

Salisbury, North Carolina
June 5, 2018

REGULAR MEETING

PRESENT: Mayor Al Heggins, Presiding; Mayor Pro Tem David Post; Council Members Karen Alexander and Tamara Sheffield; City Manager W. Lane Bailey; City Clerk Diane Gilmore, and City Attorney F. Rivers Lawther, Jr.

ABSENT: Councilmember William Brian Miller.

Salisbury City Council met in Council Chambers in City Hall located at 217 South Main Street. The meeting was called to order by Mayor Heggins at 5:00 p.m.

PLEDGE OF ALLEGIANCE

Mayor Heggins led those present in the Pledge of Allegiance to the United States flag.

RECOGNITION OF VISITORS

Mayor Heggins welcomed all visitors present.

PROCLAMATION

Mayor to proclaim the following observance:

PLAYBALL SUMMER

May 03, 2018

CHANGES TO THE AGENDA

Mayor Heggins noted the following change to the Agenda:

Change the order of Agenda items 10, 11 and 12.

RECOGNITION – STUDENTS FROM HENDERSON HIGH SCHOOL

This item was postponed.

CONSENT AGENDA

(a) Minutes

Adopt Minutes of the Regular meeting of May 1, 2018.

(b) Agreement – Utility Metering Solution

Authorize the City Manager to execute an agreement with Utility Metering Solutions for an amount not to exceed \$96,750 for additional services related to the AMI implementation project.

(c) Carolina Siteworks, Inc.

Authorize the City Manager to execute a contract with Carolina Siteworks, Inc. in the amount of \$487,720 for construction of Fulton Street Waterline Replacement Project.

(d) Agreement – CDM, Inc. for the Grant Creek WWTF improvement project

Authorize the City Manager to execute an agreement with CDM Smith, Inc. for an amount not to exceed \$1,133,000 for engineering services associated with the final design, permitting and bidding of the Grant Creek WWTF Improvement projects.

GRANT CREEK WASTEWATER TREATMENT FACILITIES IMPROVEMENT CAPITAL PROJECT ORDINANCE

(The above Ordinance is recorded in full in Ordinance Book No. 27 at Page No. 58 and is known as Ordinance 2018-23.)

(e) Right-of-way 200 Block of East Kerr Street

Approve right-of-way use permit for the 200 Block of East Kerr Street to begin June 7, 2018 for 30 days.

(f) Atlantic Coast Contractors, Inc.

Authorize the City Manager to execute a contract with Atlantic Coast Contractors, Inc. for the total bid amount of \$494,624.70 for the construction of the Sanitary Sewer Rehabilitation project.

(g) Innes Street Improvement and MSD Grant

Adopt revised guidelines for Innes Street Improvement Grant and the Municipal Service District (MSD) Grant.

(h) Retirement – Police K9 Eddy

Approve the retirement of Police Service K9 Eddy and gifting him to his handler Officer Michael Dishman.

Thereupon, Councilmember Alexander made a motion to adopt the Consent Agenda as presented. Councilmember Sheffield seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander and Sheffield voted AYE. (4-0)

REPORT – SALISBURY ENGLAND

Mayor Heggins stated she recently traveled to the City’s sister-city Salisbury, England. She added her husband accompanied her on the trip. She reviewed the history of sister-city relationships, and she noted the City formally established its sister-city relationship with Salisbury, England in 2001.

Mayor Heggins explained while she was in Salisbury, England she promoted the City’s four institutions of higher learning: Rowan-Cabarrus Community College, Livingstone College, Catawba College and Hood Theological Seminary. She indicated Salisbury, England is interested in sending high school students to the City to visit with local high school students.

Mayor Heggins noted during her time in Salisbury, England she represented the City in formal Mayor-making activities. She added she observed a carbooth at the Guildhall where vendors rent a parking space in the Guildhall parking lot and sell their goods to the community. She noted she also observed guerrilla gardening where citizens receive vegetables and plants from City Hall and plant them in unclaimed areas of the city. She indicated a cultural exchange of ideas took place and the visit was productive. She thanked citizens for their support of her trip.

PROPOSED BUDGET FY2018-2019

City Manager Lane Bailey presented the proposed budget for FY 2018-2019 and explained the Capital Improvement Plan (CIP) recommends a \$.02 tax increase in Fiscal Year 2018-2019. He noted staff was able to reduce the tax increase to \$.01 due to the growth in sales tax revenue.

