

Salisbury, North Carolina  
November 18, 2008

## **REGULAR MEETING**

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

**ABSENT:** Councilman William (Pete) Kennedy arrived at 4:23 p.m.

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

## **PLEDGE OF ALLEGIANCE**

Mayor Kluttz asked that the local men and women serving in the armed services be remembered as she led the Pledge of Allegiance to the United States flag.

## **RECOGNITION – SALISBURY HIGH SCHOOL GIRLS TENNIS TEAM, HANNAH LEBOWITZ AND KIRSTIN MEYERHOEFFER**

Mayor Kluttz recognized Ms. Hannah Lebowitz and Ms. Kirstin Meyerhoeffer of Salisbury High School for winning the State 2A Women's Doubles Tennis Championship. Mayor Kluttz read a Proclamation naming November 18, 2008 as Hannah Lebowitz and Kirstin Meyerhoeffer day in Salisbury, North Carolina and presented a framed copy of a Proclamation to them.

Mayor Kluttz recognized the Salisbury High School ladies tennis team and read a Proclamation naming November 18, 2008 as Salisbury High School Lady Hornets Tennis Day in Salisbury, North Carolina. She presented the framed Proclamation to the team

and extended special congratulations to the parents of the Salisbury High School Lady Hornets Tennis Team.

## **CONSENT AGENDA**

### (a) Approval of Minutes

Approve Minutes of the Regular meeting of November 4, 2008.

Mayor Kluttz requested a correction to the November 4, 2008 minutes. She noted that on page 12, the fourth paragraph states, “that the North Carolina Metropolitan Coalition wants to lobby against the proposal to give the local governments the responsibility of road maintenance.” She pointed out that her statement should read, “Mayor Kluttz thanked staff for the thorough presentation. She noted that Mayors throughout the State have been concerned about this proposal and that the North Carolina Metropolitan Coalition requested that City Managers ask their staffs to look into it. She noted that the Coalition’s purpose is to monitor State government and expose any kind of recommendations that they feel would be harmful to municipalities or which would force the local governments to raise taxes. She commented that when the State cannot meet its budget it often looks to the local governments to raise local taxes to make up the difference.”

Thereupon, Mr. Woodson made a **motion** to adopt the consent agenda as amended. Mr. Burgin seconded the motion. Messrs. Burgin, Lewis, Woodson, and Ms. Kluttz voted AYE. (4-0)

## **SALISBURY MILLWORK FIRE – POST INCIDENT REPORT**

Fire Chief Bob Parnell submitted to Council the After Action Post Incident Report from the March 7, 2008 Salisbury Millwork fire. He noted that the Report includes a radio log of the Fire Department’s radio traffic, descriptive narratives of the events surrounding the fire, and items that need to be addressed internally.

Chief Parnell stated that the Report also addresses the replacement of 66 portable radios approved by Council. Fire Captain Rodney Misenheimer and Mr. Terry Buff, Telecommunications Manager, demonstrated the new radios for Council. Captain Misenheimer indicated that the new radios will sustain complete immersion in water and have a feature to announce the radio channel to assist firefighters in communications. Mr. Buff described other features of the radios and added that the radios are ruggedized and meet all military specifications.

## **FIRE EXPERT PANEL – FIREFIGHTER SAFETY PROGRAM REVIEW**

Chief Parnell introduced the Fire Review Panel who will review the Salisbury Fire Department's Firefighter Safety Program to ensure it is the safest possible. The panel will consist of Chief Wes Green, Chief of the Mooresville, North Carolina Fire Department; Mr. Tim Bradley, Senior Deputy Director of the Office of the State Fire Marshall; Mr. John Sullivan, District Fire Chief Worcester, Massachusetts; and Mr. Doug Cline, former Fire Chief of Eden, North Carolina who is currently a training officer for the City of High Point, North Carolina.

Chief Green stated that the intent of the panel is to review the operations of the Salisbury Fire Department and to offer any assistance towards improvements in safety that might be found.

Mayor Klutz thanked the panel members for their assistance. She commented that the City has an excellent Fire Chief and Fire Department and that the City is grateful to the panel members for their help.

