REGULAR MEETING

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

ABSENT: None.

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.

Mayor Heggins announced that the public hearing advertised for the Landmark designation for 1604 Statesville Boulevard has been rescheduled for Council’s April 17, 2018 meeting.

CHANGE TO THE AGENDA

Mayor Heggins noted the following change to the Agenda:
Item 6f should be revised to read: Approve a Right-of-Way Use Permit for a portion of the public alleyway adjacent to 111 South Main Street beginning April 4, 2018 and ending June 22, 2018 in accordance with Section 22-50 of the City Code.

PROCLAMATION

Mayor to proclaim the following observances:

<table>
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<tr>
<th>Event</th>
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<tr>
<td>ARBOR DAY</td>
<td>April 08, 2018</td>
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<tr>
<td>CIVITAN AWARENESS MONTH</td>
<td>April 2018</td>
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<td>FAIR HOUSING MONTH</td>
<td>April 2018</td>
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Mayor Heggins read and presented a proclamation to Civitan President Mr. Mark Curran, former Mayor Pro Tem Maggie Blackwell, and Civitan members.

CONSENT AGENDA

(a) Minutes

Approve Minutes of the Regular meeting of March 06, 2018 and the Special Meeting of March 06, 2018.

(b) Resolution – Expansion of the Salisbury National Cemetery.

Adopt a Resolution of support regarding the expansion of the National Cemetery and the ability to provide an easement for a future greenway.

RESOLUTION APPROVING FINANCING TERMS

(The above Resolution is recorded in full in Resolution Book No. 15 at Page No. 8 and 9, and is known as Resolution 2018-07.)

(c) Roofing Contract

Authorize the City Manager to enter into in a contract with Piedmont Commercial Roofing in the amount of $179,730 to replace the roof at City Park.

(d) Supplemental Agreement – NCDOT

Approve a Supplemental Agreement with the North Carolina Department of Transportation (NCDOT) concerning sidewalks in the West End Plaza area, Project C-4908 G.
(e) **Right-of-way – 111 South Main Street**

Approve a Right-of-Way Use Permit for four parking spaces adjacent to 111 South Main Street for 90 calendar days in accordance with Section 22-50 of the City Code.

(f) **Right-of-way – 111 South Main Street**

Approve a Right-of-Way Use Permit for a portion of the public alleyway adjacent to 111 South Main Street for 90 calendar days in accordance with Section 22-50 of the City Code.

Thereupon, Mayor Pro Tem Post made a motion to adopt the Consent Agenda as presented. Councilmember Miller seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

**LAND DEVELOPMENT DISTRICT MAP AMENDMENT CD-01-2018 – FIVE PARCELS ON STATESVILLE BOULEVARD**

Development and Code Services Manager Preston Mitchell addressed Council regarding Land Development District Map amendment CD-01-2018. He explained the request is to rezone five parcels along Statesville Boulevard to Residential Mix Use (RMX) and to establish a Conditional Development (CD) Overlay to permit the development of Aaronfield, an 80-unit apartment complex.

Mr. Mitchell stated the property is approximately 12 acres and currently zoned General Residential (GR). He stated the property is in the proximity of the Westcliffe subdivision and near the West End Plaza. He reviewed the area zonings, and he pointed out a recent Highway Business (HB) rezoning at Maranatha Bible Church, an adjoining property.

Mr. Mitchell noted the rezoning request adjoins GR and HB zonings. He explained the side that abuts the GR zoning would require a 15-foot “C” type buffer yard, and the side that adjoins the HB property would require an 8-foot “A-Flex” buffer yard.

Mr. Mitchell commented the proposed building would be garden style apartments and construction materials could include, brick, vinyl and asphalt shingle roofing. He noted if the request is approved the property could only be used as multi-family housing.

Mr. Mitchell stated the Planning Board heard the proposal at its March 13, 2018 meeting where several residents spoke in opposition of the request. He noted the Planning Board voted six to one in favor of the rezoning with conditions and recommend it is consistent with the Vision 2020 Plan.

Mr. Mitchell reviewed existing construction types in the area. He commented the request is for an 80-unit apartment complex with a density of 6.4 units per acre which is below the RMX standard requirement of 18 units per acre.
Mr. Mitchell noted the Planning Board made a revision to include a 200-foot evergreen planting along the buffer and a complete visual separation with a 6-foot pressure treated fence between the adjoining properties.

