	IC-GB & R-20, EZ Barn Rentals, Oakdale Baptist Church, Sharpe's Lawn Care
<u>EAST OF THE SITE:</u>	IC-GB & IC R-20, Dollar General, Abilene Church of Christ
<u>SOUTH OF THE SITE:</u>	R-15 & IC R-20, Single-Family Homes (Brookmeade Subdivision), Undeveloped Land
<u>WEST OF THE SITE:</u>	B-4, Eastgate Commons Shopping Center, O'Reilly Auto Parts, East Broad Plaza

2. **Previous Council/Relevant Actions:** In February of 2017 an application was submitted to annex and rezone these two properties from IC-CB (Iredell County Community Business) to R-5MF (High Density Multi-Family Residential) District with the intention of using the site for an 80-unit workforce housing complex. The request was approved by the Planning Board on February 28, 2017. The case was then heard by Council and was tabled on March 20, 2017 before both the rezoning and annexation were withdrawn by the applicant. Then in 2018 a second application was submitted to rezone the property to B-2 (Neighborhood Business) District again with the intention of an 80-unit workforce house complex. The request was again approved by the Planning Board on January 23, 2018 but was withdrawn by the applicant prior to being heard by council on February 5, 2018. Since the application was withdrawn prior to a decision by Council the applicant is permitted to submit another request for the same properties after 180 days have elapsed.
3. **Budget/Funding Implications:** If approved the development will provide at least 60 new residential lots that will require City services except sanitation. These new residential lots will also increase the property tax base and population numbers that impact funding.
4. **Consequences for Not Acting:** Property may remain vacant and zoned IC-CB. Commercial uses permitted in IC-CB would be allowed.
5. **Department Recommendation:** The 2005 Land Development Plan projects the property to be low density residential even though the property is zoned Iredell County Community Business, however since the properties are outside of the City's jurisdiction the plan doesn't thoroughly address this area. The properties are located between the Brookmeade Subdivision and commercial sites. Staff feels that a medium density multi-family development is a good transition between single-family and commercial development and all utilities are available at the site. Also, with site-plan approval by council required prior to any multi-family development being approved staff's recommendation is **favorable** to rezone the properties contingent upon annexation.
6. **Manager Comments:** Concur with Department Recommendation.
7. **Next Steps:** If approved the second reading of this request will be heard on May 18, 2020, upon approval of the second reading of these properties they will be officially zoned R-8MF. If the applicant submits a revised sketch plan it will be reviewed by TRC, Planning Board and Council.
8. **Attachments:**
 - 1) Council Consistency Statement

- 2) Planning Board Consistency Statement
- 3) Certification of Mailed Notices
- 4) Conditions proposed by applicant
- 5) Conceptual Site Plan
- 6) Conceptual Rendering
- 7) Zoning Map
- 8) Aerial Photo
- 9) Rezoning Ordinance



To: Statesville City Council
From: Sherry Ashley, Planning Director
Date: 3/16/20
Subject: Rezoning
Case: 20-01 Landon Greene Vance PO
Address: Adjacent to 110 Vance PO 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 _____

- 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 property is located between the Brookmeade Subdivision and commercial sites. Staff feels that a medium density multi-family development is a good transition between single-family and commercial development and all utilities are available at the site. _____

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

Date: Constantine H. Kutteh, Mayor

Date: Sherry Ashley, Planning Director



To: Statesville Planning Board
From: Andrew Ventresca, Senior Planner
Date: February 25, 2020
Subject: Rezoning
Case: ZC20-01
Address: Vance PO 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 _____

- 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 property is located between the Brookmeade Subdivision and commercial sites. Staff feels that a medium density multi-family development is a good transition between single-family and commercial development and all utilities are available at the site.

- 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: Mark Tart, Planning Board Chairman

Date: Sherry Ashley, Planning Director



To City Council:

Subject: Certification Letter

Dear Council,

The purpose of this letter is to certify that the adjacent property owners of PINs 4765-33-7215 & 4765-32-5949 located on Vance PO Road were mailed a notice notifying them of rezoning case ZC20-01 on February 11, 2020.

