

**MINUTES  
REGULAR MEETING OF THE NEWTON CITY COUNCIL**

**February 2, 2016 – 7 p.m.**

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, February 2, 2016 at Newton City Hall.

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

**STAFF:** City Manager Todd Clark, Assistant City Manager Sean Hovis, 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 Jody Dixon provided the invocation and Pledge of Allegiance.

**ITEM 3: APPROVAL OF MINUTES**

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

That the Regular Minutes of the January 5, 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 Robert C. Abernethy, with the change to move item E to New Business, it was unanimously RESOLVED:

That the Consent Agenda be – APPROVED

- A. Tax Releases
- B. Sewer Adjustments
- C. Consideration of the Annual Reports for the Water and Wastewater System
- D. Consideration to Accept Grant Revenues and Authorize Expenditure Appropriation Within the Police and Fire Department Budgets
- E. Consideration of Street Closure – Rotary Car Show

Council Member Jerry Hodge asked that Item E – Consideration of Street Closure – Rotary Car Show be moved to New Business. It was the consensus of the City Council to move Item E.

(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. No one appeared.

**ITEM 6:        Old Business**

A. Consideration of Final Adjusting Change Order for South Caldwell Culvert

Public Works and Utilities Director Dusty Wentz stated that the culvert under S. Caldwell has been installed, approved by the engineer, and accepted by the city. He stated that the following change orders totaling \$7,071.30 were required during construction:

1. Modification of storm water collection system on the south side of the culvert, replacement of 35 LF of 24" storm water culvert - \$4,836.30
2. Overage of select backfill for compaction around the culvert. Estimated quantity was 350 cubic yards, final quantity is 499 CY. Increase in quantity is due to poor soil conditions found onsite. Very little of the existing backfill was of high enough quality to reuse and had to be replaced. - \$2,235

Mr. Wentz stated the engineer requested an increase in construction observation fee due to the increase in hourly billing. The original contract with the engineer was signed in 2013 with work completed late 2015. The total increase is \$2,000.

Mr. Wentz stated that all of these changes total \$9,071.30, for a total project cost of \$386,748.30. This represents a 2.40% increase and the total available contingency is \$22,323.

Mr. Wentz requested that Council approve the use of \$9,071.30 contingency to close out the S. Caldwell Culvert replacement project.

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

That Final Adjusting Change Order for South Caldwell Culvert be – APPROVED.

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

B. Consideration of Final Adjusting Change Order for W 20<sup>th</sup> Street Ext.

Public Works and Utilities Director Dusty Wentz stated the resurfacing of the W. 20<sup>th</sup> Street extension is complete, and two issues have arisen for which staff request the use of contingency.

Mr. Wentz stated that the first issue is the undercutting of a 125'x25'x1' area at the bottom of the extension was required due to poor soil conditions. The contractor removed the unsuitable material and backfilled with surge stone. He said that total increase is \$5,980.

Mr. Wentz stated the second issue is the striping of W. 20<sup>th</sup> Street extension which did not include all NCDOT marking, or the correct paint type at bid. Currently, NCDOT requires all intersections to be painted with a thermoplastic paint with a high level of reflectivity. He stated that total increase is \$2,680.

Mr. Wentz stated that there are some savings realized on the project. He explained the adjacent site development project installed curb and gutter on one side of the road, resulting in significant reduction to the project funded by the city and this total decrease is \$6,930.

Mr. Wentz stated that together all of these changes result in a total project increase of \$1,730 for a project cost of \$79,900. The original total project amount is \$78,170, and \$7,817 (10%) was held as contingency. This increase represents a 2.21% increase to the project which is complete.

Mr. Wentz requested that Council approve the use of \$1,730 contingency to close out the W. 20<sup>th</sup> Street Extension resurfacing project.

Council Member Abernethy asked to be recused.

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

That Council Member Robert C. Abernethy, Jr. be RECUSED.

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

That Final Adjusting Change Order for W 20<sup>th</sup> Street Ext. be – APPROVED.

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

#### C. Consideration of Proposal for the Newton Folk Art Festival

Main Street Program Manager Shannon Johnson stated that the Lake Norman Folk Art Festival was originally in Hickory for 3 years and outgrew its location. A new home in Sherrills Ford was found for the festival and that location served the festival well for several more years. Ms. Johnson stated with the growth of vendors, sponsors, and attendees the festival fulfilled the mission of the Hickory Museum of Art to not only serve the Hickory metro area but also reach to the corners of the county. Ms. Johnson stated that due to some unforeseen circumstances with the volunteer organizers, the 2015 festival was cancelled and discussions about downtown Newton as a possible venue began.

