1. **Call to Order – Mayor Anne P. Stedman**

2. **Opening – Council Member Tom Rowe**

3. **Approval of Minutes from the December 6, 2016 Regular Meeting**

4. **Consideration of Consent Agenda Items**
   - A. Tax Releases
   - B. Sewer Adjustments
   - C. Consideration of Budget Ordinance Amendment for ElectriCities Grant
   - D. Consideration of Budget Ordinance Amendment for Forensic Testing

5. **Comments from the Public:** (PERSONS WANTING TO MAKE A PUBLIC COMMENT ON NON-AGENDA ITEMS ARE REQUESTED TO SIGN IN WITH THE CITY CLERK PRIOR TO THE MEETING):

6. **Presentation**
   - A. Parks and Recreation

7. **Public Hearing**
   - A. To Consider an Installment Financing Agreement for Infrastructure Improvements

8. **Old Business**
   - A. Consideration of Award of Financing Bid and Resolution Approving Financing Terms

9. **City Manager’s Report**

10. **Questions and Comments From Mayor and Council**
    - A. Reports from Appointed Representatives on Outside Boards – Council Member Tom Rowe

11. **Adjournment**

*PERSONS WANTING TO SPEAK ON AN AGENDA ITEM MUST SIGN IN WITH THE CITY CLERK PRIOR TO THE MEETING. PERSONS WANTING TO BE PLACED ON THE AGENDA FOR THE NEXT MEETING MUST CONTACT THE CITY MANAGER AT LEAST SEVEN WORKING DAYS BEFORE THE MEETING.*

*The City of Newton does not discriminate on the basis of disability in the provision of its services as charged by the City Council of the City of Newton. All meetings are held in accessible facilities. Any person with a disability needing special accommodations should contact Teresa Laffin, ADA Coordinator, at least 48 hours prior to the scheduled meeting.*
MINUTES
REGULAR MEETING OF THE NEWTON CITY COUNCIL
December 6, 2016 – 7 p.m.

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, November 15, 2016 at Newton City Hall.

PRESENT: Mayor Anne P. Stedman, Mayor Pro Tem John Stiver, and Council Members Tom Rowe, Jerry Hodge, Wes Weaver, Robert C. Abernethy, Jr., and Jody Dixon

STAFF: City Manager Todd Clark, City Clerk Amy S. Falowski, City Attorney John Cilley, City Department Heads and members of the management team

ITEM 1: CALL TO ORDER

Mayor Anne P. Stedman welcomed everyone and called the meeting to order.

ITEM 2: OPENING Invocation and Pledge of Allegiance

Council Member Wes Weaver, along with Boy Scout Troop 903 provided the invocation and Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Jody Dixon, it was unanimously RESOLVED:

That the Regular Minutes of the November 15, 2016 City Council meeting be – APPROVED

ITEM 4: CONSIDERATION OF CONSENT AGENDA ITEMS

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Jerry Hodge, it was RESOLVED:

That the Consent Agenda be – APPROVED

A. Sewer Adjustments
B. Consideration of Annual Fire Department Membership Roster
C. Consideration of Budget Ordinance Amendment – Disc Golf Course
D. Consideration of Budget Ordinance Amendment – Generators
E. Consideration of the 2017 Regular City Meetings Schedule, Workshop Schedules

(Ordinances, Resolutions and Proclamations are hereby referenced and on file in the Office of the City Clerk)

ITEM 5: COMMENTS FROM THE PUBLIC: PEOPLE WHO WISH TO COMMENT ON NON-AGENDA ITEMS ARE ASKED TO SIGN IN WITH THE CITY CLERK PRIOR TO THE MEETING.

Mayor Anne P. Stedman asked if anyone present would like to make comment concerning non-agenda items.

North Carolina Representative Mitchell Setzer presented Council Member Tom Rowe with the Order of the Long Leaf Pine.
Representative Mitchell stated that “serving a community as an elected official for more than 30 years is a rare accomplishment; serving a community with the integrity and effectiveness of Tom Rowe is almost unheard of.”

Council Member Tom Rowe stated that “representing the people of Newton for so many years has been a great honor, and it is an honor for me to be awarded the Order of the Long Leaf Pine. I am very surprised and thankful.”

Mayor Stedman thanked Council Member Rowe for his years of service to the city and the community.

