

Salisbury, North Carolina
October 21, 2008

REGULAR MEETING

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

ABSENT: None

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

PLEDGE OF ALLEGIANCE

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

RECOGNITION OF VISITORS

Mayor Kluttz recognized all visitors present.

CONSENT AGENDA

(a) Approval of Minutes

Approve Minutes of the Regular meeting of October 7, 2008 and Special Meeting of October 7, 2008.

(b) Temporary Street Closing – Mitchell Avenue

Close the 200 block of Mitchell Avenue (from Crosby Street to Blair Street), Friday, October 31, 2008 from 4:30 p.m. until 6:30 p.m. for the Fulton Heights Halloween Parade.

(c) Certificate of Sufficiency – Voluntary Annexation Sacred Heart Church and School

Receive a Certificate of Sufficiency from the City Clerk concerning the voluntary annexation of Sacred Heart Catholic Church and School and adopt a Resolution setting a public hearing for November 4, 2008.

RESOLUTION SETTING DATE OF PUBLIC HEARING ON QUESTION OF THE ANNEXATION OF SACRED HEART (98.710 ACRES) PURSUANT TO G.S. 160A-31 AS AMENDED.

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

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 56, and is known as Resolution No. 2008-38.)

INSTALLMENT FINANCE AGREEMENT – FIBER TO THE HOME

(a) Mr. John Sofley, Management Services Director, addressed Council concerning the Fiber To The Home (FTTH) project. Mr. Sofley stated that this is a goal that staff has been working on for quite a while. He indicated that Goal 4.1, as adopted by Council, is to implement a FTTH business plan. He stated that the credit markets have impacted financing and that staff has anticipated such problems and has hoped to work around the issue through Certificates of Participation (COPS). He stated that staff would like to have traditional financing, but banks are not receptive due to the current economic climate. He indicated that since COPS was the anticipated method of financing they have been built into the business model. He went on to say that with the COPS model, staff has projected issuing approximately \$31,000,000 worth of debt to complete the project, assuming there would be no issuance of a debt guarantee. He indicated that because of the current instability of the market, investors are looking for a guarantee that funds will be available in order to pay the debt service cost. He noted that investors are looking for a debt service reserve, and there are two ways to fund a reserve, the first would be to borrow the money and deposit it into a trust account and use the interest to pay against the bond. The second method is to purchase an insurance policy that will guarantee repayment of the debt.

Mr. Sofley indicated that during a visit to New York City, staff visited Assurance Guaranty, a company that underwrites government debt. He stated that staff has not received an official rate quote from Assurance Guaranty, but unofficially they have indicated that they are willing to insure the debt. He noted that staff has several options and will keep them all open until it is determined what is in the City's best interest. He stated that it will cost approximately \$3,000,000 to \$3,500,000 to fund this debt depending on the interest rate at that time. Mr. Sofley noted that in order to enhance the quality of the debt staff has included projects that were built into this year's budget. He noted that those items include the construction or renovation of three parking lots in the City's downtown area, major upgrades to Fire Station 53, elevator replacement at the City Office Building, replacement of windows at various fire stations, and replacement of the antennae for the 800 trunking system. He stated that the cost of these projects is approximately \$2,000,000, making the total for the bond projects approximately \$33,000,000. Mr. Sofley asked Council to consider adding \$3,500,000 to pay for the debt service reserve for a bond total not to exceed \$36,500,000.

Mr. Sofley explained that based on the City's credit rating, the interest rate for the funding could be at 6.5%. He indicated that last week that there was approximately \$1.7 billion issued in the municipal market and this week it is estimated that this amount should double. He noted that even with the current rate the City's financial model still works.

Mr. Sofley provided a written report from Standard and Poors who has confirmed the City's A+ rating and has assigned the COPS debt an A rating. He indicated that Moody's has confirmed the City's A1 rating and has rated the COPS debt at an A3.

Mayor Kluttz announced that this was the hour, day and place fixed for the public hearing for purposes of considering whether the Council should approve (1) a proposed installment financing agreement under which the City would obtain financing pursuant to G.S. 160A-20 in the maximum principal amount of \$36,500,000 for a portion of the cost of the project (hereinafter described) and under which the City would secure the repayment by it of moneys advanced pursuant to such installment financing agreement by granting a security interest in some or all of the property purchased or improved using the moneys advanced and (2) the purchase and improvement of real and personal property constituting the project. The project consists of (1) the acquisition, installation and construction of a fiber optic system to provide telephone, video and internet services to residents, businesses and other entities in the City, including construction of a new City operations center, (2) the construction of improvements and renovations to various City facilities, and (3) the construction or renovation of three parking lots in the City's downtown. The Mayor announced that the notice of the public hearing, which is being held pursuant to Section 160A-20(g) of the North Carolina General Statutes was published in the *Salisbury Post* on October 7, 2008.

