

Salisbury, North Carolina
April 29, 2016

RECESSED MEETING OF APRIL 28, 2016

Continued
April 29, 2016
2:30 p.m.

The City Council of the City of Salisbury met at 2:30 a.m., Friday, April 29, 2016 in the Salisbury-Rowan Utilities Conference Room located at 1 Water Street pursuant to the recess of the Regular meeting of April 28, 2016, with the following members being present:

PRESENT: Mayor Karen Kirks Alexander, Presiding; Mayor Pro Tem Maggie A. Blackwell; Council Members Kenneth Hardin, William Brian Miller, and David Post; City Manager W. Lane Bailey and City Clerk Myra B. Heard.

ABSENT: City Attorney F. Rivers Lawther, Jr.

Mayor Alexander and members of City Council met at 2:30 p.m. in the Salisbury-Rowan Utilities Conference Room located at 1 Water Street. Mayor Alexander called for a short recess and the meeting resumed at 3:00 p.m. Councilmember Brian Miller joined the meeting and provided the invocation.

CONTRACT – STAMPED SIDEWALKS

City Manager Lane Bailey asked Council to consider a contract to provide stamped crosswalks as part of the Innes and Long Complete Streets Plan. He indicated \$550,000 had been authorized for the overall project from Fund Balance. City Engineer Wendy Brindle noted three bids were received with the lowest being \$300,000. She indicated medians have already been installed, and the stamped crosswalks are the most expensive element of the plan.

Councilmember Post asked if the crosswalk will be raised. Ms. Brindle indicated it is not raised and will be part of the State maintained road to provide a difference in color and texture for the crosswalk.

Thereupon, Mr. Post made a **motion** to approve a contract with CACTX in the amount of \$299,746.58 to install stamped crosswalks along Innes and Long Streets. Mr. Miller seconded the motion. Messrs. Hardin, Miller, and Post and Meses. Alexander and Blackwell voted AYE. (5-0)

Councilmember Hardin noted the medians narrowed the streets and made them feel crowded. He asked if this was studied and if the space is ample for the vehicles. Ms. Brindle indicated the streets were studied and the medians were installed to narrow the lanes and slow traffic. She noted there have been several pedestrian fatalities along East Innes Street prompting the North Carolina Department of Transportation to provide funding for the study that recommended the treatments.

CAPITAL IMPROVEMENT PLAN WORKSHOP

Mr. Denny Martin, consultant with Martin McGill, informed Council revisions had been made to the Capital Improvement Plan (CIP) to incorporate changes requested by Council at the last meeting. He reviewed the changes in assumptions for the General Fund that switched construction of Fire Station 6 before Station 3. He noted it is anticipated Station 6 can operate with existing staff until 2023. Mr. Martin stated contributions to Fibrant may decline over the next 10 years, which will minimize tax consequences. He indicated the changes to the CIP also include the removal of West End entrance improvements, addition of \$150,000 for Council Chamber improvements in 2017, and the addition of \$150,000 for downtown sidewalk repairs in 2018. He noted the total capital investment is \$27.5 million, excluding rolling stock and equipment.

Mayor Pro Tem Blackwell asked how the \$150,000 for Council Chambers was determined. She stated she wants to be sure the floors are hardwood and not carpet, because hardwood will last much longer.

Mr. Bailey indicated repairs for the sound system will be made out of the current budget, and staff will try to find funds for hardwood floors in next year's budget. He noted he spoke with Community Planning Services Director Janet Gapen about moving improvements to the Kesler Mill property to do City Hall instead. Councilmember Miller asked if there is a buyer for the Kesler Mill property. Ms. Gapen indicated there have been several developers who have expressed interest in the property.

Mr. Hardin asked if the money moved from the West End entrance improvements can be used for other improvements in the West End. He suggested using it for parks and recreation or for education programs.

Mr. Bailey noted the West End Transformation is for rehabilitation of houses and

the \$300,000 was for entrance improvements. He stated funds were allocated for Council Chambers and sidewalks in the second year.

Street Maintenance Manager Craig Powers stated staff evaluated downtown sidewalks and think they can work on Innes Street, from the bridge to the monument, to repair sidewalks and replace trees. He commented the remaining funds will be used on Main Street.

Mr. Martin indicated each year the CIP process will get easier and each year the priorities will change. He added Council will have an opportunity to revise the 10 year plan each year.

