AGENDA
CITY OF NEWTON
NEWTON CITY COUNCIL - REGULAR MEETING

March 6, 2018
7:00 p.m.

1. **Call to Order – Mayor Anne P. Stedman**
2. **Opening – Council Member Anne Wepner**
3. **Approval of Minutes from the January 23, 2018 Regular Meeting**
4. **Consideration of Consent Agenda Items**
   - A. Tax Releases
   - B. Sewer Adjustments
   - C. Consideration of Budget Ordinance Amendment – Whitten Property
   - D. Consideration to Accept Fire Prevention Grant from FM Global
   - E. Consideration of Financial Audit Contract for FY 2018
   - F. Consideration to Accept the Annual Reports for the Wastewater System and the Consumer Confidence Report for the Water System
5. **Comments from the Public: (IF YOU WOULD LIKE TO MAKE A PUBLIC COMMENT ON NON-AGENDA ITEMS PLEASE SIGN IN WITH THE CITY CLERK PRIOR TO THE MEETING):**
6. **Presentation**
   - A. Catawba County Library – Suzanne White
7. **Public Hearings**
   - A. Consideration of Lease Agreement Between the City of Newton and AT&T
   - B. Consideration of Financing Capital Infrastructure Projects
8. **Old Business**
   - A. Consideration of Sue Jones Estate
   - B. Consideration of Resolution Approving Financing Bid Award and Resolution Approving Financing Terms
9. **New Business**
   - A. Consideration of Locally Administered Projects Program (LAPP) Sidewalk Grant Application
   - B. Consideration of Bid Award – Annual Paving
   - C. Consideration of Bid Award for Buffalo Shoals Rd and Balls Creek Rd Area Waterline Construction Project
   - D. Consideration of an Amendment to the FY 2017-18 Schedule of Fees and Charges
   - E. Consideration to Waive Waterline Tap Fees for Fye Dr, Buffalo Shoals Rd and Balls Creek Rd
10. **City Manager’s Report**
11. **Questions and Comments From Mayor and Council**
   - A. Reports from Appointed Representatives on Outside Boards – Council Member Anne Wepner
12. **Closed Session - Per North Carolina General Statutes 143-318.11(a)(5)**
13. **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.
MINUTES
REGULAR MEETING OF THE NEWTON CITY COUNCIL
January 23, 2018 – 7 p.m.

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, January 23, 2018 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

Council Member Jody Dixon provided the invocation and Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES

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

That the Regular Minutes of the December 9, 2018 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 Ed Sain, it was unanimously RESOLVED:

That the Consent Agenda be – APPROVED

A. Tax Releases

B. Consideration of Capital Project Ordinance for Streetscape Project

C. Consideration to Recognize Revenue from the Untied Arts Council Of Catawba County

(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: Presentation

A. Pedestrian Counts for Downtown – December 2017

Planning Director Randy Williams gave a brief presentation concerning the pedestrian counts for downtown as recorded by the SOOFA.

ITEM 7: Old Business

A. Consideration of Resolution Related to Debt Financing
   1. Approval to Proceed with Project and to Submit LGC Application
   2. Calling for Public Hearing

Finance Director Serina Hinson stated that the City of Newton wishes to finance the acquisition of certain infrastructure improvements, more specifically the Downtown Streetscape Project, Phase; S. Cedar Ave to Forney Sewer Rehabilitation Project; and Fye Drive Water Extension Project.

Ms. Hinson stated that the estimated cost of the infrastructure improvements by fund is $4,266,500 ($2,680,000 – General Fund, $976,300 – Water/Wastewater Fund, and $610,200 – Electric Fund) or by project is as follows:

   Phase I of the Downtown Streetscape Project is $3,880,000
   S. Cedar Ave to Forney Sewer Rehabilitation Project is $214,750
   Fye Dr. Water Extension Project is $171,750

Ms. Hinson stated that the Finance Department will be soliciting quotes from various financial institutions to borrow $4,041,500 as the City has received a $225,000 grant from the State for the Downtown Streetscape Project. We will provide a recommendation to City Council on awarding the financing on March 6, 2018. We will also call for a public hearing on this same date.

Ms. Hinson stated that the recommendation by staff is to adopt 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, and adopt the attached resolution calling for a public hearing on March 6, 2018.

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

That Consideration to Proceed with Project and to Submit LGC Application and the Resolution Related to Debt Financing be – APPROVED.

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

That Resolution Calling for a Public Hearing on March 6, 2018 be – APPROVED.

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

ITEM 8: City Manager’s Report

Meetings & Events

- January 26th – Corning Ribbon Cutting, 10:00 a.m.
- January 31st and February 1st - City-County Managers Conference, Winston-Salem, NC
• February 5th – New Employees Customer Service Training – Fire Dept. Headquarters, 9:00 a.m.
• February 8th – Catawba County – Municipal Summit, Catawba County Justice Center
• February 20th – NCMPA Board of Commissioners Meeting, 10:00 a.m., Concord
• March (*Tentative prior to March 6th Council Mtg) – CIP Workshop

Other Items

• Room and Board Building ready for their Certificate of Occupancy
• Plans for the Catawba County Jail Expansion are being reviewed

ITEM 11: Questions and Comments from Mayor and Council

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

Mayor Pro Tem John Stiver gave brief reports on the Tree Board and the Appearance Commission.

ITEM 12: Adjournment

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

That the Meeting be – ADJOURNED

_________________________________________
Anne P. Stedman, Mayor

_________________________________________
Amy S. Falowski, City Clerk
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>2017</td>
<td>62</td>
<td>Drum, Blair W</td>
<td>Small underpayment</td>
<td>$0.19</td>
</tr>
<tr>
<td>2017</td>
<td>63</td>
<td>Newton Florist, Inc.</td>
<td>Small underpayment</td>
<td>$0.44</td>
</tr>
<tr>
<td>2017</td>
<td>64</td>
<td>Redd Griphon LLC</td>
<td>Small underpayment</td>
<td>$0.31</td>
</tr>
<tr>
<td>2017</td>
<td>65</td>
<td>Slaughter, William G</td>
<td>Small underpayment</td>
<td>$0.03</td>
</tr>
<tr>
<td>2017</td>
<td>66</td>
<td>Tarlton, James V Jr</td>
<td>Small underpayment</td>
<td>$0.01</td>
</tr>
<tr>
<td>2017</td>
<td>67</td>
<td>Whisnant, Stephen G</td>
<td>Small underpayment</td>
<td>$0.03</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: 02/27/2018
RE: Sewer Adjustments – 03/06/2018
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>18022365-003</td>
<td>J Hernandez</td>
<td>1836 New Star Dr</td>
<td>Dec</td>
<td>$ 82.14</td>
</tr>
<tr>
<td>28000880-003</td>
<td>Reflections</td>
<td>1147-A N Main Ave</td>
<td>Oct-Nov</td>
<td>$215.96</td>
</tr>
<tr>
<td>60000660-001</td>
<td>City of Newton-Central Recreation</td>
<td>301 S Ervin</td>
<td>Oct-Dec</td>
<td>$324.77</td>
</tr>
<tr>
<td>47000740-003</td>
<td>Elite Wood Prod.</td>
<td>1600 N College Ave</td>
<td>Nov-Jan</td>
<td>$225.76</td>
</tr>
<tr>
<td>49001547-012</td>
<td>Vitecita Mauldin</td>
<td>475 E 19th St Apt K</td>
<td>Jan</td>
<td>$ 58.21</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: February 27, 2018

TO: E. Todd Clark, City Manager

FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Budget Ordinance Amendment to Recognize Donation of Real Property

Approved for Council Consideration

On December 5, 2017, City Council approved the donation of real property from Robert Whitten Yount and Sally Stevens Yount as described as Lots 1, 3, 4, 5, 6, 7 and 8 as shown on Plat Book 43 at Page 53, also known as 702, 703, 705, 709, 710, 711 and 712 Whitten Lane within the City of Newton.

The property shall be utilized exclusively for economic development purposes, new job creation, and increasing industrial output as well as the business prospects in the City of Newton within the meaning of NCGS 158-7.1 for the purpose of promoting the health, safety and general welfare of its citizens as approved by City Council on December 5, 2017.

An appraisal was completed on September 1, 2017 for each of the 7 parcels for a total value of $170,500.

A budget ordinance amendment is necessary to recognize the donation of these 7 parcels as contributed capital based on the appraisal noted above.

Action Suggested:

Motion to approve the attached Budget Ordinance Amendment Recognizing Contributed Capital for the Donation of Real Property in the amount of $170,500.
ORDINANCE # 2018-04

AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2017-2018 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, 2017, and ending June 30, 2018, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, on December 5, 2017 City Council approved the donation of real property (Resolution 17-2017) from Robert Whitton Yount and Sally Stevens Yount as described as Lots 1, 3, 4, 5, 6, 7 and 8 as shown on Plat Book 43 at Page 53, also known as 702, 703, 705, 709, 710, 711 and 712 Whitten Lane within the City of Newton; and,

WHEREAS, the property shall be utilized exclusively for economic development purposes, new job creation, and increasing industrial output as well as the business prospects in the City of Newton within the meaning of NCGS 158-7.1 for the purpose of promoting the health, safety and general welfare of its citizens as approved by City Council on December 5, 2017, Resolution 17-2017; and,

WHEREAS, an appraisal was completed on September 1, 2017 for each of the 7 parcels for a total value of $170,500:

702 Whitten Lane - $23,500 (parcel # 3741-19-50-9135)
703 Whitten Lane - $23,000 (parcel # 3741-19-60-2008)
705 Whitten Lane - $22,000 (parcel # 3740-07-69-1816)
709 Whitten Lane - $21,000 (parcel # 3740-07-69-0657)
710 Whitten Lane - $23,000 (parcel # 3740-07-59-7729)
711 Whitten Lane - $32,000 (parcel # 3740-07-59-9438)
712 Whitten Lane - $26,000 (parcel # 3740-07-59-7610)

WHEREAS, the City Council desires to recognize the donated real property noted specifically above.