Thank you,

Andrew Ventresca

Senior Planner

CONDITIONAL USE ZONING PERMIT
CITY COUNCIL APPROVAL

ZONING CASE NO. CU-

ZONING: From Iredell County; CB to R-8MF (CD)City of Statesville

APPLICANT: Landon Greene L.P. C/o Frank Fugate 500 S Front Street, 10th floor, Columbus Ohio 43215 614-406-2931.

Plans for development of the above noted Conditional Use Zoning Permit were submitted for City Council approval under the provisions of the Unified Development Code, Article 4, Section 2.07. The plan was reviewed, approved, and permit issued by the City Council on the _____ day of _____, 2020 and subject to such conditions as indicated below.

_____ Date

_____ Constantine Kutteh, Mayor

USES: Up to 60 units of independent senior housing in a elevatored served three story building

CONDITIONS:

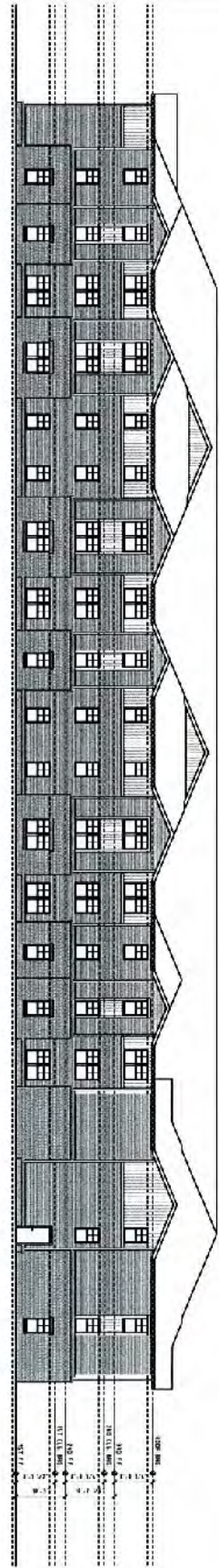
- The proposed development shall consist of a single phase of development and shall be a senior housing development for residents aged 55 years and above in compliance with the Federal HOPA Act (Housing for Older Persons Act)
- The development will be restricted to a maximum of 60 units (a density of up to 7.3 units per acre)
- Petitioner will keep a 125' setback as shown from proposed development to existing residential single-family properties to the south. Allowed improvements within the proposed 125' setback shall include: stormwater management and utilities, and active open space.
- Petitioner agrees to keep the existing wooded area to the north as a buffer.
- Petitioner agrees to construct public road from the end of pavement to proposed driveway connection per the City of Statesville roadway standards. Road shall include curb and gutter on proposed side of development along subject property.
- Petitioner shall install a 5' sidewalk along Vance PO road to Mocksville Hwy. Petitioner shall not be responsible for acquiring right of way or easements for the construction of the sidewalk.

PLANNING DEPARTMENT REZONING FILE #ZC_____

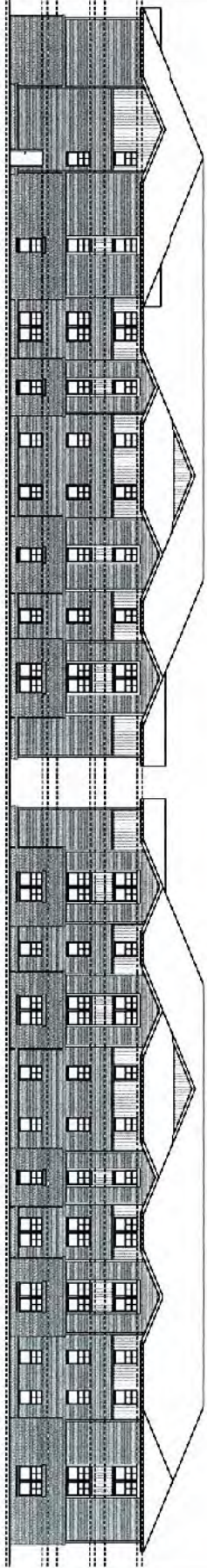
I, Frank Fugate/ representing Landon Greene LP applicant, agree to adhere to the above conditions places on rezoning case #ZC_____ as adopted by City Council on the _____ day of _____, 2020.

