

Salisbury, North Carolina
May 19, 2009

REGULAR MEETING

PRESENT: Mayor Susan W. Kluttz, Presiding; Mayor Pro Tem Paul B. Woodson, Jr., Councilmen William (Bill) Burgin, William (Pete) Kennedy, and Mark N. Lewis; City Manager David W. Treme; City Clerk Myra B. Heard; and City Attorney F. Rivers Lawther, Jr.

ABSENT: None

The meeting was called to order by Mayor Kluttz at 4:00 p.m. The invocation was given by Mayor Pro Tem Woodson.

PLEDGE OF ALLEGIANCE

Mayor Kluttz asked that the local men and women serving in the Armed Forces be remembered as she led those present in the Pledge of Allegiance to the United States flag.

RECOGNITION OF VISITORS

Mayor Kluttz recognized all visitors present.

ADDITIONS/DELETIONS TO THE AGENDA

Mayor Kluttz noted the following changes to the Agenda:

Omit Item 15 – Council to receive a report regarding a request for Extra Territorial Jurisdiction (ETJ) relinquishment.

POSITIVE YOUTH INITIATIVES

Ms. Joann Diggs, Director of the Workforce Investment Act (WIA) Program addressed Council regarding the Salisbury-Rowan Community Action Agency Summer Youth Employment Program. Ms. Diggs stated that the Salisbury-Rowan Community Action Agency will operate one of the largest summer youth programs in Rowan County. She indicated that the funds are made possible through the American Recovery and Reinvestment Act. She pointed out that her agency has received \$241,854 to serve 68 youth in Rowan County.

Ms. Diggs reviewed the program components:

- Youth 14-24
- Summer employment 8-10 weeks – extension of older youth 10 months
- Wages - \$7.25
- Youth working 35-40 hours per week
(4 working days and 1 day of academic enrichment and continuation of work readiness skill training)
- Youth can be in or out of school
- Income eligibility guidelines

Ms. Diggs also reviewed the job sites in Rowan County:

- Salisbury-Rowan Community Action Agency (4 sub-sites) Green Site-Weatherization
- City of Salisbury (7 sub-sites)
- Rowan Helping Ministries
- Dan Nicholas Park
- Nazareth Children's Home
- Rowan Public Library
- Students In Training –SIT (Green Site)
- Salisbury High School
- South Rowan High School
- Employment Security Commission – Job Link
- Zion Hills Apartment
- W.A. Brown
- Livingstone College (4 sub-sites)
- Noble and Kelsey Funeral Home
- City of East Spencer (Success Program)

Ms. Diggs indicated that the work readiness skills will include:

- Application completion skills
- Resume building
- Cover letter writing

- Interview skills development
- Post interview follow-up
- Job search techniques
- Employer contact
- Appropriate attire

Ms. Diggs reviewed the academic enrichment activities:

- Basic skills (reading and math)
- Develop a research paper
- Develop a portfolio – to document tasks, insights and learning experiences as the students progress through the program
- Oral presentation – communicating their research paper and/or portfolio

She pointed out that the program has received 275 applicants for 68 positions. She indicated that each person who is accepted into the program will be evaluated, given constructive feedback, and will have a follow-up period of one year. She indicated that there are high expectations for the program.

Mayor Pro Tem Woodson asked if the applicants will be placed in for-profit businesses. Ms. Diggs indicated that there is a limit on the number of applicants that can be placed in for-profit businesses. She noted that W.A. Brown will be the for-profit site this year.

Mayor Kluttz noted that employing teens is one of the most important things a community can do. She thanked Ms. Diggs for her efforts in helping the youth.

CONSENT AGENDA

(a) Approval of Minutes

Approve Minutes of the Regular meeting of May 5, 2009.

(b) Budget Amendment – Salisbury Parks and Recreation

Adopt a budget Ordinance amendment to the FY2008-2009 budget in the amount of \$19,409 to appropriate various donations received by Salisbury Parks and Recreation Department.

AN ORDINANCE AMENDING THE 2008-2009 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA TO APPROPRIATE VARIOUS RECREATION DONATIONS.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 75-76, and is known as Ordinance 2009-31.)

