

## MINUTES FOR BOARD OF ALDERMEN MEETING

AUGUST 11, 2015

6:00 PM

The following elected officials were present: Mayor Coleman, Alderman Cearley, Alderman Huggins, Alderwoman Morrow, Alderwoman Malaker-Thomas, and Alderman Withers.

The following staff members were present: Jim Palenick, Interim Town Manager; Maria Stroupe, Administrative Services Director; Town Attorney, Tom Hunn; Gary Buckner, Police Chief; Doug Huffman, Electric Director; Bill Trudnak, Public Works Director; Steve Lambert, Fire Chief; and Jack Kiser, Development Services Director. Anne Martin, Recreation Director, was absent.

Mayor Coleman called the meeting to order at 6:00 pm.

Mayor Coleman opened with the Invocation and the Pledge of Allegiance to the Flag.

Mayor Coleman asked if there were any additions or deletions to the agenda. Mayor Coleman asked that Items 6 and 7 be reversed in the order of the meeting. Mr. Withers made a motion to set the agenda, including the change; seconded by Ms. Malaker-Thomas; and carried unanimously.

Ms. Malaker-Thomas made a motion to approve the minutes from the July 14<sup>th</sup> Regular Meeting and the July 28<sup>th</sup> Work Session; seconded by Ms. Morrow, and carried unanimously.

### **Consent Agenda:**

None

### **Employee Recognition:**

Ms. Cherie Berry, North Carolina State Commissioner of Labor presented the SHARPS Safety Award to the Town of Dallas Public Works Department. This is a prestigious award based on safety and procedures, that only 9 Public Works departments across the entire state have been awarded.

Five new employees were recognized: Police Sergeant, Paul Albergine III; Police Dispatcher, Becky Brown; Street/Solid Waste Maintenance Worker, Brian Dean; Water/Sewer Maintenance Worker, Michael Lilly; and Water/Sewer Equipment Operator, Ray Wooten. All of these employees have begun their employment with Dallas since the beginning of June.

### **Recognition of Citizens:**

Mr. Curtis Wilson, 438 S. Gaston St., offered a prayer for the decisions made by the Board of Aldermen; that they be made in the best interest of Dallas and without partiality.

### **Special Events & Requests for In-Kind Services:**

None

### **Public Hearings:**

Item 9A was a public hearing on the request for voluntary, non-contiguous annexation for a property at 136 Durkee Lane; Cliff and Robin Cloninger, and Jerry and Pat Brooks, Applicants. Ms. Malaker-Thomas made a motion to enter into a public hearing, seconded by Mr. Cearley, and carried unanimously. A detailed review and analysis of this request and its ramifications was prepared by Mr. Kiser, Development Services Director, (Exhibit A) and reviewed to the Board and audience. This request comes from the owners/operators of the fledgling Ole Dallas Brewery, who want to offer beer tasting and retail

sales from their current manufacturing operation on Durkee Lane, which is outside of town limits. Since unincorporated Gaston County still remains a “Dry County” (no sale of alcoholic beverages permitted in County except in one of the incorporated towns or cities that allow that sale), the owners are requesting annexation into the Town in order to be eligible to apply for and receive an ABC permit for their existing location. There is no other identifiable reason for wanting to be in the Town limits. Citizen comments were:

- 1) Beau Norwood, 113 Kingstree Dr., thanked the Board and Staff for their work on the annexation request. He listed the partners: a) Kyle Britton – Attorney; b) John Hoffman – Gaston Gazette; c) Chris Cloninger – CF Cloninger Trucking; and d) Beau Norwood – Former Coach and Educator. The craft brewing community and Ole Dallas Brewery, specifically, embraces family and promotes responsible consumption of craft beer with friends and family. They want to build a team Dallas can be proud of. This is an opportunity to grow something great in the craft beer community than is growing in North Carolina.
- 2) Nina and Fred Green, 304 Pinkney Road, stated they were representing the Rudisill Park neighborhood and those that signed a petition that they generated. They are opposed to the annexation on the basis of the retail alcohol sales, not to the brewery operation that is currently being conducted. There are two main reasons for their opposition: a) there is only one outlet on to Dallas Cherryville Highway, which according to information from NC DOT is one of the most dangerous stretches of roads in the state. b) there will be noise and disturbances from the planned events that will impact the neighborhood. There are 60 signatures on the petition from residents in Rudisill Park in opposition to the annexation. They asked that the Board of Aldermen consider the families in Rudisill Park and their quality of life.
- 3) Greg Parker, 313 Willis Road, stated that he has 3 children and believes Dallas should promote small business. He thinks of Belmont and other areas people want to move to and asks, “Why can’t Dallas be like those communities?”. He personally spends his money in other towns because there is nothing to do in Dallas. He also believes the owners of the brewery will control the atmosphere.
- 4) Todd Cloninger, 1025 Ratchford Road, believes that if the property is annexed that Dallas should put more effort into emergency services. He also stated that maybe making beer is what Dallas should be known for.

Mayor Coleman stated that all of the young men involved with brewery are active in the community and he hopes the business is successful. He is concerned though that the business may outgrow the facility and move locations. There are no long term guarantees for the Town. Mr. Huggins stated that he cannot foresee any issues, knowing the applicants. He believes this may be good growth for Dallas. Mr. Cearley stated that he is proud of the young men for starting the business, as these breweries are growing all over the state. They are making a name for themselves and as the name reflects Dallas, it will be good for Dallas. Mr. Cearley made a motion to exit the public hearing, seconded by Mr. Withers, and carried unanimously. Mr. Cearley made a motion to approve the annexation to be effective 60 days after the initial notice to Gastonia, as per the sphere of influence agreement between Dallas and Gastonia; seconded by Ms. Malter-Thomas; and carried by the following vote: Yays – Aldermen Cearley, Huggins, Malter-Thomas, and Morrow. Nays – Alderman Withers.

