

Salisbury, North Carolina

June 18, 2002 - 4:00 p.m.

REGULAR MEETING

PRESENT: Mayor Pro Tem, Paul B. Woodson, Jr., Presiding; Councilmen William (Bill) Burgin; Robert (Bob) Martin; City Manager, David W. Treme; Assistant City Manager, J. Foster Owen; City Attorney, F. Rivers Lawther, Jr.; and City Clerk, Swannetta B. Fink.

ABSENT: Mayor, Susan W. Kluttz; Councilman, William (Pete) Kennedy.

The meeting was called to order and the invocation given by Mayor Pro Tem Woodson.

RECOGNITION OF VISITORS

Mayor Pro Tem Woodson recognized all visitors present.

PROCLAMATION

Mayor Pro Tem Woodson proclaimed the following observance:

NATIONAL SMALL CITIES DAY June 14, 2002

CONSENT AGENDA

(a) Minutes

Minutes of the regular meeting of May 21, 2002.

(b) Group Development Site Plans

Approve Group Development Site Plans for the following:

- G-4-99 - Reserve at the Country Club, Old Mocksville Road at Hawkinstown Road
- revised site development plan
- revised subdivision plat

- G-5-01 - Manning Office Park, Phase 2, 1910 Jake Alexander Boulevard

(c) Outside Water Connections

Approve Outside Water Connections for the following:

- Cypress Trucklines, 1015 Airport Road, Tax Map 471, Parcel 057.

- Mary Penley, 2386 Statesville Blvd., Tax Map 329, Parcel p/o 116.

Thereupon, Mr. Burgin made a **motion** to approve the Consent Agenda. Mr. Martin seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

Mayor Pro Tem Woodson announced that item #13, Zoning Map Amendment, Z-6-02, Keven Wilson, west side of I-85 Bringle Ferry Road, will be omitted today.

AWARD CONTRACT - SOUTH ROWAN WATER LINE EXTENSION FROM LANDIS TO KANNAPOLIS, DIVISION C-1 - CONTRACT AMOUNT: \$501,406.00

Mr. John Vest, Director of Utilities, told Council that staff is recommending awarding a contract to Foothills Water & Sewer, Inc., for the South Rowan Water Line Extension-Division C-1. Mr. Vest indicated staff considers Foothills Water & Sewer, Inc., the lowest responsible bidder. However, Foster Utilities submitted a lower bid. There are three areas in which staff feels Foster Utilities is not qualified as a responsible bidder: (1) ability to comply with required delivery or performance schedule at a satisfactory performance record; (2) capability of undertaking the work, and (3) completing it in a satisfactory fashion, Mr. Vest indicated. Mr. Vest reminded Council that the specifications indicate the City has the right to reject any and all bids, and award a contract to whomever they choose.

Dr. Michael S.Acquesta, with Peirson & Whitman Architects and Engineers, informed Council that Foster Utilities worked on the 42" Interceptor Sewer that paralleled Town Creek several years ago. There were problems during the construction; specifically the installation of the sewer line through a tunnel under Barringer Road, he said. Mr. Acquesta told Council the pipe floated up on concrete and there were problems with it. He noted they subsequently resolved those problems. That left some concerns in his mind as to their ability to work with large pipes, he indicated. The South Rowan project is a 16" pressure line. The 42" line was a gravity line. Dr. Acquesta said the 16" pressure line, in his opinion, is a large pipe as well.

Dr. Acquesta stated that problem also raised concerns, in his mind, as to their (Foster Utilities) installation techniques for large pipes and their overall management of projects of that nature. At the end of the project, there were a list of items that Foster Utilities was instructed to come back to the City during the warranty period and correct, he said. They never showed up, he noted. He said the inspector on the project wrote them a letter asking them to come back and they didn't. They finally came back 15 months after the close of the project and resolved those, he indicated. The warranty period is one year. Dr. Acquesta noted that Foster Utilities didn't come back until after they had realized they may be low bidder on this South Rowan Water Line Extension Project. This also raised some concerns and issues regarding their management, he said.