He added there was little change in property tax revenue, and he pointed out the City's tax base is lower than surrounding communities such as Concord and Mooresville.

Mr. Bailey noted the Fibrant lease agreement should significantly reduce the subsidy that is taken from the General Fund. He pointed out the benefit will not be received in the first year because of the fee structure which is different for the first six months of the lease agreement.

Mr. Bailey pointed out the recommended budget includes a 1.8% cost of living increase and a 1.2% merit increase for employees, and funds to help recruit Public Service and Stormwater employees. He explained the City is having a difficult time recruiting Public Service and Stormwater employees based upon the current salary rates.

Mr. Bailey indicated the recommended budget includes:

- \$250,000 for the Newsome Road Extension Project
- \$350,000 for engineering software that will help with financial packages
- \$400,000 for housing stabilization
- \$350,000 for the Bell Tower Greenway
- \$361,000 for roofs and HVAC replacements
- The first payment on the construction of Fire Station 6
- \$850,000 for a Quint Fire Truck and additional police vehicles

Mr. Bailey stated the recommended budget also includes a 2.15% rate increase for water and sewer services which is equivalent to the Consumer Price Index increase.

Mr. Bailey reviewed proposed changes to Stormwater rates, and he noted residential customers would see a reduction in their fees while large commercial customers could see an increase. He explained the proposed changes would better align the City's Stormwater rates with Stormwater fees in surrounding communities.

Mr. Bailey pointed out the subsidy from the General Fund to the Fibrant Fund for the first year of the lease agreement has been reduced from \$3.2 million to \$3 million based on projections from Baker-Tilly, an independent accounting firm.

Mr. Bailey explained staff is working to improve the City's Transit System. He noted staff hopes to present future plans for the City's Transit system to Council by January 2019.

Mayor Heggins asked if the \$400,000 proposed for housing stabilization is for the West End community. Mr. Bailey noted the funding is primarily for the West End community. Mayor Heggins requested the City host focus groups so it can hear from citizens in the community regarding how the funding will be spent.

Mayor Heggins then asked if the recommended salary adjustments would increase employee salaries to the North Carolina Living Wage. Mr. Bailey noted there may be some part time employees whose salaries are slightly below the living wage. He explained some Public

Service and Stormwater employees' salaries were below the living wage, but the recommended salary increases would place them above the living wage amount.

Mayor Heggins indicated concerns were raised at the Human Relations Council (HRC) Retreat regarding the HRC budget which has remained \$5,150 for a number of years. Mr. Bailey explained the budget for all the agencies remained the same as last year. Mayor Heggins noted the HRC has requested the budget be increased to accommodate new programs and additional training.

Councilmember Alexander asked if the funds for the Newsome Road Extension Project are reimbursable once the project is completed. Mr. Bailey noted the North Carolina Department of Transportation (NCDOT) will reimburse the City for the project.

(b) Mayor Heggins convened a public hearing, after due notice thereof, to receive comments regarding the proposed budget for Fiscal Year 2018-2019.

Ms. Dee Dee Wright noted she is concerned about the proposed tax increases. She requested the budget include additional funding for the City's Police Officers and Firefighters. She stated she recently spoke to Mr. Bailey and he is optimistic that things will improve next year after the Fibrant issue has been resolved. She noted the budget should also consider staff that will no longer have a job.

Mr. Clyde raised concerns regarding Stormwater fees and the amounts paid by residential and commercial customers. He questioned the services citizens receive for their Stormwater fees and if the Stormwater revenue should be considered a fee or a tax. He asked if the Water and Sewer Fund was reimbursed for the money that it lent to Fibrant.

Mr. Bailey noted the current Stormwater billing structure requires residential customers to pay approximately the same as commercial customers that have a lot of asphalt on their property. He explained most communities base their Stormwater fees on impervious surface and the proposed Stormwater fee is based on impervious surface which would provide relief for residential property owners. He added changes to solid waste pickup to allow additional time for street sweeping have been discussed. He explained a portion of street sweeping is funded through Stormwater fees. He pointed out under the proposed rates homeowners would see a decrease in Stormwater fees and larger businesses would see an increase. He added the increase in commercial Stormwater fees would help fund projects to improve flooding situations in the community.