Councilmember Miller asked if the dumpster is included in the plan. Mr. Mitchell agreed.

(b) Mayor Huggins convened a public hearing, after due notice thereof, to receive comments regarding CD-01-2018

Mr. Randy Reamer shared his opposition of the rezoning. He indicated the area needed further study and noted if the request is approved it would do more harm than good for the community.

Ms. Mary Ward pointed out her property joins portions of the property proposed for rezoning. She commented that she would prefer a wall be installed for additional privacy.

Ms. Emily Muhammed stated she lives at 2386 Statesville Boulevard, and she expressed concerns about the lack of privacy and outside living space if the apartment complex is approved.

Ms. Jan Gillian indicated she has been a resident of the area for 60 years, and she shared concerns regarding Aaronfield properties. She commented Aaronfield had an additional permit at 2270 Statesville Boulevard. She agreed with Mr. Reamer that the project should be further studied before the request is approved.

Mr. Stephen Brock noted he is the applicant and developer, and he commented a survey indicated the City has a need for additional housing. He stated he was not familiar or associated with the Aaronfield Company that Ms. Gillian referred to.

Mr. Craig Stone indicated he is involved with construction projects in the area, and the proposed apartment complex would provide housing for those in need.

Mr. Michael Kirksey indicated the development might be a good addition to the community.

Mr. Steve Cobb expressed his opposition of the rezoning and commented further study on the area and development is needed.

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

Councilmember Sheffield asked for clarification regarding the CD Overlay. Mr. Mitchell explained the property is zoned GR which does not permit multi-family housing use, and he noted the proposed campus-style master plan requires a CD Overlay.

Councilmember Sheffield asked about criminal activity in the area. Mr. Mitchell commented he spoke with Police Department and Remedial Action Plan Officer Karen Barbee and concluded the area does not have above average criminal activity. Councilmember Sheffield noted
the property would include privacy fencing, and she asked if Mr. Brock would be a good neighbor. Mr. Mitchell stated there was no way to be certain that Mr. Brock would be a good neighbor. He shared if Council adopted a Master Plan it would determine the appropriate zoning and requirements. He pointed out Mr. Brock would have to be consistent with the Master Plan adopted by Council.

Councilmember Sheffield asked who owns the existing four homes. Mr. Mitchell stated Mr. Brock does not own the five properties, and he added if the zoning is approved Mr. Brock will proceed with the purchase of each property.

Mayor Heggins referenced Title 8 Fair Housing, and she suggested Council consider tabling the request until it receives additional information. Councilmember Miller noted the area is a major corridor and asked if the Planning Board could review the Master Plan for the area.

Mayor Pro Tem Post indicated the plan should be presented in a more broad aspect and promote future development.

Councilmember Alexander suggested the Planning Board present a development plan, and she noted the Planning Board could address urban neighborhoods in the area.

Mr. Mitchell referred to a program offered by North Carolina Housing Financing Agency that offers funding and tax credits for developers willing to build market-rate housing. He suggested the Planning Board could move forward with the Master Plan and the West Corridor Plan, and he added there is a need for affordable housing in the area.

Councilmember Miller commented the proposal is not spot zoning, and he noted the plan presented years ago recommended commercial and resident development in the area. He commented the proposal fits the City’s Ordinances. Mayor Pro Tem Post asked about a time frame the Planning Board would need to review the Master Plan and report back to Council. Mr. Mitchell indicated if Council has a desire the Planning Board and staff would review the Master Plan and report back to Council.

Mayor Pro Tem Post made a motion to table the item and request that planning staff make it a priority and move forward as quickly as possible to review the rejuvenation of the West Corridor Plan. Councilmember Sheffield seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander and Sheffield voted AYE and Councilmember Miller voted NAY. (4-1)

PUBLIC COMMENT

Mayor Heggins opened the floor to receive public comments.

Ms. Carolyn Logan shared concerns regarding crime in the City, and she asked that citizens be informed of Fibrant profits and investments.
Mr. Bailey commented several years ago the City refinanced its Fibrant bonds and the bank holds the bonds. He added the City has a low interest rate, but refinancing at a higher interest rate will be required if the lease is approved.