Foster Utilities is currently a sub-contractor to the major contractor working on the I-85 widening here in Salisbury, Dr. Acquesta said. They are installing and re-locating the utilities for the North Carolina Department of Transportation (NCDOT). These utilities will then be owned, operated, and maintained by the City of Salisbury in the future, he noted. The City of Salisbury does not have jurisdiction over the I-85 project, the NCDOT does. However, the City hired Peirson & Whitman for a period of time to have an inspector out there to look after the interest of the City; specifically the installation of water/sewer lines, he noted. There were repeated problems with the installation of the water/sewer lines on this project, so much so, Dr. Acquesta stated, that he is afraid the City is going to have problems with those lines in the future. He said he could go through a laundry list of things that were not being done according to industry standards. With all those concerns, it is his (Dr. Acquesta's) recommendation **not** to award a contract to Foster Utilities, but rather to award a contract to Foothills Water & Sewer, Inc. The bid price for Foothills is \$501,406.00; Foster Utilities is \$495,900.00.

Mr. Vest told Council that staff concurs with Dr. Acquesta's recommendation. If Council approves they would need a motion that included a Finding of Fact that Foster Utilities did not submit the lowest responsible bid and also include that the contract would be contingent upon Rowan County approval because of Rowan County funds being involved in this project.

Mayor Pro Tem Woodson asked if anyone was present from Foster Utilities. No one responded.

Councilman Burgin observed that Council is disappointed when they can't utilize the lowest number but he is a supporter of the fact that we need responsible low bidders. We have recommendations from our consultants and staff that indicate we have struggled with the apparent low bidder and that qualifications are an issue, he said. We should go to the lowest responsible bidder, Foothills Water & Sewer, Inc.

Thereupon, Mr. Burgin made a **motion**, in light of the above facts, that we consider the lowest responsible bid to be from Foothills Water & Sewer, Inc., Stony Point, N.C., and award a contract in the amount of \$501,406.00 for the South Rowan Water Line Extension, Division C-1, subject to concurrence with Rowan County. Mr. Martin seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

REVISED ANNEXATION REPORT

Mr. Bill Duston of Centralina Council of Governments (COG) gave Council a summary of the major changes to the amended annexation report as follows:

(1) Page 8 - Fire Protection: Franklin Volunteer Fire Department will **not** have any debt on hand at the time that the 5-year contract with them expires.

(2) Page 10 - Solid Waste Collection: Commercial Landfill rates have been added at \$5.53 per unit. The commercial container collection fee is \$10.00 per this **container** rather than per month. Staff has met with the primary residential solid waste provider in the area and confirmed they have 275 customers to whom the solid waste provider would lose service as a result of this annexation. Originally we had shown 374 customers. The City's payment would be \$49,137.00 versus \$67,320.00. Payment for dumpsters is \$12,593.00 which the City would need to compensate private waste haulers. Total start-up cost is \$85,929.00 versus \$91,519.00. The City will be picking up the dumpsters at a cost of \$5,076.00. The total year 1 cost is \$35,067.00.

(3) Page 18 - Section III - General Fund Financing Plan for the proposed Annexation Area shows all costs and revenues anticipated with the annexation. These are as follows: Revenues - \$573,302.00; Estimated Additional Annual Expenditures - \$187,746.00; Estimated Net Additional Annual Revenues - \$385,556.00; General Fund Start-up Costs - \$168,438.00.

(4) Page 22 - Addendum: A Rural Fire Department Impact Statement came from both Franklin Volunteer Fire Department and the City of Salisbury. Major items to note are Item #9 - years remaining in term of the loan: 4 years. The contract will be for 5 years. Therefore, debt will be retired at the end of the 5 year period, so the City will have no debt payments to Franklin Volunteer Fire Department.

Thereupon, Mr. Burgin made a **motion** to adopt the Revised Annexation Report. Mr. Martin seconded the motion. Messrs. Burgin, Martin, and Woodson voted AYE. (3-0)

ANNEXATION ORDINANCE

Mr. Bill Duston of Centralina Council of Governments (COG) informed Council that an ordinance has been prepared reflecting the changes that were adopted with the Annexation Report above. The effective date of the annexation will be June 30, 2003.

Thereupon, Mr. Burgin **moved** to adopt the Annexation Ordinance. Mayor Pro Tem Woodson seconded the motion. Messrs. Burgin, Martin, and Woodson voted AYE. (3-0)

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF SALISBURY, UNDER THE AUTHORITY GRANTED BY CHAPTER 160A, ARTICLE 4A, PART 3 OF THE GENERAL STATUTES OF NORTH CAROLINA.

(The above ordinance is recorded in full in Ordinance Book No. 18, under Chapter XI - Zoning & Planning, at Page Nos. 48-70, and is known as Ordinance No. 2002-40.)