Mr. Bailey stated during the first years of the transfer from the Water and Sewer Fund to the Fibrant fund the City made only interest payments. He noted in 2015 the City paid \$25,000 toward the debt in addition to the interest payments. He explained the City refinanced its Fibrant debt in Fiscal Year 2016-2017 and the savings were applied to the Water and Sewer Fund. He added the same repayment to the Water and Sewer Fund is included in the current year's budget.

Mr. Miko Martelli indicated raising the water and sewer rates would negatively impact the most financially vulnerable citizens in the City. He requested the water and sewer rates remain the same.

Unnamed citizen noted he supports raising the starting wages for City employees, and he commented part-time employees should be included in the living wage increases. He added he also supports increasing the budget for the HRC so members can receive additional training.

Mr. John Smith stated the HRC budget should be increased to allow additional training for HRC members. He commented the budget is too low for the 16-member HRC.

Ms. Helen Greer stated she is concerned about wages in the City. She asked Council to raise all employee salaries to the living wage.

Ms. Dora Mbuwayesango noted the process of balancing a budget can be difficult. She asked Council to think about the poor when it considers the budget.

Ms. Nancy Vick stated Police Officers and Firefighters are under-paid for risking their lives and for their service to the community.

Ms. Angela Maynard stated she opposes raising property taxes and water bills. She referenced a problem with storm drains in her neighborhood at 416 Ashbrook Road. She commented the water and sewer lines are not maintained and the taxes are too high for the services received. She asked if the developments on Highway 150 have been annexed by the City.

Mr. Michael Kirksey noted he lives in the West End Community. He commended the Police and Fire Departments for their service, and he noted they should be paid accordingly. He stated the education of students is critical to the City's future success.

Mr. Phillip Pitman pointed out the proposed budget does not include a line item for sidewalks. He noted 11th Street near Club House Drive needs sidewalks because of the foot traffic to City and Hurley Parks.

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

Mayor Heggins thanked citizens for their input regarding the proposed budget. She noted there was discussion among citizens regarding salary increases for Police Officers and Fire Fighters and raising the minimum wage to a living wage for all City employees. She commented Councilmembers do not receive a salary, they receive a small stipend.

City Manager Lane Bailey noted the proposed budget includes funding specifically for Stormwater and Public Services employees. He pointed out Police Department salaries and staffing were increased in the previous year. He explained funds were included in the current year's budget for Fire Department salary increases and funding is included in the recommended budget for sidewalks. He noted City Engineer Wendy Brindle can provide information regarding sidewalk designations at Council's budget work session.

Mayor Heggins pointed out water affordability is an issue being faced by jurisdictions across the United States. She added she hopes Council will have some serious dialogue regarding

water affordability. She noted balancing the budget for a local municipality is one of the most difficult exercises a City Manager can face, and she thanked Mr. Bailey for his work on the budget.

Mayor Pro Tem Post noted the City is making a substantial investment in its Water Utility over the next 10 years. He stated he receives health insurance, a salary of approximately \$1,100 per month to serve on Council and approximately \$200 per month for travel and cell phone expense. He indicated as Mayor Pro Tem he makes slightly more than Councilmembers and Mayor Heggins make slightly more than him.

Councilmember Alexander explained there is a line item in the budget for Council that includes travel, insurance premiums, stipends, and a car and technology allowance. She added Council's budget is approximately \$500,000. She suggested Council use a portion of its funding to help other areas of the City. Mr. Baily pointed out Council's line item includes salaries for three full-time staff members and liability insurance. Ms. Alexander requested staff provide a breakdown of the funding at Council's Budget Work Session. Mr. Bailey agreed.

Mayor Heggins requested Council determine if its membership to the North Carolina Metro Mayors is needed, and she noted the cost to the City is \$8,069 annually. She stated as Mayor she is not seeing a benefit from this membership. Councilmember Alexander agreed. Mayor Heggins noted the Mayor's Innovation Project membership is \$1,000 per year and it pays for Mayors to attend cutting edge conferences. She pointed out the stipend for each Councilmember is public information.

PUBLIC COMMENT

Mayor Heggins opened the floor to receive public comments.

Mr. Rodney Queen asked Council to consider making adjustments to the proposed rezoning of Earnhardt Road.

Mr. John Smith shared his concern regarding the current living wage.

