

REGULAR MEETING

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

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 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 change to the agenda:

Add – Council to consider a request from Historic Salisbury Foundation regarding the historic Fisher Street Buildings.

RECOGNITION OF FOOD LION AS A MAYOR'S INTERNATIONAL COMMUNITY AWARD WINNER

Mayor Kluttz recognized Food Lion Inc. for being named a Mayor's International Community Award winner for consistent involvement in the contribution and well-being of our community. She noted that each year the Mayor of Charlotte presents awards to foreign owned businesses and added that this year he expanded the area to a sixteen (16) county region around Charlotte which consists of over six hundred forty-five (645) foreign owned businesses. Mayor Kluttz stated that she attended the awards ceremony and noted that Food Lion and Freightliner were chosen as finalists.

Mayor Kluttz presented Ms. Ruth Kinsey, Food Lion Director of Communications, a Certificate of Recognition and extended the City's congratulations.

RECOGNITION OF PARK AVENUE NEIGHBORHOOD AFTER-SCHOOL ENRICHMENT PROGRAM

Ms. Lynn Raker, Urban Design Planner, introduced Mr. Lou Manning, President of the Park Avenue Redevelopment Corporation, and Reverend William Turner, Director of the Park Avenue Academic Enrichment Program.

Mr. Manning described uses of the Park Avenue Neighborhood Center:

- Hispanic Coalition Meetings
- Domestic Violence Task Force Meetings
- Salisbury Appearance Commission Meetings
- Project SAFE Meetings
- Salisbury City Council Retreat Meetings
- Police and Fire Training Sessions
- Office of the City Code Enforcement Officer
- Office of a District Police Department
- Earned Income Tax Credit (EITC) Office
- City Voting Polls
- Park Avenue Redevelopment Corporation Office

- The Learning Center
- Computer Center
- Summer activities including movies, bingo, and an annual Sun Festival
- Annual Christmas party

Mr. Lou Manning introduced the Park Avenue Neighborhood Board Members: Mr. Ron Barber, Ms. Elizabeth Manning, Ms. Marie Cuthrell, Ms. Virginia Brown, Ms. Fern Johnson, Reverend William Turner, Mr. Keith Traywick, Mr. Ed Archie, Ms. Mildred Collins, Ms. Margaret Conner, Ms. Rose Ridenhour, Ms. Delores Shannon, and recognized Ms. Marie Manning (deceased).

Reverend William Turner thanked City Council and City officials for their support of the Park Avenue Neighborhood. He stated that the mission of Park Avenue is to provide recreational, social, cultural and educational opportunities for citizens of the community. He noted that in order to address educational opportunities local educators volunteer their time and services to provide the After-School Enrichment Program, which has been in operation for three (3) years. Reverend Turner introduced the After-School Enrichment Program teachers: Ms. Ruby Miller, Ms. Betty Holt, Ms. Eva Johnson, Dr. Richard Reitz and Ms. Eliza Miller. He also noted two (2) Livingstone College students, Ms. Crystal Kelly and Ms. Avigon Graham, who also participated as teachers but were unable to attend. Rev. Turner introduced the students of the program who were in attendance: Mr. Donnell Alexander, Ms. Maleyah Daniels and Mr. Deyshaun Lee.

Mayor Kluttz expressed pride in the Park Avenue Neighborhood and presented a Certificate of Recognition to the Park Avenue Redevelopment Corporation Board for its After-School Enrichment Program.

RECOGNITION OF SALISBURY RELAY FOR LIFE TEAM

Ms. Aggie Peninger, Team Captain of the City's Relay for Life Team, stated that the City raised over \$3,000 for Relay for Life. She introduced Ms. Sheila Mulkey, a member of the Executive Committee for Rowan Relay for Life. Ms. Mulkey stated that the City of Salisbury Team will receive an all-star award for the money the team raised with special recognition to Ms. Renay Caldwell for raising over \$1,000. Ms. Mulkey presented the following awards to the City of Salisbury Team:

- First Place in the Household Appliance Race
- First Place in the Volleyball Tournament
- First Place for Best Camp Site

She noted that the City of Salisbury employees provided entertainment by building a haunted house, setting up a movie theater, and providing a cast from Gilligan's Island. She expressed thanks to Ms. Peninger for being Team Captain for the past five (5) years and recognized City of Salisbury Team members.