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
Contributed Capital 11-0000.3830 $170,500

General Fund Appropriations
Capital Outlay - Land 11-4910.8700 $170,500

Adopted this 6th day of March, 2018.
Anne P. Stedman, Mayor

Attest:

Amy S. Falowski, City Clerk
DATE: January 4, 2018

TO: Todd Clark, City Manager

FROM: Kevin Yoder, Fire Chief

CONSIDERATION OF: Acceptance of FM Global Grant and approval of budget ordinance amendment for iPads.

Background:

1. The City of Newton Fire Department recently applied for a grant from FM Global for Apple iPads, and various other small equipment items associated with the iPads.
2. The department recently received notification that the grant has been awarded.
3. These iPads will be installed in fire apparatus to aid in the tracking of fire inspections, hydrant information, and call locations and details. They will replace older outdated iPads.
4. The amount of this grant is $2,000.00.
5. There are no matching city funds required under this grant. It is 100% funded.
6. A budget amendment is attached for funding in the current fiscal year to recognize revenues and authorize expenditures for this grant funding.

Action Suggested:

It is requested that City Council accept the “FM Global Grant” and approve the attached budget amendment to recognize the revenues and appropriations associated therewith.
City of Newton Fire Department to Bolster Fire Prevention Efforts with FM Global Grant

NEWTON, N.C.—The City of Newton Fire Department has received a US$2,000 fire prevention grant from FM Global, one of the world’s largest commercial property insurers.

FM Global representatives presented the award to Enter who from your agency will be accepting the grant award at the Enter the location of the award presentation located on Enter the street address of the award presentation in Enter the city of the award presentation. The award will be used to assist with prefire planning to efficiently collect and track data related to local community buildings. The information will help the fire service respond in an emergency situation.

Because fire continues to be the leading cause of property damage worldwide, during the past 40 years FM Global has contributed millions of dollars in fire prevention grants to fire service organizations around the globe. Locally, the company has awarded grants to a number of North Carolina-based organizations.

“At FM Global, we strongly believe the majority of property damage is preventable, not inevitable,” said Michael Spaziani, assistant vice president – manager of the fire prevention grant program. “Far too often, inadequate budgets prevent those organizations working to prevent fire from being as proactive as they would like to be. With additional financial support, grant recipients are actively helping to improve property risk in the communities they serve.”

Through its Fire Prevention Grant Program, FM Global awards grants to fire departments—as well as national, state, regional, local and community organizations worldwide—that best demonstrate a need for funding, where dollars can have the most demonstrable impact on preventing fire, or mitigating the damage it can quickly cause.

To learn more about FM Global’s Fire Prevention Grant Program and other resources for the fire service, please visit www.fmglobal.com/fireservice.

Established nearly 200 years ago, FM Global is a mutual insurance company whose capital, scientific research capability and engineering expertise are solely dedicated to property risk management and the resilience of its client-owners. These owners, who share the belief that the majority of property loss is preventable, represent many of the world’s largest organizations, including one of every three Fortune 500 companies. They work with FM Global to better understand the hazards that can impact their business continuity in order to make cost-effective risk management decisions, combining property loss prevention with insurance protection.
February 7, 2018

Battalion Chief Walker  
City of Newton Fire Department  
119 South Brady Ave  
Newton, North Carolina 28658

Dear Battalion Chief Walker:

Congratulations. Your grant application for an FM Global fire prevention grant stood out among the hundreds we received and we will be funding $2000 towards the purchase of iPads. We hope the additional funding will help to strengthen your efforts to ultimately, and more effectively prevent fire—the leading cause of property destruction worldwide.

In the coming weeks, you will be contacted by an FM Global representative to set up a formal presentation. In the meantime, award checks will be mailed in March to your attention at the address above. Please feel free to use the attached news release that we’ve prepared for you to promote news media interest—be it in advance of or after the formal presentation.

During the past 40 years, FM Global has awarded millions of dollars in funding to fire departments and related agencies worldwide. With a shared philosophy that the majority of property loss is preventable—not inevitable—we can make a difference in preventing the frequency and severity of fire…together.

Once again, congratulations on your recent fire prevention grant awarded by FM Global, one of the world’s largest commercial property insurers.

If you have any questions regarding your award, please feel welcome to e-mail me.

Best wishes for continued success in your fire prevention endeavors.

Michael Spaziani  
Assistant Vice President, Manager - Fire Service Programs

CC: Keith Burton - Atlanta Operations  
17-278 - City of Newton Fire Department
ORDINANCE # 2018-05

AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2017-2018 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, 2017, and ending June 30, 2018, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, City Council desires to accept the $2,000 FM Global grant for the purchase of Apple iPads and related items associated with the iPads. The iPads will be installed in fire apparatus to aid in the tracking of fire inspections, hydrant information, and call locations and details; and,

WHEREAS, there are no matching City funds; and,

WHEREAS, the City Council desires to recognize the grant funds and the related expenditure appropriation within the Fire 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 Contribution/Other Grants  11-0000.3845  $2,000

General Fund Appropriations
   Non-Capital Outlay  11-4340.7900  $2,000

Adopted this 6th day of March, 2018.

Anne P. Stedman, Mayor

Attest:

Amy S. Falowski, City Clerk
REQUEST FOR COUNCIL ACTION

DATE: February 27, 2018

TO: E. Todd Clark, City Manager

FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Audit Contract for Fiscal Year 2018

Approved for Council Consideration

The City is now preparing for the Fiscal Year 2018 audit. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS); Government Auditing Standards by the State Single Audit Implementation Act, as codified in G.S. 159-34; and OMB Circular A-133, if required. Those standards require that the audit be planned and performed to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, if any, as well as evaluating the overall presentation of the financial statements.

It is staff’s recommendation that City Council approve the contract with Martin Starnes & Associates, CPAs to provide audit services for FY 2018 in the amount of $22,100 plus $1,500 for a single audit, if required, and $5,200 for financial statement drafting.

Action Suggested:

1) Approve the attached contract with Martin, Starnes & Associates, CPAs to provide audit services for Fiscal Year 2018.
CONTRACT TO AUDIT ACCOUNTS

Of ___________________________  
Primary Government Unit

_____________________________  
Discretely Presented Component Unit (DPCU) if applicable

_____________________________  
On this __________ day of __________, __________.

Auditor: ________________________  
Auditor Mailing Address: ________________________________

_____________________________  
Hereinafter referred to as The Auditor

_____________________________  
City Council (Governing Board(s)) of ________________________

(Primary Government)

and ________________________  
(N/A) : hereinafter referred to as the Governmental Unit(s), agree as follows:

1. The Auditor shall audit all statements and disclosures required by accounting principles generally accepted in the United States of America (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s) for the period beginning __________, __________, and ending __________, __________. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with auditing standards generally accepted in the United States of America. The Auditor shall perform the audit in accordance with Government Auditing Standards if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board). County and Multi-County Health Departments: The Office of State Auditor (OSA) will require Auditors of these Governmental Units to perform agreed upon procedures (AUPs) on eligibility determination on certain programs. Both Auditor and Governmental Unit agree that Auditor shall complete and report on these AUPs on Eligibility Determination as required by OSA and in accordance with the instructions and timeline provided by OSA.

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity’s Auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unqualified opinion being rendered. If during the process of conducting the audit the Auditor determines that it will not be possible to render an unqualified opinion on the financial statements of the unit, the Auditor shall contact the SLGFD staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in Government Auditing Standards, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in Government Auditing Standards. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract. **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the SLGFD within four months of fiscal year end. Audit report is due on _______ October 31, 2018_____. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit’s systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report shall include all matters defined as “significant deficiencies and material weaknesses” in AU-C 265 of the AICPA Professional Standards (Clarified). The Auditor shall file a copy of that report with the Secretary of the LGC.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit’s records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoices shall be sent via upload through the current portal address: http://nctreasurer.slgfd.leapfile.net Subject line should read “Invoice – [Unit Name]. The PDF invoice marked ‘approved’ with approval date shall be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Government shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. **(Note: Fees listed on Fees page).** This does not include fees for any Pre-Issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item #12).

10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall submit to the SLGFD either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue
bond rate covenant. Additionally, the Auditor shall submit to the SLGFD simultaneously with the Governmental Unit’s audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management’s Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit or required for full disclosure under the law, and (d) the Auditor’s opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the fiscal year end.

12. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to the SLGFD. The pre-issuance review report shall accompany the audit report upon submission to the SLGFD.

13. The Auditor shall electronically submit the report of audit to the SLGFD as a text-based PDF file when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit report Reissuance form. These audited financial statements, excluding the Auditors’ opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If the SLGFD determines that corrections need to be made to the Governmental Unit’s financial statements, those corrections shall be provided within three days of notification unless another deadline is agreed to by the SLGFD.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, a turnaround document and a representation letter addressed to the OSA shall be submitted to the SLGFD.