(c) Pool Hall Permit

Receive an application from Mr. Steven R. Poole and Ms. Ashley Honeycutt for a permit to operate a pool hall located at 612 South Main Street, and set a public hearing for June 2, 2009.

(d) Temporary Street Closing

Close the 100 block of South Church Street June 6, 2009 from 1:00 p.m. until 11:00 p.m. for the Pops at the Post event.

(e) City of Salisbury 2010 Holiday Schedule

Adopt the FY2010 City of Salisbury employee's holiday schedule.

Thereupon, Mr. Kennedy made a **motion** to approve the Consent Agenda as presented. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

PUBLIC HEARING – COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

(a) Ms. Janet Gapen, Senior Planner, addressed Council regarding Community Development Block Grant Funds (CDBG-R). Ms. Gapen indicated that these funds are made available through the American Recovery and Reinvestment Act and that the City is eligible to receive is \$82,747, which is 27% of the regular Community Development Block Grant (CDBG) allocation for the current year. She pointed out that these funds are a special allocation and will be recognized separately from the regular CDBG funds.

Ms. Gapen reviewed the citizen participation schedule:

- May 19 Public Hearing
- May 28 Publish budget for comment
 - Newspaper
 - City offices and website
 - Library
- June 2 Council to consider budget
- June 5 Submit plan to Housing and Urban Development (HUD)

She stated that there is an expedited review process and grantees have been advised to place priority on projects that can be under contract within 120 days of the grant award. Ms. Gapen pointed out that the plan must be submitted by June 5, 2009.

(b) Mayor Kluttz convened a public hearing, after due notice thereof, to receive comments on the Community Development Block Grant funds.

There being no one to address Council, Mayor Kluttz closed the public hearing.

RESOLUTION – 2009 SOLID WASTE MANAGEMENT PLAN

Mr. Lynn Hillard, Solid Waste Manager, and Ms. Lori Swaim, Rowan County Recycling Coordinator, addressed Council regarding the 2009 Solid Waste Management Plan. Ms. Swaim indicated that this 2009 Solid Waste Management Plan is the mandated three year update required by the State of North Carolina. She stated that the plan addresses new landfill ban laws which includes plastic bottles, pallets, and electronics. She noted that the plan also includes steps to address animal mortality, mobile home disposal and a temporary disaster plan.

Mayor Pro Tem Woodson stated that he was surprised Rowan County's population decreased by 8,000 over the last few years. Ms. Swaim indicated that figures used in the last Solid Waste Plan came from the United States Census and when the State of North Carolina passed a solid waste disposal tax it used revised figures for the County's population and staff used those numbers for the updated Plan.

Thereupon, Mr. Lewis made a **motion** to adopt a Resolution accepting and endorsing the Solid Waste Management Plan of 2009 for Rowan County. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

ACCEPTING AND ENDORSING THE SOLID WASTE MANAGEMENT PLAN OF 2009 FOR ROWAN COUNTY.

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 28, and is known as Resolution 2009-14.)

AMENDMENT – UNIFORM CONSTRUCTION STANDARD MANUAL

(a) Mr. Dan Mikkelson, Engineering and Development Director, and Mr. Jim Behmer, Utilities Director, addressed Council regarding amendments to the Uniform Construction Standard Manual. Mr. Mikkelson stated that a Committee was formed to review development review practices and coordinate the review of private development projects. He indicated that the Committee has developed revisions to the Construction Standards Manual and noted that the revisions will not change the intent of the existing policies or impose extra costs to developers. He commented that two of the updates have been mandated by the State Division of Water Quality and several updates are needed to maintain consistency with the Land Development Ordinance and to clarify misunderstandings.

The changes consist of the following:

