

Salisbury, North Carolina
April 4, 2006

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. Treme; 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 Councilman Burgin.

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 changes to the Agenda:

Add – Council to receive a Council Committee report on Dodd Street.

Add – Council to go into closed session concerning acquisition of property located on Tax Map 19 Parcel 88 as allowed by NCGS 143-318.11(5)

PROCLAMATION

Mayor Kluttz proclaimed the following observance:

THE WEEK OF THE YOUNG CHILD

April 2-8, 2006

CONSENT AGENDA

(a) Approve Minutes of the regular meeting of March 21, 2006.

(b) Approve minor plat S-06-06 Salisbury Corners, LLC to subdivide a 4.6 acre tract located on Jake Alexander Boulevard and Lincolnton Road into two commercial lots.

(c) Approve final plat S-05-06 Manning Park, Phase II subject to receipt of a guarantee of improvements in accordance with Section 5.03.02 of the City Subdivision Ordinance.

(d) Receive an application from Jorge Ortega for a permit to operate a pool hall, located at 124 East Innes Street, and set a public hearing for April 18, 2006.

(e) Receive an application from Todd Littleton for a permit to operate a pool hall, located at 113 East Fisher Street, and set a public hearing for April 18, 2006.

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

COMMITTEE REPORT ON DODD STREET

Councilman Burgin requested to be excused from this issue due to a conflict of interest.

Thereupon, Mr. Kennedy made a **motion** to excuse Councilman Burgin. Mr. Woodson seconded the motion. Messrs. Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (4-0)

Mayor Pro Tem Woodson indicated that he and Councilman Kennedy met with Mr. John Leatherman, developer; Attorney Glenn Ketner; and staff to review Mr. Leatherman's request regarding relief from Planning Board standards concerning Dodd Street. He noted that the Committee felt that taking property from Mr. Parks, who owns the property adjacent to Dodd Street, would not be appropriate; however, the Committee agreed that there should not be a connection for the new development to Rosemont Street. He stated that the Committee is recommending that the developer utilize the existing substandard right-of-way for Dodd Street as the primary access to his property. The road will be sixteen (16) feet wide with asphalt, and a two (2) foot concrete curb and gutter on each side. The existing concrete ramp onto Main Street must be replaced with an asphalt street connection. He stated that the Committee also decided to extend the width of the street all the way back into the development and not require it be widened at the back of the development. A standard sidewalk and fifty (50) foot right-of-way will be required for the new right-of-way within the new development and the new development will be on a single cul-de-sac street. Mr. Woodson pointed out that given the dimensions of the property the cul-de-sac will most likely exceed the allowed six hundred (600) feet and a modification of standards may be necessary. He noted that a similar modification was recently approved in a different group development (G-05-06). He stated that the Committee suggests a private secondary connection be made to the commercial development on Jake Alexander Boulevard and noted that a North Carolina Department of Transportation (NCDOT) driveway permit is a prerequisite to the street design approval.

Mr. Woodson stated that if the revised preliminary plat is approved the existing approved preliminary plat shall be void. Mr. Dan Mikkelsen, Land Management and Development Director, explained that the developer has a preliminary plat approved by the Planning Board and in order to make an amendment the developer will need to submit a revised plat to the Planning Board for their approval. He added that all of the issues addressed by Mr. Woodson would need to be presented to the Planning Board and they would presumably grant approval. He pointed out that typically if an approved preliminary plat is amended, the developer has the right to build either the approved plat plan or the amended plat plan but in this case, staff recommends specifying that the approved preliminary plat depicting the connection to Rosemont Street be withdrawn.

Mr. Woodson concluded that if Council finds this amended plan satisfactory, the developer will go back through the Planning process and withdraw his current request.

Councilman Lewis stated that if Council concurs with the recommendation they will be telling the Planning Board that this is what Council wants and it is a form of a recommendation coming from Council. He stated that staff consistently recommended the fifty (50) foot right-of-way in order to maintain the current City standards. He noted that the fifty (50) foot right-of-way includes a twenty-four (24) foot pavement width with curbing, yard, and a five (5) foot sidewalk on both sides. He commented that when the Planning Board reviewed this plan they recognized that requiring this standard may create a hardship for the developer and instead approved a forty (40) right-of-way with sidewalk only on one side in order to reach a compromise before it reached Council. Mr. Lewis stated that now the recommendation is to use Dodd Street and the existing right-of-way of twenty (20) feet, which is forty (40) percent of the standard and includes no sidewalks or no right-of-way outside the curb. He added that he liked the idea of bringing the pavement and curbing up to City standards; however, he feels Council needs to stand by what the Planning Board has recommended.

Mr. Lewis stated that he is not in favor of connecting to Rosemont Street and does not want to use the desire for no connection as a reason to approve a plan Council normally would not approve. He commented that when he looks at the property, the ownership, and what is being presented he does not think Council is denying the developer the opportunity to use his property. He stated that the property can be used with its current zoning and plan and can connect to Rosemont with only one building. Mr. Lewis commented that the developer only has an option on the property, and added that the property the developer needed in order to have the full fifty (50) foot right-of-way was available and on the market, but the developer chose not to buy it. He added that it might not have been economically feasible for the developer to purchase the additional property, but knowing the standards of the City, he had the opportunity to purchase it.

Mr. Lewis commented that he feels this will set a dangerous precedent and staff has recommended against reducing the required right-of-way, and the Planning Board, knowing that staff did not support the change, compromised to only require a forty (40) foot right-of-way. He added that the plan presented today is a total deviation from the City standards and he worries that this gives the developer an economic advantage over the next developer who will be required to build the fifty (50) foot right-of-way. He pointed out that he would like to see the connection to Rosemont Street changed but he does not want to use this as a bargaining chip as a reason why Council should accept a twenty (20) foot right-of-way on a sixteen (16) foot road instead of a twenty-four (24) foot road and fifty (50) foot right-of-way with sidewalks as suggested by the City standards.

Mr. Lewis indicated that when Council addresses issues such as this it tries to facilitate compromise but he feels there are some times when there is no compromise to be found. He added that in this case there is a property owner who would have to sell part of his property in order to meet what was platted and he does not want to sell his property because he does not want this development behind him. He commented that he feels Council should say no to the amendment and tell the developer that he has an approved plat and that is how the property must be developed.

Mr. Woodson asked if Mr. Lewis supported condemning property to make it work. Mr. Lewis responded that he does not and again pointed out that the developer has the right to develop the property the way it is. He commented that not all property is developable and if Council had had the opportunity to look at this property in conjunction with all the surrounding property and develop a plan for it, Council would not be in this situation.

Mayor Kluttz suggested that this item be tabled because additional information has been presented since the Committee met.

