

Salisbury, North Carolina  
May 5, 2009

**REGULAR MEETING**

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

**ABSENT:** None

The meeting was called to order by Mayor Kluttz at 4:00 p.m. The invocation was given by Councilman Lewis.

**PLEDGE OF ALLEGIANCE**

Mayor Kluttz recognized Mr. Carl Yost, Mr. Cameron Feronte and Assistant Scout Master Jeff Yost from Troop 317 at Christiana Lutheran Church. She noted that Mr. Yost and Mr. Feronte are working toward their Citizenship and Community Merit Badges. She invited Mr. Yost and Mr. Feronte to lead 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 recognize positive youth initiatives will be heard after Item 6 – Council to recognize the Public Art Committee and the Salisbury Sculpture Show *Discover What's Outside*

Move Item 14 – Council to receive an update from Lou Manning regarding the IRS VITA site at Park Avenue Community Center will be heard after the positive youth initiatives.

Move Item 15 – Council to consider approving an agreement with Rowan County regarding consolidation of Animal Control services will be heard after the Consent Agenda.

### **RECOGNITION OF RETIRING MASTER POLICE OFFICER MIKE MCCART**

Deputy Chief Steve Whitley announced that Master Police Officer Mike McCart retired May 1, 2009. He asked Council to consider awarding Officer McCart his duty sidearm as authorized by NCGS 21-87.2, along with his badge for his service to the City. Chief Whitley stated that he is proud of Officer McCart's accomplishments and added that Officer McCart will remain as a reserve officer with the City and will continue to teach rookie schools.

Mayor Kluttz stated that she appreciates all that Officer McCart has done for the City.

Thereupon, Mr. Burgin made a **motion** to authorize issuing to Master Police Officer Mike McCart his badge and sidearm for his service to the City for a price of \$1. Mr. Kennedy seconded the motion and stated that he would like to donate the \$1 for the purchase of Officer McCart's sidearm. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

### **RECOGNITION – PUBLIC ART COMMITTEE SCULPTURE SHOW**

Ms. Lynn Raker, Urban Design Planner, and Ms. Barbara Perry, Chairman of the Public Art Committee, addressed Council regarding the Salisbury Sculpture Show "Discover What's Outside". Ms. Perry recognized the members of the Public Art Committee and thanked those who made the Sculpture Show possible. She explained that on May 27, 2009 Mr. Joe Rowland with Summerhill Gallery located in Chapel Hill, North Carolina will select the best in show and noted that the award will be presented during the June Arts Festival. Ms. Raker displayed photographs of the installation of the sculptures. She also displayed photographs of each sculpture and recognized the artist:

- "Cirque #1" by Mr. Michael Baker, located at Community Bank of Rowan
- "N.C. Colonial Tuscarora" by Mr. Ray Moose, located at the Rowan County Convention and Visitor's Bureau

- “Volute” by Mr. Dale McEntire, located at the Gateway Building
- “Helix Tower” by Mr. Carl Billingsley, located at the corner of North Lee Street and East Liberty Street
- “Meus Amour” by Mr. Kevin Eichner, located at Easy Street by the F&M Trolley Barn
- “Stream” by Mr. Martin Webster, located on Easy Street
- “Anhinga” by Mr. Harry McDaniel, located at the Salisbury Police Department
- “Jeremiah” by Mr. Roger Martin, located at the corner of North Main Street and East Liberty Street
- “Just for Fun” by Ms. Katherine Apple, located at the Rowan Museum
- “Olympia” by Mr. Jozef Vercauteren, located at Wachovia Bank
- “Purple Whisper Double Seater” by Mr. Jim Gallucci, located at the Rowan Public Library
- “Pipeline” by Mr. Jim Gallucci, located at the Rowan Public Library
- “Look Homeward, Angles” by Mr. Robert Winkler, located at the First Presbyterian Church Manse
- “Tecton #9” by Mr. Donald Green, located at Magnolia Park

Ms. Raker stated that a film crew from University of North Carolina Television recently visited Salisbury to film a segment for the “North Carolina Weekend” show. She noted that the segment is scheduled to air in the next two months.

Mayor Kluttz stated that there has been a lot of interest since the art was installed and this is a good opportunity to explain the art to the community. Ms. Raker noted that each of the sculptures is for sale and the Public Art Committee will receive a 25% commission from the sales to be used towards next year’s Sculpture Show.

Mayor Kluttz commented that it is evident how hard the Public Art Committee has worked and that they have done a wonderful job with this event. She noted that Salisbury has appreciated and supported the arts for many years and she thinks taking the art outside is a new step for the City and enhances the downtown area. Mayor Kluttz thanked the Public Art Committee and artists and noted that the City is very fortunate to have the artwork on display.

Councilman Burgin stated that he hopes after the “North Carolina Weekend” show airs, visitors will come see this spectacular show.