ITEM 6: Public Hearing

A. To Consider an Installment Agreement for Financing

Mayor Stedman stated that this Public Hearing would be held at the January 10, 2017 meeting.

ITEM 7: Presentations

A. Fiscal Year 2016 Audit

Marcie Spivey of Martin-Starnes & Associates presented the City Council with the 2016 Audited Financial Statement. Ms. Spivey stated that the financial statements of the City of Newton present fairly, in all material respects, the respective financial position which results in an unqualified opinion. Ms. Spivey stated that this opinion basically means the auditors feel the City followed all accounting rules appropriately and that the financial statements are an accurate reflection of the financial position of the City with no material misstatements.

Ms. Spivey stated that the Finance Staff was very cooperative, and that her staff was very appreciative of this.

City Manager Todd Clark thanked Ms. Spivey and also Serina Hinson, Finance Director, and her staff for the great job that they do for the City, and stated that the audit is available to the public on the City’s website.

B. K64 Education Initiative Presentation

Mark Story from Catawba Valley Community College gave a presentation concerning the K64 Education Initiative. Mr. Story explained that the program is a proposed partnership to prepare students for the workforce by helping companies connect with students at a younger age.

Mayor Stedman thanked Mr. Story for the presentation. She stated that she looks forward to the partnership. Mr. Clark asked what the city can do now. Mr. Story said that the college will get back in touch after the program gets underway.

C. Pedestrian Plan Overview

John Cock of Alta Planning and Design presented the City of Newton Comprehensive Pedestrian Plan.

Council Member Jerry Hodge asked how cities go about transitioning to walkable communities and how do you address it when people don’t want it. Mr. Cock stated that sometimes it is a fight but that major corridors are places to focus first.

Planning Director Randy Williams stated that thanks to residents there were 186 survey responses, which prompted the city to extend the survey.
Council Member Abernethy stated this is informational and wanted to know when the council will have a chance to voice concerns. Mr. Cock said that there will be a draft plan in the spring. Mayor Stedman thanked Mr. Cock for his work and for the presentation.

D. Parks and Recreation

Parks and Recreation Director Sandra Waters gave a presentation concerning future sites and information for a potential dog park. Ms. Waters showed several locations for a potential park, including Northside Park and Southside Park.

Council Member Jerry Hodge asked what is the purpose of the park and would only dogs be allowed. Assistant City Manager Sean Hovis stated that the park would just be for dogs and it would be a passive type park. Mr. Hodge asked if it would also be a resting place, or could it be used for dog shows in the future. Mr. Hovis stated that he wasn’t sure about using a dog park for economic development such as dog shows. Ms. Waters stated that it could be used as a place for dogs and their owners to socialize.

Council Member Jody Dixon asked if there would need to be an attendant on duty. Ms. Waters stated that there would not, and that if there were complaints then someone could be designated to monitor the park. Mr. Hodge asked what about night time. Ms. Waters stated that there would be open/close hours and that the park would close at dusk. Mr. Hodge wondered if with dog shows for instance, the city could generate income. Ms. Waters stated that she would assume some larger cities might. Council Member Robert Abernethy stated that he thinks people will use the park, but that there will be people that will not pick up after their dogs. Mr. Clark stated that the Council and staff need to think through all the expenses of running a dog park.

E. DNDA Folk Art Festival Report

Main Street Program Manager Shannon Johnson stated that she would like to thank city council for their support before and after the Folk Art Festival. She also thanked staff and stated that the DNDA had lots of help from other departments.

Council Member Jerry Hodge asked how the money earned from the event was being used. Ms. Johnson stated that the DNDA will put back $1000 for seed money for next year’s event and that the rest will be decided at the planning workshop. Mr. Hodge stated that he had great feedback for the event and recommended that for other events it would be great to have downtown feedback which would include surveys.

Council Member John Stiver stated that from what Ms. Johnson is saying that the festival made and economic impact on businesses and that booth position was crucial for businesses.

Council Member Robert Abernethy stated that the thought the city’s contribution was more than $4,500. Mr. Clark stated that there was $17,000 available if needed. Mr. Abernethy asked if the unspent funds went back in to Fund Balance. Mr. Clark stated that it is still in that account, but should remain unspent. Mr. Clark said that we were unsure how much would be needed this first year, but now we have a better idea.