Mayor Kluttz congratulated the City's Relay for Life Team and added that this is a fine example of the outstanding contributions that City employees make for the City and Rowan County.

PROCLAMATION

Mayor Kluttz proclaimed the following observance:

LET'S GET CONNECTED DAY

May 20, 2006

CONSENT AGENDA

- Approve Minutes of the regular meeting of May 2, 2006.
- Approve the following group development site plans:
 - G-04-01 Salisbury Academy, 2210 Jake Alexander Boulevard, North
 - G-07-06 Maxon Furniture, Inc., 520 Grace Church Road
- Approve closing the 100 block of South Church Street from 9:00 a.m. until 12:00 Midnight Saturday, June 3, 2006 for the Pops at the Post concert.

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

PUBLIC HEARING CONCERNING THE FY2006-2007 CITY BUDGET

Mayor Kluttz convened a public hearing, after due notice and advertisement thereof, on the proposed 2006-2007 City of Salisbury Budget.

Mr. Harold Poole, 310 Winterlocken Drive, congratulated City Manager David Treme for a good job preparing the budget and stated that he

made comparisons to other cities budgets and tax rates. He pointed out that Statesville has twenty (20) percent fewer police officers but expressed the need for public safety and added that the City should not cut back in this area. He indicated that the City needs to start the planning for its fifth (5th) fire station. He noted that Salisbury has a 401(k) plan for employees and Statesville does not. He stated that the increase in medical expenses cannot be helped, and added that the employees need and deserve a cost-of-living raise. He pointed out that he does not agree with the \$1 million for engineering services, which is above and beyond salaries, and feels that Council should look at this very critically. He noted that requests for street lighting and sidewalk improvements should be re-instated in the budget and feels there should be more money for landscaping, street trees, and Hurley Park. He noted that he is against diversity training and affirmative action as he feels it is outdated. He concluded by stating that he feels there is a gap between the highest paid and the lowest paid City employee and that the gap continues to increase, adding that he feels the same dollar pay raise should be given to each employee.

Mr. Clyde Overcash, 220 East Bank Street, approached Council but declined to speak. Mr. Rivers Lawther, City Attorney, pointed out that three (3) minutes are only allowed to anyone who wants to speak to Council. Mayor Klutz asked Mr. Overcash to take his seat if he had nothing to say.

Ms. Fannie Butler, West End Community Organization, spoke on behalf of the Police Department budget and expressed her hopes that it will be increased for added protection.

There being no one else present to speak to Council, Mayor Klutz closed the public hearing and added that Council will be conducting the Budget Workshop at City Hall on Tuesday, May 23 at 10:00 am, and if necessary, Wednesday, May 24 at 9:00 am.

REPORT FROM PLANNING BOARD – APPEAL OF CONDITIONS S-06-05 LEATHERMAN SUBDIVISION

Mayor Klutz read a letter from Mr. Jay Dees, Attorney, stating that he respectfully requests that Salisbury City Council recuse Councilman Mark Lewis from deliberations relating to this matter based on Mr. Lewis' professional relationship with Mr. Parks, who is an adjoining landowner that has unintentionally benefited by action of the Salisbury Planning Board in that the condition requires Mr. Leatherman to purchase property from Mr. Parks to comply with the challenged conditions.

Councilman Mark Lewis stated that when this case first came before Council he consulted with Mr. Rivers Lawther, City Attorney, about the possibility of a conflict of interest due to his bank holding the mortgage on the property and his relationship of friendship with Mr. Parks. He stated that Mr. Lawther did not see any conflict of interest. Mr. Lewis noted that the more complicated this issue becomes the more uncomfortable he feels and has no problem if Council would prefer that he be recused from deliberations. He asked Mr. Lawthers, as a matter of public record, to render an opinion. Mr. Lawthers stated that the disclosed information did not indicate a conflict of interest and added that Mr. Lewis was not receiving a pecuniary benefit. He stated that Mr. Lewis' participation is up to Council. Mr. Lewis stated that he does not want his relationship to Mr. Parks to be an issue in this matter and, therefore, requested that he be recused. Councilman Burgin also asked to be excused due to a conflict of interest.

