MINUTES
REGULAR MEETING OF THE NEWTON CITY COUNCIL
February 19, 2019 – 7 p.m.

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, February 19, 2019 at Newton City Hall.

PRESENT: Mayor Anne P. Stedman, Mayor Pro Tem John Stiver and Council Members Jerry Hodge, Anne Wepner, Jody Dixon, Tom Rowe and Ed Sain

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

Mayor Pro Tem John Stiver provided the invocation and Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES

Upon motion duly made by Council Member Anne Wepner, seconded by Council Member Ed Sain, it was unanimously RESOLVED:

That the Regular Minutes of the January 22, 2019 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 unanimously RESOLVED:

That the Consent Agenda be – APPROVED

A. Tax Releases
B. Sewer Adjustments
C. Consideration of Finance Audit Contract for FY 2019
D. Consideration to Accept the Annual Reports for the Wastewater System and the Consumer Confidence Report for the Water System

(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.

Teresa Biggs from Catawba Valley Community College gave a special presentation for the students that were involved in the making of the book Newton: Then and Now.

Mr. Eric Heller stated that he had some concerns in his neighborhood such as:
1. Abandoned houses
2. Air conditioning in Central Recreation
3. The fact that the city park is locked at all times and he and members of the community would like to see it opened up for citizens.

He also mentioned that there is a problem with brush being picked up. City Manager Todd Clark said that that department is behind, but that he would look into it.

Mayor Steman stated that these are all valid concerns and that they will all be looked into. She also mentioned that HVAC is scheduled to be installed at Central Recreation very soon.

**ITEM 6: Public Hearings**

A. Consideration to Adopt Proposed Water Shortage Response Plan (WSRP)

Mayor Stedman opened the Public Hearing.

Public Works and Utilities Director Dusty Wentz stated that on August 21, 2007 City Council adopted a Water Shortage Response Plan (WSRP). Since then this plan has been amended four times. Mr. Wentz stated that in the fall of 2018, North Carolina Department of Environmental Quality (NCDEQ) reviewed the Water Shortage Response Plan and wanted changes. Having a Water Shortage Response Plan is a requirement from North Carolina Department of Quality.

Mr. Wentz stated that the Department of Environmental Quality suggested the changes, which City Staff made. Staff then sent it back to the Department of Environmental Quality for their review, who then approved the changes.

The changes are as follows:

- Section V Levels of Drought Response and Triggers were changed to note the city’s water source and independence from the Catawba-Wateree Drought Management Advisory Group LIP plan.
- Section IX. Variance Protocols was changed to eliminate approval of any variance request.
- Section X. Effectiveness was changed to reflect additional data provided by the AMI system.
- Section XI. Plan Revisions changed the responsibility for the required annual review from the City Manager to the Public Works Director.

Mr. Wentz recommended approval to City Council for the changes listed to the Water Shortage Supply Plan.

Mayor Stedman asked if there was anyone present that would like to speak. No one appeared.

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

That Public Hearing be – CLOSED.

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

That Changes to the Water Shortage Supply Plan be – APPROVED.
B. Special Use Application for Operation of an Event Venue by Liviu Marhao – 1175 Smyre Farm Rd

Mayor Stedman opened the Public Hearing

Planning Director Randy Williams and Mr. Liviu Marhao were sworn in.

Planner Alex Fulbright stated that the applicant is seeking a special use permit to allow for the use and operation of an event venue at 1175 Smyre Farm Rd. The property is located on Smyre Farm Road approximately 1,500 feet to the East of the intersection of S US 321 Hwy and Smyre Farm Road and is 9.71 acres. According to Catawba County Tax Records the property is identified as parcel number 3689-17-11-5651.

Mr. Fulbright stated that Mr. Marhao wants to purchase an unfinished 20,000 square foot building located at 1175 Smyre Farm Rd for the purpose of providing a facility that can be rented for events. He is proposing to use approximately a third of the building for the event space and the remaining area as storage. Mr. Fulbright stated that after the planning commission meeting, he revised the application to include a residential dwelling unit within a portion of the space previously designated as storage. This would be allowed under the current zoning regulations. However, because of the nature of the special use permit, it is imperative to make that clarification during the approval process.

Mr. Fulbright explained that the property was granted a special use permit in 2016 for a place of assembly; however, it expired in 2017 due to no work being done. Prior to that special use permit being granted the property was rezoned to R-20 Single Family Residential from EM-1 Exclusive manufacturing so that a church could be located there. Mr. Fulbright stated the building was never occupied as a church. It is important to note that the existing building has not received a certificate of occupancy for any use. If the permit is approved, building and other associated permits will needed to be obtained and work completed in order to occupy and use the building as proposed.

Mr. Fulbright stated a special use is a use that would not be appropriate generally without special study throughout the zoning district, but which is controlled by the number, size, location or relationship to the neighborhood, would promote the public health, safety, and welfare. The special use permit is reviewed by the Planning Commission and approved by City Council. He explained that in lieu of specific standards for place of assembly as a special use, the general standards include below apply and can be used to impose conditions upon the applicant in effort to mitigate adverse impacts that the use may have on the surrounding area.
Sec. 102-462. - General standards.

