

Salisbury, North Carolina
October 7, 2008

REGULAR MEETING

PRESENT: Mayor Susan W. Kluttz, Presiding; Mayor Pro Tem Paul B. Woodson, Jr., Councilmen 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: Councilman William (Bill) Burgin arrived at 4:11 p.m.

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

PLEDGE OF ALLEGIANCE

Mayor Kluttz stated that the 449th Aviation Brigade of the Army Air National Guard, which has ties to Salisbury, recently deployed to Iraq. She noted that the Salisbury based 846th and 991st Army Reserve Transportation Units are also in Iraq. She asked everyone to keep these men and women in their thoughts and prayers.

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:

Move Item 15 – Council to consider a request from Rowan County concerning Rowan Cabarrus Community College to follow Agenda Item 8.

Omit Item 13 – Council to consider adopting an **ORDINANCE** directing the Housing Inspector to remove debris from the site of a demolished building at 601 North Long Street.

INTRODUCTION - CATAWBA COLLEGE PRESIDENT DR. CRAIG TURNER

Mayor Kluttz recognized new Catawba College President Dr. Craig Turner and his wife Annette. Dr. Turner thanked Mayor Kluttz for the opportunity to speak to Council. He stated that his family is very excited to be in Salisbury, a very warm and welcoming community.

Mayor Kluttz welcomed the Turners to Salisbury and wished them the best. She stated that she looks forward to supporting Dr. Turner’s efforts at Catawba.

PROCLAMATION

Mayor Kluttz proclaimed the following observances:

ROWAN BLUES AND JAZZ SOCIETY DAY	October 11, 2008
CRIME PREVENTION MONTH	October 2008

CONSENT AGENDA

(a) Approval of Minutes

Approve Minutes of the Regular meeting of September 16, 2008, the Special Meetings of September 27, 2008, and the Special Meeting of September 30, 2008.

(b) Voluntary Annexation

Receive a petition requesting voluntary annexation of Sacred Heart Church and School, located off Jake Alexander Boulevard North and adopt a **RESOLUTION** directing the City Clerk to investigate the sufficiency of the petition.

RESOLUTION DIRECTING THE CITY CLERK TO INVESTIGATE A PETITION RECEIVED UNDER G.S. 160A-31 FOR VOLUNTARY ANNEXATION OF 98.710

ACRES FOR SACRED HEART LOCATED ON JAKE ALEXANDER BOULEVARD
NORTH

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 54, and is known as Resolution No. 2008-36.)

(c) BUDGET AMENDMENT – TELECOMMUNICATIONS EQUIPMENT

Adopt a budget Ordinance amendment to the FY 2008-2009 budget in the amount of \$20,800 to appropriate funds for the purchase of telecommunications equipment.

AN ORDINANCE AMENDING THE 2008-2009 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA TO APPROPRIATE REVENUES AND EXPENDITURES FOR THE PURCHASE OF TELECOMMUNICATIONS EQUIPMENT

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 124, and is known as Ordinance No. 2008-49.)

(d) BUDGET AMENDMENT – NCDEHNR STORMWATER PERMIT FLEET FACILITIES

Adopt a budget Ordinance amendment to the FY 2008-2009 budget in the amount of \$28,000 to meet North Carolina Department of Environment, Health & Natural Resources (NCDEHNR) Storm Water permit number NCG080000 regarding required secondary containment at the Fleet Division facility.

AN ORDINANCE AMENDING THE 2008-2009 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA TO APPROPRIATE FUNDS FOR GARAGE EQUIPMENT

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 125, and is known as Ordinance No. 2008-50.)

Thereupon, Mr. Woodson made a **motion** to approve the Consent Agenda as read. Mr. Kennedy seconded the motion. Messrs. Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (4-0)

ZONING MAP AMENDMENT – CD-4-07-2008 ROWAN CABARRUS COMMUNITY COLLEGE

Mayor Kluttz announced that she and Mayor Pro Tem Woodson serve on the Board of Trustees at Rowan Cabarrus Community College. She stated that they receive no compensation, and that City Attorney Rivers Lawther has indicated there is no conflict of interest for their participation on this Agenda item.

* Councilman Burgin joined the meeting in progress at 4:11 p.m.