Thereupon, Mr. Woodson made a **motion** to recuse Councilman Mark Lewis and Councilman Bill Burgin. Mr. Kennedy seconded the motion. Messrs. Kennedy, Woodson, and Ms. Klutz voted AYE. (3-0)

Mr. Dan Mikkelson, Director of Land Management and Development, stated that the Planning Board did not use a quasi judicial format and, therefore, there are no findings of fact as indicated by staff when this item was submitted. He stated that he would be reporting on the recommendation and discussion of the Planning Board.

Mr. Mikkelson reviewed the history of this matter:

- Planning Board approved Plat S-06-05 subject to two conditions:
 - Dodd Street to meet City Standards except for a forty (40) right-of-way (R/W) and sidewalk on only one side
 - North Carolina Department Of Transportation (NCDOT) driveway permit
- Developer appealed conditions to City Council
- Council Committee recommended alternate Street Section consisting of a twenty (20) foot R/W with sixteen (16) foot pavement
- Council asked Planning Board to evaluate the sufficiency of the alternate Street Section

Councilman Kennedy asked if the Planning Board has the authority to require a developer to upgrade a street on property he does not own. Mr. Mikkelson stated that the Planning Board has the authority to approve or deny a proposal to subdivide land and referred the question of legality to Mr. Rivers Lawther, City Attorney. Mr. Lawther stated that in this case the Planning Board does have the authority because the preliminary plat showed the subdivision of his property being serviced by Rosemont Street and Dodd Street. He explained that the Planning Board reviewed the plan and stated that in order to approve the proposed subdivision, and the service to come from Rosemont and Main Street, the service from Main Street to the property would require a forty (40) foot right-of-way that has curb and gutter and sidewalks on one side. He added that if the developer asks for the only access to be from Rosemont Street, a new proposed plat will have to be submitted to the Planning Board.

Mr. Mikkelson stated that the Council Committee recommended an alternate proposal for the treatment of Dodd Street, adding that Council discussed the Committee proposal and was unable to come to a consensus and asked the Planning Board to give further advice on the sufficiency of the alternate street section. He stated that the Planning Board voted five (5) to four (4) to uphold the original two (2) conditions of Dodd Street meeting City Standards except for a forty (40) foot right-of-way with sidewalk on only one side and the NCDOT driveway permit. Mr. Kennedy asked if the Planning Board was aware that the developer could not acquire the land needed to meet the forty (40) foot right-of-way. Mr. Mikkelson stated that the developer informed the Planning Board of his attempts to acquire the property.

Mr. Mikkelson reviewed the approved subdivision plat noting that the developer is appealing the decision of the Planning Board regarding the

NCDOT driveway permit and the conditions for Dodd Street, adding that the Rosemont Street connection is not part of the appeal. He stated that the developer has submitted an alternate proposal to the Technical Review Committee (TRC) which does not connect to Rosemont Street and noted that this proposal will go before the TRC May 18, 2006. It will then go before the Planning Board for review on June 13, 2006; however, the Dodd Street issue will still be the same. He stated that Council's current action would be to review the appeal of the conditions of Subdivision Plat S-06-05 as set forth by the Planning Board.

Mayor Kluttz asked if the Council's only choice today is to uphold or deny the appeal, neither of which would affect Rosemont Street. She stated that it has been made clear that Council does not want the development connected to Rosemont Street.

Mr. Mikkelson stated that if Council does not make a ruling today, the TRC will review the new proposed plat.

Mr. Kennedy stated that the Council Committee recommended a twenty (20) foot right-of-way and a sixteen (16) foot road. Mr. Lawther stated that the problem with that recommendation is the developer is still connected to Rosemont Street and that under the revised plat he will not have the Rosemont Street connection. Mr. Kennedy stated that Council should table the discussion until the new proposed plat is presented to the Planning Board to make sure Rosemont Street is protected. Mr. Lawther agreed that if Council tables the issue it will allow the new plat to be submitted.