Mayor Kluttz pointed out that this has been a positive experience and added that people such as those on the Public Art Committee are what make Salisbury a special place.

## **RECOGNITION OF POSITIVE YOUTH INITIATIVES**

Reverend William Turner and Mr. Lou Manning updated Council on the Park

Avenue Academic Enrichment Program. Reverend Turner noted that the program is a group effort consisting of dedicated teachers, parents, corporations, community, along with the City Council and the Woodson Foundation. He indicated that the students are taught reading comprehension, math skills, science, social studies, writing and computer skills and that the program has had a 95% to 100% success rate. Reverend Turner stated that currently the program serves children from Koontz Elementary School, but because of the number of requests for participation in the program, organizers may consider allowing children from other areas next year. He thanked the Woodson Foundation for its help in underwriting this program.

Mayor Kluttz stated that Council is very proud of what this program accomplishes. She asked how many students were enrolled in the program. Reverend Turner noted that initially 20 students were enrolled, but many parents were forced to move when they lost their jobs in the current economic downturn, and the program ended with 12 students. He noted that graduation will be Thursday, May 7, 2009 at 4:30 p.m.

**REPORT – IRS VITA SITE**

Mr. Lou Manning, Park Avenue Redevelopment Corporation, updated Council on the IRS Volunteer Income Tax Agency (VITA) at Park Avenue Center. He indicated that this program was initiated four years ago. Mr. Manning read a letter from the Internal Revenue Service (IRS) commending the program. He indicated that this year’s goal was to complete 100 tax returns and the program actually filed 166 returns totaling \$142,965 in refunds issued. He recognized current volunteers Ms. Catherine Bradley, Mr. Garth Birdsey, Ms. Linda Cooper, Ms. Mary Booth, Ms. Mildred Collins and Ms. Marjorie Gordon. He noted that next year he hopes the program can be expanded with more volunteers. Mr. Manning read a letter to Mayor Kluttz from the IRS thanking her for supporting the program. He then presented a plaque from the IRS to Mayor Kluttz.

Mayor Kluttz stated that she hopes they will be able to expand next year and have more people take advantage of the program.

**PROCLAMATIONS**

Mayor Kluttz proclaimed the following observances:

MUNICIPAL CLERKS WEEK	MAY 3-9, 2009
NATIONAL DAY OF PRAYER	MAY 7, 2009
NATIONAL POLICE WEEK	MAY 10-16, 2009
PEACE OFFICERS MEMORIAL DAY	MAY 12, 2009
LET’S GET CONNECTED DAY	MAY 16, 2009
HISTORICAL PRESERVATION MONTH	MAY 2009

## **CONSENT AGENDA**

### (a) Approval of Minutes

Approve Minutes of the Regular meeting of April 21, 2009.

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

## **AGREEMENT – ANIMAL CONTROL SERVICES**

Deputy Chief Rory Collins stated that last year he was asked to explore the feasibility of combining the Rowan County and City of Salisbury Animal Control Services and noted that this was also a goal of the Rowan County Board of Health. He pointed out that the City currently uses the County Animal Shelter by taking approximately 50 animals to the shelter each month.

Deputy Chief Collins stated that staff from the City and County met to discuss the possible merger and a draft agreement was developed. He reviewed the highlights of the agreement and noted that with Council's approval, the agreement will become effective July 1, 2009:

- Salisbury will receive animal control coverage 24 hours a day, 7 days a week
- Rowan County will hire the City's existing Animal Control Officer
- City will turn over its animal control truck and associated equipment to Rowan County
  - Truck has 2 years of service remaining
  - City will pay Rowan County to help replace the animal control truck
    - 2009-2010 – \$60,000
    - 2010-2011 – \$30,000
    - 2011-2012 – \$15,000
    - After final payment, County will assume financial responsibility for the animal control service

Deputy Chief Collins pointed out that Rowan County currently has five full time animal control officers and this agreement will increase the number to six which will provide better coverage for City residents. He stated that the agreement was unanimously approved by the Rowan County Board of Commissioners May 4, 2009.

Councilman Kennedy asked if the Police Department will still investigate if there is a dog attack in the City. Deputy Chief Collins responded that the animal control officer will answer the call, but under the agreement, City police officers will continue to provide assistance when needed.

Thereupon, Mr. Woodson made a **motion** to authorize the Mayor and City Manager to execute an agreement with Rowan County regarding the consolidation of the Animal Control Services. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

### **ECONOMIC DEVELOPMENT INCENTIVE GRANT**

(a) Mr. Robert Van Geons, Director of the Economic Development Commission (EDC), introduced Ms. Nancy Lee, Director of Henkel Facility and Ms. Diane Greene, EDC Vice-Chairman. Mr. Van Geons stated that the proposed incentives for the Henkel Facility Project were approved by the Rowan County Board of Commissioners May 4, 2009 and he is now seeking City Council's approval. He pointed out that the EDC has worked closely with the State of North Carolina and Duke Energy on this project. He noted that this is a competitive project and he appreciates City Council's consideration adding that with State support he hopes to have a win-win scenario.