Councilman Kennedy stated that the Council Committee is recommending a twenty (20) foot right-of-way with sixteen (16) feet of pavement and the Planning Board had already recommended a forty foot right-of-way with twenty-four (24) feet of pavement, pointing out there is a difference of only eight (8) feet. He commented that the developer is the one who will have people coming in and out of the development and he feels it is enough space to bring these people in and out and he feels comfortable with the recommendation and referring it the Planning Board.

Mr. Woodson asked to clarify that currently the property can be developed with one building and a connection to Rosemont. Mr. Mikkelson responded that this is correct. Mr. Woodson asked if anything would be required for Dodd Street if the developer develops the property in this way. Mr. Mikkelson responded that any extension of Dodd Street would be at the developer's option. Mr. Woodson noted that if a large business is placed in the development there could conceivably be a large amount of traffic on Rosemont Street and the Committee was trying to reach a compromise to spare Rosemont Street, not condemn private property, and allow the developer to develop his property. He commented that the developer did make an offer to buy property from Mr. Parks, who owns the property adjacent to Dodd Street, but Mr. Parks declined.

Mayor Kluttz suggested sending this item to the Planning Board with the clear understanding that Council is not in agreement about what should be done and there is not a unanimous recommendation from Council. Mr. Mikkelson asked for further direction for the Planning Board. Mr. Woodson stated that if the Planning Board holds firm on the forty (40) foot right-of-way then Council will have to decide if it wants to condemn Mr. Parks' property for the development or if it wants to do nothing and use the existing approved plat.

Mr. Kennedy commented that if this street was going to connect to another City street he would require it to meet City standards but this street is only going into one (1) development. Mr. Lewis asked if Dodd Street will act as a street or a driveway. Mr. Kennedy asked Mr. Mikkelson about the width of Brenner Avenue. Mr. Mikkelson responded that it is twenty-two (22) feet of pavement plus five (5) feet of curb and gutter. Mr. Kennedy pointed out that this is a major thoroughfare and Dodd Street would not be and would have twenty (20) feet of right-of-way including curb and gutter. Mr. Lewis stated that there will also be a connection to the properties along Jake Alexander Boulevard and there will be even more traffic on Dodd Street as people avoid exiting onto Jake Alexander Boulevard.

Council agreed with the Mayor's suggestion to send this item back to the Planning Board. Mr. Lewis suggested forwarding a copy of the Minutes of the meeting to the Planning Board.

SOLID WASTE MANAGEMENT PLAN OF 2006 FOR ROWAN COUNTY

Ms. Lori Swaim, Rowan County Recycling Coordinator, informed Council that every three (3) years the Solid Waste Plan is updated with projections on what the solid waste management issues are for Rowan County and where staff proposes to be over the next ten (10) years. She indicated that she writes the plan every three (3) years to include all nine (9) municipalities in the County, which allows the City to sign onto the Plan through a Resolution so the City does not have to write its own separate plan.

Ms. Swaim informed Council that Rowan County, as a whole, does very well regarding solid waste and the goal over the next five (5) to ten (10) years is to reduce solid waste to one (1) ton per person disposal. This will be done by continuing to target businesses to reduce their solid waste stream and by setting up new recycling markets. She noted that a new law has been passed that will be effective in 2009 that will ban all plastic bottles, wooden pallets, and all beverage containers from anyone who holds an Alcoholic Beverages Commission (ABC) permit. She noted that the plan also includes a full cost analysis based on a cost per ton and a cost per household and it compares how the County is doing now versus three (3) years ago. She pointed out that the County had greatly decreased its cost per ton and cost per households over the past three (3) years and while she is not sure of the reason, she stated that staff feels that these costs will increase greatly statewide over the next three (3) years.

Mayor Pro Tem Woodson asked how the new law regarding those with ABC permits will be handled. Ms. Swaim responded that she is still developing a plan to put infrastructure in place to help the businesses handle these materials, but at this point she does not have a definite answer.

Thereupon, Mr. Kennedy made a **motion** to adopt a Resolution for accepting and endorsing the Solid Waste Management Plan of 2006 for Rowan County. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

RESOLUTION FOR ACCEPTING AND ENDORSING THE SOLID WASTE MANAGEMENT PLAN OF 2006 FOR ROWAN COUNTY.

(The above resolution is recorded in full in Resolution Book No. 12 at Page No. 24, and is known as Resolution No. 2006-12).

INVESTMENT GRANT – FOOD LION, INC.

(a) Mr. Randy Harrell, Executive Director of the Salisbury-Rowan Economic Development Commission (EDC), asked for Council's consideration regarding an Investment Grant for Food Lion, LLC to assist in the expansion of its operations. He stated that in the City of Salisbury the projected capital investment of the expansion is \$20 million with a total capital investment of \$35 million. He noted that he presented detailed information regarding the project to Council at its last meeting.

(b) Mayor Kluttz convened a public hearing, after due notice and advertisement thereof, to consider an Investment Grant for Food Lion, Inc.

Mr. Harold Poole, 310 Winterlocken Drive, stated that he knows Council feels this is the right thing to do but he feels it is wrong and he feels it

will be corporate welfare. He stated that this will give nearly half a cent from the tax rate to a foreign company for five (5) years. He commented that he feels Council is doing this because it is intimidated that Food Lion will leave Salisbury and added that he does not think Food Lion is going anywhere. Mr. Poole stated that this will burden Salisbury taxpayers. He noted that where Food Lion wishes to make its addition is property annexed by the City in 1979, adding that it was supposed to be annexed in 1977 but Food Lion took the City to court and delayed it. Mr. Poole stated that Council is giving to big business at the expense of small business and all property owners. He recommended satellite annexing the Food Lion property and commented that the tax rate is too high and should be reduced, not increased for this, noting that it is obligating future Councils. He stated that he feels Salisbury's growth is being lessened because of the high tax rate. Mr. Poole complained that Council approved the Investment Grant policy with a \$5 million minimum without conducting a public hearing and feels people are appalled that Food Lion is requesting this money.

There being no one else present to address Council, Mayor Klutz closed the public hearing.

Mr. Harrell informed Council that the figures mentioned by Mr. Poole are not correct. He stated that this is a performance based agreement and thresholds will have to be met, adding that any equipment or machinery will be depreciated. He noted that Rowan County will return close to \$800,000 over a five (5) year period.

Councilman Lewis commented he has the utmost respect for Mr. Poole but feels compelled to respond to the issues he raised. Mr. Lewis stated that Council philosophically agreed to the Investment Grant policy and added that Council has been given the rules of the game although he does not like the idea of refunding taxes to encourage companies to stay or locate in Salisbury. He stated that if the entire region could step out against incentives it might be effective, but if Salisbury tried to do it alone the City would be isolated. He stated that this is not giving Food Lion the citizens' money but giving Food Lion their own money. He explained that over the next five (5) years Food Lion will receive eighty (80) percent back above what they pay right now. He pointed out that this is twenty (20) percent more than the City receives now and will get the full one hundred (100) percent at the end of the five (5) year period. Mr. Lewis stated that he feels that, as a general rule, people in the community do understand and are appalled that the City would not participate and lose good corporate citizens. He added that this is one of the ways that Council can provide economic development to the community.