*\*Councilman Kennedy joined the meeting in progress at 4:23 p.m.*

## **CULTURAL ACTION PLAN**

(a) Mr. Joe Morris, Planning and Community Development Director, reviewed the Cultural Action Plan that was presented to Council November 4, 2008. He explained that the Cultural Action Plan themes align with the Salisbury Vision 2020 Comprehensive Plan related to:

- Amenities
  - Small town character
  - Community appearance
  - Historic preservation
  - Downtown neighborhoods
  - Parks Recreation and open space
- Creativity
  - The Arts
  - Entertainment
  - Sports and culture
- Equity
  - Public safety
  - Housing
  - Economic opportunity
  - Schools
  - Cultural diversity and acceptance
- Sustainability
  - Environmental quality
  - Greenways
  - Fiscal responsibility

Mr. Morris pointed out that the Cultural Action Plan is a result of City Council's 2008-2009 Outcome 4, Goal 4, to create a plan to strengthen and unify Salisbury's cultural resources. He stated that the Goal was assigned to staff to:

- Establish a steering committee to oversee creation and implementation of the plan
- Expand opportunities for intercultural relations based on established programs and new ideas, approaches and innovations
- Link the elements of community identify including arts, historic preservation, entrepreneurship, environmental awareness, technology and education.

Mr. Morris asked members of the Cultural Action Plan Steering Committee who were present to stand. Mayor Kluttz thanked the members of the committee for their work. Mr. Morris stated that the plan was developed with the assistance of Mary Berryman Agard, who is a cultural planner and consultant. Ms. Berryman visited Salisbury a number of times in order to:

- Conduct interviews with individuals and art agencies
- Conduct a consumer survey
- Visit sites around the community
- Attend Steering Committee meetings
- Present preliminary findings

Mr. Morris reviewed the four major goals in the Cultural Action Plan:

- Create a meaningful system of community wide, on-going cultural stewardship
- Make Salisbury a regional center for arts, cultural commerce and experience by complementing its exceptional commitment to historic preservation with a parallel commitment to contemporary expression
- Utilize arts and cultural activities to strengthen neighborhoods both physically and socially
- Make high-quality, diverse and accessible arts education a community calling card

Mr. Morris explained the four major strategies of the Cultural Action Plan:

- Create a municipal arts and cultural function
- Increase municipal support for the arts
- Advance philanthropic stewardship for arts and culture
- Clarify roles of allied entities in supporting arts and cultural development

Mr. Morris indicated that City Council received the plan November 4, 2008 and at that time, staff recommended a public hearing be held November 18, 2008.

(b) Mayor Kluttz convened a public hearing, after due notice thereof, to receive comments on the proposed Cultural Action Plan.

Mr. Carl Repsher, 8 North Road, expressed his appreciation for City Council's public service to Salisbury. He stated that he supports the arts but feels that the timing for this initiative is inappropriate. He indicated that the nation is facing a financial crisis and he feels that local governments will likely be facing a loss of revenue from the State. He added that if the City commits \$500,000 of tax payer money for a program that will serve the elite few, it would be insensitive to the many people in Salisbury who are struggling with basic necessities. He asked Council to reconsider the issue.

Ms. Judy Kandl, 303 West Marsh Street, stated that she feels this is a great time for the proposal. She added that a city that can plan ahead in good times and bad is important. She commented that she is proud to see Salisbury move forward and consider the proposal. Ms. Kandl indicated that she feels art is critical for the human existence and contributes to the quality of life. She added that she also feels that the proposal is critical to establishing an infrastructure for the arts in the community. Ms. Kandl noted that she thinks it is appropriate for Council to consider the proposal and that this is money that will be extremely well spent.

Mr. James Meacham, Executive Director of the Rowan County Tourism Development Authority (TDA), stated that he is honored that the TDA helped fund and sponsor the Cultural Action Plan. He indicated he feels this plan is an important means of marketing the community as a creative economy. He pointed out that the Cultural Action Plan addresses the improvement of efficiencies which will add to effectiveness by eliminating duplication among organizations such as the Tourism Authority, Rowan Arts Council and the different ancillary entities. Mr. Meacham stated that he feels a better product can be provided for the citizens while saving tax payer dollars by improving efficiencies versus allowing the current system to operate in the same fashion it is today. He encouraged Council to look at the plan in a fiscally responsible manner and to extend partnerships with the TDA and other organizations.

