REGULAR MEETING

PRESENT:  Mayor Paul B. Woodson Jr., Presiding; Mayor Pro Tem Susan W. Kluttz, Council Members Maggie A. Blackwell, William (Pete) Kennedy, and, William Brian Miller; City Manager Doug Paris; City Clerk Myra B. Heard; 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 Woodson at 4:00 p.m. The invocation was given by Mayor Pro Tem Kluttz.

PLEDGE OF ALLEGIANCE

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

RECOGNITION OF VISITORS

Mayor Woodson welcomed all visitors present.

CONSENT AGENDA

(a)  Approval of Minutes

Approve Minutes of the Regular Meeting of November 20, 2012.
(b) Temporary Street Closure – 500 block of Partee Street

Close the 500 block of Partee Street from 9:00 a.m. until 4:00 p.m. Friday, November 23, 2012 to accommodate the Rowan Regional Mobile Mammography Unit.

Thereupon, Mr. Kennedy made a motion to adopt the Consent Agenda as presented. Mr. Miller seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Kluttz voted AYE. (5-0)

STREET CLOSING- BRAWLEY AVENUE AND ALLEY CLOSING WEST CORRIHER AVENUE

City Manager Doug Paris stated Council referred this matter to him at a previous meeting. He indicated all parties have reached an agreement and staff recommends approval.

Thereupon, Ms. Blackwell made a motion to adopt a Resolution pertaining to the acceptance of an offer of dedication for public use of a portion of Brawley Avenue and an alley behind 304 West Corriher Avenue. Ms. Kluttz seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Kluttz voted AYE. (5-0)

RESOLUTION PERTAINING TO THE ACCEPTANCE OF AN OFFER OF DEDICATION FOR PUBLIC USE OF A PORTION OF BRAWLEY AVENUE AND AN ALLEY BEHIND 304 WEST CORRIHER AVENUE

(The above Resolution is recorded in full in Resolution Book No. 14 at Page No. 40, and is known as Resolution 2012-26)

Thereupon, Ms. Blackwell made a motion to adopt an Order closing a portion of Brawley Avenue and an alley behind 304 West Corriher Avenue. Ms. Kluttz seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Kluttz voted AYE. (5-0)

NORTH CAROLINA * BEFORE THE CITY COUNCIL OF
ROWAN COUNTY * THE CITY OF SALISBURY
* NORTH CAROLINA

IN THE MATTER OF:

CLOSING OF PORTION OF *
BRAWLEY AVENUE AND AN *
ALLEY BEHIND 304 WEST *
CORRIHER AVENUE.

ORDER CLOSING OF PORTION *
OF BRAWLEY AVENUE AND AN *
ALLEY BEHIND 304 WEST *
CORRIHER AVENUE 160A-299

THIS CAUSE, coming on to be heard and being heard before the City Council of the City of Salisbury, Rowan County, North Carolina, at the regular meeting of said Council held on October 2 and December 4th, 2012 at 4:00 p.m., in the City Office Building at 217 South Main

Salisbury City Council December 4, 2012 Page 2
Street, Salisbury, North Carolina, and it appearing to the Council that persons, firms and corporations owning property adjoining the street described in the Petition filed in this cause are parties to this proceeding; and it further appearing that said alleys are not maintained by the Department of Transportation; and it further appearing that notice of this hearing was duly published in THE SALISBURY POST on Sept.7, 14, 21 and 28th.

And it further appearing to the Council and the Council finding as a fact, that the closing of the street right of way and part of an alley, as described in the Petition filed in this cause, is not contrary to the public interest or the property rights of any individual, and that no individual owning property in the vicinity of said right of way or alley or in the subdivision in which they are located will be deprived of reasonable means of ingress and egress to his property by the closing of said right of way and part of alley; and it further appearing to this Council that the relief prayed in the Petition should be granted.

IT IS NOW, THEREFORE, ORDERED AND DECREED by the City Council of the City of Salisbury, Rowan County, North Carolina, pursuant to and in accordance with the authority vested in this Council by the General statutes of North Carolina, Section 160A-299.

Beginning at a 1" iron pipe, the north west corner of Michael W. Meyerhoeffer, (Deed Book 641 Page 178) said iron also being 380' +/- from Brenner Avenue and also being at the south west intersection of Lantz Avenue and Brawley Avenue, thence with Meyerhoeffer, S 18° 35' 48" W, 170.25' to a 1" iron pipe, thence a new line crossing an alley, S 23° 41' 04" W, 9.47' to an existing 1" iron pipe, the north west corner of James Slate (Deed Book 991 Page 29), thence with Slate S 18° 23' 07" W, 170.76' to an existing 1" iron pipe on the northern right of way line of West Corriher Avenue, thence with West Corriher Avenue, N 71° 27' 07" W, 50.15' to an existing #5 rebar the south east corner of Carlton E, Stout (Deed Book 780 Page 739), thence two lines with Stout, (1) N 18° 33' 45" E, 169.84' to an existing #5 rebar, (2) N 71° 19' 31" W, 74.97' to an existing #5 rebar, thence a new line crossing an alley, N 18° 32' 39" E, 10.27' to a new #5 rebar in the southern line of Edward N. Bayer, thence two lines with Bayer (1) S 71° 27' 21" E, 75.20' to a nail at the base of a bent #5 rebar (2) N 18° 45' 00" E, 170.04' to an existing #5 rebar on the southern right of way of Lantz Avenue, thence with Lantz Avenue S 71° 35' 34" E, 49.78' to the point and place of beginning and being 0.419 Acres as shown on survey and map by Shulenberger Surveying Company, P.A. dated August 8, 2012.