Due to the lack of an affirmative vote of two-thirds of all members of the Council, it will be necessary to have a second reading on the above ordinance before it can be ratified.

RECOGNIZE FIRE CONTROL SPECIALIST II JASON SPARGER, ROOKIE FIREFIGHTER OF THE YEAR AND ENGINEER BOBBY BURLEYSON, VETERAN FIREFIGHTER OF THE YEAR - SALISBURY FIRE DEPARTMENT

Fire Chief Sam Brady informed Council that the Rookie Firefighter of the Year, Jason Sparger, is on vacation and unable to be with us today to receive this award. Jason Sparger, Fire Control Specialist II, came to work for the Salisbury Fire Department in June, 2000. Mr. Sparger was described by Fire Chief Brady as a progressive and eager young man who has all his energies pointed in the right direction, Chief Brady said.

Fire Chief Brady then recognized Veteran Firefighter of the Year, Engineer Bobby Burleyson. Mr. Burleyson has been with the Salisbury Fire Department since 1985. He is certified on everything the fire department has including being an EMT, Hazardous Material Technician, and North Carolina Fire Services Instructor. One of the things that stands out for Mr. Burleyson is his total commitment to helping save lives. Additionally, Mr. Burleyson is certified through the American Red Cross, American Heart Association, is a CPR Instructor, and volunteers to teach classes to individuals for these certifications.

Councilman Martin told those present that Salisbury is very fortunate to have the caliber of firefighters we have, from the Chief all the way down. Salisbury has one of the best fire departments in the State of North Carolina, he said.

RECOGNIZE POLICE CORPS CADET TERRANCE SANDERS

Police Chief Chris Herring recognized North Carolina Police Corps Cadet Terrance Sanders who is our second cadet. Police Corps Cadet Kristin Perkins was chosen our first cadet in 2001. Cadet Sanders is a future Salisbury Police Department officer. He is a rising sophomore at Fayetteville State University who is also attending the North Carolina Justice Academy program. Cadet Sanders will be committed to four years of service with the City of Salisbury. In return, the City will get a \$10,000.00 annual subsidy for each of the four year service commitment of Sanders, he said.

RECOGNIZE ROOKIE OFFICER OF THE YEAR - THOMAS WILSEY AND VETERAN OFFICER OF THE YEAR, STEVE CANDOZA

Police Chief,Chris Herring,recognized Officer Thomas Wilsey who was chosen by the members of the Salisbury Police Department as Rookie Officer of the Year. Officer Wilsey served 2-1/2 years as a reserve officer and been with the department 3 years. Chief Herring noted that Officer Wilsey worked in the Henderlite area in order to mobilize that community.

Chief Herring then recognized Veteran Officer of the Year, Steve Canzona, who was also selected by the employees of the Salisbury Police Department. He has been with the police department 15 years. Officer Canzona is dedicated when working as a School Resource Officer at the Alternative School with young people who have many challenges. He also works with the SWAT Team as an undercover agent, and is a firearms instructor.

RECOGNIZE J. FOSTER OWEN - ASSISTANT CITY MANAGER

Mayor Pro Tem Woodson read a Resolution expressing gratitude to J. Foster Owen, Assistant City Manager, for 31 years of service to the City of Salisbury. Mr. Owen is retiring effective June 21, 2002.

RESOLUTION EXPRESSING GRATITUDE TO J. FOSTER OWEN, ASSISTANT CITY MANAGER, FOR 31 YEARS OF SERVICE TO THE CITY OF SALISBURY.

(The above resolution is recorded in full in Resolution Book No. 10, under Chapter XII - Miscellaneous, at Page No. 154, and is known as Resolution No. 2002-19.)

ZONING MAP AMENDMENT - Z-7-02 - SALISBURY PLANNING BOARD

Z-7-02 - Salisbury Planning Board

Park Avenue Neighborhood (Phase 1)

The request is to rezone the following three (3) areas:

(1) A portion of one lot (36,000 sq. ft.) on the west side of the 500 block of East Franklin Street from R-6 Two-Family Residential to M-1 Light Industrial.

(2) Properties (1.95 acres) in the 600 block of East Cemetery between North Clay and North Boundary Streets as well as the 500 block of North Boundary Street between East Cemetery and East Franklin Streets from M-1 Light Industrial to R-6 Two-Family Residential.