Ms. Lee reviewed the history of Henkel Corporation which is located at 485 Cedar Springs Road:

- 1965 – Proctor Chemical Company of Salisbury purchased the 500 acre tract to house a \$6 million per year business of organic specialty chemicals
- 1969 – National Starch and Chemical acquired Proctor Chemical and expanded product offerings from textile coatings into cosmetics, pharmaceuticals and ultimately electronic and industrial adhesives
- 2008 – AkzoNobel acquired National Starch in January. In April, they divided the site reselling 53 acres with the electronics and pressure-swing adsorption (PSA) businesses to Henkel Corporation

Ms. Lee reviewed an aerial map of the Cedar Springs site and offered insight to the Henkel Corporation:

- Worldwide Corporation
  - Present in 125 countries
  - Employees 53,300
  - Yearly sales 13,074 million Euros
- Regional Business Units Specialize in Adhesive Technology
  - Industrial Adhesives – currently existing
  - Semiconductor Assembly – currently existing
  - Electronics Assembly – proposed expansion

Ms. Lee stated that the Adhesive Technologies Electronics Division concentrates on an adhesive used in circuit board assembly. She reviewed the Salisbury Adhesive Electronics Project:

- The merger of National Starch Corporation into Henkel created too much capacity in North America. To reduce operating costs, Henkel will consolidate from six to two sites
- With City Council's help, Salisbury has the potential to be one of those two sites
- If the project is approved, not only will 50 existing jobs be saved, Henkel estimates they will spend over \$20 million for expansion of the existing facility and create over 100 jobs

Ms. Lee stated that everyone at Henkel would like to thank the State of North Carolina, Rowan County, the City of Salisbury, and Duke Energy for their work toward making the project a reality. She introduced members of Henkel Corporation, Engineering Manager Jim Joseph and Plant Controller Katrina Brown.

Mr. Van Geons stated that the Rowan County Board of Commissioners developed a standard policy for incentive agreements and noted that the City is being asked to match that policy. He indicated that the proposed project would create 103 new jobs, pay an average wage exceeding \$54,000 per year, have an annual payroll of \$5.6 million and invest approximately \$23 million in new buildings, site improvements and equipment.

Mr. Van Geons indicated that the Rowan County Board of Commissioners approved an incentive for this project at their May 4, 2009 meeting and requested that the City of Salisbury also support this project by adopting a similar agreement. He explained that the incentive consists of a five year grant and in the first year of construction the incentive will not be effective and the City will receive all tax dollars. He added the first year of the grant is 2011 and in order to receive the incentive the Henkel Corporation must pay 100% of the taxes, must have the projected number of employees and must pay the projected wages. Mr. Van Geons pointed out that the grant is based on a portion of the new investment above the base line already established with the Company's last tax assessment. He presented the summary of findings for the project:

- During 2011 to 2015, the Company would receive the incentive grant, pay an estimated \$120,738 in new taxes and receive \$91,321 in grant funds annually (FY2011 estimates). The City would net approximately \$30,185 in new revenue
- At the expiration of the incentive agreement, beginning in 2016, the City retains the full amount of revenue collected, estimated to be \$180,350 or more annually
- During the 10-year study period, it is projected that the City will receive \$1,576,727 in revenue, provide \$528,540 in grant funding and retain new revenue of \$1,048,187

Mr. Van Geons also reviewed other assistance being sought for the Henkel Corporation Project:

- Discretionary Grants from the State of North Carolina

- Approved Grant from Rowan County
- Workforce Development
- Utility Assistance
- Potential 3J job creation tax credits
- Potential in 3J investment tax credits

Mr. Van Geons closed by stating that for every dollar the City invests to assist the project there will be \$4.80 of funding from other assistance.

(b) Mayor Kluttz convened a public hearing, after due notice thereof, to receive comments on the proposed Economic Development Incentive Offer allowing Henkel Corporation to potentially expand their manufacturing operation in Salisbury, North Carolina.

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

Mayor Pro Tem Woodson stated that he is delighted that Henkel Corporation is considering expansion in Rowan County. He noted that he is in favor of the project.

Councilman Lewis stated that the facility has been in Rowan County for a long time and has provided jobs for many people. He commended Mr. Van Geons for his work to bring the various agencies together for this type of project.

Councilman Burgin stated it is exciting that businesses who are here want to stay and grow here. He pointed out that Council struggles to generate jobs and this provides Council the opportunity to participate in job creation.

Mayor Kluttz stated that she understands the competitive nature of business and thanked Henkel Corporation for considering Salisbury. She congratulated Mr. Van Geons for putting this project together and for Henkel's willingness to remain in Rowan County.