Be and the same is hereby forever closed subject to a 10' easement centered on an existing overhead utility line and a new 12' right of ingress, egress and regress.

This the 4th day of December 2012.

CITY COUNCIL OF THE CITY OF SALISBURY,
NORTH CAROLINA

BY:     s/s Paul B. Woodson, Jr.  
       Mayor

s/s Myra B. Heard  
City Clerk
SALISBURY TRANSIT SYSTEM - COMMUNITY TRANSPORTATION PROGRAM
GRANT APPLICATION

Public Services Director Tony Cinquemani and Transit Manager Rodney Harrison addressed Council regarding the FY2014 Community Transportation Program (CTP) Grant. Mr. Harrison indicated the City must submit a CTP grant application each year, and he reviewed the highlights of the CTP grant:

- North Carolina Department of Transportation Public Transportation Division
- Application submitted each year for approval
- Major funding source for transit system
  - Administrative
  - Operating
  - Capital

Mr. Harrison indicated the grant provides financial assistance to support public transportation services in rural and urban areas with populations less than 50,000 and not included in the urbanized area. He stated funds can be used for the cost of transit planning activities, local project administration, transit operations, and the purchase of capital equipment or facilities to aid in the provision of transit services.

Mr. Harrison discussed the projected funding allocations:

<table>
<thead>
<tr>
<th></th>
<th>Federal</th>
<th>State</th>
<th>Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative</td>
<td>80%</td>
<td>5%</td>
<td>15%</td>
</tr>
<tr>
<td>Operating</td>
<td>20%</td>
<td>0%</td>
<td>80%</td>
</tr>
<tr>
<td>Capital</td>
<td>80%</td>
<td>10%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Mr. Harrison then reviewed the funding allocations:

**FY2014**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative</td>
<td>$213,828</td>
</tr>
<tr>
<td>Operating</td>
<td>721,141</td>
</tr>
<tr>
<td>Capital</td>
<td>191,294</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,126,263</td>
</tr>
</tbody>
</table>

City’s Share $628,118

**FY2013**

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<table>
<thead>
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<td>Capital</td>
<td>176,394</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,111,363</td>
</tr>
</tbody>
</table>

City’s Share $626,628

Grand Total of Difference $14,900
City’s Share of Difference with Reimbursement $1,460
Mr. Harrison discussed budget changes (before reimbursements):

<table>
<thead>
<tr>
<th>Administration</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td>$213,828</td>
</tr>
<tr>
<td>FY13</td>
<td>$213,828</td>
</tr>
<tr>
<td></td>
<td><strong>$0</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td>$721,141</td>
</tr>
<tr>
<td>FY13</td>
<td>$721,141</td>
</tr>
<tr>
<td></td>
<td><strong>$0</strong></td>
</tr>
</tbody>
</table>

Mr. Harrison then reviewed the capital budget changes (before reimbursements):

- Shelters, trash cans, benches: $51,000
- Facility Security Improvements: 34,725
- Spare parts for buses: 25,000
- Surveillance/AVAS System and Spare Parts: 14,000
- Automated Vehicle Locator and Website improvements: 25,669
- Bus Equipment: 40,900

Total: $191,294

Requested FY2013: $176,394 – an increase of $14,900

Mr. Harrison noted the projected funding allocations:

<table>
<thead>
<tr>
<th>Administrative</th>
<th>Federal</th>
<th>State</th>
<th>Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-2014 ($213,828)</td>
<td>80%</td>
<td>5%</td>
<td>15%</td>
</tr>
<tr>
<td>2012-2013 ($213,828)</td>
<td>80%</td>
<td>5%</td>
<td>15%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating</th>
<th>Federal</th>
<th>State</th>
<th>Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-2014 ($721,141)</td>
<td>20%</td>
<td>0%</td>
<td>80%</td>
</tr>
<tr>
<td>2010-2011 ($721,141)</td>
<td>20%</td>
<td>0%</td>
<td>80%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital</th>
<th>Federal</th>
<th>State</th>
<th>Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-2014 ($191,294)</td>
<td>80%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>2012-2013 ($176,394)</td>
<td>80%</td>
<td>10%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Mr. Harrison reviewed the CTP Grant Commitment