Ms. Johnson stated that re-locating and re-establishing the folk art festival includes a new branding effort and a new name – the Newton Folk Art Festival. The DNDA is a natural fit to work with the HMA to determine the feasibility of relocating the festival. Ms. Johnson and Lisë Swensson met to work through the most basic of issues and share information about each organization, the planning and ultimately the execution this event.

Ms. Johnson stated that members of the Executive Committee include representatives from each organization: Lisë Swensson, HMA Ex. Dir.; Susan Hunsucker, HMA Board Member; Collette Touchette, DNDA Board Member; Anne Stedman, Mayor, City of Newton; Jill Towery, Newton citizen and United Artists of Catawba County Board Member; and herself. The proposal outlines duties and responsibilities of each group, as well as the city, in order to make this a successful event. The City of Newton will provide in-kind assistance to help fulfill the needs of hosting the festival in downtown newton. Ms. Johnson stated that based on the past festivals budgets, this also outlines the anticipated expenditures and revenues which will be split 50%-50% between the HMA and DNDA.

Ms. Johnson stated that DNDA requests City Council to endorse the project and authorize proceeding with the terms as outlined proposal.

Mayor Pro Tem John Stiver stated that this will take lots of planning and asked how many volunteers would be needed. Mayor Stedman stated that there would be a need for 100 volunteers. Council Member Jerry Hodge said that it was a well-developed plan and that 2-4,000 people will hopefully be in attendance. Council Member Stiver asked if the festival would only be for one day. Ms. Johnson stated that at this time it would be a one day event. She said that there would be more emphasis on marketing and promotion. Ms. Johnson said there was a strong interest from all to participate in the volunteer work. Council Member Jerry Hodge stated that it was an excellent promotion of public art.

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

That Proposal for the Newton Folk Art Festival be – APPROVED.

**ITEM 7: New Business**

A. Consideration of Electrical Meter Box Replacement Pay-Back Program

Public Works and Utilities Director Dusty Wentz stated that as the City proceeds with the AMI project, UMS contractors have identified several issues with customer owned meter boxes and/or riser cables. These issues can be a failed spring tension test, discolored lug due to heat, or fray wires inside or outside of the box.

Mr. Wentz explained that new Sensus meters have a temperature sensor which detects a percentage of heat differential which will automatically disconnect for safety. Old existing meters didn't have that option which could cause a potential fire over time due to shorting or arcing.

Mr. Wentz stated that per City Ordinance stated below, customers are responsible for all associated equipment from point of attachment and beyond.

**Sec. 38-14. - Customer responsibilities.**

(e)

The customer shall be responsible for the maintenance and repair of the customer's wiring and equipment from the delivery point. The delivery point must be suitable and capable of securing city-owned lines to the customer's property at the customer's expense. Should the customer report trouble with the supply of electricity, the city will endeavor to respond with reasonable dispatch to such call with the purpose only of correcting such trouble as may be in the city's equipment supplying the customer. If the trouble appears to be in the customer's wiring or appliances, the city's employees may, if requested by the customer, make such inspection of the customer's wiring or equipment as the city's employees are prepared to make, but any inspection of the customer's wiring or equipment by the city's employees is made upon the express condition that the customer assumes the entire and sole risk, liability and responsibility for all acts, omissions and negligence of the city's employees. The city retains all responsibility only with respect to the action of its employees in connection with property owned by the city.

Mr. Wentz stated that as part of this AMI change out process, the City has been handing out letters to residents that may have an immediate issue or potential issue which needs to be repaired within thirty days after receipt of letter.

Below are a number of issues listed for this project:

- Total Electric Residential Meters 3791
- Total changed 2744 72%
- Total notification letters 180

- Failed tension test 157
- Bad riser wire 27
- Meters disconnected due to temperature rise 10
- Meters repaired due temperature rise 4
- Meter bases changed by UMS per contract 8

Mr. Wentz stated that City staff has received several calls from low income/fix income property owners who can't afford the \$200-\$500 repairs or replacements of service equipment. Also, these costs could rise due to code violations beyond the point of service due to a required building inspection.

Mr. Wentz stated staff has discussed how to best facilitate a solution with our customers with the best solution thus far being a "Pay-back" program in which City would have the property owner to sign a Waiver of Liability. The city will then contact a licensed electrician to make the necessary repairs or replacement, and the invoice will be submitted to customer service to determine payment plan with property owner. Mr. Wentz stated if no action is taken by property owner, the result will be loss of service or disconnection of service until repairs have been made. This program would be reserved for property owners at the residence, and would exclude rental, commercial and industrial properties.