Mr. Kennedy stated that he wanted everyone to understand that on the property owned by the developer, the City will require the fifty (50) foot right-of-way with sidewalks but will not require the same right-of-way on property that the developer does not control.

Thereupon, Mr. Kennedy made a **motion** to table the discussion until the Planning Board has reviewed the new proposal and sends back a recommendation. Mr. Woodson seconded the motion. Messrs. Kennedy, Woodson, and Ms. Kluttz voted AYE. (3-0)

RESOLUTION ENDORSING \$1 BILLION BOND REFERENDUM FOR CLEAN WATER TRUST FUND

Mr. Matt Bernhardt, Assistant City Manager for Utilities, presented a draft resolution requested by the Centralina Council of Governments and the Rural Center which offers Salisbury's endorsement for a \$1 billion dollar bond referendum to replenish the Clean Water Management Trust Fund for the State of North Carolina. He stated staff recommends approval of the resolution.

Mr. Kennedy stated that he thinks this is an excellent idea and added that he feels this is important to the whole State.

Thereupon, Mr. Paul Woodson made a **motion** to adopt the resolution supporting the 2006 Clean Water Bond Referendum. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

(The above resolution is recorded in full in Resolution Book No. 12, under Chapter at Page No. 28, and is known as Resolution No. 2006-16).

PRESENTATION REGARDING PENDING LEGISLATION PERTAINING TO CABLE FRANCHISE AUTHORITY

Mr. Mike Crowell, Information Technology Manager, stated that there is pending legislation on the State and Federal level that may affect the City's cable franchising authority. He asked Mr. David Harris, Regional Cable Administrator for the Triad Council of Governments, to address Council on how this pending legislation will affect the City.

Mr. Harris stated that the Federal legislation will make the Federal Communications Commission (FCC) the leader and controller of the City's rights-of-way. He explained that there are no build-out requirements in a Federal franchise agreement which means a cable operator can come to the City and build with no regard for social or economic sectors of the City and will build in the high density areas leaving some citizens without service. He added that consumer complaints will be handled at Federal level. He stated that presently if a North Carolina resident has a complaint they are referred to him, and added that if someone calls the State Attorney General's office, the calls are referred to him. He pointed out that two areas of importance to Salisbury are the high speed access arena and reduction in the local franchise fees. Mr. Harris presented a draft letter and recommended that Council send it to the City's Federal representatives.

Mr. Harris noted that the State bill was introduced today, May 16, 2006. He explained that the draft bill states that franchise fees will be paid to the State and reimbursed to local governments, adding that the City will receive an additional one (1) percent of the franchise fees collected by the State, up to \$16,000. He stated that Time Warner currently gives cable to the schools, libraries and public buildings and that under the draft bill this will not be required. The proposed bill further states that customer service complaints will go to the State Attorney General's office, who has not agreed to this, so the complaints may be reverted back to the City Manager's office. He further explained that the draft bill will enable a telephone operator to obtain a cable television State franchise agreement simply by completing a one (1) page form that does not ask for financial information or technical qualifications.

Mr. Harris presented a draft letter and recommended that Council use it for discussions with State representatives.

Mayor Kluttz thanked Mr. Harris for keeping Council aware of the pending legislation.

Mr. Burgin asked if a motion was needed regarding the letters to be sent from the Mayor. Mr. David Treme, City Manager, stated that if it is the consensus of Council, staff will follow up with letters to the Federal and State representatives. Council agreed by consensus.

PRESENTATION REGARDING HIGH ROCK LAKE AND HIGH ROCK DAM SEDIMENTATION AND EFFECTS OF ALCOA PROJECT

Mayor Klutzz stated that she and a City delegation comprised of Mr. David Treme, City Manager; Mr. Matt Bernhardt, Assistant City Manager for Utilities; Mr. Jeff Jones, Senior Engineer for Utilities; Mr. Randy Tinsley, Environmental Attorney; and Dr. Martin Doyle, Professor at the University of North Carolina Chapel Hill traveled to Washington, DC during the week of April 24, 2006. They met with Senator Elizabeth Dole and staff, Congressman Mel Watt and staff, the legal assistant for Senator Richard Burr, the Chairman of the Federal Energy Regulatory Commission (FERC) and eight (8) of his senior staff members.