- Salisbury Transit Shared Expenses: $628,118
- Less:
  - Projected State Maintenance Assistance Program: -205,765
  - Projected Fare and Other Revenue: -90,000
  - City of Salisbury Commitment: $332,353
Mr. Harrison stated the Fixed Route Ridership continues to increase, and he noted the ridership data:

<table>
<thead>
<tr>
<th></th>
<th>Fixed Route</th>
<th>American with Disabilities Act (ADA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012</td>
<td>231,136</td>
<td>5,450</td>
</tr>
<tr>
<td>FY2011</td>
<td>220,278</td>
<td>7,292</td>
</tr>
<tr>
<td>FY2010</td>
<td>182,294</td>
<td>7,587</td>
</tr>
<tr>
<td>FY2009</td>
<td>176,856</td>
<td>8,381</td>
</tr>
<tr>
<td>FY2008</td>
<td>170,521</td>
<td>8,664</td>
</tr>
</tbody>
</table>

Mayor Woodson stated transit ridership is improving, and he asked about the drop in ADA ridership. Mr. Harrison stated the reduction in ADA ridership is attributed to the City’s improved certification process.

(b) Mayor Woodson convened a public hearing, after due notice thereof, to receive comments regarding Salisbury Transit System’s proposed Community Transportation Program Grant Application.

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

Thereupon, Ms. Klutz made a motion to adopt a Resolution seeking permission to apply for Community Transportation Program funding, enter into agreement with the North Carolina Department of Transportation, provide the necessary assurances and the required local match. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Klutz voted AYE. (5-0)

RESOLUTION SEEKING PERMISSION TO APPLY FOR COMMUNITY TRANSPORTATION PROGRAM FUNDING, ENTER INTO AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION, PROVIDE THE NECESSARY ASSURANCES AND THE REQUIRED LOCAL MATCH

(The above Resolution is recorded in full in Resolution Book No. 14 at Page No. 41, and is known as Resolution 2012-27)

2012 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Mr. Wade Furches, Finance Manager, and Mr. Matthew Braswell, lead auditor for Martin, Starnes and Associates CPA’s, P.A. addressed Council regarding the 2012 Comprehensive Annual Financial Report.
Mr. Braswell thanked Council for allowing Martin, Starnes to work with the City on its annual audit, and he recognized Mr. Furches, Budget and Performance Manager Teresa Harris, and the finance staff for their assistance. He reviewed the highlights of the audit:

- Unqualified (clean) opinion
- No material internal control weakness identified
- Cooperative staff

Mr. Braswell noted the audit was submitted to the Local Government Commission (LGC) and has been approved. He then reviewed the audit process:

- Planning and Risk Assessment
- Interim Procedures
- Final Procedures
- Year-round Process

Mr. Braswell explained the Fund Balance serves as a measure of the City’s financial resources available. He reviewed the five classifications of fund balance:

- Non spendable – not in cash form
- Restricted – external restrictions (laws, grantors)
- Committed – internal constraints at the highest (Board) level-do not expire, require Board action to undo
- Assigned – internal constraints, lower level that committed
- Unassigned – no external or internal constraints

Mr. Braswell noted the available Fund Balance as defined by the LGC is calculated as follows:

- Total Fund Balance
- Less: Non spendable (not in cash form, not available)
- Less: Stabilized by State Statute (by State law, not available)
- Available Fund Balance

Mr. Braswell displayed a graph showing the total Fund Balance in the General Fund for the previous three years. He noted an increase of $2,081,733 from the previous year, or approximately 25 percent.

<table>
<thead>
<tr>
<th>Fund Balance Position – General Fund</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Fund Balance</td>
<td>$10,568,123</td>
</tr>
<tr>
<td>Non spendable</td>
<td>- 327,754</td>
</tr>
<tr>
<td>Stabilization by State Statute</td>
<td>- 4,311,077</td>
</tr>
<tr>
<td>Available Fund Balance</td>
<td>$5,929,292</td>
</tr>
<tr>
<td>Available Fund Balance 2011</td>
<td>$3,832,800</td>
</tr>
<tr>
<td>Increase in available Fund Balance</td>
<td>$2,096,492</td>
</tr>
</tbody>
</table>
Mr. Braswell noted an increase in the available Fund Balance of approximately $2,100,000, or fifty-three percent. He displayed charts showing available Fund Balance as a percent of expenditures of the General Fund, and he noted an increase of approximately seven percent. He presented a summary of the General Fund, and he pointed out revenues increased approximately four percent and expenditures decreased approximately six percent. He reviewed a graph showing the top three revenues for the City:

- Property Tax 50%
- Sales Tax 15%
- Charges for Services 18%
- Other Revenue 17%

Mr. Braswell presented a graph noting property tax revenue for the last three fiscal years. He indicated from FY2010 to FY2011 property tax revenue increased approximately one percent. He noted FY2011 to FY2012 had less than one percent change, a slight decrease of $30,000. He reviewed a graph of sales tax revenue for the last three fiscal years, and he pointed out from FY2010 to FY2011 sales tax revenue increased approximately five percent, and from FY2011 to FY2012 sales tax revenue increased approximately eleven percent, or $508,000.