Councilman Kennedy stated that it is an easy option for Council to support the project in hopes that Henkel will remain in Rowan County.

(c) Thereupon, Mr. Woodson made a **motion** to approve an Economic Development Incentive Grant for a period of five years to Henkel Corporation under the guidelines of the City's Economic Grant Program and to direct the City Manager to prepare a formal agreement between Henkel Corporation and the City to administer this incentive grant. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

## **RESOLUTION – AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

Mr. Doug Paris, Assistant to the City Manger, addressed Council regarding an application for American Recovery and Reinvestment Act funding. Mr. Paris noted that after speaking with State officials regarding how the City might best compete for these funds, a staff team was assembled to review the application to be submitted to the State. He indicated that staff would like to proceed with the application process and requested Council adopt a Resolution for consideration to proceed.

Thereupon, Mr. Kennedy made a **motion** to adopt a Resolution seeking permission to apply for American Recovery and Reinvestment Act of 2009 funding, entering into an agreement with North Carolina Department of Transportation and to provide necessary assurances. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

RESOLUTION SEEKING PERMISSION TO APPLY FOR AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 FUNDING AND ENTER AN AGREEMENT WITH NORTH CAROLINA DEPARTMENT OF TRANSPORTATION TO PROVIDE NECESSARY ASSURANCES.

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 27, and is known as Resolution 2009-13.)

### **AMERICAN RECOVERY AND REINVESTMENT ACT GRANT**

(a) Mr. Rodney Harrison, Transit Division Manager, addressed Council regarding a proposed application for American Recovery and Reinvestment Act of 2009 (ARRA) funding. Mr. Harrison stated that the ARRA provides an unprecedented opportunity to improve the State's transit infrastructure while maintaining and creating jobs throughout the State and specifically in Salisbury. Mr. Harrison reviewed the funding:

#### Background

- All projects will be funded 100%
- Funds are only eligible for capital projects as defined in the United States Code Title 49, Section 5302
- The intent of ARRA is to identify projects that can be implemented within a short period of time, putting cash into the economy in the immediate future
- Anticipated Federal Transit Administration award date – July 30, 2009
- Period of Performance – August 1, 2009 to June 30, 2011
- Public Hearing Information due to Public Transportation Division – May 15, 2009

Partial Project List

- Shop equipment and spare parts for buses
- Shelters
- Hybrid bus
- Preventive vehicle maintenance
- Vehicle storage facility
- Water-Oil separator
- Automatic vehicle location system
- Self contained fuel tank

**BUDGET SUMMARY**

Expansion Vehicles	\$ 540,300
Associated Capital	443,850
Facility Improvements	211,500
Facility Construction	808,688
Advanced Technology	771,800
Preventive Maintenance	1,043,500
Mobility Management	<u>150,000</u>
<b>Grand Total ARRA Capital</b>	<b>\$3,969,638</b>

(b) Mayor Kluttz convened a public hearing, after due notice thereof, to receive comments on the proposed American Recovery and Reinvestment Act Grant.

Mr. Archie Reid, Laurel Pointe Circle, stated that he is a resident of the Lash Drive community and requested an expansion of bus service to the Lash Drive area. He stated it would improve the quality of life for Lash Drive residents. He indicated that he feels this grant money is needed to improve transportation to better serve the City, especially with the state of the economy. He noted that if the grant is approved and received he hopes Council and the Transit Department will remember the Lash Drive community.

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

Councilman Kennedy asked Mr. Harrison if extension of bus service to the Lash Drive area is included in the funding application. Mr. Harrison indicated that bus service to the Lash Drive community is an operational issue and funding for certain operational items was not included in the list of items eligible for funding. He added that he has received estimates from a private transit provider and this item will be addressed in the near future.

Councilman Lewis asked if the application included a new bus. Mr. Harrison indicated that the proposed application includes a hybrid bus. Mr. Lewis noted that

several cities have purchased electric buses and since Salisbury is in a non-attainment area he feels these should be given consideration in Salisbury as well.

(c) Thereupon, Mr. Kennedy made a **motion** to approve a grant application to the North Carolina Department of Transportation for funding through the American Recovery and Reinvestment Act of 2009. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

### **INTERLOCAL AGREEMENT – CAPE FEAR PUBLIC TRANSPORTATION AUTHORITY**

Mr. Tony Cinquemani, Public Services Director, addressed Council regarding the procurement of transportation equipment through the Cape Fear Public Transportation Authority. Mr. Cinquemani indicated that an Interlocal Agreement will allow the City of Salisbury to purchase buses when grant funds are approved.