ITEM 8: Old Business

A. Consideration of Resolution Accepting Financing Terms for Vehicles and Equipment

Finance Director Serina Hinson stated that on November 3, 2016, bids were solicited for funding of vehicles and equipment. These capital items were approved as part of the FY 2016-2017 budget ordinance. Seven RFP’s were submitted to the following financial institutions: BB&T Governmental
Finance, Wells Fargo, SunTrust Equipment Finance & Leasing Corp. (SunTrust), First Tennessee Commercial Banking, First Citizens Bank, Peoples Bank, and Regions Bank.

Of the seven financial institutions solicited, four of these institutions provided a quote: BB&T Governmental Finance, First Citizens Bank, Peoples Bank and SunTrust Equipment Finance & Leasing Corp.

The bids were as follows:

<table>
<thead>
<tr>
<th>Financial Institution</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>59 month Amortization ($472,800):</td>
<td></td>
</tr>
<tr>
<td>BB&amp;T Governmental Finance</td>
<td>1.64%</td>
</tr>
<tr>
<td>First Citizens Bank</td>
<td>1.69%</td>
</tr>
<tr>
<td>Peoples Bank</td>
<td>2.30%</td>
</tr>
<tr>
<td>SunTrust</td>
<td>2.08%</td>
</tr>
</tbody>
</table>

Ms. Hinson stated that BB&T Governmental Finance, First Citizens Bank, Peoples Bank and Sun Trust Equipment Finance & Leasing Corp. provided very attractive and competitive bids. BB&T Governmental Finance provided the lowest bid.

Ms. Hinson recommended that City Council award BB&T Governmental Finance the bid, and that Council take the following action:

1) Award the bid to provide financing to BB&T Governmental Finance for an amount not to exceed $472,800 at stated interest rate of 1.64% for 59 months.

2) Adopt the Resolution Approving Financing Terms based on a 59 month amortization.

Upon motion duly made by Council Member Wes Weaver, seconded by Mayor Pro Tem John Stiver, it was unanimously RESOLVED:

That the bid to provide financing to BB&T Governmental Finance for an amount not to exceed $472,800 at stated interest rate of 1.64% for 59 months be – APPROVED.

Upon motion duly made by Council Member Wes Weaver, seconded by Council Member Tom Rowe, it was unanimously RESOLVED:

That Resolution Approving Financing Terms based on a 59 month amortization be – ADOPTED.

(Ordinances, Resolutions and Proclamations are hereby referenced and on file in the Office of the City Clerk)

B. Westside Drive Wastewater Rehabilitation Project

Public Works and Utilities Director Dusty Wentz stated that in July of 2016, council approved intent to reimburse the Water and Sewer Fund for expenditures related to the Westside Dr. Gravity Sewer Replacement Project. Mr. Wentz stated that $1,100,000 was appropriated to fund engineering, survey, bidding, permits, and construction for replacement of the 3,000 LF of gravity sewer line currently failing adjacent to Westside Dr.

Mr. Wentz stated that design engineering has been completed at a cost of $55,000, and $45,000 is budgeted for construction engineering observation and administration.
Mr. Wentz said the project has been released for bid, and bids received on November 22nd, 2016 are as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Base Bid</th>
<th>Alternate 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buckeye Bridge, LLC</td>
<td>$1,228,018</td>
<td>$61,143</td>
</tr>
<tr>
<td>Dellinger, Inc.</td>
<td>$1,140,971.50</td>
<td>$24,000</td>
</tr>
<tr>
<td>Hickory Sand Company, Inc.</td>
<td>$1,319,385</td>
<td>$34,940</td>
</tr>
<tr>
<td>State Utility Contractors, Inc.</td>
<td>$1,741,880</td>
<td>$70,000</td>
</tr>
</tbody>
</table>

*Note that the bids do not include contingency.

Mr. Wentz stated the bid price includes a complete asphalt overlay on Westside Drive once the sewer line has been constructed. He also proposed to replace the entire storm culvert system as part of this project due to the engineer’s evaluation of existing conditions and the likely collapse due to the sewer line construction project. In consideration of the very advantageous bid price for culvert replacement, staff recommends that Alternate 1 for storm culvert replacement be awarded.

Dellinger, Inc. is the lowest bidder in the amount of $1,164,971.50. The engineer has recommended a construction contingency in the amount of $58,250 (5%), but the Finance Director has recommended a contingency of $135,028.50.

