

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

**March 1, 2016 – 7 p.m.**

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, March 1, 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, 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 Jerry Hodge 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 John Stiver, it was unanimously RESOLVED:

That the Regular Minutes of the February 16, 2016 City Council meeting be –  
APPROVED

**ITEM 4: CONSIDERATION OF CONSENT AGENDA ITEMS**

Upon motion duly made by Council Member Tom Rowe, seconded by Council Member Robert C. Abernethy, Jr., with Council Member Wes Weaver voting in opposition, with the change to move item C to New Business, it was RESOLVED:

That the Consent Agenda be – APPROVED

- A. Sewer Adjustments
- B. Consideration of Audit Contract for Fiscal Year 2015-2016
- C. Consideration of Road Closure – Cruisin’ Newton
- D. Consideration of Resolution – Certificate of Achievement Newton-Conover High School Men’s Wrestling Team State 2A

(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.

Mr. Richard Dixon of Richie's Rides asked if he could speak about the Cruisin' Newton event. Mayor Stedman asked that he wait until the item is discussed in New Business.

**ITEM 6:**      **New Business**

A. Consideration of Main Street Solutions Grant Application

A state fund, known as the Main Street Solutions Fund, was established in the Department of Commerce through N.C. Gen. Stat. § 143B-472.35. This Fund is administered by the N.C. Main Street Center/Office of Urban Development, and is being used to provide economic development grants to Main Street communities and other eligible micropolitans located in Tier 2 and Tier 3 counties. The City of Newton applied for and received a Main Street Solutions Fund grant on behalf of Second Nature Technology/Carolina Vines during the 2011 round of the Main Street Solutions Fund program.

A local business owner has requested the City of Newton's assistance with an application for a Main Street Solutions grant. The grant would be used for the renovation of a downtown building which would serve as a new business in downtown. City staff has reviewed the project with the North Carolina Main Street grant administrator. We believe that the project will likely meet the criteria required for a Main Street Solutions Fund grant. An application must be submitted as soon as possible to have a chance at being funded before existing monies are depleted.

The minimum grant amount is \$25,000 and the maximum per community is \$200,000 for each round of Solutions Fund grant money. The minimum required match in non-state or non-federal money is \$2.00 for each \$1.00 in grant funds. The grant amount is also limited to \$25,000 for each full-time, permanent job created.

The Main Street Solutions Fund grants funds for qualified projects on a first-come first-serve basis. Funds are expected to be depleted before the end of June 2016

This grant program is a reimbursement of eligible expenditures, and payment of the grant is contingent upon meeting investment and job creation expectations. The City of Newton would serve as the legal applicant for this grant. Like the 2011 grant awarded to the City, the City would be the grant administrator and would be responsible for certifying the accuracy of the final grant payment request.

Staff requests that City Council approve the Resolution in support of a 2016 Main Street Solutions Grant Application and authorizing the City Manager to execute the grant application and agreement on behalf of the City.

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

That Main Street Solutions Grant Application be – APPROVED.

B. Consideration of Non-Profit Funding Policy

City Manager Todd Clark stated the City Council receives a number of requests each year from various nonprofit organizations that are seeking grant funding. Mr. Clark stated these requests are reviewed by him and a recommendation for funding is made to City Council as part of the Manager's proposed annual budget to Council.

Mr. Clark stated the City Council asked him to draft a "Nonprofit Funding Policy" to assist the Council in making funding decisions each year. As directed, a Policy was drafted and subsequently presented to City Council as information in the City Manager's Report during the February 16, 2016, city council meeting.