Ms. Marietta Smith, Rowan Arts Council, thanked Council for taking the initiative in the Cultural Action Plan and for understanding the importance of a creative economy. She pointed out that many visitors to the Railwalk art area indicate a desire to move to Salisbury because of its art community. She added that many towns are trying to establish themselves as art destinations and Salisbury has the advantage of already being established as a City of the arts. Ms. Smith indicated that she feels the community needs to support the arts groups to keep this advantage and to keep the momentum going. She encouraged Council to adopt the plan and added that if Council is unable to enact the entire plan she hopes Council will consider increased funding for the arts.

There being no one else to address Council regarding the Cultural Action Plan, Mayor Kluttz closed the public hearing.

Councilman Lewis stated that this Goal was introduced at Council's 2007 Retreat and is an idea which stemmed after he and staff attended a Cultivating Creative Communities Conference. He indicated that Council recognized the City's cultural assets may be at risk and wanted to determine what needs were not being met in the community and what the role of government has in this process. Mr. Lewis pointed out that he feels it is important to plan during tough times and he hopes that as conditions improve the time will come for funding the plan. He added that he does not think the City has significant resources available in next year's budget to fund the plan, but stated that the plan gives Council a platform to discuss and identify items that the City can move toward. He noted that when these points have been identified, plans can be made to start funding significant parts of the plan.

Mr. Lewis recommended adopting the Cultural Action Plan as an official plan of the City and then to target specific proposals of the Plan during the 2009 Retreat for possible implementation. He added that these proposals would be prioritized for funding during the 2009 budget workshops.

Mayor Kluttz stated that Council is not making a funding decision today and will not make any decisions until the budget is considered in May 2009. She added that today Council is only considering the adoption of the plan. She indicated that as Council sees the community and economy change it has to be willing to change with it. She pointed out that an example of this is what happened to the downtown in the early 1980s. She explained that as retail moved away, the downtown area was basically a ghost town and Salisbury had to work hard to reinvent itself. She stated that she thinks the City has done a wonderful job with the help of Downtown Salisbury, Inc. and all of the people who have invested in the downtown area. Mayor Kluttz noted that much of what is seen downtown today has to do with the arts and she thinks this is how the City began to redefine itself. She added that she feels the arts are important for tourism and economic development.

Mayor Kluttz addressed the comment made during the public hearing regarding arts being for the elite or rich. She stated that she does not feel this perception is correct and noted that churches are using visual arts and dance to reach out to youth. She indicated that she thinks art is incredibly important for all people, but actually more important for those in need than those who have means. She added that she thinks it would be a terrible mistake to ignore the work that has been done on the Plan and the enthusiasm of the community for the arts.

Councilman Burgin stated that he thinks the approach Council has taken is to recognize the value of planning. He pointed out that the City cannot get to where it wants to be without a roadmap and this plan will provide such a roadmap. He indicated that if Council adopts the plan, ways to fund components of it can be identified at a later time. Mr. Burgin stated that to have the plan in place is invaluable. He commented that he recognizes now may not be the appropriate time to fund the plan, but he hopes future funding will be possible.

Mayor Pro Tem Woodson stated that the downtown area has been revitalized since he moved to Salisbury 22 years ago. He noted that the City does not currently have the funds to implement the entire plan but he looks forward to moving ahead in the next few years to make Salisbury an even better community for everyone.

Councilman Kennedy stated that he is also excited about the plan and hopes that in the future the plan can be supported with private and public financing. He indicated that he feels it is a good plan and should be supported.

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

### **SALISBURY PUBLIC ART COMMITTEE – REPORT REGARDING FISHER STREET SCULPTURE**

Ms. Lynn Raker, Urban Design Planner, and Ms. Barbara Perry, Public Art Committee Chair, addressed Council regarding the donation of a sculpture for East Fisher Street. Ms. Perry stated that in February 2008 the Public Art Committee erected a sculpture in Fisher Park for a six-month period. She announced that Mr. and Mrs. Edward Norvell have purchased the sculpture as a gift to the City. She noted that the sculpture is named “Sentinel 2” and was created by local artist Michael Baker. Ms. Perry indicated that Mr. Baker also contributed to the gift by lowering the original price of the sculpture \$5,000 to its purchase price of \$10,000.

