

  
**STATESVILLE CITY COUNCIL MEETING**

**Statesville City Hall – 227 S. Center Street**

**January 29, 2026 - 4:00 p.m. - Pre-Agenda Meeting – 2<sup>nd</sup> Floor Conference Room**

**February 2, 2026 – 6:00 p.m. – Regular Meeting – City Council Chambers**

- I. Call to Order**
- II. Invocation**
- III. Pledge of Allegiance**
- IV. Adoption of the Agenda**
- V. 2026 Code of Ethics and the Front and Center Strategic Plan p. 3**
- VI. Presentations & Recognitions**
  - 1. CALEA Accreditation Presentation**
  - 2. Receive the 2025 Statesville Police Department Crime Statistics. (Onley) p. 9**
  - 3. Receive the 2025 Statesville Fire Department Year in Review. (G. Kurfees) p.11**
- VII. City Manager Report**
- 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 January 8, 2026, Pre-Agenda Meeting Minutes and the January 12, 2026, Regular Meeting Minutes. (E. Kurfees) p. 15**
  - B. Consider approving Budget Amendment #2026-12 for the current Sewer Relocation Project A/E Services Agreement. (Vaughan) p.27**
  - C. Consider approving Budget Amendment #2026-13 to fund the city hydraulic water model update. (Vaughan) p. 43**
  - D. Consider approving the submission of application to NC Governors Crime Commission for funding two (2) Police Department salaries. (Onley) p. 49**
  - E. Consider approving an Ordinance establishing a 25 mph speed zone on portion of West Front Street at the request of N.C.D.O.T. (Onley) p. 51**
  - F. Consider approving the Special Use Permit 2026-01 Winston Avenue Townhomes Order. (Messick) p. 61**

- G. Consider approving a resolution designating John Hatcher, Grants Manager, and Randall Moore, Storm Water Program Manager, the authorized Primary and Secondary Agents to execute and file applications for the Hazard Mitigation Grant Program with NC Division of Emergency Management and FEMA for the Beauty Street/South Toria Drive Culvert Replacements and the Holland Drive Culvert Replacement. (Moore) p. 67
- H. Consider accepting the annual Non-Primary Entitlement Grant from NCDOT Aviation Division in the amount of \$150,000.00. (Ferguson) p. 73
- I. Consider approving a resolution for the amended Statesville City Council Calendar. (E. Kurfees) p. 79

## **REGULAR AGENDA**

- IX. Review the current inspection fees and determine if the rate is appropriate and when they should begin to be instituted for current and future projects. (Hubert) p. 83
- X. Consider approving the Proposal for a new HOME Funds Administrator. (Smith) p. 95
- XI. Receive an overview of the BUILD Grant Project. (Smith)p. 1253
- XII. Advisory Boards Meeting Minutes - None
- XIII. Other Business
- XIV. Closed Session (After Pre- Agenda)
  - 1. G.S. 143-318.11(a)(3), Attorney-Client Privilege
  - 2. G.S. 143-318.11(a)(5), Property Acquisition
  - 3. G.S. 143-318.11(a)(5), Contract Matter
  - 4. G.S. 143-318.11(a)(4), Economic Development
- XV. Adjournment

**RESOLUTION 01-26**  
**CODE OF ETHICS FOR THE CITY OF STATESVILLE**

**PREAMBLE**

WHEREAS, the Constitution of North Carolina, Article 1, Section 35, reminds us that a "frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty"; and

WHEREAS, a spirit of honesty and forthrightness is reflected in North Carolina's state motto *Esse quam videri*, "To be rather than to seem"; and

WHEREAS, Section 160A-86 of the North Carolina General Statutes requires local governing boards to adopt a code of ethics; and

WHEREAS, as public officials we are charged with upholding the trust of the citizens of this city, and which obeying the law; and

NOW, THEREFORE, in recognition of our blessings and obligations as citizens of the State of North Carolina and as public officials representing the citizens of the City of Statesville, and acting pursuant to the requirements of Section 160A-86 of the North Carolina General Statutes, we, the Statesville City Council, do hereby adopt the following General Principles and Code of Ethics to guide the City Council in its lawful decision-making.

**GENERAL PRINCIPLES UNDERLYING THE CODE OF ETHICS**

- The stability and proper operation of democratic, representative government depend upon public confidence in the integrity of the government and upon responsible exercise of the trust conferred by the people upon their elected officials.
- Governmental decisions and policy must be made and implemented through proper channels and processes of the governmental structure.
- Board members must be able to act in a manner that maintains their integrity and independence yet is responsive to the interests and needs of those they represent.
- Board members must always remain aware that at various times they play different roles:
  - As advocates, who strive to advance the legitimate needs of their citizens
  - As legislators, who balance the public interest and private rights in considering and enacting ordinances, orders, and resolutions
  - As decision-makers, who arrive at fair and impartial quasi-judicial and administrative determinations
- Board members must know how to distinguish among these roles, to determine when each role is appropriate, and to act accordingly.
- Board members must be aware of their obligation to conform their behavior to standards of ethical conduct that warrant the trust of their constituents. Each official must find within his or her own conscience the touchstone by which to determine what conduct is appropriate.

## CODE OF ETHICS

The purpose of this Code of Ethics is to establish guidelines for ethical standards of conduct for the City of Statesville and to help determine what conduct is appropriate in particular cases. It should not be considered a substitute for the law or for a board member's best judgment.

**Section 1.** Board members should obey all laws applicable to their official actions as members of the board. Board members should be guided by the spirit as well as the letter of the law in whatever they do.

At the same time, board members should feel free to assert policy positions and opinions without fear of reprisal from fellow board members or citizens. To declare that a board member is behaving unethically because one disagrees with that board member on a question of policy (and not because of the board member's behavior) is unfair, dishonest, irresponsible, and itself unethical.

Board members should endeavor to keep up to date, through the board's attorney and other sources, about new or ongoing and pertinent constitutional, statutory, or other legal requirements or ethical issues they may face in their official positions. This educational function is in addition to the day-to-day legal advice the board may receive concerning specific situations that arise.

**Section 2.** Board members should act with integrity and independence from improper influence as they exercise the duties of their offices. Characteristics and behaviors consistent with this standard include the following:

- Adhering firmly to a code of sound values
- Behaving consistently and with respect toward everyone with whom they interact
- Exhibiting trustworthiness
- Living as if they are on duty as elected officials regardless of where they are or what they are doing
- Using their best independent judgment to pursue the common good as they see it, presenting their opinions to all in a reasonable, forthright, consistent manner
- Remaining incorruptible, self-governing, and unaffected by improper influence while at the same time being able to consider the opinions and ideas of others
- Disclosing contacts and information about issues that they receive outside of public meetings and refraining from seeking or receiving information about quasi-judicial matters outside of the quasi-judicial proceedings themselves
- Treating other board members, staff and the public with respect and honoring the opinions of others even when the board members disagree with those opinions
- Not reaching conclusions on issues until all sides have been heard
- Showing respect for their offices and not behaving in ways that reflect badly on those offices
- Recognizing that they are part of a larger group and acting accordingly
- Recognizing that individual board members are not generally allowed to act on behalf of the board but may only do so if the board specifically authorizes it, and that the board must take official action as a body.

**Section 3.** Board members should avoid impropriety in the exercise of their official duties. Their official actions should be above reproach. Although opinions may vary about what behavior is inappropriate, this board will consider impropriety in terms of whether a reasonable person who

is aware of all of the relevant facts and circumstances surrounding the board member's action would conclude that the action was inappropriate.

If a board member believes that his or her actions, while legal and ethical, may be misunderstood, the member should seek the advice of the board's attorney and should consider publicly disclosing the facts of the situation and the steps taken to resolve it (such as consulting with the attorney).

**Section 4.** Board members should faithfully perform the duties of their offices. They should act as the especially responsible citizens whom others can trust and respect. They should set a good example for others in the community, keeping in mind that trust and respect must continually be earned.

Board members should faithfully attend and prepare for meetings. They should carefully analyze all credible information properly submitted to them, mindful of the need not to engage in communications outside the meeting in quasi-judicial matters. They should demand full accountability from those over whom the board has authority.

Board members should be willing to bear their fair share of the board's workload. To the extent appropriate, they should be willing to put the board's interests ahead of their own,

**Section 5.** Board members should conduct the affairs of the board in an open and public manner. They should comply with all applicable laws governing open meetings and public records, recognizing that doing so is an important way to be worthy of the public's trust. They should remember when they meet that they are conducting the public's business. They should also remember that local government records belong to the public and not to board members or their employees.

In order to ensure strict compliance with the laws concerning openness, board members should make clear that an environment of transparency and candor is to be maintained at all times in the governmental unit. They should prohibit unjustified delay in fulfilling public records requests. They should take deliberate steps to make certain that any closed sessions held by the board are lawfully conducted and that such sessions do not stray from the purposes for which they are called.

**Section 6.** This Code of Ethics should be re-executed by each sitting Council member during the first meeting in January each calendar year.

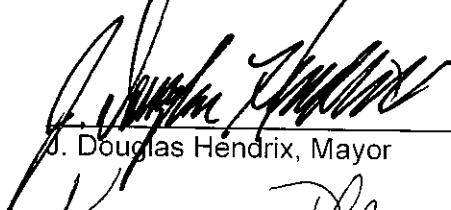
**Section 7.** At a Special Meeting held on December 2, 2025, the City Council developed the following list of "Norms", which they agreed to exercise in their duties as elected officials:

- Transparency
- Open-mindedness
- Honesty
- Everyone has a voice
- Dedication
- Respect
- Council self-regulation

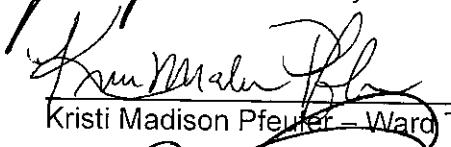
The City Council also agreed to the following actions:

- Foster frequent communication and collaboration between the Council and City Manager/staff
- Agree to disagree when necessary
- Attend, be punctual, and prepare for meetings
- Be informed and participate in meetings and events

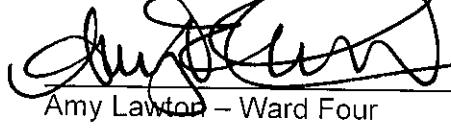
I affirm that I have read and understand the City of Statesville Code of Ethics



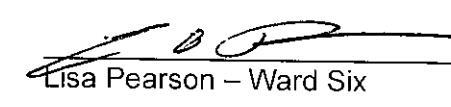
J. Douglas Hendrix, Mayor



Kristi Madison Pfeifer – Ward Two



Amy Lawton – Ward Four



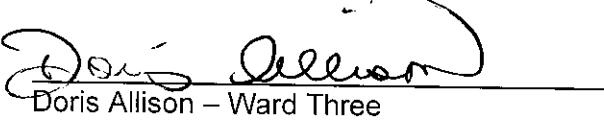
Lisa Pearson – Ward Six



James Pressly – At-Large



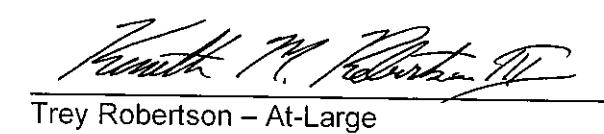
David Jones, Mayor Pro Tem – Ward One



Doris Allison – Ward Three



Tip Nicholson – Ward Five



Trey Robertson – At-Large

# FRONT & CENTER



## VISION

Statesville will be a vibrant regional center that provides a higher quality of life for ALL.

## MISSION

City of Statesville will serve with integrity, provide sound resource management, and equitably deliver high-quality public services.

**our we value our city staff  
core we value quality & creativity  
values we value & encourage opportunity  
we value engagement we value integrity**



### DEVELOPING OUR TEAM

Description: The City of Statesville recognizes that its employees are its most valuable asset and resource for realizing the city's vision. Capable and professional employees are essential for delivering high-quality customer service and managing the long-term needs of the community.

### STRATEGIC INITIATIVES

1. Attract and retain a talented, engaged workforce responsive to the needs of our growing community.
2. Invest in employee professional development to promote continuous learning and improvement in our service delivery.

### CONNECTING OUR CITY

Description: The City of Statesville strives to provide high-quality services and utilities for today's needs while also planning for the future needs of residents, businesses, and industry.

### STRATEGIC INITIATIVES

1. Proactively maintain existing infrastructure assets and systems to ensure current quality and long-term viability.
2. Invest in critical public infrastructure to align with land use plan goals and accommodate future growth citywide.

### CONNECTING OUR COMMUNITIES

Description: The City of Statesville supports vibrant communities and safe neighborhoods with opportunities for employment, recreation, engagement, and housing.

### STRATEGIC INITIATIVES

1. Provide reliable, high-quality public safety to ensure the wellbeing of residents, businesses, and visitors.
2. Expand access to enriching cultural, recreational, and open space amenities.
3. Promote the development of a range of housing types throughout our community and housing stability for residents.

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# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** David Onley, Chief of Police

**DATE:** 1/21/2026 1:33 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Receive the Statesville Police Department presentation of 2025 crime statistics.**

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**1. Summary of Information:**

Statesville Police Department presentation of 2025 crime statistics.

**2. Previous Council or Relevant Actions:**

None

**3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** N/A

**Connecting Our Communities:** Provide reliable, high-quality public safety to ensure the wellbeing of residents, businesses, and visitors.

**Strategic Plan Values:** N/A

Providing updated statistics will allow staff and council to work together in an effort to enhance police services.

**4. Budget/Funding Implications:**

None

**5. Consequences for Not Acting:**

N/A

**6. Department Recommendation:**

N/A

**7. Manager Comments:**

No comments.

**8. Next Steps:**

N/A

**9. Attachments:**

None.

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# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** Glenn Kurftees, Fire Chief

**DATE:** 1/21/2026 1:31 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Receive the Fire Department Year-End Review.**

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### **1. Summary of Information:**

The Fire Department will deliver a Year-End Review to City Council, highlighting the department's operational performance, community risk reduction efforts, and other key data and statistics from the past year. This presentation will promote transparency and offer an opportunity to align with the Council's vision for enhancing community safety and resilience.

### **2. Previous Council or Relevant Actions:**

None

### **3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** N/A

**Connecting Our Communities:** Provide reliable, high-quality public safety to ensure the wellbeing of residents, businesses, and visitors.

**Strategic Plan Values:** We value Integrity

The Fire Department's Year-End Review aligns with the strategic goal of providing reliable, high-quality public safety to enhance community well-being. This review will highlight our key achievements in operations, community risk reduction, and resource accountability, while also laying the groundwork for future initiatives. Our goal is to enhance transparency, build trust, and ensure accountability among fire department staff and the community we serve. Additionally, this review will provide a platform for gathering feedback and insights from stakeholders, helping us refine our strategies and priorities as we move forward. Together, we will strive to strengthen our services and promote a safe and resilient community.

### **4. Budget/Funding Implications:**

None

### **5. Consequences for Not Acting:**

The review is vital for collaboration, informed decision-making, and reinforcing trust in the department's mission.

### **6. Department Recommendation:**

The department recommends delivering a Year-End Review.

**7. Manager Comments:**

No comments.

**8. Next Steps:**

None

**9. Attachments:**

1. SFD 2025 Year in Review

# 2025 YEAR IN REVIEW



*The City of Statesville Fire Department is a rapid response force committed to protecting the safety and well-being of the community from all hazards.*





## STRATEGIC GOALS

1. DEPARTMENT GROWTH WITH CITY COUNCIL SUPPORT
2. PAY & BENEFITS ENHANCEMENTS
3. COMMUNICATIONS & SERVICE DELIVERY
4. PHYSICAL HEALTH, MENTAL HEALTH & WELLNESS ENRICHMENTS
5. STRENGTHENING COMMUNITY RISK REDUCTION & PUBLIC EDUCATION EFFORTS
6. TECHNICAL RESCUE PROGRAM IMPROVEMENTS



### DEPARTMENT BUDGET

OPERATING **\$12,705,875**  
CAPITAL **\$396,000**



### COMMUNITY RISK REDUCTION PLANNING & PERMITTING

**133** PLANS REVIEWED  
**138** PERMITS ISSUED



### FIRE PREVENTION

#### ESSENTIAL INDICATORS

SURVIVAL % OF CARDIAC ARREST PATIENTS	<b>17.5%</b>
CIVILIAN FIRE DEATHS	<b>8</b>
CIVILIAN FIRE INJURIES	<b>2</b>
STRUCTURE FIRES CONFINED TO ROOM OF ORIGIN	<b>11</b>

FIRE INVESTIGATIONS	<b>124</b>
FIRE & LIFE SAFETY INSPECTIONS	<b>881</b>
PEOPLE TRAINED TO USE FIRE EXTINGUISHERS	<b>1,069</b>
PEOPLE REACHED WITH OTHER FIRE & LIFE SAFETY PROGRAMS	<b>14,234</b>
COMMUNITY EVENTS OUTREACH	<b>32,500</b>

### PROPERTY VALUE SAVINGS FOR FIRE INCIDENTS

<b>\$4,900,000,000</b>	PROPERTY VALUE AT RISK
<b>\$2,746,213</b>	2025 PROPERTY VALUE FIRE LOSS
<b>\$64,199,256</b>	2025 PROPERTY VALUE SAVED

SMOKE & CARBON MONOXIDE DETECTOR INSTALLS	<b>192</b>
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**TELL US HOW WE ARE DOING, TAKE OUR COMMUNITY SURVEY** 

EMAIL US AT [STATESVILLEFIRE@STATESVILLENC.NET](mailto:STATESVILLEFIRE@STATESVILLENC.NET)



CONNECT WITH US

704-878-3425

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822 5th Street



**MINUTE BOOK 31, PAGE**

**STATESVILLE CITY COUNCIL PRE-AGENDA MEETING MINUTES – January 8, 2026**

**CITY HALL – 227 S. CENTER STREET, STATESVILLE, NC – 4:00 P.M.**

**Council Present:** Mayor Hendrix presiding, Pearson, Allison, Pressly, Pfeufer, Nicholson, Jones, Lawton

**Council Absent:** Robertson

**Staff Present:** Ron Smith, Messick, E. Kurfees, Bridges, Hubert, Griggs, Pierce, G. Kurfees, Nesbit, Hills, Martin, Everette, Ferguson, Francica, Sigmon, Bridges, Lawrence Onley, Harrell

**I. Call to Order**

Mayor Hendrix 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. Consider approving a resolution adopting the 2026 Code of Ethics.**

Smith stated that the Code of Ethics needs to be adopted. Council Member Jones stated that he would like the highlights.

Council Member Nicholson asked if Council Member Pearson was fine with the norms. Council Member Pearson had no changes.

**VI. Front and Center Strategic Plan (Only at the Regular Meeting)**

**VII. Presentations & Recognitions (Only at the Regular Meeting)**

**VIII. Public Comment (Only at the Regular Meeting)**

**IX. 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 December 2, 2025 Meeting Minutes, the December 11, Pre- Agenda Meeting Minutes and the December 15, 2025, Regular Meeting Minutes. (E. Kurfees)**

**B. Consider passing the second reading of the rezoning request ZC25-14 Bond Street Properties, to rezone from HI (Heavy Industrial) Zoning District to R-5 (High Density Single-Family Residential) District. (Kirkendall)**

Mayor Hendrix asked if there were any additional questions.

**C. Consider passing a Resolution of Intent to permanently close a portion of unopened Henry Street between South Center Street and Shelton Avenue and schedule a public hearing for February 16, 2026. (Kirkendall)**

Mayor Hendrix stated that Kirkendall is here if there are any questions.

Smith stated that there are review criteria that have to be met. Martin stated that this is the first step.

**D. Consider approving a revised pavement section schedule in Statesville Construction Specifications to align local requirements with NCDOT standards to comply with language in HB-926. (Hubert)**

Mayor Hendrix stated that the bill is in the packet. He stated that the standards are less so we may need to do more.

Smith stated that there is a fee that is in the current fee schedule.

Hubert stated that the street standards. The fee is cost recovery for our services. He has not instituted the fee since there was no discussion. He stated that there are multiple decision points that the council needs to go through.

Council Member Jones asked about the fee if it would cover. Hubert stated that the current operations the fee is cost recovery.

Council Member Lawton asked if the fees are going to increase at others.

Council Member Allison asked about why other communities are not changing. Hubert stated that they will have to change at some point. He continued that we will only accept roads that are up to our standards.

Mayor Hendrix asked about the reduction in life of the new standards. Hubert stated that the life reduction is approximately 25%.

Council Member Pressly asked to put this on the regular agenda.

**Council decided to move that to Regular Agenda.**

**REGULAR AGENDA**

**X. Conduct an evidentiary hearing and consider approving Special Use Permit SP26-01 for the construction of a 14 townhomes on the properties located at the corner of Caldwell St, Winston Ave and S. Meeting St. (Martin)**

Messick reviewed the general procedure of the Special Use Permit. We will have to adopt an order at the end of the Special Event Permit.

Council Member Jones would like to vote on the order at the next meeting. Messick stated that it would just go to the next meeting.

**XI. Consider appointing one alternate member to the Planning Board. (Caulder)**

Mayor Hendrix reviewed the list of alternate board members. Kirkendall stated that John Furlow was asked to stay on the Design Review Committee.

Council member Allison wants to support Ms. Iyoob.

**XII. Advisory Boards Meeting Minutes**

1. October 28, 2025 ABC Board Meeting Minutes

2. November 12, 2025 Airport Commission Meeting Minutes

**XIII. Other Business**

**XIV. Closed Session (After Pre- Agenda)**

Mayor Hendrix stated that we need to go into closed session for the following items

1. G.S. 143-318.11(a)(3), Attorney-Client Privilege
2. G.S. 143-318.11(a)(5), Property Acquisition
3. G.S. 143-318.11(a)(5), Contract Matter
4. G.S. 143-318.11(a)(6), Personnel Matter

Coming out of Closed Session, Mayor Hendrix stated that there were no decisions made.

**XV. Adjournment**

**Council Member Jones made a motion to adjourn. Council Member Allison seconded the motion. The motion passed unanimously.**

**MINUTE BOOK 31, PAGE**

**STATESVILLE CITY COUNCIL REGULAR MEETING MINUTES – January 12, 2026**

**CITY HALL – 227 S. CENTER STREET, STATESVILLE, NC – 6:00 P.M.**

**Council Present:** Mayor Hendrix presiding, Pearson, Allison, Pressly, Pfeufer, Nicholson, Jones, Lawton, Robertson

**Council Absent:** None

**Staff Present:** Ron Smith, Messick, E. Kurfees, Bridges, Hubert, Griggs, Pierce, G. Kurfees, Nesbit, Hills, Martin, Francica, Bridges, Lawrence Onley, Harrell, Caulder, Campbell, Griffin,

**I. Call to Order**

Mayor Hendrix called the meeting to order.

**II. Invocation**

The City Clerk led the invocation.

**III. Pledge of Allegiance**

Mayor Hendrix led the Pledge of Allegiance.

**IV. Adoption of the Agenda**

Mayor Hendrix detailed the Item D. was moved to the regular agenda as item XI and Item D was added to the Consent agenda.

**Council Member Allison made a motion to adopt the amended agenda and Council Member Lawton seconded the motion. The motion passed unanimously.**

**V. Consider approving a resolution adopting the 2026 Code of Ethics.**

Mayor Hendrix stated that the Code of Ethics is approved every year. He asked if there were any changes and if not then he asked for a motion.