Mr. Corey Hill expressed his opposition regarding the minimum wage in North Carolina.

Ms. Helen Guer commented she would like to see an increase in minimum wage.

Ms. Judy Wolfe asked Council if there was a plan to resolve the increased drug abuse in the community.

Mayor Heggins responded that the Police Department is aware and is working toward a solution. Councilmember Alexander added the Department of Social Services (DSS) and Healthy Rowan recently held an informational session regarding drug abuse.

Ms. Nancy Vick expressed her opposition to the cancellation of the Friday Night Out Event and added she agreed with the current minimum wage rate in Salisbury.

Ms. Leslie Heuser expressed a concern about the proposed Mooresville Road widening, and commented she is a resident of a neighborhood near Highway 150.

Ms. M.T. Sidoli thanked Mayor Heggins for providing Facebook postings as she traveled abroad to Salisbury, England. She noted she attended a Police community event at City Park.

Mr. Howard Doby addressed Council regarding Stormwater fees.

Ms. Stacy Carter indicated she represents Happy Roots. She commented it is a community project that includes Guerilla type gardening. She noted Happy Roots works with the West End Community Garden on Brenner Avenue and Henderson Green House and asked for the community's support.

Ms. Carolyn Logan asked if the City was paying for people to use Catawba College's swimming pool.

Mayor Heggins commented that the City was not paying for people to use the Catawba College swimming pool.

Ms. Logan asked Council if the West End Community could have a tax rate increase to help with housing beautification.

City Manager Lane Bailey commented an increased tax rate for a single neighborhood would be unusual and he noted municipal service district would need to be created.

Mr. Mark Hill expressed that not all residents were notified of the rezoning in the Drummond Village area. He indicated that he is the President of the Drummond Village Home Owners Association (HOA).

Ms. Sakinah Riley indicated she is a resident of Drummond Village and expressed concerns regarding the proposed traffic pattern, price of the extended properties, and the proposed annexing.

Mr. Lamont Andrews indicated he is a resident of Drummond Village. He expressed a concern in regards to local business policies for employee's drug use.

Ms. Dora Mbuwayesango asked Council to remember when making a decision about the budget funds that all lives matter.

Ms. Sharon Grub asked Council if funds were available for youth programs during the summer months.

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

RECESS

Mayor Heggins made a **motion** to take a five minute recess and all Councilmembers in attendance agreed unanimously to recess.

The meeting reconvened at 7:10 p.m.

Councilmember Alexander addressed the comment regarding the need for youth programs in the summer. She commented the Teen Center located in the West End Community is open Monday through Saturday from noon until 8:00 p.m. and she noted the Parks and Recreation Department can be reached at 704-216-PLAY and www.salisburync.gov.

LAND DEVELOPMENT ORDINANCE AND DISTRICT MAP AMENDMENT CD-02-2018 – EARNHARDT ROAD

Planning and Community Development Manager Preston Mitchell addressed new home construction for the City. He noted in FY2017 the area had 57 new home constructions. He indicated the area has a 100% growth rate with 316 new lot constructions from FY2017 to FY2018.

Mr. Mitchell explained the request is to rezone a 31-acre tract along the west margin of Earnhardt Road from Urban Residential (UR) to General Residential (GR) and to establish a Conditional District (CD) overlay to permit the development of a 150-lot subdivision.

He indicated True Homes, LLC is the Drummond Village petitioner and developer and the request is to down-zone the property from UR and GR. He reported that the Drummond Village development began in 2002 as a multi-phase subdivision and in 2008 development came to a halt due to the economy's recession. He commented the developer has requested voluntary annexation in order to receive City services.

Mr. Mitchell stated the Planning Board heard the proposed rezoning at its May 8, 2018 meeting. He noted the Planning Board voted unanimously to approve with conditions and noted it is not consistent with the Vision 2020 Plan. He commented the developer removed a portion of greenspace beneath Duke Energy transmission lines and indicated the developer is at 6.02% and meets open space standards. He noted that based on the size of the multi-purpose field, staff recommended trees be planted to provide shade, bicycle racks installed, and benches added. He commented the developer voluntarily agreed to provide the multi-purpose field, trees, bike rack, and benches.

Councilmember Alexander asked if the lot sizes are less dense with the proposed down-zone. Mr. Mitchell agreed and commented the current UR zoning would allow 12 units per acre and with the down-zone to GR allows 6 units per acre.