(a) Mr. Preston Mitchell, Senior Planner, indicated the CD-4-07-2008 is a Conditional District request from Rowan Cabarrus Community College (RCCC). He then reviewed the standards for Conditional District Overlays:

- Standards can be found in the Land Development Ordinance Section 2.6 and 15.21
- The petitioner must be the owner of the property
- Content of the petition must include:
 - Rezoning Petition
 - Master Plan
- The conditions must be fair and reasonable
- Changes
- Rescission

Mr. Mitchell reviewed the site, and surrounding area. He noted that there are two additional parcels owned by RCCC adjacent to the site that are not included in this Conditional District Overlay. He also noted that RCCC proposes to construct a new classroom building adjacent to the overflow parking lot, as part of the Conditional District process.

Mr. Mitchell also reviewed the proposed Master Plan and an artist's rendering of the proposed classroom building. He then reviewed the Alternative Designs available for a Conditional District:

- Industrial Standards of Chapter 2
- Building Orientation to Street/Recreation Open Space
- Building Materials
- Building Design Standards
- Building Dimension Standards
- Street Cross Sections
- Street connectivity and Stub Standards
- Parking
- Private Lighting

Mr. Mitchell stated that RCCC proposes to use alternative building materials. Mr. Mitchell reviewed the requested alternative materials list.

- Primary Materials
 - Clapboard
 - Stone
 - Stucco
 - Cementitious Fiber Board
 - Brick

- Marble
- Secondary Materials
 - Prefinished Ribbed Metal Paneling
 - Prefinished Smooth Metal Paneling
 - Decorative Concrete Masonry Units (CMU)
 - Glass

He explained that RCCC is requesting that the primary building material remain standard, and that the secondary building materials of prefinished ribbed metal paneling and prefinished smooth metal paneling be allowed. He noted that RCCC would like to remove vinyl siding from the list of secondary materials.

Mr. Mitchell reviewed the Vision 2020 policy that applies to this specific request:

- Community Character Policy CC-1 states “New and expanding businesses shall employ architectural standards consistent with Salisbury’s architectural character and shall avoid standard prototype designs otherwise employed in “Anywhere USA”

Mr. Mitchell reviewed the concerns of the Planning Board:

- Use of requested Alternate Materials in General Residential 3 (GE3):
 - Staff explained these materials would apply to Institutional Building Types for this Conditional District Overlay in both zoning districts:
 - Institutional Campus (IC) = main campus and expansion area
 - General Residential 3 = access road to Old Concord Road
 - Planning Board asked if Conditional District Overlay not apply to access parcels in GR3
 - Petitioner agreed and amended request

Mr. Mitchell stated that the Planning Board unanimously recommended unconditional approval.

(b) Mayor Kluttz convened a public hearing, after due notice thereof, to receive comments on proposed zoning map amendment CD-4-07-2008.

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

(c) Mayor Pro Tem Woodson stated that the City Council hereby finds and determines that adoption of an ordinance to rezone the property as described herein to establish a Conditional District Overlay 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 the Land Development District Map of the City of Salisbury, North Carolina, by rezoning approximately 78 acres, identified as Tax Map and Parcel 060-0720000001 and 063-013, to establish a Conditional District Overlay so as to permit

the construction of a 39,000 square foot classroom building; identifying the development documents; providing and effective date; and for other purposes. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING THE LAND DEVELOPMENT DISTRICT MAP OF THE CITY OF SALISURY, NORTH CAROLINA, BY REZONING APPROXIMATELY 78 ACRES, IDENTIFIED AS TAX MAP & PARCEL 060-0720000001 AND 063-013, TO ESTABLISH A CONDITIONAL DISTRICT OVERLAY SO AS TO PERMIT THE CONSTRUCTION OF A 39,000 SQUARE FOOT CLASSROOM BUILDING; IDENTIFYING THE DEVELOPMENT DOCUMENT; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 126-128, and is known as Ordinance No. 2008-51.)

