

MINUTE BOOK 31, PAGE 332

**STATESVILLE CITY PRE-AGENDA COUNCIL MEETING MINUTES – September 11, 2025
CITY HALL – 227 S. CENTER STREET, STATESVILLE, NC – 4:00 P.M.**

Council Present: Mayor Kutteh presiding, Jones, Lawton, J. Johnson, Wasson, Hudson, Allison

Council Absent: Hudson, Pearson (Virtual),

Staff Present: Ron Smith, Messick, Harrell, Ashley, E. Kurfees, G. Kurfees, Bridges, Hubert, Griggs, Onley, Leis, Vaughan, Kirkendall, Pierce, Nesbit, Ferguson, Barnette, Marion

I. Call to Order

Mayor Kutteh called the meeting to order.

II. Invocation (Only at the Regular Meeting)

III. Pledge of Allegiance (Only at the Regular Meeting)

IV. Adoption of the Agenda (Only at the Regular Meeting)

V. Code of Ethics and Front and Center Strategic Plan (Only at the Regular Meeting)

VI. Presentations & Recognitions (Only at the Regular Meeting)

1. Suicide Prevention Month Proclamation
2. Constitution Week Proclamation

VII. Public Comment (Only at the Regular Meeting)

VIII. 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 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 August 14, 2025, Pre-Agenda Meeting Minutes and the August 18, 2025, Regular Meeting Minutes. (E. Kurfees)

B. Consider passing the second reading of TA25-03 Flood Development Permit to amend Appendix A, Article II, Part 2, Section 2.25 Flood Development Permit. (Moore)

C. Consider passing the second reading of an annexation ordinance AX25-06 2110 E. Greenbriar Road. (Kirkendall)

D. Consider passing a resolution directing the City Clerk to investigate a petition of annexation, AX25-05 407 and 417 Central Drive, receive the City Clerk's Certificate of Sufficiency, and consider passing a resolution fixing a date of September 15, 2025, for a public hearing for the petition of annexation. (Kirkendall)

E. Consider passing a resolution directing the City Clerk to investigate a petition of annexation, AX25-08 Compass Data Centers for parcels along Stamey Farm Road and Hickory Hwy, receive the City Clerk's Certificate of Sufficiency, and consider passing a resolution fixing a date of October 6, 2025, for a public hearing for the petition of annexation. (Kirkendall)
Mayor Kutteh stated that this is the annexation of the data center project.

F. Consider passing a resolution directing the City Clerk to investigate a petition of annexation, AX25-09 City of Statesville Fire Station 5 at 533 Gaither Road, receive the City Clerk's Certificate of Sufficiency, and consider passing a resolution fixing a date of October 6, 2025, for a public hearing for the petition of annexation. (Kirkendall)

G. Consider approving a work authorization with Parrish and Partners for engineering services for the Runway Safety Area Improvement Project in the amount of \$61,155.00. (Ferguson)

Mayor Kutteh stated that this is a match grant with Iredell County.

H. Consider approving a Request for Proposal for the HOME Funds Administration. (Smith)

Council Member J. Johnson asked if the funds are spent now. Mayor Kutteh stated that this is just the request for proposals to spend the funds.

REGULAR AGENDA

IX. Conduct a public hearing and consider passing a first reading of an ordinance to annex AX25-07 the Oaks at James Farm at 474 James Farm Road. (Kirkendall)

Mayor Kutteh stated that the Council has approved the rezoning, and this is the annexation process.

X. Conduct a public hearing regarding the condemnation of an abandoned, dilapidated dwelling located at 1013 Park Drive and consider approving first reading of an ordinance to demolish the dwelling as unsafe and a dangerous condition or consider foreclosure. (Marion)

Mayor Kutteh stated that we can consider demolishing or foreclosing on the property.

Messick stated that if the Council goes through the foreclosure process, then it will go to the Bardill office. The foreclosure is still available after the demolition of the property.

Mayor Kutteh would like to know the status of the foreclosures and what the status is. Marion stated that they sent 8 properties that are just land to Mark Bardill's office. Council Member Wasson asked if the status. Marion stated that they have not been worked on since we sent them over in October.