Mayor Pro Tem Woodson commented that many people approach him and express the need for better paying jobs and asked if this expansion will create four hundred (400) jobs. Mr. Teross Young, Director of Governmental Service Relations for Food Lion, explained that they will transfer four hundred (400) employees from its existing facility to the facility on Harrison Road. The existing facility will then be remodeled to allow for growth. He noted that he does not have an exact count on the number of jobs to be added, but the company does anticipate growth. Mr. Woodson asked about the average pay for jobs. Mr. Young stated that the jobs to be transferred average in the \$48,000 range.

Councilman Burgin stated that he understands Mr. Poole's feelings but he feels Council is trying to play the incentive game and play it smartly. He noted that incentive programs in the past have not been balanced and he sees this as a reasonable balance of growth and incentive and can support it. He commented that he wished there were united, consistent rules for incentives across the country so this would not be necessary and allow a level playing field.

Councilman Kennedy commented that East Spencer provided an incentive grant to a company to locate within its Extraterritorial Jurisdiction (ETJ) and how excited they were this year to receive the full amount of the tax check that they would not have received if they had not given the incentive grant in the first place.

Mr. Harrell clarified that the refund will be at the seventy-five (75) percent level rather than the eighty (80) percent level mentioned earlier in the presentation.

Mayor Klutz commented that the Investment Grant program was adopted by Council at its last meeting without a public hearing but she wanted to clarify that what was approved by Council requires public hearings be conducted for each individual application for the Investment Grant program. She stated that she is delighted with the expansion plans of Food Lion and she feels it is an important part of the history of Salisbury and the City will have a much brighter future with Food Lion a part of it.

(c) Thereupon, Mr. Woodson made a **motion** to approve an Investment Grant to Food Lion, Inc. for a period of five (5) years. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Klutz voted AYE. (5-0)

SPECIAL COMMUNITY EFFORTS GROUPS – BUDGET REQUESTS 2006-2007

Mayor Klutz opened the meeting to the public to receive budget requests from special community efforts groups.

Those who addressed Council were:

Mr. Randy Harrell, Mr. Jack Owens, and Mr. Bill Wagoner, Salisbury-Rowan Economic Development Commission, noted that it has been a great year in economic development. Mr. Harrell mentioned the development in Summit Corporate Center and a new industry locating to the GDX facility that will employ seven hundred (700) people. He referred to the sale of the American and Efrid building and the sale of the Atlantic American Properties building. He stated that the EDC is very excited about the Rowan Jobs Initiative and all the groups that are working together for economic development. He requested consideration of an appropriation of \$69,498 for the next fiscal year and thanked Council for their support.

Ms. Karen Campbell, Smart Start Rowan, reviewed the organization for Council noting that Smart Start Rowan is a non-profit organization governed by a Board of Directors and ten (10) working committees. It received acceptance for Smart Start funding in 1997 and invests in a variety of activities to address the needs of young children and their families. She informed Council that eighty-five (85) percent of a child's intellect, personality, and social skills are formed by the age of five (5) and the importance of giving young children what they need in their early years. Ms. Campbell stated

that every \$1 spent on quality childhood education saves more than \$7 in costs to society in the future.

Ms. Campbell indicated that violence is increasing and there are at least thirteen (13) gangs active in the Salisbury-Rowan area. Between six and two tenths (6.2) percent and twelve and eight tenths (12.8) percent of students were threatened with a weapon and there were over one thousand twenty-two (1022) juvenile arrests last year. She noted that early intervention is necessary to stop the cycle of violence in the community. She requested support for Smart Start Rowan's request of \$4,000 to provide curriculum materials and to sponsor training for teachers. Ms. Campbell noted that the investment would impact approximately two hundred (200) children at a cost of \$20 per child.

Ms. Vicky Slusser, Communities in Schools, requested \$1,872 in funding explaining that this is the amount Communities in Schools pays to the City each year for the use of four (4) two-way radios.

Ms. Kay Hirst and Mr. Ed Norvell, Rowan Museum, noted that Rowan Museum just completed its fifty second (52) year of service to the community. Ms. Hirst thanked Council for their past support and reviewed their community activities. She asked Council's consideration for a \$10,000 appropriation for the Museum this year. Mr. Norvell noted that they have a current project of adding an elevator to make the Messinger Room on the second floor handicap accessible. He stated that they are also adding stairs to the back garden to make it more of a community space. Mr. Norvell indicated that the project is over budget at approximately \$550,000 and noted that, to date, \$450,000 has been raised from the community. He asked Council to consider a special one-time grant in the amount of \$10,000 for this project, noting that they will also explore the use of a façade grant to help fund the project.

Ms. Kay Hirst and Ms. Janie Allen, The Mural Preservation, Inc., informed Council that this organization was formed in 1988 for the preservation of the Mural and has raised \$76,000 since 1988 that has been used towards preservation work. Ms. Hirst indicated that they are presently out of funds but have more work to be done. She explained that the artist has to be paid and scaffolding and materials bought. She noted that after the work is complete they hope to issue a new print of the Mural as a fundraising event. Ms. Hirst stated that a celebration was recently held to celebrate the 25th anniversary of the Mural. She commented that they anticipate spending \$5,000 to \$10,000 on the Mural this summer and asked Council's consideration for a \$3,000 appropriation for the Mural preservation.

Mr. Rick Eldridge, Ruffy-Holmes Senior Center, stated that the City has been a partner of the Center since it began eighteen (18) years ago. He commented that Ruffy-Holmes is one of the finest senior centers in the country and he is proud that they are only one (1) of twenty-five (25) Centers in the nation that is nationally accredited, noting it is the only Center in North Carolina that is nationally accredited. He stated that the 2000 Census showed that twenty (20) percent of the City's population is aged sixty (60) and above and estimates are that there will be a forty-five (45) percent increase in the older adult population over the next fifteen (15) years. He asked for Council's consideration for a slight increase in their budget appropriation for this year in order to cover inflation and expand their service programs.

Mr. Preston Sale, Rowan Arts Council, stated that last year was a banner year for the Arts Council as they received vital funding, continued the distribution of grass roots grants money from the North Carolina Arts Council, and held the 2nd Annual Art on Easy Street festival. He stated that this year the festival will be held June 17, 2006 and has been advertised in regional and national arts festival publications. He stated that the Arts Council was able to give grants to local independent artists and organizations in need, adding that although the grants are small they are important because they go to lesser known artists and smaller organizations. He thanked Council on behalf of the Arts Council Board of Directors.