The following general standards shall be met by all applicants for approval at special uses:

1. The use will promote the public health, safety and general welfare, if located where proposed and developed and operated according to the application.

2. The use, which is listed as a special use in the district in which it is proposed to be located, complies with all required regulations and standards, including the provisions of articles IV, V and VI of this chapter, unless greater or different regulations are contained in the individual standards for that special use.

3. The use will maintain or enhance the value of contiguous property, or that the use is a public necessity.

4. The use is in compliance with the general plans for the physical development of the city as embodied in these regulations. The board of adjustment or the council, as appropriate, shall make these general findings based upon substantial evidence contained in its proceedings. It shall be the responsibility of the applicant to present evidence in the form of testimony, exhibits, documents, models, plans and the like to support the application for approval of a special use.

Mr. Fulbright stated that The Planning Commission recommended that the City Council approval of this special permit as presented with the following conditions:

1. Events end prior to 10 pm on weekdays and 12 am on the weekends.

2. That a row of evergreen shrubs be planted along the western property line.

3. That any storage within the facility shall only be associated with the permitted use as outlined in the approved Special Use Permit.

Mr. Fulbright stated that the recommendation is subject to the City of Newton City Council making the required findings as mentioned in the review.

Mayor Stedman asked if Mr. Marhao or anyone present would like to speak. No one appeared.

Council Member Tom Rowe asked if anyone from the east side spoke at the Planning Board. Mr. Fulbright stated that no one came to the meeting to speak.

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

That Public Hearing be – CLOSED.

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

That Finding Number One – The use will promote the public health, safety and general welfare, if located where proposed and developed and operated according to the application – be - APPROVED

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Ed Sain, it was unanimously RESOLVED:
That Finding Number Two – The use, which is listed as a special use in the district in which it is proposed to be located, complies with all required regulations and standards, including the provisions of articles IV, V and VI of this chapter, unless greater or different regulations are contained in the individual standards for that special use – be APPROVED

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

That Finding Number Three – The use will maintain or enhance the value of contiguous property, or that the use is a public necessity be – APPROVED

Upon motion duly made by Council Member Ed Sain, seconded by Council Member Anne Wepner, it was unanimously RESOLVED:

That Finding Number Four – The use in compliance with the general plans for the physical development of the city as embodied in these regulations. The board of adjustment or the council, as appropriate, shall make these general findings based upon substantial evidence contained in its proceedings. It shall be the responsibility of the applicant to present evidence in the form of testimony, exhibits, documents, models, plans and the like to support the application for approval of a special use – be APPROVED.

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

That Special Use Permit with Conditions Named – be APPROVED.

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

ITEM 7: Old Business

A. Consideration of Budget Ordinance Amendment – Splash Pad

Assistant City Manager Sean Hovis stated that at the January 4, 2019, Newton City Council meeting, staff presented a design concept and information regarding the purchase and installation of a Splash Pad using proceeds from the Sue Jones estate. The Splash Pad materials were to be purchased through the Houston-Galveston Area Council purchasing cooperative. Mr. Hovis explained that using a purchasing cooperative meets all financial and bidding requirements. As part of the presentation on January 4, 2019, staff recommended using Carolina Recreation and Design for the installation of the Splash Pad equipment. The initial presentation to City Council from staff did not include the full scope of work—only the Splash Pad materials and installation. Mr. Hovis stated that Staff has continued to work with various contractors to finalize pricing for the entire project which includes additional shading fencing, and concrete work. Highlighted in the attached document are the costs for materials, installation, and all expected associated costs for the Splash Pad.

Mr. Hovis stated that Staff is ready to move forward with the Splash Pad—including materials, installation, and all expected associated costs—in the amount of $700,541.71.

Mr. Hovis stated that Staff recommends that Council adopt the attached Capital Project Fund for Splash Pad materials, installation, and all expected associated costs in the amount of $700,541.71 using proceeds from the estate of Sue Jones.
Upon motion duly made by Council Member Jody Dixon, seconded by Council Member Jerry Hodge, it was unanimously RESOLVED:

That the Capital Project Fund for Splash Pad materials, installation, and all expected associated costs in the amount of $700,541.71 using proceeds from the estate of Sue Jones be – ADOPTED.

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

ITEM 8: New Business

A. Consideration of Budget Amendment to Replace Filters at Water Treatment Plant

Public Works and Utilities Director Dusty Wentz stated that in October of 2018, lab analysis indicated that the filter media for all the primary filters at the Water Treatment Plant were significantly underperforming. Underperforming filters result in a significant increase in the amount of chemicals the plant must use to produce drinking water of high quality. Mr. Wentz stated that a Request for Qualifications was sent out to engineering firms and Wooten Company was selected by staff.

Mr. Wentz stated that Staff is ready to move forward with the engineering contract in the amount of $106,600 out of necessity to make immediate repairs. This project however was listed in the CIP for FY 2022 in the amount of $357,200 and therefore was not budgeted for this year.