- SS-1, Precast Manhole: clarify wall thickness shall be 5” for 4’ diameter and 6” for 5’ diameter.
- SS-2, Precast Manhole with inside drop: clarify wall thickness shall be 6”.
- SS-3, Precast Manhole with outside drop: clarify wall thickness shall be 5” for 4’ diameter and 6” for 5’ diameter; specify base material shall be 4000 psi concrete instead of 3000 psi.
- SS-4, Manhole vent: clarify wall thickness shall be 5” for 4’ diameter and 6” for 5’ diameter.
- SS-5, Tap & Stub-out: clarify no material transitions between DIP and PVC.
- SS-11, Doghouse Manhole: new detail for a common situation, constructing a new manhole over an existing sewer line.
- W-3, Fire Hydrant: specify mega-lugs or grip rings for joint restraints (threaded rod is not allowed).
- W-7, Blow off valves: specify sampling taps may be 3/4”; clarify blow off sizes.
- W-8, Vaults: provide spec’s for concrete, reinforcing, joint sealant, loading; delete reference to RP’s in vaults; specify aluminum lids only; provide options for vault drain.
- W-8 A, B, C, Vaults: new details, provide nominal vault sizes based on device.
- W-9, ¾’ & 1” meter: remove service connection details and refer to W-12 for those details; add notes.
- W-9A, ¾” – 2” meter boxes and vaults: new detail, provides meter box dimensions based on meter size.
- W-10, 2” meter connection: improved graphic; delete names of specific manufacturers; add notes.
- W-11, Multiple Meter Assemblies: delete note (size determined by Utilities Director); modify note (approval by Utilities *Management* instead of Utilities *Director*).
- W-12, 1” Service line for domestic ¾” and 1” services: delete reference to irrigation (per DWQ). Show relative location of sidewalk, stub-out, and meter box. (note: sidewalk recommended 1’ inside of R/W; meter box recommended 1’ outside of R/W).
- W-13, Temporary Backflow Prevention Device: change title (per DWQ); specify minimum 2” blow off for 6”-12” lines; allow more options for coupling sleeve; clarify that temporary device shall be removed after construction.
- BF-7, A & B, Reduced Pressure Principle Assembly (RP): 2 new detail options for RP, based on location of FDC.
- BF-15, Reduced Pressure Detector Assembly (RPDA): Changed detail number from BF-16 to BF-15 (to maintain numerical order).
- BF-15A & B, Reduce Pressure Detector Assembly (RPDA): 2 new detail options for RPDA, based on location of FDC.
- R-1, 2 and 3, pavement standards: change asphalt type (I-2 and HB) to “current NCDOT standards”; add reference to LDO Chapter 4 for new allowable dimensions.

- R-4, Shoulder Section: delete and replace with two options:
 - R-4a, Shoulder Section with trees: Specify that water and sewer mains shall be in the street, and material shall be ductile iron.
 - R-4b, Shoulder Section without trees. Specify that water and sewer mains shall be in the shoulder.
 - Both: locate sidewalk 1' inside R/W and specify fire hydrants, water meters, and sewer stacks shall be at the edge of the R/W; add reference to LDO Chapter 4.
- R-5 Cul-de-sac: revise sidewalk detail to no longer circle the entire cul-de-sac bulb.
- Figure 2, Runoff Coefficient values, page 5-16: Increase runoff coefficient of brick from 0.5 to 0.6; change zoning districts to match new district names under the LDO.
- Sec. 5.02, page 5-30: specify that TRC (instead of Planning Board) shall make determination of street classification since Subdivision Preliminary Plats are now approved by TRC instead of the Planning Board.
- Appendix D, Backflow Prevention & Cross-Connection Control Guidance Documents:
 - Delete lists of certified testers (list changes frequently; provide current lists at SRU and Development Services).
 - Specify that Certified Testers must obtain valid City of Salisbury business license.
 - Replace Test & Maintenance Report.

Mr. Mikkelson stated that changes to the manual have been made available for viewing on the City's website. He pointed out that this information was shared with two local engineering and consulting firms with one concurring with the recommended changes. He requested Council adopt the revisions as presented.

(b) Mayor Kluttz opened the floor to receive public comment.

There being no one to address Council, Mayor Kluttz closed the public comment.

(c) Thereupon, Mr. Woodson made a **motion** to adopt amendments to the Uniform Construction Standards Manual as presented by the City Engineer. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AWARD CONTRACT – RAM DEVELOPMENT OF MOORESVILLE, INC.

Mr. Jason Wilson, Utilities Engineering Manager, addressed Council regarding a contract with RAM Development of Mooresville, Inc for water line installation in the 2007 Annexation area. Mr. Wilson stated that Salisbury-Rowan Utilities (SRU) received 19 bids for installation of water improvements in the Majolica Road and Harrison Road area. He indicated that RAM Development of Mooresville, Inc. was the lowest bidder in the amount of \$400,612.20. He noted that this amount is below the initial engineering

estimate and added that RAM Development of Mooresville, Inc. is currently installing water and sewer improvements in the Old Mocksville Road 2007 Annexation area.