Mr. Bernhardt stated that Dr. Doyle is a professor of Geography at the University of North Carolina and is a civil engineer and expert in reservoir sedimentation and flooding. He noted that insufficient attention has been given to the sedimentation and flooding problem through the Alcoa relicensing process and the City was pleased to find Dr. Doyle and his expertise in this field.

Dr. Doyle stated that his roll in the project was to provide expertise in river hydraulics and sedimentation. He noted that the two main questions asked by the City regarded the potential effect of downstream reservoir on future flood elevations and the interpretation of Alcoa's Sediment Fate and Transport Report with respect to the information needed by Salisbury to make an informed decision about the future of Salisbury-Rowan Utility (SRU) intakes. He explained to Council river transport and sedimentation:

- Bedload and suspended load
 - Bedload – coarser sediment in stream bed such as sands and gravels which settles to the streambed
 - Suspended load – silt, clay and occasionally very fine sand which travels with the stream current
- Sediment Transport in Rivers
 - Fine sediment (clay and silt) is carried mostly in suspension and thus travels relatively long distances
 - Coarse sediment (sand and gravel) bounces and rolls along the riverbed and thus travels short distances
 - The distance sediment travels is dictated by flow velocity
- Reservoir Sedimentation
 - Reduced velocity causes coarse sediment (i.e. bedload) to be deposited first, forming a delta
 - Fine sediment (i.e. suspended load) has a lower settling velocity and thus is transported downstream into the main impoundment
 - Delta growth slows water upstream, which causes sedimentation in the main channel upstream as well
 - Vegetation of delta islands increases hydraulic roughness, which slows floods more, increasing sedimentation
- What we know of reservoir sedimentation
 - Fine sediment (suspended load) is deposited where flow velocity is extremely low, usually nearest to the dam and channel margins
 - Coarse sediment (bedload) is deposited where velocity initially decreases, forming a delta.
 - Reservoir Sedimentation Handbook states, "This delta can cause channel aggradation extending many kilometers upstream of the reservoir, leading to possible flooding of adjacent land."
- Alcoa Final Report, November, 2005 - Final Study Plan for Sediment Fate and Transport Study Aspects
 - Identify the sources, estimate the current sediment load, and determine the physical characteristics of the sediments transported to and through the Yadkin Project reservoirs
 - Estimate the volume of sediment trapped in the reservoirs and the deposition patterns
 - Evaluate how sediment deposition patterns may be impacting aquatic habitats and municipal water supply intakes
 - Evaluate the fate and transport qualitatively under existing and potential operating scenarios

Dr. Doyle stated that given the area of interest at the upstream end of the reservoir, a large emphasis of the Sediment Study should have been on bedload, as suspended load has minimal effect on upstream sedimentation and flooding potential. He noted that Alcoa's study was comprised of historic collected data which focused on suspended sediment, and given the area of the water intake structures, they should have focused on bedload sediment instead of suspended sediment. He stated that after reviewing Alcoa's Sediment Study, it becomes clear that an analysis of bedload transport was needed in order to address the goals of the study, particularly the needs of Salisbury for future decisions.

Dr. Doyle explained what is happening on the Yadkin River beginning twenty (20) miles upstream:

- 1917 – Before dam was built
 - Velocity averages four (4) to five (5) feet per second, fast enough to move sediment through the system.
- After 1917 - With dam
 - Addition of dam decreases velocity throughout system including upstream of main pool, particularly fourteen (14) to sixteen (16) miles upstream of the dam
- Conveyor-Belt Effect - Sediment transport capacity (bedload transport)
 - Post-dam conditions show no transport capacity at mile fourteen (14) or fifteen (15)
 - Concern is for water intake structures which are located further upstream
 - Presence of dam has decreased the ability of the river to move sediment through the area of interest by about fifty (50) percent
- Summary
 - High Rock Dam reduces bedload transport capacity for at least twenty (20) miles upstream of the dam at two (2) year flood event