(3) Properties (1.78 acres) with frontage along the north side of the 700 and 800 blocks of Park Avenue between North Boundary and Arlington Streets from M-1 Light Industrial to R-6 Two-Family Residential.

(a) Mr. Harold Poole, Senior Planner, informed Council that this request is coming from the Salisbury Planning Board and has been talked about for 3-4 years to take a look at the zoning in the Park Avenue Neighborhood and consider making changes in

this area. Mr. Poole showed pictures of Phase 1, which consists of 26 lots being proposed to be rezoned from M-1 to R-6. There is one lot on East Franklin Street that is proposed for rezoning from R-6 back to M-1. The zoning in the area, M-1 Light Industrial, would allow a lot of uses that would not be good for this particular area or across the street that's also zoned R-6, he said. Houses could be turned into things like a pool hall, car operations or repairs, and garages. On East Franklin Street, there is one lot zoned R-6 that should be M-1, Mr. Poole noted. It has some industrial looking buildings on the back. This would be an ideal parking lot for Pauline Knitting Mill which is across the street, he said. If this area were rezoned to M-1 there would be substantial buffering between this and the residential areas.

Mr. Poole showed an overhead map indicating shaded areas. A diagonal line from Cemetery Street to East Franklin Street shows the front part of the lot being zoned R-6 and the rear part of the lot zoned M-1. This does not follow the existing land use or what we would like to see in our neighborhood today, he stated.

Planning Board recommendation is unanimous to rezone all areas as proposed. (8-0)

(b) Mayor Pro Tem Woodson convened a public hearing, after due notice and advertisement thereof, on the following zoning map amendment Z-7-02, Salisbury Planning Board, Park Avenue Neighborhood (Phase 1).

Those speaking **in favor** of the above proposal were:

Mr. Lou Manning, 2354 Statesville Boulevard, told Council that there have been a lot of exciting things that have been happening in the Park Avenue area since the City decided to revitalize that area. After a lot of study by the Planning Board, in conjunction with the Park Avenue Redevelopment Corporation, it became evident that rezoning this area would help preserve the stability and character of the neighborhood and contribute substantially to the revitalization of this neighborhood, Mr. Manning stated. He told Council great strides have been made in this neighborhood and he hopes Council will give consideration to passing this rezoning.

No one else was present to speak for or against the above proposal. Mayor Pro Tem Woodson closed the public hearing.

Councilmember Burgin stated he appreciates the Planning Board taking the initiative to look at this area. We have an area where the City, in partnership with the Park Avenue Neighborhood, made that area successful, he said. This was a team effort and Council appreciates all the community did. This rezoning will help stabilize that area even more, Mr. Burgin noted.

(c) Thereupon, Mr. Burgin made a **motion** that the zoning be adopted as presented by Planning Board. Mr. Martin seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF SALLISBURY, NORTH CAROLINA, BY REZONING APPROXIMATELY 3.7 ACRES ALONG PARK AVENUE, NORTH BOUNDARY STREET, EAST CEMETERY STREET, AND EAST FRANKLIN STREET, IDENTIFIED AS PARCELS 353, 406, 335, 344, 386, 385, 384, 382, 359, 358, 357, 405, 341, 380, 407, 326, 345, 333, 404, 150, 151, AND A PORTION OF PARCELS 152, 153, 154, 155, 156, 317, AND 142 ON SALISBURY TOWNSHIP TAX MAP 16, FROM M-1 LIGHT INDUSTRIAL DISTRICT TO R-6 TWO-FAMILY RESIDENTIAL DISTRICT, AND BY REZONING APPROXIMATELY 36,000 SQUARE FEET LOCATED ALONG THE SOUTH SIDE OF THE 500 BLOCK OF EAST FRANKLIN STREET, IDENTIFIED AS A PORTION OF PARCEL 37 ON SALISBURY TOWNSHIP TAX MAP 16, FROM R-6 TWO-FAMILY RESIDENTIAL DISTRICT TO M-1 LIGHT INDUSTRIAL DISTRICT.

(The above ordinance is recorded in full in Ordinance Book No. 18, under Chapter XI - Zoning & Planning, at Page Nos. 71-72, and is known as Ordinance No. 2002-41.)

Due to the lack of an affirmative vote of two-thirds of all members of the Council, it will be necessary to have a second reading on the above ordinance before it can be ratified.