Total project costs are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design Engineering:</td>
<td>$55,000</td>
</tr>
<tr>
<td>CO/CA Engineering:</td>
<td>$45,000</td>
</tr>
<tr>
<td>Construction (Base)</td>
<td>$1,140,971.50</td>
</tr>
<tr>
<td>Construction (Alt 1)</td>
<td>$24,000</td>
</tr>
<tr>
<td>Contingency (5%)</td>
<td>$135,028.50</td>
</tr>
<tr>
<td>Total</td>
<td>$1,400,000</td>
</tr>
<tr>
<td>July Budget Amendment</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>Additional Funds Needed</td>
<td>$300,000</td>
</tr>
</tbody>
</table>

Mr. Wentz explained that the lowest qualified bid received on this project is 18% higher than originally estimated and that if council moves forward with this project, an additional $300,000 is needed.

Mr. Wentz recommended that City Council entertain separate motions for the attached Budget Ordinance Amendment for the Westside Dr. Sewer replacement project, and award of the construction contract to Dellinger, Inc. in the amount of $1,164,971.50.

Council Member Wes Weaver asked who is responsible for the base for the asphalt overlay. Mr. Wentz explained that the base is included in the bid price.

Council Member Jerry Hodge asked that if the unit price contract in the McGill letter was a basis for all bids. Mr. Wentz stated that yes, they were all the same.

Mayor Stedman asked if the lowest bid was $300,000 over what was expected. Mr. Wentz said that it was.

Upon motion duly made by Council Member Wes Weaver, seconded by Mayor Pro Tem John Stiver, it was unanimously RESOLVED:

That – Capital Project Ordinance Amendment be ADOPTED.
Upon motion duly made by Council Member Tom Rowe, seconded by Council Member Jody Dixon, it was unanimously RESOLVED:

That – Contract Award to Dellinger, Inc. in the amount of $1,164,971.50 be – APPROVED.

(Ordinances, Resolutions and Proclamations are hereby referenced and on file in the Office of the City Clerk)

C. Consideration of

1. Resolution to Proceed on Behalf of the City by Filing an Application Regarding Financing to the North Carolina Local Government Commission (LGC)

2. Resolution Calling for a Public Hearing

Finance Director Serina Hinson stated that on November 15, 2016 City Council approved for staff to move forward with a public hearing and the filing of an application with the North Carolina Local Government Commission on the installment financing related to the Westside Drive Wastewater Rehabilitation Project. The city has since received the bids on this project which came in much higher; therefore, we would like to increase the amount of the LGC application from $1.1 million to $1,400,000.

Ms. Hinson stated the City of Newton wishes to finance the acquisition of certain infrastructure improvements, more specifically the Westside Drive Wastewater Rehabilitation Project. This project was not initially included as part of the Fiscal Year 2016-2017 budget; however, it is included on the 10-Year Capital Improvement Plan in future years. Due to the emergency nature of the project, Council approved to move forward with this project on July 12, 2016.

Ms. Hinson stated the Finance Department will be soliciting quotes from various financial institutions to borrow the funds, and that a recommendation will be provided to City Council on the award of financing January 10, 2017. A public hearing will also be called on this date.

Upon motion duly made by Council Member Wes Weaver, seconded by Mayor Pro Tem John Stiver, it was unanimously RESOLVED:

That the attached resolution authorizing the City Manager and Finance Director to act on behalf of the City and to authorize the filing of an application with the North Carolina Local Government Commission be – ADOPTED.

Upon motion duly made by Council Member Robert C. Abernethy, Jr., seconded by Council Member Jerry Hodge, it was unanimously RESOLVED:

That the attached resolution calling for a public hearing on January 10, 2017 be – ADOPTED.

(Ordinances, Resolutions and Proclamations are hereby referenced and on file in the Office of the City Clerk)

ITEM 9: New Business

A. Consideration to approve request to apply for Brownfield Coalition Grant with the City of Hickory and the Town of Long View
Planning Director Randy Williams stated The Brownfields Coalition Assessment Grant provides grants of up to $600,000 to a three-member coalition to identify, inventory, perform environmental studies, and develop a plan for multiple known or suspect Brownfield sites within the coalition’s jurisdictions. These plans will typically focus on industrial sites and former petrol-based businesses. Mr. Williams stated the plan will focus on the cleanup and reuse of one or more catalyst sites. A coalition grant is a regional scoping project which generally benefits multiple communities focusing on similar issues; in this case underutilized industrial facilities.