- This has resulted in noticeable sedimentation in the upstream end of the reservoir
- Sediment transport capacity is reduced at location of SRU intakes, resulting in sedimentation
- Sedimentation decreases flood capacity of channel, increasing adjacent flood elevations

Dr. Doyle pointed out that the Alcoa Study states that “a large portion of the sediment load in the vicinity of the SRU intake passes by as suspended sediment in the water and is unaffected by the operation of the High Rock Reservoir.” Dr. Doyle explained that the Alcoa study only considered suspended sediment, which given the location of the SRU intakes at the upstream end of the reservoir, is irrelevant. He stated that bedload transport studies he has done show that during high flow operations the dam decreases bedload transport capacity of the river and does cause sedimentation and associated flooding. He concluded that the operation of the High Rock Reservoir directly affects sediment transport (bedload) at SRU intakes, and Alcoa’s Study conclusions based on suspended sediment analysis only are incorrect.

Dr. Doyle reviewed his recommendations based on his study:

- Unable to evaluate rate of sedimentation using current modeling, and how sedimentation and flooding elevation will change over proposed thirty (30) year license period with the Federal Energy Regulatory Commission
- Recommend using available information for a HEC-6 Erosion and Sedimentation model
- Potential options to reduce sedimentation and associated flooding at SRU intakes
 - Relocate intakes (sedimentation) and pump station (flooding)
 - Regular dredging (sand mining) near intakes and relocate pump station
 - Drawdown reservoir to allow redistribution of sediment delta further downstream into reservoir
 - Uncertain to alleviate problems
 - Does not account for other interests in higher and stable lake levels

Dr. Doyle explained that the HEC-6 Model runs a series of analysis and projects in to different periods of time the sediment deposits of the river and also the change in the flood elevation because of the sediment deposit.

Mr. Bernhardt stated that the City is in the process of working with consultants to perform the HEC-6 modeling of the river and added that the result of the modeling and the other studies that have been done will prove conclusively that the Yadkin Project and the Alcoa Dam operation are responsible for the sedimentation impact in the sedimentation deposition zone and is impacting our facilities and placing a threat that the facilities may be eliminated over the life of the next license.

Mr. Jeff Jones, Utilities Senior Engineer, reviewed aerial photographs ranging from 1938 until 2002 of the Yadkin River from Grant Creek to High Rock Lake:

- 1938 Photograph
 - Sediment islands forming near Grant Creek which is sixteen (16) to seventeen (17) miles upstream of High Rock Dam
 - No sedimentation after Grant Creek to High Rock Lake
- 1950 Photograph
 - Sediment islands consolidate near Grant Creek
 - Sediment narrows channel near NC Finishing Company
 - Sediment islands forming near Buck Steam Plant
- 1960 Photograph
 - Sediment islands vegetated near Grant Creek
 - Sediment continues to narrow channel near NC Finishing Company
 - Sediment islands vegetated near Buck Steam Plant
 - Sediment patterns appear from Buck Steam Plant in to opening of High Rock Lake
- 1968 Photograph
 - Sediment has re-established riverine conditions at a higher bed elevation from Grant Creek area past NC Finishing Company
 - Sediment islands vegetated near Buck Steam Plant
 - Sediment islands forming from Buck Steam Plant in to opening of High Rock Lake
- 1997 Photograph
 - Sediment has re-established riverine conditions at a higher bed elevation from Grant Creek area past NC Finishing Company
 - Sediment islands vegetated from Buck Steam Plant in to opening of High Rock Lake
 - Sediment island forming in open waters of High Rock Lake
- 2002 Photograph
 - Sediment has re-established riverine conditions at a higher bed elevation from Grant Creek area past NC Finishing Company
 - Sediment has re-established riverine conditions at a higher bed elevation from NC Finishing Company past the Buck Steam Plant
 - Sediment island vegetated from past Buck Steam Plant into open waters of High Rock Lake
 - Sediment island forming in lower area of High Rock Lake

Mr. Bernhardt stated that as the river comes downstream and hits the reservoir created by the Alcoa Dam it slows the velocity of the water causing the sediment to drop out and as the sediment stacks up, the river channel chokes up and increases the flooding that occurs. He noted that the message to Alcoa is that this is a negative impact caused by their project and Alcoa needs to take steps to address the problem to eliminate the threat to the critical facilities of the City of Salisbury and the forty-five thousand (45,000) citizens who depend on the river pump station.