STAFF REPORT CONCERNING CONNECTIVITY BETWEEN MID-CAROLINA MALL AND SALISBURY MALL

Mr. Dan Mikkelson, City Engineer, reminded Council that in January, City Council asked the Planning Board to investigate making some code revisions consistent with Policy C-10 of Salisbury Vision 2020. That policy states that "the City shall encourage the consolidation of commercial driveways onto major streets and the connection of adjacent parking lots." In particular, there is an existing connection between the two parking lots and Council wanted to insure that we keep that connection open, he explained. Planning Board and staff have looked at this extensively. City Attorney Lawther supports applying new standards when new permits are applied for but cautioned staff against trying to make new standards apply retroactively, Mr. Mikkelson explained. In this case, since each site is a group development, and they operate under an approved site plan, if either of those sites come back to make an amendment to their site plan, they will need to amend the full large drawing of their site plan to include the connection between the two parking areas, according to Mr. Mikkelson. In the interim, if either of those property owners chose to close the connection between the two parking lots, the City would have the option of considering condemnation and making that a public access, he indicated. In doing so, the City would have to pay fair market value, he said.

Mr. Mikkelson told Council that staff recommends at this time to take **no** action, but there are ways over time that connection can be protected.

Councilmember Burgin said it is important that the connection be maintained, not only for the use between the two, but because of what is happening on Highway 70.

No action was taken.

TAXICAB FRANCHISE - MR. CHARLES L. KNOX

Ms. Sue Wales, Director of Planning and Research, informed Council that the Salisbury Police Department has received a request from Mr. Charles L. Knox, who operates his taxi company, First Transportation, out of Concord, N.C., to operate in the Rowan County and Salisbury area. Mr. Knox works through the State of North Carolina Division of Social Services to transport Medicaid eligible recipients to Rowan County and Salisbury and is paid by Social Services. While he is in Rowan County and the City, if the person wishes to be transported to get medicine, etc., he becomes a taxi driver for them under his fees. Mr. Knox has requested a Certificate of Public Convenience and Necessity to be able to transport these people in the City of Salisbury.

Ms. Wales told Council Mr. Knox's vehicle has been inspected, a criminal history has been done, and he has 19 years of driving experience. Staff recommends approval, she noted.

Thereupon, Mr. Martin made a **motion** to approve Mr. Charles L. Knox. Mr. Woodson seconded the motion. Messrs. Burgin, Martin, and Woodson voted AYE. (3-0)

Since this is a franchise, a second vote on this matter will be taken at the next regular Council meeting.

AWARD CONTRACT - SOUTH ROWAN WATER LINE EXTENSION

AIRPORT ROAD TO HIGHWAY 29 WATER TANK, DIVISION E-1

Mr. John Vest, Director of Utilities, stated that Council has previously approved the project budget ordinance for this project and staff recommends awarding the contract to Bell Construction Company, Inc. This is Division E-1 for the line from Airport Road to the Highway 29 tank, he said. The recommendation is also seconded by Peirson & Whitman, our consulting engineers on this project. This contract would also be contingent upon Rowan County concurrence.

Councilman Burgin indicated he noticed lines were going in that are not congruent, i.e. not all together, but work is being done in different sections. City Manager Treme responded that the line is being laid in this fashion because of the time element and the way easements are being obtained.

Thereupon, Mr. Burgin made a **motion** to approve the award of contract for the South Rowan Water Line Extension, Division E-1, to Bell Construction Company, Inc., Statesville, N.C., in the amount of \$673,692.40, contingent upon our partner, Rowan County, agreeing. Mr. Martin seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

AWARD CONTRACT - CONSTRUCTION OF GRAVITY LINE FROM SPENCER TO GRANT CREEK WASTEWATER TREATMENT PLANT

Mr. John Vest, Director of Utilities, told Council that staff has worked with Jimmy R. Lynch & Sons previously. They worked on the Yadkin River Diffuser Project several years ago, and they were the low bidder on this project, he noted. This is the Spencer Project that will tie Spencer Sewer System into portions of the Grant Creek Interceptor and also eliminate the treatment plant that we are currently operating there, Mr. Vest said. All the wastewater will go to our Grant Creek facility for treatment, he said. The price came in well under estimates, he noted. Staff recommends approval to award the contract to Jimmy R. Lynch & Sons, Inc., in the amount of \$429,649.65.