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

PROJECT SAFE SALISBURY VIDEO PRESENTATION

Mayor Klutz indicated that Mr. Henry Diggs is the former Chairman of the Human-Relations Council and was on the Council during an effort to improve race relations, noting that through his efforts the Council was awarded a first place award from the National League of Cities in 2000. Mayor Klutz commented that when there was an excess of gun use and violence in the City, U.S. Attorney Anna Mills Wagoner nominated Salisbury for Project SAFE Neighborhoods and Mr. Diggs became facilitator of this community group.

Mr. Diggs and Project SAFE Salisbury Resource Director Teresa Vinson introduced a new video for the Project SAFE Salisbury program. Mr. Diggs noted it was an initiative of a Project SAFE Community Task Force in an effort to be proactive rather than reactive in getting the message out regarding gun violence. He stated that Project SAFE has notified at least eighty-one (81) individuals who have committed violent crimes and out of those notified very few have committed more violent crimes. He indicated that one of the efforts of Project SAFE is to find a way to meet the needs of the offenders in order to stop the violent crime cycle.

A video was shown to Council that will be presented to youth throughout the community in an effort to make them aware of the consequences of violent crimes. Mr. Diggs noted that if anyone is interested in viewing the video or would like additional information about the program, they can call Ms. Vinson at 704-638-2175.

Mayor Klutz commented that it is evident by the video that Project SAFE is serious about making the community safer and that they care about all of the community's children and want to keep them from making a terrible mistake. She noted that during the recent Mayor's Spirit Luncheon Mr. Diggs was awarded the City's highest honor when she presented him with a key to the City for his work on both the Human Relations Council and Project SAFE Salisbury.

PUBLIC HEARING - POSSIBLE ANNEXATION OF AREA 1 – AIRPORT ROAD; AREA 2 – CEDAR SPRINGS ROAD; AREA 3 – SOUTH MAIN STREET

(a) Mr. Joe Morris, Planning and Community Development Manager, reviewed the status of the annexation process noting that the Resolution for Consideration was adopted December 6, 2005. The Resolutions of Intent were adopted January 31, 2006, Annexation Reports were adopted February 21, 2006, and a public informational meeting was held March 24, 2006. He stated that no action will be required after the public hearing to be held today. Annexation Ordinances will be presented to Council at its April 18, 2006 meeting and if Council decides to adopt the Ordinances the annexation will be effective June 30, 2006.

Mr. Morris read the following statement into record, "I, Joe Morris, Planning and Community Development Manager for the City of Salisbury, do hereby certify that, to the best of my knowledge, first-class mail notices were sent in accordance with North Carolina General Statute 160A-49(b) to the owners of all properties that were included in the Resolutions of Intent adopted by the Salisbury City Council on March 16, 2004. The proposed annexation areas include: Area 1, Airport Road; Area 2, Cedar Springs Road; and Area 3, South Main Street. The notices were mailed on February 22, 2006 to the names and addresses as provided to this office by the Centralina Council of Governments." He noted that this statement was presented to the City Clerk on March 9, 2006 and pointed out that the names and addresses referenced are made available through the Rowan County tax office.

Mr. Jason Wager, Centralina Council of Governments, reviewed the annexation reports for each of the three (3) areas and pointed out that prior to the adoption of the annexation Ordinance there may be minor amendments and they will be brought to Council before adoption.

Mr. Wager explained that each area must meet statutory standards to be considered for annexation and once qualified, services currently provided by the City must be provided in the annexation areas. He stated that for all three (3) areas the contiguity of the area exceeded the twelve (12) percent required. Area 1 was qualified in terms of population per acre. The law requires two and three tenths (2.3) people and this area has just over two and six tenths (2.68) per acre. Area 2 had one hundred (100) percent of the tracts used for non-residential purposes, and Area 3 was qualified as sixty-three and six tenths (63.6) percent of the total lots are developed and sixty-six and nine tenths (66.9) percent of the total acreage of residential and vacant undeveloped lots is less than three (3) acres. Mr. Wager pointed out several areas depicted on the map that were qualified using Subsection D, which states that the areas must be adjacent to at least sixty (60) percent of the municipal boundary and/or the area developed for urban purposes. Areas 1-3 were sixty-six and nine tenths (66.9) percent, seventy-eight and nine tenths (78.9) percent and one hundred (100) percent. Each must also be less than twenty-five (25) percent of the total area to be annexed and the areas were twenty-two and eight tenths (22.8) percent, nineteen and four tenths (19.4) percent, and ten and six tenths (10.6) percent.

Mr. Wager reviewed services provided by the City and noted that the services should cover all three (3) areas collectively. He reviewed Fire Protection, Police Protection, Solid Waste Collection, Street Rights-of-Way and Vacant Lot Maintenance, Traffic Operations, Street Maintenance, Street Lighting, Storm Drainage, Parks and Recreation, and Zoning Enforcement. Mr. Wager noted that the City plans to finance the extension of the services by appropriating fund balance this current fiscal year. For subsequent fiscal years the City plans to use additional tax revenues and charges and reimbursements generated by the annexations.

Mr. Wager indicated that Water and Sewer service is an appendix to each of the Annexation Reports and noted that there are existing water mains in the area that can provide a basic distribution grid. Property owners in the annexation area will be able to secure public water and sewer services according to the policies in effect and the City has request forms available for these services. He referred to maps bearing the seal of a professional engineer which show the present major trunk water mains and sewer interceptors and outfalls and the proposed extensions of those mains outfalls. He noted that for Area 1 there will need to be three hundred (300) linear feet of sewer added; Area 2 will require one thousand (1,000) linear feet; and Area 3 will require two thousand (2,000) linear feet. Regarding the Water and Sewer Fund impact, the total estimated revenues based on sixty-two (62) customers for Area 1 is \$41,670. Estimated annual expenses for Area 1 are \$10,897 for net annual revenues of \$30,773. Mr. Wager indicated other one time start-up costs are \$84,250. For Area 2 estimated revenues are \$16,991, expenses \$28,117 for net annual revenue of (\$11,126) and estimated start-up costs of \$220,438. The total estimated revenues for Area 3 are \$30,332, expenses \$49,980 for net revenues of (\$19,648) and estimated start-up costs of \$393,500.

Mr. Wager reviewed the proposed impact of the annexation on the General Fund. Area 1 the estimated annual revenues are \$77,005 expenses \$14,370 for an estimated net annual revenue of \$62,635. The one-time start-up costs are \$10,475. Area 2 annual revenues are estimated to be \$119,145, annual expenses \$39,997 for an estimated annual net revenue of \$79,148. He noted there are no one-time start-up costs for Area 2. For Area 3 the estimated annual revenues are \$16,000, expenses \$33,912 for estimated net revenues of (\$17,912) with one-time start-up costs of \$387.

Mr. Wager noted that the Annexation Reports are available to the public in the City Clerk's office.

(b) Mayor Kluttz convened a public hearing, after due notice and advertisement thereof, for the possible annexation of Area 1 Airport Road; Area 2 Cedar Springs Road; and Area 3 South Main Street.