Mr. Braswell displayed a graph noting the top three expenditures from the General Fund:

- General Government 29%
- Public Safety 36%
- Transportation 12%
- Other Expenditures 23%

Mr. Braswell reviewed the Enterprise Funds less the operating income or loss on a budgetary basis for 2012:

<table>
<thead>
<tr>
<th></th>
<th>Water and Sewer</th>
<th>Broadband Services</th>
<th>Transit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>$23,694,167</td>
<td>$2,741,736</td>
<td>$740,225</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating</td>
<td>$14,502,416</td>
<td>$4,419,579</td>
<td>$957,545</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$6,508,383</td>
<td>$1,549,509</td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>$371,569</td>
<td>$171,518</td>
<td>$0</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$21,382,368</td>
<td>$6,140,606</td>
<td>$957,545</td>
</tr>
<tr>
<td>Revenues over</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditures</td>
<td>$2,311,799</td>
<td>(3,398,870)</td>
<td>(217,320)</td>
</tr>
<tr>
<td>Transfers (to)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>from other funds</td>
<td>(150,000)</td>
<td></td>
<td>416,785</td>
</tr>
<tr>
<td>Interfund loan</td>
<td></td>
<td>$3,398,870</td>
<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>$2,161,799</td>
<td></td>
<td>$191,465</td>
</tr>
</tbody>
</table>
Mr. Braswell reviewed the report findings:

- Improved financial position
  - Fiscal notes on Agenda items for grants and large expenditures
  - Quarterly meetings with departments to discuss expenditures and budgets
  - Return on investment analysis for projects
- Management Team did a good job of controlling costs
- Significant increase in General Fund Unrestricted Fund Balance
- Stay on track – avoid temptation to spend or cut revenue
  - City Available Fund Balance of 18.13 percent is still significantly below the State average of 49.77 percent

Mayor Woodson asked Mr. Braswell if he had any advice for Council. Mr. Braswell stated Council should establish goals and determine the services it wants to provide and the amount it wants to maintain in the available Fund Balance.

Mayor Woodson stated when he and City Manager Doug Paris took office the available Fund Balance was a top priority. He indicated he is pleased with the sales tax revenue increase. Mr. Braswell stated the sales tax increase was one of the largest he has seen this fiscal year. Mayor Woodson noted the property tax remained stable, and he pointed out the City is no longer able to annex. He thanked Mr. Paris and the Management Team for its work to keep costs down.

Councilmember Kennedy stated the available Fund Balance across the State averages approximately fifty percent. He asked about its relation to city populations. Mr. Braswell stated the average was based on a group of cities of comparable size to Salisbury. Mayor Woodson asked if these cities included gas or electric utilities. Mr. Braswell stated some have utilities but most did not.

Councilmember Miller requested comparable information for other like-sized cities that are not electricities and are truly comparable to Salisbury be presented to Council at its Retreat in February. Mr. Miller noted it is wise for Council to have a plan for the future.

Mr. Miller noted an increase in the General Fund of approximately $2 million. He pointed out the difference in what was spent in FY2011 and FY2012 is approximately $2 million, and this is good fiscal management. He recognized Mr. Paris, Assistance City Manager for Finance John Sofley, Mr. Furches, Ms. Harris and the financial staff for their work to keep the City's finances intact. He noted in order to be successful the City must spend less than what is taken in.

Mr. Paris stated he is very impressed with the performance of the Management Team and its work to rebuild the City's financial foundation. He noted some of the increased revenue was due to projects that occurred during FY2011 but were not reimbursed until FY2012. He noted the sales tax is up from last year, but he cautioned sales tax is volatile. He thanked the department heads and the financial services team for their excellent cost management. He noted staff will work to continue this trend in the coming years.
Mr. Miller noted the City needs to maintain a Fund Balance so when there are shocks to the revenue it will be able to absorb it. He thanked Mr. Braswell and Martin, Starnes and Associates for their work on the City’s audit and City staff for its work on the City’s finances.

Mr. Paris highlighted the Klumac Road Grade Separation project and noted agreements were ready to be signed that would cause approximately $400,000 to be pushed onto the City. He stated negotiations by Salisbury-Rowan Utilities (SRU) Director Jim Behmer and City Engineer Dan Mikkelson with the North Carolina Department of Transportation (NCDOT) reduced the amount to approximately $50,000. He noted being aggressive and constantly aware of costs and monitoring agreements can pay dividends throughout the year. He acknowledged staff and its work to keep costs minimal.