Date

Applicant

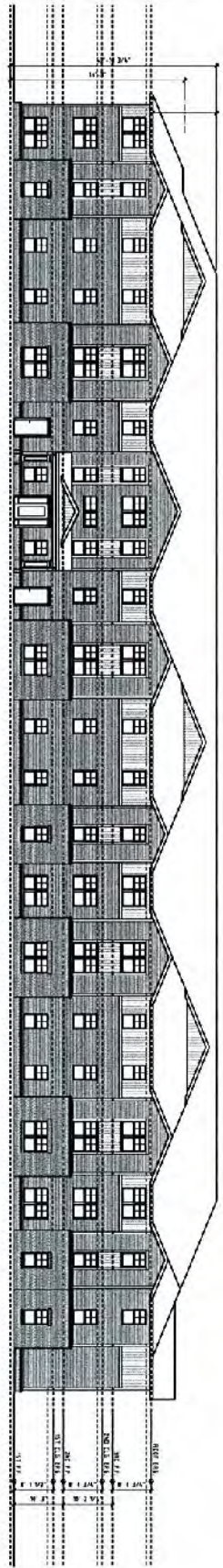


1 FRONT ELEVATION

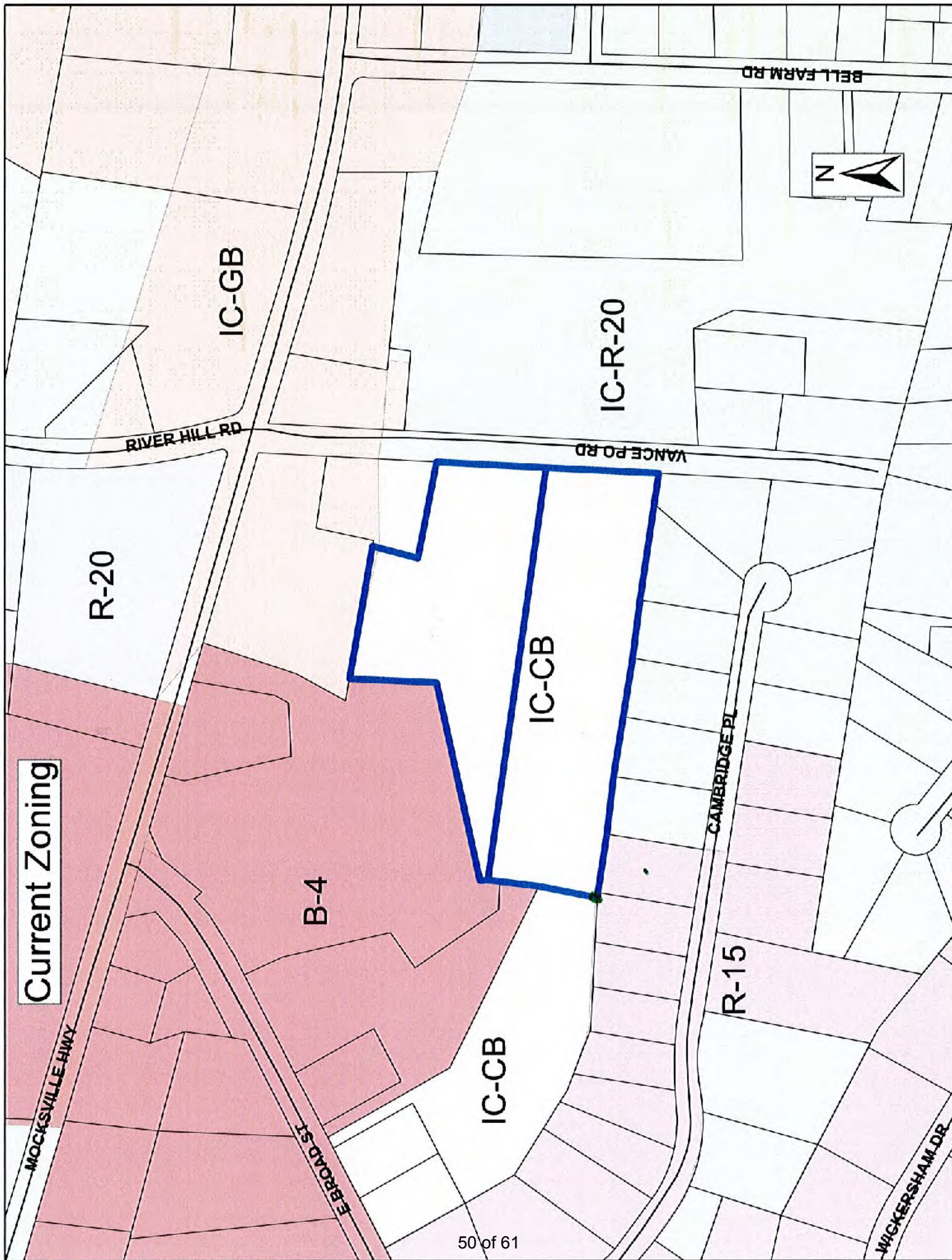


2 RIGHT SIDE ELEVATION

3 LEFT SIDE ELEVATION



4 FRONT ELEVATION





ORDINANCE NO. _____

AN ORDINANCE AMENDING THE ZONING CLASSIFICATION OF THE AFTER DESCRIBED PROPERTIES FROM IREDELL COUNTY CB (COMMUNITY BUSINESS) DISTRICT TO R-8MF CU (MEDIUM DENSITY MULTI-FAMILY RESIDENTIAL CONDITIONAL USE) DISTRICT

**ZC20-01 Landon Greene LP
Vance PO Road
PINs 4765-33-7215 & 4765-32-5949**

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 March 16, 2020 at 7:00 p.m. in the Council Chambers at City Hall, 227 South Center Street, Statesville, North Carolina, for the purpose of considering a proposed ordinance to change the zoning classification of the after described properties from Iredell County CB to R-8MF CU; said notice having been published in the Statesville Record and Landmark, a newspaper having general circulation in this area on March 6, 2020 & March 13, 2020, all in accordance with the procedure set forth in N.C.G.S. 160A-360; and

WHEREAS, said public hearing was declared open and continued until the April 20th, 2020 Council meeting, where it was continued again until the May 4th, 2020 Council meeting;;

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

LEGAL DESCRIPTION

Owner: Bobby Check, Tax PIN# 4765-33-7215