(b) Mayor Kluttz convened a public hearing, after due notice thereof, to receive comments on a proposed Installment Financing Agreement for Fiber To The Home and various other projects.

Mayor Kluttz asked for those who wished to speak in favor to please come forward.

Mr. Mike Miller, 118 North Main Street, stated that he owns Miller Davis Studios and urged Council to vote yes for FTTH project. He stated that he feels this is vital for the local economy. Mr. Miller also stated that Salisbury needs an edge over surrounding communities and this will help businesses retain employees. He indicated that he knows the economy is tough, but this is an investment in the future. He concluded by stating that he feels now is the time to invest in the future of Salisbury.

Ms. Paula Bohland, Vice President of Downtown Salisbury Inc., voiced support for the City's FTTH Project. She stated that infrastructure is necessary to do business. She noted that FTTH is a utility that Salisbury needs if it wants to be competitive. Ms. Bohland referenced Wilson, North Carolina's FTTH program and noted that it ensured BB&T and its jobs remained in the city. She also stated that like Wilson, Salisbury needs to set itself apart from its competition. She indicated that FTTH will make a difference in keeping businesses in Salisbury. She urged Council to view these examples as an essential underpinning for future business growth and to move forward knowing that FTTH has succeeded in other areas and will succeed here in Salisbury.

Mr. James Meacham, Executive Director of Rowan County Tourism Development Authority, stated that the tourism industry always looks for competitive advantages when it comes to marketing a city, especially those that may appeal to visitors, residents, or businesses. He stated that in his opinion, during challenging economic times, such as the current environment, a city's ability to distinguish itself by providing and investing in enhanced services, products, amenities, and community assets can assist the city to deflect some of the harsh realities of an economic recession. He stated that investing in community assets such as FTTH can provide a competitive advantage among neighboring cities. He indicated that he feels this would be a distinct economic advantage.

Mr. Robert Van Geons, Executive Director of Salisbury Rowan Economic Development Commission, stated that he does not usually speak in support of a city offering a commodity that can be offered by the private sector, but that this service being proposed by the City will not be offered by the private sector. He stated that FTTH is as necessary to business as any other utility. He stated that FTTH will give businesses unparalleled access to the world, from video conferencing to advanced research and development. He indicated that colleges and students will be able to share information, access resources, collaborate with other institutions, and provide non-traditional programming. He noted that this could also tie Salisbury to the North Carolina Research Campus and the University of North Carolina System. He also noted that FTTH could promote home-based business, remote work stations, and educational opportunities. He concluded by stating that Salisbury is competing in a global market interconnected through the medium of information, and that improved access equals increased opportunity and profitability.

Mayor Kluttz then asked for those who were opposed to speak.

Mr. Henry Buck, 210 West Glenview Drive, stated that he had several questions concerning the fiber optic system that the City is recommending. He asked how the City can expect to succeed financially when no private business finds it financially profitable. He commented that he believes the City of Wilson took over a fiber optic system when private industry failed. He asked if there are enough committed customers to pay for the service and if tax payers will be able to vote for the bond. He also asked if this will raise taxes and if all citizens will have to pay for services that they do not want in order to serve a few. He commented that with the advances of technology Salisbury may be at a point where it can receive data wirelessly before the fiber optic system is completed. He stated that if the City is going to raise taxes on every property owner to serve a few select citizens, he is against the fiber optic program.

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

City Clerk Myra Heard announced that she had received two written statements related to the FTTH project. Ms. Heard read a statement from Mr. Dick Huffman who supported the FTTH project and another from Ms. Karen Alexander, KKA Architecture, who stated that she believes it is important for the City to invest in this technology.

Mayor Kluttz asked staff to respond to the questions and concerns raised during the public hearing.

Mr. Sofley stated that the City proposed to go forward with this project because there were no telecommunication companies willing to upgrade their current systems in order to offer the same bandwidth. He added that they are also not willing to upgrade in a less populated city. Councilman Lewis stated that Verizon Wireless is the only national provider in the area that has embarked on a FTTH project. He stated that AT&T and Time Warner have not indicated an interest in pursuing FTTH.