Mr. David Treme, City Manager, stated that the license could be granted for a thirty (30) to fifty (50) year time period and if something is not done to reduce the negative impact, flooding will increase and the City facilities are going to be in jeopardy. He added that the project studies to be conducted by Alcoa have not been done and the City has had to conduct its own studies and present this evidence to FERC to protect the people who are served by SRU. He noted that the HEC-6 study should be completed in the next seventy-five (75) days and the results will be supplied to FERC. He added that he feels the evidence will prove that the City's concerns are valid.

Councilman Burgin stated that he does not see how the evidence can be refuted. He asked what kind of relief the City will seek relative to the circumstances caused by the dam. Mr. Bernhardt stated that options are being evaluated, including sand mining or dredging along the river, which would be a substantial operation. He added another option is to relocate critical facilities, noting that estimates for relocating the river pump stations are in the range of \$20 million dollars. Mr. Bernhardt stated that this impact was foreseen when the City and Tallassee Power, Alcoa's predecessor, signed the original agreement in 1927 and Tallassee Power accepted responsibility for any negative impacts caused by sedimentation at the City's intake facilities.

Mr. Treme stated that the HEC-6 sedimentation study will provide a better grasp of what is going to happen, when Salisbury's facilities might be threatened and the magnitude of what needs to be done to eliminate the negative project impact. He noted that when the delegation visited Washington, DC the potential for Federal emergency funds was discussed. He thanked Mr. Matt Bernhardt, Mr. Randy Tinsley, Mr. Jeff Jones, and Dr. Martin Doyle for their vigilance regarding this matter.

COMMENTS FROM THE CITY MANAGER

(a) Planning Board

Mr. Treme stated that Council received the Planning Board recommendations and comments from their May 9, 2006 meeting.

(b) Purchase of Property

Mr. Treme reviewed an aerial photograph of property located on South Main Street adjacent to City Hall which is for sale by the Trexler family. He noted that the Trexler's notified the City of the possible sale and indicated that the parking lease the City has with them may have to be renegotiated. He stated that the City contacted the Trexler's and inquired about the option of purchasing the property. He noted that an option to purchase the property, including the building and the property in back, was prepared at a price of \$400,000 and added that the City did not need the building but did need to maintain the property in the back area for City Hall parking. Mr. Treme stated that an agreement has been reached with Downtown Salisbury, Inc. that at the time of closing the City would own the vacant parking lot property and Downtown Salisbury, Inc. would own the building and some parking immediately behind the building. He recommended the City purchase the tract of property for parking at a cost of \$200,000 with Downtown Salisbury's interest in purchasing the building.

Thereupon, Mr. Burgin made a **motion** to purchase, for a net price of \$200,000 to the Trexler heirs, the parking area behind and beside City Hall, being .704 acres shown as tract two (2) on the map recorded in the Rowan County Registry at page 5716. Mr. Lewis seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

(c) Certification of SRU Water Treatment Plant

Mr. Matt Bernhardt, Assistant City Manager for Utilities, stated that the City has received certification from the North Carolina Department of Environment and Natural Resources Water Quality Section. He noted that the expansion of the water treatment plant was very involved and problem-solving was handled on a daily basis. He is pleased to report that the letter was received from the State authorizing a maximum flow rate of just less than twenty-five (25) million gallons, which means our water plant is now rated at a capacity of over twenty-four (24) million gallons per day, and added that this is a significant investment toward the future of Salisbury's growth and for the communities served by SRU. Mr. Bernhardt introduced the Utility staff that worked on this project: Mr. Jim Behmer, Engineering Manager; Mr. Randy Cauble, Plant Operations Manager; and Mr. Floyd Rusher, Water Treatment Plant Supervisor.

COUNCIL TO RECEIVE PUBLIC COMMENT

Mayor Kluttz opened the floor for public comment. There being no one to speak, she closed the public comment session.