Mr. Kennedy indicated he is cautious regarding the Fund Balance. He noted the City does not need a large Fund Balance since most revenue comes from property tax. He pointed out revenue should not be taken from citizens to be put into a bank for the City. He stated the Fund Balance should be created by spending less than the City takes in.

Mayor Woodson thanked Mr. Braswell, Mr. Paris, and staff for the presentation.

REGIONAL HAZARD MITIGATION PLAN

Mr. Frank Thomason, Rowan County Emergency Services Director, stated the City participated with Rowan County and its other municipalities in 2005 in the development of a Hazard Mitigation Plan. He noted the plan is required of each local government in the State under the Federal Disaster Mitigation Act of 2000. He explained the plan was originally adopted in Rowan County in 2005 and updated in 2010. He indicated the result is a partnership and a detailed plan that promotes multi-jurisdictional cost savings.

Mr. Thomason explained the plan will be updated in 2015. He noted the next five-year plan will offer the opportunity to complete the update at no cost to local jurisdictions through a Federal Hazard Mitigation Planning Grant. He stated in 2015 Rowan County will join with Iredell County to create a regional plan. He pointed out the regional plan will not affect any County or municipal efforts or internal plans and will take approximately 18 months to complete.

Thereupon, Mr. Kennedy made a motion to authorize the City Manager to sign an agreement to participate in the Regional Hazard Mitigation Plan for Rowan and Iredell Counties. Mr. Miller seconded the motion. Councilmember Miller thanked Mr. Thomason for the partnerships the City has with the County. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Kluttz voted AYE. (5-0)

SALISBURY HISTORIC DISTRICT DESIGN GUIDELINES

Senior Planner Janet Gapen addressed Council regarding the Salisbury Historic District Design Guidelines. She indicated a key recommendation of the Historic Preservation Master
Plan is to update the Historic District Design Guidelines. She explained this document contains the standards the Historic Preservation Commission (HPC) follows when making decisions regarding properties in local historic districts.

Ms. Gapen stated the City received a $12,000 grant from the State Historic Preservation Office to revise and update the Historic District Guidelines. She noted this grant will be combined with $10,000 budgeted in the current fiscal year for a total project cost of $22,000. She explained the funding will be used to hire a qualified consultant to assist with updating the guidelines.

Ms. Gapen explained the proposed Resolution of Intent outlines the purpose, process and timeframe, and calls for the appointment of a citizen advisory committee to work with the consultant and help lead the process. She stated staff anticipates the process will include public forums and other mechanisms to receive feedback from the community and property owners affected by district guidelines. She stated the project is scheduled to begin in January 2013 and be completed by August 2013.

Mayor Woodson asked how many citizens would be needed for the advisory committee. Ms. Gapen stated nine to eleven is the typical range. Councilmember Miller asked if the HPC is appropriate to serve as the advisory committee or if a new committee will be required. Ms. Gapen stated it is appropriate for one or more HPC members to be involved, but the committee needs a broader base group.

Mr. Miller asked what some of the changes to the guidelines might include. Ms. Gapen explained some updates will be related to sustainability, such as the use of solar panels. She noted residents have stated the guidelines need to be user friendly, specific sections need guidance unique to each neighborhood, and should include the use of alternative materials.

Thereupon, Mr. Miller made a motion to adopt a Resolution of Legislative Intent to update the Salisbury Historic District Design Guidelines. Mr. Kennedy seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Klutz voted AYE. (5-0)

RESOLUTION OF LEGISLATIVE INTENT TO UPDATE THE SALISBURY HISTORIC DISTRICT DESIGN GUIDELINES

(The above Resolution is recorded in full in Resolution Book No. 14 at Page No. 42, and is known as Resolution 2012-28)

**PARKING – YORKSHIRE DRIVE**

Traffic Engineer Wendy Brindle explained staff received a concern from a citizen regarding parking on Yorkshire Drive and emergency vehicle access. She noted the Fire Department and the Police Department conducted multiple investigations and found cars parked on both sides of the street which restricted access for emergency vehicles. She indicated to ensure public safety, Traffic Operations, the Fire Department and the Police Department
recommend restricting parking on the east side of Yorkshire Drive from Overhill Road to the beginning of the cul-de-sac.

Ms. Brindle noted letters explaining the recommendation and asking for responses were sent to property owners on November 15, 2012. She indicated staff received no responses and recommends adopting an Ordinance to restrict parking on Yorkshire Drive.

Councilmember Kennedy noted he is concerned that only one citizen expressed concern, and he wants to make sure residents have ample parking. Councilmember Blackwell stated she spoke with the developer and each home has a two-car garage and parking spaces for two additional cars. She noted there is parking for four cars per home.

Ms. Brindle stated staff verified residents have ample parking off the street. She noted the Police and Fire Departments reported during most inspections cars were parked on both sides of the street, and it did not provide room for emergency vehicles to reach the cul-de-sac.