Councilmember Post pointed out the identity of bond holders is not public information.

Mr. Michael Kirksey addressed Council regarding money from the Federal Government and his rights as an American citizen.

Mr. Isaac Heggins commented that Council should be conscious with the words it chooses to address one another and citizens.

Ms. Theresa Pitner indicated she is a member of Dog Paws, and she asked Council to approve the proposed dog park.

Mr. Steve Cobb shared the City will have a spruce-up week April 23 through April 27, 2018, and he asked the date be moved to meet trash needs.

Ms. Andria Cantrell shared her experience with Fibrant and noted its staff has been personal, professional, and positive.

Mr. Ethan Stafford stated he is a Boy Scout with Troop 443 and commented on housing needs of the City.

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

RECESS

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

The meeting reconvened at 6:35 p.m.

LAND DEVELOPMENT DISTRICT MAP AMENDMENT TA-02-2018 – GAS STATION CANOPIES

Development and Code Services Manager Preston Mitchell addressed Council regarding Land Development Ordinance (LDO) Text amendment TA-02-2018. He explained the request would revise Chapter 3 of the LDO related to gas station canopies and other additional use standards. He noted when the Ordinance was first adopted it prohibited gas station canopies in the front yard of businesses in all zoning districts. He indicated a revision removed a restriction to the “live in–work space” code that states units should not occupy more than 50% of a work space. He commented the Planning Board considered the recommendation at its March 2018 meeting and
recommended unanimous approval.

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

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

Mayor Pro Tem Post stated City Council hereby finds and determines that adoption of an ordinance to amend the Land Development Ordinance of the City of Salisbury as underlined or stricken herein is reasonable, in the public interest, and not inconsistent with the Vision 2020 Comprehensive Plan because there are no specific objections or continuance of adopted goals or policies. Thereupon, Mayor Pro Tem Post made a motion to adopt an Ordinance amending Chapter 3 (Additional use standards) of the Land Development Ordinance of the City of Salisbury, North Carolina related to Gas Canopies and other additional use standards. Councilmember Sheffield seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

ORDINANCE AMENDING CHAPTER 3 (ADDITIONAL USE STANDARDS) OF THE LAND DEVELOPMENT ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA RELATED TO GAS CANOPIES AND OTHER ADDITIONAL USE STANDARDS. (PETITION NO. LDOTA-02-2018)

(The above Ordinance is recorded in full in Ordinance Book No. 27 at Page No. 20-24, and is known as Ordinance 2018-15.)

LAND DEVELOPMENT DISTRICT MAP AMENDMENT TA-04-2018 – PREMISE PARKING PROVISIONS.

Development and Code Services Manager Preston Mitchell addressed Council regarding a proposed change to the Land Development Ordinance (LDO) Text amendment TA-04-2018 to revise Chapter 6 (Lot, infill and accessory provisions), Chapter 10 (Parking) of the LDO, Chapter 13 (Motor vehicles and traffic) and Chapter 22 (Streets and sidewalks) of the City Code related to parking provisions. He explained City parking should be added to the City Code and to clarify items handled by the North Carolina Department of Transportation. He commented the Planning Board considered the recommendation at its March 13, 2018 meeting and recommended unanimous approval.

(b) Mayor Heggins convened a public hearing, after due notice thereof, to receive comments regarding TA-04-2018.

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

Councilmember Sheffield stated City Council hereby finds and determines that adoption of an ordinance to amend the Land Development Ordinance of the City of Salisbury as underlined or stricken herein is reasonable, in the public interest, and not inconsistent with the Vision 2020 Comprehensive Plan because there are no specific objections or continuance of adopted goals or
policies. Thereupon, Councilmember Sheffield made a motion to adopt an Ordinance amending Chapter 6 (Lot, in full and accessory provisions) and Chapter 10 (Parking) of the Land Development Ordinance, and Chapter 13 (Motor Vehicles and Traffic) and Chapter 22 (Streets and Sidewalks) of the City of Salisbury City Code, North Carolina related to Gas Canopies and other additional use standards. Mayor Pro Tem Post seconded the motion. Mayor Heggins and Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