Thereupon, Mr. Kennedy made a **motion** to award a contract in the amount of \$400,612.20 to RAM Development of Mooresville, Inc. for the installation of water improvements in the Majolica Road and Harris Road 2007 Annexation area. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

POLE AGREEMENT – AT&T AND THE STATE OF NORTH CAROLINA

Mr. Mike Crowell, Director of Broadband Services, addressed Council regarding a Pole Attachment agreement with AT&T. Mr. Crowell stated that during the development of the business model for Fiber To The Home (FTTH) it was thought that the City would be able to use Duke Energy poles for fiber location. He indicated that it has become apparent that there may be situations where locating fiber on poles owned by AT&T may be preferable. He stated that AT&T has been agreeable and requires a Pole Attachment Agreement to proceed. Mr. Crowell requested Council authorize the execution of the Pole Attachment Agreement.

Councilman Kennedy asked if the price for the pole attachments is the same as with Duke Energy. Mr. Crowell indicated that AT&T's price is \$13.84 and Duke Energy's price is \$5. He pointed out that the prices are set by the Federal Communication Commission (FCC) and are determined by classification. He stated that Duke Energy classifies the City as a data provider whereas AT&T classifies the City as a communications provider.

Mr. Crowell indicated that the majority of the fiber installation will use Duke Energy poles, but staff wants to have the option to use AT&T poles if it is a better choice.

Thereupon, Mr. Lewis made a **motion** to authorize the City Manager to execute a Stand-Alone Structure Access Agreement for Pole, Conduits, and Rights-of-Way with AT&T North Carolina and the City of Salisbury. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

PARKING ORDINANCE – 500 BLOCK OF NORTH LEE STREET

Ms. Wendy Brindle, Traffic Engineer, addressed Council regarding parking in the 500 block of North Lee Street. Ms. Brindle indicated that due to Rail Walk there has been an increased demand for parking in the Lee Street area. She pointed out that while staff was correcting parking on the East side of Lee Street, they noticed a 140 foot long area of one hour parking in the 500 block. She stated that staff recommends removing the one hour limit so parking can be used more efficiently.

Thereupon, Mr. Woodson made a **motion** to adopt an Ordinance amending Section 13-355, Article X, Chapter 13, of the Code of the City of Salisbury, relating to parking limited to one hour between 8 a.m. and 6 p.m. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING SECTION 13-355, ARTICLE X, CHAPTER 13, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO PARKING LIMITED TO ONE HOUR BETWEEN 8 AM AND 6 PM.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 77, and is known as Ordinance 2009-32.)

RESOLUTION – DISPOSAL OF SURPLUS PROPERTY VALUED AT LESS THAN \$30,000

Mr. Dewey Peck, Purchasing Manager, addressed Council regarding surplus property valued at less than \$30,000. Mr. Peck indicated that the current Resolution was adopted four years ago and only allows the Purchasing Manager to designate certain City property as surplus and sell it electronically. He added that with the increase in the number of electronic sales there needs to be someone else who can finalize these documents. He requested Council approve a Resolution allowing the Purchasing Manager and the Finance Manager to execute documents to sell surplus property valued at less than \$30,000. He pointed out that electronic sales have been successful and the City has realized a substantial increase in gross receipts as compared to previous sales.

Thereupon, Mr. Woodson made a **motion** to adopt a Resolution of the Salisbury City Council prescribing procedures for disposal of surplus personal property valued at less than \$30,000 be authorized by the Finance Manager. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

RESOLUTION OF THE SALISBURY CITY COUNCIL PRESCRIBING PROCEDURES FOR DISPOSAL OF SURPLUS PERSONAL PROPERTY VALUED AT LESS THAN \$30,000.

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 29-30, and is known as Resolution 2009-15.)