XI. Conduct a public hearing and consider passing the first reading of Rezoning Request ZC25-13 for Compass Data Centers; properties located on Stamey Farm Road, between I-40 and US 70 (Hickory Highway), To rezone from Iredell County RA and Iredell County HB to the City of Statesville LI CZ. (Ashley)

Mayor Kutteh stated that we expect a large crowd. There is overflow at the Civic Center and the Lobby of City Hall. He stated that we are anticipating a lengthy public hearing and we are not going to tolerate any disrespectful behavior.

Caulder stated that Sherry Ashley will be presenting. Mayor Kutteh stated that the staff will present, then the applicant will have time to present. Most of the comments and questions should be answered during the presentations.

Council Member Wasson asked how many Compass Data Centers are in the US. Goodson stated that there are 2 campuses under construction and there are at least 20 different projects since 2018.

Smith stated that staff will get reading of the noise level of area events to answer council member's questions. Compass has started to show reluctance to answering some questions.

Council Member Allison asked about the traffic impact. Caulder stated that they do not have enough traffic to trigger an analysis, but they are doing it anyway.

Council Member S. Johnson stated that the Stameys have turned down several projects on their property because of the impact to the community.

XII. City Manager's Report (Only at the Regular Meeting)

XIII. Advisory Boards Meeting Minutes

1. August 26, 2025 Planning Board Meeting Minutes
2. July 10, 2025 Design Review Committee Meeting Minutes

XIV. Other Business

Mayor Kutteh called Frank Johnson with the Iredell Community Remembrance Project would like to erect the plaque in collation with the Equal Justice Initiative next to the Civil War statute at the court house. They would like to put up a marker next to a statute describing the lynching of Charles Campbell. Marlene Scott stated that Voices of Freedom is theme of the America 250 Committee and this marker will go along with that theme. Mayor Kutteh stated that this will be put on an upcoming meeting for consideration.

XV. Closed Session (After Pre- Agenda)

Mayor Kutteh stated that we need to go into closed session for an economic development matter and a contract matter.

- 1. G.S. 143-318.11(a)(3), Attorney-Client Privilege
- 2. G.S. 143-318.11(a)(4), Economic Development

Coming out of closed session, Mayor Kutteh stated that no decisions were made, and an economic development matter and a contract matter was discussed.

XVI. Adjournment

Council Member Allison made a motion to adjourn the meeting. Council Member J. Johnson seconded the motion. The motion passed unanimously.

Emily Kurfees, City Clerk

Constantine H. Kutteh, Mayor

MINUTE BOOK 31, PAGE 335
STATESVILLE CITY REGULAR COUNCIL MEETING MINUTES – September 15, 2025
CITY HALL – 227 S. CENTER STREET, STATESVILLE, NC – 6:00 P.M.

Council Present: Mayor Kutteh presiding, Jones, Lawton, J. Johnson, Wasson, Hudson, Allison, Pearson, S. Johnson

Council Absent: None

Staff Present: Ron Smith, Messick, Harrell, Ashley, E. Kurfees, G. Kurfees, Bridges, Hubert, Onley, Vaughan, Kirkendall, Nesbit, Ferguson, Marion, Morrison, Menster, Galliher, Griffin, Iverson, Ballard, Bowen

Media: Charlotte News and Observer, Iredell Free News, Record and Landmark

Others: Over 100 people in attendance

I. Call to Order

Mayor Kutteh called the meeting to order.

II. Invocation

The City Clerk led the invocation.

III. Pledge of Allegiance

Mayor Kutteh led in the Pledge of Allegiance.

IV. Adoption of the Agenda

Mayor Kutteh stated that Item 10 has been pulled to be reconsidered at another date.

Council Member Allison made a motion to approve the amended agenda. Council Member Hudson seconded the motion. The motion passed unanimously.

V. Code of Ethics and Front and Center Strategic Plan

Mayor Kutteh stated that the Council strives to follow the Code of Ethics.

VI. Presentations & Recognitions

1. Suicide Prevention Month Proclamation

Mayor Kutteh read the proclamation into the record and presented it to Susan B and Brett Eckerman.

2. Constitution Week Proclamation

Mayor Kutteh read the proclamation in the record. He brought up members of the DAR.

VII. Public Comment

No one signed up to speak during the public comment period.