Those who addressed Council were:

Mr. Harold Poole, 310 Winterlocken Drive, commended Council for this annexation and stated he feels it is a good annexation. He noted that when he was employed with the City, staff began looking at this area in 1995 and referred to it as the "golden triangle" because of its location between US 29, Airport Road and Cedar Springs Road. He stated that at the time it had a value of \$19.2 million and commented that the areas consist mostly of industrial areas, which tend to pay their way, with little residential and he feels it will be good for the City. He also commended Council for looking at Area 3 in addition to Areas 1 and 2 and stated he feels Council did the right thing by including it. Mr. Poole expressed a concern with Area 1 having only one (1) street light and noted that he feels street lighting is one of the biggest problems in Salisbury and suggested the lights be upgraded during the annexation.

There being no one else present to address Council regarding the annexation, Mayor Kluttz closed the public hearing.

Mr. Morris indicated that he will have annexation Ordinances prepared for Council's consideration at its April 18, 2006 meeting.

ZONING MAP AMENDMENT Z-01-06 SCOTT NEELY

Mr. Preston Mitchell, Senior Planner, provided a brief explanation of a new cover sheet for Council's information packet for text and zoning map amendments. He noted that staff will continue to provide a cover sheet as a point of reference for Statements of Reasonableness and Consistency as now required by State Statute. He explained that the Statement of Consistency is required to describe if the action to be taken by Council is consistent with an adopted comprehensive plan. The Statement of Reasonableness indicates why Council considers the action to be reasonable and in the public interest. Mr. Mitchell pointed out that the cover sheet will also include the Planning Board's Statement of Consistency and Reasonableness as well as the vote by the Planning Board. He pointed out that the language provided for Council's Statements is only suggested language and Council may amend the Statements as it wishes.

(a) Mr. Mitchell stated that Z-01-06 is a request from Scott Neely to rezone a piece of property from A-1 Agriculture District to the R-6A Multi-family District, with a High Density Overlay. Mr. Mitchell reviewed maps of the property and pointed out that it is located on Julian Road adjacent to the Rowan County Fairgrounds and across Julian Road from Summit Corporate Center. He reviewed a zoning map of the area and noted that the property in question, as well as most of the surrounding property is zoned A-1. To the north of the site the property is zoned CU College and University. To the south across Julian Road the property is in the County's zoning jurisdiction and is zoned CBI, which is similar to the City's M-1 Light Industrial zone. Mr. Mitchell reviewed photographs of the site and surrounding properties.

Mr. Mitchell informed Council that the current zoning of A-1 is intended for farms, forestry, and agricultural endeavors. The requested zoning district is R-6A which is primarily residential and allows for single-family duplexes and multi-family residential and their customary accessory uses. He noted that the High Density Overlay is an Overlay that can be permitted on top of any district where multi-family is permitted and allows for an increased density over the base district. He stated that the potential impact for development of the site if it is rezoned to R-6A with the High Density Overlay is a possible two hundred seventy-five (275) multi-family. Mr. Mitchell indicated that water is available to the site and a sewer extension would be required from the Extended Stay Motel located near the property.

Mr. Mitchell referred to the 2000 Strategic Growth Plan and the Vision 2020 Comprehensive Plan and noted that this area is located in the primary growth area, although it reaches to the current edges of the Extraterritorial Jurisdiction (ETJ). He stated that both plans address High Density Residential and indicate that it should be close to employment, shopping and services; have access to a major thoroughfare; and may act as transitional use but should not be accessed through lower density residential. He stated that staff is in favor of the rezoning because Julian Road was recently upgraded to a major thoroughfare and staff believes it will be one of the major growth areas for the City, adding that the provision of multi-family along this thoroughfare would prevent the stripping-out of commercial along the road.

Mr. Mitchell then read the Planning Board recommendation, "This change in zoning is consistent with the goals, objectives, and policies for growth and development in the City of Salisbury as contained within the 2000 Strategic Growth Plan and the Vision 2020 Comprehensive Plan, and hereby recommends approval of zoning petition Z-01-06 with the added recommendation that City Council consider this zoning amendment as a Special Use District (S-District) for the purpose of removing mobile homes from the list of permitted uses and for the purpose of providing access from the rear parcels (to the north) through the subject site to Julian Road." He noted that the vote by the Planning Board was unanimous. He pointed out the recommendation of adding a Special Use Permit, and stated that if Council decides to uphold this recommendation, the Special Use District would have to be voluntarily requested by the property owner and action would need to be deferred today. Staff would then need to resend notices for an S-District zoning and it would come back to Council at a quasi-judicial level.

(b) Mayor Klutz convened a public hearing, after due notice and advertisement thereof, to consider a zoning map amendment for Z-01-06 Scott Neely, 1310 Julian Road.

Mr. Earl Holt, 308 Rubyberry Lane, Gastonia, stated that he is a member of the family that owns the property in question and noted that they do not live in Salisbury but he lives the closest so he maintains the property. He commented that the property has meant a lot to the family for many years but it is time to move on. He stated that the family wanted something nice on the property and they feel this upscale apartment complex will be an asset to Salisbury. He stated that at the first Planning Board meeting staff recommended approval and at the last Planning Board meeting no one spoke in opposition and the Planning Board recommended approval. Mr. Holt stated he feels this apartment complex will be economic development and will provide income from water and sewer services to the two hundred forty (240) apartments that will be built. He commented that he feels the apartment complex will enhance the Summit Corporate Center and he feels there are many reasons this should be rezoned.

Mr. Scott Neely, 866 Hinkle Road, Statesville, indicated he represents the developer McCain, Barn and Associates and added they are a small development firm located in Summerfield, North Carolina. He stated that the developers build approximately one upper-end apartment community every year and have been looking at Salisbury for some time. He stated that the developer likes to be low profile and just do a nice job and be an asset to the community. Mr. Neely commented that the properties are highly amenitized and the rents will most likely be the highest between Salisbury and Charlotte and they look forward to being a good corporate citizen in the community.

Mr. Bill Wagoner, 605 Confederate Avenue, noted that he spoke in opposition to the rezoning at the Planning Board and does not feel it would be incumbent to raise further objections today. He commented that this land mass represents a unique land area in the County and asked Council to seriously consider having the Planning Board, in conjunction with the County Planning Board, engage in a small area land use study to determine what should be done for this area in regards to land use planning. He stated that planning is long over due for this large A-1 area and a strategy needs to be developed, adding that he fears economic interests from outside of Rowan County will dictate the land use plan for this area.

There being no one else present to address Council regarding the rezoning request, Mayor Klutz closed the public

hearing.

Mayor Pro Tem Woodson commented that it seems there has been residential growth in the City but not as much industrial growth in the last year.

Councilman Kennedy commented that he has often heard that retail businesses do not have to be recruited and noted that Rowan County has been offered money for commercial uses in Summit Corporate Center but they are holding the property for industrial. He stated that to limit this area and not allow the apartments would be a mistake and supports the development, adding that he is not sure industrial development will be coming and he does not want to delay this initiative.