Ms. Gapen noted staff is working with the owner of the Kesler Mill property to add the property to the Brownfields program. She stated the Phase 2 environmental was recently received and considering the past mill use, the contamination is not that bad. She indicated if the property is entered in the Brownfields program it will provide State protection. She stated if the owner turns the property over to the City, Council will need to determine if it would want to accept it, along with the Brownfield protections.

Ms. Blackwell asked if the tipping fee issue had been resolved. Ms. Gapen stated staff is working with a contractor who may be interested in the concrete slabs on the property in exchange for removing them. She added Rowan County has allowed the City to defer the tipping fee for several years.

Ms. Blackwell noted the property is a great concern for the neighborhood.

Mr. Bailey clarified that the money budgeted for the Kesler Mill property will remain on CIP, but if the City receives a match for the property the allocated funds would then be used in the West End. He pointed out the West End transformation is a capital project, but education is operational rather than capital.

By consensus, Council agreed to put \$150,000 for the West End Transformation project in year two, and \$150,000 in year three. Council also agreed to leave \$150,000 in the CIP for sidewalks this year.

Mr. Martin reviewed several options for the General Fund CIP and proposed tax equivalent increases necessary for each plan. He added that what is being presented is only a plan and does not mandate a tax increase each year. He noted this will provide input for the operational budget.

Ms. Blackwell commented the tax rate should not be discussed until the operational budget is discussed. Mr. Bailey stated the CIP only provides direction for staff and does not set the tax rate. He added Council will set the tax rate after the proposed budget is presented.

Councilmember Post indicated the CIP does not drive the tax rate. He stated Council has learned \$27.5 million is needed to do what it wants to do.

Mr. Martin asked about Council's goal for fund balance and its objectives for contributions to Fibrant. Mr. Miller stated the contributions need to decrease each year because it allows Council to address other issues. Mr. Post added it could provide money for parks, streetscapes, and parks and recreation. He added Fibrant is an asset, and it needs to be a contributing asset.

Finance Director Teresa Harris stated Council has a policy to maintain 25% of the General Fund in Fund Balance. She noted three months equals approximately 24%.

Mr. Miller commented Council cannot keep the Fund Balance at that amount and do some of the things it has indicated. Ms. Harris noted Council can reset the amount it wishes to maintain.

Mayor Alexander asked what the State requires for Fund Balance. Mr. Bailey stated the State requires 8% and noted if there is a significant drop in one year they will contact the local government unit.

Ms. Harris commented the State calculates Fund Balance differently. Council members indicated they would like to see what that figure is and how it compares to Council's 25% policy.

Mr. Bailey asked Council for guidance regarding the options that were presented. Mayor Alexander and Messrs. Miller, Post and Hardin indicated they preferred Option C. Ms. Blackwell abstained noting she does not agree with the concept.

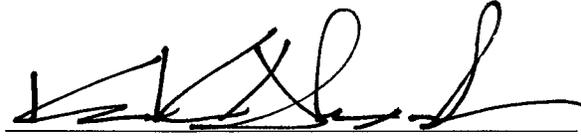
Mr. Bailey indicated \$150,000 has been moved from this year to year three. He noted if Council has stated it would like to work on sidewalks sooner, and he asked if they would like to move the funds to this year. Council agreed to move the funds for sidewalk to see what effect it had on the budget.

Ms. Blackwell stated she would like to receive a detailed asphalt resurfacing report before the end of the year. She noted resurfacing is listed every year, and the funds will buy less asphalt each year. She added the funds for paving may need to be increased because it is a great concern to citizens.

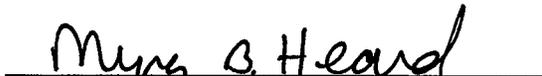
Mr. Martin indicated by going through the CIP process, Council has reached a point where it knows the projects and capital investments that are the goals for the next few years. He noted this will provide a draft CIP to work with through the budget process.

ADJOURN

Motion to adjourn the meeting was made by Mr. Post and seconded by Mr. Miller. All Council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 4:40 p.m.

A handwritten signature in black ink, appearing to read 'Karen K. Alexander', written over a horizontal line.

Karen K. Alexander, Mayor

A handwritten signature in black ink, appearing to read 'Myra B. Heard', written over a horizontal line.

Myra B. Heard, City Clerk