COUNCIL TO CONSIDER REQUEST FROM HISTORIC SALISBURY FOUNDATION CONCERNING THE HISTORIC FISHER STREET BUILDINGS

Mayor Kluttz complimented Mr. Dave Collins and Mr. Dave Nussman from First United Methodist Church and Mr. Jack Thompson and Mr. Seamus Donaldson from the Historic Salisbury Foundation (HSF) for the resolution reached concerning the Fisher Street buildings. She stated that she is grateful to First United Methodist Church for delaying the demolition and reaching an agreement with the HSF to relocate the buildings. She noted that the HSF has identified a location, and if funds can be raised, and if Council approves, the buildings will be moved to vacant City owned property located on the corner of East Fisher Street and South Lee Street. She added that the HSF has requested that this property be donated to them in exchange for other properties that the City might want. She pointed out that the details have not yet been worked out and asked for a consensus from Council that the City would be willing to donate the property in order to save the buildings. She noted that if private funds can be raised, this would be a win-win for the entire community by putting the property back on the tax books and aid in the redevelopment of the area.

Mr. Lewis stated that he has seen a few plans and, in general, the proposal of moving the buildings to the corner of East Fisher and South Lee Streets is a win-win for everyone. He noted that he is in favor of this proposal.

Mr. Woodson stated that he is excited about this part of town and is in favor of the proposal. Messrs. Kennedy and Burgin also offered their consensus for the proposal.

Mayor Kluttz stated that this is not something that is economically feasible to Downtown Salisbury, Inc., but hopes there will be enough private financial contributors from the community who care enough about the buildings to have them moved.

By consensus, Council agreed to help with the property.

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MAYOR'S ANNOUNCEMENTS

(a) Peace Officers Memorial

Mayor Kluttz announced that the Rowan Peach Officers Memorial will be held Thursday, May 18, 2006 at 12:00 Noon at First Presbyterian Church, 308 West Fisher Street.

(b) First Annual Preservation Open House

The Historic Preservation Commission will hold its first annual Preservation Open House Saturday, May 20, 2006, 11:00 a.m. until 3:00 p.m. at several sites in the Downtown area and an ice cream social will be held from 3:00 p.m. until 5:00 p.m. at the Bell Tower.

(c) City Council Budget Work Session

City Council will hold a budget work session Tuesday, May 23, 2006 at 10:00 a.m. in the Council Chambers of City Hall.

(d) Pops at the Post

The 2nd Annual Pops at the Post Concert will be held Saturday, June 3, 2006 8:00 p.m. – 10:00 p.m. in the Salisbury Post parking lot. Downtown Salisbury, Inc. will host Prelude to the Pops – A Downtown Celebration from 5:00 p.m. – 7:00 p.m. prior to the concert.

Mayor Kluttz pointed out that due to the generosity of the community, the concert will be paid by private donations. She pointed out that all local military will be honored, including three Salisbury based units, the Salisbury 846th and 991st Army Reserve Transportation Companies as well as the Army National Guard, who just returned from the War in Iraq, adding that they have agreed to have an Army Blackhawk fly over at the beginning of the concert. She also noted that a helicopter will be landing in a closed-off street for the day for public tours. Mayor Kluttz extended her thanks to the generous community, businesses, foundations and people who are making this possible. She noted two (2) gifts of \$10,000 each from Mr. and Mrs. Jerry Hurley and F & M Bank; two (2) \$5,000 commitments each from the Robertson Foundation and Food Lion; three (3) \$2,500 commitments each from Wachovia Bank, First Bank, Cheerwine and Duke Energy; five (5) \$1,000 commitments from Power Curbers, Trinity Oaks, Salisbury Motor Company, Miller-Davis Studios and Mr. and Mrs. Edward Norvell; and two (2) \$500 donations from Taylor Clay Products and KKA Architecture.

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RECESS

Motion to recess the meeting until Tuesday, May 23, 2006 at 10:00 a.m. in City Council Chambers, 217 South Main Street was made by Mr. Woodson, seconded by Mr. Burgin.

All council members agreed unanimously to recess. The meeting was recessed at 6:05 p.m.

Mayor

City Clerk