The SLGFD’s process for submitting contracts, audit reports and invoices is subject to change. Auditors shall use the submission process in effect at the time of submission. The most current instructions will be found on our website: https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

15. If an approved contract needs to be amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload the amended contract is http://nctreasurer.slgfd.leapfile.net No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit shall be attached to the contract, and by reference here becomes part of the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #23 of this contract. Engagement letters containing indemnification clauses shall not be accepted by the SLGFD.

17. Special provisions should be limited. Please list any special provisions in an attachment.

18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the parent government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

19. The contract shall be executed, pre-audited, physically signed by all parties including Governmental Unit and the Auditor and then submitted in PDF format to the Secretary of the LGC. The current portal address to upload the contractual documents is http://nctreasurer.slgfd.leapfile.net. Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of November 2017. These instructions are subject to change. Please check the NC Treasurer’s web site at https://www.nctreasurer.com/sl/g/Pages/Audit-Forms-and-Resources.aspx for the most recent instructions.

20. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

22. **E-Verify.** Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item #16 for clarification).

---

**SIGNATURE PAGES FOLLOW FEES PAGE**
FEES – PRIMARY GOVERNMENT

AUDIT: $ See fee section of engagement letter

WRITING FINANCIAL STATEMENTS: $ See fee section of engagement letter

ALL OTHER NON-ATTEST SERVICES: $ N/A

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a “significant threat” requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is $ 21,600

** NA if there is to be no interim billing

FEES – DPCU (IF APPLICABLE)

AUDIT: $ N/A

WRITING FINANCIAL STATEMENTS: $ N/A

ALL OTHER NON-ATTEST SERVICES: $ N/A

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a “significant threat” requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is $ N/A

** NA if there is to be no interim billing
Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

Audit Firm Signature:
Martin Starnes & Associates, CPAs, P.A.

By Amber Y. McGhinnis, Senior Audit Manager
Authorized Audit Firm representative name: Type or print

Signature of authorized audit firm representative
Date February 20, 2018

amcghinnis@martinstarnes.com
Email Address of Audit Firm

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

By Serina T. Hinson, Finance Director
Primary Government Unit Finance Officer:
Type or print name

Primary Government Finance Officer Signature
Date
(Pre-audit Certificate must be dated.)

shinson@newtonnc.gov
Email Address of Finance Officer

Date Primary Government Governing Body
Approved Audit Contract - G.S. 159-34(a)

** If Governmental Unit has no audit committee, mark this section "N/A"

***Please provide us the most current email addresses available as we use this information to update our contact database***
** This page to only be completed by Discretely Presented Component Units If Applicable **

**Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.**

**DPCU Governmental Unit Signatures:**

<table>
<thead>
<tr>
<th>Name of Discretely Presented Component Unit</th>
<th>By N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>By N/A</td>
<td>DPCU Board Chairperson: Type or print name and title</td>
</tr>
</tbody>
</table>

**Signature of Chairperson of DPCU governing board**

Date N/A

**DPCU Finance Officer:**

Type or print name

**DPCU Finance Officer Signature**

Date N/A

(Pre-audit Certificate must be dated.)

**Email Address of Finance Officer**

Date DPCU Governing Body Approved Audit Contract - G.S. 159-34(a)

N/A

***Please provide us the most current email addresses available as we use this information to update our contact database***
Steps to Completing the Audit Contract

1. Complete the header information – If a DPCU is subject to the audit requirements found in the Local Government Budget and Fiscal Control Act and a separate report is being issued for that DPCU, a separate audit contract for the DPCU is required. If a separate report is not being issued for the DPCU – it is being included in the Primary Government’s audit – the DPCU shall be named with the Primary Government on the audit contract for the Primary Government. The Board Chairperson of the DPCU shall sign the audit contract in addition to the elected leader of the Primary Government.

2. Item No. 1 – Complete the period covered by the audit

3. Item No. 6 – Fill in the audit due date. For Governmental Unit(s), the contract due date can be no later than 4 months after the end of the fiscal year, even though amended contracts may not be required until a later date.

4. Item No. 8 – If the process for invoice approval instructions changed, the Auditor should make sure he and his administrative staff are familiar with the current process. Instructions for each process can be found at the following link. https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx

5. Item No. 9 – Please note that the new fee section has been moved to page 5.

6. Item No. 16 – Has the engagement letter been attached to the contract that is being submitted to SLGFD?
   a. Do the terms and fees specified in the engagement letter agree with the Audit contract? “In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence.”
   b. Does the engagement letter contain an indemnification clause? The audit contract shall not be approved if there is an indemnification clause – refer to LGC Memo # 986.

7. Complete the fee section for BOTH the Primary Government and the DPCU (if applicable) on the fees page; please note:
   - The cap on interim payments is 75% of the current audit fee for services rendered if the contracted fee amount is a fixed amount. If any part of the fee is variable, interim payments are limited to 75% of the prior year’s total audit fee. If the contract fee is partially variable, we shall compare the authorized interim payment on the contract to 75% of last year’s actual approved total audit fee amount according to our records. There is a report of audit fees paid by each governmental unit on our web site: https://www.nctreasurer.com/slg/lfm/audit_acct/Pages/default.aspx select “audit fees”

   Please call or email Lorna Hodge at 919-814-4299 lorna.hodge@nctreasurer.com if you have any questions about the fees on this list.

   - For variable fees for services, are the hourly rates or other rates clearly stated in detail? If issued separately in an addendum, has the separate page been acknowledged in writing by the Governmental Unit?
For fees for services that are a combination of fixed and variable fees, are the services to be provided for the fixed portion of the fee clearly stated? Are the hourly rates or other rates clearly stated for the variable portion of the fee? (Note: See previous bullet point regarding variable fees.)

If there is to be no interim billing, please indicate N/A instead of leaving the line blank.

8. Signature Area – There are now 2 Signature Pages: one for the Primary Government and one for the DPCU. Please only send the page(s) that are applicable to your Unit of Government and do not include the instructions pages. Make sure all signatures have been obtained, and properly dated. **The contract shall be approved by Governing Boards pursuant to G.S. 159-34(a).** If this contract includes the audit for a DPCU that is a Public Authority that falls under the Local Government Budget and Fiscal Control Act, it shall be named in this contract and the Board Chairperson of the DPCU also shall sign the contract in the area indicated. If the DPCU is filing a separate audit, a separate audit contract is required for that DPCU.

9. Please place the date the Primary Government’s Governing Board and the DPCU’s Governing Board (if applicable) approved the audit contract in the space provided.
   a. Please make sure that you provide email addresses for the audit firm and finance officer as these will be used to communicate official approval of the contract.
   b. Has the pre-audit certificate for the Primary Government (and the DPCU if applicable) been signed and dated by the appropriate party?
   c. Has the name and title of the Mayor or Chairperson of the Unit’s Governing Board and the DPCU’s Chairperson (if applicable) been typed or printed on the contract and has he/she signed in the correct area directly under the Auditor’s signature?

10. If the Auditor is performing an audit under the yellow book or single audit rules, has year-end bookkeeping assistance been limited to those areas permitted under the revised GAO Independence Standards? Although not required, we encourage Governmental Units and Auditors to disclose the nature of these services in the contract or an engagement letter. Fees for these services should be shown in the space indicated on the fees page.

11. Has the most recently issued peer review report for the audit firm been included with the contract? This is required if the audit firm has received a new peer review report that has not yet been forwarded to us. The audit firm is only required to send the most current Peer Review report to us once – not multiple times.

12. After all the signatures have been obtained and the contract is complete, please convert the contract and all other supporting documentation to PDF. When submitting for approval combine and send the documents as one PDF file to include the Audit contract, any applicable addendums, the engagement letter and Peer Review Report. Submit these documents using the most current submission process which can be obtained at the NC Treasurer’s web site [https://www.nctreasurer.com/slg/Audit%20Forms%20and%20Resources/Instructions%20for%20Contract%20Submission.pdf](https://www.nctreasurer.com/slg/Audit%20Forms%20and%20Resources/Instructions%20for%20Contract%20Submission.pdf)

13. If an audit cannot be completed by the due date, the Auditor or Governmental Unit shall file an Amended Contract form (Amended LGC-205). This form shall be signed by the Governmental Unit representative and the Auditor. The explanation for the delay in completing the audit is part of this contract amendment form and shall be provided. The parties that signed the original audit contract shall sign the amended contract form as well. If the signing representatives are unable to sign the amended contract, please include an explanation for this in the submitted amended contract form.
SYSTEM REVIEW REPORT

To the Partners of Martin Starnes & Associates, CPAs, P.A.
and the Peer Review Committee of the North Carolina Association
of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. (the firm) in effect for the year ended December 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm’s compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under Government Auditing Standards and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. in effect for the year ended December 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Martin Starnes & Associates, CPAs, P.A. has received a peer review rating of pass.

May 21, 2015

Koonce, Wooten & Haywood, LLP

Raleigh
3000 Barrett Drive
P.O. Box 17806
Raleigh, North Carolina 27619
919 782 9285
919 783 8937 FAX

Durham
3511 Shannon Road
Suite 100
Durham, North Carolina 27707
919 354 2987
919 489 6183 FAX

Pittsboro
10 Sanford Road
P.O. Box 1399
Pittsboro, North Carolina 27312
919 542 6000
919 542 5764 FAX
DATE: February 28, 2018

TO: Todd Clark, City Manager

FROM: Dusty Wentz, PWU Director

CONSIDERATION OF: Adoption of the 2017 Annual Consumers Confidence Report for the water treatment and 2017 Annual Wastewater report for wastewater treatment and waste water collection System.