Mr. Lewis indicated that research has provided a statistically valid survey that indicates it will take 28% of the market share in order to meet the business model. He stated that this utility will provide local jobs and he pointed out that customer service will also be local. He stated that if absolutely no revenue is generated from the project the cost to make payments on the bonds is equivalent to 9.5 cents tax increase, but if the 28% customer base is reached within four years there will be no tax increase.

Mr. Lewis asked Mr. Mike Crowell, Technology Services Manager, to explain why this system would be better than wireless. Mr. Crowell stated that wireless serves a different purpose than fiber optic. He stated that wireless addresses mobility issues but cannot support the bandwidth necessary for many applications. He indicated that there are upcoming applications that would require the bandwidth that will be available with FTTH that wireless cannot support.

Mr. Sofley pointed out that Wilson, North Carolina did not take over a failed system and that the Wilson system was built from inception by the City.

Mayor Pro Tem Woodson stated that over the past few years the City has lost manufacturing jobs and good jobs are needed in Salisbury. He indicated that citizens have stated that Salisbury needs to have more jobs, and FTTH will provide these. He stated that he feels this is a real risk, but is a decision that needs to be made and staff and Council will do all it can to prevent the failure of this project.

Mayor Kluttz stated that it is important for the public to know and understand that this is not something that Council has considered lightly. She stated that three years ago Council formed a committee in order to learn more about this issue. She also stated that Council is responsible for helping Salisbury's economy recover and that means exploring different ways to compete with other cities in order to grow and be successful.

Councilman Kennedy stated that he has served on the Council Committee researching FTTH for the past three years, and has also served on the Information Technology Council for the National League of Cities. He indicated that FTTH has already been successful for many cities and that Council is taking a risk to make sure this project is a success. He added that the project has his support.

Councilman Burgin stated that if he thought taxes would have to be raised he would not support the project. He noted that the business model indicates that this project will be self-supporting and is an attractive product. He also noted that if the City should have to raise taxes in order to pay for the project, it will be considered a failure. He indicated that this unique opportunity may be as important as the railroad coming through town in the late 1800s.

(c) Thereupon, Mr. Lewis made a **motion** to adopt a resolution (1) authorizing the filing of an application for approval of an Installment Financing Agreement authorized by Section 160A-20 of the North Carolina General Statutes, (2) approving such installment financing agreement and authorizing the execution and delivery of documents in connection therewith, and (3) approving the acquisition of real and personal property. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

RESOLUTION (1) AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF AN INSTALLMENT FINANCING AGREEMENT AUTHORIZED BY SECTION 160A-20 OF THE NORTH CAROLINA GENERAL STATUTES, (2) APPROVING SUCH INSTALLMENT FINANCING AGREEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS IN CONNECTION THEREWITH, AND (3) APPROVING THE ACQUISITION OF REAL AND PERSONAL PROPERTY.

(The above Resolution is recorded in full in Ordinance Book No. 13 at Page No. 57-59, and is known as Resolution No. 2008-39.)

RESOLUTION – IDENTITY THEFT PROTECTION

Management Services Director John Sofley addressed Council regarding identity theft protection and noted that identity theft has been a problem for the past several years and can impact an individual or a company. He stated that in 2003 Congress passed the Fair and Accurate Credit Transaction Act which became effective on January 1, 2008, but took nearly five years for regulations to be published. He noted that Salisbury's date of compliance is November 1, 2008. He also noted that the Act requires the City to have a policy that identifies red flags and how to prevent them, as well as a program to administer the process.

Mr. Sofley indicated that the Resolution before Council creates a policy to identify how Salisbury will accomplish this task. He indicated that the policy will not include specifics as to how each item will be handled so that the policy cannot be circumvented by the public. He stated that because these processes are currently being used, very little additional work will be required. He concluded by stating that the Resolution will formally lay out the process.

Thereupon, Mr. Kennedy made a **motion** to adopt a Resolution adopting an identity theft policy for the City of Salisbury. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

A RESOLUTION ADOPTING AN IDENTITY THEFT POLICY FOR THE CITY OF SALISBURY.

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 60-67, and is known as Resolution No. 2008-40.)