ORDINANCE AMENDING CHAPTER 6 (LOT, INFILL AND ACCESSORY PROVISIONS) AND CHAPTER 10 (PARKING) OF THE LAND DEVELOPMENT ORDINANCE, AND CHAPTER 13 (MOTOR VEHICLES AND TRAFFIC) AND CHAPTER 22 (STREETS AND SIDEWALKS) OF THE SALISBURY CITY CODE, OF THE CITY OF SALISBURY, NORTH CAROLINA, RELATED TO LOT AND PARKING PROVISIONS. (PETITION NO. LDOTA-04-2018

(The above Ordinance is recorded in full in Ordinance Book No. 27 at Page No. 25-44, and is known as Ordinance 2018-16.)

RESOLUTION TO APPROVE FIBRANT SYSTEM AGREEMENT

City Manager Lane Bailey introduced Attorney Peter Buck, and Mr. Tom Asp with Columbia Telecommunications Corporation (CTC) Technology and Energy, who provided an overview regarding the Fibrant Lease agreement. Mr. Buck commented negotiations with Hotwire Communications have been completed along with a lease regarding the full Fibrant system. He added Hotwire Communications has an agreement term of 20 years with an option for an additional 20 year renewal. He stated Hotwire Communications will pay rent to the City as a percentage of revenues based on the communication services. He added Hotwire Communications is restricted to provide services inside of the service radius. He commented Hotwire Communications has agreed to be responsible for operating expenses and will continue to provide competitive services. He explained the lease agreement would require refinancing of the City’s tax exempt debt. Mr. Buck noted an approximate $25 million dollar outstanding debt on the refinanced debt from 2016 at an interest rate of 2% and indicated the interest rate is anticipated to increase to 4%. He referenced the lease which states if Hotwire Communications does not meet the minimum rent requirement the City would have the right to terminate the lease agreement.

Mr. Asp commented Hotwire Communication’s proposal to the City was the best value, and he pointed out the fair market value is less than what is owed on the system. He noted Hotwire Communications could provide immediate savings to operations. Mr. Buck noted CTC communications and Baker Tilley, an independent accounting firm, have both reviewed the transaction and determined Hotwire Communications is consistent with the industry. Mr. Asp indicated Hotwire Communications has ranked top in the country for its customer service and services provided, and he indicated there would not be a decrease in the quality of broadband or customer service provided to consumers.

Mayor Pro Tem Post asked about the Capital Improvement Plan (CIP) in regards to Fibrant and its debt service. City Manager Lane Bailey indicated the CIP is a working draft, and he noted
the City would be responsible for salaries. He pointed out there would be sufficient savings over the first 5-year period. Mayor Pro Tem Post commented that Fibrant employees would be placed within City departments.

Mayor Heggins asked if an employee who could not be placed within a City department would be offered a compensation package. Mr. Bailey agreed.

Councilmember Alexander thanked everyone who helped with the proposed Fibrant lease.

Mayor Heggins asked Mr. Buck to explain the importance of the resolution requested. Mr. Buck commented the referendum will take place in one month, and Hotwire Communications is prepared to sign the contract agreement. He noted Council would need to approve the lease before it is presented to the public.

Mayor Heggins asked if a quarterly report regarding Fibrant could be provided to Council. Mr. Bailey agreed.

Thereupon, Councilmember Miller made a motion to adopt a Resolution to approve an agreement regarding Fibrant system.

Whereas
A. The City owns and operates, through a City division providing services under the name “Fibrant,” an optic-fiber-to-the-premises communications network that provides telephone, video, and internet services to residences, businesses, and other entities in the City and in certain other areas of Rowan County (the “Fibrant System”). The Fibrant System includes portions of the City’s customer service center at 1415 S. Martin Luther King Jr. Avenue and communications building site at 310 Hill Street.

B. The City financed the construction of the Fibrant System and certain other projects through the issuance of $19,560,000 in principal amount of tax-exempt certificates of participation in 2008. The Fibrant System became operational in 2010. During a start-up period and at other times, the City utilized funds from its water and sewer fund to finance operation of the Fibrant System. In 2013 and again in 2016, the City refinanced the tax-exempt certificates of participation financing and currently is indebted in the principal amount of approximately $25.1 million through an Installment Financing Contract with an affiliate of Sun Trust bank dated September 4, 2016 (the “2016 Tax-Exempt Financing”).