Thereupon, Ms. Blackwell 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. Ms. Kluttz seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Kluttz voted AYE. (5-0)

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. 23 at Page No. 102, and is known as Ordinance 2012-44)

SANITARY SEWER INSPECTION SYSTEM

Salisbury-Rowan Utilities (SRU) Engineering Manger Jason Wilson and Assistant System Maintenance Manager Mike West addressed Council regarding the purchase of a sewer inspection system. Mr. Wilson displayed a photograph of the system and noted it is a self contained sewer camera. He indicated it can be installed in a manhole which will allow staff to remain off of the street so the street can remain open. He explained the information obtained from the sewer inspection system can be integrated with GIS to help SRU prioritize work plans.

Mr. Wilson noted the robot travels through manholes collecting a series of photographs. He explained the robot contains two fisheye cameras that can link images together. He stated SRU would like to purchase two RedZone SOLO cameras:

- Operation in 8” – 12” pipes
  - 375 miles in SRU system
  - 88 percent of entire system
• 360 degree spherical video capture
  o Pan
  o Tilt
  o Zoom
• Autonomous Operation
  o Safer
  o More efficient
• Toughbook tablet personal computer
• ICOM3 Software

Mr. West stated SRU’s State Collection Permit requires 10 percent of the SRU system to be video inspected annually. He explained currently staff has to block the street while it sends the camera down the line which takes approximately three hours. He indicated staff would like to develop a system survey to determine cost and fix problems that arise in the waste treatment system.

Councilmember Miller asked how long the sanitary sewer inspection system lasts. Mr. Wilson stated the life expectancy is five to ten years depending on use. Mr. West indicated the current cameras last approximately ten years but have a lot of down time for repair.

Mr. West explained the self-contained cameras do not require a truck or van and can move through the sewer lines independently and be retrieved at a later time saving the City time and money. He noted the devices are GPS locatable and have a tether that allows them to travel a designated distance and return to the starting position.

Councilmember Kennedy asked if the purchase is included in the budget. Mr. Wilson stated it is budgeted and the bid came in under budget.

Thereupon, Mr. Kennedy made a motion to authorize the City Manager to execute an agreement with RedZone Robotics, Inc. in the amount of $102,500 for the sole-source purchase of a sanitary sewer inspection system. Mr. Miller seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Kluttz voted AYE. (5-0)

**NUISANCE CONDITIONS 126 EAST INNES STREET**

Code Services Manager Chris Branham addressed Council regarding nuisance conditions at 126 East Innes Street. He reviewed the City Code regarding nuisances:

• Section 14-2 of the City Code states that "The maintaining, using, placing, depositing, leaving or permitting to be or remain on any public or private property of any of the following items, conditions or actions is hereby declared to be and constitute a nuisance;"
  o (9) Any other condition specifically declared to be a danger to the public health, safety, morals and general welfare of inhabitants of the city and a public nuisance, by the city council, including structures that have been
damaged by fire or other causes or have otherwise deteriorated. Such proceedings may be initiated by the code services division before the city council after giving written notice in conformity with section 14-3. The notice will state that the city council will be requested on a day certain, after a public hearing at which the person notified may appear and be heard, to declare that the conditions existing constitute a danger to the public health, safety, morals and general welfare of the inhabitants of the city and a public nuisance, and that, after such declaration by the city council in the form of an ordinance, the condition will be abated as provided for in this article.”

Mr. Branham displayed photographs taken in 2010 and current pictures showing no improvement to the property. He reviewed the timeline of events and inspections by Code Enforcement and the Fire Department:

<table>
<thead>
<tr>
<th>Date</th>
<th>Inspection</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 17, 2010</td>
<td>North Carolina Department of Environment and Natural Resources inspection conducted, no violations found at that time</td>
</tr>
<tr>
<td>October 14, 2010</td>
<td>Code inspection conducted, three zoning violations found</td>
</tr>
<tr>
<td>November 5, 2010</td>
<td>Code re-inspection conducted, three violations remain, $50 fine issued</td>
</tr>
<tr>
<td>November 12, 2010</td>
<td>Code re-inspection conducted, three violations remain, $100 fine issued</td>
</tr>
<tr>
<td>November 14, 2010</td>
<td>Code re-inspection conducted, one nuisance violation remains</td>
</tr>
<tr>
<td>March 7, 2011</td>
<td>Code inspection conducted, one nuisance violation found</td>
</tr>
<tr>
<td>August 4, 2011</td>
<td>Fire inspection conducted, 16 fire code violations found</td>
</tr>
<tr>
<td>December 5, 2011</td>
<td>Fire re-inspection conducted, 1 previous violation corrected, 15 violations remained open</td>
</tr>
<tr>
<td>January 4, 2012</td>
<td>Fire re-inspection conducted, 15 violations remained open, fine issued of $50</td>
</tr>
<tr>
<td>January 13, 2012</td>
<td>Fire re-inspection conducted, eight violations remained open, fine issued of $100</td>
</tr>
<tr>
<td>February 6, 2012</td>
<td>Fire re-inspection conducted, eight violations remained open, fine issued of $100</td>
</tr>
<tr>
<td>February 16, 2012</td>
<td>Fire re-inspection conducted, eight violations remained open, fine issued of $100</td>
</tr>
<tr>
<td>March 22, 2012</td>
<td>Fire re-inspection conducted, seven violations remained open, fine issued of $100</td>
</tr>
<tr>
<td>April 27, 2012</td>
<td>Fire re-inspection conducted, two violations remained open, owner notified of fine increasing to $100 a day until violations corrected</td>
</tr>
<tr>
<td>July 23, 2012</td>
<td>Fire re-inspection conducted, two violations remained open, fine of $100 a day continues</td>
</tr>
<tr>
<td>October 5, 2012</td>
<td>Code inspection conducted, one nuisance violation found</td>
</tr>
<tr>
<td>October 22, 2012</td>
<td>Code re-inspection conducted, one violation remains uncorrected</td>
</tr>
<tr>
<td>November 28, 2012</td>
<td>Code re-inspection conducted, one violation remains uncorrected</td>
</tr>
</tbody>
</table>
Mr. Branham noted:

- Constant acts of non-compliance with City Codes and State Fire Codes for at least two and one-half years
- Code Enforcement has conducted eight inspections over the same time frame
- Fire department has conducted eight re-inspections due to violations not being corrected in a timely manner
- As of December 3, 2012, $21,100 has been fined for noncompliance with State Fire Code
- Owner/tenant continues to be non-compliant and create unsafe and hazardous conditions for the downtown district

Mr. Branham noted staff recommends setting a public hearing for December 18, 2012 to receive public comments regarding nuisance conditions at 126 East Innes Street.

Councilmember Blackwell stated she has received calls from several property owners in this region over the last two or three years. She thanked Mr. Branham and the Fire Marshal's office for being responsive to citizens' complaints. Mr. Branham noted over the past two and one-half years staff has tried to work with the property owner to bring the property into compliance.

Councilmember Miller stated he is concerned about the risk of fire, and he pointed out the material is combustible and in a downtown setting with old buildings. He noted the City spent money to update the parking lot adjacent to this building and its appearance leaves a negative impression.

Thereupon, Mr. Kennedy made a motion to set a public hearing for December 18, 2012 to receive comments regarding nuisance conditions at 126 East Innes Street. Ms. Klutz seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Klutz voted AYE. (5-0)

**URBAN PROGRESS ZONES**

GIS Coordinator Kathryn Clifton addressed Council regarding Urban Progress Zones and indicated this process is completed every two years. She described Urban Progress Zones:

- Article 3J
- Municipalities with a population of at least 10,000 have the ability to define qualifying areas of poverty as Urban Progress Zones
Ms. Clifton explained businesses that choose to locate within an Urban Progress Zone may apply for enhanced Article 3J tax credits for creating jobs, as well as for credits for investing in business property. She reviewed the eligible types of businesses:

- Aircraft Maintenance and Repair
- Air Courier Service Hub
- Company Headquarters
  - That creates 75 new headquarter jobs
- Customer Service Call Centers
- Electronic Shopping and Mail Order Houses
- Information Technology and Services
- Manufacturing
- Motorsports Facility
- Motorsports Racing Team
- Research and Development
- Warehousing
- Wholesale Trade

Ms. Clifton pointed out Urban Progress Zones can only be designated within municipal limits. She stated a city can designate 15 percent of its jurisdiction as an Urban Progress Zone and for Salisbury this would be approximately 3.23 square miles. She reviewed the zones for consideration:

<table>
<thead>
<tr>
<th>Zone Name</th>
<th>Area of Zone (square miles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown</td>
<td>.40</td>
</tr>
<tr>
<td>Jake Alexander Boulevard/Industrial Avenue/Airport</td>
<td>2.38</td>
</tr>
<tr>
<td>North Long Street</td>
<td>.33</td>
</tr>
<tr>
<td>Total for all Zones</td>
<td>3.11</td>
</tr>
</tbody>
</table>

Thereupon, Ms. Kluttz made a motion to set a public hearing for December 18, 2012 to receive comments regarding the Urban Progress Zones. Mr. Miller seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Kluttz voted AYE. (5-0)

**PARKS AND RECREATION ADVISORY BOARD**

Mayor Woodson stated Council is looking for citizens interested in serving on the Parks and Recreation Advisory Board.
CITY MANAGER’S COMMENTS

(a) Central School Office Building

City Manager Doug Paris addressed Council regarding action taken by the Rowan County Commissioners regarding the downtown Central School Office project. He presented Council with two recommendations based on action taken at the Rowan County Commissioners meeting.