DONATION OF PROPERTY – 223 NORTH MCCOY ROAD

Parks and Recreation Director Gail Elder White stated that Mr. Walter Tatum is interested in donating 3.6 acres of property located at 223 North McCoy Road to the City. She explained that Mr. Tatum would like to donate the property for use as a neighborhood park in memory of his late wife, Frances Lynne Foil Tatum, the daughter of former Salisbury Mayor Linwood Foil.

Ms. Elder White reviewed a map of the property and the anticipated service area of the proposed park. She displayed photographs of the property noting that it contains nice open spaces that are beautifully landscaped.

Ms. Elder White indicated that she met with Mr. Tatum August 20, 2008 to discuss the options for the property donation and its use as a neighborhood park. She indicated that Mr. Tatum requested the property remain as one parcel if the City chose to accept the donation. Ms. Elder White stated that a neighborhood meeting was held September 4, 2008 at Milford Hills United Methodist Church. She indicated that 40

people attended the meeting and there was a general consensus of acceptance of the park. She stated that information was given to those who attended the meeting describing what a neighborhood park is and is not. She displayed photographs of area parks and pointed out that neighborhood parks consist of picnic areas, play structures, and possible shelter areas. She added that these parks are intended to be walk to parks and are not meant for vehicular traffic. She indicated that the City currently has 11 neighborhood parks and they are meant to be used by residents of those neighborhoods. Ms. Elder White explained that neighborhood parks do not contain things found in larger, active parks such as parking areas, full basketball courts, or ball fields.

Ms. Elder White stated that on September 11, 2008, the Parks and Recreation Advisory Board recommended acceptance of the property and removal of the house currently located on the property. She added that City Council was given an update at its September 16, 2008 meeting where it recommended a public hearing be held to hear from the neighborhood residents.

Ms. Elder White reviewed the possible options:

- Accept the offer
- Removal or demolition of the house
 - \$10,000 - \$15,000
- Park Development
 - \$50,000 - \$75,000 depending on what the neighborhood wants

Ms. Elder White indicated that the North Carolina Parks and Recreation Trust Fund will allow the value of the house and the land to be used as a match for grant funds which could help pay for the development of the park. She noted that if the property is accepted, one additional Parks and Recreation maintenance position would be needed.

Ms. Elder White reviewed the future steps if the property is accepted:

- Park planning meeting with the community
- Park planning design and cost estimates
- Meet with the community to finalize plans
- Present plan to Parks and Recreation Advisory Board
- Present plan to City Council
- Secure funds
- Park Development

Ms. Elder White pointed out that the City also has the option to decline the offer. She stated that Mr. Tatum has indicated that if his offer is declined by the City he will put the property on the market. She explained that the property is currently zoned GR-6 Residential and under current zoning regulations the property could potentially be developed for 12 homes.

Councilman Burgin inquired about the size of Kelsey Scott Park and the Sports Complex. Ms. Elder White stated that Kelsey Scott Park is 27-30 acres and the Sports Complex is 20 acres. Mr. Burgin indicated that the size of this property alone will guarantee these types of active parks will not happen.

Mayor Kluttz convened a public hearing, after due notice thereof, to receive comments on the donation of 3.6 acres of property to be used for a public park.

Mayor Kluttz asked for all those who wished to speak in favor of the proposal to please come forward:

Mr. Bill Safrit, 207 Gallerie Place, stated that the back of his house is 50 feet from Mr. Tatum's property. He indicated that he envisioned a park with basketball courts, lights and noise and was originally against the idea. He noted that he spoke with Ms. Elder White and found out the plans are for a passive park. He added that he now supports the park and feels it is a wonderful way for Mr. Tatum to remember his wife. He stated that this is a nice piece of property and would be a nice place for homeowners to go for events such as neighborhood picnics. He urged Council to accept the property.

Ms. Linda Safrit, 207 Gallerie Place, stated that she agrees with her husband, Mr. Bill Safrit. She noted that in the beginning she was against the park, but she now feels that if the property is developed as a passive park it will be good for the quiet neighborhood. She indicated the park would be an appropriate memorial for Mr. Tatum's late wife.

Mr. Larry Shaw, 205 North McCoy Road, stated that he lives beside the property and indicated that he thinks this is a great opportunity to take advantage of this offer to improve the neighborhood. He pointed out that this is a very quiet neighborhood and that children currently play in the streets or in small yard spaces. He stated that he feels a park will improve the community for current residents as well as future residents. He urged Council to accept the offer.