Mr. Wentz stated that staff is recommending Council approve a \$15,000 budget ordinance recognizing an expenditure for customers unable to absorb the up-front cost for the repairs and allow a monthly pay-back plan for property owners up to 12 months.

Mayor Stedman asked how this would be paid back. Serina Hinson, Finance Director, said it would be added in payments to their monthly bill. Mayor Stedman stated that there was a concerned citizen at one of the community meetings. Council Member Jody Dixon asked if the cost was more than they could afford could it be extended to 18 months. Ms. Hinson stated that the city would prefer not to exceed 12 months.

Council Member Tom Rowe stated that this is a health and safety issue and that some of these were boxes were installed in the 50's and 60's. City Attorney John Cilley agreed that it is a health and general welfare issue. Mayor Stedman stated that once a problem is identified it must be addressed.

Council Member Jerry Hodge asked if this was an anticipated problem. Mr. Wentz stated that he knew the city would find some but didn't expect it to create a financial hardship for some.

Council Member Robert Abernethy asked how if the account is delinquent after 12 months the city would implement collection. Mr. Wentz stated that the customer could have a loss of service.

Upon motion duly made by Council Member Jerry Hodge, seconded by Council Member Tom Rowe, with Council Members Jody Dixon, Wes Weaver, Tom Rowe, Jerry Hodge and Mayor Pro Tem John Stiver Voting in favor of, and Council Member Robert C. Abernethy, Jr. voting against, it was RESOLVED:

That Electrical Meter Box Replacement Pay-Back Program be – APPROVED.

B. Consideration of Street Closure – Rotary Car Show

Assistant City Manager Sean Hovis stated the 2016 Newton Conover Rotary Car Show is scheduled for April 30<sup>th</sup> with the rain date of May 7<sup>th</sup>. The Rotary Club has requested that the following streets be closed:

Saturday Morning, 7:30 a.m.: Main Avenue will be closed from 1<sup>st</sup> Street to A Street. College Ave will be closed from 2<sup>nd</sup> Street to B Street. A Street will be closed from Main Ave to Brady Avenue. One direction of 1st Street will be closed from Brady Avenue to Ashe Avenue. Cars moving through the city will be directed along the detour route. Please refer to the attached map.

Mr. Hovis stated the streets will be re-opened at 3 p.m.

Mr. Hovis stated that if approved by City Council, staff will assist with filing the request for street closures with the N.C.D.O.T. for the closure of NC Hwy 16 (Main and College Avenues). The closure of the remaining city streets per the attached map (“A” Street and 1<sup>st</sup> Street) may be granted at the discretion of City Council.

Mr. Hovis asked that City Council consider the closure of the streets as requested by the Newton Conover Rotary Club, for the date of April 30th, 2016 with the rain date of May 7<sup>th</sup>, 2016.

Mr. Hovis stated that this is the third year for this event and that all money except overhead goes to ECCCM, the Green Room, the Maggie Daniels Fund and Newton-Conover HS Interact.

Mayor Stedman stated that the city needs to be diligent about notifying the merchants about the road closures.

Council Member Jerry Hodge stated that he loves Rotary, and that is concern is how many other events will there be with road closures. He wants to make sure that this is good for the city, the businesses and the citizens and wants to be careful of the schedule.

Council Member Robert Abernethy stated that Newton wants to be progressive and should stay progressive.

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

That Consideration of Street Closure – Rotary Car Show be – APPROVED.

**ITEM 8: City Manager’s Report**

**Meetings**

- Community Meeting, Startown Elementary Media Center, February 3<sup>rd</sup> at 7:00p.m.
- Community Meeting, North Newton Elementary, February 4<sup>th</sup> at 7:00p.m.
- Ribbon Cutting, Turner Finance – Friday, February 5th at 3:00 p.m.
- Catawba County Chamber of Commerce Annual Shareholders and Investors Luncheon, Hickory Metro Convention Center, February 10<sup>th</sup> at 11:30 a.m.
- Breakfast with the Stars, Western Steer, February 12<sup>th</sup> at 7:30 a.m.
- Ribbon cutting February 12<sup>th</sup> at Red Leaf Artist Collective, 24 East 1st Street at 3:00 p.m.