Item 9B was a public hearing on the request for voluntary, non-contiguous annexation for a 41.12 acre property along Ratchford Road; Steve and Maria Mason, Applicants. Mr. Withers made a motion to enter into a public hearing, seconded by Mr. Cearley, and carried unanimously. A detailed review and analysis of this request and its ramifications was prepared by Mr. Kiser, Development Services Director, (Exhibit B) and reviewed to the Board and audience. Most of this property (30+ acres) came before the Board of Aldermen in October 2013 for a similar annexation request. At that time, it failed to gain approval when the motion to approve died for lack of a second. At that time, the owner stated the he wished to pursue annexation in order to build a Drag-Strip for auto racing hobbyists, particularly teenagers, on the property. This time the owner claims to have no identified future use. This is inconsistent with the policy recently approved by the Town requiring an owner to identify the planned use of a property prior to annexation. At this time, there have been no reasons provided as to why the property cannot be used as intended and remain in the County. By remaining in the County, the property owner would save paying Town property taxes and the Town would not be compelled to provide services. Citizen comments were:

- 1) Dean Mitchell, 2404 Elmwood Circle, lives across Ratchford Road from W.C. Friday. He does feel that the Town Board should be able to decide on this for his neighborhood, since they are not within the Town limits and have no representation. He does not want this in his neighborhood and would like for the owner to state the proposed use.
- 2) Jamie Wilkinson, 625 Hilltop Dr., feels the same way as Mr. Mitchell. Why would someone not give a reason for wanting to be annexed? He does not want more traffic in the area. He doesn’t understand how the Board can not request a proposed use. He believes if someone will not disclose the intended use, then they are trying to put something over on the Town.

- 3) Dorothy Williams, 134 Foxglove Rd., across Ratchford Road from the Mason property. She has horses and is concerned about possible noise. She has always been under the impression that a Drag-Strip was the intended use. She believes the owner should disclose the intended use.
- 4) Douglas Carson, 108 Princess Lane, is in favor of a Drag-Strip, as he believes it gives young people a place to show off and get off of the street.
- 5) Zeb Bradley, 2105 Thomas Dr., is against the annexation. He feels that everyone involved is being used and the annexation will only benefit one person, Mr. Mason. He does not want more traffic on Ratchford Road. He also believes racing is on the decline in our country.
- 6) Roger Williams, 134 Foxglove Rd., stated he has been a part of the community for a long time and does not see how anyone in good faith can annex a property without knowing the plan for the property. This property is within a ½ mile of our school children and believes owner has plans to put something there, but no one knows what. It is his belief that Gaston County will not okay the owner's proposed use, so he has come to Dallas to try to get approval.
- 7) Steve Mason, Property Owner, said he plans on doing agriculture for a while. There is a lot of bad land on the property and he wants city water and sewer, particularly sewer. He stated it would not be turned into a housing development or a trailer park, but may be used for industrial. He can't do anything with the property once it is in the town limits without zoning. He said he was not asking for a race track. He will also put in the water/sewer lines himself and not give them to the Town. He would come back for zoning once he has decided on the use. Mayor Coleman stated that for information purposes, water and sewer is available outside the town limits; annexation is not required to obtain those services.
- 8) Rita Reep, Alder Ridge Subdivision resident, said she was a new resident to Dallas and had moved here because services were cheaper. She thinks the Town needs to look at growth for the future...what is town going to be in 10-15 years? She loves Dallas and wants it to be better in 10 years.
- 9) Todd Cloninger, 1025 Ratchford Road, asked if erosion control would change if the property were within town limits. Mr. Kiser answered that erosion is controlled by the County. Town ordinances would govern any livestock; State law exempts farming from County zoning, but not from Municipal Codes.
- 10) Steve Mason stated that he has spoken with the County. He has sown some areas as pasture and knows what he needs to do with the County. If he is annexed, he plans to use the property for agriculture for a while.
- 11) Dean Mitchell asked if nothing is going to happen with the property for a while, why not wait until he has a proposed use to ask for annexation.
- 12) Steve Mason said he would have more benefits inside town limits than outside.
- 13) Zeb Bradley believes that whatever Mr. Mason's plans are they will only benefit Mr. Mason. He is appalled that an individual can benefit himself and harm his neighbors.
- 14) Steve Mason said he doesn't tell anyone what they can do to improve their property, such as paving a driveway; so he should be able to make improvements to his property as he sees fit.
- 15) Dorothy Williams is still concerned the property will be used as a Drag-Strip and this would be detrimental to her animals.
- 16) Major Norwood, 1327 Hardin Road, asked that the Board consider the impact on the nearby schools. A chicken farm has set up near the schools and the whole area is impacted by the smell, particularly during school events. The use of the property could adversely impact the schools

Ms. Malker-Thomas stated she believes Mr. Mason should be given an opportunity to update his application with a proposed use, since the policy recently approved requiring a stated use was put in place after he submitted his application. Mr. Withers made a motion to exit the public hearing, seconded by Ms. Malker-Thomas, and carried unanimously. Ms. Malker-Thomas made a motion to table any action until the September 8<sup>th</sup> Board of Aldermen meeting in order to give the Board time to consider pertinent information received tonight, seconded by Mr. Withers. Mr. Withers withdrew his second of the motion and Mr. Cearley seconded the motion. The motion to table was passed by the following vote: Yays – Aldermen Cearley, Huggins, and Malker-Thomas. Nays – Aldermen Morrow and Withers.

Mayor Coleman announced there would be a 10-minute break. (8:02)

The meeting reconvened at 8:12 pm. Item 9C was a public hearing concerning an amendment to Chapter 54, "Sewer Use"; Sewer Regulations; Sections 54.026 and 54.042 of the Compiled Code of Ordinances of the Town of Dallas. Mr. Huggins made a motion to enter into a public hearing, seconded by Mr. Withers, and carried unanimously. This amendment creates a new definition for "Grease Trap or Interceptor" and then makes it possible for the Town to require mobile home parks which exhibit excessive amounts of floatable oils and greases entering into the Town's sewer collection system to install and

maintain (at their cost) an appropriate Grease Trap. (Exhibit C) this has become clearly necessary because of the consistent violations and problems caused by the Oak Grove Mobile Home Park introducing large amounts of oils into our system which results in major damages and costs of lift station up-keep. Citizen comments were:

- 1) Curtis Wilson, 438 S. Gaston St., asked if the park were ever deannexed, would the pump station belong to the owner. Mr. Trudnak answered that the pump station would still belong to the Town.
- 2) Todd Cloninger, 1025 Ratchford Rd., asked if the owner would have to maintain the grease traps. Mr. Palenick answered that the Town would build them to specs and charge the owner for the costs involved.