ROWAN COUNTY REQUEST – ROWAN CABARRUS COMMUNITY COLLEGE

City Manager David Treme stated that he received a letter from Rowan County Commission Chairman Arnold Chamberlain requesting assistance with the construction of a new waterline to serve Rowan Cabarrus Community College (RCCC). He added that the waterline will serve the new classroom building at RCCC and provide greater water flow and pressure for fire protection. Mr. Treme explained that although the RCCC campus is split by the city limit boundary there are currently City waterlines supplying the RCCC buildings, and that the City has been providing fire protection to RCCC for 25 years. He stated that the proposed construction is outside the city limits, but the City is in a good position to serve this area with urban services. Mr. Treme noted that the City's policy is to request voluntarily annexation for areas located in the extra territorial jurisdiction that request water service. He added that RCCC has indicated its desire to seek voluntary annexation.

Mr. Treme explained that estimates for the waterline are \$140,000 to \$150,000. He stated that he recommends the City of Salisbury contribute 25% of the cost for the waterline to serve the new classroom at RCCC contingent upon a petition for voluntary annexation by RCCC.

Mayor Kluttz stated that this is a good example of how the City and County can work together cooperatively in order to assist Rowan Cabarrus Community College.

Thereupon, Mr. Kennedy made a **motion** for the City to pay 25% of extending the waterline to the new facility. Mr. Woodson seconded the motion. Mr. Lewis offered an amendment to make it contingent upon voluntary annexation of the parcels. Mr. Kennedy accepted the amendment. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

ZONING MAP AMENDMENT – CD-5-06-2008 OAK HAVEN MOBILE HOME PARK

(a) Mr. Preston Mitchell, Senior Planner, stated that the Oak Haven Mobile Home Park is located at 775 Airport Road and that this Conditional District request is to change the base zoning from Urban Residential (UR12) to Manufactured Home Development (MHD). He noted that the mobile home community is almost completely developed and the request is to allow expansion of the park in order to include additional units. Mr. Mitchell reviewed the base district change:

- Petition includes base district change (rezoning) from:
 - Urban Residential 12 (UR12)
 - 12 dwelling units/acres
- To a Manufactured Home Development (MHD)
 - 6 dwelling units/acre as a Mobile Home Park

Mr. Mitchell explained the components of the Manufactured Home Development:

- Mobile Home Park is permitted under the following circumstances:
 - MHD base district zoning
 - Conditional District placed on property to trigger inclusion of Master/Site Plan review
 - Mobile Home Park Standards

Mr. Mitchell reviewed the standards of a Conditional District Overlay

- Standards can be found in the Land Development Ordinance Section 2.6 and 15.21
- The petitioner must be the owner of the property
- Content of the petition must include:
 - Rezoning Petition
 - Master Plan
- The conditions must be fair and reasonable
- Changes
- Rescission

Mr. Mitchell stated that there were changes to the site plan prior to the Planning Board meeting. He indicated that the surveyor placed a note on the site plan stating that these are not individual lots but meet the minimum square footage. It was also noted that the community is to use existing trees and vegetation as a reduced buffer width.

Mr. Mitchell reviewed ground photographs of the property and a proposed plan for the additional units. He stated that staff recommended that this petition is generally not inconsistent with Vision 2020 plan. He noted that the Planning Board unanimously recommended consistency and unconditional approval.

(b) Mayor Kluttz convened a public hearing, after due notice thereof, to receive comments on a proposed zoning map amendment CD-5-06-2008.

Mr. Tim Smith, stated that he is the owner of Makita Village Mobile Home Park which is located across the street from the Oak Haven Mobile Home Park. He stated that he is in support of this change because he will also seek expansion of his property in the future. He stated that he is proud of how Council has been open minded regarding mobile home communities. He stated that mobile home parks offer affordable housing and that the residents are community consumers. He noted that he owns the property at 601 North Long Street (Agenda item 13, which was removed from the Agenda) and he will have the debris issue completed by the end of the week. He also thanked Captain Jeff Youngblood for his assistance.

Ms. Pat Davidson, owner of Oak Haven Mobile Home Park, stated that everyone who lives in the park has to have a criminal background check and no felons are allowed as residents on the property. She stated that all homes are owner occupied and therefore the residents take pride in their property. She also stated that Oak Haven is a stepping stone for homebuyers. She noted that Oak Haven is at capacity and she would like to expand.