Mr. Williams explained that EPA Brownfield grants are very competitive and are extremely detailed in their requirements for funding. The coalition grant is regional in nature rather than for a single entity. Working with the City of Hickory in this effort provides the cities of Newton and Long View a well-postured position in the grant application process with a supported and verified jurisdiction. Mr. Williams said that additionally, it gives a City of Hickory a new option to obtain EPA funds.

Mr. Williams stated the planning staffs in the cities of Hickory, Newton and Long View have discussed this possibility as an approach to leverage additional funds from EPA, work together for the common interest of putting underutilized properties back into productive sites, and establishing a successful track record with EPA.

Mr. Williams stated that grant funding will result in the completion of a comprehensive plan for the redevelopment and eventual cleanup of the project sites. This will include extensive community involvement to ascertain the concerns and issues most important to neighborhood residents and business owners. Funds will be used to conduct market analyses to determine re-use options for properties in the area. The plan will also discuss needed land use changes and infrastructure improvements necessary to spur redevelopment and cleanup of brownfield sites.

Mr. Williams said there is no required match to apply for the grant. The City of Hickory has been successful in leveraging Brownfield grant for redevelopment, including Hollar Mill, Moretz Mill, Transportation Insight headquarters among others. The region-wide Planning Grant will enable the cities to plan for the re-use and eventual cleanup of a number of sites.

Once the grant is awarded, a Memorandum of Understanding will be adopted by the separate jurisdictions to work together and distribute funds according to project sites and their specific needs.

Mr. Williams recommended that City Council authorize staff to continue to work with Hickory and Long View staffs and apply for the Brownfields Coalition Planning Grant in the amount of $600,000.

Council Member Jerry Hodge asked for some examples in Hickory. Mr. Williams stated Hollar Mills, Joan Fabrics, Moretz Mill. Mayor Stedman asked if there were any specific sites. Mr. Williams said that they have scoped 7 sites.

Council Member Wes Weaver asked how the Memorandum of Understanding works. Mr. Williams said that it would help the cities decide which sites are best along with a steering committee.

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Jody Dixon, it was unanimously RESOLVED:

That - Request to apply for Brownfield Coalition Grant with the City of Hickory and the Town of Long View be - APPROVED
ITEM 10: City Manager’s Report

Meetings & Events

- December 7th – Building Site Analysis Presentation, Hickory Metro Convention Center, 4:00 p.m.
- December 8th – Catawba Valley Furniture Academy Ribbon Cutting, 973 Locust Street, 10:00 a.m.
- December 8th – USA Storage Ribbon Cutting, 3005 Nathan Ave., 12:00 p.m.
- December 15th – Don Cannon Retirement Lunch, Public Works, 11:30 a.m.
- December 16th – Mike Sullivan Retirement Reception, Council Chamber, 3:00 p.m.
- December 17th – Music of Spirit, Central Recreation Center, 3:30-7:30 p.m.
- Consideration of Appointments to Economic Development Sub-committee
- Consideration of Annual Workshop Dates:
  - January 19th and 20th
  - January 26th and 27th

ITEM 11: Questions and Comments from Mayor and Council

Mayor Anne P. Stedman asked if any Council Members would like to make any comments.

Mayor Pro Tem John Stiver gave brief reports on ElectriCities, the Tree Board and the Recreation Board.

ITEM 12: Closed Session to Consult with City Attorney – G.S. 143-318-11(a)(3), G.S. 143-318-11(5)

Upon motion duly made by Council Member Wes Weaver, seconded by Council Member Robert C. Abernethy, Jr., it was unanimously RESOLVED:

That the City Council enter CLOSED SESSION per G.S. 143-318-11(a)(3), G.S. 143-218-11(5)

Council Member Wes Weaver made the motion to go back into open session, which was seconded by Council Member Robert C. Abernethy, Jr. All Ayes.