Mayor Coleman stated that these are the problems encountered when annexations are approved based on verbal statements and promises from the property owner. Mr. Hunn said he would like for the wording of the amendment be changed to read that the Town would install the grease traps and would then bill the property owner for the costs. Mr. Cearley made a motion to exit the public hearing, seconded by Ms. Morrow, and carried unanimously. Mr. Withers made a motion to table action on the amendment until the September 8<sup>th</sup> Board of Aldermen meeting to allow Mr. Hunn to clarify the wording of the amendment, seconded by Ms. Morrow, and carried unanimously.

#### **Old Business:**

None

#### **New Business:**

Item 11A was a request to authorize use of CDBG program income funds for Cloninger Park picnic shelter improvements. In 2002, the Board of Aldermen entered into an agreement with the developers of the Dallas High School Apartments to use a CDBG Housing Grant to loan the developers \$230,000 at 2% for a 20-year period, with "interest-only" payments throughout the 20-year amortization period with a balloon payment for the full \$230,000 principal due at the conclusion of the loan period. Since that time, the Town has been receiving \$3720 per year of interest, which has accrued to a total of \$40,920. The Town can use these funds for any CDBG-eligible activities, which means capital improvements to public facilities in low-to-moderate income neighborhoods. In June, the Board authorized \$17,548 of this total for improvements to Jagers Park, leaving \$23,372 still available for additional eligible expenditures. Since Cloninger Park fall within an eligible area, and since there have been discussions of adding a picnic shelter there, the proposal is to expend \$22,661.75 in remaining funds as follows"

1) Picnic Shelter	\$13,508.00
2) Concrete Pad	2,400.00
3) Grading/Ret. Wall	4,338.75
4) (2) Picnic Tables	1,830.00
5) (1) Grill	585.00
TOTAL ---	\$22,661.75

Mr. Withers made a motion to approve using \$22,661.75 in CDBG program income funds for improvements at Cloninger Park as proposed, seconded by Ms. Malker-Thomas, and carried unanimously.

Item 11B was a request amend the FY 2015/16 to account for Law Enforcement Separation Allowance payments to retiree, Sergeant Kevin McFee. The Town has been funding its Law Enforcement Separation Allowance Fund over several years in preparation when retiree from the Police Department become eligible to draw the supplement to the their regular State Retirement program. Kevin McFee announced his retirement after the current FY 2105/16 budget had been prepared and adopted. This budget amendment will show that \$8513 will be used from the Law Enforcement Separation Allowance Fund to pay out this fiscal year's payments. (Exhibit D) The ending fund balance on June 30, 2014 was \$125,172.00 and the Town contributes \$11,000 annually into the fund. It is expected that at least one more eligible new retiree will join Sergeant McFee with the next couple of years. Ms. Malker-Thomas made a motion to approve the budget amendment as presented, seconded by Mr. Cearley, and carried unanimously.

Item 11C was a request to authorize acceptance of a donation of real property at 402 E. Johnson St., without charge but to include accrued tax and fine liabilities. Mr. Charles Johnson, the surviving heir to the ownership of the residential property at 402 E. Johnson St.; who currently lives in West Union, Ohio; has formally offered to donate the property to the Town of Dallas. (Exhibit E) This would be without charge to the Town; except that the Town would take on any accrued tax and/or fine liabilities; which total approximately \$650.00. The property consists of a small, somewhat neglected, but still structurally

sound (except for a portion of the roof) residence and separate, unattached carport, along with a large, open yard/extra lot. The total property consists of 0.27 acres and carries a current County Tax value of \$49,035. By accepting the donation, paying any closing costs, and clearing up any outstanding tax liens; the Town will spend approximately \$2000 and have a property that certainly exceeds that amount in value. The Town will control the maintenance, sale, or upkeep of the property; and could even, have two buildable lots for Habitat for Humanity (or other home constructors) if the existing structures were demolished. Mr. Cearley made a motion to accept the donation of property at 402 E. Johnson St., including the accrued tax and fine liabilities; seconded by Ms. Malker-Thomas; and carried unanimously.

Mr. Palenick gave a Manager's report. He informed the Board that he would be on vacation from Tuesday, August 25<sup>th</sup> until Wednesday, September 2<sup>nd</sup>. As such, he would be out of town for the normally scheduled Board Work Session held on the fourth Tuesday of the month (August 25<sup>th</sup>). Mayor Coleman asked if the Board felt the need for a work session. Ms. Malker-Thomas made a motion to cancel the August Work Session, seconded by Mr. Withers, and carried unanimously.

Mr. Cearley stated that he would like the Town to plan to have a couple more outdoor concerts in September and October. Currently, "The Fantastic Shakers" are scheduled to perform an outdoor concert on Saturday, September 5<sup>th</sup> at 7:00 pm. He believes these concerts will draw more people to Dallas. He would like to propose a concert on September 19<sup>th</sup> by "Coming Up Brass". He believes the cost will be approximately \$2750 for the band and the stage and then whatever the cost of advertising would be. Mr. Cearley made a motion to approve an outdoor concert event for Saturday, September 19<sup>th</sup> with the details to be confirmed later, seconded by Ms. Malker-Thomas, and carried unanimously.