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

(c) Mr. Burgin stated that the City Council hereby finds and determines that adoption of an ordinance to rezone the property as described herein from an Urban Residential (UR12) district to a Manufactured Home Development (MHD) district 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. Burgin made a **motion** to adopt an ordinance amending the Land Development District Map of the City of Salisbury, North Carolina, by rezoning approximately 18.5 acres, identified as Tax Map and Parcel 471-00301, from Urban Residential (UR12) district to Manufactured Home Development (MHD) district and to establish a Conditional District Overlay to permit the expansion of Oak Haven Mobile Home Park; identifying the development documents; providing an effective date; and for other purposes. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE.

(5-0)

AN ORDINANCE AMENDING THE LAND DEVELOPMENT DISTRICT MAP OF THE CITY OF SALISBURY, NORTH CAROLINA, BY REZONING APPROXIMATELY 18.5 ACRES, IDENTIFIED AS TAX MAP & PARCEL 471-00301, FROM URBAN RESIDENTIAL (UR12) DISTRICT TO MANUFACTURED HOME DEVELOPMENT (MHD) DISTRICT AND TO ESTABLISH A CONDITIONAL DISTRICT OVERLAY TO PERMIT THE EXPANSION OF OAK HAVEN MOBILE HOME PARK; IDENTIFYING THE DEVELOPMENT DOCUMENTS; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 129-131, and is known as Ordinance No. 2008-52.)

PUBLIC ART COMMITTEE - SALISBURY COTTON MILLS PROJECT AND THE SALISBURY SCULPTURE SHOW

Ms. Lynn Raker, Urban Design Planner; Ms. Barbara Perry, Chairman of the Public Art Committee; and Dr. Sarah Hensley, Director of Elementary Education, Rowan-Salisbury Schools addressed Council regarding the Salisbury Cotton Mills Project and the Salisbury Sculpture Show.

Ms. Perry provided the background of the Public Art Committee stating that it is a joint venture between the Community Appearance Commission and Downtown Salisbury Inc. and was established in 2003. She noted that the Cotton Mills Project meets City Council Outcome 8, Goal 2 which is to enhance the teaching of the arts within the school system. She stated that the Public Arts Committee partnered with 20 Rowan-Salisbury Elementary Schools for the Cotton Mills Pocket Park. Ms. Perry indicated that each fourth grade class in Rowan-Salisbury Schools will be represented on the wall and Ms. Hensley displayed a few of the tiles. She noted that on August 20, 2008 a workshop was held at Waterworks Visual Arts Center for 16 art teachers who assisted with the project.

Ms. Perry indicated that the Cotton Mills Pocket Park will include 82 tiles that will be placed in the wall at the corner of Church and Fisher Streets at Wachovia Bank. She stated that she has met with Mr. Bill Greene and Mr. Jim Rock with Wachovia and they have given permission to proceed. She stated that Wachovia is willing to realign the parking lot so that the Cotton Mills Pocket Park can be situated in the corner.

Ms. Perry commented that the Public Art Committee has enough funds to erect the brick wall and install the tiles in the wall. She indicated that through the Urban and Community Forest Grant the committee will be awarded enough funds for tree plantings. She also indicated that with Council's approval to proceed, benches will be added for seating and viewing the wall. She stated that because not all funding is in place for the Pocket Park, the Public Art Committee decided to complete the park in phases. She noted that they hope to have the wall installed in the spring and have it added to the walking tour for third graders.

Mayor Kluttz stated that she thinks the Public Art Committee has done wonderful work and this is special because of the partnership with the schools. She also stated that she is excited that the children will be a part of this project. Mr. Lewis acknowledged Wachovia for their enthusiasm for this project.

By consensus, Council agreed to proceed with the project.

Ms. Perry continued with the Public Art Committee's second project which is the Salisbury Sculpture Show. She stated that the committee has nearly all of the funding for

this project. She noted that there are 15 possible sites for the sculptures. She also noted that the committee hopes to have 12 sculptures with one at the Visitors Bureau. She indicated that most sculptures will be placed on the public rights-of-way and the committee has received permission from F&M Bank for placement of a sculpture on Easy Street. She concluded by asking Council for their approval to continue with this project.

By consensus, Council agreed to proceed with the project.