**Council Member Allison made a motion to approve the 2026 Code of Ethics, and Council Member Jones seconded the motion. The motion passed unanimously.**

**VI. Front and Center Strategic Plan**

**VII. Presentations & Recognitions**

**VIII. Public Comment**

No one signed up for public comment.

**IX. CONSENT AGENDA**

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- B. Consider passing the second reading of the rezoning request ZC25-14 Bond Street Properties, to rezone from HI (Heavy Industrial) Zoning District to R-5 (High Density Single-Family Residential) District. (Kirkendall)**
- C. Consider passing a Resolution of Intent to permanently close a portion of unopened Henry Street between South Center Street and Shelton Avenue and schedule a public hearing for February 16, 2026. (Kirkendall)**
- D. Consider approving a contract for Mrs. Leah Gaines Messick for 6 months.**

**Council Member Nicholson made a motion to approve the consent agenda. Council Member Lawton seconded the motion. The motion passed unanimously.**

## **REGULAR AGENDA**

- X. Conduct an evidentiary hearing and consider approving Special Use Permit SP26-01 for the construction of a 14 townhomes on the properties located at the corner of Caldwell St, Winston Ave and S. Meeting St. (Martin)**

Messick reviewed the evidentiary hearing procedure. Messick asked Mayor Hendrix to discuss ex parte communication or have a conflict of interest.

Mayor Hendrix asked the Council if there was any ex parte communication or had any conflict of interest. Mayor Hendrix asked for all staff and applicant to come up to be sworn in.

Mayor Hendrix opened the evidentiary hearing.

Lisa Valdex, attorney with Pope McMillian, represents the applicant. She will bring up two expert witnesses Cory Sloan for engineering witness and Michael Berkowitz for appraisal information.

She asked for Mr. Sloan to detail his experience and qualifications. Cory Sloan has a degree in engineering technology from UNC Charlotte and a certificate as a civil engineer. He worked with the 115 Master Plan and the Land Development Plan during his time at the City. He currently owns his own civil firm.

Lisa Valdez stated she does not know if the opposition has standing to see if they object to the witness has standing. Messick has Ms. Skaf to state her standing.

Darbah T. Skaf, Executive Director of the Statesville Housing Authority, owns the land around the area. She stated that the SHA has invested \$53 million in property around the area. The non-profit pays taxes. Mrs. Messick asked which property she has. Skaf stated that the property is around the corner.

Mrs. Messick asked about the special damages. Skaf stated that her organization is the first group to develop this area. She believes she will not have financial damages, but it could limit future dollars. There is nothing in the 2045 Plan that goes with this investment. She is concerned about future economic damages.

Messick stated that a witness must have standing and to have standing you must prove you have special damages. She believes that Ms. Skaf does not have special damages. Skaf stated that there are non-financial special damages. Messick asked what the damage was. Skaf stated that with the current design it could limit future investors to do something similar in that area.

Messick stated that the applicant has the due process right to ask about standings. Valdez asked about the special damages. Skaf stated that you have to be intentional about where things are south Statesville requires that the investment has community buy in.

Valdez stated that she did not answer the question. She asked if the SHA could provide affordable housing to members of Iredell County. Skaf said yes. She asked if the businesses need customers to make them profitable. Skaf stated no, the organization provides low-cost land to bring in affordable housing. Valdez stated that she would object to Ms. Skaf having special standing.

Messick stated that Council can ask questions to see if Ms. Skaf has standing.

Council Member Allison is concerned about how the development will help the community. Messick stated that we need to understand if Ms. Skaf has special damages. She stated that this is the moment to ask if the witness has special damages. Council Member Allison asked what the special damages and criteria for the foundation are to satisfy the special damages. Skaf stated that the nonprofit standing is that all the low-income development included the nonprofit and SHA.

Council Member Jones asked the opinion of damages by right single-family homes. The new product is townhomes. Skaf stated that they are doing 14 units. Council Member Jones asked how to see the damages. She stated that people will not come into the area. If you look at the design. It will be intentional from keeping development in that area. She is concerned that the density will drive other developments away.

Council Member Pearson asked what we are trying to find. Messick stated that to find standing, the development may have secondary impact such as noise, littering, stormwater runoff, parking, safety, etc. Skaf stated that the road goes to the garage. She stated that the rear garage will deter others people from developing.

Messick asked Mayor Hendrix to call for a vote on standing for this witness.

Council Member Jones asked about the property. Mr. Smith showed the properties SHA owns.

Council Member Lawton asked Messick to read the standing rules. Messick reviewed the rules.

Council Member Allison asked how she will have damages. Skaf stated that she worked with the city to develop the corridor.

Council Member Jones asked if the economic impact could have standing. Messick stated that she could have standing for economic impact. Council Member Jones stated that because she believes that the property across the street could be negatively impact then she should have standing.

**Mayor Hendrix asked if the council believes that Ms. Skaf has standing.**

**Aye: Jones, Pfeifer, Allison, Lawton, Nicholson**

**Nay: Pearson, Pressly, Robertson**

**Passed 5 to 3.**

Messick asked Ms. Skaf if she has any objection to Mr. Sloan as an expert witness. She stated no.

Valdez asked Mr. Sloan to review the project. He stated that the Streetscape plan shows attached single family homes. He stated that there are plenty of capacity to serve the 14 units proposed at this location. There is curb, gutter, and sidewalk in the area. There will be 14 townhomes. There are 3 buildings with 3 units and 1 unit with 5 units. Mr. Sloan discussed the open space requirements.

Valdez asked if the site plan has been reviewed by the city. Sloan stated that the site plan has been approved by TRC and is in compliance with the UDC requirements.

Valdez asked about the stormwater and erosion control plan. Sloan stated that this project does not trigger the Iredell County Erosion Control Plan. There will 12,700 square feet of new built upon area. The project is beneath any Stormwater concerns.

Valdez asked about the driveways. Sloan stated that there will be shared driveways. There will be 2 parking spaces in the driveways. Some units will have garages and have 3 spaces. Sloan stated that he has approval of NCDOT for the driveways and will apply for a driveway permit once approved.

Valdez asked about the elevation and materials of the building. Sloan stated that the elevation is without the garage. There will be a mix of materials including board and baton siding.

Valdez stated that there were no other questions. Messick stated the opposition could ask questions.

Skaf asked how the project meets in the 115 Corridor Plan and each project must have harmony in the area. Valdez stated that the project is zoned R5MF. Sloan stated that the project is in Downtown Neighborhood 1 and missing middle project. There are projects that can be developed to drive the cost of development down for more affordable housing. Valdez asked if the project meets the missing middle. Sloan stated that the project does meet both plans.

Skaf asked how the units with the garages provide harmony in the area. Sloan stated that most of the homes have driveways that come off the street. Valdez asked if the 2045 Land Development Plan reviews how the homes and yards should look. Sloan stated that it is not a requirement to provide an alley for rear access.

Skaf would like to submit a statement. Messick stated that this is a time to ask questions.

Skaf asked for a plan to have determination that have the shared driveway has adequate parking and show environmental study to show replacing utilities. Sloan stated that the Special Use Permit is for townhomes and shared driveways are a part of the UDC. Each unit will have 2 parking spaces and publicly used utilities.

Mayor Hendrix asked if there were any questions for Mr. Sloan. Council Member Pearson asked if the project has approval. Sloan stated that this does not have to go to planning board, but it has been approved by TRC.

Valdez asked Michael Berkowitz as an expert witness. She had him explain his education background. He has a degree in economics from Duke and has been an appraisal for 25 years. How many projects has he done like this? He has done approximately over 100 developments and special use permits.

She would like to propose Exhibit 1, the appraisal letter. No objection from Ms. Skaf.

He was asked to look and determine if the project would adversely injure the value of abutting properties. His professional opinion is that the project will not adversely affect the project.

Skaf asked if he can identify other projects that are over 80% African American area. Berkowitz stated that it is against professional ethics to consider race. Skaf asked about projects in the 80%

of median income. Berkowitz stated that he has worked for Charlotte Housing Authority and other projects, but does not use that as an evaluation. Skaf stated that Sloan stated they may use downpayment assistance and asked who they are looking at to fill the homes. Berkowitz stated that this is not in his purview as an appraiser. Skaf asked what other communities he used with downpayment assistance and shared driveway townhomes. Messick stated that this question has been asked and answered and it is out of his purview.

Mayor Hendrix stated that he is only an appraiser and is not the developer.

Skaf stated that the appraisal is only good for one day. Berkowitz stated that the letter is a report of the project and if it will negatively affect the value of properties in the area.

Valdez asked if the Council has questions for Mr. Berkowitz.

Council Member Allison asked about the scope of work. Berlowitz asked if the project comes then the other properties will reduce the value of the properties. The project will not substantially injure the value of property.

Valdez asked if the council has questions about the property specifically. If not, she would like to summarize the project. She reviewed the 4 findings of fact for the project.

### **Exhibit 2 and 3**

Council Member Pressly asked about the price point. The developer stated mid-200s.

Messick asked Valdez if the presentation could be exhibit 4. She agreed.

Mayor Hendrix asked specifics about the property. The developer stated each townhome will be 1600 sq ft and 3 bed 2 baths.

Mayor Hendrix invited Ms. Martin to the podium.

Martin stated that she is the planning director for the City and has 15 years experience as a certified ACIP planner with a bachelors in planning from Appalachian State University. Campbell stated that he has been in the planning director for 4 years and geography degree from Appalachian State University.

Martin asked if the plan was approved by TRC. Campbell stated that there were limited changes. Campbell stated that there was no required landscaping plan until the construction plan. Martin asked if the minimum requirements had been met. Campbell agreed.

Martin stated that the finding 4 is in the state statute. The existing neighborhood is 5 dwelling units per acre. The majority of homes are single-story single-family homes with some two story. There are grass front yards with mature trees. There is parking on the street or side parking. There are new builds in the homes, and the new homes have grass front yards with offset driveways.

The 2045 Land Development Infill and redevelopment speak to context-sensitive designs to ensure it meets the neighborhood. The plan dedicates an entire section to the Shelton Ave and southern neighborhoods. It says there are small-scale multi-family 4 units per acre, which is appropriate for this area. Staff state that the plan is inharmonious and not in conformance with the Land Development plan. Their proposal is for lots that are 73% smaller in size and the density is 5 du and they are asking for 14 units per acre Their proposal eliminates grass front yards.

Staff show that the proposed townhomes are inharmonious with the existing area and are not in conformity.

Messick asked if Ms. Valdez has questions for staff. She stated that the R-5MF= most dense and Townhomes are allowed.

Valdez asked about the townhomes that are not allowed in the district. Martin stated that wider townhomes would allow grass front yards that would be more harmonious with the area.

She stated that the Land Use development plan page 1 – asked if the property is within the area. Martin yes.

Valdez stated that the land use development plan just says 4 units per acre. Martin stated that the design of the townhome is not in compliance with the plan.

Messick asked if there were questions from the opposition, hearing none. The council can ask planning staff questions.

Council Member Allsion asked about Martin's opinion on the Special use Permit. Martin stated that the staff does not make the determination if the applicant uses special use permits or not.

Council Member Robertson asked about Shared driveways. Campbell stated that the code requires 2 parking spaces for unit, to his knowledge it does not specify space between the parking. There is no real meaning to the term shared driveway in the code.

Council member Pearson asked about updating the code. Martin stated that we are in the process of updating the code.

Council member Pfeufer asked they chose Special Use Permit and could have gone through rezoning process. Martin stated that the rezoning process would require public input. Council Member Pfeufer asked if there are other projects like this in the area. Martin stated no.

The City PowerPoint to be Exhibit City 1.

Mayor Hendrix asked if Ms. Skaf had additional testimony.

Skaf stated that the ISEC is a 501C nonprofit to provide affordable housing and improve workforce development. The housing authority operates on federal dollars. ISEC is the only low-income housing developer in the city. They built townhomes with grass front yards and non-shared driveways. She disagrees with the standard of the townhomes. She is not asking for them to disapprove of the permit but to fix the gaps in the 2045 Land Development Plan.

Valdez asked how it does not meet the minimum qualifications with the UDC. Skaf stated that it must be compact and incremental. Valdez asked where it was in the UDC.

Valdez asked when she found out about the project. Skaf stated it was in the end of December. She did not speak to the client until today.

Council Member Allison stated that she is not satisfied with the process for a Special Use Permit. Messick stated that it is time to ask Darbah questions. Council Member Allison asked if there are other ways they can get the development out. Skaf stated that we do not want to speak about race in America but we are looking at the only African American community on this side of town. Council Member Pearson stated that there are two other communities that are African American.

Messick stated that you cannot make decisions about race or discriminatory factors.

Council Member Allison stated what we do now to move forward and we need to ask to give an opportunity for the community to provide input.

Council Member Pearson asked about the public notice. Campbell stated that he placed the signs on 12/23/25 on Caldwell, Meeting and Winston Avenue. Council Member Allison stated that they worked with developers and the planning board to have more than 1 discussion. Messick stated that the planning department followed all process. She stated that there is a different standard for this process. Valdez stated that the developer would have had a community meeting, but it was not required. Martin stated that she has met with the developer and there are 2 processes: conditional zoning and special use permit. Martin suggested conditional zoning but they chose the Special Use Permit.

Council Member Allison asked them to follow a conditional rezoning. Valdez stated that she could speak with her client.

Council Member Lawton stated that they followed the process.

Messick stated that regardless of the process, the applicant has a right to use this special use process, and we cannot vote no because of the process.

Valdez stated that this project provides attainable housing and redevelopment to the area. We went through the process and provided evidence that they met the findings. She stated that we will turn down the property because it does not have a front yard.

Council Member Allison is not against change but is concerned about the process.

**Mayor Hendrix closed the evidentiary hearing.**

Messick stated that the applicant has the burden of proof. Then the burden shifts to the opinion that the elements of the review criteria has not been certified.

Council Member Robertson stated that Finding of Fact 1-3 are not in contention. He stated that Finding of Fact 4 is not codified into code because it is just in the land use plan. He stated that we should not require a developer something that we did not codify. He stated that we should grant the development.

Council Member Jones stated that the Land Development Plan is just a plan and it should have flexibility. He believes that the project is a value add. He does not see anything to contradict the findings of fact.

**Council Member Robertson made a motion to approve the Special Use Permit, including the 4 findings of fact, and to have the city attorney draft the order and submit the order for the council's consideration for approval at the next city council meeting. Council member Jones seconded the motion. The motion passed unanimously.**

**XI. Consider approving a revised pavement section schedule in Statesville Construction Specifications to align local requirements with NCDOT standards to comply with language in HB-926.**

Hubert reviewed the HB-926 and goes into effect January 1, 2026. It states that zoning or development regulations cannot be more stringent than DOT, district 12 for the City of Statesville. NCDOT provided the standard of subdivision street and non-residential roads.

Hubert reviewed the current City of Statesville Street Standard.

Hubert stated that there is a fee in the fee schedule of \$1.50 per linear foot. He stated that there was no engagement. Hubert stated that there have been developments wanting to change the standard.

Council Member Pressly stated that he had a number of questions. He is concerned about the fee.

**Council Member Pressly made a motion to postpone this to the February 2<sup>nd</sup> meeting. Council Member Allison seconded the motion.**

Council Member Jones asked if the fee was enough to contract out if needed. He is concerned if the fee is all inclusive or if there is reinspection if there is another fee. He wanted to know if the first layer timing will be changed.

**Mayor Hendrix called for a vote on the motion. The motion carried unanimously.**

**XII. Consider appointing one alternate member to the Planning Board.** (Caulder)  
Caulder stated that he has presented the list of applicants who are interested in being on Planning Board. Council Member Robertson will need to be replaced on the Planning Board. This position is for an alternate member.

Council Member Lawton nominated Corina Iyoob.

Council Member Pressly nominated Emily Wasserman and Tammy Wyatt.

**Council Member Nicholson moved for nominations to be closed, Council Member Jones seconded the motion. The motion passed unanimously.**

Messick tallied the vote.

Iyoob- 7

Wasserman- 1

**Ms. Iyoob is now the alternate on the planning board.**

**XIII. Advisory Boards Meeting Minutes**

1. October 28, 2025 ABC Board Meeting Minutes
2. November 12, 2025 Airport Commission 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)(5), Property Acquisition
3. G.S. 143-318.11(a)(5), Contract Matter
4. G.S. 143-318.11(a)(6), Personnel Matter

**XVI. Adjournment**

Mayor Hendrix called for a motion to adjourn.

**Council Member Pearson made a motion to adjourn the meeting. The motion was seconded by Lawton Council Member Lawton. The motion passed unanimously.**

# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** Wm E. Vaughan, DPA, PE; Public Utilities Director

**DATE:** 1/21/2026 1:40 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Consider approving a budget amendment #2026-12 for the current Sewer Relocation Project A/E Services Agreement.**

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### **1. Summary of Information:**

- a. The existing 24-inch elevated sewer trestle between Fern Creek Drive and Simonton Road was constructed in the late 1930's and has exceeded its life expectancy. Lead joints in the pipe leak and the pipe materials have eroded to the point that there is not enough material to perform welding or other repairs.
- b. This project started during FY 21 with the award of an A/E services agreement for investigation and design proposal to McGill Associates, PA (13 Jan 21).
- c. Flow monitoring of the adjacent 4th Creek sewer trunk line determined that the original project concept of diverting flow from the trestle to the trunk line is impractical due to high flow volume in the trunk line.
- d. Alternate project scope is construction of a parallel sewer line to the 4th Creek trunk line on the west side of 4th Creek.
- e. Required A/E services scope-of-work revisions have been identified, and the necessary A/E services contract amendment amount is \$147,400.

### **2. Previous Council or Relevant Actions:**

- a. Initial A/E services contract awarded during FY 21.
- b. Construction is identified and programmed in the Public Utilities CIP (part of the FY 25 Water/Sewer Rate Study) and are being requested in the FY 27 budget (\$2,200,000).

### **3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** Invest in services and critical public infrastructure to align with land use plan goals and accommodate future growth citywide.

**Connecting Our Communities:** N/A

**Strategic Plan Values:** We value Engagement.

Connecting Our City: Strategic Initiative 2 ("Proactively maintain existing infrastructure assets and systems to ensure long-term viability").

### **4. Budget/Funding Implications:**

- a. \$147,400 from the water/sewer fund to PO 2100597-R5.

- b. Programming of construction funds (debt service or other) in FY 27: \$2,200,000.

**5. Consequences for Not Acting:**

The city will not have a trestle replacement design for construction. Continued delay in trestle replacement will be subject the city to fines and penalties for violations of the Clean Water Act (continued leaks and/or failure). Catastrophic failure would be a major environmental impact, require expensive sewage flow diversion of 634,000 gallons per day (base flow determined from current Inflow/Infiltration study monitoring), expensive clean up remediation costs, and large fines and penalties (current Clean Water Act Class 1 violations are \$11,000 to \$32,500 per day for sanitary sewer overflows). Project design will be out of sync with the construction funds request.

**6. Department Recommendation:**

City Council approve budget amendment 2026-12 in the amount of \$147,400 and authorize the Public Utilities Director to accept the amended proposal.

**7. Manager Comments:**

I concur with the department recommendation and recommend moving forward.

**8. Next Steps:**

- a. The Public Utilities Director accepts the amendment to the McGill A/E services contract of January 13, 2021.
- b. Finance executes the requested budget amendment for account no. 550.5581.75.00 for \$147,400.
- c. Public Utilities execute the PO change order to PO 2100597-R5.
- d. Finance and Public Utilities identify funding source(s) for the FY 27 construction project.

**9. Attachments:**

1. Statesville Sewer Relocation Amendment w attachments
2. NC DNCR ltr (22 Aug 24)
3. 21.01102\_StatesvilleAerialSewer\_Location\_11x17L\_EY
4. BA Form Sewer Relocation Project AE Services Agreement

December 15, 2025

Mr. William Vaughan, PE  
Director of Public Utilities  
City of Statesville  
227 South Center Street  
Statesville, North Carolina 28687

RE: **Amendment to Engineering Services**  
Elevated Sewer Relocation  
City of Statesville, North Carolina

Dear Mr. Vaughan:

Pursuant to your request, McGill Associates (McGill) is pleased to provide this Amendment to the Engineering Services Agreement for the Elevated Sewer Relocation dated January 5, 2021, and to the Consulting Services Agreement dated January 13, 2021. These services are pursuant to the City's request and our on-site meeting.

We understand that the City has experienced maintenance issues with the aging 24" elevated gravity sewer line that generally runs between Fern Creek Drive and Simonton Road. Downstream of this elevated pipe segment, the existing sewer increases to 27" diameter, before combining with a 30" gravity sewer (from the greenway) into a 42" gravity sewer. To remedy the issues with the 24" elevated sewer, the City initially desired to replace it with approximately 700 linear feet of 24" gravity sewer line that would run east and aerially cross Fourth Creek to connect to the aforementioned 30" gravity sewer.

After flow monitoring was performed on the existing 24" sewer line and the parallel 30" sewer line, it was determined that the proposed 24" gravity sewer line would need to be extended south approximately 2,400 linear feet to the downstream 42" interceptor sewer. The proposed sewer line will extend through two (2) private properties, across a tributary to Fourth Creek, under Simonton Road, and finally through the City's property.

Based upon our statement of understanding above, we propose to provide the services enumerated below:

#### **TASK 1**

#### **Design and Permitting Phase Services**

1. Perform a topographic and existing conditions site survey. The survey will include a determination of rim and invert elevations for existing manholes in the proposed work area, for the upstream manhole on each existing connecting sewer line, and for the downstream existing manhole.
2. Review preliminary sewer alignment with the City to confirm the two (2) easements needed for completion of the project.
3. Provide boundary survey and preparation of an Easement Plat for the two (2) private properties being impacted by the sewer line. The Iredell County PINs for the impacted

lots are 4745910135 and 4744892900. McGill will prepare and provide plats to the City for review and recording processes.

4. Delineation of environmental sites with confirmation of potential endangered Schweinitz's sunflower in project area.
5. Review preliminary design drawings with the City for concurrence and acceptance.
6. Coordinate the provision of any subsurface investigation by others, if any, including assisting with solicitations and preparing site maps identifying locations for testing.
7. Prepare bid documents, contract documents, technical specifications and construction drawings to detail the character and scope of the work including all design functions and coordination for all construction sequencing of the Project.
8. Prepare applications to accompany permit submissions to appropriate regulatory agencies. Any additional permitting beyond this due to unforeseen regulatory requirements or changes in project scope would be considered additional services.
  - a. NC Division of Water Resources – Water Quality Section – Fast-Track Sewer Modification Permit
  - b. NC Land Quality Section – Erosion and Sedimentation Control Permit
  - c. NC Division of Transportation – Encroachment Agreement
  - d. US Army Corps of Engineers – 404 Preconstruction Notification
  - e. NC Division of Water Resources – Water Quality Section – 401 Preconstruction Notification
9. Respond to review agency comments and modify documents as necessary to achieve permit approvals, if required.
10. Prepare opinion of probable cost after submission of plans and specifications and advise the OWNER of any adjustment of the Project cost caused by changes in scope, design requirements or construction costs.
11. Perform an internal quality control and constructability review of the project.
12. Furnish one (1) hard copy and one (1) electronic copy of the final documents to the City.