Approved for Council Consideration

Background:

The State of North Carolina Division of Environmental Quality (NCDEQ) requires the owner of a water and/or wastewater facility to submit individual Consumer Confidence Reports to its office each year. The purpose of the Consumer Confidence Report is to demonstrate compliance to the public with all state and federal environmental health regulations. Additionally, the local governing body must review and accept the annual report.

The City of Newton has submitted the 2017 Annual Wastewater Report to NCDEQ and is in compliance with all regulatory agency requirements. The City is in compliance with all regulatory agency requirements with respect to water treatment and the staff will be sending the required 2017 Consumers Confidence Report to NCDEQ following acceptance of this report by City Council.

The Annual Water Consumers Confidence Report (CCR) and the Annual Wastewater Report are attached for your review.

Recommendation:

It is recommended that the Council accept the Water Consumers Confidence Report and the 2017 Annual Wastewater Report.
We are pleased to present to you this year’s Annual Drinking Water Quality Report. This report is a snapshot of last year’s water quality. Included are details about your source(s) of water, what it contains, and how it compares to standards set by regulatory agencies. Our constant goal is to provide you with a safe and dependable supply of drinking water. We want you to understand the efforts we make to continually improve the water treatment process and protect our water resources. We are committed to ensuring the quality of your water and to providing you with this information because informed customers are our best allies. **If you have any questions about this report or concerning your water, please contact Brian Wilson, WTP superintendent at 828-695-4312.** We want our valued customers to be informed about their water utility.

**What EPA Wants You to Know**

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline (800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. City of Newton is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at [http://www.epa.gov/safewater/lead](http://www.epa.gov/safewater/lead).

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity. Contaminants that may be present in source water include microbial contaminants, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife; inorganic contaminants, such as salts and metals, which can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming; pesticides and herbicides, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses; organic chemical contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems; and radioactive contaminants, which can be naturally-occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. FDA regulations establish limits for contaminants in bottled water, which must provide the same protection for public health.
When You Turn on Your Tap, Consider the Source

The water that is used by this system is surface water and is located at the Jacobs Fork Park, off highway 10 and the lake is located at the end of Boston road. The Jacob Fork River is the primary water source for Newton’s drinking water. The city has a secondary source for water, which is the City Lake, a reservoir that holds approximately 40 million gallons. The Jacob Fork flows approximately 20 miles over solid bedrock where it is well oxygenated, and most volatile contaminants are removed. The Jacob Fork River has no commercial or city discharge facilities located along its 20-mile stretch adding to the purity of the water.

Source Water Assessment Program (SWAP) Results

The North Carolina Department of Environment and Natural Resources (DENR), Public Water Supply (PWS) Section, Source Water Assessment Program (SWAP) conducted assessments for all drinking water sources across North Carolina. The purpose of the assessments was to determine the susceptibility of each drinking water source (well or surface water intake) to Potential Contaminant Sources (PCSs). The results of the assessment are available in SWAP Assessment Reports that include maps, background information and a relative susceptibility rating of Higher, Moderate or Lower.

The relative susceptibility rating of each source for the City of Newton was determined by combining the contaminant rating (number and location of PCSs within the assessment area) and the inherent vulnerability rating (i.e., characteristics or existing conditions of the well or watershed and its delineated assessment area). The assessment findings are summarized in the table below:

### Susceptibility of Sources to Potential Contaminant Sources (PCSs)

<table>
<thead>
<tr>
<th>Source Name</th>
<th>Inherent Vulnerability Rating</th>
<th>Contaminant Rating</th>
<th>Susceptibility Rating</th>
<th>SWAP Report Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jacobs Fork/Catawba River</td>
<td>Higher</td>
<td>Lower</td>
<td>Moderate</td>
<td>August 2017</td>
</tr>
<tr>
<td>City Lake</td>
<td>Higher</td>
<td>Lower</td>
<td>Moderate</td>
<td>August 2017</td>
</tr>
</tbody>
</table>

The complete SWAP Assessment report for the City of Newton may be viewed on the Web at: [www.ncwater.org/pws/swap](http://www.ncwater.org/pws/swap). Note that because SWAP results and reports are periodically updated by the PWS Section, the results available on this web site may differ from the results that were available at the time this CCR was prepared. If you are unable to access your SWAP report on the web, you may mail a written request for a printed copy to: Source Water Assessment Program – Report Request, 1634 Mail Service Center, Raleigh, NC 27699-1634, or email requests to swap@ncdenr.gov. Please indicate your system name, number, and provide your name, mailing address and phone number. If you have any questions about the SWAP report please contact the Source Water Assessment staff by phone at 919-707-9098.

It is important to understand that a susceptibility rating of “higher” does not imply poor water quality, only the system’s potential to become contaminated by PCSs in the assessment area.

Water Quality Data Tables of Detected Contaminants

We routinely monitor for over 150 contaminants in your drinking water according to Federal and State laws. The table below lists all the drinking water contaminants that we detected in the last round of sampling for the particular contaminant group. The presence of contaminants does not necessarily indicate that water poses a health risk. **Unless otherwise noted, the data presented in this table is from testing done January 1 through December 31, 2016.** The EPA and the State allow us to monitor for certain contaminants less than once per year because the concentrations of these contaminants are not expected to vary significantly from year to year. Some of the data, though representative of the water quality, is more than one year old.

### Important Drinking Water Definitions:

**Not-Applicable (N/A)** – Information not applicable/not required for that particular water system or for that particular rule.

**Non-Detects (ND)** - Laboratory analysis indicates that the contaminant is not present at the level of detection set for the particular methodology used.
**Parts per million (ppm) or Milligrams per liter (mg/L)** - One part per million corresponds to one minute in two years or a single penny in $10,000.

**Parts per billion (ppb) or Micrograms per liter (ug/L)** - One part per billion corresponds to one minute in 2,000 years, or a single penny in $10,000,000.

**Parts per trillion (ppt) or Nanograms per liter (nanograms/L)** - One part per trillion corresponds to one minute in 2,000,000 years, or a single penny in $10,000,000,000.

**Parts per quadrillion (ppq) or Picograms per liter (picograms/L)** - One part per quadrillion corresponds to one minute in 2,000,000,000 years or one penny in $10,000,000,000,000.

**Picocuries per liter (pCi/L)** - Picocuries per liter is a measure of the radioactivity in water.

**Million Fibers per Liter (MFL)** - Million fibers per liter is a measure of the presence of asbestos fibers that are longer than 10 micrometers.

**Nephelometric Turbidity Unit (NTU)** - Nephelometric turbidity unit is a measure of the clarity of water. Turbidity in excess of 5 NTU is just noticeable to the average person.

**Action Level (AL)** - The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

**Treatment Technique (TT)** - A required process intended to reduce the level of a contaminant in drinking water.

**Maximum Residual Disinfection Level Goal (MRDLG)** – The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

**Maximum Residual Disinfection Level (MRDL)** – The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

**Maximum Contaminant Level (MCL)** - The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

**Maximum Contaminant Level Goal (MCLG)** - The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

### Tables of Detected Contaminants

**Microbiological Contaminants in the Distribution System** - For systems that collect less than 40 samples per month

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>MCL Violation Y/N</th>
<th>Your Water</th>
<th>MCLG</th>
<th>MCL</th>
<th>Likely Source of Contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Coliform Bacteria (presence or absence)</td>
<td>N</td>
<td>0</td>
<td>0</td>
<td>one positive monthly sample</td>
<td>Naturally present in the environment</td>
</tr>
<tr>
<td>Fecal Coliform or E. coli (presence or absence)</td>
<td>N</td>
<td>0</td>
<td>0</td>
<td>(Note: The MCL is exceeded if a routine sample and repeat sample are total coliform positive, and one is also fecal coliform or E. coli positive)</td>
<td>Human and animal fecal waste</td>
</tr>
</tbody>
</table>
Turbidity*

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>Treatment Technique (TT) Violation Y/N</th>
<th>Your Water</th>
<th>Treatment Technique (TT) Violation if:</th>
<th>Likely Source of Contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turbidity (NTU) - Highest single turbidity measurement</td>
<td>N</td>
<td>0.09 NTU</td>
<td>Turbidity &gt; 1 NTU</td>
<td>Soil runoff</td>
</tr>
<tr>
<td>Turbidity (NTU) - Lowest monthly percentage (%) of samples meeting turbidity limits</td>
<td>N</td>
<td>100%</td>
<td>Less than 95% of monthly turbidity measurements are ≤ 0.3 NTU</td>
<td></td>
</tr>
</tbody>
</table>

* Turbidity is a measure of the cloudiness of the water. We monitor it because it is a good indicator of the effectiveness of our filtration system. The turbidity rule requires that 95% or more of the monthly samples must be less than or equal to 0.3 NTU.