REPORT – OFFER OF PROPERTY FROM CATAWBA COLLEGE

Mr. Joe Morris, Planning Director, addressed Council regarding an offer of property from Catawba College. Mr. Morris stated that Dr. Craig Turner, President of Catawba College, has offered property located on Hawkins Avenue to the City of Salisbury. He indicated that this property is approximately 2.1 acres and is adjacent to City owned property. He noted that the City currently has an easement through the

property for an existing sewer line. Mr. Morris pointed out that this property is within the proposed Grants Creek Greenway and will allow additional access to the sewer line. He noted that the property is being offered as a donation and in order to move forward the City is being asked to bear the cost of a survey and attorney fees.

Councilman Kennedy asked if there are any negatives in accepting this property. Mr. Morris commented that additional maintenance could be an issue, but the right-of-way is already being maintained by the City and there should be no substantial cost to taxpayers.

Thereupon, Mr. Kennedy made a **motion** to accept a donation of property located at Hawkins Avenue, Tax Map 324 Parcel 032, from Catawba College. Mr. Lewis seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

REPORT – EXTRA TERRITORIAL JURISDICTION (ETJ) RELINQUISHMENT

This item was omitted.

REPORT – CODE ENFORCEMENT ACTIVITIES

Mr. Joe Morris, Community Planning Services Manager, stated that in 2008 community organizations requested Council take action in order to improve housing, maintenance in the downtown area, and to consolidate code enforcement. He pointed out that as a result of the requests, Council appropriated funds to create a centralized Code Services Division and noted that Mr. Chris Branham was hired as Code Services Manager.

Mr. Morris explained that in January 2009 the City Manager restructured the Land Management and Development Department creating the Community Planning Services Department. He stated that the Department includes the Code Services Division which has been in operation for six months. Mr. Morris reviewed the Outcomes and Goals relating to the Code Services Division:

- Outcome 2 - Improve neighborhoods and safety for all areas of the City
 - Goal 3 – Pursue implementation of the commercial property maintenance code
 - Goal 4 – Pursue implementation of the better housing code

Mr. Branham stated that the Code Enforcement Division’s mission statement is “To enforce the codes of the City of Salisbury and improve the quality of life within our community through ensuring that our community is visually appealing, clean, and safe.”

Mr. Branham reviewed the visions and goals that resulted from the strategic plan:

- To be a model that other cities will learn from and be like in ten years
 - Recommend and implement restructuring, explore best practices in other communities, complete strategic plan
- To pursue the appropriate tools to reduce crime and improve housing conditions
 - Implement recommendations in better housing plan and pursue implementation of Rental Certificate of Occupancy
- To have the best technology to make efficient use of time
 - Explore how Cogsdale's Citizen Resource Management can be integrated, explore other technology as available to code
- To develop and implement the most efficient use of manpower within Code Services
 - Refocus workload on code specifically, cross-trained employees, City divided into sectors with officers assigned to sectors

Mr. Branham introduced Code Enforcement Officers Mr. Jeff Benfield, Mr. Ron Paxton, and Mr. Donovan Hamm and further reviewed the Division's goals.

Creating Awareness – Explore best practices in other communities

- Community Related Meetings
 - Community Appearance Commission
 - Salisbury Neighborhood Action Group
 - Crimestoppers
 - Historic Preservation Commission
 - Preservation Action Committee
 - Historic Neighborhood Alliance
 - Downtown Salisbury, Inc.
- Neighborhood Meetings
 - Neighborhood Leaders Alliance
 - Park Avenue District
 - West Square District

Code Improvement – Implement recommendations in better housing plan, pursue implementation of Rental Certificate of Occupancy

- Currently working on draft of “Downtown Maintenance Code” to preserve the downtown district
- Future goals are to pursue a better housing plan
 - Evaluate a Code Compliance Board to review code appeals
 - Improve communications with groups and organizations on strategies
 - Amendments to current city code

Technology – Explore Cogsdale integration and other technology that is available

- Cogsdale Citizen Resource Management will greatly help efficiency
- Other programs are available, but costly
- Other technologies such as laptops with wireless cards in vehicles and digital cameras