## **TASK 2**

## **No Rise Certification**

1. Retrieve the effective hydraulic model from NC Flood Risk Information System (FRIS) for this regulated stream for use as basis of the No-Rise application.
2. Collate publicly available topographic (LiDAR), aerial, and flood data for use as needed in the study.
3. Utilize survey data collected for the proposed gravity sewer design in the evaluation. No additional topographic survey is included in this scope.
4. Prepare the duplicate effective, corrected, and existing conditions HEC-RAS models for the study area. Discrepancies with the effective model will be noted at each stage.
5. Prepare a proposed conditions hydraulic model to reflect the impacts of the project. Proposed and existing conditions water surface elevations will be compared.
6. Presuming that the proposed conditions do not cause a rise in the flood elevations, McGill will prepare and submit to the local floodplain administrator a report summarizing the modeling development process and findings. The report will include an engineer's

certification that the project will not cause an increase in flood elevations and necessary supplemental data (exhibits, calculations, etc.).

7. Respond to comments from the local floodplain administrator regarding the application.

### **TASK 3**

### **Bidding and Award**

1. Conduct a formal bidding process, including advertising, conducting a pre-bid meeting, issuing addenda and clarifications to bidders, and a formal bid opening.
2. Consult with and advise the OWNER as to the acceptability of contractors and subcontractors and make a recommendation as to the lowest responsive, responsible bidder.
3. Assist the OWNER in the preparation and execution of construction contracts and in checking Performance and Payment Bonds and Insurance Certificates for compliance.

### **Additional Services and Exclusions**

1. Providing services to make measured drawings of existing conditions not related to the proposed utilities or to verify the accuracy of drawings or other information furnished by the City or others.
2. Making revisions when such revisions are inconsistent with approvals or instruction previously given by the City or are due to causes beyond the control of McGill.
3. Providing services of professional consultants for items of work other than those outlined under the Scope of Services.
4. Preparing easement maps or plats beyond the quantity and scope included in Section 2.
5. No Rise Certification:
  - i. McGill will obtain publicly available LiDAR and data for the hydraulic model. If needed, additional data collection will be considered additional services.
  - ii. If the study indicates that the proposed conditions cause a rise in the flood elevations, McGill will notify the City that a Conditional Letter of Map Revision (CLOMR) is needed. McGill will provide a proposal to the City to submit a CLOMR application and develop the associated engineering documents.
  - iii. It is presumed the study will be reviewed/approved by the local floodplain administrator. If the local floodplain administrator opts to send the application to the state or FEMA for review, McGill will provide a proposal to the City to coordinate and address comments.
6. The City shall be responsible for all application and permitting fees and preparing the sewer flow tracking form with the downstream sewer capacity.
7. Permitting or approvals required for demolition of the elevated sewer structure.
8. Providing geotechnical and subsurface investigations, archeological surveys and any other environmental site surveys necessary for the construction of the project.
9. Providing construction observation and construction administration services.
10. Evaluation of unsuitable subgrade materials during construction.
11. Preparing to serve and/or serving as an expert witness in connection with any public hearing, arbitration proceeding, or legal proceedings are not included in the scope and fee.

### **Owner's Responsibilities**

1. Provide full information as to the requirements for the Project.
2. Assist the ENGINEER by placing at his disposal in a timely manner all available information pertinent to the Project including previous documents and plans and any other data relative to the evaluation, design, and construction of the Project. Subject to the generally accepted standard of care, ENGINEER and its consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to the OWNER.
3. Designate a person to act as OWNER's representative with respect to the work to be performed under this Agreement; and such person shall have complete authority to transmit instructions, receive information, interpret and define OWNER's policies and decisions pertinent to the services in this Agreement.
4. Examine all studies, reports, sketches, estimates, specifications, drawings, proposals and other documents presented by the ENGINEER and render decisions and comments pertaining thereto within a reasonable time so as not to delay the services of the ENGINEER.
5. Guarantee access to and make all provisions for the ENGINEER to enter upon public and private property as required for the ENGINEER to perform the services under this Agreement, provided the same does not unreasonably interfere with the operation of the existing facilities.
6. Obtain any right-of-way easements from public bodies, entities or persons necessary for satisfactory construction of the Project.
7. Obtain any subsurface geotechnical investigations or other types of testing and analysis needed for the Project.
8. Pay for permit fees, and all costs incidental to advertising for bids, and receiving bids or proposals from licensed Contractors.
9. Provide such legal, accounting and insurance counseling services as may be required for the Project, and such auditing services as may be required to ascertain how or for what purpose any Contractor will or has used the monies paid to him under the construction contract.
10. Give prompt notice to the ENGINEER whenever the OWNER observes or otherwise becomes aware of any defect in the Project.
11. Furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project, subject to the obligations of the ENGINEER outlined in Sections 1.3 and 2.2 of this Agreement.
12. Furnish, or direct the ENGINEER to provide necessary Additional Services as stipulated in Section 3 of this Agreement or other services as required.
13. Bear all costs incident to compliance with the requirements of this Section 4, except where Contractor will assume responsibility for the same.

**Basis for Compensation**

Based on our understanding of the requested work, we propose to provide the Scope of Services detailed in this agreement for the following fees:

TASK 1 – Design and Permitting Phase (Lump Sum):	Increase from \$29,000 to \$149,000
TASK 2 – No Rise Certification (Lump Sum):	Increase from \$9,800 to \$24,000
TASK 3 – Bidding and Award (Lump Sum)	Increase from \$2,800 to \$16,000
TASK 4 – Construction Phase Services:	Additional Services
Additional Services – (As Required)	Hourly Basis

If this amendment to the engineering services is acceptable to the City, please sign below and return one (1) copy to our office. We are prepared to begin work immediately upon the City's authorization to proceed. As always, if you have any questions regarding this proposal, please do not hesitate to contact us. We look forward to working with you on this project.

Sincerely,  
**McGILL ASSOCIATES, PA**

**McGILL ASSOCIATES, PA**

**DOUGLAS CHAPMAN, PE**  
Principal – Hickory Office Manager

**JOEL WHITFORD, PE**  
Senior Project Manager

Attachments: Standard Fee Schedule dated 7/1/2025  
Consulting Services Agreement dated 1/13/21  
Original Engineering Services Agreement dated 12/23/20

**ACCEPTANCE:**

**CITY OF STATESVILLE**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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

\_\_\_\_\_  
Finance Director

\_\_\_\_\_  
Date

## STANDARD HOURLY RATE AND FEE SCHEDULE

July 2025

PROFESSIONAL FEES	I	II	III	IV
Senior Principal	\$335			
Principal – Regional Manager – Director	\$280	\$290	\$310	\$325
Practice Area Lead	\$245	\$275	\$300	\$310
Senior Project Manager	\$245	\$270	\$295	\$305
Senior Engineer	\$245	\$270	\$295	\$305
Project Manager	\$215	\$235	\$250	\$260
Senior Project Engineer	\$215	\$235	\$250	\$260
Project Engineer	\$175	\$190	\$200	\$210
Engineering Associate	\$150	\$160	\$165	\$170
Planner- Consultant – Designer	\$150	\$170	\$190	\$210
Engineering Technician	\$135	\$150	\$165	\$175
CAD Operator – GIS Analyst	\$115	\$125	\$140	\$150
Construction Services Manager	\$200	\$210	\$215	\$235
Construction Administrator	\$150	\$165	\$175	\$190
Construction Field Representative	\$125	\$135	\$150	\$160
Project Administrator	\$115	\$135	\$140	\$160
Funding-Financial Service-Manager	\$230	\$245	\$255	\$265
Grant Administrator	\$140	\$160	\$170	\$180
Environmental Specialist	\$120	\$130	\$135	\$140
Administrative Assistant	\$95	\$105	\$115	\$130
Survey Party Chief	\$115	\$130	\$145	\$165
Survey Field Technician	\$100	\$105	\$110	\$115

### EXPENSES

- a. Mileage - \$.75/mile
- b. Flow Monitoring Equipment: Pressure Flow Meter - \$400/wk.; Gravity Flow Meter - \$1,000/deployment
- c. Robotics/GPS Equipment - \$35/hr.
- d. Aquatic Surveying Equipment – Vessel - \$250/day
- e. Telephone, reproduction, postage, lodging, and other incidentals shall be a direct charge per receipt.

### ASSOCIATED SERVICES

- a. Associated services required by the project such as soil analysis, materials testing, etc., shall be at cost plus fifteen (15) percent.

## CONSULTING SERVICES AGREEMENT

This contract entered into this 13 day of JAN, 2021 by and between the City of Statesville, hereinafter called the Client, and McGill Associates, P.A.;

Witnesseth that: Whereas, the Client desires to engage McGill Associates to provide consulting services; and,

Whereas, the Client finds that the attached Scope of Services and terms of this agreement are acceptable; and,

Whereas, McGill Associates desires to provide said services and agrees to do so for the compensation and upon the terms and conditions as hereinafter set forth,

Now, therefore, the parties hereto do mutually agree as follows:

**1. Scope of Services:** McGill Associates shall provide the services attached hereto in the Exhibit "Scope of Services" to this Agreement, hereinafter called services. Additional services will be invoiced in accordance with the attached rate and fee schedule.

**2. Standard of Care:** McGill Associates will perform its services using that degree of skill and diligence normally employed by professional engineers or consultants performing the same services at the time these services are rendered.

**3. Authorization to Proceed:** Execution of this Consulting Services Agreement will be considered authorization for McGill Associates to proceed unless otherwise provided for in this Agreement.

**4. Changes in Scope:** The Client may request changes in the Scope of Services provided in this Agreement. If such changes affect McGill Associates cost of or time required for performance of the services, an equitable adjustment will be made through an amendment to this Agreement.

**5. Compensation:** The Client shall pay the compensation to McGill Associates set forth in the Exhibit "Basis for Compensation" attached hereto. Unless otherwise provided in the Basis for Compensation, McGill Associates shall submit invoices to the Client monthly for work accomplished under this agreement and the Client agrees to make payment to McGill Associates within thirty (30) days of receipt of the invoices. Client further agrees to pay interest on all accounts invoiced and not paid or objected to for a valid cause in writing within said thirty (30) days at a rate of 1-1/2 percent per month (18 percent per annum), until paid. Client agrees to pay McGill Associates' cost of collection of the amounts due and unpaid after sixty (60) days, including but not limited to, court costs and attorney's fees. McGill Associates shall not be bound by any provision such as contained in a purchase order or wherein McGill Associates waives any rights to a mechanic's lien or any provision conditioning McGill Associates' right to receive payment for its work upon payment to the Client by any third party. These general conditions are notice, where required, that McGill Associates shall file a lien whenever necessary to collect past due amounts. The Client agrees that failure to make payment in full within thirty (30) days of receipt of the invoice shall constitute a release of McGill Associates from any and all claims of negligence which Client may have. It is also mutually agreed that should the Client fail to make prompt payments as described herein, McGill Associates reserves the right to immediately stop all work under this agreement until disputed amounts are resolved.

**6. Personnel:** McGill Associates represents that it has, or will secure at their own expense, all personnel required to perform the services under this agreement and that such personnel will be fully qualified and adequately supervised to perform such services. It is mutually understood that should the scope of services require outside subcontracted services, McGill Associates may do so at their discretion.

**7. Opinions or Estimates of Cost:** Any costs estimates provided by McGill Associates shall be considered opinions of probable costs. These along with project economic evaluations provided by McGill Associates will be on a basis of experience and judgment, but, since McGill Associates has no control over market conditions or bidding procedures, McGill Associates cannot warrant that bids, ultimate construction cost, or project economics will not vary from these opinions.

**8. Termination:** This Agreement may be terminated for convenience by either the Client or McGill Associates with 15 days written notice or if either party fails substantially to perform through no fault of the other and does not commence correction of such non-performance within 5 days of written notice and diligently complete the correction thereafter. On termination,

McGill Associates will be paid for all authorized work performed up to the termination date plus reasonable project closeout costs.

**9. Limitation of Liability:** McGill Associates liability for Client's damages will, in aggregate, not exceed \$50,000. This provision takes precedence over any conflicting provision of this Agreement or any documents incorporated into it or referenced by it. This limitation of liability will apply whether McGill Associates liability arises under breach of contract or warranty; tort, including negligence; strict liability; statutory liability; or any other cause of action, and shall include McGill Associates' directors, officers, employees and subcontractors. At additional cost, Client may obtain a higher limit prior to commencement of services.

**10. Assignability:** This agreement shall not be assigned or otherwise transferred by either McGill Associates or the Client without the prior written consent of the other.

**11. Severability:** The provisions of this Consulting Services Agreement shall be deemed severable, and the invalidity or enforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this consulting services agreement is deemed unenforceable for any reason whatsoever, such provision shall be appropriately limited, and given effect to the extent that it may be enforceable.

**12. Ownership of Documents:** All documents, calculations, drawings, maps and other items generated during the performance of services shall be considered intellectual property and remain the property of McGill Associates. Client agrees that the deliverables are intended for the exclusive use and benefit of, and may be relied upon for this project only by the Client and will not be used otherwise. Client agrees that any prospective lender, buyer, seller or third party who wishes to rely on any deliverable must first sign McGill Associates' Secondary Client Agreement.

**13. Excusable Delay:** If performance of service is affected by causes beyond McGill Associates control, project schedule and compensation shall be equitably adjusted.

**14. Indemnification:** Client agrees to indemnify, defend and hold McGill Associates, its agents, employees, officers, directors and subcontractors harmless from any and all claims, and costs brought against McGill Associates which arise in whole or in part out of the failure by the Client to promptly and completely perform its obligations under this agreement, and as assigned in the Exhibit "Scope of Services" or from the inaccuracy or incompleteness of information supplied by the Client and reasonably relied upon by McGill Associates in performing its duties or for unauthorized use of the deliverables generated by McGill Associates.

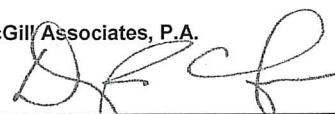
**15. Choice of Law:** This Agreement shall be governed by the internal laws of the State of North Carolina.

**16. Entire Agreement:** This Agreement contains all of the agreements, representations and understandings of the parties hereto and supersedes any previous understandings, commitments, proposals, or agreements, whether oral or written, and may only be modified or amended as herein provided; and as mutually agreed.

**17. Attachments to this document:**

1. Proposal including Scope of Services and Basis of Compensation
2. Fee Schedule

McGill Associates, P.A.



Print Name: Douglas Chapman, PE  
Principal-Hickory Office Manager  
1240 19th Street Lane, NW  
Hickory, North Carolina 28603

Client: City of Statesville

Authorized Signature:



Print Name: Ron Smith  
Print Title: City Manager  
227 South Center Street  
Statesville, North Carolina 28687

December 23, 2020

Mr. William Vaughan, PE  
Director of Public Utilities  
City of Statesville  
227 South Center Street  
Statesville, North Carolina 28687

RE: Engineering Services  
Elevated Sewer Relocation  
City of Statesville, North Carolina

Dear Mr. Vaughan:

Pursuant to your request, McGill Associates (McGill) is pleased to provide this proposal for engineering services to the City of Statesville for the above-referenced project. These services are pursuant to the City's request and our on-site meeting.

We understand that the City has experienced maintenance issues with the aging 24" elevated gravity sewer line that generally runs between Fern Creek Drive and Simonton Road. Downstream of this elevated pipe segment, the existing sewer increases to 27" diameter, before combining with a 30" gravity sewer (from the greenway) into a 42" gravity sewer. To remedy the issues with the 24" elevated sewer, the City desires to replace it with approximately 700 linear feet of 24" gravity sewer line that would run east and aerially cross Fourth Creek to connect to the aforementioned 30" gravity sewer.

Based on our site visit, it is understood that the City will proceed with flow monitoring of the existing 24" sewer line and parallel 30" sewer line upstream of the 42" interceptor sewer. This evaluation will determine if the 30" sewer line is capable of carrying the combined flow from both tributary areas, or if the project will need to be expanded to upsize the 30" downstream sewer between the proposed connection point and the 42" interceptor sewer.

Based upon our statement of understanding above, we propose to provide the services enumerated below:

**TASK 1****Design and Permitting Phase Services**

1. Consult with the City to fully determine the requirements for the project and to discuss the probable sewer alignment, coordination, approvals and other preliminary matters.
2. Coordinate and conduct initial coordination meeting with the City as needed to establish communication lines, meet with project team members, define project schedules and gather initial data and information from the City. This initial meeting will also include site visits as necessary to review the existing project area and all existing utilities.
3. Utilize the preliminary sewer alignment to identify any necessary easements needed for completion of the project. Boundary survey and easement plat could be performed as additional services.

4. Perform a topographic and existing conditions site survey.
5. Review preliminary design with the City for concurrence and acceptance.
6. Coordinate the provision of any subsurface investigation by others, if any, including assisting with solicitations and preparing site maps identifying locations for testing.
7. Prepare design documents and applications to accompany permit submissions to appropriate regulatory agencies. Flow Tracking form for the sewer approval will be completed and provided by the City.
8. Prepare bidding documents and review with the City for comments and approval concurrent with permit application submissions.
9. Perform an internal quality control and constructability review of the project.
10. Furnish two (2) hard copies and one (1) electronic copy of the final documents to the City.

**TASK 2** **No Rise Certification**

1. Retrieve the effective hydraulic model from NC Flood Risk Information System (FRIS) for this regulated stream for use as basis of the No-Rise application.
2. Collate publicly available topographic (LiDAR), aerial, and flood data for use as needed in the study.
3. Utilize survey data collected for the proposed gravity sewer design in the evaluation. No additional topographic survey is included in this scope.
4. Prepare the duplicate effective, corrected, and existing conditions HEC-RAS models for the study area. Discrepancies with the effective model will be noted at each stage.
5. Prepare a proposed conditions hydraulic model to reflect the impacts of the project. Proposed and existing conditions water surface elevations will be compared.
6. Presuming that the proposed conditions do not cause a rise in the flood elevations, McGill will prepare and submit to the local floodplain administrator a report summarizing the modeling development process and findings. The report will include an engineer's certification that the project will not cause an increase in flood elevations and necessary supplemental data (exhibits, calculations, etc.).
7. Respond to comments from the local floodplain administrator regarding the application.

**TASK 3** **Informal Bidding**

1. Conduct an informal bidding process, including issuing addenda and clarifications to bidders.
2. Prepare a recommendation of award to the City.

**TASK 4** **Construction Testing Observation and Record Drawings**

1. Observe sewer testing (up to 3 trips) and review surveyed as-builts provided by the contractor to prepare Record Drawings to support the final certification to NCDEQ.
2. Prepare any necessary permit certifications and submit a set of Record Drawings to City.

**Additional Services and Exclusions**

1. Easement plats could be provided for this project if requested at a cost of \$2,400.
2. Flow monitoring services, if not performed by the City.
3. Replacement and upsizing of existing 30" gravity sewer would be performed as additional services.
4. Providing services to make measured drawings of existing conditions not related to the proposed utilities or to verify the accuracy of drawings or other information furnished by the City or others.
5. Making revisions when such revisions are inconsistent with approvals or instruction previously given by the City or are due to causes beyond the control of McGill.
6. Providing services of professional consultants for items of work other than those outlined under the Scope of Services.
7. Providing construction observation and construction administration for more time than outlined in the Scope of Services.
8. Conducting a formal bid process including pre-bid meeting, public bid opening, and related bidding services.
9. McGill will obtain publicly available LiDAR and data. If needed, additional data collection will be considered additional services and not included in this scope and fee.
10. If the study indicates that the proposed conditions cause a rise in the flood elevations, McGill will notify the City that a Conditional Letter of Map Revision (CLOMR) is needed. McGill will provide a proposal to the City to submit a CLOMR application and develop the associated engineering documents.
11. It is presumed the study will be reviewed/approved by the local floodplain administrator. If the local floodplain administrator opts to send the application to the state or FEMA for review, McGill will provide a proposal to the City to coordinate and address comments.
12. The City shall be responsible for all application and permitting fees, and preparing the sewer flow tracking form with the downstream sewer capacity.
13. Permitting or approvals required for demolition of the elevated sewer structure.
14. Preparing to serve and/or serving as an expert witness in connection with any public hearing, arbitration proceeding, or legal proceeding are not included in this scope and fee.

**Basis for Compensation**

Based on our understanding of the requested work, we propose to provide the Scope of Services detailed in this agreement for the following fees:

<u>TASK 1 – Design and Permitting Phase Services (Lump Sum)</u>	\$29,000
<u>TASK 2 – No Rise Certification (Lump Sum)</u>	\$9,800
<u>TASK 3 – Informal Bidding (Lump Sum)</u>	\$2,800
<u>TASK 4 – Construction and Certification Phase Services (Lump Sum)</u>	\$3,900
<u>Additional Services – (if Required)</u>	Hourly Basis

Mr. William Vaughan  
December 23, 2020  
Page 4 of 4

If this proposal is acceptable to the City, please sign below and return one (1) copy to our office. We are prepared to begin work immediately upon the City's authorization to proceed. As always, if you have any questions regarding this proposal, please do not hesitate to contact us. We look forward to working with you on this project.

Sincerely:

McGILL ASSOCIATES, PA



DOUGLAS CHAPMAN, PE  
Principal - Hickory Office Manager

McGILL ASSOCIATES, PA



JOEL WHITFORD, PE  
Senior Project Manager

Attachments: Standard Fee Schedule  
Consulting Services Agreement

ACCEPTANCE:

**CITY OF STATESVILLE**

Name: William E. Vaughan

Title: Public Utilities Director

Date: 4 Jan, 2021

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

  
Finance Director

1/5/2021  
Date



**North Carolina Department of Natural and Cultural Resources**  
**State Historic Preservation Office**

Ramona M. Bartos, Administrator

Governor Roy Cooper  
Secretary D. Reid Wilson

Office of Archives and History  
Deputy Secretary, Darin J. Waters, Ph.D.

August 22, 2024

William Vaughan  
City of Statesville  
P.O Box 111  
Statesville, NC 28687

[wvaughan@statesvillenc.net](mailto:wvaughan@statesvillenc.net)

Re: Replace elevated sewer trestle, along Fourth Creek, Simonton Road, Statesville, Iredell County,  
GS 24-1764

Dear Mr. Vaughan:

Thank you for your letter of July 22, 2024, regarding the above-referenced undertaking. We have reviewed the submission and offer the following comments.