Councilman Burgin stated that he is an advocate of planning but he is concerned about the timing of Mr. Wagoner's request. He commented that he thinks the community has done a good job of reserving properties for industrial growth and feels that it has been addressed in a general way. He added that he thinks it would be beneficial to have the apartments close to Rowan Cabarrus Community College and close to the industrial sites that are in place. Mr. Burgin commented he thinks there is a need for apartments in the community and would support the rezoning.

Councilman Lewis noted that in looking at the request and the map of the area there is a clearly defined boundary for industrial development and if industrial was wanted for the other side of Julian Road it should have been zoned appropriately. He commented that he respects Mr. Wagoner's request to bring the two Planning Boards together to work on a plan for this critical area because he feels this whole interchange is important. Mr. Lewis stated that the request cannot be denied now because there is not a plan in place and he feels Council must accommodate the property owners. He added that he feels the plan makes sense and meets with the Comprehensive Plan. He indicated that he is in favor of rezoning but pointed out the two issues raised by the Planning Board: the zoning will allow mobile homes; and the request for access to parcels on the other side of Julian Road, to the north of the site.

Mr. Mitchell clarified that if this area is rezoned to R-6A mobile home parks will not be a permitted by right use, but a conditional use, and if someone wants to put a mobile home park on the property they will have to go through the Zoning Board of Adjustment.

Mr. Lewis asked Mr. Mitchell if the Planning Board feels stub-outs or ground easements should be required for the site plan for the north side of the property. Mr. Mitchell responded that the Planning Board did not get into specifics but that the discussion concerned opening up the areas to the north and providing connection for possible future development. Mr. Mitchell stated that for a short period this request was an S-District request. As part of that request the petitioner created a conceptual master plan depicting a roadway connection from Julian Road out to the property line abutting the Rowan County Fairgrounds, in the case that the County ever decided to sell the Fairgrounds and allow the property to be developed. Since the Technical Review Committee could not review the plan in time for the Planning Board meeting, the petitioner withdrew the S-District request and submitted the current request.

Mr. Lewis stated that he is comfortable not including the two issues brought forward from the Planning Board since the petitioner would have to request the S-District. He added that any mobile home park would have to be approved by Council, and if Council feels connectivity is needed, once the site plan is submitted for review it could be requested at that time.

Mayor Klutz commented that she respects Mr. Wagoner's view and since no plan has been formally adopted and this plan meets the requirements of the Comprehensive Plan she supports the request.

(c) Mr. Lewis stated that the City Council hereby finds and determines that adoption of the ordinance pertaining to zoning petition Z-01-06 is consistent with the adopted Strategic Growth Plan and the Comprehensive Plan and that adoption of the ordinance is reasonable and in the public interest due to its consistency with the Strategic Growth Plan and Comprehensive Plan and, as a result, its furtherance of the goals, objectives, and policies for growth and development in the City of Salisbury and thereupon, made a **motion** to adopt an Ordinance amending the zoning map from A-1 District to R-6A District with a High Density Overlay on Tax Map and Parcel 063-023. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Klutz voted AYE. (5-0)

AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF SALISBURY, NORTH CAROLINA, BY REZONING APPROXIMATELY 16.18 ACRES, ONE (1) PARCEL, LOCATED AT 1310 JULIAN ROAD, IDENTIFIED AS TAX MAP AND PARCEL 063-023, FROM A-1 DISTRICT TO R-6A DISTRICT WITH A HIGH DENSITY OVERLAY.

(The above Ordinance is recorded in full in Ordinance Book No. 21, Zoning & Planning, at Page Nos. 27-28, and is known as Ordinance No. 2006-20.)

BOARDS AND COMMISSION APPOINTMENTS

Community Appearance Commission

Upon a **motion** by Mr. Burgin, seconded by Mr. Kennedy, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Klutz voting AYE, the following reappointments were made to the Community Appearance Commission:

Ms. Judy Kandle	Term expires 3-31-2009
Ms. Cindee Bridges	Term expires 3-31-2009
Ms. Suzette Davis	Term expires 3-31-2009

Upon a **motion** by Mr. Kennedy, seconded by Mr. Burgin, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Community Appearance Commission:

Mr. Tom Wolpert Term expires 3-31-2009

Historic Preservation Commission

Upon a **motion** by Mr. Woodson, seconded by Mr. Burgin, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following reappointments were made to the Historic Preservation Commission:

Mr. Wayne Whitman Term expires 3-31-2009
Mr. Ronald Fleming Term expires 3-31-2009

Upon a **motion** by Mr. Woodson, seconded by Mr. Lewis, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Historic Preservation Commission:

Mr. Jack Errante Term expires 3-31-2009

Human Relations Council

Upon a **motion** by Mr. Kennedy, seconded by Mr. Burgin, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following reappointment was made to the Human Relations Council:

Mr. Hassan Mohamed Term expires 3-31-2009

Upon a **motion** by Mr. Kennedy, seconded by Mr. Woodson, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Human Relations Council:

Ms. Joann Diggs Term expires 3-31-2009

Upon a **motion** by Mayor Kluttz, seconded by Mr. Burgin, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Human Relations Council:

Mr. Mario Garrido Lecca Term expires 3-31-2009

Hurley Park Advisory Board

Upon a **motion** by Mr. Kennedy, seconded by Mr. Burgin, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Hurley Park Advisory Board:

Ms. Ida Finger Term expires 3-31-2009

Upon a **motion** by Mr. Kennedy, seconded by Mr. Woodson, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following reappointment was made to the Hurley Park Advisory Board:

Ms. Laura Thompson Term expires 3-31-2009

Salisbury Planning Board

Mr. Lewis noted that the Planning Board was set up to have staggered terms and over the years the terms have become less staggered. Mr. Preston Mitchell, Senior Planner, explained that if Council takes action to extend Mr. Price Wagoner's term by one year to 2008, and the terms of Dr. Kelly Vance and ETJ member Mr. Tommy Hairston by one year to 2009, the twelve (12) member Planning Board will be staggered with no more than four (4) terms ending in one year.