Workload – Refocus of workload on code specifically

- City of Salisbury is approximately
 - 31,000 in population
 - 21.5 square miles within the City limits
 - 33.2 square miles when the extra territorial jurisdiction is included
 - 16,000 parcels of land
- 2006 study indicated
 - 10,466 residential homes
 - 797 mobile homes
 - 1,786 commercial and industrial buildings
 - Total of 13,049 buildings
- In 2008, there were approximately 2,400 nuisance violations that were cited and abated
 - On average, the nuisance is abated by the property owner or resident 63% of the time
 - Per nuisance that is cited, it takes minimum of two visits to the property, sometimes up to four times if the City abates the property
 - In 2008 there were approximately 6,200 visits made to nuisance properties
 - 516 per month, 23 per workday
- Since October, 2008
 - Demolition permits issued – 4
 - Minimum housing cases – 49
 - Houses awaiting compliance – 26
 - Average minimum housing case takes a minimum of 15 months before the City can cause repair or demolition and up to 27 months if property is in a historic district

Mr. Branham explained that the City has been divided into two districts with four sectors in each district. One officer is assigned to each district and a third officer trains in both districts. He noted that in approximately six months the City will be divided into three districts with one officer assigned to each district.

Mr. Branham indicated that the Code Services Division's future activities include completing the strategic plan by:

- Proposing ordinances for Downtown Maintenance Code and Better Housing Code

- Explore citations being issued on the spot
- GIS analysis for enforcement effectiveness

Mayor Pro Tem Woodson inquired about standards for rental property. Mr. Morris explained that rental standards have not yet been addressed. He indicated that the Division has been focusing on the Downtown Maintenance Code and the next step will be to address the complex issues regarding better housing. Mr. Morris pointed out that the housing issues will take considerable time due to the idea of developing a review board to deal with better housing and perhaps rental properties. He added that he feels the housing conditions will improve with more active code enforcement.

Mayor Kluttz commented that the presentation was very impressive and that Council appreciates the work of the Code Services Division. She pointed out that these issues were identified by the community as being very important to Salisbury.

APPOINTMENT – PARKS AND RECREATION ADVISORY BOARD

Upon a motion by Mayor Kluttz, seconded by Mr. Lewis, and with Messrs. Burgin, Kennedy and Woodson voting AYE, the following appointment was made to fulfill an unexpired term on the Parks and Recreation Advisory Board:

Ms. Margaret Nobles

Term expires 3-31-10

PUBLIC COMMENT

Mayor Kluttz opened the floor to receive public comment.

Mr. Thomas Morgan, Richfield, North Carolina, thanked Mayor Kluttz and Council for granting permission to go forward with the recent Cultural Arts Festival. He pointed out that the City received short notice of the new festival and that the organizers did not have everything in place. He indicated that the organizers are already planning for the 2010 festival and will return to Council in an early, fashionable way so that next year's festival will be a success. Mr. Morgan stated that he thinks the weekend festival was a success but he realizes there were shortcomings since this was the first event and he looks forward to next year.

Mr. Larry Wright, Neel Estates, stated that on May 6, 2009, 70 residents traveled to Raleigh, North Carolina seeking support for Senate Bill 494 regarding involuntary annexation. He explained that the bill allows for a public vote on annexation and asked citizens who oppose involuntary annexation to contact their State Senators. He pointed out that a discharge petition is needed for Bill 494 to move forward.

Mr. Wayne Bost, 2310 East Innes Street, stated that he would like to present a recommendation regarding the City's recyclables. He indicated that he feels it is proper

to recycle but only 20% of the citizens participate. He pointed out that he feels the low number may be due to full bins being difficult to carry and noted that other cities use smaller bins with wheels that can be rolled to the curb. He asked that Council consider changing the bins so they are easier to carry and presented photographs of bins he would suggest using.

Mayor Pro Tem Woodson stated that Mr. Bost made a good point and asked staff to investigate the possibility of replacing the recycling bins.

There being no one else to address Council, Mayor Kluttz closed the public comment session.

COMMENTS FROM THE CITY MANAGER

(a) FY2009-2010 Proposed Budget

City Manager David Treme presented a copy of the FY2009-2010 Budget to Council and reviewed the highlights. He indicated that the City has experienced significantly lower property tax revenue, sales tax revenue, and income interest revenue. He noted that staff had projected an \$800,000 shortage through June 30, 2009, but after quarterly budget reviews it appears that the City should end with a balanced budget in terms of revenues and expenditures, including the funds offered by City Council from the Fund Balance. He indicated that he does not recommend using Fund Balance during FY2009-2010 because he feels that FY2010-2011 may actually be a more difficult year.