Ms. Perry pointed out that the Public Art Committee followed its adopted donation guidelines and voted unanimously to accept the sculpture and present it to Council for approval. She stated that she is thrilled to have the City’s first art sculpture and is thankful to have Mr. Baker in the community.

Mayor Kluttz stated that she feels this is a wonderful example of the generosity of citizens that makes Salisbury such a special place. She thanked Mr. and Mrs. Norvell for their generous gift.

Mr. Lewis stated he is glad there are policies in place requiring donations to go through a public process for approval.

Thereupon, Mr. Lewis made a **motion** to accept the donation of public art from Edward and Susan Norvell through the Salisbury Community Foundation to be located in the square of East Fisher and Lee Streets. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

Mr. Lewis thanked Mr. Bill Greene from Wachovia Bank for his assistance with the Cotton Mills art project.

Ms. Perry noted that the Cotton Mills project will be presented to the Rowan-Salisbury School Board on November 24, 2008 and she thanked Council for their support.

### **DOWNTOWN SALISBURY, INC. – REPORT REGARDING EMPIRE HOTEL**

Mr. Dick Huffman, President of Downtown Salisbury, Inc. (DSI) and Mr. Brian Miller, DSI Empire Task Force Chairman, gave Council an update regarding the redevelopment of the Empire Hotel. Mr. Huffman stated that the hotel was purchased by DSI on July 19, 2007 through a gift sale with the Ragsdale family. Mr. Miller stated that the project was made possible through donations to the DSI Revolving Fund from financial partners Wachovia Bank, Community Bank of Rowan, F&M Bank, Community One Bank, Citizens South Bank, First 1 Bank, and Bank of North Carolina. He stated that he is very appreciative of these banks.

Mr. Miller reviewed the progress of the project. He explained that its scope area includes the alley beside Ralph Baker Shoes down to Bank Street and the parking in the rear of the building. He noted that the project also involved exchanging land with First Methodist Church, which was a mutually beneficial arrangement for both parties.

Mr. Miller reviewed the developer selection process. He stated that a Task Force was created and that they contacted 95 prospects concerning the project with complete information packets being sent to 80 of those prospects. He noted that seven development teams responded to the Request For Qualification. He indicated that Mr. Randy Hemann, Executive Director of DSI, conducted background checks on the development teams and the Task Force narrowed the field to five teams for interviews. He also noted that two of the final five teams were eliminated for lack of hotel experience or lack of historic rehabilitation experience and one team withdrew when they were made aware that fee development would not be an acceptable alternative.

Mr. Miller stated that Smith Travel Research, which is the lodging industry's leading information and data provider with the most comprehensive database of hotel performance information, indicated that the Salisbury area was nationally ranked in the top five small submarkets in terms of the need for additional hotel rooms. He also stated that from May 2007 to February 2008, Rowan County Hotels set a monthly record for hotel revenue. He noted that further justification of the need for more hotel rooms in Salisbury is that there are approximately 900 hotel rooms in Salisbury and by comparison Statesville has approximately 1600 rooms with 7000 fewer residents.

Mr. Miller stated that the teams who were interviewed were from various parts of the country and all presented a concept or preliminary design, a pro forma or funding plan, a timetable and a list of “must haves” from the public sector. He stated that after considering all of the information the Task Force chose Empire Properties of Raleigh, a team with an impeccable track record for preservation. He stated that the proposed project will cost approximately \$18,000,000 and will include hotel use and first floor



retail. Mr. Miller introduced Mr. Greg Hatem, Managing Partner of Empire Properties and Mr. Andrew Stewart, President of Empire Properties.

Mr. Hatem stated that Empire Properties began approximately 15 years ago in downtown Raleigh. He stated that most of their projects are driven by revitalization. Mr. Hatem displayed photographs of properties developed by Empire Properties.

Mr. Hatem reviewed the experience of Empire Properties:

- Over 40 rehabilitation projects accomplished since 1995
- Restoration of over 500,000 square feet of retail and office space in downtown Raleigh
- Approximately \$100,000,000 of development
- Multi-faceted hospitality division, including four owner-operated restaurants and wedding/event rental facility
- Full service real estate firm, offering development, brokerage, construction and property management services.