Thereupon, Mr. Burgin **moved** to approve the contract. Mr. Woodson seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

AWARD CONTRACT - CONSTRUCTION OF POTABLE WATER TRANSMISSION FACILITIES TO HIGHWAY 70, DIVISION B-1

Mr. John Vest, Director of Utilities, informed Council that Buckeye Construction Company, Inc., is already doing two segments of the South Rowan Project and they also were low bidder on this middle section of U.S. 70 project. Division B-1 is the segment that staff has been working on with NCDOT because of their widening project, for them to get the right-of-way, he said. Staff recommends awarding the contract contingent upon the easement acquisition being completed by NCDOT, Mr. Vest stated.

Thereupon, Mr. Burgin made a **motion** for the award of U.S. 70 Water Line Relocation, Division B-1 for \$2,342,532.25 to Buckeye Construction Company, Inc., Canton, N.C., subject to NCDOT acquiring appropriate easements. Mr. Woodson seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

PROJECT BUDGET ORDINANCE - KLUTTZ STREET, GRANITE QUARRY, N.C. WATER LINE EXPENSION PROJECT

Mr. John Vest, Director of Utilities, informed Council that each year monies are included in the extension budget for Granite Quarry, Rockwell and other towns to do local projects. The Town of Granite Quarry had a deficiency in the Klutz Street area and did not have adequate fire protection. They chose to use a portion of their money for this project, he said. Staff recommends approval of the project budget ordinance.

Thereupon, Mr. Burgin made a **motion** to do the water line for our Granite Quarry Water Line Extension for \$30,000.00. Mr. Woodson seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

KLUTTZ STREET, GRANITE QUARRY WATER EXTENSION PROJECT, CAPITAL PROJECT ORDINANCE.

(The above ordinance is recorded in full in Ordinance Book No. 18, under Chapter II - Administrative, at Page No. 59, and is known as Ordinance No. 2002-42.)

Due to the lack of an affirmative vote of two-thirds of all members of the Council, it will be necessary to have a second reading on the above ordinance before it can be ratified.

PROJECT BUDGET ORDINANCE AMENDMENT - ROCKWELL WATER LINE PROJECT

Mr. John Vest, Director of Utilities, informed Council that a water line has been extended to Rockwell to eliminate the well system and tie them into Salisbury's system. This project is nearing completion. Rockwell has requested that we add on to the end of this project an additional 600 foot extension on U.S. 52 to serve two new businesses (Porky's Restaurant and Mikey's One Stop). Staff recommends approval of project budget ordinance in the amount of \$31,276.00.

Thereupon, Mr. Burgin made a **motion** for approval of the budget ordinance for the Rockwell Water Line Project, in the amount of \$31,276.00. Mr. Martin seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

ROCKWELL WATER LINE, CAPITAL PROJECT ORDINANCE AMENDMENT.

(The above ordinance is recorded in full in Ordinance Book No. 18, under Chapter II - Administrative, at Page No. 60, and is known as Ordinance No. 2002-43.)

Due to the lack of an affirmative vote of two-thirds of all members of the Council, it will be necessary to have a second reading on the above ordinance before it can be ratified.

ENGINEERING SERVICES - UPGRADE EXISTING YADKIN RIVER RAW WATER PUMP STATION

Mr. John Vest, Director of Utilities, said that Council had previously approved a budget ordinance for the total work which is slightly over \$1 Million. This includes the funds for the consulting engineering services, design, bidding, project management and inspection. However, a contract had not been executed with Willis Engineers. This contract will upgrade the existing pump station to a 24-25 million gallons per day capacity which will match the increase and capacity at our water treatment plant, he said. The proposed new intake and pump station that will need to be built in the future is estimated at \$14 Million, he noted.

City Manager Treme clarified that the City's first priority with the water system is to expand existing facilities to its fullest capacity before we would invest the \$14 Million for a new pump station. Mr. Vest explained that the total package is \$1,076,878.00. Of that amount, \$186,600.00 is for the engineering services.

Thereupon, Mr. Woodson made a **motion** to approve engineering services contract with Willis Engineers, in the amount \$186,600.00. Mr. Burgin seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

BUDGET ORDINANCE AMENDMENT - REIMBURSEMENTS FOR EXPENDITURES INCURRED ON THE REMOVAL OF AN UNDERGROUND STORAGE TANK

Mr. John Sofley, Finance Director, informed Council that the City is eligible to receive reimbursement for underground storage tanks in certain situations. The City had an underground storage tank that has been dug up, and the situation eliminated which now makes the City eligible for reimbursement.