C. Since its construction, the Fibrant System has provided high-speed and high-quality communication services to the Salisbury community and certain other communities in Rowan County; however, the Fibrant System has not achieved an operating profit and continues to incur an annual operating deficit that the City has been required to fund from other funds.

D. In 2016, the City engaged CTC Technology & Energy, a nationally recognized consulting firm that specializes in advising governmental entities with respect to telecommunications issues (the “Communications Consultant”), to advise the City with respect to alternatives for improving the operation and finances of the Fibrant System.
E. In January 2017, upon the recommendation of the Communications Consultant, the City issued a Request for Proposals (the “RFP”) in which the City expressed its interest in entering into a contractual arrangement with a third-party provider that would enhance the operation, sales, marketing, and delivery of communication services from the Fibrant System. The RFP described the City’s desire for “a creative Provider Arrangement that will meet the City’s current broadband needs; will anticipate potential future needs; reduce City risks; and provide a revenue stream (or one-time payment) to the City.”

F. The City received 14 indications of interest and six proposals in response to the RFP, including a proposal from Hotwire Communications, Ltd., a major provider of fiber-optic telecommunications services based in Florida (“Hotwire”).

G. The City received and evaluated all indications of interest and proposals submitted in response to the RFP. Upon the recommendation of the Communications Consultant, the City selected Hotwire’s proposal as providing the best economic value to the City, taking into account Hotwire’s agreement to be responsible for operating costs of, and for major capital improvements that would be required to be made to, the Fibrant System.

H. Hotwire proposed a long-term lease arrangement pursuant to which the City would continue to own the Fibrant System and lease the Fibrant System to Hotwire. Hotwire would operate the system and continue to provide communication services to residents and businesses in the City and other areas served by the Fibrant System in accordance with certain service standards. Hotwire proposed that it would be responsible for operating costs and certain capital improvements to the Fibrant System and pay the City rent determined as a percentage of Hotwire’s gross revenues from communication services.

I. The City engaged Robinson, Bradshaw & Hinson, P.A., of Charlotte (“Special Counsel”), to assist the City Attorney and advise the City in connection with negotiation and preparation of an agreement with Hotwire for the proposed lease of the Fibrant System. With the advice of the City Attorney, Special Counsel, and the Communications Consultant, the City Manager and his staff and Hotwire have negotiated a Transition Management Agreement and Lease (the “Fibrant Lease Agreement”). The proposed Fibrant Lease Agreement provides for a lease of the Fibrant System to Hotwire for an initial term of 20 years and grants to Hotwire an option to renew such lease for an additional 20 years and sets forth the terms and conditions of such lease. The Fibrant Lease Agreement also provides for an interim transition management agreement pursuant to which Hotwire would manage the Fibrant System until commencement of the lease term. A copy of the proposed Fibrant Lease Agreement has been provided to and reviewed by the Council.

J. In its proposal, Hotwire included its projections (the “Hotwire Projections”) of communications revenues and rent that would be payable to the City through the proposed lease, which Hotwire prepared by analyzing the historical performance of the Fibrant System in light of Hotwire’s experience in operating similar communication systems.
K. The City engaged Baker Tilly, LLP, an independent accounting firm (the “Financial Consultant”), to evaluate the Hotwire Projections and certain other matters. The Financial Consultant has provided to the City a report in which the Financial Consultant concluded, among other things, that Hotwire’s projections were consistent with systems similar to Fibrant.

L. The Hotwire Projections, as with financial projections generally, are speculative in nature and based upon subjective decisions and assumptions. The projections cover multiple years and such information by its nature becomes less meaningful and reliable with each successive year. The City Manager and the consultants have advised the Council that there can be no assurance that the results reflected in the Hotwire Projections will be realized and that actual results may vary materially from those reflected in such projections.

M. The Communication Consultant has provided a report to the City and concluded that the rent and other consideration to be provided by Hotwire to the City pursuant to the Fibrant Lease Agreement represent fair market value for use of the Fibrant System assets.