Inorganic Contaminants

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>Sample Date</th>
<th>MCL Violation Y/N</th>
<th>Your Water</th>
<th>Range Low</th>
<th>Range High</th>
<th>MCLG</th>
<th>MCL</th>
<th>Likely Source of Contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antimony (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>6</td>
<td>6</td>
<td></td>
<td>Discharge from petroleum refineries; fire retardants; ceramics; electronics; solder</td>
</tr>
<tr>
<td>Arsenic (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>10</td>
<td></td>
<td>Erosion of natural deposits; runoff from orchards; runoff from glass and electronics production wastes</td>
</tr>
<tr>
<td>Barium (ppm)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>2</td>
<td>2</td>
<td></td>
<td>Discharge of drilling wastes; discharge from metal refineries; erosion of natural deposits</td>
</tr>
<tr>
<td>Beryllium (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>4</td>
<td>4</td>
<td></td>
<td>Discharge from metal refineries and coal-burning factories; discharge from electrical, aerospace, and defense industries</td>
</tr>
<tr>
<td>Cadmium (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>5</td>
<td>5</td>
<td></td>
<td>Corrosion of galvanized pipes; erosion of natural deposits; discharge from metal refineries; runoff from waste batteries and paints</td>
</tr>
<tr>
<td>Chromium (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>100</td>
<td>100</td>
<td></td>
<td>Discharge from steel and pulp mills; erosion of natural deposits</td>
</tr>
<tr>
<td>Cyanide (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>200</td>
<td>200</td>
<td></td>
<td>Discharge from steel/metal factories; discharge from plastic and fertilizer factories</td>
</tr>
<tr>
<td>Fluoride (ppm)</td>
<td>10/4/17</td>
<td>N</td>
<td>.66</td>
<td>N/A</td>
<td>4</td>
<td>4</td>
<td></td>
<td>Erosion of natural deposits; water additive which promotes strong teeth; discharge from fertilizer and aluminum factories</td>
</tr>
<tr>
<td>Mercury (inorganic) (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>2</td>
<td>2</td>
<td>Erosion of natural deposits; discharge from refineries and factories; runoff from landfills; runoff from cropland</td>
<td></td>
</tr>
<tr>
<td>Selenium (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>50</td>
<td>50</td>
<td></td>
<td>Discharge from petroleum and metal refineries; erosion of natural deposits; discharge from mines</td>
</tr>
<tr>
<td>Thallium (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0.5</td>
<td>2</td>
<td></td>
<td>Leaching from ore-processing sites; discharge from electronics, glass, and drug factories</td>
</tr>
</tbody>
</table>

Nitrate/Nitrite Contaminants

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>MCL Violation Y/N</th>
<th>Your Water</th>
<th>Range Low</th>
<th>Range High</th>
<th>MCLG</th>
<th>MCL</th>
<th>Likely Source of Contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nitrate (as Nitrogen) (ppm)</td>
<td>N</td>
<td>&lt;0.10</td>
<td>N/A</td>
<td>10</td>
<td>10</td>
<td>Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits</td>
<td></td>
</tr>
<tr>
<td>Nitrite (as Nitrogen) (ppm)</td>
<td>N</td>
<td>&lt;0.10</td>
<td>N/A</td>
<td>1</td>
<td>1</td>
<td>Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits</td>
<td></td>
</tr>
<tr>
<td>Contaminant (units)</td>
<td>Sample Date</td>
<td>MCL Violation</td>
<td>Your Water</td>
<td>Range Low</td>
<td>Range High</td>
<td>MCLG</td>
<td>MCL</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------</td>
<td>---------------</td>
<td>------------</td>
<td>-----------</td>
<td>------------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td>2,4-D (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>70</td>
<td>70</td>
<td>Runoff from herbicide used on row crops</td>
</tr>
<tr>
<td>2,4,5-TP (Silvex) (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>50</td>
<td>50</td>
<td>Residue of banned herbicide</td>
</tr>
<tr>
<td>Alachlor (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>2</td>
<td>Runoff from herbicide used on row crops</td>
</tr>
<tr>
<td>Atrazine (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>3</td>
<td>3</td>
<td>Runoff from herbicide used on row crops</td>
</tr>
<tr>
<td>Benzo(a)pyrene (PAH) (ppt)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>200</td>
<td>Leaching from linings of water storage tanks and distribution lines</td>
</tr>
<tr>
<td>Carbofuran (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>40</td>
<td>40</td>
<td>Leaching of soil fumigant used on rice and alfalfa</td>
</tr>
<tr>
<td>Chlordane (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>2</td>
<td>Residue of banned termicide</td>
</tr>
<tr>
<td>Dalapon (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>200</td>
<td>200</td>
<td>Runoff from herbicide used on rights of way</td>
</tr>
<tr>
<td>Di(2-ethylhexyl) adipate (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>400</td>
<td>400</td>
<td>Discharge from chemical factories</td>
</tr>
<tr>
<td>Di(2-ethylhexyl) phthalate (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>6</td>
<td>6</td>
<td>Discharge from rubber and chemical factories</td>
</tr>
<tr>
<td>DBCP [Dibromochloropropane] (ppt)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>200</td>
<td>Runoff/leaching from soil fumigant used on soybeans, cotton, pineapples, and orchards</td>
</tr>
<tr>
<td>Dinoseb (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>7</td>
<td>7</td>
<td>Runoff from herbicide used on soybeans and vegetables</td>
</tr>
<tr>
<td>Endrin (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>2</td>
<td>2</td>
<td>Residue of banned insecticide</td>
</tr>
<tr>
<td>EDB [Ethylene dibromide] (ppt)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>50</td>
<td>50</td>
<td>Discharge from petroleum refineries</td>
</tr>
<tr>
<td>Heptachlor (ppt)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>400</td>
<td>Residue of banned pesticide</td>
</tr>
<tr>
<td>Heptachlor epoxide (ppt)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>200</td>
<td>Breakdown of heptachlor</td>
</tr>
<tr>
<td>Hexachlorobenzene (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>1</td>
<td>Discharge from metal refineries and agricultural chemical factories</td>
</tr>
<tr>
<td>Hexachlorocyclopentadiene (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>50</td>
<td>50</td>
<td>Discharge from chemical factories</td>
</tr>
<tr>
<td>Lindane (ppt)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>200</td>
<td>200</td>
<td>Runoff/leaching from insecticide used on cattle, lumber, gardens</td>
</tr>
<tr>
<td>Methoxychlor (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>40</td>
<td>40</td>
<td>Runoff/leaching from insecticide used on fruits, vegetables, alfalfa, livestock</td>
</tr>
<tr>
<td>Oxamyl [Vydate] (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>200</td>
<td>200</td>
<td>Runoff/leaching from insecticide used on apples, potatoes and tomatoes</td>
</tr>
<tr>
<td>PCBs [Polychlorinated biphenyls] (ppt)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>500</td>
<td>Runoff from landfills; discharge of waste chemicals</td>
</tr>
<tr>
<td>Pentachlorophenol (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>1</td>
<td>Discharge from wood preserving factories</td>
</tr>
<tr>
<td>Picloram (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>500</td>
<td>500</td>
<td>Herbicide runoff</td>
</tr>
<tr>
<td>Simazine (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>4</td>
<td>4</td>
<td>Herbicide runoff</td>
</tr>
<tr>
<td>Toxaphene (ppb)</td>
<td>Jan/June 2014</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>3</td>
<td>Runoff/leaching from insecticide used on cotton and cattle</td>
</tr>
</tbody>
</table>
### Volatile Organic Chemical (VOC) Contaminants

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>Sample Date</th>
<th>MCL Violation Y/N</th>
<th>Your Water</th>
<th>Range Low</th>
<th>Range High</th>
<th>MCLG</th>
<th>MCL</th>
<th>Likely Source of Contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benzene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>5</td>
<td>Discharge from factories; leaching from gas storage tanks and landfills</td>
<td></td>
</tr>
<tr>
<td>Carbon tetrachloride (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>5</td>
<td>Discharge from chemical plants and other industrial activities</td>
<td></td>
</tr>
<tr>
<td>Chlorobenzene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>100</td>
<td>100</td>
<td>Discharge from chemical and agricultural chemical factories</td>
<td></td>
</tr>
<tr>
<td>o-Dichlorobenzene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>600</td>
<td>600</td>
<td>Discharge from industrial chemical factories</td>
<td></td>
</tr>
<tr>
<td>p-Dichlorobenzene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>75</td>
<td>75</td>
<td>Discharge from industrial chemical factories</td>
<td></td>
</tr>
<tr>
<td>1,2 – Dichloroethane (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>5</td>
<td>Discharge from industrial chemical factories</td>
<td></td>
</tr>
<tr>
<td>1,1 – Dichloroethylene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>7</td>
<td>7</td>
<td>Discharge from industrial chemical factories</td>
<td></td>
</tr>
<tr>
<td>cis-1,2-Dichloroethylene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>70</td>
<td>70</td>
<td>Discharge from industrial chemical factories</td>
<td></td>
</tr>
<tr>
<td>trans-1,2-Dichloroethylene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>100</td>
<td>100</td>
<td>Discharge from industrial chemical factories</td>
<td></td>
</tr>
<tr>
<td>Dichloromethane (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>5</td>
<td>Discharge from pharmaceutical and chemical factories</td>
<td></td>
</tr>
<tr>
<td>1,2-Dichloropropane (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>5</td>
<td>Discharge from industrial chemical factories</td>
<td></td>
</tr>
<tr>
<td>Ethylbenzene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>700</td>
<td>700</td>
<td>Discharge from petroleum refineries</td>
<td></td>
</tr>
<tr>
<td>Styrene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>100</td>
<td>100</td>
<td>Discharge from rubber and plastic factories; leaching from landfills</td>
<td></td>
</tr>
<tr>
<td>Tetrachloroethylene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>5</td>
<td>Discharge from factories and dry cleaners</td>
<td></td>
</tr>
<tr>
<td>1,2,4 –Trichlorobenzene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>70</td>
<td>70</td>
<td>Discharge from textile-finishing factories</td>
<td></td>
</tr>
<tr>
<td>1,1,1 – Trichloroethane (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>200</td>
<td>200</td>
<td>Discharge from metal degreasing sites and other factories</td>
<td></td>
</tr>
<tr>
<td>1,1,2 –Trichloroethane (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>3</td>
<td>5</td>
<td>Discharge from industrial chemical factories</td>
<td></td>
</tr>
<tr>
<td>Trichloroethylene (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>5</td>
<td>Discharge from metal degreasing sites and other factories</td>
<td></td>
</tr>
<tr>
<td>Toluene (ppm)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>1</td>
<td>1</td>
<td>Discharge from petroleum factories</td>
<td></td>
</tr>
<tr>
<td>Vinyl Chloride (ppb)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>0</td>
<td>2</td>
<td>Leaching from PVC piping; discharge from plastics factories</td>
<td></td>
</tr>
<tr>
<td>Xylenes (Total) (ppm)</td>
<td>10/4/17</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>10</td>
<td>10</td>
<td>Discharge from petroleum factories; discharge from chemical factories</td>
<td></td>
</tr>
</tbody>
</table>