Mr. Rodney Harris, Transit Division Manager, indicated that the agreement with Cape Fear Public Transportation Authority will allow Salisbury to obtain buses, bus equipment, and parts more quickly and less expensively than purchasing these items alone. He noted that by entering into this Agreement Salisbury is not committing to purchase any vehicle, equipment, or parts but it creates a purchasing opportunity when the need arises. He added that this will save time because the City will not have to prepare bids for these items, but will only have to submit a purchase order. He pointed out that the current State bid expires in 2011 and does not include hybrid buses. He noted that the proposed Interlocal Agreement will be the only agreement available after the State bid expires. He noted that the Interlocal Agreement is due May 15, 2009.

Thereupon, Mr. Kennedy made a **motion** to adopt an Interlocal agreement for the procurement of buses and bus equipment and parts through the Cape Fear Public Transportation Authority. Mr. Lewis seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

### **GROUP DEVELOPMENT SITE PLAN G-18-06 – GRAND ON JULIAN**

(a) Mr. David Phillips, Development Services Manager, addressed Council regarding group development site plan G-18-06 The Grand on Julian located at 1310 Julian Road. Mr. Phillips explained that this site plan was previously approved under the previous Zoning Ordinance. He reviewed the location of the site noting it is adjacent to I-85 and the Rowan County Fairgrounds. He stated that during an inspection staff noticed the elevation of the building appeared to be more drastic than the approved plans. He stated that because of the major change in the elevation staff felt the plan should be brought back to Council for approval. Mr. Phillips reviewed the elevations for the approved plan pointing out the proposed areas of brick and lap siding. He then reviewed the constructed elevations noting the brick and high grade vinyl siding used on the buildings.

Mr. Phillips reviewed an aerial photograph of the area and pointed out the buildings with street frontage, noting that what is seen on Julian Road is a side elevation. He stated that when the plan originally went through the group development process building design standards were not in place as they are now with the Land Development Ordinance. He commented that as staff reviewed the Minutes from the Planning Board and City Council regarding the plan's original approval, there was little discussion regarding building materials or appearance.

Mr. Phillips indicated that when the Planning Board reviewed the revised site plan it recommended the developer include a false window to the area of blank wall on the buildings. He stated that the Planning Board recommends approval of the revised site plan with the consideration of the false window. He commented that when the site was developed, the developer included many elements now required in the Land Development Ordinance.

Councilman Kennedy asked if the treatment recommended from the Planning Board would be just for the buildings fronting Julian Road. Mr. Phillips responded that it would be for each building with this blank wall element, which is more prevalent on the interior development.

Councilman Burgin clarified that the Planning Board is recommending false windows, not actual windows. Mr. Phillips responded that it is a false window and would have the appearance of a closed shutter over what would be the window opening.

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

Mr. Pat Iannelli, PDI Architecture, stated that he was available for questions from Council.

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

Councilman Burgin indicated that he does not believe the elevations were critical in the approval of the site plan. He commented that he appreciates the Planning Board's interest in this detail but thinks there is enough interest in the elevations that he can support the final site plan as constructed. He added that he believes there have been efforts by the developer to make improvements in other areas that were not part of the original plan and he would approve as requested.

Councilman Lewis stated that he thinks the elevations are high quality for a high density apartment complex. He indicated that he feels it is unfair to hold the developer to a standard that was not officially approved by Council when the plan was approved. Mr. Lewis indicated that he feels what is being built meets the spirit of what was approved by Council.

Councilman Burgin indicated that the architectural standards have been addressed for future submittals, but current standards were not in place at the time this site plan was approved. He pointed out that all subsequent submittals will have specific requirements under the new code.

(c) Thereupon, Mr. Lewis made a **motion** to amend approved group development site plan G-16-06 Grand on Julian, 1310 Julian Road. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

**AWARD CONTRACTS – BRS, INC**

Mr. Jim Behmer, Utilities Director, addressed Council regarding contracts for installation of the Town Creek Sewer Interceptor. Mr. Behmer indicated that he received bids March 4, 2009 for the Town Creek Interceptor project. He stated that the City entered into an agreement with Rowan County to partner in an economic development project to extend the sewer line along Interstate 85. He noted that bid alternates were also included in order to take the sewer line across the Interstate. Mr. Behmer indicated that based on the bids received staff recommends awarding three contracts to BRS, Inc. to complete the entire project. He reviewed the project budget:

**TOWN CREEK I-85 INTERCEPTOR PROJECT BUDGET**

Construction (3 contracts)	\$ 5,172,005
Contingency	450,000
Engineering Design	275,000
Construction Admin/Observation	225,300
Reimbursable Expenses	10,000
Environmental Assessment	35,000
Right Of Way Acquisition	165,000
Right Of Way Surveying and Mapping	<u>125,000</u>
<b>Total Project Budget</b>	<b>\$ 6,457,305</b>

Mr. Behmer indicated that the goal was to maintain a budget under \$6.5 million.