BEING ALL OF LOT NO. SEVEN (7) of the MINOR SUBDIVISION FOR LOWERY LAND COMPANY as the same is platted, planned and recorded at Plat Book 35, Page 69, Iredell County Registry and being the identical property conveyed from Lowery Land Company to Leslie C. Holshouser, Jr. and Wife Jacquelen G. Holhouser by General Warranty Deed dated May 10, 2000 and recorded at Deed Book 1199, Page 1196, Iredell County Registry, being more particularly described as follows:

Beginning in the centerline of Vance PO Road (S.R. 2317) the southeasterly corner of Lot 7, Plat Book 35, Page 69; thence N76°42'41"W a distance of 887.33' to the southwesterly corner of said Lot 7, the southerly line of Eastgate Commons Statesville, Deed Book 1279, Page 2238, Plat 39, Page 84; thence with said Eastgate Commons 3 calls: 1) N12°00'42"E a distance of 16.67', 2) N82°38'05"E a distance of 407.87'; 3) N07°22'57"E a distance of 177.89' to the southerly line of Tommy H. Laws D.B. 943, Page 300 thence S75°13'21"E a distance of 276.68'; to the westerly line of Wesley B. Lambreth Deed Book 1763, Page 1156, thence with Lambreth's line 2 calls: 1) S17°42'45"W a distance of 94.06'; 2) S73°32'50"E a distance of 229.79' to the centerline of Vance PO Road; thence S06°46'04"W a distance of 225.29' to the point of beginning, containing 4.023 Acres

Owner: John K. Moorefield, Tax PIN# 4765-32-5949

Page 1 of 2

BEING ALL OF LOT NO. SIX (6) of the MINOR SUBDIVISION FOR LOWERY LAND COMPANY as the same is platted, planned and recorded at Plat Book 35, Page 69, Iredell County Registry, being more particularly described as follows:

Beginning at the northeasterly corner of Lot 8, Plat Book 21, Page 57 and running with the northerly line of said Lot 8, Plat Book 21, Page 57; N76°44'59"W a distance of 99.49' to the northeasterly corner of Lot 9, Plat Book 35, Page 68; thence with said Plat Book 35, Page 68, 3 calls: 1) N76°41'17"W a distance of 198.22'; 2) N76°48'36"W a distance of 120.25'; 3) N76°33'22"W a distance of 119.71' to the northeasterly corner of Lot 12, Plat Book 65, Page 107, thence N76°46'02"W a distance of 120.34'; to the northeasterly corner of Lot 13, Plat Book 35, Page 68, thence N76°39'00"W a distance of 119.90' to the northeasterly corner of Lot 14, Plat Book 41, Page 107 thence N76°46'52"W a distance of 120.03' to the northwesterly corner of said Lot 14; thence N82°20'36"W a distance of 10.03' to the southeasterly corner of ML Cassar Properties, LLC, Deed Book 2408, Page 1285; thence with said Cassar's line N12°00'42"E a distance of 224.93' to the southwesterly corner of Bobby R. Cheek, Lot 7 of Plat Book 35, Page 69, thence with the southerly line of said Lot 7, S76°42'41"E a distance of 887.33' to the centerline of Vance PO Road (S.R. 2317) thence with said centerline of Vance PO road S06°46'04"W a distance of 225.28' which is the point of beginning, Containing 4.612 Acres

Property Address: Vance PO Road, Statesville NC 28677

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

Ayes:

Nays:

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

Ayes:

Nays:

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

CITY OF STATESVILLE

Constantine H. Kutteh, Mayor

APPROVED AS TO FORM:

By: _____
Leah Gaines Messick, City Attorney

ATTEST:

Brenda Fugett, City Clerk

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Nancy Davis, Public Affairs Director
DATE: March 3, 2020

ACTION NEEDED ON: May 4, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Amend the portion of the Special Events Ordinance (Chpt. 20, Article V, Sec. 20-148) to give more organizations the ability to sponsor events on city property that involve the distribution of alcohol, and streamline the special events permitting process.

- 1. Summary of Information:** The current Special Events Permit ordinance was approved in 2007 and restricts the distribution of alcoholic beverages at special events to events that are sponsored by the *City, the Greater Statesville Chamber of Commerce, the Greater Statesville Development Corporation, the Downtown Statesville Development Corporation or the Statesville Convention and Visitor's Bureau*. (This ordinance applies only to events held on city owned properties, etc.)

As the interest in special events that include alcohol has grown, more and more organizations have turned to the *organizations listed above* to bear the responsibility and liability of alcohol distribution.

The *organizations listed above* have requested that the ordinance be amended so that other organizations can put on events with alcohol without requiring a co-sponsor. These groups met with City staff and the city attorney to develop the changes.

All organizations wanting to host an event where alcohol will be distributed on City property will have to receive approval from the N.C. ABC Commission before making application for a special events permit with the City. The City Manager and Police Department will review the applications to make sure all requirements are being met before allowing the event.

In addition, it is requested that the requirements for buying wrist bands from the City be eliminated. The ordinance still requires that IDs are checked and that persons 21 years and older display a visible designation. It is believed these measures will help streamline the process for organizations who wish to sponsor events.

The restriction of the percentage of vendors selling alcohol is being removed so as to not impact events such as beer or wine festivals.

There are no changes to the requirement that all event organizers hire off-duty Statesville police officers as security guards, assume full personal responsibility in the written application for the reasonable operation of the event, and agreement to indemnify the City from any reasonably foreseeable damage to the City.

The N.C. ABC Commission must give its approval and the City maintains the final approval of a special events permit.