Councilmember Alexander asked Mr. Mitchell to review the original development plans. Mr. Mitchell stated phases one through four have been a part of the beginning development. Councilmember Alexander asked if home buyers will be made aware of all planned development.

Mr. Mitchell agreed and commented it would be a buyer's responsibility to conduct research before purchasing a home.

Mayor Heggins asked how information would be provided to a potential home buyer. Mr. Mitchell commented information would be shared by a licensed realtor. He noted staff regularly participates in realtor association meetings and commented materials are provided to realtors on a regular basis to help provide the area's most up-to-date information. Councilmember Alexander commented the North Carolina Real Estate Commission states realtors are responsible for informing their clients of zonings and restrictions.

Mayor Heggins asked if a 'hammerhead' type road, which dead-ends, indicated a road would be extended in the future. Mr. Mitchell agreed and he stated a 'hammerhead' type road would not meet the City's terminated road construction standard.

Councilmember Sheffield asked if phase one had been annexed. Mr. Mitchell agreed and noted in 2002 the property was voluntarily annexed.

Councilmember Sheffield noted a concern about the entrance into the proposed subdivision. She commented the property has 26 buildable lots and noted the primary entrance to the subdivision is included in the original plan.

Mr. Mitchell reviewed that Jake Alexander Boulevard would extend to Stokes Ferry Road and connect to Earnhardt Road based on a plan established by North Carolina Department of Transportation (NCDOT) and the Metropolitan Planning Organization (MPO). He noted a connection at Jake Alexander Boulevard would be considered during Phase three of the Drummond Village.

(b) Mayor Heggins convened a public hearing, after due notice thereof, to receive comments regarding CD-02-2018.

Mr. Jeffery Queen indicated he is a True Homes, LLC. representative and reviewed that True Homes, LLC. met with the Home Owners Association (HOA) regarding traffic concerns in Phase one, and he added True Homes, LLC. would defer traffic to the Earnhardt Road entrance.

Mr. Lamont Andrews indicated he is a resident of Drummond Village and he expressed a concern regarding potential increases in HOA fees and additional traffic in the neighborhood.

Unnamed citizen expressed a concern about the additional traffic that might occur during construction. He commented his realtor did not provide future development plans at the time he purchased his home. He noted home market-values are based on square footage verses location.

Ms. Kelly shared concerns regarding the proposed rezoning and the potential effects the development could have on the neighborhood.

Mr. Doug Lingle indicated he has been a resident of Edzell Drive since 2007. He asked if property density had been calculated correctly and expressed concerns regarding a potential increase in traffic volumes.

Mr. Mitchell addressed Mr. Lingle's comment regarding lot sizes and their density. He noted the proposed lots are estimated 60-feet wide and in 2007 property lot dimensions were reduced to 50-feet wide. He explained the density is calculated correctly and has a total gross density of 5.07.

Ms. Jane Lingle addressed Council in regards to existing homes with average lot sizes of 9,900 to 15,000 square foot, and she noted phase two included homes with a lot minimum of 7,200 square foot.

Unnamed Citizen expressed a concern regarding traffic conditions.

Mayor Pro Tem Post asked Mr. Mitchell to address Ms. Lingle's comment regarding the square footage of homes. Mr. Mitchell clarified Ms. Lingle referenced lot square footage.

Mayor Pro Tem Post asked about the square footage of the homes. Audience members commented the largest home has 3,960 square feet.

Mr. Mitchell pointed out the City is prohibited by the general statues to regulate the square footage of homes. Mr. Mitchell commented the developer would be able to address the proposed new construction square footage.

Mr. Mike Satterfield shared concerns regarding traffic volume and road safety. He commented his realtor informed him Drummond Village had future development plans.

Unnamed citizen expressed a concern in regards to the construction of smaller square foot homes compared to the established homes.

Mr. Lamont Andrews asked if the only entrance would be on Earnhardt Road.

Mr. Jeffery Queen commented the proposed development is diverse. He asked Mr. Mitchell if the current zoning would allow for the development of town homes. Mr. Mitchell commented town homes would be allowed based on zoning, and he indicated townhomes would need to be built facing Earnhardt Road.

Mayor Pro Tem Post asked if values of established homes would be impacted if a home is built on a smaller lot in the same neighborhood.