### Asbestos Contaminant

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>Sample Date</th>
<th>MCL Violation Y/N</th>
<th>Your Water</th>
<th>Range Low</th>
<th>Range High</th>
<th>MCLG</th>
<th>MCL</th>
<th>Likely Source of Contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Asbestos (MFL)</td>
<td>5-31-11</td>
<td>N</td>
<td>ND</td>
<td>N/A</td>
<td>7</td>
<td>7</td>
<td>Decay of asbestos cement water mains; erosion of natural deposits</td>
<td></td>
</tr>
</tbody>
</table>

### Lead and Copper Contaminants

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>Sample Date</th>
<th>Your Water</th>
<th># of sites found above the AL</th>
<th>MCLG</th>
<th>AL</th>
<th>Likely Source of Contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copper (ppm) (90th percentile)</td>
<td>June 2015</td>
<td>.289</td>
<td>0</td>
<td>1.3</td>
<td>AL=1.3</td>
<td>Corrosion of household plumbing systems; erosion of natural deposits</td>
</tr>
<tr>
<td>Lead (ppb) (90th percentile)</td>
<td>June 2015</td>
<td>0</td>
<td>0</td>
<td>AL=15</td>
<td>Corrosion of household plumbing systems; erosion of natural deposits</td>
<td></td>
</tr>
</tbody>
</table>
**Radioactive Contaminants**

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>Sample Date</th>
<th>MCL Violation Y/N</th>
<th>Your Water</th>
<th>MCLG</th>
<th>MCL</th>
<th>Likely Source of Contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alpha emitters (pCi/L)</td>
<td>4/18/12</td>
<td>N</td>
<td>ND</td>
<td>0</td>
<td>15</td>
<td>Erosion of natural deposits</td>
</tr>
<tr>
<td>Uranium (pCi/L)</td>
<td>4/18/12</td>
<td>N</td>
<td>ND</td>
<td>0</td>
<td>20.1</td>
<td>Erosion of natural deposits</td>
</tr>
</tbody>
</table>

**Total Organic Carbon (TOC)**

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>TT Violation Y/N</th>
<th>Your Water (RAA Removal Ratio)</th>
<th>Range Monthly Removal Ratio Low - High</th>
<th>MCLG</th>
<th>TT</th>
<th>Likely Source of Contamination</th>
<th>Compliance Method (Step 1 or ACC#)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Organic Carbon (removal ratio) (TOC)-TREATED</td>
<td>N</td>
<td>2.86</td>
<td>1- 2.86</td>
<td>N/A</td>
<td>TT</td>
<td>Naturally present in the environment</td>
<td>ACC2</td>
</tr>
</tbody>
</table>

**Disinfectants and Disinfection Byproducts Contaminants**

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>MCL/ MRDL Violation Y/N</th>
<th>Your Water RAA (Stage 2)</th>
<th>Range Low High</th>
<th>MCLG</th>
<th>MCL</th>
<th>Likely Source of Contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>TTHM (ppb) [Total Trihalomethanes]</td>
<td>N</td>
<td>40</td>
<td>16-87</td>
<td>N/A</td>
<td>80</td>
<td>By-product of drinking water chlorination</td>
</tr>
<tr>
<td>HAA5 (ppb) [Total Haloacetic Acids]</td>
<td>N</td>
<td>25</td>
<td>14-40</td>
<td>N/A</td>
<td>60</td>
<td>By-product of drinking water disinfection</td>
</tr>
</tbody>
</table>

**Other Miscellaneous Water Characteristics Contaminants**

<table>
<thead>
<tr>
<th>Contaminant (units)</th>
<th>Sample Date</th>
<th>Your Water</th>
<th>Range Low/High</th>
<th>SMCL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sodium (ppm)</td>
<td>10/4/17</td>
<td>8.89</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Sulfate (ppm)</td>
<td>10/4/17</td>
<td>17.5</td>
<td>N/A</td>
<td>250 mg/L</td>
</tr>
<tr>
<td>pH</td>
<td>10/4/17</td>
<td>7.2</td>
<td>N/A</td>
<td>6.5 to 8.5</td>
</tr>
</tbody>
</table>

**drinking Cryptosporidium**

Our system is currently monitoring for *Cryptosporidium* as required by the USEPA. This round of testing began in October 2016 and runs through September 2018. Samples are taken monthly and transported to Charlotte for testing. There has thus been no indication of the contaminant present at the level of detection as set by the USEPA.

*Cryptosporidium* is a microbial pathogen found in surface water throughout the U.S. Although filtration removes *Cryptosporidium*, the most commonly-used filtration methods cannot guarantee 100 percent removal. Our monitoring indicates the presence of these organisms in our source water and/or finished water. Current test methods do not allow us to determine if the organisms are dead or if they are capable of causing disease. Ingestion of *Cryptosporidium* may cause cryptosporidiosis, an abdominal infection. Symptoms of infection include nausea, diarrhea, and abdominal cramps. Most healthy individuals can overcome the disease within a few weeks. However, immuno-compromised people, infants and small children, and the elderly are at greater risk of developing life-threatening illness. We encourage immuno-compromised individuals to consult their doctor regarding appropriate precautions to take to avoid infection. *Cryptosporidium* must be ingested to cause disease, and it may be spread through means other than drinking water.
Letter from the Water Treatment Plant Superintendent

I was hired by the City of Newton to take over as their new Water Treatment Plant Superintendent in August, 2016. After spending 10 years in water treatment in North Carolina I was excited to come to work for a City that took as much pride in their water as any city I have ever seen. Newton has much to be proud of when talking about their water. The City of Newton Water Treatment Plant has again received the Area Wide Optimization Program (AWOP) award for the 14th consecutive year. This award is handed out by the NC Water Resources Department and recognizes drinking water facilities for producing water that exceeds State and EPA regulations for safety and quality. This level of water quality is possible due to the experienced and passionate water operators that work for the City of Newton. They operate the plant 24 hours a day, 7 days a week producing over 1 billion gallons of drinking water per year. We aim to protect our water source and continue to provide the highest quality of water possible. If you should ever have any concerns, please don’t hesitate to call me 828-695-4312 or email me at bwilson@newtonnc.gov

Brian Wilson
Water Treatment Plant Superintendent
City of Newton Wastewater Treatment System  
Performance Annual Report for 2017  
January 19, 2018

I. General Information

Facility Name: City of Newton Sanitary Sewer Collection System

Contact Person: Jeremy Todd Crutchfield,  
Collection and Distribution Superintendent  
PO Box 550  
Newton, NC 28658  
(828) 695-4289

Applicable Permits: Wastewater Collection System Permit Number-WQCS00044

ALSO

Facility Name: City of Newton, Clark Creek Wastewater Treatment Plant

Contact Person: Eric Jones, WWTP Superintendent  
PO Box 550  
Newton, NC 28658  
(828) 695-4370

Applicable Permits: National Pollutant Discharge Elimination System (NPDES)  
Permit Number - NC0036196  
Land Application (Non-Discharge) Permit Number - WQ0003902

The City of Newton views environmental protection as one of our top priorities. For this reason, the City actively participates in the collection, treatment and disposition of sewage generated within its boundaries.

Description of Collection System

Wastewater (sewage), discharged by customers, flows to the city owned and operated Clark Creek Wastewater Treatment Plant through a sanitary sewer system encompassing approximately 149.58 miles of sanitary sewer lines. Of these lines, approximately 11.34 miles are force mains with the remaining 138.24 being gravity lines. The force mains of piping ranging in size from 6” to 12” and the gravity lines consist of piping ranging in size from 6” to 36”. The City of Newton operates and maintains 8 sewer lift stations within the sewer collection system.

Upon arrival at the treatment plant all wastewater is treated and discharged in an environmentally safe manner in accordance with National Pollutant Discharge Elimination System (NPDES) regulations.