Mr. Behmer then reviewed the project schedule:

**Revised Project Schedule**

- Agreement Executed March 2006
- Design April 2006 – February 2008
- Permitting May 2006 – February 2009
- Easement Acquisition January 2008 – May 2009
- Bidding March 2009
- Construction June 2009 – December 2010
- Closeout December 2010

Mr. Behmer noted that staff applied for American Recovery and Reinvestment Act Grant funds, but was denied funding in the first round. City Manager David Treme indicated that the City was not selected because its system did not have any penalties or violations and did not score enough points in that area.

Mr. Behmer stated that BRS, Inc has worked on major projects for the City and has always performed well. He noted that this is a difficult project and having the same contractor for all three jobs could allow the project to be completed within 18 months.

Councilman Burgin asked if this will shift the sewer load to other treatment plants. Mr. Behmer indicated that the loads will be equally shifted to other treatment plants.

Mr. Treme indicated that the City has two waste water treatment plants and shifting the load could delay future problems and noted that this is one of the reasons why the City is interested in pursuing the funding.

Thereupon, Mr. Burgin made a **motion** to award a contract in the amount of \$2,040,335.50 to BRS Inc., for the installation of the Town Creek (I-85) Sewer Interceptor, Contract 1 with bid alternates 1, 2, and 2A. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

Thereupon, Mr. Burgin made a **motion** to award a contract in the amount of \$1,219,942.00 to BRS Inc., for the installation of the Town Creek (I-85) Sewer Interceptor, Contract 2 with bid alternates 1, 2, and 2A. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

Thereupon, Mr. Burgin made a **motion** to award a contract in the amount of \$1,911,726.50 to BRS Inc., for the installation of the Town Creek (I-85) Sewer Interceptor, Contract with bid alternates 2 and 3. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

### **CAPITAL PROJECT ORDINANCE AMENDMENT – I-85 SEWER LINE EXTENSION**

This is a continuation of the previous item.

Thereupon, Mr. Burgin made a **motion** to adopt a Capital Project Ordinance Amendment in the amount of \$5,500,000 for the Interstate 85 Sewer Line Extension Project. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

**INTERSTATE 85 SEWER LINE EXTENSION CAPITAL PROJECT ORDINANCE AMENDMENT.**

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 71, and is known as Ordinance 2009-28.)

**SECOND READING – FY2009-2010 CDBG AND HOME BUDGET**

Ms. Janet Gapen, Senior Planner, addressed Council regarding the second reading of the FY 2009-2010 budget for the Community Development Block Grant (CDBG) and HOME funds. She indicated that during her initial presentation staff did not have firm CDBG fund figures, but the figures have been received and they exceed last year’s funding. She reviewed available funding and activities proposed for the budget:

Available Funding

• Community Development Block Grant (CDBG)	\$ 308,695.00
• HOME	104,593.00
• Program Income	<u>70,000.00</u>
TOTAL	\$ 483,288.00

CDBG Program Draft Budget FY2009-2010

• Project Activities	
○ Acquisition/Rehabilitation/Resale	\$ 120,096.20
○ Owner-Occupied Rehabilitation	50,000.00
○ Emergency Rehabilitation	15,000.00
○ Sidewalk Construction	<u>11,000.00</u>
TOTAL	\$ 196,096.20
• Public Services	
○ Rowan Helping Ministries	\$ 22,500.00
○ Family Crisis Council	14,000.00
○ Community Care Clinic	10,000.00
○ Salisbury Youth Employment	6,500.00
○ West End Youth Garden	<u>1,500.00</u>
TOTAL	\$ 54,500.00
• Park Administration	\$ 75,000.00
• Debt Services – Park Avenue Center	<u>\$ 53,098.80</u>
Total CDBG Funds	\$ 378,695.00

Home Program Draft Budget FY2009-2010

• Project Activities	
○ New Construction	\$ 88,673.00
○ Homeowner Assistance	<u>10,000.00</u>
TOTAL	\$ 98,673.00
• Program Administration	\$ <u>5,920.00</u>
Total HOME Funds	\$ 104,593.00
Total CDBG Funds	\$ <u>378,695.00</u>
Total HOME and CDBG Funds	\$ 483,288.00

Ms. Gapen indicated that the plan will be submitted to HUD on May 12, 2009.

Thereupon, Mr. Woodson made a **motion** to approve the second reading of the 2009-2010 budget for the CDBG and HOME program funds. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

**CONSIDERATION OF SPEED LIMIT REDUCTION – NORTH MILFORD DRIVE**

Ms. Wendy Brindle, Traffic Engineer, addressed Council regarding a request to reduce the speed limit on North Milford Drive. Ms. Brindle indicated that staff received a petition signed by 76% of the property owners on North Milford Drive, requesting the speed limit be reduced to 25 mph. She indicated that this request is consistent with the City's policy regarding speed limits and recommended Council adopt an Ordinance reducing the speed limit on North Milford Drive.