Mr. Cearley made a motion to adjourn, seconded by Ms. Malker-Thomas, and carried unanimously. (8:58)

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Rick Coleman, Mayor

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Maria Stroupe, Town Clerk

## BROOKS-CLONINGER (Ole Dallas Brewery) ANNEXATION FINDING OF SUFFICIENCY

**GS 160A, Article 4A, Part 4 Annexation of Noncontiguous Areas.****§ 160A-58.1. Petition for annexation; standards.**

(a) Upon receipt of a valid petition signed by all of the owners of real property in the area described therein, a city may annex an area not contiguous to its primary corporate limits when the area meets the standards set out in subsection (b) of this section. The petition need not be signed by the owners of real property that is wholly exempt from property taxation under the Constitution and laws of North Carolina, nor by railroad companies, public utilities as defined in G.S. 62-3(23), or electric or telephone membership corporations. A petition is not valid in any of the following circumstances:

- (1) It is unsigned. **The petition is signed by all property owners of record and spouses.**
- (2) It is signed by the city for the annexation of property the city does not own or have a legal interest in. For the purpose of this subdivision, a city has no legal interest in a State-maintained street unless it owns the underlying fee and not just an easement. **Not Applicable- No municipality has legal interest in the property requested for annexation.**
- (3) It is for the annexation of property for which a signature is not required and the property owner objects to the annexation. **Not Applicable**

**A noncontiguous area proposed for annexation must meet all of the following standards:**

- (1) The nearest point on the proposed satellite corporate limits must be not more than three miles from the primary corporate limits of the annexing city. **The nearest point on the proposed satellite corporate limits is approximately 2,470 linear feet from the primary corporate limits of the Town of Dallas.**
- (2) No point on the proposed satellite corporate limits may be closer to the primary corporate limits of another city than to the primary corporate limits of the annexing city, except as set forth in subsection (b2) of this section. **No point on the proposed satellite corporate limits is closer to the primary corporate limits of another municipality than to the corporate limits of the Town of Dallas. The closest point of the Gastonia primary corporate limits to the proposed annexation is approximately 2,940 linear feet. In addition, no portion of the proposed annexation lies within an area made ineligible for annexation by the Town of Dallas pursuant to any annexation agreement with another municipality. While the Town of Dallas has an annexation agreement with the City of Gastonia, the proposed annexation is on the Dallas side of the Annexation Agreement Line, set forth in that agreement ("sphere of influence line").**
- (3) The area must be so situated that the annexing city will be able to provide the same services within the proposed satellite corporate limits that it provides within its primary corporate limits. **The area is so situated that the Town of Dallas can extend municipal services to the proposed satellite annexation, subject to the Town's policies for extending such services; however, the cost and physical feasibility of extending municipal services and any burden upon existing municipal service departments remains to be fully evaluated. Extension of municipal water and sewer would require owner participation in cost in accordance with town policy. A short line extension from NC 279 would be required for extending water service. Extension of sanitary sewer service would require installation**

**of a lift station and force main. The property is served by Rutherford Electric Membership Cooperative. It is unclear what all challenges and costs would be required to extend public safety services.**

PLEASE SEE ATTACHED FEASIBILITY AND COST REVENUE ANALYSIS FOR ALL MUNICIPAL SERVICES

- (4) If the area proposed for annexation, or any portion thereof, is a subdivision as defined in G.S. 160A-376, all of the subdivision must be included. **Not applicable**
- (5) The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed ten percent (10%) of the area within the primary corporate limits of the annexing city. **As noted below, the Town of Dallas is statutorily exempt from this requirement.**

→ This subdivision **does not apply** to the Cities of Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia, Greenville, Hickory, Kannapolis, Locust, Marion, Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke Rapids, Rockingham, Sanford, Salisbury, Southport, Statesville, and Washington and the **Towns of** Ahoskie, Angier, Apex, Ayden, Benson, Bladenboro, Bridgeton, Burgaw, Calabash, Catawba, Clayton, Columbia, Columbus, Cramerton, Creswell, **Dallas**, Dobson, Four Oaks, Fuquay-Varina, Garner, Godwin, Granite Quarry, Green Level, Grimesland, Harrisburg, Holly Ridge, Holly Springs, Hookerton, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Leland, Lillington, Louisburg, Maggie Valley, Maiden, Mayodan, Maysville, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, Oak Island, Ocean Isle Beach, Pembroke, Pine Level, Princeton, Randleman, Richlands, Rolesville, Rutherfordton, Shallotte, Smithfield, Spencer, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, Windsor, Yadkinville, and Zebulon.

(b1) Repealed by Session Laws 2004-203, ss. 13(a) and 13(d), effective August 17, 2004.

(b2) A city may annex a noncontiguous area that does not meet the standard set out in subdivision (b)(2) of this section if the city has entered into an annexation agreement pursuant to Part 6 of this Article with the city to which a point on the proposed satellite corporate limits is closer and the agreement states that the other city will not annex the area but does not say that the annexing city will not annex the area. The annexing city shall comply with all other requirements of this section. **No portion of the proposed annexation lies within an area made ineligible for annexation by the Town of Dallas pursuant to any annexation agreement with another municipality.**

(c) The petition shall contain the names, addresses, and signatures of all owners of real property within the proposed satellite corporate limits (except owners not required to sign by subsection (a)), shall describe the area proposed for annexation by metes and bounds, and shall have attached thereto a map showing the area proposed for annexation with relation to the primary corporate limits of the annexing city. When there is any substantial question as to whether the area may be closer to another city than to the annexing city, the map shall also show the area proposed for annexation with relation to the primary corporate limits of the other city. The city council may prescribe the form of the petition.

**The petition meets these requirements. There is no question that the petitioned annexation is closer to the primary corporate limits of the Town of Dallas than to any other municipality.**