PARKS AND RECREATION – GO GIRL GO GRANT

Interim Parks and Recreation Manager Jeff Holshouser introduced Ms. Teri Shaw, Recreation Programmer for the Salisbury Civic Center.

Ms. Shaw informed Council that Parks and Recreation staff applied for a Go Girl Go grant sponsored by the Women’s Sports Foundation. She announced that she was notified in September 2008 that a \$2,750 had been awarded to Salisbury. She noted that the grant money will be used to facilitate a “Girls in Action” program during the summer of 2009. Ms. Shaw explained that the “Girls in Action” program is geared toward girls between the ages of 8 and 13. She noted that the program will be held at the Civic Center beginning in June and concluding in August and will be offered at no cost to the participants. Ms. Shaw noted that the girls will participate in sports activities while learning teamwork as well as developing a sense of individuality.

Mayor Kluttz expressed Council’s excitement about this program and noted that they recognize its importance. She commended staff for pursuing this grant.

AWARD CONTRACT – \$101,850 TO PURCHASE A FREIGHTLINER M2 BRUSH HAWG G2224B LIMB TRUCK

Mr. Dewey Peck, Purchasing Manager, indicated that staff would like to purchase a new truck to be used to collect tree limbs from the curbside. He noted that the new unit will be a replacement unit for a truck that has exceeded its lifespan.

Mr. Peck stated that staff would like to purchase the truck through a piggy-back Resolution. He explained that in order to use the Resolution another city, county or federal agency must have purchased the unit; the unit must meet the City’s exact specifications; and the vendor must agree to sell the unit to the City for the same or more appropriate price. Mr. Peck indicated that the city of Aiken, South Carolina purchased this model of truck in January 2008 and Public Works Equipment Supply has agreed to sell the unit which meets the City’s specification for the same price. He added that funds for the purchase are included in the FY2008-2009 vehicle replacement fund.

Thereupon, Mr. Woodson made a **motion** to award a contract in the amount of \$101,850 to Public Works and Equipment Company for the purchase of a Freightliner M2 Brush Hawg G2224B limb truck. Mr. Lewis offered a minor amendment to adopt a Resolution awarding the contract. Mr. Woodson accepted the amendment. Mr. Lewis seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

ORDINANCE – HOUSING INSPECTOR TO REMOVE DEBRIS 601 NORTH LONG STREET

This item was removed from the Agenda.

TRANSIT UPDATE – VETERAN’S HOSPITAL/GREYHOUND EXPANSION AND CATAWBA COLLEGE

Public Services Director Tony Cinquemani and Transit Manager Rodney Harrison updated Council regarding expanded transit services. Mr. Cinquemani indicated that during the past 12 to 24 months Council has directed Transit, through citizen requests, to determine if Salisbury Transit can assist with expanded service at various locations. He noted that the four areas in review are the connection between the Veteran’s Administration Hospital and the Greyhound Bus station; Catawba College; Livingstone College; and Salisbury Community Park.

Mr. Cinquemani noted that Parks and Recreation Director Gail Elder White has started formulating plans to provide transportation to Community Park and that Mr. Harrison is working with her to determine the details.

Mr. Cinquemani stated that a meeting has been set with Livingstone College for October 21, 2008 to discuss existing transit stops and future needs for the College.

Mr. Cinquemani noted that Salisbury Transit’s long range plan has not received approval from the North Carolina Department of Transportation for these expansions. He stated that staff has been limited as to what can be done for the expanded service requests without the increased funds.

Mr. Harrison informed Council that the Greyhound Bus Station trial period began March 2008 and ended August 2008. He stated that bus service was provided from the Veteran’s Administration Hospital to the Greyhound Bus station and stop times were selected to work with the arrival of the Greyhound buses. Mr. Harrison commented that during the trial period an estimated 407 riders took advantage of the service. He noted that the cost to continue providing this service is approximately \$5,000 per year.

Mr. Harrison stated that the Catawba College project began approximately two years ago as a class project to identify ways to improve public transportation

accessibility, increase awareness of public transportation, and to increase ridership among college students. He noted the trial period for the Catawba College pilot project will begin October 13, 2008 through May 8, 2009 where three pick-up and drop-off sites will be added. He stated that he will update Council regarding this pilot project after the trial period has ended.