Clark Creek Wastewater Treatment Plant, completed in 1979, upgraded in 1992, 2005 and 2010. The facility currently operates according to NPDES permit NC0036196 which
includes the treatment of a maximum of 5.0 million gallons of wastewater per day (MGD). Homes, businesses, and industries discharge their wastewater (sewage) into the sanitary sewer system. Once the wastewater is discharged into the pipes it travels through the collection system until it reaches the Wastewater Treatment Plant. The system is composed of a complicated network of pumps, manholes, standby generators and over six hundred thousand (651,000) feet of pipe. The Wastewater Treatment Plant is staffed and operated 24 hours per day, 365 days a year. The City of Newton Wastewater Plant staff includes 11 State Certified Operators, including five employees that hold the highest certification obtainable in North Carolina for Wastewater Treatment Operators. The Environmental Protection Agency and the North Carolina AWWA-WEA has recognized the Clark Creek Wastewater Treatment Plant for Operation and Maintenance Excellence.

The Clark Creek Wastewater Treatment Plant average daily flow for 2017 was 1.76 MGD. To ensure compliance with all Federal and State laws regarding the safe treatment of wastewater, the City of Newton appropriated one million seven hundred eighteen thousand and six hundred dollars ($1,718,600.00) towards operating and maintaining its wastewater treatment plant.

II. Performance

Yearly Performance:

During the year 2017, the wastewater collection staff visited all lift stations at a minimum of once a week. The pump maintenance crew performed scheduled preventative maintenance and made all necessary repairs as needed to keep lift stations operating at peak performance. In that same year, we have visibly inspected, cleaned, and applied root control to a combined total of 155,883 feet of sewer lines. This equals to 29.52 miles, which represents about 19 percent of our collection system. The break down to the yearly performance is visibly inspecting with a camera 12,086 feet of sewer main, which represents about 1.52 percent of our collection system, applied root control in 5.3 miles of the collection system, which is about 3.5 percent of the collection system, and jetting/vacuuming 128,090 feet which is 24.25 miles, which is about 16.2 percent. The City personnel assisted residents with 84 back-ups during 2017. The aerial and high priority lines were inspected three times this year; once in May, then again in September, and again in November. Lines not visible to the general public were bush-hogged and/or inspected in the spring and summer months. Finally, the City of Newton is being proactive by educating the public about grease. This was done twice a year; once in the spring and once in the fall; furthermore, there are fats, oil, and grease (FOG) education material on the city web site.

City of Newton wastewater collection permit required a Capital Improvement Plan to designate funding for reinvestment into the wastewater collections system infrastructure. 2017 did have a Capital Improvement Plan that the City Council adopted. The Fiscal year of 2018-2019 the City of Newton Capital Improvement Plan has been revised and presented January 19, 2018 by the City Council in one of their 2018 spring board meetings will approve it.

Capital Improvement Projects:

In 2016 the City of Newton, began a project to replace the sewer main on West Side Drive. This project was completed in summer, 2017.
The City of Newton replaced pump 2 at the pump station and 2 air relief valves on the forced sewer main coming from Burris Road Pump station.

On Industrial Drive, the city replaced 220’ of 18” sewer line outfall.

Off of Radio Station Road on City of Newton easement, the City of Newton replaced 120 feet of 12” part of that was 60 feet of aerial.

The City of Newton replaced 40 feet aerial off of St. James Church Road on City of Newton easement.

At Newton Conover High School, the City of Newton replaced 620 feet of 8” sewer main and 2 manholes.

On 321 Business we replaced 16 ring and lids on sewer N. of Hwy 10 to Conover Blvd.

Rebuilt 2 influent pumps at the Clark Creek WWTP. Pumps #1 and #3 were rebuilt.

Sanitary Sewer Overflows:

City of Newton wastewater collection system experienced one (5) reportable overflows (4) that reached the waters of North Carolina. The overflows resulted in no fish kill or other negative environmental impact.

4/23/2017 1857 Burris Road, Inflow and Infiltration was the cause. The estimated volume of the spill was 10,800 gallons, reaching the waters of the state (Mclin Creek) was 3000 gallons. Reported to DWR Incident # 201700590

5/31/2017 338 North Ash Avenue estimated volume was 50 gallons reaching the waters of North Carolina (Hildebran Creek) pipe break was the cause. Reported to DWR incident # 201700961

7/24/2017 728 Radio Station Road an estimated volume of 300 gallons spilled into Hildebran Creek, the cause was roots, it was reported to DWR incident # 201701216

9/14/2017 914 West 1st Street an estimated volume of 50 gallons spilled 20 of which reached Hilebran Creek, grease was the cause. It was reported to DWR incident #201701412

10/8/2017 1857 Burris Road an estimated 1200 gallons spilled in which 400 reached the North Carolina waters McLin Creek, Inflow and Infiltration was the cause. It was reported to DWR incident # 201701483

The City of Newton had 4 overflows that did not reach state waters that were documented in Collections Department records.

3/21/2017 749 AC Little Road, The cause was grease an estimated 25 gallons spilled on the ground. The cause was rags.

3/21/2017 100 West 17th Street an estimated 50 gallons spilled on the ground. Rags and
wipes was the cause.

11/25/2017 1432 W. Hwy 10 an estimated 15 gallons spilled on to the ground, the cause was rags in the line.

12/04/2017 1779 Mount Olive Church Road an estimated 25 gallons spilled on the ground, the cause was a failed air relief valve.

The City of Newton Clark Creek Wastewater Plant reported 3 basin overflows in 2017.

02/02/2017 – Approximately 2500 gallons of filter backwash over flowed the backwash basin. This was because the basin drain had been closed. Overflow was contained to the plant.

02/14/2017 - Approximately 2000 gallons of filter backwash overflowed the backwash basin due to a power flicker that occurred while washing the filter. It reset the wash; the operator caught it and shut down the wash. Overflow was contained to the plant.

12/14/2017 – While re-circulating the #1 thickener, the drain was down and it overflowed the trough that runs to the influent. Approximately 1500 gallons of sludge overflowed the drain. It was contained to the sidewalk between the #1 and #2 thickeners. It did flow down the steps beside the D/W building. It went into the drain that is piped to the influent. We cleaned up area and washed it back to the influent to be run back through the plant. It was contained and none reached the storm drains.

In all 3 spills, none got outside of the plant or reached any of the storm drains.

Narrative report of the eight pump stations is as follows:

Burris Road Pump Station (PS): This pump station is inspected three times a week by the staff to empty the bar screen cleaning debris basket and is remotely monitored via a SCADA alarm system. This system monitors and reports pump run condition; pump failure alarm, high level alarm, power failure alarm and generator failure alarm. There is an emergency power generator on site.

Walnut Creek PS: This pump station is inspected three times a week by the staff to empty the bar screen cleaning debris basket and is remotely monitored via a SCADA alarm system. This system monitors and reports pump run condition; pump failure alarm, high level alarm, power failure alarm and generator failure alarm. There is an emergency power generator on site.

West Side PS: This pump station is inspected three times a week by the staff to empty the bar screen cleaning debris basket and is remotely monitored via a SCADA alarm system. This system monitors and reports pump run condition; pump failure alarm, high level alarm, power failure alarm and generator failure alarm. There is an emergency power generator on this site.

HWY#10/Southfork PS: This pump station is inspected one time per week by the staff and is monitored remotely via a SCADA alarm system. This system monitors and reports.
pump run condition; pump failure alarm, high level alarm, power failure alarm and generator failure alarm. There is an emergency power generator on site.

Startown School PS: This pump station is inspected once a week by the staff and is monitored remotely via a SCADA alarm system. This system monitors and reports pump run condition; pump failure, high level alarm and power failure alarm. A portable emergency power generator is stored at the Public Works building and is on a battery tender.

Balls Creek PS: This facility is inspected once a week by the staff and is monitored remotely via a SCADA alarm system. This system monitors and reports pump run condition; pump failure, high level alarm, power failure alarm and generator failure alarm. There is an emergency power generator on site.

Gregory Wood Products PS: This facility is inspected once per week by the staff and is monitored via a SCADA alarm system. This system monitors and reports pump run condition; pump failure alarm, high level alarm, power failure alarm and generator failure alarm. There is an emergency power generator on site.

Target Distribution Center PS: This facility is inspected once a week by the staff and is monitored via a SCADA alarm system. This system monitors and reports pump run condition; pump failure alarm, high level alarm, power failure alarm and generator failure alarm. There is an emergency generator on site.