Mr. Hatem reviewed recent awards Empire Properties has received:

- 2007 J. Timothy Anderson Award for Excellence in Historic Rehabilitation
- 2007 Horizon Award
- 2008 Imprint Award
- 2008 Most Innovative Financing Program Champion Award
- 2008 SPACE Award for Top Redevelopment
- Multiple Sir Walter Raleigh Awards (7)
- 2008 Triangle Business Journal 40 Under 40 Leadership Award
- Multiple Anthemion Awards (4)
- 2006 L. Vincent Lowe, Jr. Business Award
- 2006 Champion Award/Impact Award

Mr. Hatem noted that Mr. Craig Spitzer, Empire Properties Director of Hospitality, will head the Empire Hotel project and reviewed his experience:

- Empire Properties Director of Hospitality
- At 25, he was the opening General Manager of a New York City hotel
- Grew occupancy from 72% at \$240 Average Daily Rate to 94% at \$325 Average Daily Rate over three years
- A decade of experience in hotel and restaurant management
- His experience and network of hospitality contacts will be leveraged throughout the Empire Hotel project.

Mr. Stewart reviewed his company's vision for the Empire Hotel:

- The Hotel's complementary mix of uses will accentuate Main Street's unique sense of place
- Return the hotel to its role as a landmark in downtown Salisbury, serving as a hub of retail, tourist and business activity in Rowan County
- Approximately 25,000 square feet of ground floor retail
- Approximately 9,000 square feet of office space on the back half of the ground floor
- Approximately 60,000 square feet of hotel use on upper floors
- 75-85 rooms that will highlight the original historic fabric of the building
- Returning Grand Ballroom to its original state, creating an ideal space for banquets, receptions and business events

Mr. Stewart reviewed the proposed timeline for the project:

- 12 months for:
  - Preconstruction
  - Development and signing of Empire Hotel Management Agreement
  - Arrangement of project funding
- Construction: 18 months
- Delivery: 2011

Mr. Stewart also reviewed the Development Budget and Sources of Funding:

Development Budget:

<u>Development Costs</u>		<u>% of Total Budget</u>
Building Purchase	\$1,500,000	8.2
Hard Costs	\$11,323,497	62.3
Soft Costs	\$4,805,246	26.4
Financing Costs	\$561,482	3.1
Total Uses	\$18,190,225	100.0

Sources of Funding: Empire Properties will leverage a mix of debt, historic tax credit equity, and other equity, as well as pursue as New Markets tax credits.

<u>Sources</u>		<u>% of Total Budget</u>
Debt	\$11,823,647	65.0
Tax Credit Equity	\$4,437,404	24.4
Equity	\$1,929,175	10.6
Total Uses	\$18,190,225	100.0

Mr. Stewart stated that the current financing model assumes 60% occupancy in the first year, stabilizing to 70% over a four year period. He added that this operating model is conservative.

Councilman Burgin thanked the Empire Properties representatives and noted that from an architect's perspective he sees the difference between someone just trying to make money and someone investing in the community. He stated that he has always seen potential in this building and looks forward to working with them.

Councilman Woodson complimented Mayor Kluttz for working diligently over many years on this project and her assistance in obtaining the property.

Mr. Hatem commended Council for preserving the building. He stated that even though the building has been abandoned, it is in very good shape.

Mayor Kluttz stated that she has great admiration for those who have a vision and love for downtowns. She stated that she is very familiar with the excellent reputation of Empire Properties and feels that Salisbury is fortunate to have them come here and share their talents. She congratulated DSI for being persistent and for the work they have done for this project. She also thanked the seven banks who participated in this project and the Ragsdale family.

Mr. Kennedy stated that he is very excited about the Empire Hotel project. He noted that it is important to inform the citizens of the developer's expectation of the City. He asked Joe Morris to explain the City's role in the redevelopment of the Empire Hotel.

Mr. Joe Morris, Planning and Community Development Manager, reviewed a Memorandum of Understanding, which outlines the role of the City. The City's role includes assistance with streetscape improvements, parking, façade grants, meeting space study, traffic and access, utilities, development incentives and plan review and approval. He concluded by asking Council to authorize the Mayor to execute the Memorandum of Understanding.