Mr. Queen commented home values are based on square footage and would have little impact.

Mr. Mark Dixon indicated he resides on Edzell Drive and shared his concerns regarding home value depreciation and an increase to neighborhood traffic.

Ms. Gwendolen shared concerns regarding unfinished sidewalks, speed bumps, and metal poles.

Ms. Donna Cook indicated she is a land planner and market researcher with True Homes, LLC. She stated a Declaration of Covenants, Conditions, and Restrictions (CC&Rs) was recorded in 2008 for Drummond Village, and she added the Home Owner's Association (HOA) was established at the same time. She indicated in 2008 Phase two plans were introduced, six months later the conditions for phase two were withdrawn, and phase two currently does not have restrictions. She commented a meeting was held with the Home Owner's Association (HOA) and was determined phase two would continue to use the Drummond Village name. She commented it is possible to establish a master HOA that could provide management to the existing neighborhood and future development.

Ms. Kelly commented at the HOA meeting Ms. Cook referenced the current HOA committee implemented an agreement to have a separate HOA to help keep fees from increasing. She indicated more greenspace was offered in the original Phase two plan in 2002.

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

Mayor Heggins asked Council to postpone the requested rezone.

Mr. Mitchell commented if Council is in favor of the annexation it would need to take place at the end of June 2018, and he noted if the proposed rezoning was denied the annexation would be withdrawn. City Engineer Wendy Brindle commented once an ordinance is passed annexation should take place within six months. She indicated the proposed rezoning could take place after the fiscal year.

Councilmember Sheffield asked Mr. Mitchell what changes the developer is seeking with the requested rezoning from UR and to GR. Mr. Mitchell commented the request is due to the requirements within the proposed design and lot widths. He noted the rezoning would change from UR to GR and is a down-zone that would allow the developer to construct suburban type homes with more options for larger lots, street light options, and roll curbs.

Councilmember Sheffield asked what concerns the Planning Board presented. Mr. Mitchell noted a concern in policy regarding the Residential, Architectural, and Insight Design, and he indicated an inconsistency with policy number one which pertains to slab-on-grade type home that would not provide basements or crawlspaces, and policy number five that pertains to garage locations.

Mr. Mitchell commented homes that are zoned GR need less recreational open space because lot sizes are bigger. He added a UR zoning requires a recreational open space of 12% of the gross lot acreage.

Mayor Heggins asked if street access is mandated or if it is an option. Mr. Mitchell commented the road connection is mandated. He noted Council can add conditions to the

subdivisions plans and the developer would need to agree. Mr. Mitchell commented Council can mandate a traffic route by using an ordinance that included a conditional district (CD) overlay to phase one.

Councilmember Sheffield asked if the proposed rezoning noted any traffic perspectives. Ms. Brindle noted a current pilot program on Sunset Drive to collect data to be used to address the need and effectiveness of speed humps. She commented speed humps could not be used as a part of public roadway structure. Ms. Brindle noted City policy indicates it does not allow vertical treatments within public right-of-ways.

Mayor Heggins asked if it was possible to continue with the GR and remove the CD overlay. Mr. Mitchell commented agreed but the developer would have to agree with Council's proposal. He commented revisions could sufficiently impact the developers plan and the plan would no longer match the ordinance.

Councilmember Sheffield asked if Council could delay this item until the next Council meeting to allow conversation for the developer.

Mr. Mitchell added Council could establish a Council Committee to allow two members from Council to be a part of the developer's discussion.

Mayor Pro Tem Post made a **motion** to postpone Land Development Ordinance amendment CD-02-2018 to Council's June 19, 2018 meeting. Councilmember Sheffield seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander and Sheffield voted AYE. (4-0)

VOLUNTARY ANNEXATION – DRUMMOND VILLAGE PHASE 2

City Engineer Wendy Brindle commented all requirements have been met in order to continue with the voluntary annexation and she noted the item would be tabled until Council's June 19, 2018 meeting.

(b) Mayor Heggins convened a public hearing, after due notice thereof, to receive comments regarding the voluntary annexation of Drummond Village Phase 2.

Mr. Jeffery Queen commented he was in favor of the voluntary annexation to be included as part of the City and receive City services.