2. **Previous Council or Relevant Actions:** NONE
3. **Budget/Funding Implications:** NONE
4. **Consequences for Not Acting:** The organizations listed above have indicated they can no longer take responsibility for events other than their special events and believe that by expanding this ordinance to allow more organizations to have events with alcohol will encourage more festivals and events and community activities that will add to the quality of life.
5. **Department Recommendation:** Approval of Request
6. **Manager Comments:** Recommend for approval.
7. **Next Steps:** Once approved, the staff will revise the special events permit applications to clarify the requirements and responsibilities of the sponsoring organization.
8. **Attachments:**
 - 1) Revisions to ordinance

Article V. -- Special Events

Sec. 20-144. - Cost recovery for special events

(a) For any special event requiring expenditure of public resources, the city shall charge for the actual cost of:

(1) A reasonable fee for city personnel involved in permit processing, event traffic control, fire safety, EMS support, crowd control or any other event support; ~~and~~

(2) Other non personnel expense;

(3) The cost of off-duty Statesville Police Department officers as required pursuant to Sec. 20-148; and

(4) The cost of any fee to process the application for the Special Event Permit established by the City's Fee Schedule in each duly adopted yearly City budget.

Cost recovery for events jointly sponsored by the city shall be mutually agreed upon and established through contract.

(b) The city shall require the payment of fees pursuant to section 20-144 ~~no later than five (5) days after notice of the approval of the application and at all times prior to the special event, or a reasonable estimate thereof the completed application is approved,~~ unless the city, for good cause, extends time for payment ~~on a showing of financial hardship.~~

(c) If the event organizer fails to comply with section 20-144, the event organizer will be billed for actual city costs for cleanup and repair of the area or route occasioned by the event, ~~and for any fees charged by the off-duty Statesville Police Department Officers who are required pursuant to Sec. 20-148.~~ If the event organized failed to comply with a previously issued special event permit, the event organizer shall deposit adequate surety in the form of cash or letter of credit drawn on a local bank ~~on request from the City Manager, or his or her designee.~~

(Ord. No. 53-07, §3, 9-17-07)

Sec. 20-148. -- Conditions for sale of alcoholic beverages.

(a) It shall be illegal to distribute, sell, serve, or otherwise consume any alcoholic beverage on any property or rights-of-way or other area owned or in the possession of the City of Statesville unless the City specifically authorizes such by the issuance of a special events

permit and such conduct is not otherwise prohibited by law. All special event permits shall be issued as set forth in this Section, and shall be filed with the Statesville Police Department for the City. ~~No alcoholic beverages can be consumed, sold or distributed at special events except those sponsored by the city, the Greater Statesville Chamber of Commerce, the Greater Statesville Development Corporation, the Downtown Statesville Development Corporation, or the Statesville Convention and Visitors Bureau.~~

(b) For purposes of this section only, a "special event" is an event defined in Sec. 20-126 above and sponsored by an organization that has been approved by the City Manager based upon the following: (1) length of time the organization has been in operation; (2) criminal record of any Event Organizer associated with the Organization; (3) any relevant public and safety factors of all other current and prior events held by the Organization; and (4) any failure to comply with the terms of a prior special event permit. The City Manager is authorized to require any applications and proofs as he or she may deem necessary to make a determination on the ability of an Event Organizer to sell or distribute alcoholic beverages as provided herein.

(c) Event organizers shall provide a sketch of the area where beverages will be sold and consumed. The sketch shall indicate the material to be used for enclosing the area and include ingress and egress. ~~The event organizer coordinator shall further show the area where alcoholic beverages will be sold and consumed as part of the overall event sketch plan.~~ **The Event Organizer is responsible for maintaining decorum and order and shall provide adequate security staff. The event organizer must also be responsible for checking the identification of patrons as they enter and exit the venue, and must also provide patrons with a visible designation that a person is over twenty-one (21) years of age. In no case shall alcoholic sales venues exceed twenty (20) percent of all vendors at the event. In cases where five (5) or less venues are planned, no more than one (1) can be utilized for the sale and/or distribution of alcoholic beverages.**

~~(e) The event organizer may choose one (1) of the following methods of checking identification for patrons of alcoholic sales venues:~~

~~(1) Security guards at individual venues shall check identification of patrons as they enter and exit the venue;~~

~~(2) Event organizer may purchase colored wrist bands from the city to be resold at identification stations. Said wrist bands shall permit holders into any venues selling and/or distributing alcoholic beverages. New colored wrist bands shall be used on succeeding days of multi-day events.~~

(d) No vendor of alcoholic beverages may serve more than two (2) drinks at a time to any patron. It is unlawful for a patron to pass on an alcoholic beverage to a person whose identification has not been checked or to patrons outside the area set aside for consumption of alcoholic beverages.