Mr. Clark stated that City Council is advised that he and the Finance Director, Serina Hinson, have given additional consideration to small nonprofit organizations that may not be able to comply with certain provisions of the policy as originally drafted. As an example, some smaller organizations may not be able to produce an IRS tax-exempt letter confirming 501(c)(3) status or provide an annual independent financial audit for their organization. Mr. Clark stated that consequently, the following paragraph was added to assist smaller organizations:

***“Organizations with annual gross receipts under \$5,000 are exempt from providing an application and required eligibility documents; however, a request for funding in writing is required annually.”***

Mr. Clark stated that as amended, the policy is for City Council’s consideration and there are no statutory requirements to adopt any or all of the policy.

Mayor Stedman asked if the entities would be notified. Mr. Clark stated that they would. Council Member Robert Abernethy asked if there was anything that would make an entity ineligible. Council Member Jerry Hodge stated that their needs to be criteria for giving away tax dollars. He asked if there is some rationale behind the \$5,000 exemption. Mr. Clark stated that some can’t meet the criteria and are not a 501c3, and are very small with small budgets. Mr. Abernethy stated that he wants to make sure that people can apply this year.

Council Member Wes Weaver stated that some of these businesses are so very small and are working off shoestring budgets. He stated that the city knows these businesses and if anything the \$5,000 exemption should be raised.

Finance Director Serina Hinson explained that the audit review is just a request that may be made by the city at the city’s discretion. She stated that most non-profits would have this information and that it was for accountability. Council Member Tom Rowe stated that the Newton Depot Authority has an audit every year.

Mayor Stedman asked if the city can make exceptions for one-time requests. City Attorney John Cilley stated that the policy, if adopted, would need to be followed for everyone.

Council Member Jerry Hodge made a motion to adopt the policy with the removal of the paragraph ***“Organizations with annual gross receipts under \$5,000 are exempt from providing an application and required eligibility documents; however, a request for funding in writing is required annually.”***

Council Member Robert C. Abernethy, Jr. seconded the motion. With Council Members Robert C. Abernethy, Jr. and Jerry Hodge voting in favor of and Council Members Jody Dixon, Wes Weaver, Tom Rowe and Mayor Pro Tem John Stiver voting against – MOTION FAILED.

Council Member Wes Weaver made a motion to adopt the policy with the change for “Organizations with annual gross receipts under \$5,000” to “Organizations with annual gross receipts under \$15,000”. MOTION FAILED due to lack of a second.

Upon motion duly made by Council Member Tom Rowe to leave the policy as is, seconded by Mayor Pro Tem John Stiver, with Council Members Tom Rowe, Jody Dixon and Mayor Pro Tem John Stiver voting in favor of, and Council Members Jerry Hodge, Robert C. Abernethy, Jr. and Wes Weaver voting against, Mayor Anne P. Stedman voted to break the tie, in favor of the “Non-Profit Funding Policy” as is – APPROVED.

C. Consideration of the Addition of “Approval of the Agenda” to all Future City Council Meeting Agendas

City Attorney John Cilley stated that the General Assembly gives wide latitude to accepting agendas. He stated this provision would change business only because the first thing would be to review the agenda and make changes to the agenda by adoption by majority vote. Mr. Cilley quickly went over what other cities in the area practice. Council Member Jerry Hodge asked if these cities all have the Council/Manager form of Government. Mr. Cilley stated that they do. Council Member Weaver asked if this would only affect the consent agenda, Mr. Cilley said that the bigger issue is that it is procedural only and that it would look at adding something or taking something off the proposed agenda. Council Member Wes Weaver stated that it is not simply procedural and that it will restrict this and future council members. He warned other council members that there will come a time when you want to bring something to the agenda and this will prevent you from doing so. Council Member Robert Abernethy stated that he does not see what this would accomplish. Council Member Wes Weaver stated that it restricts ideas and he feels like it is the wrong thing to do. Mayor Stedman stated that one advantage is that it gives other members of council the opportunity to add something to the agenda if the item was approved by council. Council Member Tom Rowe stated that having the agenda on Friday gives the council time to think about the items on the agenda.

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

That Consideration of the Addition of “Approval of the Agenda” to all Future City Council Meeting Agendas be Tabled for Future Discussion.