Mr. Treme indicated that at the February 13-14, 2009 Future Directions and Goal Setting Conference, Council indicated they did not want a reduction in work force, a salary cut for employees, a tax increase, or a reduction of services in FY2009-2010. He pointed out that street resurfacing has been impacted due to State cuts in Powell Bill funds. He indicated that Council also expressed a desire to implement a market salary study because the City is losing firefighters and police officers to other communities. He added that Council was most concerned with the employees at the bottom third of the City's pay scale and added that this has been taken into consideration.

Mr. Treme urged Council to take a judicious look at using Fund Balance for current services and use only as a minimum. He indicated that two significant projects included in the proposed budget are the I-85 sewer project and the Fiber To The Home project. He pointed out that the I-85 sewer project is jointly funded by the City and Rowan County. He added that the project should be completed in approximately 24 months and will supply citizens with water and sewer service at excellent and valuable locations. Mr. Treme stated that the Fiber To The Home project is underway and will be a tremendous value to the citizens. He stated that this project will offer broadband with competitive prices and excellent customer service and added that there are companies moving to the community who rely on bandwidth. He pointed out that this is the

citizens' business and he hopes they will invest in the community and benefit from what this service will offer, which is superior to what is offered through other companies.

Mr. Treme stated that Solid Waste collection is a successful operation and asked Council to consider setting it up as a separate enterprise fund. He noted that it would take approximately three years to set up Solid Waste collection as an enterprise fund. He also recommended a one-cent tax decrease which would be offset by a \$3.00 garbage collection fee per month.

Mr. Treme pointed out that the budget proposes no new positions and no merit salary increases for City employees. He noted that the health and wellness program has realized savings over the last two years. He indicated that staff has used a portion of these savings to balance the FY2008-2009 budget and propose using \$180,000 of these savings to adjust the salaries of the employees at the bottom third of the pay scale. He added that staff is seeking \$350,000 in Stimulus funds for the Community Oriented Policing Services Grant Program which will assist with Police staffing. Mr. Treme also suggested moving two Street Department employees to the Solid Waste Department since the Powell Bill reduction reduces the City's street paving abilities.

Mr. Treme stated that the proposed budget reflects a reduction in capital projects, special projects and a reduction in funds for special efforts groups.

Mr. Treme noted that the budget eliminates the City's front end garbage collection and returns it to the private sector. Other items included in the budget are the implementation of Fire Department inspection fees in the Extra Territorial Jurisdiction (ETJ) areas, no reduction in work force, creation of an enterprise fund for the Fiber To The Home project, and a recommendation of a 4.5% increase in water and sewer rates. He pointed out that Rowan County and other areas have 12 paid holidays while the City has ten and asked Council to consider adding a floating holiday for City employees.

Mr. Treme stated that the Fire Department has received the results of the National Institute for Occupational Safety and Health (NIOSH) Report and the report of the expert panel regarding the March 7, 2008 fire at Salisbury Millwork Company. He indicated that the reports recommend a minimum of four personnel per unit but he feels the City cannot address an increase of six firefighters in the proposed budget with the current economy.

Mr. Treme stated that the North Carolina Department of Health and Natural Resources has suggested the City move the Street Department's materials handling site from Old Wilkesboro Road. He indicated that the proposed budget includes the cost of this move and staff is currently searching for a new site for yard compost.

Mr. Treme stated that the Parks and Recreation Department is working on the Milford-Knoll Neighborhood Park, Phase II of the Greenway plan, and a Master Park Plan for Lincoln Park Pool.

Mr. Treme indicated that the City has received numerous requests for expansion of Transit services. He noted that staff has applied for matching funds to address the Transit System requests, and once the City receives an updated Transit Plan from the State of North Carolina it will be able to consider transit expansion to the Lash Drive area and rerouting services to better serve the citizens.

Mr. Treme stated that the City has an outstanding budget staff and recognized Mr. John Sofley, Management Services Director; Ms. Teresa Harris, Budget and Performance Manager; Mr. Wade Furches, Finance Manager; Mr. Evans Ballard, Budget and Benchmarking Analyst; Ms. Renee Pierson, Management Analyst; Ms. Melissa Drye, Finance Specialist; Mr. Mark Drye, Management Analyst; Ms. Kizzy Lee, Accountant; Mr. Doug Paris, Assistant to the City Manager; and Ms. Myra Heard, City Clerk. He thanked them for their work in submitting an excellent proposed budget. He added that he hopes Council will give their recommendations serious consideration.