Thereupon, Mr. Burgin made a **motion** to accept the money in the amount of \$74,400.00 for reimbursement for dealing with underground storage tanks. Mr. Woodson seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

AN ORDINANCE AMENDING THE 2001-2002 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA, TO APPROPRIATE STATE REIMBURSEMENT.

(The above ordinance is recorded in full in Ordinance Book No. 18, under Chapter II - Administrative, at Page No. 61, and is known as Ordinance No. 2002-44.)

Due to the lack of an affirmative vote of two-thirds of all members of the Council, it will be necessary to have a second reading on the above ordinance before it can be ratified.

BUDGET ORDINANCE AMENDMENT - APPROPRIATE VARIOUS PARKS AND RECREATION DONATIONS

Ms. Gail Elder White, Parks & Recreation Director, informed Council that of the \$8,670.00, \$4,670.00 represents reimbursements to the existing budget year from donations and expenditures that have already occurred. \$4,000.00 is grant donations recently received for the City Park Lake and for City Park Recreation Center from the Woodson Foundation, she said.

Thereupon, Mr. Martin made a **motion** to approve the budget amendment to appropriate various recreation donations. Mr. Woodson seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

AN ORDINANCE AMENDING THE 2001-2002 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA, TO APPROPRIATE VARIOUS RECREATION DONATIONS.

(The above ordinance is recorded in full in Ordinance Book No. 18, under Chapter II - Administrative, at Page Nos. 62-63, and is known as Ordinance No. 2002-45.)

Due to the lack of an affirmative vote of two-thirds of all members of the Council, it will be necessary to have a second reading on the above ordinance before it can be ratified.

CABARRUS, ROWAN, IREDELL CONSORTIUM

Mr. John Brooks, Community Development Consultant, informed Council that every three (3) years the cities and counties in the Rowan-Iredell-Cabarrus Consortium are required to complete a new agreement for an additional three years to receive funds in the Consortium. This is the City of Salisbury's third agreement. The City of Salisbury has received over \$700,000.00 from participating in this Consortium, he said. Staff recommends that the City participate an additional three years, Mr. Brooks advised.

Thereupon, Mr. Woodson made a **motion** to approve the resolution and three year agreement. Mr. Burgin seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

RESOLUTION AUTHORIZING THE CITY OF SALISBURY TO ENTER INTO A JOINT COOPERATION AGREEMENT EXTENDING THE CABARRUS/IREDELL/ROWAN HOUSING CONSORTIUM.

(The above resolution is recorded in full in Resolution Book No. 10, under Chapter XII - Miscellaneous, at Page Nos. 155-156, and is known as Resolution No. 2002-20.)

PURCHASE OF PROPERTY - (FROM PREMIER DEVELOPMENT, LLC) - SOUTH MAIN AND EAST BANK STREETS

Mr. Joe Morris, Urban Resource Planner, informed Council that the property at the corner of South Main and East Bank Streets is currently utilized for surface parking (25,000 sq.ft.). The purchase price of \$199,000.00 represents a cost of approximately \$7.96 sq. ft. which is actually less than what comparable land in the downtown is selling for at \$9.00-\$10.00 sq. ft., he said. The property is integral to downtown redevelopment plans for the future of this end of the downtown, good support of redevelopment of several buildings in the area, and potential new construction as well, Mr. Morris explained. Staff recommendation is to authorize the purchase of this property.

Councilmember Burgin stated it is vital that we have this piece of property. It provides some needed public parking spaces, and it

also has other benefits for us that can develop long term, he said.

Thereupon, Mr. Burgin made a **motion** to approve the purchase. Mr. Woodson seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

EXCHANGE OF PROPERTY WITH CERTAIN ENVIRONMENTAL INDEMNITIES

Mr. Joe Morris, Urban Resource Planner, informed Council that staff has been working on this project for a long time. The City acquired this property some time ago with the idea for potential redevelopment which also included some environmental abatement. There are some underground storage tanks on the property that have been removed, he said. The City has gone through the process with the Division of Environment and Natural Resources in terms of receiving the letter of notification of no further action for the site, Mr. Morris stated. This will allow us to perform a "like kind exchange" in which the City will trade the property (KFC) site for the three (3) residential development sites (owned by William W. Webb and wife, Gwendolyn G. Webb) immediately behind the Webb/Busby Building being constructed on Mocksville Avenue, Mr. Morris said. City Attorney Rivers Lawther has worked with Dr. Webb's attorney to draft an agreement of indemnification from some of the environmental conditions on the site. This will provide a residential front along Cemetery Street and also help buffer the Jersey City Neighborhood, he indicated. There are a number of things at work here that will benefit to that neighborhood. We have been able to help clean up an environmental situation, identified a property that going to be developable for a nice medical or office type development on that point, and also help buffer and preserve the neighborhood, he stated.