The engineering contract only applies to engineering services. Once design is completed and permitted by the State, a bid will be released for construction.

Mr. Wentz stated that Staff recommends that Council adopt the attached budget amendment for engineering services in the amount of $106,600.

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

That the Budget Ordinance Amendment for Engineering Services in the Amount of $106,600 be – ADOPTED.

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

B. Consideration of Proposed Amendment to Chapter 98, Article IV, Section 98-96 of the Code of Ordinances Concerning Separate Water and Sewer Connections

Public Works and Utilities Director Dusty Wentz stated that the City Staff recently met with a local building contractor concerning the current City policy concerning sewer connections for new multi-family units to the municipal sanitary sewer system. The resulting impact of the existing policy to the building community is added cost for each individual sewer tap. After review of the policy, the staff has drafted an amendment to the City Code of Ordinances whereby only one sewer tap will be required for multi-family units. Mr. Wentz stated the amendment as proposed will require the builder to comply with State building code for “back-water” valves that are designed to prevent sewer back-ups into separate individual residences. Mr. Wentz stated
that the proposed amendment is attached to this Request for Council Action for review by City Council, the policy changes are in red text.

Mr. Wentz stated that the staff recommends approval of the proposed amendment to Chapter 98, Article IV, Section 98-96 of The Code of Ordinances Concerning Separate Water and Sewer Connections.

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

That the proposed amendment to Chapter 98, Article IV, Section 98-96 of The Code of Ordinances Concerning Separate Water and Sewer Connections be – APPROVED.

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

C. Consideration of Adjustment of New Water and Sewer Tap Fees

Public Works and Utilities Director Dusty Wentz stated that currently, water and sewer tapping fees are adjusted each year based on three cost factors – materials, labor and equipment. Investigation into tapping fees set by other municipalities in the county indicates that, generally, these fees are based on material cost alone.

Mr. Wentz stated that each year staff submits changes to the tapping fee structure based on an average cost for same size taps. He stated that revisions to the water and sewer tapping fees based on material cost alone for the current fiscal year, to date have been presented in this agenda.

Mr. Wentz stated that so far this fiscal year, Public works and utilities has made 13 - 5/8” water taps (not including Buffalo Shoals and Balls Creek), at total cost of $18,770.47 and a material cost of $7,704.54. Assuming all 13 taps are inside the city limits, the City has collected an estimated $19,500 in revenue for these 5/8”. If the attached changes are adopted, and the same number of ¾” taps are made next year, that revenue will be $9,165, and loss of revenue to the water sewer fund of $9,165.

Similarly, so far this fiscal year, PWU has made 7 - 4” sewer taps, at a total cost of $9,821.88 and a material cost of $1,075.38. The City has collected an estimated $10,500 in revenue for these sewer taps, assuming all taps are inside the city limits. If the attached changes are adopted, and the same number of 4” taps are made next year, that revenue will be $4,200 and the loss of revenue to the water-sewer fund of $6,300.

Mr. Wentz stated the proposed tapping fees are shown in the table below, along with the same size tapping fees for Conover and Hickory.

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<th>Water Taps</th>
<th>Newton</th>
<th>Hickory</th>
<th>Conover</th>
<th>Difference</th>
<th>Newton</th>
<th>Hickory</th>
<th>Conover</th>
<th>Difference</th>
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</table>
Mr. Wentz stated that Staff requests council approve the revisions to the Fees and Charges for water and sewer taps.

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

That the Revisions to the Fees and Charges for Water and Sewer Taps be – APPROVED.

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

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**ITEM 9: City Manager’s Report**

**Meetings & Events**

- Feb 26th – Catawba EDC Committee of 100 Breakfast and Learn Event, 8:00 a.m. – 9:15 a.m.
- March 5th – Water/Sewer Rate Study Workshop, Council Chamber – 5:30 p.m.
- March 21st – Catawba County Chamber of Commerce – Future of Catawba County Summit, Moretz Mills – 7:30 a.m. – 12:00 p.m.

**Other Projects**

- CIP Workshop
- Budget Calendar
- Streetscape Project Update
- Proposed Town Creek Trail Inspection
- Economic Development Strategic Plan
- Strategic Growth Plan Update
- Central Recreation Center HVAC
- Valley Drive Waterline Project

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**ITEM 10: Questions and Comments from Mayor and Council**

Mayor Stedman asked if there were any questions or comments from City Council.

Council Member Tom Rowe gave a report on the Newton Depot.
ITEM 11:  Closed Session – Per North Carolina General Statute 143-318.11(a)(4) 143-318.11(a)(5)

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

    That City Council enter CLOSED SESSION per General Statute 143-318.11(a)(4), 143-318.11(a)(5)

Motion was then made by Mayor Pro Tem John Stiver, seconded by Mayor Pro Tem Jody Dixon to return to open session.

All ayes.

ITEM 12:  Adjournment

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

    That the Meeting be – ADJOURNED

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Anne P. Stedman, Mayor

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Amy S. Falowski, City Clerk