VIII. 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 requests, in which event, the item will be removed from the Consent Agenda and considered with the other items listed in the Regular Agenda.

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C. Consider passing the second reading of an annexation ordinance AX25-06 2110 E. Greenbriar Road. (Kirkendall)

D. Consider passing a resolution directing the City Clerk to investigate a petition of annexation, AX25-05 407 and 417 Central Drive, receive the City Clerk's Certificate of Sufficiency, and consider passing a resolution fixing a date of October 6, 2025, for a public hearing for the petition of annexation. (Kirkendall)

- E. Consider passing a resolution directing the City Clerk to investigate a petition of annexation, AX25-08 Compass Data Centers for parcels along Stamey Farm Road and Hickory Hwy, receive the City Clerk's Certificate of Sufficiency, and consider passing a resolution fixing a date of October 6, 2025, for a public hearing for the petition of annexation. (Kirkendall)**
- F. Consider passing a resolution directing the City Clerk to investigate a petition of annexation, AX25-09 City of Statesville Fire Station 5 at 533 Gaither Road, receive the City Clerk's Certificate of Sufficiency, and consider passing a resolution fixing a date of October 6, 2025, for a public hearing for the petition of annexation. (Kirkendall)**
- G. Consider approving a work authorization with Parrish and Partners for engineering services for the Runway Safety Area Improvement Project in the amount of \$61,155.00. (Ferguson)**
- H. Consider approving a Request for Proposal for the HOME Funds Administration. (Smith)**

Mayor Kutteh asked for a motion on the consent agenda.

Council Member S. Johnson asked for further discussion to be had if the Housing Authority submits a proposal.

Council Member Allison made a motion to approved the consent agenda. Council Member Lawton seconded the motion. The motion passed unanimously.

REGULAR AGENDA

- IX. Conduct a public hearing and consider passing a first reading of an ordinance to annex AX25-07 the Oaks at James Farm at 474 James Farm Road. (Kirkendall)**
Kirkendall stated that the City Council approved this development as a rezoning in July. Staff recommends to annex this property because it is in Tier 2 growth area and near existing city services.

Council Member S. Johnson asked to see the City Limits near the site. He stated that it is near the current city limits.

Mayor Kutteh opened the public hearing. Hearing none, he closed the public hearing.

Council Member Allison made a motion to approve the annexation request; Council Member Wasson seconded the motion. The motion passed unanimously.

- X. Conduct a public hearing regarding the condemnation of an abandoned, dilapidated dwelling located at 1013 Park Drive and consider approving first reading of an ordinance to demolish the dwelling as unsafe and a dangerous condition or consider foreclosure. (Marion)**
This item was removed from the agenda.

- XI. Conduct a public hearing and consider passing the first reading of Rezoning Request ZC25-13 for Compass Data Centers; properties located on Stamey Farm Road, between I-40 and US 70 (Hickory Highway), To rezone from Iredell County RA and Iredell County HB to the City of Statesville LI CZ. (Ashley)**
Mayor Kutteh stated that the staff will provide a presentation and then the applicant will present. Finally, the public hearing will occur.

Ashley stated that the applicant would like to rezone from Iredell County RA and HB to City of Statesville LI CZ. They propose 5 warehouse buildings with backup generators and fans. There are many uses allowed in LI but the conditional zoning limits the uses.

Ashley reviewed the public meetings that the rezoning request including the planning board and community meeting. Ashley reviewed the conditions:

1. Limited uses
2. Require TIA to be performed

3. Increased property line buffers

She reviewed the site plan. She stated that a building and generator is at a minimum of 500 feet from adjoining homes. Ashley stated that the Planning board unanimously approved the rezoning request.

Mayor Kutteh asked if anyone had any questions before the applicant presented. Hearing none, he called up the applicant.

Brent Tyler, Senior Land Development at Compass Data Centers. He stated that they have 20 campuses globally, including in Israel and Canada. Each data center is approximately 250,000 square feet. There is onsite power and generators. Compass has always used non-water cooling.

The site is ideal for Compass and the City. The site plan follows the land development plans for both the city and county. Energy will be provided by Duke Power. Compass will pay for upgrade costs in the distribution system. Water usage will be typical office building usage. There will be limited visuals of the buildings.