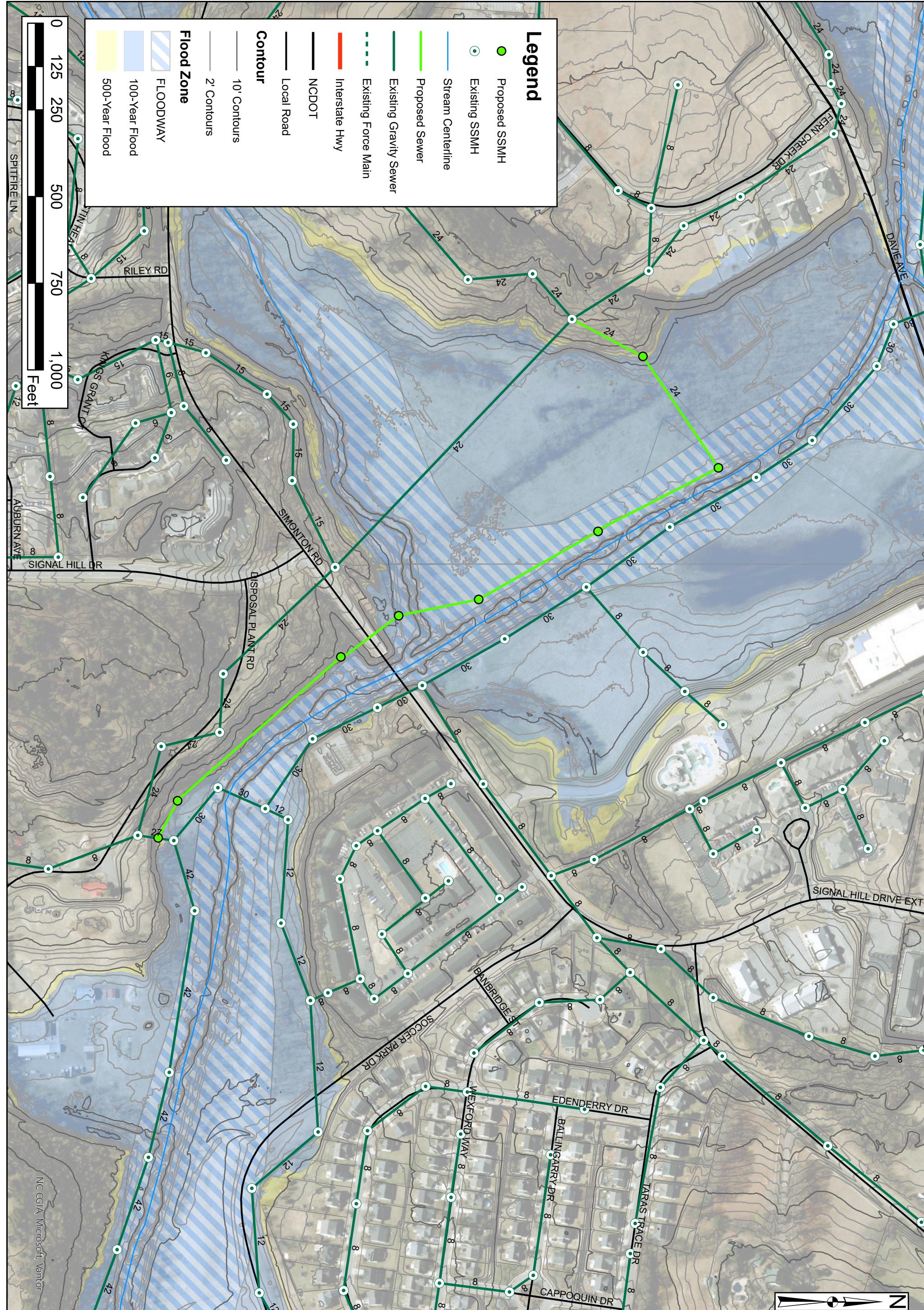
We have conducted a review of the project and are aware of no historic resources which would be affected by the project. Therefore, we have no comment on the project as proposed.

These comments are made in accord with G.S. 121-12(a) and Executive Order XVI. If you have questions regarding them, please contact Renee Gledhill-Earley, environmental review coordinator, at 919-814-6579 or [environmental.review@dnrcr.nc.gov](mailto:environmental.review@dnrcr.nc.gov). In all future communication concerning this project, please cite the above-referenced tracking number.

Sincerely,

*Renee Gledhill-Earley*

*for* Ramona M. Bartos  
Deputy State Historic Preservation Officer



1240 19th Street Lane NW  
Hickory, NC 28601  
828.328.2024  
NC Firm License # C-0459  
mcgillassociates.com

Date: Nov. 2025

Project # 21.01102

Office Manager

DGC

Proj. Manager

JAW

**AERIAL SEWER REPLACEMENT**  
**CITY OF STATESVILLE**  
**IREDELL CO., NORTH CAROLINA**

**PROJECT  
LOCATION**

**CITY OF STATESVILLE**  
**BUDGET AMENDMENT #2026-12**

January 6, 2026

FISCAL YEAR 2025-2026

**DESCRIPTION: Budget Amendment for current Sewer Relocation Project A/E Services Agreement**

## Budget Officer

APPROVED BY CITY COUNCIL:

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## City Clerk

Gina Lawrence

## Chief Finance Officer

# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** W. E. Vaughan, DPA, PE

**DATE:** 1/21/2026 2:59 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Consider approving Budget Amendment 2026-13 to fund the city hydraulic water model update.**

---

### **1. Summary of Information:**

- a. The city's water system model is an important component in managing the water distribution system. The model provides day-to-day assessment capabilities, facilitates master planning capabilities, and is a critical component in the city's ISO rating.
- b. The model is now seven years old, and the implementing software has migrated to a Software as a Service (SaaS) platform. The previous vendor (Innovyze) has off-loaded capabilities and licensing requirements to another vendor. This in conjunction with the Geographic Information System (GIS) platform currently in place with the 2019 model becoming outdated has necessitated frequent interventions by IT since April of 2025 to maintain functionality. Interoperable capabilities between the water model and GIS will end in early CY 2026.
- c. Nineteen miles of new waterlines have been added to the city system since the 2019 model was built and near-term waterline extensions are programmed in the CIP (e.g., the Arey Road Waterline Extension).

### **2. Previous Council or Relevant Actions:**

- a. Initial water model was funded in 2019 as part of an Asset Inventory Analysis (AIA) initiative. The modeling was performed by Hazen and Sawyer.
- b. Funded interim model work within the 2019 platform as needed (e.g., the Mitchell Community College Public Safety Facility).

### **3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** Invest in services and critical public infrastructure to align with land use plan goals and accommodate future growth citywide.

**Connecting Our Communities:** N/A

**Strategic Plan Values:** We value and encourage Opportunity

Strategic initiative: 1. Invest in critical public infrastructure to provide high-quality services . . . planning for . . . future needs . . . .; Proactively maintain existing infrastructure assets and systems to ensure long-term viability.

### **4. Budget/Funding Implications:**

\$50,000 from the water/sewer fund.

**5. Consequences for Not Acting:**

The city will not have the capability to model the capabilities of the distribution system. This will significantly impact the city's ability to assess operational requirements, respond to information requests for economic development and will remove a key component in the ISO certification process. The validated model precludes labor intensive hydrant and flow testing requirements for the city.

**6. Department Recommendation:**

City Council approve budget amendment 2026-13 in the amount of \$50,000.

**7. Manager Comments:**

I recommend approving the budget amendment to allow me to execute this contract.

**8. Next Steps:**

- a. The City Manager executes the "Statesville Hydraulic Model Update" A/E services agreement (as allowed by the mini-Brooks Act).
- b. Finance executes the requested budget amendment for account no. 550.8220.04.00 for \$50,000.
- c. Public Utilities executes the associated purchase order.
- d. IT assists in coordinating the GIS and SaaS requirements associated with the model update.

**9. Attachments:**

1. Statesville Model Update Proposal 2026\_12-15
2. BA Form 2026-13 City Hydraulic Water Model Update

December 15, 2025

Mr. William Vaughan, D.P.A., P.E.  
Public Utilities Director  
City of Statesville  
PO Box 1111  
Statesville, NC 28687

## **Re: Statesville Hydraulic Model Update**

Dear Bill:

Hazen and Sawyer is pleased to submit this proposal for updating Statesville's hydraulic model of the water distribution system (WDS). This project will update existing hydraulic model to the latest version of InfoWater Pro and update the model to reflect the existing water distribution system as of 2025.

### **Background**

Hazen and Sawyer has worked with the City of Statesville to update their hydraulic model since the 2008 Master Plan.

This project will update the City's model with the latest available information to accurately reflect the existing 2025 WDS. The model will be updated to include any missing distribution infrastructure and the latest year of billing data. The goal of this project will be to update the existing model to prepare the model for future master planning efforts, including calibration, planning for growth, and water quality studies.

The model will be delivered in the latest version of InfoWater Pro running in ArcGIS Pro. As of December 5, 2025, this is InfoWater Pro 2026.1.1 and ArcGIS Pro 3.5.4.

### **Scope of Work**

- 1. Update the existing hydraulic model using data from GIS.** Hazen will update the model to include all pipes 6-inch and larger, pumps, tanks, and relevant control valves from the City's GIS if they do not exist in the current model. Updated pipes will have pipe friction coefficients estimated based on the age of the pipes and existing coefficients in the model from calibration and/or previous testing. We will update elevations on an as-needed basis using digital elevation maps.
- 2. Distribute existing demand using meter records.** Hazen will allocate demands to the nodes in the model using the meter records for the most recently available contiguous 12-months and the spatial records of every meter. The modeling software will be used to determine the node closest to each customer and assign demands in the model accordingly. Non-revenue water will be calculated by using annual production records for the same time period as the billing data.
- 3. Setup scenarios.** Hazen will set up the following scenarios for the existing water distribution system:

- a. Steady-state simulation scenario of the maximum day demand conditions
- b. Extended period simulation of the maximum day demand conditions
- c. Extended period simulation of the average day demand conditions
- d. Extended period simulation scenario for water age
- e. Extended period simulation scenario for source trace

4. **Prepare summary presentation.** Hazen will prepare and present a presentation that summarizes work completed on this project. The presentation will include a summary of the updating process, a summary of the available scenarios, and next steps recommendation for improving model calibration and development.

## **Deliverables**

At the conclusion of the project, Hazen will meet with City staff to present the summary of work completed for this project. We will also deliver an electronic version of the presentation and the final hydraulic model files. The hydraulic model will be delivered as an InfoWater Pro model file package.

## **Proposed Fee**

The tasks described in the Scope of Work will be billed on an hourly basis by employee classification, as of July 1, 2025. Hourly rates will be adjusted on July 1 of each year to reflect increased labor costs. Reimbursable project expenses will be billed at cost, including vehicle mileage, at the rate allowed by the Internal Revenue Service. Monthly invoices will reflect actual hours spent on the project in the preceding month.

We propose a lump sum fee of FIFTY THOUSAND DOLLARS (\$50,000.00). The fees include the services and expenses of our engineers and the use of our modeling software.

## **Cooperation by the City**

Our fee assumes that the City will provide the following:

- General water distribution system information, GIS data, and drawings of the water system as needed
- Billing records for all the customers for 12 consecutive months.
- Meter location records for all the customers in the billing records (x,y coordinates or addresses).
- Daily production records for at least one year of operation corresponding to the same periods covered by the billing records.
- One week of hourly SCADA records of tank levels, pump flows and pressures, and other pertinent information. We may request shorter periods, such as every 30 minutes instead of hourly, if necessary. The week covered by this SCADA request will be defined after reviewing the daily production records and discussing with City staff.

## Schedule

We will begin the project within 30 days of authorization to proceed. We estimate finishing the project within three months of authorization to proceed.

We look forward to working with you. Please call me if you have any questions about our proposal.

Very truly yours,

HAZEN AND SAWYER, D.P.C.



Megan G. Roberts, P.E.  
Associate Vice President

**CITY OF STATESVILLE**  
**BUDGET AMENDMENT #2026-13**

January 15, 2026

FISCAL YEAR 2025-2026

**DESCRIPTION: Budget Amendment for Hydraulic Model Update**

## Budget Officer

APPROVED BY CITY COUNCIL:

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## City Clerk

Gina Lawrence

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### Chief Finance Officer

# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager  
**FROM:** David Onley, Chief Of Police  
**DATE:** 1/21/2026 1:33 PM

---

**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Consider approving the submission of an application to NC Governors Crime Commission for funding two (2) Police Department salaries.**

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### **1. Summary of Information:**

The Governors Crime Commission grant provides 75% of two Police Investigators salary each year with the City of Statesville Police Department providing a 25% of approved payroll expenses for one (1) year. If approved the completed application will be submitted.

Total Salary Budget, 2 Investigators FY 26/27		
100% Salaries	75% GCC	25% SPD
\$180,234.89	\$135,176.17	\$45,058.72

### **2. Previous Council or Relevant Actions:**

Approved for application of grant funds in past years.

### **3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** N/A

**Connecting Our Communities:** Provide reliable, high-quality public safety to ensure the wellbeing of residents, businesses, and visitors.

**Strategic Plan Values:** We value Integrity

This grant provides funds to pay for public safety expenses.

### **4. Budget/Funding Implications:**

Police Department will apply for funding provides 75% of two investigators salary and approved expenses which reduces the amount of the Police Department payroll.

### **5. Consequences for Not Acting:**

If application is not submitted funds will not be awarded.

### **6. Department Recommendation:**

Recommend approving application for grant funding.

### **7. Manager Comments:**

Recommend approving this application for funding.

**8. Next Steps:**

Approve application.

**9. Attachments:**

None.

# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** David Onley, Chief of Police

**DATE:** 1/21/2026 1:34 PM

---

**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Consider approving an Ordinance establishing a 25 mph speed zone on portion of West Front Street at the request of N.C.D.O.T.**

---

**1. Summary of Information:**

N.C. Department of Transportation has requested the city enact an ordinance establishing a 25 mph speed zone on portion of U.S. 64 (West Front Street). The portion of this roadway is located between the intersections of West Front St and Buffalo Shoals to West Front Street and Mayo Street.

**2. Previous Council or Relevant Actions:**

None

**3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** N/A

**Connecting Our Communities:** Provide reliable, high-quality public safety to ensure the wellbeing of residents, businesses, and visitors.

**Strategic Plan Values:** N/A

Passage of ordinance will allow enforcement of new speed zone and promote safer roadways.

**4. Budget/Funding Implications:**

None

**5. Consequences for Not Acting:**

Local speed ordinance will not coincide with state mandated speed limit.

**6. Department Recommendation:**

Staff recommends establishing 25 mph speed zone on W. Front Street between Buffalo Shoals Rd and Mayo Street.

**7. Manager Comments:**

Recommend for approval.

**8. Next Steps:**

Second reading if approved.

**9. Attachments:**

1. 2026SPD001 - Speed Limit on W Front St
2. Ordinance-25 M.P.H. Zone West Front Street-Legal Size
3. NCDOT Traffic Analysis



## Proposed Speed Limit Change on West Front St from 35 MPH to 25 MPH

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 12, ARTICLE IV, SEC 12-101(d) OF THE CODE OF THE CITY OF STATESVILLE, TO ESTABLISH A 25 M.P.H. SPEED ZONE ON PORTIONS OF U.S. 64 (WEST FRONT STREET) WITHIN THE CORPORATE LIMITS OF THE CITY OF STATESVILLE.**

**WHEREAS**, the Statesville Police Department is aware that the North Carolina Department of Transportation has requested A 25 m.p.h. speed zone on U.S. 64 (West Front Street); and

**WHEREAS**, the speed zones enacted will be limited to the areas of U.S. 64 (West Front Street) within the corporate limits of the City of Statesville.; and

**WHEREAS**, reducing the speed limit in this area to 25 m.p.h. will decrease potential hazards by increasing the reaction time for drivers and pedestrians in these areas.

**NOW THEREFORE, BE IT ORDAINED** by the City Council of the City of Statesville that Chapter 12, Article IV, Sec 12-101(d) of the Code of the City of Statesville be amended by adding the following to the official ordinance file maintained by the Traffic Safety Director:

**“25 M.P.H. Speed Zone”  
U.S. 64 (West Front Street): Between Buffalo Shoals and Mayo Street**

This ordinance was introduced for first reading by Council member \_\_\_\_\_, seconded by Council member \_\_\_\_\_, and unanimously carried on the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

AYES:  
NAYS:

The second and final reading of this ordinance was heard on the \_\_\_\_\_ day of \_\_\_\_\_, 2026, 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 \_\_\_\_\_, 2026.

CITY OF STATESVILLE

---

Doug Hendrix, Mayor

APPROVED AS TO FORM

ATTEST:

---

Leah Gaines-Messick, City Attorney

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Emily Kurfees, City Clerk

**Certification of Municipal Declaration  
To Enact Speed Limits and Request for Concurrence**

---

**Concurring State Ordinance Number:** 1088544

**Division:** 12    **County:** IREDELL

**Municipality** STATESVILLE

**Type:** Municipal Speed Zones

**Road:** US 64

**Car:** 25 MPH

**Truck:** 25 MPH

**Description:** (West Front Street) Between SR 1004 and a point 0.267 mile north-east of SR 1640.

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**Municipal Certification**

I, \_\_\_\_\_, Clerk of \_\_\_\_\_, do hereby certify that the municipal governing body, pursuant to the authority granted by G.S. 20-141(f), determined upon the basis of an engineering and traffic investigation and duly declared, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the speed limits as set forth above on the designated portion of the State Highway System, which shall become effective when the Department of Transportation has passed a concurring ordinance and signs are erected giving notice of the authorized speed limit.

The said municipal declaration is recorded as follows:

Minute Book: \_\_\_\_\_ Page: \_\_\_\_\_ Ordinance Number: \_\_\_\_\_

In witness whereof, I have hereunto set my  
hand and the municipal seal this \_\_\_\_\_ day  
of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(municipal seal)

**Department of Transportation Approval**

Division: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Region: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

## NCDOT TEAAS Ordinance Report

Approval Status: D – division approval pending, R – region approval pending, S – state approval pending, A – approved  
Repeal Status: D – division repeal pending, R – region repeal pending, S – state repeal pending, C – repealed.

Ordinance Type	Municipal Speed Zones
County	IREDELL
Municipality	STATESVILLE
Division	12
Old Ordinance Number	
Ordinance Number	<u>1088544</u>  
Effective Date	
Car Speed Limit	25
Truck Speed Limit	25
Approval Status	D
Repeal Status	D
Construction Project Number	
Begin Milepost	10.052
End Milepost	10.795
Intersecting Route / Begin Reference Feature	SR 1004
End Reference Feature	SR 1640
Justification	
Description	(West Front Street) Between SR 1004 and a point 0.267 mile north-east of SR 1640.
Long Description	

## NCDOT TEAAS Ordinance Report

Approval Status: D – division approval pending, R – region approval pending, S – state approval pending, A – approved  
Repeal Status: D – division repeal pending, R – region repeal pending, S – state repeal pending, C – repealed.

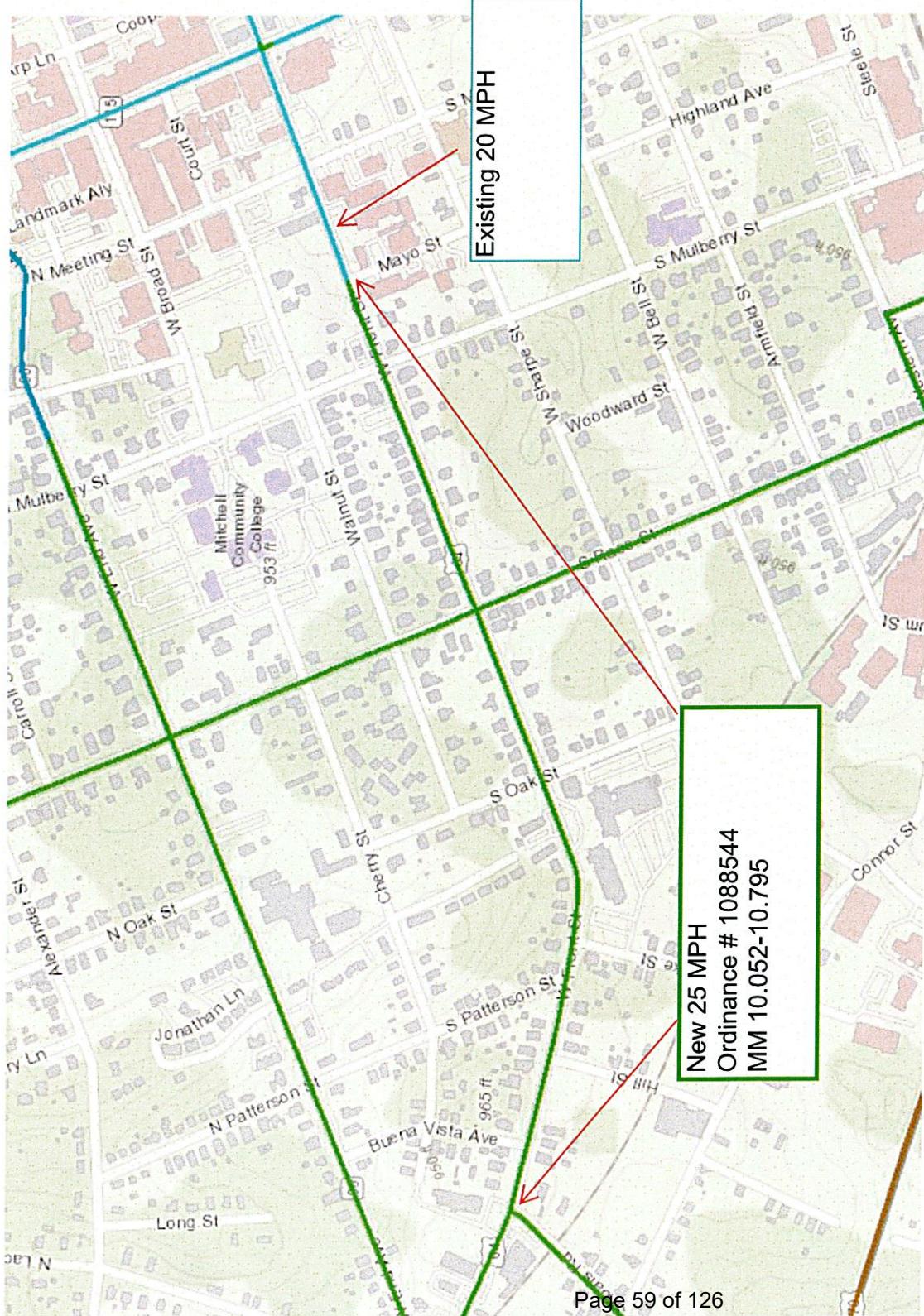
Ordinance Type	Municipal Speed Zones
County	IREDELL
Municipality	STATESVILLE
Division	12
Old Ordinance Number	
Ordinance Number	1058713 * <i>Existing</i>
Effective Date	10/31/2008
Repealed Date	
Car Speed Limit	20
Truck Speed Limit	20
Approval Status	A
Repeal Status	D
Construction Project Number	
Begin Milepost	10.795
End Milepost	10.985
Intersecting Route / Begin Reference Feature	NC 115
End Reference Feature	NC 115
Justification	
Description	(West Front Street) from Mayo Street to NC 115 (South Center Street).
Long Description	

1088544

**North Carolina Department of Transportation  
Traffic Engineering Accident Analysis System  
Features Report**

County	Inventoried Route ID	Begin Milepost	End Milepost
IREDELL	20000064	0.0	24.356

MP No	ID	Feature Name/Type	Special Type	Distance to Next	Direction to Next	Loop	Beyond Route Limits
9.918	50016749	LACKEY	At grade intersection, 4 legs	0.000	South and East		
9.918	50032515	WEST	At grade intersection, 4 legs	0.134	South and East		
10.052	40001004	SR 1004	At grade intersection, 3 legs	0.000	South and East		
10.052	50004192	BUFFALO SHOALS	At grade intersection, 3 legs	0.050	South and East		
10.102	50004178	BUENA VISTA	At grade intersection, 3 legs	0.069	South and East		
10.171	50014016	HILL	At grade intersection, 3 legs	0.063	South and East		
10.234	50023551	PATTERSON	At grade intersection, 3 legs	0.029	South and East		
10.263	50008812	DRAKE	At grade intersection, 3 legs	0.084	South and East		
10.347	50005850	CHERRY	At grade intersection, 3 legs	0.042	North and East		
10.389	50021718	OAK	At grade intersection, 4 legs	0.139	North and East		
10.528	40001640	SR 1640	At grade intersection, 4 legs	0.000	North and East		
10.528	50025156	RACE	At grade intersection, 4 legs	0.198	North and East		
10.726	50020850	MULBERRY	At grade intersection, 4 legs	0.069	North and East		
10.795	50019298	MAYO	At grade intersection, 3 legs	0.093	North and East		
10.888	50019749	MEETING	At grade intersection, 4 legs	0.097	North and East		
10.985	20000021	US 21	At grade intersection, 4 legs	0.000	North and East	Y	
10.985	30000115	NC 115	At grade intersection, 4 legs	0.000	North and East		
10.985	50005499	CENTER	At grade intersection, 4 legs	0.000	North and East		
10.985	50011260	FRONT	At grade intersection, 4 legs	0.055	North and East	Y	
11.040	50006867	COOPER	At grade intersection, 3 legs	0.084	North and East		
11.124	40002735	SR 2735	At grade intersection, 4 legs	0.000	North and West		
11.124	50007951	DAVIE	At grade intersection, 4 legs	0.000	North and East	Y	
11.124	50011260	FRONT	At grade intersection, 4 legs	0.000	North and West	Y	
11.124	50030795	TRADE	At grade intersection, 4 legs	0.121	North and West	Y	
11.245	50007115	COURT	At grade intersection, 3 legs	0.018	North and West		
11.263	40002321	SR 2321	At grade intersection, 4 legs	0.000	North and West	Y	
11.263	50003816	BROAD	At grade intersection, 4 legs	0.041	North and West	Y	
11.304	50007951	DAVIE	At grade intersection, 3 legs	0.000	North and East	Y	
11.304	50030795	TRADE	At grade intersection, 3 legs	0.144	North and East	Y	
11.448	30000090	NC 90	At grade intersection, 4 legs	0.000	North and East	Y	
11.448	50012434	GREEN	At grade intersection, 4 legs	0.000	North and East		
11.448	50032187	WATER	At grade intersection, 4 legs	0.028	North and East		
11.476	50013227	HARRELLS	At grade intersection, 3 legs	0.074	North and East		
11.550	50009618	ELM	At grade intersection, 3 legs	0.019	North and East		
11.569	50003633	BREVARD	At grade intersection, 3 legs	0.064	North and East		



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# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** Emily Kurfes, City Clerk

**DATE:** 1/20/2026 4:57 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

Consider approving the Special Use Permit Order for SP26-01.