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

Councilmember Alexander made a **motion** to postpone the voluntary annexation to Council's June 19, 2018 meeting. Councilmember Sheffield seconded the motion. Mayor Heggins and Mayor Pro Tem Post, and Councilmembers Alexander and Sheffield voted AYE. (4-0)

Mayor Heggins noted the time of 10:00 p.m. and asked Council to postpone agenda items 12, 14, and 15 to Council's June 19, 2018 meeting.

Mayor Pro Tem Post made a **motion** to postpone agenda items 12, 14, and 15 to Council's June 19, 2018 meeting. Councilmember Alexander seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander and Sheffield voted AYE. (4-0)

COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME BUDGET FUNDS

This item has been postponed.

RENAME PRESCOTT SECTION OF THE GREEWAY

Parks and Recreation Director Nick Aceves indicated a 30-day public hearing has expired for the renaming of the Prescott section of the Greenway and he asked council to consider approving the request to rename that section of the Greenway to honor Bill Stanback.

Thereupon, Councilmember Alexander made a **motion** to approve the renaming of the Prescott section of the Greenway to The Bill Stanback Greenway. Mayor Pro Tem Post seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander and Sheffield voted AYE. (4-0)

UPDATE – CITIZENS ACADEMY

This item has been postponed.

BOARDS AND COMMISSIONS

This item has been postponed.

CITY MANAGER'S REPORT

(a) Update – Atlantic Engineering Group

City Manager Lane Bailey addressed Council regarding a lawsuit filed in 2016 with Atlantic Engineering Group (AEG) relating to the design and construction of City's fiber network. He indicated fiber lines were constructed out of compliance and were too close in proximity to other communication lines. He added the City has performed some corrective work. He commented AEG has agreed to pay the City \$1.55 million and forfeit its retainage of \$228,000 with a total settlement of \$1.832 million, and he indicated the first payment would be due July 1, 2018.

Thereupon, Mayor Pro Tem Post made a **motion** to authorize the City Manager to execute an agreement with Atlantic Engineering Group to the terms and conditions in the settlement agreement between the City of Salisbury, Atlantic Group of North Carolina, Inc., and Safeco Insurance Company of America, to resolve a litigation with the after said parties. Councilmember Alexander seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander and Sheffield voted AYE. (4-0)

ANNOUNCEMENTS

Communications Director Linda McElroy announced Salisbury Parks and Recreation will host Movies in the Park Friday, June 8, 2018 at City Park with the movie "Despicable Me 3" and will begin at 9:00 p.m. The event is free and open to the public with concessions available for purchase. For more information contact Parks and Recreation at 704 -216 -PLAY.

Communications Director Linda McElroy announced 2018 Blockwork event has been scheduled for Saturday, October 27, 2018, on National Make a Difference Day. Applications are now being accepted for neighborhood participation through the Community Planning Office. Applications and guidelines are available online at www.salisburync.gov/Blockwork. All applications are due by June 15, 2018.

COUNCIL COMMENTS

Councilmember Sheffield announced an Election Review Process Committee meeting will be held Wednesday, June 27, 2018, located at 1 Water Street at 5:30 p.m.

MAYOR PRO TEM COMMENTS

Mayor Pro Tem Post commented a First Amendment Committee meeting will be held Thursday, June 7, 2018, located at 1 Water Street at 5:30 p.m.

MAYOR'S COMMENTS

Mayor Heggins had no comments.

CLOSED SESSION

Thereupon Mayor Pro Tem Post made a **motion** to go into closed session to consult with an attorney as allowed by NCGS 143-318.11(a)(3). Councilmember Sheffield seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander and Sheffield voted AYE. (4-0)

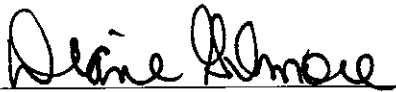
RETURN TO OPEN SESSION

Thereupon Councilmember Alexander made a **motion** to return to open session. Councilmember Sheffield seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander and Sheffield voted AYE. (4-0)

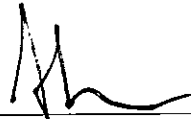
Mayor Heggins reported no action was taken during the closed session meeting.

ADJOURNMENT

Motion to adjourn the meeting was made by Mayor Pro Tem Post and seconded by Councilmember Alexander. All Council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 10:41 p.m.



Diane Gilmore, City Clerk



Al Heggins, Mayor