## FEASIBILITY TO PROVIDE MUNICIPAL SERVICES AND COST/REVENUE ANALYSIS

## ANNEXATION REQUEST OF CLONINGER AND BROOKS ("Ole Dallas Brewery")

1. Proposed Land Use. In accordance with the policy adopted by the Board of Aldermen last month, the petitioner for annexation must state a proposed use for the property as well as a compelling reason/justification for the annexation based upon the stated long-term use. The petitioners have stated that their planned use (and current use) for the property is for a "craft" brewery for malt beverage (beer). A site visit by the Director of Development Services verified the presence of beer brewing equipment and the brewing process. Currently the product is sold for resale at other venues, typically for "on premise" consumption at those locations. Except for small quantity "tastings," no beer is consumed on-site at the brewery, nor is beer sold at the brewery directly to consumers on a 'packaged" basis. The petitioners would like to grow the business over time. They have stated that they would also like to expand the business as soon as possible to allow for: (1) on premise consumption of the product in standard size vessels (as opposed to tasting cups); (2) hosting private and/or public events that would include consumption of alcoholic beverages; and, (3) selling the product on a packaged, take home basis in refillable "growler" containers. The business owners are requesting the annexation to pursue these additional sales opportunities since Dallas is "wet" and outside municipal limits in Gaston County is "dry."
2. Water and Sewer Services. It is feasible to extend water and sewer services to the site; however, it would be expensive at an estimated \$377,000 "a magnitude of cost" number provided by Diamond Engineering. This cost does not include right-of-way for both water and sewer (Durkee Lane is apparently a private street). Although all costs of extensions would be borne by the petitioner/customer, the maintenance of the facilities would become the responsibility of the Town of Dallas since the lines would cross other properties. This would include a sewer pump station which requires regular monitoring and frequent maintenance. Until such time as such services are petitioned for potable water service and waste water disposal these services would be handled at the site in the manner that is done now. If the brewery were to grow significantly it is unclear how any waste water or solid wastes from production would be handled and whether such wastes (especially active yeast), if entering the system, would have any impact upon the Town's sewage treatment process.
3. Electrical Service. The site is served by Rutherford Electric Cooperative. The Town is not aware of any precedent of Rutherford Electric relinquishing their right to serve to the Town. If by chance that would happen, the cost to extend Town electric service is estimated to be \$15,000, plus the cost of transformers and Town labor, plus right-of-way cost. But we think it would be very doubtful that Rutherford would relinquish service to this site.
4. Police Protection. The Town's police department would be able to provide police service to the site, although it extends beyond their existing patrol patterns. Where it could impact our system is during special events. It is assumed that all events would involve the consumption of alcoholic beverages.
5. Fire Protection. . The site could be served by our existing Fire station and apparatus without affecting the Town's ISO rating.



6. Solid Waste. Assuming the site continues to develop for non-residential purposes, it would have no effect on Town solid waste services.
7. Streets. Durkee Lane is a private street and does not meet Town standards. In order for the street to be accepted into the Town's system it would have to be upgraded and improved to Town standards and public street right-of-way established. Those costs would have to be borne by the fronting property owners. If annexed Durkee lane would remain a private street until it is improved to a point where it is acceptable for either the State or Town system.

#### REVENUES EXPECTED:

- **Property Tax:** The existing property has a tax value of \$122,482 which would produce a property tax of \$465 at the current rate of 0.38/\$100. If the establishment were to grow, over time, in terms of real estate improvement and production/sales fixtures the property tax would increase.
- **Sales Tax:** Based upon existing distribution formulas, the site as it exists today would produce about \$200 in sales tax distribution to the Town. Since current distribution is based upon property tax, increases in property tax would increase sales tax.
- **Franchise, Powell Bill, and Beer & Wine Revenues:** The distribution of these taxes by the state is largely population driven. Since this development is proposed as entirely non-residential there would be little to no increase in these revenues due to the annexation. Note: While beer and wine tax is collected by the state based on beer and wine sales, it is distributed back to "wet" jurisdictions based upon population within those jurisdictions; therefore, the addition of a beer sales outlet does not result in an increase in revenues locally, while the addition of dwellings (population) would.

## MASON ANNEXATION REQUEST- FINDING OF SUFFICIENCY

GS 160A, Article 4A, Part 4 Annexation of Noncontiguous Areas.**§ 160A-58.1. Petition for annexation; standards.**

(a) Upon receipt of a valid petition signed by all of the owners of real property in the area described therein, a city may annex an area not contiguous to its primary corporate limits when the area meets the standards set out in subsection (b) of this section. The petition need not be signed by the owners of real property that is wholly exempt from property taxation under the Constitution and laws of North Carolina, nor by railroad companies, public utilities as defined in G.S. 62-3(23), or electric or telephone membership corporations. A petition is not valid in any of the following circumstances:

- (1) It is unsigned. **The petition is signed by all property owners of record and spouses.**
- (2) It is signed by the city for the annexation of property the city does not own or have a legal interest in. For the purpose of this subdivision, a city has no legal interest in a State-maintained street unless it owns the underlying fee and not just an easement. **Not Applicable- No municipality has legal interest in the property requested for annexation.**
- (3) It is for the annexation of property for which a signature is not required and the property owner objects to the annexation. **Not Applicable**

**A noncontiguous area proposed for annexation must meet all of the following standards:**

- (1) The nearest point on the proposed satellite corporate limits must be not more than three miles from the primary corporate limits of the annexing city. **The nearest point on the proposed satellite corporate limits is approximately 1,300 linear feet from the primary corporate limits of the Town of Dallas.**
- (2) No point on the proposed satellite corporate limits may be closer to the primary corporate limits of another city than to the primary corporate limits of the annexing city, except as set forth in subsection (b2) of this section. **No point on the proposed satellite corporate limits is closer to the primary corporate limits of another municipality than to the corporate limits of the Town of Dallas. In addition, no portion of the proposed annexation lies within an area made ineligible for annexation by the Town of Dallas pursuant to any annexation agreement with another municipality.**
- (3) The area must be so situated that the annexing city will be able to provide the same services within the proposed satellite corporate limits that it provides within its primary corporate limits. **The area is so situated that the Town of Dallas can extend municipal services to the proposed satellite annexation, subject to the Town's policies for extending such services; however, the cost and physical feasibility of extending municipal services and any burden upon existing municipal service departments will depend upon the eventual land use of the property. At this time, the petitioners have indicated that the proposed use of the property is "undecided." A sewer lift station, force main and rights-of-way would be required for extending sanitary sewer service. A short line extension and right-of-way from Gibson Court would be required for extending water service. The property is served by Rutherford Electric Membership Cooperative and it is uncertain whether the property could be established as "customer choice." Extending public safety services would present certain challenges but they will vary significantly based on the developed use(s).**