ITEM 13: Adjournment

Upon motion duly made by Council Member Wes Weaver, seconded by Council Member Robert C. Abernethy, Jr., it was unanimously RESOLVED:

That the Meeting be – ADJORNED

________________________________________
Anne P. Stedman, Mayor

_______________________________________
Amy S. Falowski, City Clerk
TO: E. Todd Clark, City Manager               DATE: December 15, 2016
RE: Tax Releases – November 2016
FROM: Serina T. Hinson, Finance Director

The following tax releases have been received from the Catawba County Tax Collector. The reason for each release is annotated beside the name.

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Tax Release Number</th>
<th>Name</th>
<th>Reason</th>
<th>Amount of Release</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>54</td>
<td>Arndt, Kelvin M.</td>
<td>Property sold</td>
<td>$2.41</td>
</tr>
<tr>
<td>2016</td>
<td>55</td>
<td>Hoagies @ The Lake, Inc.</td>
<td>Taxpayer submitted true assets after discovery billing</td>
<td>$40.75</td>
</tr>
<tr>
<td>2015</td>
<td>56</td>
<td>Kanipe, Faye A.</td>
<td>Small underpayment</td>
<td>$0.46</td>
</tr>
<tr>
<td>2016</td>
<td>57</td>
<td>Lee Catawba Lincoln Properties, LLC</td>
<td>Small underpayment</td>
<td>$0.09</td>
</tr>
<tr>
<td>2016</td>
<td>58</td>
<td>Mitchell, Michael C.</td>
<td>Value adjustment</td>
<td>$4.34</td>
</tr>
<tr>
<td>2016</td>
<td>59</td>
<td>Nadeau, David A.</td>
<td>Clerical error, rebilled</td>
<td>$1.78</td>
</tr>
<tr>
<td>2016</td>
<td>60</td>
<td>Vongrasamy, Phetsamone P.</td>
<td>Property stolen</td>
<td>$2.73</td>
</tr>
</tbody>
</table>

Should you have any questions or need clarification, please notify. Releases are submitted as required by NCGS § 105-381(b).
CITY OF NEWTON

Sewer Adjustments

TO:  E. Todd Clark, City Manager    DATE:  December 28, 2016
RE:  Sewer Adjustments – January 10, 2017

FROM:  Serina Hinson, Finance Director

The following sewer adjustment is recommended for approval. The adjustment is recommended as a result of a water leak at the service address or a pool fill up.

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Name</th>
<th>Service Address</th>
<th>Adjustment Period</th>
<th>Amount of Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>61001440-007</td>
<td>Sharon C Hunt</td>
<td>109 McDaniels Cir</td>
<td>Oct</td>
<td>$ 48.58</td>
</tr>
</tbody>
</table>

Backup documentation to support each adjustment is on file in the Finance Department. Should you have questions or require further clarification, please notify.
DATE: January 4, 2017

TO: E. Todd Clark, City Manager

FROM: Sean Hovis, Assistant City Manager

CONSIDERATION OF: Acceptance of Grant from ElectriCities

Approved for Council Consideration

Background:

The City of Newton applied for a Customized City Project Grant with ElectriCities. The customized city project is the marketing and branding campaign in which North Star was hired by the city of Newton to assist with. The award is for $7000.00 with no matching funds needed. The city of Newton can only apply once a year for ElectriCities’ Customized City Project Grant.

Requested Action:

That City Council accept ElectriCities’ Customized City Project Grant in the amount of $7000.00 with no matching funds needed.
AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2016-2017 FOR THE CITY OF NEWTON.

WHEREAS, the City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, the City Council desires to recognize the award of a $7,000 Customized City Project Grant from ElectriCities which is targeted to assist with marketing, websites, billboards, videos, tourism/walking maps, and logo development. The $7,000 grant will be used for the City’s comprehensive branding and marketing campaign which is currently underway; and

WHEREAS, the City Council desires to recognize the grant funds and authorize the related expenditure appropriation within the Administration Department operating budget.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON, NORTH CAROLINA, THAT:

THE FOLLOWING SOURCE OF REVENUE AND APPROPRIATION ARE HEREBY APPROVED.

General Fund Revenues
   Spec. Project Contrib/Other Grants 11-0000.3845 $7,000

General Fund Appropriations
   Marketing/Promotion 11-4120.6710 $7,000

Adopted this 10th day of January, 2017.