N. The City Manager and the City Director of Finance have also reported to the Council that entering into the proposed lease arrangement with Hotwire would require the City to refinance the 2016 Tax-Exempt Financing with taxable debt and that the result of such refinancing would be significantly increased interest cost to the City.

O. Section 160A-321 of the North Carolina General Statutes requires that the proposal to lease the Fibrant System to Hotwire must be approved in a referendum of the City’s qualified voters. The City has requested that the Rowan County Board of Elections conduct such referendum on May 8th, 2018.

P. The City Manager has provided to the Council a staff report, which includes reports from the Communications Consultant and the Financial Consultant. In the staff report, the City Manager has recommended that Council approve the Fibrant Lease Agreement and that the City lease the Fibrant System to Hotwire on the terms and conditions set forth in such agreement.

Q. The Council has received and reviewed the City Manager’s staff report, the reports of the Communications Consultant and the Financial Consultant, and the form of the proposed Fibrant Lease Agreement furnished to the Council by the staff.

R. Based on the foregoing and such other matters as they deem material, the Council has found that entering into and performing the Fibrant Lease Agreement are in the best interests of the City of Salisbury and its residents.

Now, therefore, be it resolved as follows:

1. That, based upon the foregoing and such other matters as the Council deems material, the Council hereby finds as follows:
a. the City has the power and authority, pursuant to Section 160A-321 of the North Carolina General Statutes, Section 9.10 of the City’s Charter, and other contracting authority, to enter into and perform the Fribant Lease Agreement;

b. taking into account the uncertainty inherent in financial projections and the increased borrowing expense that the City expects to incur, the consideration to be received by the City pursuant to the Fribant Lease Agreement constitutes fair market value to the City and otherwise is fair to the City; and

c. the execution, delivery, and performance by the City of the Fribant Lease Agreement, upon the terms and conditions set forth in the draft of such agreement submitted to the Council, are in the best interests of the City of Salisbury and its residents.

2. That the Fribant Lease Agreement, substantially in the form submitted to the Council prior to this and included with the minutes of this meeting in the records of the City, be and hereby is approved and authorized, with such changes thereto not inconsistent with these resolutions as the Mayor of the City may approve;

3. That the Mayor of the City, pursuant to the authority granted in these resolutions and in Section 3.4 of the City’s Charter, and acting singly or together with the City Manager, City Clerk, and any other officer of the City, be and hereby is authorized to execute and deliver, in the name and behalf of the City, the Fribant Lease Agreement, substantially in the form submitted to City Council prior to this meeting, with such changes thereto not inconsistent with these resolutions as the Mayor may approve, the Mayor’s execution of such agreement with such changes being conclusive evidence of her approval thereof;

4. That the Mayor, City Manager, City Clerk, and other officers of the City be and hereby are authorized to perform and cause the City to perform all actions contemplated by these resolutions and the Fribant Lease Agreement; to execute and deliver such further agreements, documents, and instruments; and to take and perform such further actions as such officers, or any of them, deem necessary or appropriate to further the intent of these resolutions and effect the lease of the Fribant System upon the terms and conditions set forth in the Fribant Lease Agreement; and

5. That the City Manager be and hereby is authorized and required to report no less than quarterly to the Council concerning the performance of the Fribant Lease Agreement.

These resolutions are effective this 3rd day of April, 2018.

Mayor Pro Tem Post proposed to remove the word significantly from paragraph N. Councilmember Miller accepted the amendment.

Mayor Pro Tem Post seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

RESOLUTION TO APPROVE AGREEMENT REGARDING FIBRANT SYSTEM
(The above Resolution is recorded in full in Resolution Book No. 15 at Page No. 10-14, and is known as Resolution 2018-08.)

**RATIFY NON WARRANTY DEED**

Development and Code Services Manager Preston Mitchell addressed Council regarding the ratification of a North Carolina non-warranty deed between the City of Salisbury and Mr. Robert E. Ingram, Jr. and his wife Opal L. Ingram. He commented City Attorney Rivers Lawther assisted with the recommendation regarding the sale of property. He explained in 1990 the City sold a piece of property to Mr. Ingram, but the deed was not recorded in the Register of Deeds office until February 2018.

Mr. Mitchell pointed out a shift in the property line that should have encapsulated the entire property of 805 and 807 South Caldwell Street and the duplex on West McCubbins Street. Mr. Lawther noted the property would soon be for sale and had restrictions that required the properties to be combined.