Mr. Tom Speaks, 1530 Arbor Drive, stated that he lives in Ms. Tatum's old home place and that his back lot connects to the property. He said that when he first heard about the proposed plan he was against it, but after hearing about the type of park that will be developed, he now supports it. He indicated that he would prefer the property remain a single family lot, but if it is put on the market there is no guarantee of what may happen. Mr. Speaks pointed out that he feels the proposed park is the neighborhood's best opportunity to control what may be developed on the property.

Mayor Kluttz then asked for those who were opposed to the proposal to please come forward to speak.

Ms. Martha Lassiter, 201 North Milford Drive, stated that her property would share boundaries with the proposed park and that her family has lived there for 20 years. She noted that she is most concerned about the integrity and security of the

neighborhood. She stated that she purchased her home because she loved the privacy of the neighborhood and she is concerned about the security of having a public park in her back yard. She added that parks can encourage people to come into a neighborhood that should not be there and indicated that the McCoy Road entrance is a very narrow road. She encouraged Council not to vote in favor of the park.

Ms. Sherry Keller, 118 Shamrock Drive, stated that her family has owned property off of North Milford Drive since the 1950s. She pointed out that the area has remained safe without the risk of excessive traffic. She noted that she understands that this is supposed to be a walk-to park but in an era of crime, placing a park in a quiet neighborhood can lead to criminal activity. She indicated that the neighborhood consists mostly of middle aged to older people and she feels the park will be used by unsupervised youth making the area unsafe. She stated that Council should focus on the safety of the parks and protection of the community and suggested that the park be a memorial garden similar to Hurley Park. She added that she feels the neighborhood residents would be more likely to use this type of space.

Mr. Dennis DeLong, 117 Shamrock Drive, stated that he walks his dog, knows his neighbors and purchased his house for retirement. He indicated that he studied the area before purchasing the home and chose this area because it is quiet and the neighbors are nice. He pointed out that the pictures that were displayed did not show the large gaps in the foliage and trees around the property's borders. He noted that teenagers have recently caused problems by vandalizing property and that if these teenagers can harass their area now they will also trespass through the neighbors' lawns in order to get to the park. He stated that he would like to know where the money will come from to tear down or remove the house and build the park.

Mr. Randy Lassiter, 201 Milford Drive, stated that he is not against or for the park, but he does have concerns regarding there being no physical barrier around the property. He noted that putting in a park that is surrounded on three sides by private property would invite trespassing. He indicated that he would not consider a park unless a fence on three sides is installed. He pointed out that this is a large piece of property for a neighborhood park and it will be a public park that is open to anyone who desires to use it. He added that the house on the property is a lovely home and he would like the City to use it as a retreat or conference center. He stated that he feels installing a basketball goal is an unwise decision because he feels they attract trouble. He concluded by stating that this is a very nice offer by Mr. Tatum and that a physical barrier should be placed around the property in order to respect the integrity of the surrounding neighbors' property.

Mayor Kluttz asked for a show of hands for those in favor and a show of hands for those opposed to the neighborhood park. Approximately 14 were in favor and seven opposed.

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

Mayor Pro Tem Woodson stated that a builder spoke to him about finding small lots in Salisbury because he feels building small homes is the future for development. He indicated that he personally would want to have a nice park rather than 12 small houses in his neighborhood. He stated that he does not feel the park will be a problem for the neighborhood. He added that he feels that if the property is not designated as a park, builders will purchase it and develop it into smaller lots.

Councilman Burgin stated that as a member of Council, he wants what the neighborhood wants. He indicated that he is trying to determine if the neighbors want this to be a neighborhood park, and if so, Council wants the park to be designed the way the neighbors would like it to be designed. He noted that in developing the new Land Development Ordinance (LDO), it was found that security in neighborhoods improves when neighbors begin to interact. He added that the LDO requires neighborhood parks as a means for neighbors to get to know one another. He stated that he feels security will improve if the park is developed the way the neighbors want. He added that neighborhood parks are not advertised in the same fashion as active parks. Mr. Burgin stated that he feels the neighborhood park will provide activities for families who have children and want to play in their own neighborhood. He reiterated that he wants the neighborhood to know that their input is very important.

Mayor Kluttz commented that she thinks this is a beautiful area and neighborhood. She pointed out that this is a very generous offer by Mr. Tatum, and that the City does not want to put a neighborhood park where it is not wanted. She noted that the Fulton Heights neighborhood was so excited to have a neighborhood park that they raised money to develop it. She noted that the type of park that is developed will be decided by the neighbors and that they will be able to raise their concerns and express their wishes as they participate in the planning process.