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### **1. Summary of Information:**

The City of Statesville's Unified Development Code (UDC) allows townhomes in the R-5MF district through issuance of a Special Use Permit or Conditional Rezoning approval. The applicant, Hedley Homes, has opted to pursue a Special Use Permit (SUP). SUP are decided through an evidentiary process as laid out in the North Carolina General Statutes which includes sworn testimony, review of evidence, and determination of findings of fact. If all findings of fact are found to be true through review of competent, substantial, and material evidence the SUP must be granted.

### **2. Previous Council or Relevant Actions:**

Council unanimously approved Mrs. Messick to write the Special Use Permit Order at the January 12th meeting.

### **3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** N/A

**Connecting Our Communities:** Promote the development of a range of housing types throughout our community and housing stability for residents.

**Strategic Plan Values:** We value Quality and Creativity

This project brings another type of housing to this area.

### **4. Budget/Funding Implications:**

N/A

### **5. Consequences for Not Acting:**

Because of the unanimous decision, the order needs to be approved.

### **6. Department Recommendation:**

Approve the order.

### **7. Manager Comments:**

Recommend approving the order.

**8. Next Steps:**

If approved, the Mayor will sign the order.

**9. Attachments:**

1. Special Use Permit Hedley Homes SP26-01 final

NORTH CAROLINA  
IN THE MATTER OF

BEFORE THE CITY COUNCIL  
OF THE CITY OF STATESVILLE  
CASE #: SP26-01

Request for a Special Use Permit (SUP) to )  
Approve the construction of townhomes )  
On the property located at the corner of )  
Caldwell Street, Winston Ave., and )  
S. Meeting Street, Iredell County Tax )  
Parcel Identification Numbers )  
4744-00-6805, 4744-00-4859, )  
4744-00-4844, and 4744-00-4738 )  
)  
HEDLEY HOMES, )  
    Applicant, )  
)  
    vs. )  
)  
STATESVILLE CITY COUNCIL, )  
    Respondent. )  
)

## ORDER

THIS SPECIAL USE PERMIT REQUEST coming on to be heard before the Statesville City Council at a public evidentiary hearing on January 12, 2026, to consider the application submitted by the Applicant requesting a Special Use Permit to construct townhomes located at the corner of Caldwell Street, Winston Avenue, and S. Meeting Street (Iredell County Tax Parcel Identification Numbers 4744-00-6805, 4744-00-4859, 4744-00-4844, and 4744-00-4738) ("the Property").

## DECISION OF THE COUNCIL

Upon the presentation of the evidence, the Statesville City Council (herein the "Council") voted to approve the Special Use Permit to construct townhomes on the Property. The Council makes the following findings of fact and conclusions of law, and makes the following order based thereon.

## **FINDINGS OF FACT**

1. Hedley Homes wishes to develop the Property at the corner of Caldwell Street, Winston Avenue, and S. Meeting Street, which is described and identified by Parcel Identification Numbers 4744-00-6805, 4744-00-4859, 4744-00-4844, and 4744-00-4738 (referred to collectively as the “Property”).

2. Portions of the Property are currently vacant, namely 4744-00-4859, 4744-00-4844, while the remaining two parcels have dilapidated buildings.
3. The Property has a total acreage of .971 acres (or 42,296.76 square feet).
4. The Property is located within the R-5MF City zoning district (High Density Multi Family Residential District), which is the highest density zoning district within the City of Statesville.
5. The Applicant intends to develop the Property into townhomes, as depicted in the site plan proposed by the Developer.
6. Townhomes are allowed in the R-5MF zoning district with a Special Use Permit.
7. The development proposes fourteen (14) townhome units.
8. All Unified Development Code (“UDC”) zoning regulations regarding setback, density, open space, parking, and stormwater have been met.
9. The sketch plan has been approved by the Technical Review Committee (“TRC”), who found that the site plan met the minimum development regulations of the UDC.
10. Utilities are available to the Property.
11. The area surrounding the west and south of the Property is single-family residential and R-5MF zoning. Historically, homes in this area have been one floor with grass in the front yards, and driveways, although an adjoining property to the south has an aged two-story house. In-fill development has occurred in this area with two-story single-family homes. There are also some duplexes in this area.
12. The area to the east and northeast of the Property is zoned commercial, and includes a Dollar General on Shelton Avenue, as well as a church and parsonage.
13. This area has sidewalks, curb and gutter. All driveway improvements will be constructed to preserve the sidewalks, curb and gutter, and in accordance with the codes and regulations of the City.
14. Cory Sloan is a civil engineer, licensed in the State of North Carolina who has been in the business of drafting and/or reviewing land development plans and construction drawings for the last ten (10) years. He was previously employed by the City of Statesville as an engineer. He was tendered and accepted without objection as an expert witness. He testified as to the design of the site plan, and its conformity with the codes and regulations of the City of Statesville.

15. Michael Burkowitz is a certified appraiser, having his certification since 2002, with a degree in economics. He was tendered as an expert in property appraisals and values without objection. He tendered a market research report, which was accepted as an exhibit without objection. He opined that in his professional opinion the development, as developed, will not injure the neighborhood, including neighbor property values. He also stated that in his professional opinion this could revitalize the neighborhood and assist in attracting additional commercial development. He also stated that the inclusion of townhomes allows for a different price point than traditional single-family dwellings. His report also provides that he would not expect any traffic, noise, or visual impacts from the development on the surrounding area.
16. Erika Martin, a certified Planner and the Planning Director of the City of Statesville, and Joseph Campbell, a Planner 2 of the City of Statesville, each testified. The City staff presented evidence that the site plan is in compliance with the code and regulations of the City of Statesville, with exception to the landscaping requirements that are approved at a later date.
17. The Property was originally platted in 1922, with each lot being approximately 7,500sqft or .17acre. Most residential properties within this community have grass in the front yard, and parking on the street or offset driveways.
18. The 2045 Land Use Plan states that new construction should mimic the adjacent residential building forms. It also provides that the Shelton Avenue area plan should include small scale multifamily with up to four (4) dwelling units. It does not state that it should be four (4) dwelling units per acre, and could have, but the Statesville Planning Director interprets this to be a recommendation of four (4) dwelling units per acre.
19. It is accepted case law in North Carolina that an ordinance's inclusion of a particular use as a special use establishes a rebuttable presumption that the use is in harmony and compatible with the surrounding area.
20. Darba Skaf testified as the director of the Statesville Housing Authority, who is a landowner that owns property within the vicinity of the proposed development. Specifically, the Statesville Housing Authority owns property located across the street and diagonally from the proposed development.
21. Ms. Skaf opposed the proposed development and testified that she believed the townhomes, as designed with front parking, would cause future economic damage and possible property value reductions. However, she did not establish herself as an expert with the expertise to render a competent opinion as to the reduction of property values.
22. The Applicant objected to the Ms. Skaf having standing to participate in this evidentiary hearing.

23. The new construction of this development will provide additional housing options for the community.

### **CONCLUSIONS OF LAW**

BASED UPON THE FOREGOING FINDINGS OF FACT, THE STATESVILLE CITY COUNCIL CONCLUDES AS A MATTER OF LAW

1. Ms. Skaf had standing to participate in the evidentiary hearing.
2. The use requested for the Special Use Permit will not materially endanger the public health or safety if located where proposed and developed according to the plan as submitted and approved.
3. The use meets all required conditions and specifications.
4. The use will not substantially injure the value of adjoining or abutting property.
5. The location and character of the use, if developed according to the plan submitted and approved, will be in harmony with the area in which it is to be located and in general conformity with the plan of development of the City of Statesville and its environs.

NOW THEREFORE, THE DECISION OF THE STATESVILLE CITY COUNCIL IS AS FOLLOWS:

1. The Council votes 8-0 to grant the Special Use Permit to allow the Applicant to construct townhomes at the corner of Caldwell Street, Winston Avenue, and S. Meeting Street, which is described and identified by Parcel Identification Numbers 4744-00-6805, 4744-00-4859, 4744-00-4844, and 4744-00-4738 (referred to collectively as the "Property").

BE IT RESOLVED THAT THE STATESVILLE CITY COUNCIL APPROVES THE PRECEDING DECISION, WITH THE VOTES AS INDICATED ABOVE, AS THE DECISION OF THE STATESVILLE CITY COUNCIL AND THE SAME SHALL BE ENTERED INTO THE MINUTES OF THE COUNCIL.

VOTES FOR 8

AGAINST 0

This the \_\_\_\_\_ day of January 2026.

---

Doug Hendrix, Mayor Presiding

# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** Randall Moore, Stormwater Program Manager

**DATE:** 1/20/2026 4:59 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

Consider adopting a resolution designating John Hatcher, Grants Manager, and Randall Moore, Storm Water Program Manager, the authorized Primary and Secondary Agents to execute and file applications for the Hazard Mitigation Grant Program (HMGP) with NC Division of Emergency Management and FEMA for the Beauty Street/South Toria Drive Culvert Replacements and the Holland Drive Culvert Replacement.

---

### **1. Summary of Information:**

North Carolina Division of Emergency Management requires this resolution for each project the applicant seeks Hazard Mitigation Grant Program Funding. The City submitted for HMGP funding for the Beauty Street/South Toria Drive Culvert Replacements in December of 2025 but were not aware of this resolution requirement. The City will be submitting for HMGP funding for the Holland Drive Culvert Replacement with the deadline for submittals on February 27, 2026.

### **2. Previous Council or Relevant Actions:**

Council had previously approved City staff to apply for Building Resilient Infrastructure and Communities (BRIC) and Flood Mitigation Assistance (FMA) Grants with the Federal Emergency Management Administration (FEMA) and NC Division of Emergency Management for the Beauty Street/South Toria Drive Culvert Replacements during the October 7th, 2024 Council Meeting.

### **3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** Proactively maintain existing infrastructure assets and systems to ensure current quality and long-term viability.

**Connecting Our Communities:** Provide reliable, high-quality public safety to ensure the wellbeing of residents, businesses, and visitors.

**Strategic Plan Values:** N/A

All three of the culverts are undersized and need to be replaced to protect the City's infrastructure and the grant will help with the estimated \$3.5 million dollar opinion of probable cost for the projects.

### **4. Budget/Funding Implications:**

No cost to apply. If awarded, FEMA would cover 75% of the cost and NC Division of Emergency Management would cover the remaining 25%.

### **5. Consequences for Not Acting:**

The grant applications for both projects would most likely be denied.

**6. Department Recommendation:**

Adopt the resolution designating the City staff authorized to execute and file applications for federal and/or state assistance on behalf of the City.

**7. Manager Comments:**

I concur with the department recommendation.

**8. Next Steps:**

Submit the documents required for the grant applications.

**9. Attachments:**

1. NCDPS Assurance Package Toria-Beauty
2. NCDPS Assurance Package Holland

**RESOLUTION**  
**DESIGNATION OF APPLICANT'S AGENT**  
**North Carolina Division of Emergency Management**

Organization Name (thereafter named Organization)	Disaster Number
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Applicant's State Cognizant Agency for Single Audit purposes (If Cognizant Agency is not assigned, please indicate):	
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Applicant's Fiscal Year (FY) Start:	Month:	Day:
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Applicant's Federal Employer's Identification Number:	-
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Applicant's Federal Information Processing Standards (FIPS) Number:
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<b>PRIMARY AGENT</b>	<b>SECONDARY AGENT</b>
Agent's Name	Agent's Name
Organization	Organization
Official Position	Official Position
Mailing Address	Mailing Address
City, State, Zip	City, State, Zip
Daytime Telephone	Daytime Telephone
Facsimile Number	Facsimile Number
Pager or Cellular Number	Pager or Cellular Number

BE IT RESOLVED BY the governing body of the Organization (a public entity duly organized under the laws of the State of North Carolina) that the above-named Primary and Secondary Agents are hereby authorized to execute and file applications for federal and/or state assistance on behalf of the Organization for the purpose of obtaining certain state and federal financial assistance under the Robert T. Stafford Disaster Relief & Emergency Assistance Act, (Public Law 93-288 as amended) or as otherwise available. BE IT FURTHER RESOLVED that the above-named agents are authorized to represent and act for the Organization in all dealings with the State of North Carolina and the Federal Emergency Management Agency for all matters pertaining to such disaster assistance required by the grant agreements and **the assurances printed on the reverse side hereof**.  
 BE IT FINALLY RESOLVED THAT the above-named agents are authorized to act severally.

PASSED AND APPROVED this	day of	, 20
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GOVERNING BODY	CERTIFYING OFFICIAL
Name and Title	Name
Name and Title	Official Position
Name and Title	Daytime Telephone

**CERTIFICATION**

I (name) duly appointed and (title) of the Governing Body,  
 do hereby certify that the above is true and correct copy of a resolution passes and approved by the Governing Body of  
 (organization) on the day of , 20

Date:	Signature: _____
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Rev. 06/02

## APPLICANT ASSURANCES

The applicant hereby assures and certifies that it will comply with the FEMA regulations, policies, guidelines and requirements including OMB's Circulars No. A-95 and A-102, and FMC 74-4, as they relate to the application, acceptance and use of Federal funds for this Federally assisted project. Also, the Applicant gives assurance and certifies with respect to and as a condition for the grant that:

1. It possesses legal authority to apply for the grant, and to finance and construct the proposed facilities; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with the provisions of Executive Order 11988, relating to Floodplain Management and Executive Order 11990, relating to Protection of Wetlands.
3. It will have sufficient funds available to meet the non-Federal share of the cost for construction projects. Sufficient funds will be available when construction is completed to assure effective operation and maintenance of the facility for the purpose constructed.
4. It will not enter into a construction contract(s) for the project or undertake other activities until the conditions of the grant program(s) have been met.
5. It will provide and maintain competent and adequate architectural engineering supervision and inspection at the construction site to insure that the completed work conforms with the approved plans and specifications; that it will furnish progress reports and such other information as the Federal grantor agency may need.
6. It will operate and maintain the facility in accordance with the minimum standards as may be required or prescribed by the applicable Federal, State and local agencies for the maintenance and operation of such facilities.
7. It will give the grantor agency and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
8. It will require the facility to be designed to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by the Physically Handicapped," Number A117.1-1961, as modified (41 CFR 101-17-7031). The applicant will be responsible for conducting inspections to insure compliance with these specifications by the contractor.
9. It will cause work on the project to be commenced within a reasonable time after receipt of notification from the approving Federal agency that funds have been approved and will see that work on the project will be prosecuted to completion with reasonable diligence.
10. It will not dispose of or encumber its title or other interests in the site and facilities during the period of Federal interest or while the Government holds bonds, whichever is the longer.
11. It agrees to comply with Section 311, P.L. 93-288 and with Title VI of the Civil Rights Act of 1964 (P.L. 83-352) and in accordance with Title VI of the Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this agreement. If any real property or structure is provided or improved with the aid of Federal financial assistance extended to the Applicant, this assurance shall obligate the Applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.
12. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
13. It will comply with the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced as a result of Federal and Federally assisted programs.
14. It will comply with all requirements imposed by the Federal grantor agency concerning special requirements of law, program requirements, and other administrative requirements approved in accordance with OMB Circular A-102, P.L. 93-288 as amended, and applicable Federal Regulations.
15. It will comply with the provisions of the Hatch Act which limit the political activity of employees.
16. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act, as they apply to hospital and educational institution employees of State and local governments.
17. (To the best of his/her knowledge and belief) the disaster relief work described on each Federal Emergency Management Agency (FEMA) Project Application for which Federal Financial assistance is requested is eligible in accordance with the criteria contained in 44 Code of Federal Regulations, Part 206, and applicable FEMA Handbooks.
18. The emergency or disaster relief work therein described for which Federal Assistance is requested hereunder does not or will not duplicate benefits received for the same loss from another source.
19. It will (1) provide without cost to the United States all lands, easements and rights-of-way necessary for accomplishments of the approved work; (2) hold and save the United States free from damages due to the approved work or Federal funding.
20. This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, reimbursements, advances, contracts, property, discounts of other Federal financial assistance extended after the date hereof to the Applicant by FEMA, that such Federal Financial assistance will be extended in reliance on the representations and agreements made in this assurance and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the applicant, its successors, transferees, and assignees, and the person or persons whose signatures appear on the reverse as authorized to sign this assurance on behalf of the applicant.
21. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973. Section 102(a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Director, Federal Emergency Management Agency as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.
22. It will comply with the insurance requirements of Section 314, P.L. 93-288, to obtain and maintain any other insurance as may be reasonable, adequate, and necessary to protect against further loss to any property which was replaced, restored, repaired, or constructed with this assistance.
23. It will defer funding of any projects involving flexible funding until FEMA makes a favorable environmental clearance, if this is required.
24. It will assist the Federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966, as amended, (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary, to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 600.8) by the activity, and notifying the Federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Federal grantor agency to avoid or mitigate adverse effects upon such properties.
25. It will, for any repairs or construction financed herewith, comply with applicable standards of safety, decency and sanitation and in conformity with applicable codes, specifications and standards; and, will evaluate the natural hazards in areas in which the proceeds of the grant or loan are to be used and take appropriate action to mitigate such hazards, including safe land use and construction practices.

## STATE ASSURANCES

The State agrees to take any necessary action within State capabilities to require compliance with these assurances and agreements by the applicant or to assume responsibility to the Federal government for any deficiencies not resolved to the satisfaction of the Regional Director.

**RESOLUTION**  
**DESIGNATION OF APPLICANT'S AGENT**  
**North Carolina Division of Emergency Management**

Organization Name (thereafter named Organization)	Disaster Number
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Applicant's State Cognizant Agency for Single Audit purposes (If Cognizant Agency is not assigned, please indicate):	
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Applicant's Fiscal Year (FY) Start:	Month:	Day:
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Applicant's Federal Employer's Identification Number:	-
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Applicant's Federal Information Processing Standards (FIPS) Number:
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<b>PRIMARY AGENT</b>	<b>SECONDARY AGENT</b>
Agent's Name	Agent's Name
Organization	Organization
Official Position	Official Position
Mailing Address	Mailing Address
City, State, Zip	City, State, Zip
Daytime Telephone	Daytime Telephone
Facsimile Number	Facsimile Number
Pager or Cellular Number	Pager or Cellular Number

BE IT RESOLVED BY the governing body of the Organization (a public entity duly organized under the laws of the State of North Carolina) that the above-named Primary and Secondary Agents are hereby authorized to execute and file applications for federal and/or state assistance on behalf of the Organization for the purpose of obtaining certain state and federal financial assistance under the Robert T. Stafford Disaster Relief & Emergency Assistance Act, (Public Law 93-288 as amended) or as otherwise available. BE IT FURTHER RESOLVED that the above-named agents are authorized to represent and act for the Organization in all dealings with the State of North Carolina and the Federal Emergency Management Agency for all matters pertaining to such disaster assistance required by the grant agreements and **the assurances printed on the reverse side hereof**.  
 BE IT FINALLY RESOLVED THAT the above-named agents are authorized to act severally.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

GOVERNING BODY	CERTIFYING OFFICIAL
Name and Title	Name
Name and Title	Official Position
Name and Title	Daytime Telephone

**CERTIFICATION**

I \_\_\_\_\_, (name) duly appointed and \_\_\_\_\_ (title) of the Governing Body,  
 do hereby certify that the above is true and correct copy of a resolution passes and approved by the Governing Body of  
 (organization) on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

Rev. 06/02

## APPLICANT ASSURANCES

The applicant hereby assures and certifies that it will comply with the FEMA regulations, policies, guidelines and requirements including OMB's Circulars No. A-95 and A-102, and FMC 74-4, as they relate to the application, acceptance and use of Federal funds for this Federally assisted project. Also, the Applicant gives assurance and certifies with respect to and as a condition for the grant that:

1. It possesses legal authority to apply for the grant, and to finance and construct the proposed facilities; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with the provisions of Executive Order 11988, relating to Floodplain Management and Executive Order 11990, relating to Protection of Wetlands.
3. It will have sufficient funds available to meet the non-Federal share of the cost for construction projects. Sufficient funds will be available when construction is completed to assure effective operation and maintenance of the facility for the purpose constructed.
4. It will not enter into a construction contract(s) for the project or undertake other activities until the conditions of the grant program(s) have been met.
5. It will provide and maintain competent and adequate architectural engineering supervision and inspection at the construction site to insure that the completed work conforms with the approved plans and specifications; that it will furnish progress reports and such other information as the Federal grantor agency may need.
6. It will operate and maintain the facility in accordance with the minimum standards as may be required or prescribed by the applicable Federal, State and local agencies for the maintenance and operation of such facilities.
7. It will give the grantor agency and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
8. It will require the facility to be designed to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by the Physically Handicapped," Number A117.1-1961, as modified (41 CFR 101-17-7031). The applicant will be responsible for conducting inspections to insure compliance with these specifications by the contractor.
9. It will cause work on the project to be commenced within a reasonable time after receipt of notification from the approving Federal agency that funds have been approved and will see that work on the project will be prosecuted to completion with reasonable diligence.
10. It will not dispose of or encumber its title or other interests in the site and facilities during the period of Federal interest or while the Government holds bonds, whichever is the longer.
11. It agrees to comply with Section 311, P.L. 93-288 and with Title VI of the Civil Rights Act of 1964 (P.L. 83-352) and in accordance with Title VI of the Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this agreement. If any real property or structure is provided or improved with the aid of Federal financial assistance extended to the Applicant, this assurance shall obligate the Applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.
12. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
13. It will comply with the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced as a result of Federal and Federally assisted programs.
14. It will comply with all requirements imposed by the Federal grantor agency concerning special requirements of law, program requirements, and other administrative requirements approved in accordance with OMB Circular A-102, P.L. 93-288 as amended, and applicable Federal Regulations.
15. It will comply with the provisions of the Hatch Act which limit the political activity of employees.
16. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act, as they apply to hospital and educational institution employees of State and local governments.
17. (To the best of his/her knowledge and belief) the disaster relief work described on each Federal Emergency Management Agency (FEMA) Project Application for which Federal Financial assistance is requested is eligible in accordance with the criteria contained in 44 Code of Federal Regulations, Part 206, and applicable FEMA Handbooks.
18. The emergency or disaster relief work therein described for which Federal Assistance is requested hereunder does not or will not duplicate benefits received for the same loss from another source.
19. It will (1) provide without cost to the United States all lands, easements and rights-of-way necessary for accomplishments of the approved work; (2) hold and save the United States free from damages due to the approved work or Federal funding.
20. This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, reimbursements, advances, contracts, property, discounts of other Federal financial assistance extended after the date hereof to the Applicant by FEMA, that such Federal Financial assistance will be extended in reliance on the representations and agreements made in this assurance and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the applicant, its successors, transferees, and assignees, and the person or persons whose signatures appear on the reverse as authorized to sign this assurance on behalf of the applicant.
21. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973. Section 102(a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Director, Federal Emergency Management Agency as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.
22. It will comply with the insurance requirements of Section 314, P.L. 93-288, to obtain and maintain any other insurance as may be reasonable, adequate, and necessary to protect against further loss to any property which was replaced, restored, repaired, or constructed with this assistance.
23. It will defer funding of any projects involving flexible funding until FEMA makes a favorable environmental clearance, if this is required.
24. It will assist the Federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966, as amended, (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary, to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 600.8) by the activity, and notifying the Federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Federal grantor agency to avoid or mitigate adverse effects upon such properties.
25. It will, for any repairs or construction financed herewith, comply with applicable standards of safety, decency and sanitation and in conformity with applicable codes, specifications and standards; and, will evaluate the natural hazards in areas in which the proceeds of the grant or loan are to be used and take appropriate action to mitigate such hazards, including safe land use and construction practices.