(e) All event organizers and individual vendors of alcoholic beverages shall be required to engage off-duty Statesville police officers to serve as security guards. ~~and inspectors of identification.~~

(f) The event organizer must assume full personal responsibility in the written application for the reasonable operation of the event and agrees to indemnify City from any reasonably foreseeable damage to the City of third parties. The event organizer shall not allow any permanent alteration or encroachment on property owned or possessed by the City. The event organizer shall be responsible for repairing any incidental damage to the City property from the event.

(g) A permit may be denied if it is found that the granting of the permit would not be in the public interest, or there is found to be a lack of harmony of the event as planned with the neighborhood at the time requested, or a permit may be revoked pursuant to Sec. 20-143.

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Scott Harrell, Exec Director of Public Works / City Engineer
DATE: April 22, 2020

ACTION NEEDED ON: May 4, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

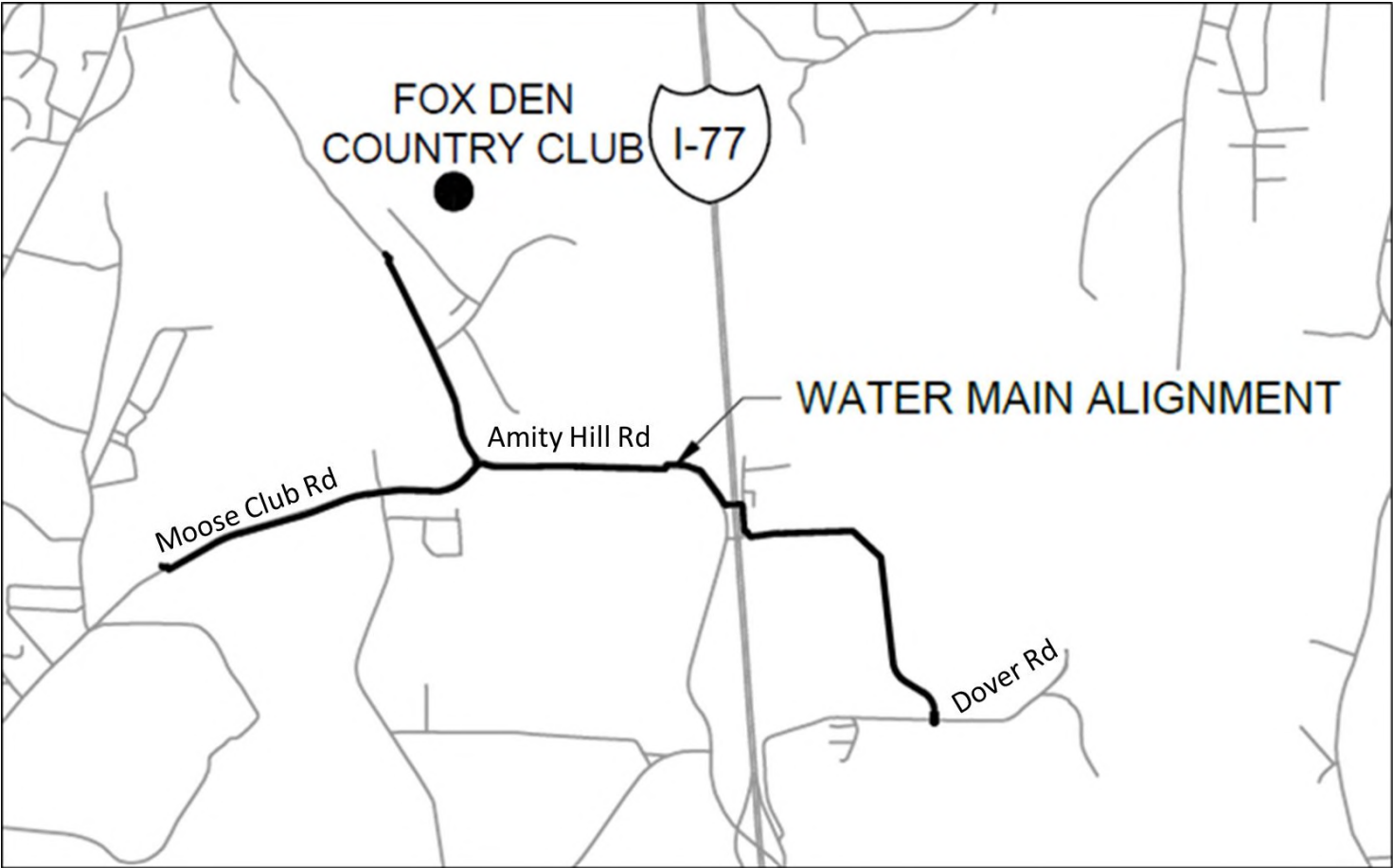
Consider authorizing funding for easement acquisition for the water main extension to serve Larkin Commerce Park and approving Budget Amendment No. 22.