Council Member Allison asked about the employees. Mr. Tyler stated that employees can have degrees from technical colleges or internships. He stated that we seek diversity in employment. Currently, all construction managers are female. He stated that the company works with community colleges to create degrees to work for Compass.

Council Member Wasson asked about the pay rate. He stated that the jobs are paid above the county average.

Mayor Kutteh opened the public hearing.

Jade Benfield- 1567 Old Mountain Road (County Resident)-. She is opposed to the data center. She stated that this is a rural area and does not want to annex the property into the city limits. She stated that the bitcoin site in Virginia Beach hums a thousand feet away. She asked the council if this is ethically right. She claims that she has a buyer for the property to keep the land a farm.

Gene Pickens, 118 Parkers Grove Lane (Adjoining Property Owner), yielded his time to his wife.

Deidra Pickens, 118 Parkers Grove Lane (Adjoining Property Owner), She is opposed to the data center. She owns watch me grow ultrasound. She provided a petition to the Council Members (exhibit A). The petition has over 1300 signatures. Ms. Pickens showed a YouTube video of a data center in Gainesville, VA.

Donna Larkin, 200 Starlight Road (County Resident)- she is against the data center, she stated that her sons work for Carrier and the air condition units put out a lot of harmful emissions. Her nephew works for data centers in Texas, and he would not like these facilities in his backyard.

Sam Estes, 1759 Old Mountain Road (County Resident)- he is against the data center. He stated that these buildings are larger than the Kathy Godly buildings. He stated that he would like the land to stay farmland. He stated that he traveled to other data centers, and they are very loud.

Steve Begrad, 449 Westchester Road (County Resident), He is in favor of the data center. He is in the shredding and destruction of computer hardware. He has been working at data center businesses for 14 years. He stated that the equipment is top of the line and maintenance of the buildings is a priority.

Sheila Shupert, 128 Mt. Hermon Road (County Resident)- She is against the data center. Ms. Shupert is concerned about the health of the community. She is concerned about the pollution that will contaminate the air that will harm children and the elderly. She stated that she received the public records request for all the emails.

Tim Shupert, 128 Mt. Hermon Road (County Resident), is against the data center. He would like the land to stay agriculture.

Gordon Moore, 322 Gilbert Road (County Resident), is against the data center. He stated that 525 homes were approved a year ago and 200 additional workers will affect the traffic. He is concerned about the safety of a mission critical data center.

Kristen Clanton, 111 Heathrow Lane (County Resident), is against the data center because of its public utility use.

Dale Warren, 144 Greenwich Drive (County Resident), He is against the data centers because of the noise level.

Tommy Chapman- 212 Celest Estates Road (County Resident) is in favor of the data center. He owns two small business and respects the right for everyone to be against the data center. He is upset that the Stameys have been vilified in this process. He stated that he could have sold the property for a lot worse use.

Lauri Van Drake- 326 Prospect Road (County Resident)- she is against the data center. She claims that the VP from Compass stated that Statesville is a tier one city. She stated that other tier one cities include LA and NYC.

Susan DiGiacrmo 326 Prospect Road (County Resident) is against the data center. She stated that two companies own Compass Data Centers and the companies are in litigation with the DOJ.

Erika Hernandez 7705 Perdot Circle, Charlotte- is against the data center. She works for clean water for North Carolina. She stated that the data centers increase water demands for water.

Dawn Curtin, 375 Bethlehem Road (County Resident), is against the data centers and agrees with the majority of the others. She is concerned about the land value will decrease. She stated that this decision is in West Iredell and the city council should not make decisions for county residents.

Mark Cash, 232 Loray Lane (County Resident) is in favor of the data center. He stated that it was planned to be industrial in the 2045 Land Development plan. The power is already at the substation near West Iredell.

Rusty Lee, 737 St. Cloud Drive (City Resident), is for the data center. He is an engineer related to data center and fiber. He is excited to hear of a Compass Data Center Project. He stated the company is the leading company in this industry.

Jessica Baucom- 126 Falling Leaf Lane (County Resident) is against the data center. She works at the plating department and she works with chemicals. She is concerned about the schools and the resources for the school. She stated that Duke Energy always loses power. She would like the data center to be built at the mall location.