## PLEASE SEE ATTACHED FEASIBILITY AND COST REVENUE ANALYSIS FOR ALL MUNICIPAL SERVICES

(4) If the area proposed for annexation, or any portion thereof, is a subdivision as defined in G.S. 160A-376, all of the subdivision must be included. **Not applicable**

(5) The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed ten percent (10%) of the area within the primary corporate limits of the annexing city. **As noted below, the Town of Dallas is statutorily exempt from this requirement.**

→ This subdivision **does not apply** to the Cities of Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia, Greenville, Hickory, Kannapolis, Locust, Marion, Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke Rapids, Rockingham, Sanford, Salisbury, Southport, Statesville, and Washington and the **Towns of** Ahoskie, Angier, Apex, Ayden, Benson, Bladenboro, Bridgeton, Burgaw, Calabash, Catawba, Clayton, Columbia, Columbus, Cramerton, Creswell, **Dallas**, Dobson, Four Oaks, Fuquay-Varina, Garner, Godwin, Granite Quarry, Green Level, Grimesland, Harrisburg, Holly Ridge, Holly Springs, Hookerton, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Leland, Lillington, Louisburg, Maggie Valley, Maiden, Mayodan, Maysville, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, Oak Island, Ocean Isle Beach, Pembroke, Pine Level, Princeton, Ranlo, Richlands, Rolesville, Rutherfordton, Shallotte, Smithfield, Spencer, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, Windsor, Yadkinville, and Zebulon.

(b1) Repealed by Session Laws 2004-203, ss. 13(a) and 13(d), effective August 17, 2004.

(b2) A city may annex a noncontiguous area that does not meet the standard set out in subdivision (b)(2) of this section if the city has entered into an annexation agreement pursuant to Part 6 of this Article with the city to which a point on the proposed satellite corporate limits is closer and the agreement states that the other city will not annex the area but does not say that the annexing city will not annex the area. The annexing city shall comply with all other requirements of this section. **No portion of the proposed annexation lies within an area made ineligible for annexation by the Town of Dallas pursuant to any annexation agreement with another municipality.**

(c) The petition shall contain the names, addresses, and signatures of all owners of real property within the proposed satellite corporate limits (except owners not required to sign by subsection (a)), shall describe the area proposed for annexation by metes and bounds, and shall have attached thereto a map showing the area proposed for annexation with relation to the primary corporate limits of the annexing city. When there is any substantial question as to whether the area may be closer to another city than to the annexing city, the map shall also show the area proposed for annexation with relation to the primary corporate limits of the other city. The city council may prescribe the form of the petition.

**The petition meets these requirements. There is no question that the petitioned annexation is closer to the corporate limits of the Town of Dallas than to any other municipality.**

## FEASIBILITY TO PROVIDE MUNICIPAL SERVICES AND COST/REVENUE ANALYSIS

## ANNEXATION REQUEST OF MARIA AND STEVE MASON

1. Proposed Land Use. In accordance with the policy adopted by the Board of Aldermen last month, the petitioner for annexation must state a proposed use for the property as well as a compelling reason/justification for the annexation based upon the stated long-term use. In the current application for annexation Mr. Mason stated that his intended use for the property was undecided. In a 2013 annexation request for the largest tract in the current request he stated to the Board that his intended use was an auto racing facility, and in fall 2014 he stated a similar plan to the Development Services Director. Following that, Mr. Mason signed a statement with the county Natural Resources Department stating his intended use for the property was agricultural. By doing so he became exempt from Gaston County Sedimentation and Soil Erosion Control and/or Stormwater Ordinances (so long as he executed a land plan for agricultural purposes). He then began a major land disturbance activity over the site using heavy equipment. Today, the site continues to exist in a condition of major land disturbance much like it did four to six months ago. There appears to be no continuing effort to establish an agricultural use such as crops or pasture. If the intended use for the site is indeed agricultural (as the Masons represented to the County), then one must ask the question of why annexation is necessary for agricultural use? The Masons' 2013 request for annexation was denied by the Board of Aldermen. The owner's intended use for the property remains unclear and/or unknown. According to Town policy, it is the applicant's responsibility to state his intended use to justify annexation, as well as to provide evidence that the owner is executing such intentions. It is not the Board's responsibility to try to figure out what the owner intends to develop upon the property. Any type of analysis as to costs-to-serve, impacts on existing Town services, or projected revenues that could be expected from the annexation is essentially dependent upon knowing the intended long range use. Without such information staff and the Board of Aldermen are left in the blind. One note regarding zoning: If the property were to be annexed and the owner were to desire to construct a racing facility (as has been previously stated by the owner), then the zoning code would have to be amended to allow such a use within the Town's zoning jurisdiction, which it does not now permit.
2. Water and Sewer Services. It is feasible to extend water and sewer services to the site; however, it would be expensive at an estimated \$363,500 "a magnitude of cost" number provided by Diamond Engineering. This cost does not include right-of-way for both water and sewer. Although all costs of extensions would be borne by the petitioner/customer, the maintenance of the facilities would become the responsibility of the Town of Dallas at any time the property would be subdivided. Since we do not know the proposed use, it is impossible to project any water or sewer revenues.
3. Electrical Service. The site is served by Rutherford Electric Cooperative. The Town is not aware of any precedent of Rutherford Electric relinquishing their right to serve to the Town. If by chance that would happen, the cost to extend Town electric service is estimated to be \$45,000 to \$70,000, plus the cost of transformers and Town labor, plus right-of-way costs. Not knowing the proposed use of the property, we should assume a very long period to pay back the costs from electric sales margins.

4. Police Protection. It is impossible to project the impact upon the Town's police service, not knowing the proposed use of the property. If it were to be a racing facility the impact would likely be significant and particularly so if alcoholic beverage are sold at events. Such a facility would require a significant police presence. The site does extend beyond the existing patrol patterns of the Dallas Police Department.
5. Fire Protection. The site could be served by our existing Fire station and apparatus without affecting the Town's ISO rating. However, not knowing the proposed use, the level of impact upon our existing fire service is impossible to determine. If a racing facility were built, then we should assume the necessity of a fire engine, ambulance and fire and EMS personnel on site during all racing events. This would constitute a profound impact upon these services and will impair their ability to serve the overall town during such events.
6. Solid Waste. Not know the proposed use, it is impossible to project impact on solid waste services.
7. Streets. Not knowing the development plans for the property it is impossible to project any new streets or the cost of maintenance thereof.