Mayor Kluttz stated that a question was raised concerning funds for the park development. She pointed out that the City can apply for matching funds from the State and the Parks and Recreation Trust Fund. She indicated that the problem for Council is weighing the concerns of the neighbors who want the park versus the neighbors who do not. She noted that she feels the neighbors' main concerns regarding security, outside traffic, and physical barriers can be adequately addressed and that she would like to see this beautiful property preserved.

Thereupon, Mr. Kennedy made a **motion** to accept the donation of 3.6 acres of property located at 223 North McCoy Road for use as a neighborhood park. Mr. Lewis seconded the motion. Councilman Lewis stated that it is not good to make decisions based on fear of what might happen. He pointed out that if the property goes on the private market it will most likely be developed. He noted that from Council's point of view, green spaces are the lungs of a community and he feels that this is a good opportunity for the neighborhood to hold on to a green space. Mr. Lewis pointed out that he has a high level of confidence in Ms. Gail Elder White and Mr. Stephen Brown and he knows that they will listen and work to generate community consensus. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

Mayor Kluttz stated that if anyone from the neighborhood is interested in being a member of the group that will work on the development of the park, please contact the City. She added that no action will be taken until a recommendation is received from the Park and Recreation Advisory Board.

LIVINGSTONE COLLEGE – EDWARD BYRNE MEMORIAL DISCRETIONARY GRANT

Dr. Herman Felton, Livingstone College, commented that last year a Gang Summit was held by the City of Salisbury and that at that time he was unaware that Salisbury had a gang problem. He noted that he now sees the challenges that Livingstone College students face on a daily basis and he recognizes that this needs to be addressed. He stated that Livingstone College believes that there is a vicious cycle in regards to gangs and they would like to develop an initiative to target children, the population they feel is directly impacted by the gang issue.

Dr. Felton stated that the United States Department of Justice offers the Edward Byrne Memorial Discretionary Grant to help local communities improve their local justice system capacity while providing national support efforts. He noted that Livingstone College applied and received this competitive grant of \$313,000 to be appropriated over a three year period and that it will be used for:

- Computer lab
- Annual Cultural Trip
- Retention of Gang Prevention Specialist
- Gang Prevention Training for adults and children
- Gang Awareness Seminar
- Staff Training

Dr. Felton noted that a meeting was held with a representative of Mayor Kluttz's office, Salisbury Police Department, Community Development Corporation, President of the West End Community, and the Livingstone College Chief of Police. He explained that these representatives discussed a partnership with the Salisbury Police Department for the Department to provide training for the Livingstone Police Department and to facilitate seminars dealing with gang prevention.

Dr. Felton stated the grant funds can be used to establish space on Livingstone's campus for a Gang Prevention Specialist as well as other efforts that might be identified to show that they are serious in dealing with gang issues in Salisbury and the surrounding areas. He indicated that Livingstone College wants to make sure that all of the interested parties support their initiatives. He added that they are not looking for financial support, but support of the community and noted that Livingstone College wants to recapture the West End neighborhood and return it to its prominence. Dr. Felton requested that

Council support Livingstone College in carrying out this mission to address the gang problems that affect the entire community.

Mayor Kluttz stated that she is very excited to hear about the grant and Livingstone College's initiative. She added that as a result of the Gang Summit she realized that this is something law enforcement cannot do alone but is something that requires partnerships. She explained that during the Gang Summit the public identified eight ways to help. She pointed out that she is very impressed with the churches and organizations that have volunteered their services to help. Mayor Kluttz stated that if the community does not stop what is happening, gang activity will continue to get worse and Council must encourage positive youth initiatives. She indicated that she thinks the partnership is a great enhancement to the gang initiatives and she is very excited for the City to work with Livingstone College.

Mayor Pro Tem Woodson congratulated Dr. Felton for writing and receiving the grant.

Councilman Lewis thanked Livingstone College on behalf of the community and stated that the City will support them in any way it can.

By consensus, Council agreed to support Livingstone College regarding its gang initiative.

Councilman Kennedy stated that he attended the National League of Municipalities meeting in Charlotte, North Carolina and was excited to attend a workshop dealing with gang activity where Mayor Kluttz was a moderator and presenter. He stated that Mayor Kluttz did an excellent job and he expressed his pride in her.