Thereupon, Mr. Lewis made a **motion** to extend Mr. Price Wagoner's tenure to 4-5-08, Dr. Kelly Vance's to 3-31-09, and Mr. Tommy Hairston 3-31-09. Mr. Woodson seconded the motion. Mr. Lewis corrected the term for Mr. Wagoner to end 3-31-08. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

Upon a **motion** by Mr. Woodson, seconded by Mr. Kennedy, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Salisbury Planning Board:

Mr. Nathan Chambers Term expires 3-31-2009

Upon a **motion** by Mr. Lewis, seconded by Mr. Woodson, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Salisbury Planning Board as an Extraterritorial Jurisdiction member:

Mr. Glenn Taylor (ETJ) Term expires 3-31-2009

Parks and Recreation Advisory Board

Upon a **motion** by Mr. Woodson, seconded by Mr. Kennedy, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following reappointment was made to the Parks and Recreation Advisory Board:

Ms. Mercedes Harrington Term expires 3-31-2009

Upon a **motion** by Mr. Burgin, seconded by Mr. Kennedy, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following reappointment was made to the Parks and Recreation Advisory Board:

Mr. Blaine Gorney Term expires 3-31-2009

Upon a **motion** by Mr. Lewis, seconded by Mr. Woodson, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Parks and Recreation Advisory Board:

Ms. Mandy Monath Term expires 3-31-2009

Tree Board

Upon a **motion** by Mayor Kluttz, seconded by Mr. Woodson, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Tree Board:

Ms. Liz Goodman Term expires 3-31-2009

Upon a **motion** by Mr. Kennedy, seconded by Mr. Woodson, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following reappointment was made to the Tree Board:

Ms. Mary Ellen Turner Term expires 3-31-2009

Greenway Committee

Upon a **motion** by Mr. Kennedy, seconded by Mr. Woodson, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following reappointments were made to the Greenway Committee:

Mr. Darrell Blackwelder Term expires 3-31-2009

Mr. Richard Franklin Term expires 3-31-2009

Ms. Lisa Wear Term expires 3-31-2009

Zoning Board of Adjustment

Upon a **motion** by Mr. Woodson, seconded by Mr. Kennedy, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made to the Zoning Board of Adjustment:

Mr. Scott Robinson Term expires 3-31-2009

Upon a **motion** by Mr. Kennedy, seconded by Mr. Woodson, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following appointment was made as an Alternate to the Zoning Board of Adjustment:

Mr. Reid Acree (Alternate) Term expires 3-31-2009

Upon a **motion** by Mr. Woodson, seconded by Burgin, and with Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voting AYE, the following reappointment was made to the Zoning Board of Adjustment, Extraterritorial member:

*Dr. Andrew Jeter (Alternate ETJ) Term expires 3-31-2009

* Council approved Dr. Jeter switching seats with alternate Extraterritorial member Mr. Randy Reamer making Mr. Reamer the regular Extraterritorial member and Dr. Jeter the alternate Extraterritorial member.

EXCUSE MAYOR PRO TEM WOODSON

Mayor Kluttz asked for a motion to excuse Mayor Pro Tem Woodson who needed to leave the meeting.

Thereupon, Mr. Burgin made a **motion** to excuse Mayor Pro Tem Woodson. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, and Ms. Kluttz voted AYE (4-0). Mr. Woodson was excused at 6:52 p.m.

CHANGES TO THE HISTORIC DISTRICT GUIDELINES – MINOR WORKS

(a) Ms. Janet Gapen, Planner II, explained that in the Historic District Design Guidelines, Minor Work is defined as exterior changes that do not involve substantial alterations, additions or removals that could impair the historic integrity of a property. There are two (2) categories of Minor Works in the Guidelines: Minor Work projects that can be approved at staff level and projects that are approved by a committee composed of the Historic Preservation Commission (HPC) Chair and Vice-Chair and the Zoning Administrator.

Ms. Gapen stated that the HPC has developed proposed additions to the two categories of Minor Works:

Minor Works – Staff Approval

- Professional pruning of large tree
 - Consultation by City Landscape Manager
- Replace roof on non-residential building
 - Similar materials
 - Roofs not visible from street
- Chimney caps
 - Not visible from street

Minor Works – Committee Approval

- Chimney caps
 - Visible from street
- Change awning color
 - With no change to exiting frame
- Roof-mounted solar panels
 - Inconspicuous areas
- New flashing, coping and similar roofing details

(b) Mayor Kluttz opened the floor to receive public comment regarding the proposed changes to the Historic District Guidelines regarding minor works.

Ms. Karen Alexander, 419 South Fulton Street, stated that she supports this request and thinks it will be in keeping with the first developed list and will assist new homeowners to be able to continue with projects on their homes.

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

(c) Thereupon, Mr. Kennedy made a **motion** to approve changes to the Historic District Design Guidelines regarding minor works as presented. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, and Ms. Kluttz voted AYE. (4-0)

SECOND READING - 2006-2007 CDBG AND HOME PROGRAM FUNDS

Ms. Janet Gapen, Planner II, presented the proposed budget for Community Development Block Grant (CDBG) and HOME programs for FY 2006-2007 for a second reading by Council.

CDBG

Project Activities:

Acquisition/Rehab/Resale	\$175,000.00	
Emergency Rehab	\$ 29,523.00	
Dixonville Improvements	\$ 10,000.00	\$ 214,523.00

Public Services:

Rowan Helping Ministries	\$ 25,750.00
Family Crisis Council	\$ 16,100.00
Community Care Clinic	\$ 11,520.00
Salisbury Youth Employ.	\$ 7,500.00

West End Youth Garden	\$ 1,598.00	\$ 62,648.00
Program Administration		\$ 83,290.00
Debt Service - Section 108 Loan		\$ 56,169.00
Total CDBG Funds		\$416,450.00
Total CDBG Funds		\$416,450.00

HOME

Project Activities:		
Acquisition/Rehab/Resale	\$ 56,803.00	
Homeownership Assist.	\$ 60,000.00	
		\$116,803.00
Program Administration		\$10,123.00
Total HOME Funds		\$126,926.00

TOTAL COMMUNITY DEVELOPMENT FUNDS \$543,376.00

Ms. Gapen noted a comparison table showing the changes in funding from FY05-06 and FY06-07.

BUDGET COMPARISON	FY 05-06	FY 06-07	
CDBG			
Project Activities	239,935.00	214,523.00	-11%
Public Services	63,870.00	62,468.00	-2%
Program Administration	90,160.00	83,290.00	-8%
Debt Service Section 108 Loan	56,833.00	56,169.00	-1%
Total CDBG Funds	450,798.00	416,450.00	-8%
HOME			
Project Activities	140,332.00	116,803.00	-17%
Program Administration	13,280.00	10,123.00	-24%
Total HOME Funds	153,612.00	126,926.00	-17%
SOURCES OF INCOME			
CDBG	375,798.00	341,450.00	-9%
Program Income	75,000.00	75,000.00	0%
HOME	153,612.00	126,926.00	-17%
TOTAL C.D. FUNDS	604,410.00	543,376.00	-10%

Thereupon, Mr. Kennedy made a **motion** to approve the second reading of the 2006-2007 Action Plan budget for CDBG and HOME program funds. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, and Ms. Klutz voted AYE. (4-0)

ESTABLISH PERMANENT FOUR-WAY STOPS AT LEE AND FISHER STREETS AND LEE AND BANK STREETS

Mr. Dan Mikkelson, Land Management and Development Director, informed Council that four-way stops have been installed at Lee and Fisher Streets and Lee and Bank Streets. He stated that the signals have been bagged and staff has evaluated the intersections for ninety (90) days as required and recommends making the four-way stops permanent.