Thereupon, Mr. Woodson made a **motion** to adopt an Ordinance amending Section 13-336, Article X, Chapter 13 of the Code of the City of Salisbury, relating to speed limits-generally. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

**AN ORDINANCE AMENDING SECTION 13-336, ARTICLE X, CHAPTER 13 OF THE CODE OF THE CITY OF SALISBURY, RELATING TO SPEED LIMITS-GENERALLY**

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 72, and is known as Ordinance 2009-29.)

## LAND DEVELOPMENT TEXT ORDINANCE – LDOTA-06-2009

Mr. Preston Mitchell, Senior Planner, addressed Council regarding Land Development Text Ordinance – LDOTA-06-2009. Mr. Mitchell stated that this text amendment was presented at Council’s last meeting where a public hearing was held. He indicated that there was a need for clarification for when a sidewalk or Payment in Lieu of would be required for corner lots. He pointed out that staff has clarified that portion of the Ordinance and read the following excerpt related to corner lots:

“For corner lots, instead of crossing a local street, use the block face of the subject lot along both streets to determine comparison lots and then determine if a public sidewalk is present within either or both of the street rights-of-way of the comparison lots. If so, then the applicable length of sidewalk shall be installed along either or both of the subject lots applicable street frontage(s) or payment made into the Sidewalk Payment In Lieu Program per Section 4.9 of this Ordinance.”

Mr. Mitchell indicated that he reviewed this verbiage with staff and concluded that it meets the intent.

Mayor Pro Tem Woodson stated that the City Council finds and determines that adoption of an Ordinance to amend the Land Development Ordinance of the City of Salisbury as underlined or stricken herein is consistent with the goals, objectives, and policies of the Vision 2020 Comprehensive Plan and that adoption of the Ordinance is reasonable and in the public interest. Thereupon, Mr. Woodson made a **motion** to adopt an Ordinance amending Section 4.4 (Required Infrastructure Improvements (Subdivisions & Site Development)) and Section 6.3 (Infill Provisions) of the Land Development Ordinance of the City of Salisbury, North Carolina. Mr. Kennedy seconded the motion. Councilman Burgin stated that he cannot support the motion because he cannot ask one group of developers to provide sidewalks and not require the same from another. He stated that he understands this may be the best thing to do in order to keep sidewalks to nowhere from happening or as an incentive for infill. He commented when the Land Development Ordinance was established it gave developers the ability to pay in lieu of in order to provide cash to allow the City to develop sidewalks in groups and in length. He indicated that this amendment could take away a source of solving the walkability issue. Mayor Kluttz stated that Council wants sidewalks but it does not make sense to have sidewalks where none are established. Messrs. Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (4-1)

AN ORDINANCE AMENDING SECTION 4.4 (REQUIRED INFRASTRUCTURE IMPROVEMENTS (SUBDIVISIONS AND SITE DEVELOPMENT)) AND SECTION 6.3 (INFILL PROVISIONS) OF THE LAND DEVELOPMENT ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA (PETITION NO. LDOTA-06-2009)

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page Nos. 73-74, and is known as Ordinance 2009-30.)

## **REPORT – UNIFORM CONSTRUCTION STANDARDS**

Mr. Dan Mikkelson, Engineering and Development Director, addressed Council regarding updates to the Uniform Construction Standards Manual. He indicated that staff has prepared recommendations for updates to the Uniform Construction Standards Manual. He noted that two of the updates have been mandated by the State Division of Water Quality and several updates are needed to maintain consistency with the Land Development Ordinance and to clarify misunderstandings. He stated that staff will present the final recommendations to Council at its next meeting.

## **PARKS AND RECREATION UPDATE – OUTDOOR ADVENTURE CAMP**

Mr. Jeff Holshouser, Park and Recreation Program Coordinator, addressed Council regarding the Salisbury Parks and Recreation Outdoor Adventure Camp. Mr. Holshouser indicated that staff would like to thank the following sponsors for their generous contributions:

- Salisbury Community Foundation
- The Woodson Foundation
- The Proctor Foundation
- Civitan Club of Salisbury

Mr. Holshouser noted that the program will operate for eight weeks from June 15, 2009 to August 7, 2009 from 9:00 a.m. to 1:00 p.m. He stated that lunch will be provided and space is limited to 12 participants per week with a \$5 participant fee. He added that assistance is available for the registration fee. He pointed out that the camp will have supervised and structured activities and noted the different themes provided each week:

- Naturalist
- Survival Strategies
- Animal Coverings
- Fishing Camp
- McGruff Camp
- Reptiles/Amphibians
- Wildlife Management
- Historic Camp

Mr. Holshouser indicated that transportation is available from Miller Center, City Park, Civic Center, and Hall Gym.