Council Member Robert C. Abernethy, Jr. stated that his opinion will not change on this subject.

A. Consideration of Road Closure – Cruisin’ Newton

Assistant City Manager Sean Hovis stated that Richard Dixon of Richie’s Rides is requesting street closure dates for “Cruisin Newton” a car show event for pre1979 cars. The requested dates are April 09<sup>th</sup>, May 14<sup>th</sup>, June 11<sup>th</sup>, July 9<sup>th</sup>, September 10<sup>th</sup>, and October 08<sup>th</sup> from 3:00 p.m. until 9:00 p.m. Mr. Dixon has requested that the following streets be closed:

Saturday afternoon 3:00 p.m.: A Street between Brady and North Main Avenue, College Avenue between B Street and 1<sup>st</sup> Street, and 1<sup>st</sup> Street between College Avenue and Main Avenue.

Mr. Hovis stated that the streets will be re-opened Saturday evening at 9 p.m.

Mr. Hovis stated that if approved by City Council, staff will assist with filing the request on behalf of Richard Dixon of Richie’s Rides for the street closure with the N.C.D.O.T. for the closure of this street per the attached map.

Mr. Dixon stated that he likes being able to have this event in downtown Newton because it brings people in to Newton and they are able to take advantage of the shops and restaurants downtown. Council Member Tom Rowe asked if Mr. Dixon sells food at his events, Mr. Dixon stated that he does not. Mr. Dixon also stated that he will not be blocking Main Street. Mr. Rowe stated that his concern was that this used to be a Festival and Events event and he just wanted to make sure it was the same as before and whether or not it was downtown people or businesses holding the event. He asked Mr. Richie if there was a charge for admission, Mr. Richie stated that there is not a charge. Mr. Rowe asked if the city would be expected to clean the streets. Mr. Richie stated that he always cleans up after his events.

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

That Consideration of Road Closure – Cruisin’ Newton be – APPROVED.

Council Member Wes Weaver stated that he was president of Newton Merchants Association which put on Mayfest and that the city needs to hold and allow more events downtown and that this is really exciting and gets business owners involved. He stated that if the city gets too many events the businesses will regulate themselves. He said that streetscape is great but the city really needs more people downtown.

**ITEM 7: City Manager’s Report**

- March 3<sup>rd</sup> Teen Leadership begins
- March 7<sup>th</sup> – Meeting with Executive Staff of Abernethy Laurels at 12:00 noon
- March 9<sup>th</sup> – Economic Outlook “Future of Catawba County” 7:30 a.m. – 11:00 a.m. at The Crossing at Hollar Mill
- March 11<sup>th</sup> - City of Newton Community Awareness Meeting 5:30 p.m. at Catawba Farms
- March 15<sup>th</sup> – Presentation on Streetscape by Newton City Planning Director Randy Williams at 11:30 a.m. at Catawba Country Club

\*On February 12<sup>th</sup> Sgt. Spencer Cline received the Advanced Law Enforcement Certificate from North Carolina Criminal Justice Training and Standards Commission. This is the highest level of certification awarded to law enforcement.

**ITEM 8: Questions and Comments from Mayor and Council**

Mayor Anne P. Stedman asked if any Council Members would like to make any comments. There were none.

**ITEM 9: Closed Session to Consult with the City Attorney – G.S. 143-318-11(a)(4)**

Upon motion duly made by Council Member Robert C. Abernethy, Jr., seconded by Mayor Pro Tem John Stiver, it was unanimously RESOLVED:

That the City Council enter CLOSED SESSION per G.S. 143-318-11(a)(4)

Council Member Wes Weaver made the motion to go back into open session, which was seconded by Council Member Jerry Hodge, All Ayes.

**ITEM 10: 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 – ADJOURNED

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Amy S. Falowski, City Clerk



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Anne P. Stedman, Mayor