Mr. Morris told Council that staff recommends authorizing the Mayor to sign over the deed for the property in exchange for the additional property with the environmental indemnity agreement. Mr. Morris noted that one of the benefits the City realized for this process is that the money spent on the purchase of the property and clean-up may be used as a match toward our home fund over a 5 year period. City Manager Treme informed Council that the first meeting in July, staff will be recommending that this property be donated to the Community Development Corporation (CDC). They already have individuals who would like to be homeowners on these three lots, he said.

Thereupon, Mr. Burgin made a **motion** to authorize the Mayor to sign over the deed in exchange for the property on Cemetery Street. Mr. Woodson seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

PUBLIC HEARING - FY2002-2003 CITY BUDGET

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Mayor Pro Tem Woodson convened a public hearing, after due notice and advertisement thereof, concerning the FY2002-2003 City Budget.

No one was present to speak for or against the proposed City Budget. Mayor Pro Tem Woodson closed the public hearing.

Thereupon, Mr. Woodson made a **motion** to approve the proposed City Budget FY2002-2003. Mr. Martin seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

BUDGET ORDINANCE OF THE CITY OF SALISBURY FOR THE FISCAL YEAR BEGINNING JULY 1, 2002, AND ENDING JUNE 30, 2003.

(The above ordinance is recorded in full in Ordinance Book No. 18, under Chapter II - Administrative, at Page Nos. 64- , and is known as Ordinance No. 2002-46.)

Due to the lack of an affirmative vote of two-thirds of all members of the Council, it will be necessary to have a second reading on the above ordinance before it can be ratified.

APPOINTMENTS TO THE SALISBURY-ROWAN ECONOMIC DEVELOPMENT COMMISSION BOARD

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Upon **motion** of Mr. Burgin, seconded by Mr. Martin, and with Messrs. Burgin, Martin and Woodson voting AYE, appointment of Mr. J.W. (Jack) Owens, was made to the Salisbury-Rowan Economic Development Commission Board. (3-0)

Upon **motion** of Mr. Martin, seconded by Mr. Burgin, and with Messrs. Burgin, Martin and Woodson voting AYE, nomination of Mr. E. William (Bill) Wagoner, was made to the Salisbury-Rowan Economic Development Commission Board. (3-0)

REPORT FROM CITY MANAGER

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(a) Planning Board Recommendations

Council received the Planning Board recommendations as information only.

(b) Firearm-related prosecutions

City Manager Treme informed Council that he had received a letter from Mr. William D. Kenerly, District Attorney, District 19C, related to firearm-related prosecutions. The District Attorney's office has received a grant in the amount of \$40,000.00 to hire a prosecutor who would work with these firearm-related prosecutions. Mr. Kenerly has requested that the City of Salisbury agree to pay \$6,293.00 per year for three years beginning August 1, 2002, to allow the District Attorney to receive the grant funds for one A.D.A. position. Rowan County has also been requested the same assistant to support the grant position, Mr. Treme noted. He recommended approval of this request from our District Attorney.

Thereupon, Mr. Burgin made a **motion** to agree to the City share of this grant. Mr. Woodson seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

MAYOR PRO TEM ANNOUNCEMENTS

(a) Special Meeting

Mayor Pro Tem Woodson announced that a Special Meeting will need to be held to have a second reading on the FY2002-2003 Budget, other ordinances, and any other matters. Mr. Woodson suggested that the Special meeting be held on Thursday, June 27, 2002, at 12:00 noon at City Hall for this purpose.

Thereupon, Mr. Burgin made a **motion** that a Special Meeting be called for Thursday, June 27, 2002, at 12:00 noon at City Hall. Mr. Martin seconded the motion. Messrs. Burgin, Martin and Woodson voted AYE. (3-0)

ADJOURNMENT

Motion to adjourn the meeting was made by Mr. Burgin, seconded by Mr. Martin. All Council members agreed unanimously to adjourn. The meeting was adjourned at 5:26 p.m.

Mayor Pro Tem

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City Clerk