## STATE ASSURANCES

The State agrees to take any necessary action within State capabilities to require compliance with these assurances and agreements by the applicant or to assume responsibility to the Federal government for any deficiencies not resolved to the satisfaction of the Regional Director.

# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** John Ferguson, Airport Director

**DATE:** 1/22/2026 5:29 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Consider accepting the annual Non-Primary Entitlement Grant from NCDOT Aviation Division in the amount of \$150,000.00.**

---

### **1. Summary of Information:**

This is our annual appropriation for use on various airport projects. These funds will be used for the Environmental and project planning tasks for the Southwest Parallel Taxiway Project.

This grant is a 95% grant and the City is responsible for the remaining 5%. We have an agreement with Iredell County to split the City match of all Airport grants. The City's share of the 5% is \$3,948.00 and the County share is \$3,948.00.

### **2. Previous Council or Relevant Actions:**

Approved the annual Appropriation every year.

### **3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** Invest in services and critical public infrastructure to align with land use plan goals and accommodate future growth citywide.

**Connecting Our Communities:** N/A

**Strategic Plan Values:** We value City Staff.

These funds will be used for the Environmental and project planning tasks for the Southwest Parallel Taxiway Project.

### **4. Budget/Funding Implications:**

The City's share is \$3,948.00

### **5. Consequences for Not Acting:**

Return of unused funds

### **6. Department Recommendation:**

Airport Management recommends approval.

### **7. Manager Comments:**

Recommend for approval.

**8. Next Steps:**

Upon approval, begin the Environmental assessment process for the Taxiway Project.

**9. Attachments:**

1. 2025\_10-20\_SVH\_Award Letter\_NPE 2025 Received
2. South Parallel Taxiway - West-22x34
3. BA Form 2026-14 Accepting the annual Non-Primary Entitlement Grant from NCDOT Aviation Division in the amount of \$150,000.00



STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

JOSH STEIN  
GOVERNOR

DANIEL H. JOHNSON  
SECRETARY

10/20/2025

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

**RE: NOTIFICATION OF FFY 2025 NPE GRANT AWARD**

Dear Mr. Kutteh:

On behalf of N.C. Governor Josh Stein, Transportation Secretary Daniel H. Johnson, and the Board of Transportation, please be advised that Federal Aviation Authority (FAA) *Non-Primary Entitlement* (NPE) funds have been allocated under the State Block Grant Program for federal fiscal year (FFY) 2025 for the **Statesville Regional Airport**.

Starting in 2018, FAA began allowing Sponsors to defer their annual NPE funding for one year. Collection of previously deferred funds requires the oldest awarded funds to be collected first. According to our records, this fiscal year you are collecting based on the following schedule:

	Funding Collected in FFY2025	Funding Deferred / Balance to Collect in Future Years
FFY 2022	-	-
FFY 2023	-	-
FFY 2024	-	-
<b>FFY 2025</b>	<b>\$150,000</b>	-
<b>TOTAL</b>	<b>\$150,000</b>	<b>\$0</b>

Based on this choice, your NPE funding allocation for FFY 2025 will be as follows:

Award ID	Description	Federal NPE Funds	Local Match
36237.NPE.25	Airfield Improvements	\$150,000	\$7,895

Please note that funds collected in a given federal fiscal year follow the special conditions and grant assurances that apply to that year. Further, for the FFY 2025 funds, we expect all projects listed to be under a grant, with all eligibility, justification, National Environmental Policy Act (NEPA) and airspace determinations completed by June 30, 2026. These grant funds must be fully expended before June 1, 2029, or any unspent funds will be relinquished.

The NCDOT Division of Aviation is pleased to partner with you on this public-funded project. Please work closely with your airport project manager for grant execution. Thank you for your collaboration in strengthening North Carolina's public airport system.

*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

*Location:*  
1050 MERIDIAN DRIVE  
MORRISVILLE, NC 27560

*Website:* [ncdot.gov/aviation](http://ncdot.gov/aviation)  
Page 75 of 126

Sincerely,

DocuSigned by:



9C4D45D897794C2...

Nick Short, P.E., P.L.S.  
Director of Aviation

NAS/ah

cc: John Ferguson, Airport Manager, Statesville Regional Airport  
Gina Lawrence, Chief Finance Officer, City of Statesville  
Cynthia Dunford, Assistant Finance Director, City of Statesville  
Carissa Barnette, Office Manager, City of Statesville  
Rachel S. Bingham, P.E., Aviation Development Manager/Deputy Director, NCDOT  
Jason B. Schronec, P.E., Deputy Director of Programs and Planning, NCDOT  
Raj Kondapalli, P.E., Airport Project Manager, NCDOT

# Statesville Regional Airport

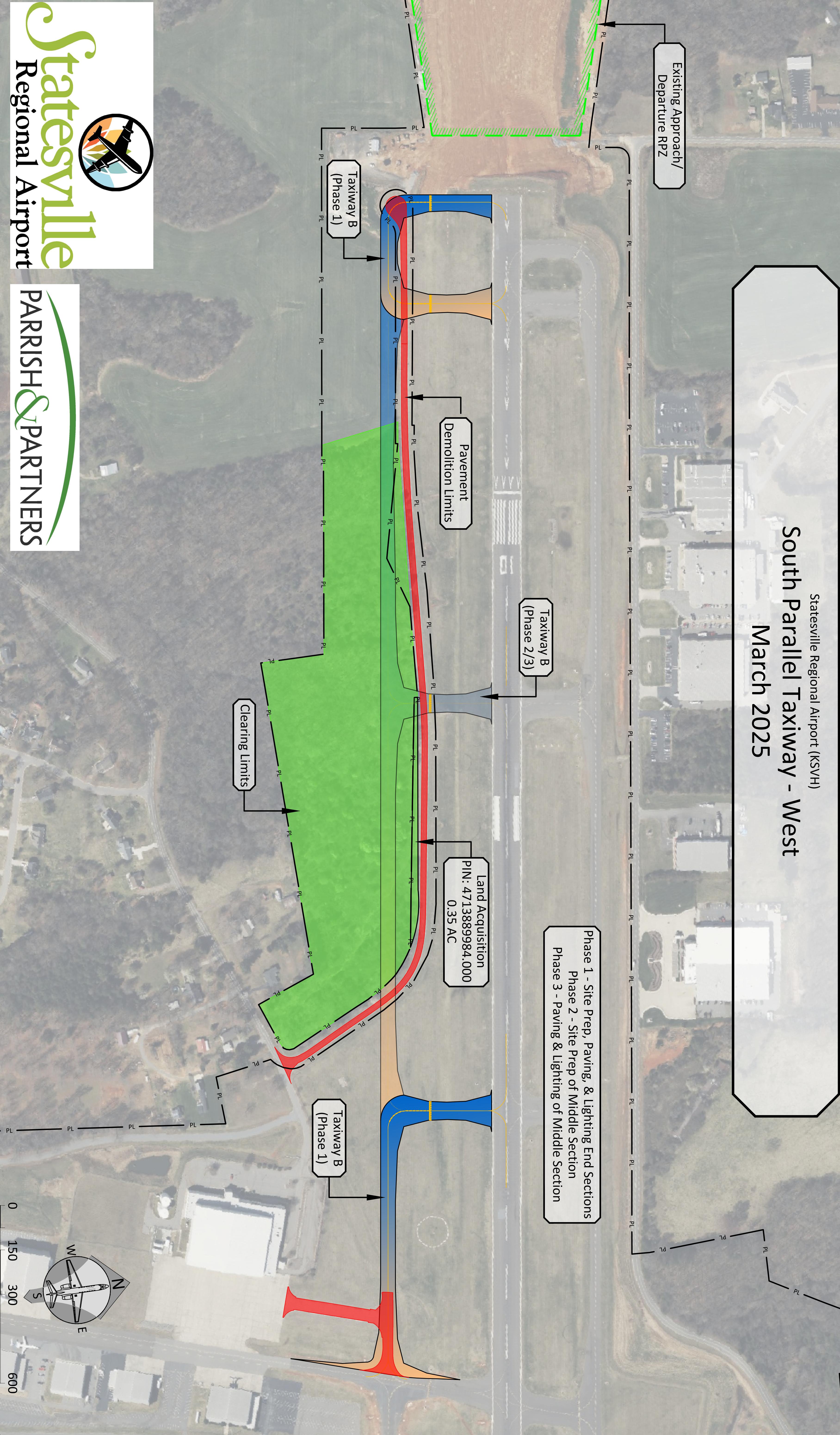


PARRISH & PARTNERS

Statesville Regional Airport (KSVH)

## South Parallel Taxiway - West

March 2025



# **CITY OF STATESVILLE**

## **BUDGET AMENDMENT #2026-14**

January 16, 2026

## FISCAL YEAR 2025-2026

*To accept NCDOT and Iredell County grants representing 95% of total cost and appropriate the remaining 5% from Airport Improvement Fund. These funds will be used for the Environmental and project planning tasks for the Southwest Parallel Taxiway Project.*

## Budget Officer

## Chief Finance Officer

APPROVED BY CITY COUNCIL:

## City Clerk

# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** Emily Kurfess, City Clerk

**DATE:** 1/20/2026 4:49 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

Consider approving a resolution to adopt the updated Statesville City Council Regular Meeting Calendar.

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### **1. Summary of Information:**

Some City Council Members have asked to move the Pre-Agenda Meetings back to Monday night. The amended calendar reflects this change.

### **2. Previous Council or Relevant Actions:**

City Council approved the original calendar on December 15.

### **3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** N/A

**Connecting Our Communities:** N/A

**Strategic Plan Values:** We value City Staff.

Having the City Council Calendar allows staff to prepare for upcoming City Council Meetings.

### **4. Budget/Funding Implications:**

N/A

### **5. Consequences for Not Acting:**

The Pre-Agenda Meetings will remain on Thursdays at 4:00 PM.

### **6. Department Recommendation:**

Approve the calendar as recommended.

### **7. Manager Comments:**

The reason for the switch to Thursday's was primarily due to the large number of developments that were up for approval over the last two years. The additional time allowed the staff to provide as much information before the Monday night meetings. The development pressures have eased, and moving this meeting back to Monday should not be a problem. One issue to consider is that if we have in-depth closed session items, it may be necessary to either start earlier than 5:00 or go back into closed session after the main meeting.

**8. Next Steps:**

Update the City Website.

**9. Attachments:**

1. 2026 Calendar Amended

# 2026

## City Council Calendar

January							February							March							
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	
					1	2	3	1	2	3	4	5	6	7	1	2	3	4	5	6	7
4	5	6	7	8	9	10	8	9	10	11	12	13	14		8	9	10	11	12	13	14
11	12	13	14	15	16	17	15	16	17	18	19	20	21		15	16	17	18	19	20	21
18	19	20	21	22	23	24	22	23	24	25	26	27	28		22	23	24	25	26	27	28
25	26	27	28	29	30	31									29	30	31				
April							May							June							
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	
			1	2	3	4				1	2			1	2	3	4	5	6		
5	6	7	8	9	10	11	3	4	5	6	7	8	9	7	8	9	10	11	12	13	
12	13	14	15	16	17	18	10	11	12	13	14	15	16	14	15	16	17	18	19	20	
19	20	21	22	23	24	25	17	18	19	20	21	22	23	21	22	23	24	25	26	27	
26	27	28	29	30			24	25	26	27	28	29	30	28	29	30					
July							August							September							
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	
			1	2	3	4				1	2			1	2	3	4	5	6		
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12	
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19	
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26	
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30				
October							November							December							
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	
				1	2	3				1	2			1	2	3	4	5	6		
4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12	
11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19	
18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26	
25	26	27	28	29	30	31	29	30						27	28	29	30				

Regular Meeting

Retreats

Holidays

Jan 01	New Years Day	Jul 03	Independence Day
Jan 08	Pre-Agenda	Jul 13	Pre-Agenda
Jan 12	Regular Meeting	Jul 13	Regular Meeting
Jan 19	MLK Jr. Day	Aug 03	Pre-Agenda
Jan 29	Pre-Agenda	Aug 03	Regular Meeting
Feb 02	Regular Meeting	Aug 17	Pre-Agenda
Feb 16	Pre-Agenda	Aug 17	Regular Meeting
Feb 16	Regular Meeting	Sep 07	Labor Day
Feb 19	Winter Retreat	Sep 14	Pre-Agenda
Feb 20		Sep 14	Regular Meeting
Mar 02	Pre-Agenda	Oct 05	Pre-Agenda
Mar 02	Regular Meeting	Oct 05	Regular Meeting
Mar 16	Pre-Agenda	Oct 19	Pre-Agenda
Mar 16	Regular Meeting	Oct 19	Regular Meeting
Apr 03	Good Friday	Oct 22	Fall Retreat
Apr 13	Pre-Agenda	Nov 02	Pre-Agenda
Apr 13	Regular Meeting	Nov 02	Regular Meeting
May 04	Pre-Agenda	Nov 11	Veterans Day
May 04	Regular Meeting	Nov 16	Pre-Agenda
May 18	Pre-Agenda	Nov 16	Regular Meeting
May 18	Regular Meeting	Nov 26	Thanksgiving
May 25	Memorial Day	Nov 27	Pre-Agenda
Jun 01	Pre-Agenda	Dec 14	Regular Meeting
Jun 01	Regular Meeting	Dec 14	Pre-Agenda
Jun 15	Pre-Agenda	Dec 24	Regular Meeting
Jun 15	Regular Meeting	Dec 25	Christmas Eve
Jun 19		Jan 01	New Years Day

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# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager

**FROM:** Matthew Hubert, City Engineer

**DATE:** 1/23/2026 2:41 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Review the current inspection fees and determine if the rate is appropriate and when they should begin to be instituted for current and future projects.**

---

### **1. Summary of Information:**

A fee of \$1.50 per linear foot of new street construction in residential projects was established in the fee schedule last Fiscal Year. This fee has not been advertised for public comment prior to last City Council meeting.

The fee is in line with our current internal costs for project quality assurance oversight of street and utility installation as supported by the attached cost evaluation.

The fee is already adopted with last years budget, but implementation could be set to a future date to allow time to notify and institute invoicing, and I would recommend a month from City Council decision (March 2nd if approved tonight) be reasonable to begin invoicing projects. (Those retroactively approved for the new reduced pavement standard, and those newly approved after that date)

### **2. Previous Council or Relevant Actions:**

At the January 12 City Council Meeting, the inspection fee item was pushed to the February 2nd meeting.

Prior Action:

Council approved a revised pavement section schedule in Statesville Construction Specifications to align local requirements with NCDOT standards to comply with language in HB-926.

Prior Summary:

HB-926 was passed last year and went into effect January 1, 2026. This action in needed to update our technical standards to comply with the new statute. It essentially removes the intermediate layer of pavement from new street construction. This layer was approved in August of 2023 in order to ensure city streets were more robust than in the past and require less repair and maintenance for street turnover and life cycle. While the current standard is arguably a very substantial section to construct, the new standard is much less durable and will require more extensive repairs prior to final overlay at subdivision close-out.

Our quality assurance testing and inspections will be much more important to ensure paving materials and workmanship requirements are met or exceeded. In anticipation of this change, street inspection fees were added to the fee schedule, and will begin to be invoiced in conjunction with the new standards to provide for a testing and inspection cost recovery model. This fee is \$1.50 per linear foot of road centerline installed. It covers subgrade proofrolls, and both paving layers.

**3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** Proactively maintain existing infrastructure assets and systems to ensure current quality and long-term viability.

**Connecting Our Communities:** N/A

**Strategic Plan Values:** We value Quality and Creativity

This is a State mandated requirement to change our standards.

**4. Budget/Funding Implications:**

Current inspection of subdivision construction does not have a cost recovery mechanism. A reduction in the pavement section may require more aggressive inspections and potential materials testing, but that will be based on future performance. Additional inspectors or a 3rd party on-call inspection firm may be a consideration during this budget preparation cycle. Those details are currently in the works.

**5. Consequences for Not Acting:**

Inspection costs will be subsidized by the general fund.

**6. Department Recommendation:**

Confirmation of the current fee, to be active one month from City Council approval.

**7. Manager Comments:**

I concur with the department recommendation.

**8. Next Steps:**

Institute the fee per the approved schedule. If the fee is not approved at the current rate, a fee schedule amendment would be required.

**9. Attachments:**

1. Inspections cost evaluation 01-23-2026 MJH

# Inspections Cost Evaluation

## Cost variables pertaining to city inspections:

- \* Time/ Administrative/Engineering staff rate:
  - ✓ *Time as a cost variable means that the duration of an activity directly or indirectly affects total cost. The longer something takes, the more resources are consumed, opportunities are deferred, or risks are carried. Labor consumes time, and the value of that time is a function of the individual's experience, efficiency, and decision quality.*
  - ✓ *Rate is derived by comparing daily rates for similar services.*
    - *Technician:)(In-house/City rate: \$46.56)*
    - *Vehicle allowance: \$285/week(\$57/day) = \$7.13/hour*
    - *Mileage: \$.22/mile (10 mile round trip per inspection) = \$2.20 per inspection*
  - ✓ *Each inspection is rated at an hourly rate* **City hourly rate = \$61.27**
  - ✓ *Total costs for Beaver Creek inspections = \$13,234.32 (\$23,291.28 would be comparable 3<sup>rd</sup> party rate if this were outsourced for comparison as an fyi)*

**Beaver Creek has approximately 9,000 l.f. of centerline rd @ \$1.50/lf = \$13,500 fee**

---

## **The following report reflects inspections for Beaver Creek Subdivision starting 9/24 and running till 01/26**

**\*Note: Not all site visits, communications, or time spent researching specifications etc. have been reflected in this report. Inspection information in red was retrieved from my Daily Activity notes.**

### **A. Preparation for precon: (average time = 5 hours)**

- **Completed full review and ADA audit for Beaver Creek: Time spent reviewing – 5 hours = \$306.35**
- Review of approved plan making notes of any issues or questionable items that needs to be discussed which includes overall site plan, location of sewer outfalls and tie-ins, public walk configuration, curb ramp locations, and street right of way details.
- If curb ramp locations conflict with infrastructure placement such as driveways or catch basins, the issue will be reported to Engineering staff and developer.
- This can take days depending on the workload.

### **B. Attending preconstruction meetings (conference room/teams/hybrid):**

- **Time required: 2 hours = \$122.54**
- Typical outcome:
  - Includes all parties involved with the project as well as representatives from Public Works, Public Utilities, Stormwater, Engineering, Statesville Power and other administrative staff.

# Inspections Cost Evaluation

- This is for an official meet and greet.
- Discuss any unaddressed issues or voice questions or concerns.
- Establish expectations from each department.

## C. Attending preconstruction meetings onsite prior to utilities (sewer, storm, water) being installed:

- **. Time spent: 1hour = \$61.27**
- Typical Outcome:
  - City inspector, occasionally the Public Utility Superintendent, as well as a representative from both developer and foreman of their subcontracting pipe crew will be in attendance.
  - This is to discuss the installation scope of work before pipe installation begins.
    - ❖ This must be scheduled through the city inspector.
  - Site grubbing and rough grading (cut and fill) has already begun by the time of this meeting.
  - Inspector checks for general safety inside and outside of the project.
  - Looks to see that a proper construction entrance has been established, and that the entrance and its traffic flow is not a danger to pedestrian or street traffic making sure the sites mud or debris is not making its way into the street.
    - ❖ This inspection is repeated till the site receives its first layer of asphalt.

## D. Inspecting sewer tie-ins or standard onsite sewer and storm installations:

- **Approximate number of inspections: 13 visits recorded = \$796.51**
- Sewer tie-in inspections are required because this is where the “new” sewer will be physically tied into the “existing live” sewer main.
  - This must be scheduled through the city inspector.
- Standard sewer or storm installations sometimes take place prior to physically tying in depending on the sites elevations.
- Sewer main and lateral installation inspections:
  - This inspection is repeated till all sewers have been installed.
  - Looking for the flowing:
    - ❖ Safe work practices such as;
      - Wearing the proper PPE.
      - Correct installation methods (trenching and shoring) are being followed
    - ❖ That the correct material is being used.
    - ❖ City sewer specifications are being met:
      - Pipe bedding, alignment, mudding, and slope
      - MH structure bedding, size, and quality.

# Inspections Cost Evaluation

- Location wire has been placed correctly.