**REVENUES EXPECTED:**

- **Property Tax:** Not knowing the proposed development for the property it is impossible to project a property tax receipt based upon planned development. The existing largely vacant property has a tax value of \$203,500 which would produce a property tax of \$733.
- **Sales Tax:** Based upon existing distribution formulas, the site as it exists today would produce about \$350 in sales tax distribution to the Town
- **Franchise, Powell Bill, and Beer & Wine Revenues:** Not knowing the proposed development plans this is impossible to project. These the distribution of these revenues is largely population driven, so non-residential development would result in little or no increase.

## An Ordinance to Amend Chapter 54, "Sewer Use", of the Compiled Code of Ordinances of the Town of Dallas, North Carolina

Whereas, following a properly-noticed public hearing before the Board of Aldermen, held on \_\_\_\_\_, and in consideration of the information and research materials received and reviewed,

**NOW, THEREFORE BE IT ORDAINED**, By the Board of Aldermen of the Town of Dallas, North Carolina, that the Compiled Code of Town Ordinances is Hereby Amended as follows:

**That**, Chapter 54, "Sewer Use"; Sewer Regulations, Section 54.026 "Definitions", **GREASE TRAP OR INTERCEPTOR**; be Added to Read:

**"GREASE TRAP OR INTERCEPTOR.** A device for separating waterborne greases and grease complexes from wastewater and retaining and "trapping" such greases and grease complexes prior to the wastewater exiting the trap and entering the sanitary sewer collection and treatment system. Grease traps also serve to collect solids that settle, generated by and from food preparation activities, prior to the water exiting the trap and entering the sanitary sewer collection and treatment system. Grease traps and Interceptors are sometimes referred to herein as "grease Interceptors".

And, That Section 54.042, "Building Sewer and Connections"; Subsection (B) Taps and Lines, (8) Grease, Oil, and Sand Interceptor, be Amended to Read:

(8) Grease, oil, and sand interceptor.

Commonly referred to as "grease traps" or "grease interceptors", these devices shall be required to be installed, at the exclusive cost of the property owner, when, in the opinion of the Superintendent, they are, or become necessary for the proper handling of liquid wastes containing floatable oil, grease complexes, sand, or other harmful ingredients in excessive amounts. Grease interceptors shall not be required for single or multi-family dwelling units or other private living quarters, except that, in the case of Mobile Home Parks or camp-grounds, wherein individual sewer connections from each Mobile Home or camp-site Space join together to become a common flow prior to entering the Town system, and such common flows, in any instance, exhibit excessive amounts of floatable oil, grease complexes, sand or other harmful ingredients, then the Town Manager, or designee, shall order the owner(s) of said Mobile Home Park, or camp-ground at his/their exclusive cost to properly install and maintain a grease interceptor in a location "upstream" and prior to the Mobile Home Park' common flow entering the Town system. All interceptors shall be of a type and capacity, and to precise engineering specifications, as approved by the Superintendent, and shall be located as to be readily and easily accessible for cleaning and inspection. Where installed, all greases, oil, and sand interceptors shall be maintained by the owner(s) at his/their expense in continuously efficient operation at all times. If the owner(s) fail(s) to timely comply with an order to install a grease interceptor as described herein, the Town shall arrange

for and complete said installation and all costs associated therewith shall be assessed against said owner(s) and become a liability of the owner(s) so assessed.

In the maintaining of these interceptors, the owner(s) shall be responsible for the proper removal and disposal by appropriate means of the captured material(s) and shall maintain records of the dates and means of disposal which are subject to review by the Superintendent. Any removal and hauling of the collected material(s) not performed by owner(s) personnel must be performed by currently licensed waste disposal firms."

**YEAS:**

**NAYS:**

**Attest:** \_\_\_\_\_ **Signed:** \_\_\_\_\_



**Town of Dallas  
Budget Amendment**

Date: August 11, 2015

Action: Police Department Amendment

Purpose: To Fund Law Enforcement Separation Allowance for Kevin McFee

Number: PD-001

Fund	Dept	Line Item	Item Description	Original Amount	Amended Amount	Difference
10	3915	0000	Contribution From LESA	\$0	\$8,513	\$8,513
10	5100	0261	Law Enforcement Sep Allow	\$0	\$8,513	\$8,513

	<b>Totals</b>	\$0	\$17,026	\$17,026
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\_\_\_\_\_  
Approval Signature  
(Town Manager or Administrative Services Director)

P.O. Box 13  
West Union, Ohio 45693-0013

July 28, 2015

Mr. Jim Palenick,  
Town Manager  
Town of Dallas  
210 N. Holland Street  
Dallas, N.C. 28034

Dear Mr. Palenick:

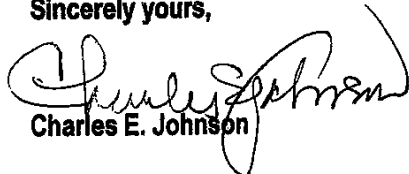
RE: Donation of Property to the Town of Dallas