Christina Merdor, 329 Oak Forest Drive (County Resident), is opposed to the data center. She owns rental property in the city limits, and she does not want to see a data center in Iredell County. She is concerned about once the data center is closed, then what will happen to the data center.

Brian Waters, 3210 Marcia Lane (County Resident), is against the data center.

Paula Huffman, 157 Stamey Farm Road (Adjoining Property Owner), is in favor of the data center. She for the data center over other uses such as a neighborhood or a warehouse.

Bonnie Coffin, 1516 Old Mountain Road (County Resident), recently moved from the North and wanted the country, she would like the land to stay a farm.

Mayor Kutteh asked if there were any questions of Council.

Council Member Hudson asked for Chief Kurfees regarding the fire service.

Chief Kurfees stated that the lithium batteries are in every home. The fire service can put them. Data Centers are covered in the fire code and are required to have 3 suppression systems.

Mayor Kutteh asked for council members who have questions.

Council Member Allison asked Mr. Tyler regarding the welfare of the citizens. The VP of Community Relations stated that they care for the welfare of the community.

Council Member S. Johnson asked a question regarding the generators. The VP of Community Relations stated that the testing of the generators are less than an hour. He also asked about the concern to the back creek. Mr. Tyler stated that the Compass Data Centers are world class stormwater. VP Of Community Relations stated that Compass line stormwater ponds with plants that clean the water.

Council Member Wasson asked about the infrastructure costs. Mr. Tyler stated that they are working closely with Duke Energy and they will pay for all infrastructure to the site and onsite substation. They plan to fully fund the substation.

Mayor Kutteh closed the public hearing.

Council Member Wasson stated that the voice of the county people can reach out to their county commissioners.

Council Member Jones stated he thanks staff and Iredell EDC for providing information to help the city council to make their decision. He thanked the public for coming to speak.

Council Member Jones made a motion to support the rezoning request:

The 2019 Mobility + Development Plan projects 2 land use plan options for the Airport/I-40 Focus Area regarding these properties. Concept A projects half of the properties for mixed use neighborhood and half for manufacturing/logistics. Concept B projects all of these properties for manufacturing/logistics. A data center is neither strictly manufacturing or strictly logistics it is both because it produces “information” or “data” and manages the flow of equipment, power, cooling and data within the facility. When the 2045 Land Development Plan was adopted afterwards, the mobility plan was taken into consideration and this area was projected as Activity Center or Employment Center/Industrial Flex. Employment Center/Flex Industrial includes business parks, corporate campuses, flex space, manufacturing, distribution, and other industrial uses. Secondary uses include retail. In addition, these properties are located in the Tier 2 growth area. Utilities are currently available or are in the planning stages. In addition to the adopted plans, the concept plan and conditions provide large buffers between the structures and adjoining properties. The primary entrance is in close proximity to I-40 and the interchange. The data center is a less intensive use regarding traffic. The plan supports the city strategic plan initiative “connecting our city” to invest in critical c infrastructure to align with land use plan goals and to accommodate future growth.

Council Member Wasson seconded the motion.

Council Member S. Johnson stated that he supports the motion. He stated that he has spent hours researching data centers.

Mayor Kutteh called for a vote on the motion. The motion passed unanimously.

XII. City Manager’s Report

Smith stated that the Police Department expansion will have a crane set up on Tradd Street. He stated that the end of December is when the Airport Terminal will be completed. Fire Station 5 project will start soon. He provided an update on the water line project. He also provided a staffing report.

Council Member Allison asked about Buffalo Shoals Sidewalks. Smith stated that it is a NCDOT street. They are putting the sidewalk back.

Council Member Hudson would like an update on the South Yadkin Water update.

XIII. Advisory Boards Meeting Minutes

1. August 26, 2025 Planning Board Meeting Minutes
2. July 10, 2025 Design Review Committee Meeting Minutes

- XIV. Other Business
- XV. Closed Session (After Pre- Agenda)
 - 1. G.S. 143-318.11(a)(3), Attorney-Client Privilege
 - 2. G.S. 143-318.11(a)(4), Economic Development
- XVI. Adjournment

Council Member Allison made a motion to adjourn the meeting. Council Member J. Johnson seconded the motion. The motion passed unanimously.

Emily Kurfees, City Clerk

Constantine H. Kutteh, Mayor