**Projects**

1. AMI – Approximately 6,034 (92.88%) water meters have been installed. 3,411 (72.3%) Electric meters have been installed.
2. Resurfacing of W. 20<sup>th</sup> St. is complete.
3. Asphlundh continues to work on trimming circuits. They are currently on circuit one, and are about half complete.
  - a. Water & Sewer Operation Crews have fixed seven leaks in the last week and we have 5 active leaks that are scheduled for repair

4. The Public Works Staff is currently working on:
  - a. The annual water supply plan,
  - b. The contract for annual Powell Bill paving, and
  - c. Sidewalk removal and contracted replacement.
5. The City Manager will be meeting later this week with W.T. Sorrell who works for Martin-McGill & Associates. Mr. Sorrell was previously employed by USDA and will be a good resource in advising the City in how to best move forward to secure funding through that agency.
6. The Planning Staff has introduced amendments to the B3 Zoning District to the Planning Commission. The proposed amendments were discussed at the last Planning Commission meeting and the next step will be for the Planning Commission to hold a public hearing on February 23<sup>rd</sup>. If the amendments are approved by the Commission, the next step will be for the City Council to conduct a public hearing on March 1<sup>st</sup> and consider the recommendation.
7. The staff will be preparing a Request for Proposals to send qualified engineering firms who may be interested in preparing final engineering plans for the City's Streetscape Project. While Allison Platt contracted with Wooten Engineering for preliminary design and cost estimates, the City needs to formally seek proposals and select a firm to generate final plans and specifications for this project. I will keep you posted as this process moves forward.
8. The staff is also working to develop a set of criteria for organizations to utilize when making requests for special appropriations each year. We anticipate making a presentation to City Council at either the February 16<sup>th</sup> or March 1<sup>st</sup> City Council meeting.
9. The staff is also working to develop recommendations for a Code of Ethics and Behavior as requested by City Council. A presentation will be made to City Council at either the February 16<sup>th</sup> or March 1<sup>st</sup> City Council meeting.

#### **Northwest Boulevard Water Leak**

Some information regarding the leak at 2124 NW Blvd:

- a. A total estimate of 2.9 million gallons was lost between 12:45 AM and 3:00 PM.
  - i. At a cost of \$0.80/1000 gallons to treat (not pump or distribute), total cost of water loss is \$2,320.
  - ii. At a fee of \$2.83/1000 gallons to inside residents, total loss of revenue is \$8,207.
- b. The Broyhill ("Northside") tank was completely emptied and the Mt. Olive tank was drained to 1/3 capacity before being isolated. No damage to the tank or pumps and valves has been observed at this time.
- c. Energy United was contacted at 2:30 AM and advised that the system was going to be shut down. EU filled their holding tanks at that time, and to PWU's knowledge, did not purchase excess water from another supplier for the duration of the leak.
- d. The water system was shut down from approximately 3:30 AM to 3:00 PM.
- e. The Boil Water Advisory was in effect from 3:00 PM on 1/26/2016 to 5:00 PM on 1/27/2016.
- f. Public Works had no less than 4 employees answering phones during normal working hours on 1/26/2016, and could not match call volume.
- g. W-S Crew has a total cost of \$14,908.66 per Iworq work orders. This includes next day clean-up and part of the cost involved in looking for the cause of the service outage in Shannonbrook. This does not include the cost of the large excavator, which was rented by streets for culvert replacements. We were exceedingly fortunate to have it on-site, PWU typically has access to such equipment about 8 weeks out of the year. Delivery to site during emergency situations typically takes three to six hours, depending on vendor, if such equipment is available.
- h. The Garage has a total cost of \$405. All three mechanics remained onsite for at least 6 hours, assisting the WTP in isolating the tanks and W-S in constant maintenance on the large dewatering pump.
- i. The Street Department had a total cost of \$1,625.00, including the pavement patch. Streets also cleaned up the site immediately after the repair was complete and backfilled so that the W/S employees could get home.