Mayor Kluttz thanked Dr. Felton and Livingstone College.

RESOLUTION DECLARING ITEMS SURPLUS

Mr. Dewey Peck, Purchasing Manager, presented a Resolution for consideration regarding two used surplus Kustom Tracker Radar units from the Police Department. He indicated that the Town of Cleveland has expressed an interest in using the radar units and noted that that North Carolina General Statutes authorize governments to transfer property between entities at no charge. He noted that the Town of Cleveland has asked that the City of Salisbury consider donating these two units.

Thereupon, Mr. Mr. Woodson made a **motion** to adopt a Resolution declaring two Kustom Tracker Radar surplus units and directing their transfer to the Town of Cleveland for Public use. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

RESOLUTION DECLARING TWO KUSTOM TRACKER RADAR UNITS SURPLUS AND DIRECTING THEIR TRANSFER TO THE TOWN OF CLEVELAND FOR PUBLIC USE.

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 68, and is known as Resolution No. 2008-41.)

ORDINANCE REGARDING PARKING ON NORTH PARK DRIVE

Ms. Wendy Brindle, Traffic Engineer, stated that over the past several years, Council has received requests for parking changes on North Park Drive. She indicated that recently requests have been received to verify signage along the street. She noted that after researching the area she found that the City Code does not match what is posted along the street. She explained that a loading zone is designated, but the Code refers to the wrong location. She requested that Council adopt two ordinances to modify the City Code to match the existing parking conditions on North Park Drive.

Thereupon, Mr. Lewis made a **motion** to adopt an Ordinance amending Section 13-338, Article X, Chapter 13, of the Code of the City of Salisbury, relating to parking prohibited at all times. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING SECTION 13-338, ARTICLE X, CHAPTER 13, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO PARKING PROHIBITED AT ALL TIMES

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No.132, and is known as Ordinance No. 2008-53.)

Thereupon, Mr. Lewis made a **motion** to adopt an Ordinance amending Section 13-366, Article X, Chapter 13, of the Code of the City of Salisbury, relating to loading zones. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING SECTION 13-336, ARTICLE X, CHAPTER 13, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO LOADING ZONES.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 133, and is known as Ordinance No. 2008-.54)

ORDINANCE CONCERNING RIGHT OF WAY USE FOR CONTRACTORS

Ms. Wendy Brindle, Traffic Engineer, stated that in March 2006 City Council adopted an ordinance granting staff authority to approve certain requests for temporary

use of parking spaces for dumpsters in the Downtown Municipal Services District (DMSD). She explained that the ordinance established standards and restrictions that required anyone who wanted to use a dumpster in the downtown area for a period less than 14 days to obtain a permit from staff at a fee of \$5 per day for each parking space.

Ms. Brindle pointed out that the ordinance does not include other contractor requests such as material storage, parking for specialty vehicles, and using lifts on sidewalks. She stated that staff and the Downtown Salisbury, Inc. Parking Committee propose a new ordinance to replace the existing ordinance. She noted that with the new ordinance a permit would still be issued by the Engineering Division, but it would allow for ease of use and encourage people to seek the permit. She noted that if work is being performed within the right-of-way for less than two days and no traffic is blocked, a permit would not be required. She further noted that if work is being performed that would involve the use of a travel lane on a non-North Carolina Department of Transportation (NCDOT) street for one half day or less, a permit would not be required.

Ms. Brindle explained that the ordinance allows for the use of any part of a right-of-way but requires a five foot pedestrian passageway on Main Street and Innes Street. She further explained that the ordinance will continue to allow staff the ability to approve requests that seek to use the space for less than 14 calendar days.

Thereupon, Mr. Kennedy made a **motion** to adopt an Ordinance replacing Section 20-50, Article II, Chapter 22 of the Code of the City of Salisbury, relating to street occupancy. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE REPLACING SECTION 22-50, ARTICLE II, CHAPTER 22 OF THE CODE OF THE CITY OF SALISBURY, RELATING TO STREET OCCUPANCY

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page Nos. 134-135, and is known as Ordinance No. 2008-55.)

Thereupon, Mr. Kennedy made a **motion** to adopt an Ordinance amending Section 8.5-19, Chapter 8.5 of the Code of the City of Salisbury, relating to civil citations – applicable chapters and appendices. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING SECTION 8.5-19, CHAPTER 8.5 OF THE CODE OF THE CITY OF SALISBURY, RELATING TO CIVIL CITATIONS - APPLICABLE CHAPTERS AND APPENDICES.