Mayor Kluttz thanked Mr. Treme and City staff for the work that went into preparing the FY2009-2010 Budget.

Thereupon, Mr. Woodson made a **motion** to set a public hearing regarding the FY2009-2010 budget for June 2, 2009. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

Mayor Kluttz suggested Council schedule a Budget Workshop for Thursday, June 4, 2009 at 12:30 p.m. and if necessary, Friday, June 5, 2009 at 10:00 a.m.

Thereupon, Mr. Woodson made a **motion** to hold a Thursday lunch budget meeting starting at 12:30 p.m., and if needed, Friday at 10:00 a.m. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

MAYOR'S ANNOUNCEMENTS

(a) Legislative Committee Meeting regarding Broadband

Mayor Kluttz reported on Legislative Committee meetings regarding Broadband legislation held in Raleigh, North Carolina May 6-7, 2009. She pointed out that she addressed the North Carolina House Science and Technology Committee on two separate occasions regarding the Broadband legislation. She added that she, City Manager David Treme and Assistant to the City Manager Doug Paris attended the North Carolina House Public Utilities Committee meeting on May 6, 2009 and the North Carolina State Senate on May 7, 2009. She reported that both the House and Senate have sent the bill into study. She explained that this bill was a threat to Salisbury's Fiber To The Home program and had serious consequences for all municipalities in the State that might consider broadband. She added that she felt it was unfair to change the rules after the City has played by the rules for the last four years. She stated that the program belongs

to the citizens of Salisbury and the City will continue to address the threat to protect the citizens' rights.

(b) Joint meeting with Rowan County Board of Commissioners and Rowan-Salisbury School Board

Mayor Kluttz announced that on May 11, 2009 City Council held a joint meeting with the Rowan County Board of Commissioners and the Rowan-Salisbury School Board. She noted that the joint meeting was a result of a City and County meeting where education was identified as an excellent way for the two Boards to work together. She indicated that she was excited about the results of the meeting as members of each Board looked for ways that the Boards could work together to help the community. She added that she thinks Council can assist by rallying the community to help children who are at risk.

Councilman Lewis stated that he enjoyed the Salisbury Post editorial submitted by Mr. Phil Barton, former Director of the Rowan Public Library, which reminded the community about existing programs. Mr. Lewis pointed out that he wants to assure the community that the Library is included in the list of community resources that were discussed during the joint meeting. He stated that he wanted to emphasize that the Rowan Public Library is a stakeholder in this process and are experts in providing literacy services.

(c) Pops at the Post

Mayor Kluttz announced that The 5th Annual Pops at the Post will be held Saturday, June 6, 2009 from 8:00 p.m. until 10:00 p.m. at the Salisbury Post loading dock.

(d) Parks and Recreation Comprehensive Master Park Plan

Mayor Kluttz announced that the Salisbury Parks and Recreation Department will host a public meeting Thursday, May 21, 2009 at 6:30 p.m. at the Civic Center located at 315 South Martin Luther King Jr. Avenue to present the preliminary findings of the new Comprehensive Park Master Plan and the preliminary plan for Lincoln Park.

(e) Dixonville Cemetery Dedication

Mayor Kluttz announced that the Dixonville Cemetery Committee will hold a dedication ceremony for a new historical marker at the cemetery located at 210 Old Concord Road on Saturday, May 30, 2009 at 11:00 a.m.

(f) Fiber To The Home

Mayor Pro Tem Woodson stated that citizens have contacted him regarding the Fiber To The Home project. He wanted to assure the citizens that if people support the program, it will not cause a tax increase, but will instead create revenue for the City. He

indicated that he has also received comments from citizens stating that the City has made a wise decision and the program will make the community better.

ADJOURNMENT

Motion to adjourn the meeting was made by Mr. Burgin, seconded by Mr. Kennedy. All council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 5:46 p.m.

Susan Kluttz, Mayor

Myra Heard, City Clerk