- 1. Summary of Information:** Larkin Commerce Park will be served by City of Statesville Electric and Water utilities. Design of the water main extension is nearing completion with bids anticipated by late May / early June. The water main project consists of the construction of 4,780 LF of new 12-inch diameter water main along Moose Club Road and 11,980 LF of new 16-inch diameter water main along Amity Hill Road and through the Larkin Development to Dover Road. This project includes a bore under Interstate 77 from Amity Hill Road to the Larkin property, a stream crossing via horizontal directional drill (HDD), and the installation of various air release valves, hydrants and other related appurtenances.

Much of the water line extension will be within a shared Electric / Water utility easement, which is being obtained by the Electric Department. The portion of the water line that will not parallel the electric extension crosses 20 parcels along Amity Hill Rd. Staff has developed estimates to obtain these easements.

- 2. Previous Council or Relevant Actions:** Council awarded a contract to Hazen & Sawyer on March 18, 2019 to design a water line extension to the Larkin Commerce Park.
- 3. Budget/Funding Implications:** The estimated total easement acquisition cost (waterline only portion) is \$65,000 for 20 parcels along Amity Hill Road.
- 4. Consequences for Not Acting:** Easement acquisition is vital to the project schedule; delays in easement acquisition will delay the start of construction.
- 5. Department Recommendation:** Staff recommends authorizing funding for easement acquisition for the water main extension to Larkin Commerce Park and approving Budget Amendment No. 20.
- 6. Manager Comments:** Recommend for approval.
- 7. Next Steps:**
 - If approved, staff will commence easement acquisition along Amity Hill Rd.
 - Construction bids are anticipated in late May / early June, with construction to begin in July.
 - The Keith Corp has indicated they plan to complete construction of the initial spec building in October 2020.
- 8. Attachment:** Water Line Vicinity Map

LARKIN DEVELOPMENT WATERLINE SUPPLY PROJECT



VICINITY MAP - NOT TO SCALE

CITY COUNCIL ACTION REQUEST

TO: Ron Smith, City Manager
FROM: Christopher Tucker, Finance Director
DATE: April 21, 2020

ACTION NEEDED ON: May 4, 2020
(Date of Council Meeting)

COUNCIL ACTION REQUESTED:

Receive the Fiscal Year 2020-2021 Manager's Recommended Budget from the City Manager and staff and set a public hearing on the budget for May 18, 2020 at 7:00 p.m.
Consider setting Board Workshop sessions.

- 1. Summary of Information:** The proposed budget will be presented at the meeting.
- 2. Previous Council or Relevant Actions:** Council annually approves the City's Operating Budget as required by NCGS 159-13.
- 3. Budget/Funding Implications:** This budget sets forth the expected revenues balanced against expected expenditures for the City's operating funds for Fiscal Year 220-2021.
- 4. Consequences for Not Acting:** Violation of NCGS 159-13 or begin the path to an interim budget under NCGS 159-16.
- 5. Department Recommendation:** Receive the budget as presented, set the Public Hearing and determine workshop sessions.
- 6. Manager Comments:** At the meeting I will go through the required budget message and the budget books will be presented for your review. I will also identify dates and times for the budget review meetings.
- 7. Next Steps:** Instruct City Clerk to make the Fiscal Year 2020-2021 Manager's Recommended Budget available for public viewing. Advertise Public Hearing 10 days in advance of May 18, 2020.
- 8. Attachments:** None