(The above Ordinance is recorded in full in Ordinance Book No. 22 at Page No. 136, and is known as Ordinance No. 2008-56.)

BOARDS AND COMMISSIONS

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

Ms. Kathryn Setzer

Term expires 03-31-2011

PUBLIC COMMENT

Mayor Kluttz opened the floor for public comment session.

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

COMMENTS FROM THE CITY MANAGER

(a) Draft Fats, Oils, and Grease Control Policy

City Manager David Treme announced that the Draft Fats, Oils, and Grease Control Policy Stakeholder's meetings will be held Wednesday, October 29, 2008, at 9:00 a.m. and 2:30 p.m. at Salisbury Rowan Utilities, 1 Water Street.

Councilman Burgin stated that at the last Rotary meeting a program was presented regarding converting oil from restaurants into fuel. He pointed out that the fuel made from the oil was reported to cost \$.52 to \$1.02 per gallon and is a cleaner burning fuel. Mr. Burgin asked staff to look into this possibility and report back at the next meeting.

(b) Code Services Manager

Mr. Dan Mikkelson, Director of Land Management and Development, stated that the City has had a goal to consolidate its code enforcement procedures to serve as one operating division. He introduced Mr. Chris Branham who has been hired to serve as the Code Services Division Manager. He pointed out that Mr. Branham has an Engineering Degree from Clemson University and has been working with National Homebuilders on large housing projects involving building code compliance. He stated that he feels Mr. Branham has the knowledge required as the new Code Services Division takes over minimum housing inspections from the Fire Department.

Mayor Kluttz welcomed Mr. Branham and added that she is very proud to have him join a great group of professional people.

Councilman Lewis invited Mr. Branham to attend the next Community Appearance Commission.

City Manager David Treme stated that the Code Services Division was an important goal for City Council. He indicated the City is excited that Mr. Branham brings to the job an Engineering Degree and experience in a dynamic housing industry in Charlotte. He welcomed Mr. Branham to the City of Salisbury.

(c) Budget Review

City Manager David Treme stated that the City has finished its first quarter of operations and given the current financial market situation he is in the process of meeting with staff to review budgets. He pointed out that at this point he feels income remain as projected in the budget. He noted that the price of gas is down and if things continue, he feels the City will meet the budget. Mr. Treme indicated that he has looked at expenditures and projects that were not anticipated and that so far he has not seen anything that would lead him to alter the current budget plan. He added that some capital item expenditures may continue to be held. Mr. Treme stated that he will meet with staff again in January 2009 to project the budget until the end of the fiscal year.

Mr. Treme stated that the City has only eight to ten vacant positions and most of these are considered essential. He concluded by stating that he is cautiously optimistic about meeting the budget through June 30, 2009.

MAYOR'S ANNOUNCEMENTS

(a) W.G. (Bill) Hefner Veterans Administration (V.A.) Medical Center

Mayor Kluttz stated that Council continues to receive concerns regarding the proposed changes in medical services offered at the W.G. (Bill) Hefner V.A. Medical Center. She indicated that the V.A. Medical Center is one of Salisbury's greatest assets and Council is very supportive of the military and veterans.

Councilman Kennedy stated that it is important that the City support all veterans and their families as well as the V.A. Medical Center employees and their families.

Mayor Kluttz then read a Resolution of Support for maintaining current medical services at the W.G. (Bill) Hefner V.A. Medical Center.

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

RESOLUTION SUPPORTING HEALTH CARE SERVICES FOR VETERANS AT THE W.G. (BILL) HEFNER V.A. MEDICAL CENTER

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 69, and is known as Resolution No. 2008-42.)

(b) North Carolina League of Municipalities Annual Meeting

Councilman Kennedy stated that he attended the North Carolina League of Municipalities (NCLM) annual meeting in Charlotte, NC. He noted that he was presented a plaque for the City of Salisbury recognizing the City's commitment to energy efficient operations and practices. The City of Salisbury achieved Level 1 of the NCLM Green Challenge. Mr. Kennedy presented the plaque to Mayor Kluttz.

ADJOURNMENT

Motion to adjourn the meeting was made by Mr. Woodson, seconded by Mr. Lewis. All council members agreed unanimously to adjourn. The meeting was adjourned at 6:37 p.m.

Mayor

City Clerk