- j. There are currently 4 insurance claims turned in and more possible as a result of the leak.
- k. The asphalt cut at the work site was paved the next day.
- l. Doug Wesson was onsite most of the day, providing advice on who to contact, getting food, answering phone calls, providing historical information and assisting with press and visitors to the site.
- m. Alex Frick was superb in his handling of the media, passing along pertinent information, and making sure that my short, terse answers had a flavor of diplomacy and customer service to them.
- n. Special thanks goes out to the police department (assisted with Traffic control), the fire department (food, coffee and drinks), the planning department (food and drinks), and the finance department (handling phone calls and assisting me with overdue paperwork for other projects).
- o. Media
  - i. <http://www.wbtv.com/clip/12170889/water-main-breaks-boil-water-advisory-issued>
  - ii. <http://www.wbtv.com/story/31084722/boil-water-notice-lifted-for-water-customers-in-newton>
  - iii. <http://www.observernewsonline.com/content/newton-residents-should-boil-water>
  - iv. [http://www.hickoryrecord.com/news/update-city-of-newton-s-water-back-on/article\\_c155d654-c507-11e5-b3cd-6f8d658c1d6f.html](http://www.hickoryrecord.com/news/update-city-of-newton-s-water-back-on/article_c155d654-c507-11e5-b3cd-6f8d658c1d6f.html)
  - v. <http://www.whky.com/archive/item/9742-broken-water-line-forces-closing-of-newton-conover-city-schools>
  - vi. <http://www.whky.com/archive/item/9770-water-advisory-lifted-for-city-of-newton-water-customers>
  - vii. <http://www.wcnc.com/story/news/local/2016/01/27/newton-residents-advised-boil-water-after-broken-water-line/79390880/>
  - viii. <http://www.wcnc.com/story/news/local/2014/06/19/10867213/>
  - ix. <http://www.wccbcharlotte.com/2016/01/27/newton-conover-schools-closed-wed-due-to-water-issues/>
  - x. <http://www.wsocvtv.com/videos/news/newton-residents-told-to-boil-water-after-water/vDjKJR/>
- p. Total cost to PWU: \$16,938.66 for labor, materials and equipment, **\$19,258.66** including lost water.

The City also experienced a service outage in Shannonbrook on Friday, 1-29-2016 which we believe was caused by a large air pocket that was introduced to the system during the repair on NW Boulevard.

### **Snow Event and Cleanup**

Some information regarding the snow event (01-21-2016 – 01-24-2016).

- a. The city received approximately one inch of sleet then five inches of snow (NWS records).
- b. At a total cost of \$10,150.47, the following materials were used:
  - 100 Tons of Sand
  - 50 Tons of Salt
  - 3 sets of snow chains for the trucks
  - 1 set of snow chains for the grader
  - 3 cutting edges for the truck plows
  - 1 cutting edge for the grader blade.
- c. Street department incurred a cost of \$29,308.37 for labor and equipment use.
- d. W/S department incurred a cost of \$4,816.99 for labor and equipment use. Admin incurred a cost of (approx.) \$450 for food during the event. Special thanks to Angie Harris for preparing meals for the guys, twice a day on Friday and Saturday.
- e. Total snow removal costs = \$44,725.83. Total Street costs = \$39,458.84.



## **ECONOMIC DEVELOPMENT (CONFIDENTIAL)**

The City Staff are working on a number of projects including, but not limited to the following:

- a. A tire retreading company at the old CommScope facility on St. James Church Road;
- b. The City continues to work with the Catawba County EDC concerning Project Wales. The Company has not yet made a decision on their final site selection which include sites in
- c. The Planning Department is working with investors/developers on the construction of a new Little Caesar's Pizza on West D Street across from Peoples Bank Corp Center.
- d. The Planning Department is also working to recruit an Urgent Care facility and a group is looking at property in the Startown area;
- e. The staff is also aware that LUV's Truck Plaza is working with Catawba County to get a site plan approved for property located on the northwest quadrant (corner) of the intersection of Highway 321 and Highway 10 West. All indications are the County will approve the project and LUV's will petition the City of Newton for voluntary annexation.
- f. The economic development projects mentioned in this report represent the major activity. There is additional activity but not of the magnitude of the projects listed above.

City Manager Todd Clark called on Finance Director Serina Hinson to explain a recent letter that the city received from the Auditor. She stated that the letter states that the auditor made a change to the amount on the Schedule of Expenditures of Federal and State Awards for the Clean Water State Revolving Fund. The change was a result of the need to include the full amount of the grant received by the City under Office of Management and Budget Circular A-133. The auditor stated that a copy of the revised page has been sent to the Local Government Commission. Ms. Hinson stated that the auditor's opinion is not changed, and the city still maintains a clean opinion.

City Manager Todd Clark asked Police Chief Don Brown and Fire Chief Kevin Yoder to explain the use of the grants received from Walmart.

Chief Yoder stated that the Fire Department will use the funds granted to assist in the purchase of an AED (Automated External Defibrillator).

Chief Brown stated that the Police Department will use the funds granted to implement a special needs registry for citizens and to purchase the needed material.

### **ITEM 9: 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 stated that he would like to thank staff for the great job during the recent snow event and broken water main. Mayor Stedman agreed.

### **ITEM 10: Adjournment**

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

That the Meeting be – ADJOURNED

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Amy S. Falowski, City Clerk



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Anne P. Stedman, Mayor