---

## 1. Proof Roll subgrade (soil):

- Proof rolls are the last method used to check subgrade for compaction before stone is brought in.
  - Storm catch basins are typically raised to their final elevations before or just after this proof roll. All height adjustments are done using mortar and pink NCDOT specified brick.
- Contractors may schedule a proof roll for short or lengthy portions of street depending on staff or trucking availability, site and current or pending weather conditions. They want to protect the road and the grading work they have completed against rain events so they generally do not attempt to test, or proof roll a longer section of street unless they feel they can get it covered with stone immediately following the proof roll.
- **All** proof roll scheduling requires that at least three parties be present to witness the proof roll: grading/road construction contractor representative (normally the foreman on site), third party testing technician, and city engineering staff member.
- For a soil subgrade proof roll the entire width of the street is tested meaning the edges and center line.
- The equipment to be used can be a tandem dump truck loaded with at least 15 ton of material (sand or gravel), a motor grader, or a water truck. Typically, you want a vehicle weighing 20 to 50 tons to adequately test the subgrade for movement (plasticity or flow). If a dump truck is used a loading ticket should be presented confirming net weight of material in the truck.
- All parties start the proof roll by lining up behind the vehicle to be used and the vehicle then starts to move at a slow pace along the road edge. All parties are looking for movement within the subgrade under the load of the vehicle.
  - While observing the subgrade, while the truck is passing over it, there is movement (pumping) identified the start and stop points of that movement are marked with spray paint as well as the estimated width of the defective area.
  - The truck is stopped and the testing technician will probe the area and make a spot decision on what action to take; usually to require the area to be undercut (removal of bad or insufficiently compacted soil) to a specific depth and additional stone to be placed in the outlined area. The stone by nature is stronger and stabler than soil so the undercut decision generally compensates for the soft spots that are identified.

# Inspections Cost Evaluation

- If the road proves to have a significant number of failure points the proof roll can be canceled in order for the contractor to scarify (rip up) the road to allow the soil to dry. A second proof roll would then be scheduled to see if their repair efforts worked.
- Areas within the road that generally are cause of concern:
  - Fill situation:
    - ❖ Any road that has been built using “fill” opposed to a “cut” situation.

## Proof Roll subgrade (soil) - continued:

- ❖ Cut means the ground was “cut into” to create the road while fill means a low point had to be “filled up” with soil to create the road.
- ❖ Anytime there is a fill situation there is an opportunity for error within the method used to fill the low area.
- ❖ Also, the type of dirt used must be correct as well. Not all fill is suitable to gain the proper compaction needed to pass testing.
- Cuts made into roads to install utilities such as sewer mains, manholes, or laterals, storm pipes and catch basins, or water mains and taps:
  - ❖ Again, when these cuts are made into the road to install said utilities they must be backfilled after installation and if the appropriate material and methods used are not used then the area may pump or move during proof roll.
- Edge of road:
  - ❖ When the road is rough graded a crown or cross slope is incorporated into the design which when paved will shed water away from the travel lanes and to the curb and gutter.
  - ❖ If a rain event happen while the road is being built the crown still pushed water to the edge; thus the soft spots will be evident mainly on the edge.
- Around structures:
  - ❖ Structures like catch basins and manholes as stated above require backfilling after installation so these areas are prone to insufficient compaction.

## 2. Proof roll of stone (testing prior to curb and gutter installation):

- The contractor has successfully graded, compacted, and tested the subgrade (soil) and can now install the required lift of stone onto the road surface.
  - This stone is referred to as ABC or Aggregate Base Course which is a compacted layer of crushed stone, gravel, and fines used as a strong, stable foundation beneath concrete or pavement surfaces.

# Inspections Cost Evaluation

- Proof rolls, as stated before, are the last method used to check stone for compaction before curb and gutter is installed.
- At this point the road's actual width is wider than the approved finished road design. This is to allow the contractor to survey and stake where the finished roads curb and gutter will actually be which in turn determines the roads finished width.
  - Before stone is brought in the contractor will install a string line that follows the survey just mentioned. This stringline acts as an offset allowing work to take place inside of the stringline without losing the needed reference point to properly build the road.

## **Proof roll of stone (testing prior to curb and gutter installation) - continued:**

- Stone is brought in and compacted to the correct thickness using a wet set technique where they apply water to the roadway on top of the stone and then using a vibratory roller to compact the stone. This wet setting of the stone requires several days to complete and allows the moisture content to dissipate leaving a hardened stone base to proof roll.
- Using the stringline as a reference the stone should be spread at least 12" past the back of curb. This provides a good wide foundation for the curb and gutter to rest on.
- All parties start the proof roll and follow the same protocols as stated above walking and marking the road edge if needed outlining deficiencies. Only the edge is proof rolled at this time.
- Any repairs or undercuts will be replaced with concrete from the curb installation and not stone because this is timelier than using stone which would require an additional wet set to achieve compaction.

## **3. Curb inspection prior to final proof roll:**

- **Approximate number of inspections: 4 each = \$245.00**
- As the curb is being installed I will spot check to see that the work in progress is according to city specifications:
  - Curb is placed by a curb machine except around transition points where hand forming and work is required like around catch basins.
  - Contraction joints are required every 10-15 ft and expansion joints every 90 ft.
  - General appearance and workman ship should be to approved design and looks appealing not damaged, out of alignment, or rain spattered.
  - Any curb severely damaged will be replaced prior to overlay.

## **4. Final proof roll before overlay:**

- This proof roll is to check the road edge, front of curb, prior to first overlay of asphalt. As stated previously, a rain event can cause water to collect along and soften the edge so this will help identify any problem areas.

# Inspections Cost Evaluation

- All parties start the proof roll and follow the same protocols as stated above walking and marking the road edge if needed outlining deficiencies. Only the edge is proof rolled at this time.
- Any repairs or undercuts will be replaced with asphalt during paving operations and not stone because this is timelier than using stone which would require an additional wet set to achieve compaction.
- Curb should be backfilled prior to overlay. This will stop the curb from shoving while paving operations are taking place

Approximate number of proof rolls that cover all three stages of proof rolls: 21 each = **\$1,286.67**

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## 5. First asphalt overlay:

- Beaver Creek's paving cross section is 4" of binder and 3" of surface total. Ph1 has been paved except for the final lift (5.5" total asphalt). Approximate number of inspections: 15 each = **\$919.05**
- Curb face should be tacked prior to overlay making sure not to get any on the rest of the curb.
- Asphalt tickets should be inspected and verified to make sure the correct mix has been brought.
- Paving operations will be inspected to make sure the mat is placed properly.

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## 6. ADA related inspections:

- Approximate number of inspections: 15 each = **\$919.05**
- As the roadway is nearing completion the developer will have the (COS) common open space sidewalk installed. COS sidewalk is sidewalk that is not part of a homesites plat.
- The COS sidewalk and any of its curb ramps will be inspected to make sure they are in compliance with ADA specifications.

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## 7. Final Sewer testing:

- No testing has been completed at Beaver Creek as of 01-16-2026 but when compared to the time needed to test Bell Farm (65 hours/51 MHs) and Beaver Creek having 54 MHs I estimate at least 70 hours to fully test all structures. 70 hours = **\$4,288.90**
- Inhouse pretesting should have taken place prior to the overlay just in case a repair was needed. This repair could take place without cutting the asphalt.
- Official "final sewer testing" can only take place once the road has its first lift of asphalt.

# Inspections Cost Evaluation

- The testing is made up of 4 tests:
  - **Pressure test:** each leg of sewer main, manhole to manhole must be placed under a specific psi of air pressure for a specific amount of time. The amount of pressure and duration of test is based on the diameter of the pipe and its length. The acceptable rate of loss is 1lb during the test.
  - **Mandrel Test:** each leg of sewer main, manhole to manhole, must have a testing mandrel pulled through the pipe. This device has a round shape and is designed to where an individual can tie a pull string to the device and pull it through the pipe without it getting hung up. This because the device is just under the pipe ID and if the pipe has formed a belly the deflection of the pipe will cause the mandrel to hang up where the belly is. Any pipe that has a belly must be removed and replaced.
  - **Lamp test:** An individual will shine a flashlight down the length of pipe and can determine if the pipe is out of alignment.

## Final Sewer testing – continued:

- **Manhole vacuum test:** 100% of the manholes within the subdivision must have 10hg of vacuum placed on them and hold this vacuum for one minute. The acceptable rate of loss is 1hg during the test.

## 8. Final water main test:

- No water mains have been tested at Beaver Creek because the city water main has not been completed as of 01-16-2026 but I have met on site twice to discuss scope of work. 2 each = **\$122.54**
- I estimate the subdivision's water mains will be broken up into at least six legs to be pressure tested individually. 6 legs x 2 hour/ea = 12 hours plus an additional hour each for prep and blowoff procedure equaling 18 hours total. 18 hours = **\$1,102.86**
- All water mains are required to undergo a 2-hour pressure test with at least three parties present. The contractor, third party testing agency, and a city staff member.
- Depending on how large the subdivision is and the water main configuration there may be several legs of water pipe that will be tested on separate days.
  - When filling the lines air can get trapped inside the lines and cause the pressure test to fail.
  - To help alleviate this the contractor will fill only sections of the subdivision at a time to test instead of all the lines at once.
- Each leg of water main will have a pressurizing end and a blowoff end.
  - Pressurizing end: this is where the water pressure is pumped up and gauges are visible.

# Inspections Cost Evaluation

- Blow off end: the opposite end of the main has a temporary pipe extension (2" normally) that has a ball valve built into its design. This allows the contractor to shut the water flow off once the majority of air has been removed and the pipe is deemed full.
- The main is pressurized to 200lb and the gauges watched for 2 hours.
- Once the test passes the contractor will open the blow off while the third-party testing representative and city staff watched the gauge to see that the pressure decreases. This so we can make sure they did not have a valve closed between the pressure and blow off end negating the test.
- The acceptable rate of loss within the 2 hour time frame is 5lbs.
- This will be repeated for all legs of the water main till they pass.

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## Home construction begins:

- Home construction was allowed to start since True Homes provided bulk water containers on site in case of a fire. That was halted once they were told they could not tie the homes into the sewer because it has not been tested yet. I did meet True Homes representatives 5 times to discuss how to move forward. 5 each = **\$306.35**
- Once both water and sewer mains have been tested and approved the vertical construction and sidewalk construction begins.
- Common open space (COS) sidewalk typically is installed prior to the homes being built because this scope of work is usually under the grading contractors' purview and not the builder. The builder places sidewalk in front of the homes as they are built.
- As curb ramps and CBU location go in I enforce Federal ADA standards by completing form inspections and inspections after they are built.
- I complete utility and driveway inspections for each residence prior to the builder obtaining a CO. Inspections include driveway, water meter, sewer cleanout, and public walk inspection.

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## Street acceptance procedures:

- Not built out yet.
- Estimated time to complete walkthrough:
  - Sidewalks, aprons, curb ramps, and curb and gutter = **6 hours:**
    - ❖ This includes the initial walk (2hrs) and 2 more follow-up inspections (2hrs each)
  - Asphalt = **13 hours:**

# Inspections Cost Evaluation

- ❖ This includes initial walk (2hrs), patching operation inspections (3hrs-3 visits), Tacking and overlay inspections (6 hrs-6 visits), and final inspection after overlay (2hrs)
- **Signage and street markings = 1 hour**
- **Catch basin audit = 7 hours:**
  - ❖ This includes the initial inspection (2hrs x 2 staff = 4hours), time to draft the report of our findings (3hrs), and follow-up inspection after repairs (2hrs x 2 staff = 4 hours).
- **CCTV footage review - 18 hours**
  - ❖ This is based on the review time for Bell Farm subdivision.
- **Total hours for inspections – 45 hours = \$2,757.15**
- The city requires all facilities and infrastructure to undergo a final walkthrough inspection. Portions of this inspection require at least three parties to be present. Developer, contractor who will be doing the repairs, city inspector, and testing agency if needed. The walkthrough inspections will not be allowed to start till the subdivision is approximately 80% built out.
- The walkthrough inspections are made up of the following:

## Street acceptance procedures – continued:

- Checking sidewalks, aprons, curb ramps, and curb and gutter for cracks, major damage or deflection (shifting). All repairs are marked by paint.
- Checking the asphalt for failures. All repairs are marked by paint.
- Checking to make sure all signage and street markings are in place.
- Completing a catch basin audit where the city inspector and a Stormwater staff member check each catch basin looking for damage, improperly located or missing steps, inverts and whether the seams and pipes are properly sealed. A report will be generated to inform the builder of the repair needs.
- CCTV footage to be captured and submitted to the city for review looking for any repair needs.
- All findings must be addressed and repaired prior to approval to pave the final lift of asphalt.
- Once paved the final lift is inspected by the city inspector.
- When the final lift has been placed then the inspector notifies the developer, Engineering and Public Works staff of this status so they can move towards street acceptance through city council.

## Inspections Cost Evaluation

**Total hours for inspections: 216**

**Total cost for inspections: (\$13,234.32)**

# **CITY COUNCIL ACTION REQUEST**

**TO:** Ron Smith, City Manager  
**FROM:** John Hatcher, Grants Manager  
**DATE:** 1/21/2026 2:59 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Consider approving the Proposal (RFP) for a new HOME Funds Administrator.**

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**1. Summary of Information:**

HUD HOME funds grants are awarded annually and are available for rehabilitation, development, and new construction of properties for financially qualified residents. A RFP was posted and a local group ICARE, Inc. responded with a proposal to partner with the City of Statesville to screen qualified applicants, rehabilitate and build housing projects following HUD and City of Statesville guidelines and work with city staff to maximize local housing impact.

**2. Previous Council or Relevant Actions:**

Council approved a local partner for HOME funds.

**3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** N/A

**Connecting Our Communities:** Promote the development of a range of housing types throughout our community and housing stability for residents.

**Strategic Plan Values:** We value and encourage Opportunity

Affordable housing options are needed for residents and business growth.

**4. Budget/Funding Implications:**

The city provides a 25% match for all awarded funds.

**5. Consequences for Not Acting:**

No HUD funds will be used for rehabilitation or new construction.

**6. Department Recommendation:**

Review new applicants' proposal and consider an agreement to work together on allocating and using available funds.

**7. Manager Comments:**

For those that were not on the City Council last summer, this was a significant topic of discussion. The City Council at that time asked the staff to develop and distribute a request for proposals. I-Care was the only organization to present a proposal. I-Care currently works with federal grants, of which

this is one, and is in the business of housing renovation and winterization, although to my knowledge has not worked in the HOME Funds realm.

I would suggest that if you approve this agreement and establish the partnership, that the city Planning and Finance Departments have a role in the identification of future projects (houses) and perform financial reviews, respectively. I recommend approving this request.

**8. Next Steps:**

Consider the provided proposal and make recommendations for partnership.

**9. Attachments:**

1. I-CARE Inc. Application
2. Request for Proposal
3. August 2025 Home Fund Presentation



# City of Statesville HOME Funds RFP Response

December 5, 2025

# Exhibit A | Request Summary Form

*Please print or type your responses below.*

<b>Organization Name</b>	I-CARE, Inc.
<b>Organization Address</b>	1415 Shelton Avenue, Statesville, NC 28677
<b>Organization Unique Entity Identifier (UEI)</b>	X8NKBYKZFGE7
<b>Organization Tax ID #</b>	56-0860841
<b>Contact Name</b>	Bryan Duncan
<b>Contact Email</b>	<a href="mailto:bryan.duncan@icare-inc.org">bryan.duncan@icare-inc.org</a>
<b>Contact Phone</b>	704-872-8141 ext. 121
<b>Date of Application Submittal</b>	December 5, 2025
<b>Project Category/Description</b>	Homeowner Rehabilitation and Homebuyer Assistance per 24 CFR Part 92 HOME regulations
<b>Total Project Cost/Proposal Budget</b>	<p><b>\$1,456,983</b> (projected estimate based on leveraging other funding from Urgent Repair Program and/or the Weatherization Assistance Program contingent upon their eligibility and program regulations)</p> <p><b>Total HOME funds Request Budget: \$1,354,498</b></p> <p><b>Total Units: 11 (10 rehabs + 1 rebuild)</b></p> <p>Owner-Occupied Rehab (10 × \$80,000 = <b>\$800,000</b>)</p> <p>Demo + Rebuild (1 unit = <b>\$215,000</b>)</p> <p>Construction Reserve / Supplemental Rehab = <b>\$98,498</b></p> <p>Inspector Costs (Third-party) = <b>\$11,000</b></p> <p>Environmental &amp; Other Project Soft Costs = <b>\$40,000</b></p> <p>Developer Fee (4.7%) = <b>\$54,551</b> (base = \$1,164,498 allowable eligible hard/soft costs)</p>

	<p>Admin Fee (10%) = <b>\$135,449</b></p> <p><b>Other Funding (Urgent Repair Program)</b>  <b>Budget: \$60,000</b> (4 homes per program regulations and agency assistance policy)</p> <p><b>Other Funding (Weatherization Assistance Program) Budget: \$42,485</b> (5 homes per program regulations)</p>
<b>HOME Funding Request (% of Proposal Budget)</b>	93% (estimated 7% from other state and federal resources)
<b>HOME Match Contribution (25% of HOME Funding Request)</b>	The City of Statesville provides the 25% match provider
<b>Uses of HOME Funds</b>	<ol style="list-style-type: none"> <li><b>Homeowner rehab per §92.251 property standards</b> Ten (10) owner-occupied rehabs</li> <li><b>Homebuyer assistance activities per §92.254 HOME regulations</b> One (1) acquisition + demo + rebuild for resale</li> <li><b>Development subsidy per §92.254 HOME regulations</b></li> <li><b>10% administrative fee per §92.207 HOME regulations</b></li> </ol>
<b>Proposal Timeline, incl. Start Date</b>	<p>The proposal timeline and start date is contingent upon the funding award date. A high-level proposal summary timeline is projected as:</p> <p><b>2025-26:</b> Environmental reviews (ER), procurements, and start rehabs (expected output = 3-4 rehabs)</p> <p><b>2026-27:</b> Full rehab cycles, ER for rebuild, rebuild begins (expected output = 5-7 rehabs + rebuild started)</p> <p><b>2027-28:</b> All rehabs complete, rebuild near completion (expected output = 10 rehabs completed)</p> <p><b>2028-29:</b> Finish rebuild, inspections, final HOME compliance (expected output = 1 rebuild completed)</p> <p><b>2029-30:</b> Final expenditures, closeout, monitoring (expected output = funded program closed)</p>

<b># of Households Assisted</b>	11 (this number is based upon the projected budget included in this application. Funds will be maximized to rehab as many homes as possible).
<b><i>To be completed by eligible CHDOs only:</i></b>	
<b>CHDO Operating Expenses</b>	
<b>CHDO Operating Fund Request</b>	

# Exhibit B | Statement of Certification

I hereby certify that all statements I have provided on this application and in the attachments herein are true; that I am authorized to sign this application and to make these statements on behalf of the applicant organization and that the organization understands that any representation which leads to the improper allocation and expenditure of public funds may result in legal action against the organization for retrieval of any such funds and appropriate penalties.

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Executive Director  
Title

\_\_\_\_\_  
Bryan Duncan  
Printed Name

\_\_\_\_\_  
December 5, 2025  
Date



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## Organizational Capacity & Staff Qualifications for HOME-Funded Projects

I-CARE, Inc. demonstrates strong administrative, financial, and programmatic capacity to manage HOME Investment Partnerships Program funds. The agency's experienced staff, robust internal controls, proven federal grant performance, and diverse tripartite Board structure ensure effective oversight, compliance, and high-quality project execution.

### **1. Staff Expertise in Housing Rehabilitation, Construction Oversight, and Energy Efficiency**

#### **Ronnie Trahan – Energy Auditor / Construction Foreman**

Mr. Trahan brings over 12 years of experience supervising residential remodeling and construction teams, including code compliance, HVAC installation, gas line installation, and roof inspections under I-CARE's Urgent Repair Program. His Energy Auditor training equips him to support HOME-funded inspections, scopes of work, and post-rehabilitation quality checks.

#### **Steve Little – Energy Efficiency Coordinator / BPI-Certified Inspector**

Mr. Little has more than 25 years of construction experience, including carpentry, roofing, electrical work, and whole-house rehabilitation. He holds advanced BPI certifications including Energy Auditor, Quality Control Inspector (QCI), and Infiltration & Duct Leakage. His role includes diagnostic testing, developing scopes of work, contractor oversight, and compliance inspections consistent with HOME property standards.

#### **Cesilia Ramirez – Administrative & Program Assistant**

With more than 20 years of experience at I-CARE and prior work with USDA Rural Development, Ms. Ramirez brings expertise in eligibility verification, case management, homeowner counseling, and federal housing documentation—skills directly aligned with HOME requirements for income verification, documentation retention, and compliant client intake.

#### **Shelton Moore – Director of Family Support Services**

Mr. Moore oversees federal and state grants including WAP, CSBG, and the Urgent Repair Program. His experience includes budget oversight, quality assurance, contractor management, and compliance with DOE/DEQ standards. He manages rehabilitation programs closely aligned with HOME requirements for construction coordination and homeowner communication.

#### **Reba Bowens – Finance Director**

Ms. Bowens manages all federal grant financials, including budgeting, cost allocation, reporting, accounts payable/receivable, and audit preparation. Her experience ensures HOME funds will be

administered with strong internal controls, accurate tracking, and full compliance with 2 CFR 200.

#### **Bryan Duncan – Executive Director**

Mr. Duncan has more than 30 years of nonprofit experience and 19 years as Executive Director of I-CARE. He oversees agency compliance across multiple federal programs, manages a \$4.9 million budget, leads strategic planning, and ensures program integrity and federal grant compliance. His leadership ensures HOME-funded activities meet regulatory, financial, and programmatic standards. His national leadership roles—including Chair and Vice-Chair positions with the National Community Action Partnership Board of Directors—demonstrate strong governance, compliance, and operational expertise.

## **2. Board Oversight, Tripartite Governance, and Diverse Community Representation**

I-CARE is governed by a tripartite Board of Directors, ensuring broad community oversight and accountability. This structure includes elected officials or designees, representatives of the low-income community, and private-sector members. This balanced representation ensures federal funds are administered transparently, ethically, and in alignment with community needs.

The Board provides oversight for financial management, procurement, program performance, and strategic direction. Monthly financial reviews, independent annual audits, and required program monitoring strengthen internal controls and compliance with HOME requirements.

The Board's diverse representation—across socioeconomic, racial, professional, and geographic backgrounds—enhances equitable decision-making, improves program responsiveness, and builds community trust. This diversity is an essential asset in designing and implementing effective housing rehabilitation strategies.

## **3. Experience Managing Federal Grants and Maintaining Compliance**

I-CARE has a 60-year history administering complex federal programs including the Weatherization Assistance Program (DOE), Community Services Block Grant (HHS), Head Start/EHS, and USDA CACFP. I-CARE has administered the Urgent Repair Program (North Carolina Housing Finance Agency) for 3 years. These programs require strict compliance with federal and/or state regulations, cost principles, procurement standards, construction oversight, and income eligibility verification—all directly applicable to HOME-funded rehabilitation.

The agency has maintained 19 years of clean annual audits with no material weaknesses or questioned costs, demonstrating sound financial stewardship, strong internal controls, and consistent adherence to 2 CFR 200 requirements.