Mayor Kluttz commented that Empire Properties is not requiring meeting space, but a meeting space study and she feels the requests outlined in the Memorandum of Understanding are very reasonable for the amount of investment and jobs this will create. She added that she thinks it is time to perform a meeting space study because after the Convention Center Task Force concluded its study it was decided that meeting space was what Council should be looking toward. Councilman Burgin agreed that this is the right time and opportunity to perform a meeting space study. He stated that all aspects of the Memorandum of Understanding are very reasonable.

Thereupon, Mr. Kennedy made a **motion** to authorize the Mayor to execute a Memorandum of Understanding regarding the redevelopment of the Empire Hotel. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

## **FIBER TO THE HOME FINANCING UPDATE**

Mr. John Sofley, Management Services Director, addressed Council regarding financing for the Fiber to the Home project along with \$2,000,000 in General Fund capital improvements that have been approved. He introduced financial advisors Mr. Ted Cole and Mr. Bob High with Davenport Public Finance and Mr. David Adams an underwriter with BB&T Capital Markets.

Mr. Sofley recommended that the City continue to use Assured Guarantee to insure the debt. He stated that they are currently rated AAA and that the City's current rating, as assigned by Moody's and Standard and Poor's, is A3 and A, respectively. He stated that using Assured Guarantee will add value and lower the potential total cost of the interest rate over the life of the debt.

Mr. Sofley stated that the City will be required to have a debt service fund or purchase insurance in the form of a surety bond. He recommended that the City not purchase surety bonds because of market instability and because there are too many long term liabilities. He noted that if the bonding company's rating is dropped, the creditors will require that cash replace the bond. He recommended issuing additional debt to fund a debt service reserve.

Mr. Sofley stated that the bonds are scheduled to be priced on Thursday, November 20, 2008. He stated that there will be a conference call on Wednesday, November 19, 2008 for pre-pricing. He indicated that he should receive a call on Thursday, November 20, 2008 with an offer to purchase. He also indicated that at that time he will be required to accept or reject the offer. He noted that if the offer is accepted at that time there is a tentative close date of December 2, 2008. Mr. Sofley stated that when the financial model was designed the rate used was 6%. He commented that in the current market, the rate could be in the low 5% range, which is substantially lower than the rate used in the financial model. Mr. Sofley recommended that Council consider authorizing staff to move forward to set the pricing, using insurance if it is feasible, with a 100 % funded debt service reserve at an interest rate not to exceed 5.85%.

Councilman Burgin stated that he appreciates reducing the limit to 5.85% because with the additional funds and insurance it would be equivalent to the initial 6% rate used in the model.

Mr. Cole stated that he has spent quite a bit of time over the last several weeks studying the market, which has been volatile, but he has seen improved performance in the municipal bond market. He stated that an overriding goal is to preserve options and flexibility for the City. He also stated that the City has a solid credit rating and if insurance is not economically sound, Mr. Sofley's recommendation provides flexibility. He noted that once the bonds have been priced and closed the City's exposure to the market turmoil is over because the rates will be locked in for the life of the loan.

Thereupon, Mr. Lewis made a **motion** to authorize the issuance of Certificates of Participation with insurance if it is still economically feasible, with a 100% funded debt service reserve at an interest rate not to exceed 5.85%. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

### **BUILDING RENOVATION – 108 SOUTH MAIN STREET**

Ms. Wendy Brindle, Traffic Engineer, reminded Council that they recently adopted an Ordinance to allow use of the rights-of-way in the downtown area. She stated that Sullivan Builders are performing renovations at 108 South Main Street and have been required by the State to have a portable toilet on site. Ms. Brindle requested that Sullivan Builders be allowed to place a portable toilet next to the building at 108 South Main Street from mid November to mid February 2009. She also requested the use of a parking space for unloading materials as needed. She noted that staff feels the request is consistent with the intent of the Ordinance and she recommended that Council approve the request.

Mr. Burgin asked if there was any regulation in place that would determine how often the toilets would be serviced. Ms. Brindle stated that there were no such regulations.