Mr. Harrison indicated that Salisbury Transit recommends that Council approve continuing the service to the Greyhound Bus station.

Councilman Kennedy stated that this program sounds exciting and it seems to be working. He added that he supports continuation of the service.

Mayor Kluttz stated that with current gas prices many people are now looking at means of alternative transportation and she thinks this is a wonderful program.

Mayor Pro Tem Woodson asked if ridership had increased. Mr. Harrison responded that ridership was up 18% from last year, which is an estimated 25,600 riders.

Councilman Lewis commented that ridership builds on reliability and once the public is aware of the expanded routes the ridership will increase. He thanked Mr. Harrison for providing the service for veteran's who need to visit the Veteran's Administration Hospital.

Councilman Burgin stated that he feels the public will become more comfortable with alternatives to driving a car and that these alternatives must be available for them.

Council thanked Mr. Harrison and Mr. Cinquemani for implementing the expanded service.

BOARDS AND COMMISSIONS

This item was postponed.

COMMENTS FROM THE CITY MANAGER

(a) City of Salisbury Credit Rating

City Manager David Treme reported on the City's recent visit to New York City to have the City's credit rating reviewed. He noted that the companies who rate the credit of municipalities evaluate the economics of the community including education, stewardship of resources, and the municipality's ability to pay back debt.

Mr. Treme indicated that Mayor Kluttz, Councilman Kennedy, Councilman Lewis and staff traveled to New York City, Monday, September 29, 2008 to meet with

representatives with Assured Guarantee, Moody's, and Standard and Poors. He noted that the last time the City had its credit rating reviewed was in early 2002 and 2003. He stated that one of the prerequisites for issuing debt is to have the City's credit rated by these companies in order to determine the interest rate banks will offer on financed debt.

Mr. Treme commented that Charlotte City Manager Curt Walton happened to be in New York during the same time seeking bond ratings for an airport expansion. He stated that credit ratings are necessary for municipalities and counties to provide infrastructure for needed facilities. He noted that the City is interested in improving its infrastructure in regards to Fiber To The Home, parking lots, capital improvements such as elevators, a need for a new customer service building if Fiber To The Home is implemented to be housed with the Technology Services and Telecommunications Departments, and tennis courts. He noted that these are items that would normally be financed and will most likely be included in the bond sale.

Mr. Treme stated that he felt the City delegation was received favorably by the three companies. He noted that the City delegation presented a lengthy report regarding the finances of the City and answered questions about the projects and economic development for the community. He indicated that the financial representatives were interested to hear from the elected officials and noted that they were pleased that three elected officials were present. He added that the representatives were also impressed that the Council was represented by long tenured members and they appreciated that the Council had made bold decisions in the past. Mr. Treme stated that the representatives were pleased with the City's Management Team structure and its budgeting, reporting, audit, the accreditation of many departments, and the financial strength of the City.

Mayor Kluttz stated that she felt these presentations gave Council members in attendance an opportunity to realize how important this project is for the community, economic development and as a valuable service for the citizens. She commented that she feels that because the City delegation happened to be in New York City on that particular historic day for the financial world, many people questioned how the City could proceed with the project while the economy is so uncertain. She stated that Council cannot stop the City's progress and even if the project is delayed by the market, she feels Council should continue with the project because it is the right thing to do financially. Mayor Kluttz commented that she was energized by the reception the City delegation received in New York City and the enthusiasm regarding what Council is doing for the community.

Councilman Kennedy commended Mayor Kluttz, Councilman Lewis, City Manager David Treme and staff for the presentations and noted that he was very impressed with them and happy to be a part of the experience. He added that he felt it was worthwhile for the City to attend these meetings in New York City because the City of Salisbury must continue to seek financing and he feels this is the best way to do it.

Councilman Lewis commented that the process was fascinating and that the City delegation was even questioned about the Land Development Ordinance and various

zoning regulations for the City. He stated that he felt this process is critical because any downgrade in the City's rating could cost additional money when the City borrows money while an upgrade could save money. He added that he feels it was important for the City delegation to attend these meetings in order for the City to move forward. He noted that he was pleased to see the socioeconomic data for Salisbury which indicates that the City has moved forward since 2000 and he feels these are positive things that are important to show financial underwriters.