#### **4. Organizational Readiness for HOME Program Implementation**

I-CARE's experienced staff, strong governance structure, and proven record of federal grant compliance position the agency to effectively implement HOME-funded activities including rehabilitation, reconstruction, property standards compliance, and financial administration. The organization's existing housing rehabilitation infrastructure—developed through decades of delivering the **Weatherization Assistance Program (WAP)** and, more recently, the **Urgent Repair Program (URP)**—provides a seamless operational foundation for HOME-funded work. Through WAP, I-CARE performs comprehensive home energy audits, diagnostic testing, and federally regulated construction oversight, ensuring that homes meet strict health, safety, and building performance standards. Similarly, URP has equipped I-CARE with extensive experience managing homeowner repair projects involving structural stabilization, roof replacement, accessibility modifications, and emergency health and safety interventions. These programs have strengthened I-CARE's capacity in contractor procurement, scope development, cost estimating, project scheduling, and quality control—core competencies required for the successful execution of HOME rehabilitation and reconstruction projects. Together, this integrated experience ensures timely project delivery, rigorous documentation, accurate reporting, and full adherence to HUD, state, and federal regulations, making I-CARE a highly capable and reliable partner for administering HOME funds.

## **Narrative Administrative Budget Justification**

I-CARE, Inc. will utilize the allocated **\$135,449 in HOME administrative funds** to ensure full compliance with HUD requirements under 24 CFR Part 92, maintain high-quality program oversight, and support the City of Statesville's long-term affordable housing objectives. Because this program spans a five-year implementation period (2025–2030), administrative resources are necessary to support ongoing coordination, financial management, monitoring, and reporting throughout the life of the grant.

Administrative expenses will be used to support staff responsible for program oversight, reporting, financial accountability, monitoring of construction activities, documentation review, procurement compliance, and environmental coordination. These activities are essential components of the City's HOME requirements and cannot be billed to project construction or soft costs.

Funds will also support financial administration, including IDIS draws, reconciliation, and monitoring of multi-year project expenditures. Training costs are included to ensure staff maintain required competency in HOME regulations, environmental requirements, and HUD compliance updates. Modest administrative overhead—including communication, supplies, and IT support—ensures the long-term sustainability of the program's administrative functions.

All activities funded through administrative resources are expressly permitted under **24 CFR §92.207**, which allows HOME funds to be used for eligible administrative and planning expenses, including general management, oversight, coordination, monitoring, and evaluation of HOME-funded activities. The amount requested does not exceed the allowable 10% cap on the HOME allocation.

Because the program will operate over a five-year period, administrative funds will be expended proportionally throughout the term of the grant to ensure sufficient oversight, regulatory compliance, reporting accuracy, and program continuity through project closeout in 2030.

## **2. Combined Administrative + Program Delivery Budget (2025-2030)**

Administrative costs (10% cap) are **separate and distinct** from program delivery costs, which are **soft costs tied directly to individual HOME units** under **§92.206(d)** (e.g., inspector fees, work write-ups, environmental file prep, homeowner eligibility, construction oversight).

This table summarizes how both categories will function over the 5-year program.

**A. Administrative Costs (10% Allowable) - Total: \$135,449**

<b>Admin Category</b>	<b>Total 5-Year Cost Projection</b>	<b>Annual Average</b>	<b>HOME Citation</b>
Program Management & Oversight	\$32,000	\$6,400/year	§92.207(a)
Financial Administration & IDIS Compliance	\$28,000	\$5,600/year	§92.207(b)
Monitoring & Regulatory Compliance	\$22,500	\$4,500/year	§92.207(a)(3)
Staff Training & Professional Development	\$7,500	Variable	§92.207(d)
General Administrative Support	\$18,500	\$3,700/year	§92.207(a)(1)
Procurement & Contractor Oversight	\$12,000	\$2,400/year	§92.207(b)(1)
Policy Development, Recordkeeping & Reporting	\$8,949	\$1,790/year	§92.207(a)(4)
<b>TOTAL ADMINISTRATIVE COSTS</b>	<b>\$135,449</b>	—	<b>≤10% cap</b>

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**B. Program Delivery Costs (Soft Costs) - Total for Project: \$51,000**

Program delivery costs support direct project implementation and are **NOT counted toward the 10% admin cap**.

<b>Program Delivery Activity</b>	<b>Total 5-Year Cost Projection</b>	<b>Annual Average</b>	<b>HOME Citation</b>
Third-Party Inspector Costs (11 units × \$1,000)	\$11,000	Based on unit schedule	§92.206(d)(1)
Environmental File Preparation & Coordination	\$6,000	\$1,200/year	§92.206(d)(2)
Work Write-Ups, Scopes, Cost Estimates	\$12,000	\$2,400/year	§92.206(d)(1)

<b>Program Delivery Activity</b>	<b>Total 5-Year Cost Projection</b>	<b>Annual Average</b>	<b>HOME Citation</b>
Construction Oversight & Progress Monitoring	\$15,000	Workload-dependent	§92.206(d)(3)
Homeowner Eligibility & Occupancy Verification	\$7,000	\$1,400/year	§92.206(d)(4)
<b>TOTAL PROGRAM DELIVERY COSTS</b>	<b>\$51,000</b>	—	Not capped

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#### **C. Combined 5-Year Administrative + Program Delivery Budget**

<b>Category</b>	<b>Total 5-Year Cost</b>
Administrative Costs (capped at 10%)	<b>\$135,449</b>
Program Delivery Costs (project soft costs)	<b>\$51,000</b>
<b>TOTAL NON-CONSTRUCTION, NON-DEVELOPER EXPENSES \$186,449</b>	

These categories ensure:

- Full compliance with **HOME admin caps**
- Clear separation between **admin** and **project delivery**
- Transparency for monitoring
- Multiyear capacity to support 11 HOME units through completion and closeout

## Developer Fee

The inclusion of a developer fee is essential to ensuring the successful delivery, financial accountability, and long-term sustainability of the HOME-funded rehabilitation and reconstruction program. As the developer, I-CARE, Inc. assumes substantial responsibilities and financial risk throughout the project lifecycle—responsibilities that extend well beyond basic administrative or program delivery functions. The developer fee compensates I-CARE for undertaking these duties and ensures organizational capacity to deliver a complex, multi-year project that fully complies with 24 CFR Part 92 and the City of Statesville's HOME Program standards.

I-CARE's developer responsibilities include:

- **Planning, structuring, and managing the development budget**, ensuring alignment with HOME subsidy limits and cost reasonableness requirements;
- **Procurement and oversight of contractors**, ensuring competitive solicitation, code compliance, and adherence to HOME property standards;
- **Coordinating environmental review milestones**, historic preservation requirements, and state/local regulatory documentation;
- **Managing construction oversight**, addressing unforeseen site conditions, negotiating change orders, and resolving contractor performance issues;
- **Ensuring full compliance with §92.251 Property Standards**, including conducting final inspections, quality control, and certification of completed work;
- **Assuming financial and performance risk**, including potential delays, cost overruns, or federal monitoring findings;
- **Coordinating homeowner engagement**, including eligibility, access agreements, and final acceptance of rehab work;
- **Managing long-term affordability and resale requirements**, ensuring all HOME resale/recapture provisions are documented and properly enforced;
- **Completing all reporting obligations**, IDIS coordination, audit documentation, and HUD monitoring preparation.

## Nonprofit Sustainability & Capacity

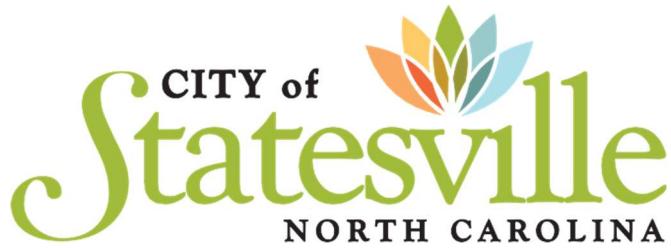
As a nonprofit Community Action Agency with a 60-year history of serving low-income households, I-CARE relies on diversified revenue sources to maintain the staffing, technical expertise, and administrative infrastructure required to implement high-quality housing rehabilitation programs. Unlike for-profit developers, nonprofit agencies do not generate earnings through traditional development margins. Instead, developer fees play a critical role in sustaining nonprofit housing capacity, allowing organizations like I-CARE to:

- **Retain skilled construction management and compliance personnel**
- **Invest in staff training on HUD regulations, environmental requirements, and rehabilitation best practices**
- **Maintain internal financial management systems necessary for multi-year federal grants**

- **Strengthen organizational stability, ensuring capacity to address unexpected project needs**
- **Reinvest in mission-aligned housing and community development activities**
- **Build long-term development expertise that can permanently benefit the City and its low-income residents**

Developer fees are one of the few HUD-allowable mechanisms for nonprofit organizations to build sustainable development capacity. Without them, federally funded housing programs place financial strain on nonprofits—limiting their ability to grow, scale, or maintain the professional services required to deliver compliant and high-quality rehabilitation projects.

The proposed developer fee is reasonable, customary, and aligned with best practices nationally and in North Carolina, where HOME developer fees typically range from 5–10% of total development cost. I-CARE’s fee falls below this range and reflects the complexity of an 11-unit rehabilitation and reconstruction program.



# Request for Proposals (RFP)

## HOME Funds – Development

*Released* \_\_\_\_\_ 2025

### Introduction

The City of Statesville (COS) announces the availability of up to \$1,354,498 in federal funding under the HOME Investment Partnerships Program (HOME) to increase the amount of affordable and attainable housing options for residents residing within the city limits. Proposals are being solicited for the following:

- New construction of affordable and attainable housing (single-family or multifamily)
- Acquisition\* and rehabilitation to preserve affordable and attainable housing (single-family or multifamily)
- Conversion of an existing structure from another use to affordable rental housing
- Demolition as it relates to the new construction, acquisition, or rehabilitation of above
- Other HOME-eligible activities, as related to the above

All organizations responding to this RFP must submit their funding proposal(s), including Request Form (Exhibit A) and Statement of Certification (Exhibit B). Each proposal will be considered on a case-by-case basis.

*\*Acquisition-only proposals will not be accepted.*

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### Background

The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use – often in partnership with local nonprofit groups – to fund a wide range of activities including building, buying, and/or rehabilitating affordable and attainable housing for rent or homeownership. HOME is the largest Federal block grant to state and local governments designed

exclusively for this purpose. The U.S. Department of Housing and Urban Development (HUD) manages HOME, and the Community Development Department administers these funds on behalf of COS.

More information about HOME, policy guidance, applicable laws and regulations, waivers and suspensions, rent and income limits, frequently asked questions (FAQs), and other useful information can be found online: [HOME: HOME Investment Partnerships Program - HUD Exchange](#).

*Please note that this RFP is for HOME entitlement funding only.*

## Eligible Activities

The City of Statesville will fund eligible activities in accordance with the [HOME Final Rule 24 CFR Part 92](#) and the City's affordable housing goals as outlined in this RFP. These activities and costs are eligible only if the housing meets the property standards in § 92.251 upon project completion. Only proposals within the city limits will be considered.

## Ineligible Activities

Development teams may not request funding for activities that are not listed in this RFP or activities outside the scope specified in the previous section, however; the COS encourages leveraging and utilizing additional applicable funding sources . Development teams must ensure that funds will not be used for costs that will be reimbursed by other federal funding streams. In addition, development teams should be aware of federal, state, and local laws outside of program requirements. For example, federal civil rights and nondiscrimination laws that prohibit discrimination based on race, color, national origin, sex (including gender and gender identity), religion, disability, age, or familial status (including having children), and any applicable environmental laws, must be followed.

## Monitoring

The City of Statesville will conduct monitoring reviews on a quarterly and/or semi-annual basis in accordance with the aforementioned [HOME Final Rule 24 CFR Part 92](#). City Leadership and City Finance staff may require additional reporting requirements in alignment with Audit, Budget and Risk Management, and/or Community Development needs. Development teams must cooperate fully in any review conducted by the City, its authorized representatives, and/or the federal government. If it is determined corrective actions must be taken, COS will request a written Corrective Action Plan (CAP) detailing actions that will be taken to remedy the deficiencies.

## Funding Details

This RFP will allocate funding from multiple program years (PYs) due to unallocated funds from previous years, changes in funding priorities, and recaptured funding. As projects are committed through Commitment Agreements, these amounts may be reduced. Development teams are encouraged to confirm funding availability.

All grant funding will be paid on a reimbursement basis. Specific grant terms for selected proposals will be negotiated based on an underwriting review. The maximum per-unit subsidy will vary depending on the number of bedrooms and the program year funding source (i.e., PY 2022 funding will need to use 2022 subsidy limits). For more information on subsidy limits, please visit [HOME Maximum Per-Unit Subsidy Limits – HUD Exchange](#).

## Additional Considerations

Please note this is not a comprehensive list of all project requirements; however, it does provide guidance on some common components.

- Applicants are restricted from undertaking any physical or choice-limiting actions, including but not limited to property acquisition, demolition, movement, rehabilitation, conversion, repair, or construction until satisfactory completion of an environmental review, evaluation by City staff, and a receipt of Release of Funds from HUD under CFR Part 58.
- Development applications must be site-specific as funds cannot be committed without an address. Evidence the proposed development is permitted under existing zoning and other development-related documentation may be required. COS planning department will be involved in prioritizing all new project decisions.
- Requirements for the development and implementation of HOME underwriting and subsidy layering must be followed.
- In certain cases, a preliminary or firm financing commitment from a private lender or other financing source may be required prior to award.
- Every contract for construction (rehabilitation or new construction) of housing that includes 12 or more units assisted with HOME funds must contain a provision requiring the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 3141) to all laborers and mechanics employed in the development of any part of the housing. Such contracts must also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701).
- All construction projects shall be in accordance with Section 3 requirements set forth in the Housing and Urban Development Act of 1968 (12 U.S.C. 1701U), as amended.
- All infrastructure projects shall be in accordance with the Build America, Buy America (BABA) requirements, as applicable. This means all iron, steel, manufactured products, and construction materials used in the infrastructure project have been made in the United States, unless the awarding agency has issued a waiver.
- Successful project references of completed projects funded through grant funding.
- Developments that involve temporary relocation must meet the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Projects requiring permanent relocation will not be considered for funding.
- Acquisition and/or rehabilitation of existing housing developments are subject to lead-based paint testing, particularly in units built prior to 1978.

- Organizations must be prepared to meet the following conditions and execute a contract including these provisions:
  - Certify that their insurance coverage is in accordance with North Carolina law and such coverage will remain in effect throughout the period of the contractual agreement.
  - Agree to maintain financial records in accordance with Generally Accepted Accounting Principles (GAAP), to substantiate all expenditures made in connection with this proposal and/or amendments.
  - Certify that their organization will comply with all federal, state, and local laws and services will be rendered without discrimination.
  - Demonstrate evidence of organizational and financial stability and the ability to fund eligible activities prior to seeking reimbursement.

## Contents of the Proposal

To receive full consideration for funding, proposals must include Exhibits A and B included in this document, as well as clearly state skills and experience completing housing related activity. Additional documentation is welcome and encouraged and should be included, as appropriate.

Please provide a jump drive with all contents of your proposal to: City of Statesville Purchasing Department, PO BOX 1111 Statesville, NC 28677

The organization must be available and able to present the proposal to City staff if requested. This presentation would cover topics related to the proposal and may be expanded.

## Invalid Proposals

Submission of proposals from all qualified applicants is encouraged. The COS reserves the right to reject any or all proposals.

## Additional Incentives

HOME funding is often layered with other sources and uses of funds. The COS encourages development teams to consider a variety of funding options and incentives, including those listed below. Prior to committing funding, City representatives will assess the agreement to ensure that it does not invest any more HOME funds (alone or in combination with other funds) than are necessary for projects to be successful and the development team's return in excess of the allowable 10% administrative fee is appropriate and reasonable.

## Additional information

The prospective applicant certifies by submission of their proposal that neither it nor its principals are presently disbarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal, state, or local department or agency. Any party conducting business with HOME funds as part of the eligible activities cannot be listed on the federal debarred list of contractors. The online debarred list can be found on the System Award Management

(SAM) website: <http://www.sam.org>. Any agencies currently out of compliance with any Iredell County or City of Statesville contracts are ineligible to apply.

## Questions

Questions regarding this RFP should be directed to [jhatcher@statesvillenc.net](mailto:jhatcher@statesvillenc.net)

# Exhibit A | Request Summary Form

*Please print or type your responses below.*

<b>Organization Name</b>	
<b>Organization Address</b>	
<b>Organization Unique Entity Identifier (UEI)</b>	
<b>Organization Tax ID #</b>	
<b>Contact Name</b>	
<b>Contact Email</b>	
<b>Contact Phone</b>	
<b>Date of Application Submittal</b>	
<b>Project Category/Description</b>	
<b>Total Project Cost/Proposal Budget</b>	
<b>HOME Funding Request (% of Proposal Budget)</b>	
<b>HOME Match Contribution (25% of HOME Funding Request)</b>	The City of Statesville provides the 25% match provider
<b>Uses of HOME Funds</b>	
<b>Proposal Timeline, incl. Start Date</b>	
<b># of Households Assisted</b>	
<b><i>To be completed by eligible CHDOs only:</i></b>	
<b>CHDO Operating Expenses</b>	
<b>CHDO Operating Fund Request</b>	

# Exhibit B | Statement of Certification

I hereby certify that all statements I have provided on this application and in the attachments herein are true; that I am authorized to sign this application and to make these statements on behalf of the applicant organization and that the organization understands that any representation which leads to the improper allocation and expenditure of public funds may result in legal action against the organization for retrieval of any such funds and appropriate penalties.

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Signature

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Title

---

Printed Name

---

Date



# HOME Funds and the Statesville Housing Authority

## Overview

- Discussion began earlier this year with a request from SHA
- Prompted meeting with HOME Consortium Staff
- Presentation identified over \$700,000 in unspent funds
- Subsequent meeting with SHA to discuss planned use of those funds
- Future plan of action regarding HOME Fund administration

## Concerns

- Money is not being spent
- No plans for affordable housing
- City has no seat at the table or influence on the projects
- Financial transparency



# HOME Fund Allocations

**Table 1. (Bego)**

Funding Year	Amount to Commit	Commitment Deadline	Amount to Draw	Drawdown Deadline
2016	\$ -	8/31/2018	\$ -	9/30/2024
2017	\$ -	10/31/2019	\$ -	9/30/2025
2018	\$ -	waived	\$ -	9/30/2026
2019	\$ 25,510	waived	\$ 25,510	9/30/2027
2020	\$ 114,508	waived	\$ 114,508	9/30/2028
2021	\$ 134,623	waived	\$ 134,623	9/30/2029
2022	\$ 187,139	waived	\$ 187,139	9/30/2030
2023	\$ 141,006	waived	\$ 141,006	9/30/2031
2024	\$ 117,015		\$ 117,015	
<b>Total</b>	<b>\$ 719,801</b>		<b>\$ 719,801</b>	
2025	\$ 159,291			
ARP	\$ 475,406			
<b>Grand Total</b>	<b>\$1,354,498</b>			

**Table 2. (SHA)**

Project Year	Project Type	Addresses	Costs	Begin	Completion
2020 & 2021	New Construction	1212 Wilson Lee Blvd.	\$ 276,641	Summer 2025	Spring 2027
2022 ARP & 2022	Courtyard Home & Homeless Prevention	8th St., High Point Ave, or Fayetteville	\$ 662,545	Summer 2025	Summer 2026/Fall 2026
2023, 2024 & 2025	Townhomes (6-15)	Behind Dollar General, Meeting and Mills	\$1,200,000	Summer 2025	Summer 2027
<b>Total</b>			<b>\$2,139,186</b>		

## Future Prioritization and Moving Forward

- There is significant value in trying to make this work (Public Housing Capital Funds) – IF the projects move forward...
- SHA is open to City representation in the process
  - Planning Department to help prioritize projects
  - Finance Department to provide financial updates
- Periodic SHA updates (included in resolution)
- Recommend six-months to determine if the projects begin and the process is refined and adhered to

## Alternatives

- Three agencies have agreed that, if asked, they could take on this function
- If Council chooses to go in a different direction:
  - RFP to allow for proposals by eligible/capable agencies
  - Included would be a detailed scope of what the City wants to achieve
    - Details on each agency's credentials and track record
    - Public decision on who to engage
- Phase out the projects currently underway

# **CITY COUNCIL ACTION REQUEST**

**TO:** Mayor and Council  
**FROM:** Ron Smith, City Manager  
**DATE:** 1/21/2026 3:03 PM

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**ACTION NEEDED ON:** February 2, 2026  
(Date of Council Meeting)

## **COUNCIL ACTION REQUESTED:**

**Receive the BUILD Grant Project overview.**

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**1. Summary of Information:**

Receive an overview of the BUILD Grant Project.

**2. Previous Council or Relevant Actions:**

Council has previously approved for the City to apply for this grant for the last 2 years.

**3. Strategic Initiatives Supported/Impacted:**

**Developing Our City:** N/A

**Connecting Our City:** Invest in services and critical public infrastructure to align with land use plan goals and accommodate future growth citywide.

**Connecting Our Communities:** Expand access to enriching cultural, recreational, and open space amenities.

**Strategic Plan Values:** We value and encourage Opportunity

The BUILD Grant project will bring new pedestrian facilities for Shelton Avenue.

**4. Budget/Funding Implications:**

We are applying for funds from USDOT.

**5. Consequences for Not Acting:**

N/A

**6. Department Recommendation:**

N/A

**7. Manager Comments:**

The attached information gives a high level overview of the proposed project. The city's Grants Manager, John Hatcher, and I will present a more detailed description of the project at the meeting. As this project is in its third iteration, we have learned from previous submittals (and associated feedback) and although there are certainly no guarantees, we have been told our project has an elevated status based on the city's previous efforts.

**8. Next Steps:**

N/A

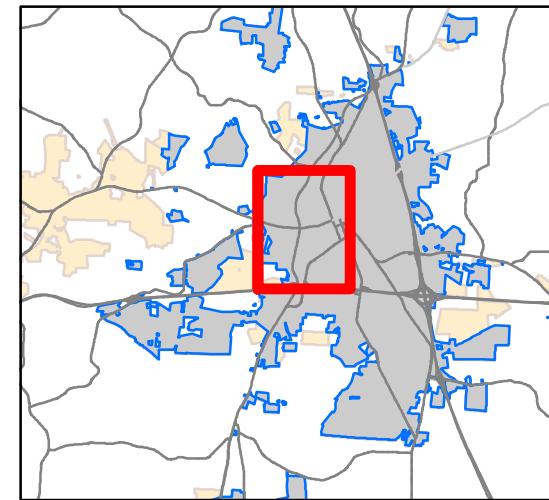
**9. Attachments:**

1. RAISE\_Connectors\_11x17\_Updated FINAL
2. Corridor Visual BUILD



## City of Statesville GIS Department

# RAISE Shelton Ave Neighborhood Connector Project



Lost Connections

Garner Bagnal Blvd

Shelton Ave

Thriving Comm Grants

Lost Connections

A vertical scale bar and a compass rose. The scale bar has markings at 0, 3.5, and 7 miles. The compass rose shows cardinal directions: North (N), South (S), East (E), and West (W).

## Downtown Statesville

## End of Existing Downtown Streetscape

## New Lighted Pedestrian Crosswall

Re-Engineered Intersection and Crosswalk

A map of Princeton, New Jersey, showing Nassau Street and University Avenue. A red box highlights the area where the new bus stop and shelter will be located on Nassau Street.

## **New Lighted Pedestrian Crosswalk**

Map data © 2024 OpenStreetMap contributors, and the GIS User Community (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Communi