Thereupon, Councilmember Miller made a motion to authorize the Mayor to execute a North Carolina Non-Warranty Deed between the City of Salisbury and Robert E. Ingram, Jr. (and Wife) confirming the prior sale of parcel 015 00101 to the Ingram’s. Mayor Pro Tem Post seconded the motion. Mayor Heggins and Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

Mr. Lawther asked Council to consider the approving the indemnity submitted by Attorney Glenn Knetner on behalf of Robert E. Ingram, Jr.

Thereupon, Councilmember Miller made a motion to approve the indemnity affidavit agreement between the City and Mr. and Mrs. Ingram. Mayor Pro Tem Post seconded the motion. Mayor Heggins and Mayor Pro Tem Post, and Councilmember Alexander, Miller, and Sheffield voted AYE. (5-0)

**YOUTH OPPORTUNITES**

Human Resource Analyst Brianna Price addressed Council regarding opportunities for the youth that are available through the City. She shared information regarding requirements for the Summer Youth Employment Program. She provided an overview of student participation in the program during the past three years. She stated staff continues to provide mentorship for many of the summer youth employment graduates. She shared the Summer Youth Employment Program is now accepting applications, and she noted applications are due by April 16, 2018.

Ms. Price shared information regarding City internships, and she noted internship are offered at different education levels including high school, college, graduate and PhD. She stated the length of the internship could vary from two weeks to six months. She provided an overview of applications received and processed for FY2016-2017 and FY2017-2018. She indicated the
City is currently collaborating with the Chamber of Commerce regarding internships. She noted the staff is working to create awareness of internship programs that are available within the City.

Mayor Heggins asked when the application process for the Summer Youth Employment Program began. Ms. Price stated the application process began in March and would remain open for four weeks.

**UPDATE – DOG PARK PROJECT**

Parks and Recreation Director Nick Aceves and Landscape Architect Stephen Brown addressed Council regarding the Civic Center Dog Park. Mr. Aceves shared a previous plan for the dog park that was designed in 2012. He noted there were concerns with this site which was adjacent to a major road with a lot of traffic. He presented an option to move the park to a new location behind the Civic Center. He stated the existing fencing could be repurposed for cost savings. He stated Ms. Teresa Pitner from the Dog PAWS Group has raised funds for fencing of the dog park fencing.

Mr. Brown provided information regarding the repurposed fence and stated it would allow the dogs to be in a non-leash environment. Mr. Aceves shared the park will include a walking trail and neighbors near the park have no opposition to the project. Mr. Brown stated a fencing company is currently holding a price for the fencing.

Councilman Miller asked for clarification regarding the project, and if the trees would be planted immediately at the park. Mr. Aceves stated the trees would be planted at a later date.

Councilmember Alexander stated the project has been approved through the Parks and Recreation Advisory Board.

Mayor Pro Tem Post expressed concerns regarding the layers of rock beneath the tennis court. Mr. Brown stated the rock would be replaced with dirt.

Mayor Heggins asked about the funding that has been raised for the dog park. Mr. Brown stated the total cost of the project is $58,000 and over $13,000 has currently been raised. Mr. Aceves noted fundraising efforts will continue.

Councilmember Alexander stated the area would be safer for dogs, children and families than the previous location.

Councilmember Sheffield asked about the control of the flea and tick population. Mr. Brown stated seven dust can be used, and he noted most owners will have flea collars on their dogs. He stated there would be less maintenance at the dog park versus the up keep of the existing tennis court. Councilmember Sheffield asked for clarification regarding the water fountains. Mr. Brown noted there would be a water fountain for citizens and one for the dogs. He stated the dog park would be divided between small and large dogs.
Councilmember Sheffield stated Salisbury deserves a dog park. She stated it allows people to learn how to navigate space with other people in it. Mayor Heggies asked if pet owners would be required to provide proof of pet vaccinations. Mr. Aceves stated pet owners would have to provide documentation and a keycard system would eventually be put in place for verified owners to have access to the park. Mayor Heggies thanked Ms. Pitner, Mr. Brown and Mr. Aceves for all their work towards the dog park.