Mr. Treme indicated that the City should receive its credit rating within the next week. He added that although the market is unsure, the raters indicated that people may be looking to municipal bonds for investment opportunities. He noted that these companies also provided credit ratings for the City of Wilson who has undertaken Fiber To The Home. He stated that Wilson currently has 10% of its subscribers and has only been in operation for several months.

Mr. Treme stated that a presentation regarding Fiber To The Home was given to the Salisbury Rotary Club today. He stated that although it was a short presentation he felt they were able to begin addressing the questions of determining the economic indicator for the community, its infrastructure and what decisions can be made in order for the City to be a draw for small businesses and the creative class. He stated that he feels Fiber To The Home is more than just internet, telephone and cable because it opens an economic opportunity for small businesses to grow and develop. He added that he is excited about the project and if staff is able to issue debt within the business plan of a finance rate of 6% or less, he feels the project will work. Mr. Treme commented that the City needs a 28% penetration of the market for the project to work and he stated that staff feels they are very able to do this. He noted that Council has spent three years preparing for Fiber To The Home, and while they would not have picked this market period, he feels that the City has an attractive project and he hopes they will be able to move forward with it as the market improves.

Mayor Pro Tem Woodson commented that during the Fiber To The Home presentation at the Salisbury Rotary Club he indicated that he had viewed a website regarding the economy. The website listed projects that the Federal Government might undertake to put people back to work and improve the economy. He noted that listed in the top five projects was Fiber To The Home. Mr. Woodson stated that he feels the United States is behind its European allies in this area and this may be a project that the Federal Government will push for municipalities to pursue. He noted that pursuing Fiber To The Home now may place Salisbury ahead of the curve.

Mayor Kluttz stated that Salisbury is fortunate because it is large enough that it can pursue this project, yet small enough that it is feasible.

Mr. Lewis noted that there will be a Presidential debate tonight and he commented that during the last debate Senator Obama discussed broadband as an infrastructure need for the United States. He added that broadband is exactly what Fiber To The Home is and it will be interesting to see if it is discussed in tonight's debate. He

commented that the United States is falling behind the world economy, mainly because it does not have the bandwidth needed for the information superhighway.

Mr. Treme pointed out that 99% of the costs for the project have been confirmed and the project is within budget.

(b) Gasoline Prices

Councilman Kennedy commented that he has been asked about the price of gas in Salisbury being much higher than surrounding areas. He noted that he had been asked what Council can do to affect the prices in our area. Mayor Kluttz indicated that this issue will be looked into.

(c) W.G. (Bill) Hefner Veteran's Administration Hospital

Mayor Kluttz noted that Council has received concerns regarding the potential closure of the emergency room at the W.G. (Bill) Hefner Veteran's Administration Hospital and the effect it will have on the community. She stated that she has a meeting scheduled with the Hospital director to discuss this issue and she added that Council will continue to monitor the situation and investigate its impact. She noted that the Hefner Medical Center is one of Salisbury's greatest assets and Council wants the very best for the community's veterans and hospital employees. She assured the public that Council is aware of the concerns and will do whatever possible to assist.

MAYOR'S ANNOUNCEMENTS

(a) OctoberTour Night Out

Mayor Kluttz announced that OctoberTour Night Out will be held on Friday, October 10, 2008 from 5:00 p.m. until 10:00 p.m. in downtown Salisbury.

(b) 33rd Annual OctoberTour Tour of Homes

Mayor Kluttz announced that Historic Salisbury Foundation's 33rd Annual OctoberTour Tour of Homes will be held Saturday, October 11, 2008 and Sunday, October 12, 2008.

(c) 10th Annual Blues and Jazz Festival

Mayor Kluttz announced that the 10th Annual Blues and Jazz festival will be held Saturday, October 11, 2008 from 12:00 noon until 11:00 p.m. at the corner of South Church and West Fisher Streets in downtown Salisbury.

ADJOURNMENT

Motion to adjourn the meeting was made by Mr. Burgin seconded by Mr. Kennedy. All council members agreed unanimously to adjourn. The meeting was adjourned at 5:27 p.m.

Mayor

City Clerk