Thereupon, Mr. Lewis made a **motion** to adopt an Ordinance amending Section 13-326, Article X, Chapter 13 of the Code of the City of Salisbury relating to traffic control signal lights. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, and Ms. Klutz voted AYE. (4-0)

AN ORDINANCE AMENDING SECTION 13-326, ARTICLE X, CHAPTER 13 OF THE CODE OF THE CITY OF SALISBURY, RELATING TO TRAFFIC-CONTROL SIGNAL LIGHTS.

(The above Ordinance is recorded in full in Ordinance Book No. 21, Traffic, at Page No. 29, and is known as Ordinance No. 2006-21.)

Thereupon, Mr. Lewis made a **motion** to adopt an Ordinance amending Section 13-332, Article X, Chapter 13 of the Code of the City of Salisbury relating to stop signs. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, and Ms. Klutz voted AYE. (4-0)

AN ORDINANCE AMENDING SECTION 13-332, ARTICLE X, CHAPTER 13 OF THE CODE OF THE CITY OF SALISBURY, RELATING TO STOP SIGNS.

AWARD CONTRACT TO SUMMIT DEVELOPERS FOR THE CONSTRUCTION OF FIRE STATION 4

Ms. Karen Alexander, Architect, spoke to Council regarding the construction of Fire Station 4 to be located on Statesville Boulevard. She informed Council that she has worked with a Committee regarding the construction and has been successful in creating a fire station that met the City's base bid budget. This includes signage depicting the City's name and fire station number. She noted that the Committee worked to determine how to form the base bid and the alternates in order to look at opportunities to include additional program space if available. She stated that the Committee also looked at adding brick veneer to the sides of the building, but in the final analysis of determining available funds for the brick veneer or for additions to the Station, the Committee chose to add a one thousand four hundred (1,400) square foot training area, a sprinkler system, and additional electrical upgrades. She noted that the cost of these additions was the same amount it would have cost to add the brick veneer.

Mr. Dewey Peck, Purchasing Manager, stated that this will be the first Fire Station built in Salisbury in almost fifty (50) years. He noted that six (6) responses were received for the Request for Bids. He requested Council award the contract to Summit Developers and noted that they have estimated the building to be complete within two hundred (200) days. He stated that staff is also recommending approval of the alternates to add the additional space and noted the total lowest bid is \$983,247.

Bids were received from:

<u>VENDOR</u>	<u>BASE BID</u>	<u>ALTERNATES</u>	<u>TOTAL BID</u>
Summit Developers	\$879,000	\$104,247	\$983,247
Crescent Construction	\$986,542	\$116,378	\$1,102,920
Jarrell Construction	\$989,000	\$121,100	\$1,110,100
Liles Construction	\$1,022,910	\$121,650	\$1,144,560
Bradshaw Construction	\$988,544	\$160,037	\$1,148,581
Bar Construction	\$1,027,000	\$125,240	\$1,152,240

Councilman Lewis commented that it is stated that additional funding required for the project will be acquired through the General Fund from monies budgeted, but not expended, for North Carolina Department of Transportation (NCDOT) projects in the current budget. Mr. John Sofley, Management Services Director, stated that these expenditures will be in next year's budget, adding that there were funds budgeted for local matches to NCDOT projects that will not be completed by June 30, 2006. Mr. Sofley stated that essentially staff is swapping years to take advantage of local funds to accomplish this purpose.

Thereupon, Mr. Burgin made a **motion** to award the construction of Fire Station 4 to Summit Developers, to include base bid and alternates totaling \$983,247. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, and Ms. Kluttz voted AYE. (4-0)

COMMENTS FROM THE CITY MANAGER

(a) Planning Board

Council received the Planning Board recommendations and comments from their March 28, 2006 meeting.

(b) Donations for Pascagoula, Mississippi

City Manager David Treme informed Council that throughout the year funds have been collected for Pascagoula, Mississippi for Hurricane Katrina relief efforts. He noted that he has contacted Ms. Harrietta Eaton, Administrative Officer for Pascagoula, who indicated that they are in need of recreational resources. Mr. Treme proposed forwarding the \$12, 890 to Pascagoula to spend for their recreational resources.

Thereupon, Mr. Burgin made a **motion** to concur with our sister community as to their needs and to forward the check that has been collected for the purposes of recreational equipment and games. Mr. Lewis seconded the motion. Messrs. Burgin, Kennedy, Lewis, and Ms. Kluttz voted AYE. (4-0)

Mayor Kluttz thanked everyone from the public who donated the funds.

MAYOR'S ANNOUNCEMENTS

(a) Special Meeting – Hot-Mix Asphalt Tour

Mayor Kluttz announced that Council will hold a special meeting April 6, 2006 to tour a Hot-Mix Asphalt facility. Council will depart City Hall at 8:30 a.m. to tour the APAC facility located at 665 Goodman Road, Concord, North Carolina.

(b) State Legislative Hearing on Expanding Rail Service in North Carolina

Mayor Kluttz announced that a delegation from Salisbury will attend a State legislative hearing on expanding rail service in North Carolina Friday, April 7, 2006 from 10:00 a.m. until 12:30 p.m. at the Crowne Plaza Resort, Asheville, NC.

(c) Spring Spruce Up Week

Mayor Klutz announced that the Community Appearance Commission and the Public Services Department will hold their Spring Spruce Up Week April 24-28, 2006.

(d) Brenner Avenue Improvements

Councilman Lewis informed Council that he met with Public Services Interim Director Tony Cinquemani, Street Maintenance Manager Steve Weatherford, Land Management and Development Director Dan Mikkelson, and City Manager David Treme to look at the improvements to Brenner Avenue and two (2) of the sharper edges have been smoothed to make for an easier transition. He added that it looks much nicer and he is anxiously awaiting the asphalt and striping which will take place April 10, 2006.

CLOSED SESSION

Mayor Klutz informed Council that she would entertain a motion for the Council to go into closed session for the acquisition of property located on Tax Map 19 Parcel 88 as allowed by NCGS 143-318.11(5)

Thereupon, Mr. Kennedy made a **motion** to go into closed session for the acquisition of property located on Tax Map 19 Parcel 88 as allowed by NCGS 143-318.11(5). Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, and Ms. Klutz voted AYE. (4-0)

RETURN TO OPEN SESSION

Thereupon, Mr. Burgin made a **motion** to return to open session. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, and Ms. Klutz voted AYE. (4-0)

Mayor Klutz announced that Council took no official action in closed session.

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ADJOURNMENT

Motion to adjourn the meeting was made by Mr. Burgin, seconded by Mr. Lewis. All council members agreed unanimously to adjourn. The meeting was adjourned at 7:30 p.m.

Mayor

City Clerk