Thereupon, Mr. Lewis made a **motion** to approve a request from Sullivan Builders, Inc. for the placement of a portable toilet and for the use of parking spaces from mid November 2008 through February 2009 for construction at 108 South Main Street. Mr. Woodson seconded the motion. Mr. Burgin added an amendment to the motion that the portable toilets be emptied no less than once per week. Mr. Lewis accepted the amendment. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

### **RESOLUTION – 21<sup>ST</sup> CENTURY TRANSPORTATION COMMITTEE**

Mr. Doug Paris, Assistant to the City Manager, presented a Resolution to Council regarding the 21<sup>st</sup> Century Transportation Committee proposals that were presented to Council at its November 4, 2008 meeting. He stated that several cities have adopted Resolutions in opposition to any proposal that would transfer roads to cities and the financial impact that the transfers would have. He requested Council's consideration in adopting the Resolution.

Mayor Kluttz stated that she supports Council's position of not wanting roads transferred to the City without adequate funding.

Thereupon, Mr. Woodson made a **motion** to adopt a Resolution in opposition to the transfer of State owned secondary roads to municipalities. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

## A RESOLUTION IN OPPOSITION TO THE TRANSFER OF STATE OWNED SECONDARY ROADS TO MUNICIPALITIES

(The above Resolution is recorded in full in Resolution Book No. 13 at Page No. 70, and is known as Resolution No. 2008-43.)

### **BOARDS AND COMMISSIONS**

Upon a **motion** by Mr. Kennedy, seconded by Mr. Burgin, and with Messrs. Burgin, Kennedy, Woodson, Lewis, and Ms. Kluttz voting AYE, the following appointment was made to the Tree Board:

Dr. Herman Felton, Jr.

Term Expires: 3-31-2011

### **PUBLIC COMMENT**

Mayor Kluttz opened the floor to receive public comments.

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

### **COMMENTS FROM THE CITY MANAGER**

#### (a) Request from Catawba College

City Manager David Treme provided Council with a request from Catawba College regarding signs. Mr. Treme stated that there will be follow up to this request at Council's next meeting.

#### (b) Purchase of Property

City Manager David Treme stated that one element of the Fiber To The Home (FTTH) project is to purchase property identified as Tax Map 017 Parcel 07101 in the amount of \$395,000. He stated that included in the financing package is a portion of the general fund debt which was included in order to acquire the best rate. He requested Council approve a motion to purchase property identified as Tax Map 017 Parcel 07101 in the amount of \$395,000 contingent upon successful pricing of Certificates of Participation debt issuance on November 20, 2008.

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

## **MAYOR'S ANNOUNCEMENTS**

(a) **Holiday Night Out**

Mayor Kluttz announced that Downtown Salisbury, Inc. will host Holiday Night Out Friday, November 28, 2008 from 5:00 p.m. until 9:00 p.m. in downtown Salisbury.

(b) **49<sup>th</sup> Annual Holiday Caravan Parade**

Mayor Kluttz announced that the Rowan Business Alliance and the Spencer Jaycees will host the 49<sup>th</sup> Annual Holiday Caravan Parade Wednesday, November 26, 2008. The parade begins at 2:00 p.m. in Spencer and 3:00 p.m. in Salisbury.

(c) **Corriher-Lipe Middle School Human Relations Council Meeting**

Mayor Kluttz stated that she was invited to attend the Corriher-Lipe Middle School Human Relations Council Meeting and make a presentation. She stated that this is a part of the outreach from the Multi-Cultural Training offered through the Human Relations Council. She stated that Corriher-Lipe Middle School is making students aware that there needs to be appreciation and understanding of diversity in the schools. She stated that she is very proud of the students and added that she would like to invite the students to make a presentation at a City Council meeting.

(d) **National League of Cities**

Councilman Kennedy informed Council that the National League of Cities is encouraging cities to have a presentation regarding the Federal Communications Commission's conversion from analog to digital television. He requested Technology Services Manager Mike Crowell make a presentation regarding the transition at Council's next meeting. He explained that this will be a way to alert citizens of the change and how they may be able to receive financial assistance in order to complete the transition.

## **ADJOURNMENT**

**Motion** to adjourn the meeting was made by Mr. Lewis, seconded by Mr. Burgin. All council members agreed unanimously to adjourn. The meeting was adjourned at 6:15 p.m.

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Mayor

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City Clerk