UPDATE – COUNCIL COMMITTEE RULES AND PROCEDURE

Mayor Heggies noted the Suggested Rules of Procedure Committee had met and reviewed the entire Suggested Rules of Procedure recommended document by the School of Government (SOG). She stated the Committee needs more time to prepare the information. She shared the document would be available for Council to review at the next council meeting. Councilmember Alexander stated the committee’s goal was to make the recommendations as basic as possible related to the School of Government (SOG).

Mayor Pro Tem Post suggested red lining the changes made to the document. Mayor Heggies agreed the recommended changes would be red lined in the document.

Mayor Heggies asked if the Election Committee had an update. Mayor Pro Tem Post stated citizen’s shared new ideas regarding the election process. He stated it was unanimous that Council remain nonpartisanship. Councilmember Sheffield stated the consensus at the meeting was that citizens want to see a change in the election process.

BOARDS AND COMMISSIONS

Historic Preservation Commission

Upon a motion by Councilmember Alexander, seconded by Mayor Pro Tem Post. Mayor Heggies, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voting AYE, the following appointments were made to the Historic Preservation Commission for a term to begin April 1, 2018:

Mr. Steven Cobb Term Expires 3/31/21
Mr. Larry Richardson Term Expires 3/31/20

CITY MANAGER’S REPORT

City Manager Lane Bailey commented the City received an updated bond rating of A3 from Moody’s Associates, P.A. and noted the rating is good. He indicated the City had a strong fund balance, and he noted Moody’s expressed concerns regarding Fibrant debt but were optimistic with the Hotwire lease.
ANNOUNCEMENTS

Communications Director Linda McElroy announced the Hurley Park 30th Anniversary Spring Celebration will be held Sunday, April 8, 2018 from 2:00 p.m. until 4:00 p.m. at 304 Annandale Avenue. There will be free entertainment and refreshments provided by the Hurley Park Advisory Board and Cheerwine. For more information please call 704-638-4459.

Communications Director Linda McElroy announced Parks and Recreation will hold its 12th Annual Touch a Truck event Saturday, April 14, 2018 from 10:00 a.m. until 1:00 p.m. in the City Hall parking lot at 217 South Main Street. Participants will have an opportunity to have a hands-on, up close and personal education experience with a wide variety of vehicles including dump trucks, monster trucks, a helicopter, ambulances, and more. The event is free and open to the public.

COUNCIL COMMENTS

Councilmember Sheffield announced Sunday, April 8, 2018 would be proclaimed as Arbor Day and she encouraged all to plant and save a tree. She noted the City will also observe Fair Housing Month and Civitan Awareness Month during the month of April.

MAYOR PRO TEM COMMENTS

Mayor Pro Tem Post added a Fibrant Hack-a-thon event will be held Saturday, April 21, 2018, and he commented six schools would participate. He encouraged children aged 13 to 22 to participate.

MAYOR’S COMMENTS

Mayor Heggins announced the City would ring the bell at the Bell Tower on April 4, 2018 at 7:05 p.m. in commemoration of the 50th anniversary of Dr. Martin Luther King, Jr.’s death.

Mayor Heggins referred to an email she sent to Ms. Frayda Bluestein a Professor of Public Law and Government at the University of Chapel Hill School of Government (SOG) in regards to her interest to initiate a Mayor’s Cabinet. She noted Ms. Bluestein responded that a Mayor or elected member of a governing board could form an advisory group if the body is not presented as a representative of the City board, and it uses no City resources.
CLOSED SESSION

Mayor Heggins requested a motion to go into closed session concerning an economic development matter as allowed by NCGS 143-318.11(a)(4) and a personnel matter as allowed by NCGS 143-318.11(a)(6).

Thereupon, Councilmember Miller made a motion to go into closed session as allowed by NCGS 143-318.11(a)(4) and NCGS 143-318.11(a)(6). Councilmember Alexander seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

RETURN TO OPEN SESSION

By consensus, Council agreed to return to open session.

Mayor Heggins announced no action was taken in closed session.

ADJOURNMENT

Motion to adjourn the meeting was made by Mayor Pro Tem Post and seconded by Councilmember Miller. All Council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 10:08 p.m.

Al Heggins, Mayor

Diane Gilmore, City Clerk