Mayor Kluttz thanked all sponsors and Parks and Recreation staff. She indicated that this camp provides more recreation for youth while also providing transportation. Mayor Kluttz stated that she hopes the public will take advantage of the camp.

## **RESOLUTION – YADKIN RIVER BRIDGE**

Mayor Kluttz presented Council with an updated Resolution supporting replacement of the Yadkin River Bridge. She pointed out that the Resolution urges State officials to seek funds outside of the North Carolina Equity Formula and explained that if these funds are added using the State's Equity Formula, the City will be ineligible for Transportation Improvement Program (TIP) funding for 10 years.

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

## **RESOLUTION SUPPORTING REPLACEMENT OF THE YADKIN RIVER BRIDGE**

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

## **BOARDS AND COMMISSIONS APPOINTMENTS**

This item was postponed.

## **COMMENTS FROM THE CITY MANAGER**

### **(a) Payment in Lieu of sidewalk construction**

City Manager David Treme asked Mr. Dan Mikkelson, Engineering and Development Director, to update Council regarding prices for Payment in Lieu of Sidewalk construction. Mr. Mikkelson indicated that at Council's last meeting staff was asked to identify the fees charged for the Payment in Lieu of Sidewalk Program and to include them in the schedule of fees adopted in the annual budget. He noted that staff has identified the fees and they will be in the proposed budget presented to Council.

Mr. Mikkelson stated that Council also asked staff to provide information on how the current rate used for the cost of sidewalk was determined. Mr. Mikkelson pointed out that in 2008 Engineering used \$20 per linear foot and in 2009 the valued was revised to \$25 per linear foot. He added that this is the same figure used by staff when preparing estimates for sidewalk projects. He indicated that this amount includes allowances for site preparation, erosion control, traffic control, minimal grading, and Americans with Disabilities Act compliance. Mr. Mikkelson noted that in 2000 the City completed sidewalk projects that averaged \$19.86 per linear foot. He noted that in 2005 the City installed sidewalk for an average cost of \$29.66 per linear foot for a project that also included retaining walls. He stated that in January 2009 when the price was reevaluated, staff spoke with local contractors who had bid on City projects and they indicated that the prices varied depending on site conditions. He added that the contractors indicated \$25

to \$30 per linear foot was generally an accurate estimate. Mr. Mikkelson stated that the City's Street Division indicated \$25 to \$27.50 per linear foot was a good range. He explained that staff chose to use the lower end of the ranges and felt it was a reasonable expectation of what the City would pay a contractor for sidewalk installation. He added that the Street Division can install sidewalks for a lower price but they are not always available for larger projects.

Councilman Lewis indicated that as long as the information is available to explain how the costs are determined and that they are included in the fee schedule, he feels the costs are justified.

(b) Update – Closures for at-grade railroad crossing maintenance

City Manager David Treme asked Mr. Dan Mikkelson, Engineering and Development Director, to give Council an update regarding railroad crossing maintenance. Mr. Mikkelson indicated that Norfolk Southern will be performing maintenance that will require street closures. He indicated that the North Main Street crossing will be closed May 4-6, 2009. He noted that crossings on Monroe Street, Horah Street, Council Street, Kerr Street, and 11<sup>th</sup> Street will also be repaired. He noted that the crossing on Jake Alexander Boulevard is scheduled for closure on May 11, 2009. He pointed out that there will be detour signs and electronic message boards warning the public about the closures.

**MAYOR'S ANNOUNCEMENTS**

(a) Spring Night Out

Mayor Kluttz announced that Downtown Salisbury Inc. will host Spring Night Out Friday, May 5, 2009 from 5:00 p.m. until 10:00 p.m. in Downtown Salisbury

(b) Peace Officers Memorial Service

Mayor Kluttz announced that the Rowan County Peace Officers Memorial Service will be held Tuesday, May 12, 2009 at 12:00 noon at First Presbyterian Church, 308 West Fisher Street. The public is invited to attend the service.

(c) Joint meeting with Rowan County Board of Commissioners

Mayor Kluttz announced that the Salisbury City Council will hold a Special meeting to participate in a joint meeting with Rowan County Board of Commissioners and Rowan-Salisbury School Board Monday, May 11, 2009 at 3:00 p.m. at the Rowan County Administration Building, 130 West Innes Street.

(d) National Sportswriters and Sportscasters Association

Mayor Kluttz announced that the National Sportswriters and Sportscasters Association celebrated its 50<sup>th</sup> anniversary in Salisbury. She stated that she appreciates everyone who was responsible for the celebration and is proud it has remained in Salisbury.

**ADJOURNMENT**

**Motion** to adjourn the meeting was made by Mr. Woodson, seconded by Mr. Burgin. All council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 6:21 p.m.

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Susan W. Kluttz, Mayor

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Myra B. Heard, City Clerk