Mr. Paris noted there was conversation regarding a joint meeting to discuss the Central School Office project. He recommended Council request the meeting include all stakeholders. He pointed out it is important for Council to be at these meetings because it has offered land and parking and expended funds to have the site cleaned. He suggested Council ask the School Board to include all parties in the Central School Office project discussions. Mr. Paris suggested joint meetings regarding the Central School Office project be properly noticed and open to the public and media as legally required by State Statute.

Mr. Paris stated approximately $400,000 has been spent on design of the building. He added the City has purchased the property and is currently working on the parking design and site preparation is taking place. He noted as City Manager he is not in a position to terminate spending during the pause approved by County Commissioners because the property and parking would not be ready if the project moves forward. He indicated the process must continue, and the City is spending money for a project that may or may not take place.

Mr. Paris recommended Council request the Rowan-Salisbury School Board reaffirm the current proposal at its December 17, 2012 meeting to avoid wasting additional funds on site preparation or parking design. He noted the work cannot cease and be completed in time for the project if it continues.

Mayor Woodson stated the City should be in the meeting with the School Board and the County Commissioners. He asked if the Robertson Foundation is included in the meeting. Mr. Paris stated the Robertson Foundation has pledged $250,000 for the project, and if the meeting is properly noticed their representatives can attend.

Mayor Woodson indicated the City has spent a lot of money on site preparation, and it needs to know what is going on so it can either move forward or look for another project.

Councilmember Miller noted he attended the County Commissioners meeting, and the Resolution that was adopted is to pause for 60 days, but the effect will be longer. He noted in the best case scenario the pause will be a four to six month delay. He noted it is important for the City to be included in the discussions and advocate for the City as part of the process.

Thereupon, Mr. Miller made a motion to request the Rowan-Salisbury School Board that any joint meeting on Central School Office be inclusive of all stakeholders, and thereby requesting that the Rowan-Salisbury School Board invite the Salisbury City Council to participate in any such meeting since the City of Salisbury has offered land for the Central
Office, offered parking for the Central Office, is currently remediating the said site, and has expended funds for all three purposes. Further to request any joint meetings regarding the School Central Office, due to the strong community interest in this project by citizens, be both properly noticed as a public meeting and be open to the public and media as legally required. Further request the Rowan-Salisbury School Board reaffirm the current proposal at its December 17, 2012 meeting so the City does not waste additional funds on site preparation or parking design. Mr. Kennedy seconded the motion.

Mayor Woodson stated he attended the County Commissioners meeting, and there were over forty speakers with eighty to ninety percent speaking in support of the downtown site.

Councilmember Blackwell stated at 3:40 p.m. the chambers were half-filled for the 5:00 p.m. meeting. She noted near the end of the meeting a report posted 44 people had spoken in favor of the downtown site and 7 had spoken against.

Messrs. Kennedy, Miller, and Woodson, and Mses. Blackwell and Klutz voted AYE. (5-0)

b) Presentations of Trowels

City Manager Doug Paris presented masonry trowels to Council. He noted the trowels state "Rebuilding the Financial Foundation" and are in honor of Council's work to turn the City's financial ship and rebuild the foundation. He asked Council to bring the trowels to its Retreat and budget workshop as a reminder of the task at hand and the progress made.

MAYOR'S ANNOUNCEMENTS

(a) Tree Lighting Ceremony

Mayor Woodson announced the Salisbury Parks and Recreation Department Tree Lighting Ceremony will be held Friday, December 7, 2012 at 6:00 p.m. at the City Park Lake. The public is invited to attend.

(b) Brunch With Santa

Mayor Woodson announced the Salisbury Parks and Recreation Department will host Brunch with Santa Saturday, December 15, 2012 from 10:00 a.m. until 12:00 noon at the City Park Center. Please call the City Park Recreation Center at 704-638-5295 for more information and to register by December 12, 2012.

(c) Parks and Recreation Advisory Board and Committee to Study Nuisance Animals

Mayor Woodson announced the City of Salisbury is seeking citizens who have an interest in serving on the Parks and Recreation Advisory Board and the Committee to Study Nuisance Animals. Applications are available online at www.salisburync.gov under the Boards and
Commissions tab. Applications are also available at the City Clerk’s Office located at 217 South Main Street, or by calling 704-638-5224.

(d) Dr. Phillip DuBoise

Mayor Woodson announced Dr. Phillip DuBoise, President of the University of North Carolina at Charlotte (UNCC), is visiting Salisbury today to meet with local businesses, and a reception will be held in his honor tonight.

(e) Request for Volunteers

Councilmember Blackwell indicated Council has asked for board members on numerous occasions and tonight chartered a Historic Design Guidelines Committee. She noted the City needs citizens to serve on its boards, and she pointed out citizen involvement is the bedrock of democracy. She encouraged citizens to apply for a board or commission.

ADJOURNMENT

Motion to adjourn the meeting was made by Ms. Kluttz seconded by Mr. Miller. All council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 5:18 p.m.

Paul B. Woodson, Jr., Mayor

Myra B. Heard, City Clerk