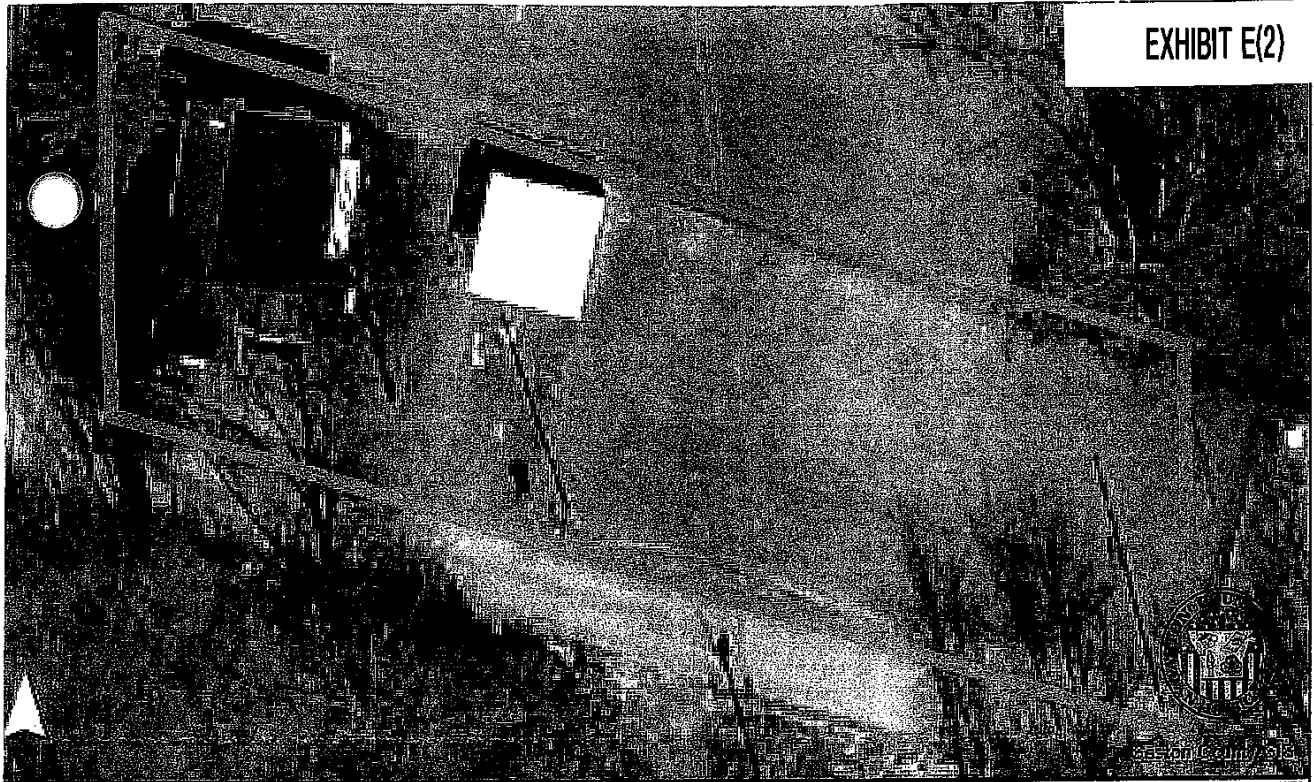
This correspondence represents a follow-up to a telephone conversation between you and my son, Nikolas D. Johnson, Esq., about property at 402 E. Johnson Street, Dallas, N.C. 28034. By this letter, the property is being offered as a donation to the Town of Dallas.. Liabilities associated with the property are (1) a \$500 tax bill for 2014, and \$150 to the Town of Dallas for the recent mowing of grass. The current tax valuation for the property is \$49,035.

If the town is interested, what is the process that should be followed? I can be reached by phone/fax at 937-544-2401, and my mailing address is indicated above.

I look forward to your response. Thank you for your consideration and for your time.

Sincerely yours,

  
Charles E. Johnson



133114 03/05/2014

**Tax Information**

LOCATION : 402 JOHNSON ST  
 D# : 133114  
 N# : 3557148055  
 SHD# : 2C008  
 SHD NAME : ALEXANDER ST  
 OWNER ID# : 1513731  
 CURRENT OWNER 1 : JOHNSON CHARLES  
 WARD &  
 CURRENT OWNER 2 : JOHNSON IRA  
 JOSEPH  
 MAILING ADDRESS : P O BOX 13  
 CITY : WEST UNION  
 STATE : OH ZIP : 45693-0013  
 PRIMARY OWNER 1 : JOHNSON CHARLES  
 WARD &  
 PRIMARY OWNER 2 : JOHNSON IRA JOSEPH

**Tax Information**

DEED TYPE : WB  
 DEED BK : 007E PG : 0706  
 DEED RECORDING DATE : 06/12/2007  
 SALES AMOUNT : \$0  
 PLAT BK : PG :  
 LEGAL DESC 1 :  
 LEGAL DESC 2 :  
 STRUCTURE TYPE : RES 1 STORY  
 YEAR BUILT : 1955  
 SQUARE FOOTAGE : 890  
 BASEMENT : No  
 # BEDROOMS : 3 # BATHS : 1  
 MULTI-STRUCTURES : NO  
 ACREAGE : 0.27  
 TAX DISTRICT : TOWN OF DALLAS  
 VOLUNTARY AG DISTRICT : NO  
 MARKET LAND VALUE : \$10,800  
 MARKET IMPV. VALUE : \$38,235  
 MARKET VALUE : \$49,035  
 FARM DISCOUNT : NO  
 TAXABLE VALUE : \$49,035

**School Information**

ELEMENTARY : CARR  
 MIDDLE : W.C. FRIDAY  
 HIGH : NORTH GASTON

**Election Information**

PRECINCT NAME : DALLAS I  
 POLLING PLACE : DALLAS CIVIC CENTER  
 POLLING ADDRESS : 204 S. OAKLAND ST  
 WARD # :  
 CONGRESS REPRESENTATIVE : MEMBER  
 PATRICK MCHENRY  
 CONGRESSIONAL DISTRICT : 10  
 HOUSE REPRESENTATIVE :  
 REPRESENTATIVE KELLY E. HASTINGS (REP)  
 HOUSE DISTRICT : 110  
 SENATOR : SENATOR KATHY HARRINGTON  
 (REP)  
 SENATE DISTRICT : 43

**Parcel Information**

POLICE DISTRICT : DALLAS  
 FIRE DISTRICT : DALLAS  
 EMS RESCUE : DALLAS RESCUE SQUAD  
 STATION # : GEMS STATION 1  
 FLOOD :  
 CENSUS TRACT : 030902

Printed On: 6/12/2015

Disclaimer: The information provided is not to be considered as a Legal Document or Description. The Map & Parcel Data is believed to be accurate, but Gaston County does not guarantee its accuracy. Values shown are as of January 1, 2015.