Anne P. Stedman, Mayor

Attest:

Amy S. Falowski, City Clerk
DATE: January 5, 2017

TO: E. Todd Clark, City Manager

FROM: Donald G. Brown II, Chief of Police

CONSIDERATION OF: Budget Amendment to appropriate funds for forensic evidence analysis by National Medical Services (NMS).

Approved for Council Consideration

Background:

In the 2015-2016 FY budget Newton City Council approved funding up to $50,000 for evidence processing for the Margaret “Maggie” Daniels homicide investigation. The funds were not carried forward into the FY 16-17 budget year and were reverted back to fund balance. Analysis has been completed and the cost for the analysis is less than anticipated. We are requesting funds be appropriated in the current budget in the amount of $15,516 to cover the cost of evidence analysis.

Summary:

Budget amendment to provide funding for evidence analysis for the Margaret “Maggie” Daniels Homicide case.

Requested Action:

Motion to adopt the attached “Budget Amendment” resolution.
ORDINANCE # 2017-2

AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2016-2017 FOR THE CITY OF NEWTON.

WHEREAS, the City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, the City Council desires to approve $15,550 to cover the cost of evidence processing by National Medical Services, a private crime lab, related to a criminal investigation; and

WHEREAS, the City Council desires to utilize fund balance and to authorize the related expenditure appropriation within the Police Department operating budget.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON, NORTH CAROLINA, THAT:

THE FOLLOWING SOURCE OF REVENUE AND APPROPRIATION ARE HEREBY APPROVED.

General Fund Revenues
   Fund Balance Appropriated 11-0000.3990 $15,550

General Fund Appropriations
   Professional Services Other 11-4310.4990 $15,550

Adopted this 10th day of January, 2017.

Attest:

__________________________
Anne P. Stedman, Mayor

__________________________
Amy S. Falowski, City Clerk
DATE: December 27, 2016

TO: E. Todd Clark, City Manager

FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Award financing bid and adopt resolution approving financing terms.

Approved for Council Consideration

On December 9, 2016, bids were solicited for funding the Westside Drive Wastewater Infrastructure Project. Seven RFP’s were submitted to the following financial institutions: BB&T Governmental Finance, Wells Fargo, SunTrust Equipment Finance & Leasing Corp. (SunTrust), First Tennessee Commercial Banking, First Citizens Bank, Peoples Bank, and Regions Bank.

Of the seven financial institutions solicited, two of these institutions provided a quote: BB&T Governmental Finance and Peoples Bank.

The bids were as follows:

<table>
<thead>
<tr>
<th>Financial Institution</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 Year Amortization ($1,400,000):</td>
<td></td>
</tr>
<tr>
<td>BB&amp;T Governmental Finance</td>
<td>3.04%</td>
</tr>
<tr>
<td>Peoples Bank</td>
<td>2.67%</td>
</tr>
</tbody>
</table>

BB&T Governmental Finance and Peoples Bank provided very attractive and competitive bids. Peoples Bank provided the lowest bid.

It is staff’s recommendation that City Council award Peoples Bank the bid.

Action Suggested:

1) Award the bid to provide financing to Peoples Bank for an amount not to exceed $1,400,000 at stated interest rate of 2.67% for 15 years.

2) Adopt the Resolution Approving Financing Terms based on a 15 year amortization.
WHEREAS: The City of Newton, North Carolina ("City") has previously determined to undertake a project for the financing of the Westside Drive Wastewater Infrastructure Project (the "Project"), and the Finance Director has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The City hereby determines to finance the Project through Peoples Bank, in accordance with the proposal dated December 12, 2016. The amount financed shall not exceed $1,400,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.67%, and the financing term shall not exceed fifteen (15) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Director is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Director is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Director shall approve, with the Finance Director's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The City intends that the adoption of this resolution will be a declaration of the City's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the Peoples Bank financing described above. The City intends that funds that have been advanced, or that may be advanced, from the City's general fund, or any other City fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 10th day of January, 2017.

_________________________________  ____________________________________
Amy S. Falowski, City Clerk  Anne P. Stedman, Mayor
<table>
<thead>
<tr>
<th>Financing Term - 15 Years:</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Water/Wastewater Operations:</td>
<td></td>
</tr>
<tr>
<td>Westside Drive Wastewater Rehabilitation Project</td>
<td>1,400,000</td>
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<tr>
<td><strong>Total 15 Year Financing</strong></td>
<td><strong>1,400,000</strong></td>
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