**Aerial and High Priority Lines:**

<table>
<thead>
<tr>
<th>Location</th>
<th>Manhole</th>
<th>Size</th>
<th>Material</th>
<th>Footage</th>
<th>Type</th>
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<tbody>
<tr>
<td>2210 Little Coulters Church Rd</td>
<td>2338-2339</td>
<td>24</td>
<td>Steel</td>
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<td>2210 Little Coulters Church</td>
<td>2334-2338</td>
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<td>Steel</td>
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<td>1775 Southwest Blvd</td>
<td>2322-2306</td>
<td>36</td>
<td>Steel</td>
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<td>1775 Southwest Blvd</td>
<td>2320-2318</td>
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<td>STEEL</td>
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<td>AERIAL</td>
</tr>
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<td>1346 McKay Rd.</td>
<td>2167-2328</td>
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<td>1346 McKay Rd.</td>
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<td>12</td>
<td>CI</td>
<td>18</td>
<td>Under Creek</td>
</tr>
<tr>
<td>2393 W Hwy 10</td>
<td>1357-1356</td>
<td>12</td>
<td>CI</td>
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<tr>
<td>1390 Kensington</td>
<td>1349-1384</td>
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<td>DI</td>
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<td>Under Creek</td>
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<tr>
<td>1698 Kensington</td>
<td>1367-1368</td>
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<tr>
<td>720 Westside Dr</td>
<td>2263</td>
<td>18</td>
<td>PVC</td>
<td>418</td>
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<tr>
<td>720 Westside</td>
<td>2264</td>
<td>18</td>
<td>PVC</td>
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<td>Parallel to creek</td>
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<td>CI</td>
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<td>235 N Gate</td>
<td>2280-2277</td>
<td>18</td>
<td>CI</td>
<td>40</td>
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<tr>
<td>530 Hamilton</td>
<td>1004-1006</td>
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<td>AERIAL</td>
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<td>41 Cherry Ln</td>
<td>1177-1178</td>
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<td>41 Cherry Ln</td>
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<td>811 Ridge Dr</td>
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<td>811 Ridge Dr</td>
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<td>1522 W NC Hwy 10</td>
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<td>DIP</td>
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<td>1254 Long Dr</td>
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<td>Address</td>
<td>Year</td>
<td>Length</td>
<td>Material</td>
<td>Diameter</td>
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<td>----------------------------------------------</td>
<td>------</td>
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<td>1135 Long Dr</td>
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<td>Steel</td>
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</tr>
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<td>1011 Quail</td>
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<td>Steel</td>
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<tr>
<td>1432 Old Conover Startown Rd</td>
<td>1694-1693</td>
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<td>1432 Old Conover Startown Rd</td>
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<td>AERIAL</td>
</tr>
<tr>
<td>1306 Beechwood</td>
<td>1306-1305</td>
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<td>Steel</td>
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</tr>
<tr>
<td>1180 Edgefield</td>
<td>1293-386</td>
<td>8</td>
<td>DIP</td>
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</tr>
<tr>
<td>3336 Startown Rd</td>
<td>1666-1667</td>
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<td>Steel</td>
<td>20</td>
<td>AERIAL</td>
</tr>
<tr>
<td>2055 Milton</td>
<td>1680-1681</td>
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<td>Steel</td>
<td>5</td>
<td>AERIAL</td>
</tr>
<tr>
<td>1376 Old Conover Startown Rd</td>
<td>1685-1686</td>
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<td>Steel</td>
<td>30</td>
<td>AERIAL</td>
</tr>
<tr>
<td>1991 Old Conover Startown Rd</td>
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<td>Steel</td>
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<tr>
<td>2078 Settlementy Bridge Rd</td>
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<td>PVC</td>
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<td>Parallel to creek</td>
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<tr>
<td>2078 Settlementy Bridge Rd</td>
<td>1743-1612</td>
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<td>Steel</td>
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<td>2078 Settlementy Bridge Rd</td>
<td>1742-1612</td>
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<td>AERIAL</td>
</tr>
<tr>
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<td>Steel</td>
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<tr>
<td>100 Raido Station Rd</td>
<td>2251-2254</td>
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<td>DIP</td>
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<td>AERIAL</td>
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<tr>
<td>773 Raido Station Rd</td>
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<td>1088 Raido Station Rd</td>
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<tr>
<td>1019 W 1st St</td>
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<tr>
<td>844 W 6th St Circle</td>
<td>1977-820</td>
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<tr>
<td>Westlake &amp; W 7th St</td>
<td>795-796</td>
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<td>1712-1836</td>
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<td>731 W 15th St</td>
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<tr>
<td>1818 Northwest Blvd.</td>
<td>1188-646</td>
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<tr>
<td>802 W 15th St</td>
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<td>2202 Northwest Blvd.</td>
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<td>510 S Cline Ave</td>
<td>455-478</td>
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<tr>
<td>639 W 1st St</td>
<td>838-508</td>
<td>12</td>
<td>Clay</td>
<td>448</td>
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<tr>
<td>311 W 1st St</td>
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<td>1901 Northwest Blvd.</td>
<td>702-664</td>
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<td>DI</td>
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<td>301 W 20th St</td>
<td>703-218</td>
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<td>Under creek</td>
</tr>
<tr>
<td>316 W 21st St</td>
<td>613</td>
<td>8</td>
<td>Clay</td>
<td>25</td>
<td>MH near creek</td>
</tr>
<tr>
<td>302 W 24th St</td>
<td>597-598</td>
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<td>CI</td>
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<td>CI</td>
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<tr>
<td>1814 US 321 South</td>
<td>1123-1124</td>
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<tr>
<td>1931 Brookside</td>
<td>1106-2086</td>
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<td>25</td>
<td>AERIAL</td>
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<tr>
<td>1058 Meadowbrook</td>
<td>2087-MH N/A</td>
<td>8</td>
<td>DIP</td>
<td>25</td>
<td>AERIAL</td>
</tr>
<tr>
<td>1235 Lakewood Dr</td>
<td>2089-1138</td>
<td>8</td>
<td>DIP</td>
<td>25</td>
<td>AERIAL</td>
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<tr>
<td>1235 Lakewood Dr</td>
<td>1139-1533</td>
<td>14</td>
<td>PVC</td>
<td>25</td>
<td>Under Creek</td>
</tr>
<tr>
<td>1545 St. James Church Rd.</td>
<td>2501-1530</td>
<td>8</td>
<td>DIP</td>
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<tr>
<td>425 E N St</td>
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<td>AERIAL</td>
</tr>
<tr>
<td>425 E N St</td>
<td>1515-1514</td>
<td>16</td>
<td>CI</td>
<td>4</td>
<td>AERIAL</td>
</tr>
<tr>
<td>400 E N St</td>
<td>1509-1508</td>
<td>8</td>
<td>CI</td>
<td>60</td>
<td>AERIAL</td>
</tr>
</tbody>
</table>
### III. Notification

The City will notify the users of the wastewater system of this Annual Report by way of the City Newsletter, the City Web-site, and by announcement at a City of Newton Council meeting on February, 2018.
IV. General Information

The City of Newton is responsible for maintaining unobstructed wastewater flow in the City owned sewer system. The line that connects a house or building to the City sewer system is called a service lateral. The property owner is responsible for maintaining the service lateral. If a blockage occurs causing a sewer backup, the city encourages residents to call the city so a crew can verify which part of the line is obstructed. A city crew will check the main line and clear the line if necessary. If the main line is clear, the property owner will be notified of the need to call a plumber to clear the service lateral. Occasionally there are blockages in service laterals that extend into the utility right-of-way. When this occurs the City will check and clean the line to the “clean out” if requested. However, the property owner is ultimately responsible for the entire length of the service lateral.

Why do sewer lines block?

Many things can become lodged in a sewer line causing a backup; e.g. sticks, rocks, bricks, pieces of broken pipe, string, rags, GREASE, paper towels, newspapers, sanitary napkins, plastics, etc. Many blockages occur as a result of tree roots growing into sewer pipes. Roots collect grease and animal fat poured down drains. Over time, this collection of debris can cause an obstruction. You can help prevent sewer backups in your home and protect the environment if you adhere to the following advice: (1) Never flush or put anything down a toilet or drain that would clog a sewer line, (2) do not wash grease down a drain and (3) report any sewer overflow immediately.

It is a good idea to collect grease in a can or jar and put it in the refrigerator. When the container is full, and it solidifies, dispose of it with the household garbage.

The City of Newton has a Grease Trap Policy and a Standard Operating Procedure for controlling grease discharge from commercial establishments.

What is a “Backwater Valve” and do I need one?

A backwater valve is a relatively inexpensive item that can be installed on your plumbing system that will help prevent sewer back-ups and overflows that could occur on your property or in your home. The N.C. Plumbing Code requires that a “backwater valve” be installed in all structures if they have a plumbing fixture that has a “flood rim elevation” below the next upstream city sewer manhole. City residents can avoid sewer back-ups by installing this backwater valve, which is designed to prevent a sewer back-up in the customer’s plumbing caused by a blockage in the city’s sewer system. The valve allows sewage to leave the residence or business, but does not allow sewage to flow back into the property. (The flood rim elevation is the level at which a fixture, such as a toilet or sink, will overflow) It is possible that some local homes or businesses that have fixtures with flood rim elevations below the next upstream sewer manhole may not have the backwater valve installed. Any structure with plumbing fixtures below the next upstream sewer manhole is at risk of sewage backing up into the structure. Structures with plumbing fixtures in basements are more likely to need the valve installed. Residents are
advised that the city is not responsible for damages caused by a sewer back-up on private property if the required backwater valve has not been installed. For more information or to determine if your home needs a backwater valve, contact Todd Crutchfield at (828) 695-4289.

Questions?

Should you have any questions regarding the treatment of wastewater in your community or need to report a sewer problem, please feel free to call the City of Newton Public Works and Utilities Department at 828 695-4310. To report a sewer problem after 5:00 PM or on weekends call 695-4306

V. Certification

I certify under penalty of law that this report is complete and accurate to the best of my knowledge. I further certify that this report will be made available to the users of the system as stated in the report. An announcement of the availability of the report is scheduled to be made at a regularly scheduled City Council Meeting held in March, 2018.

______________________ _______________________
James Eric Jones                                                                             Date
City of Newton
WWTP Superintendent
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: March 1, 2018

TO: Mayor Stedman and City Council

FROM: Todd Clark, City Manager

CONSIDERATION OF: Lease Agreement Between the City of Newton and AT&T

Approved for Council Consideration

Background:
The City of Newton currently leases property behind the AT&T building to AT&T for parking of its vehicles, and has done so for the last fifteen years. The current lease expires August 18, 2018. AT&T has contacted the City of Newton about a new lease of that property. The current lease provided that the initial amount was $500 per month with an annual increase of 2%.

Review:
A new lease has been presented to the City for consideration. This draft sets a lease rate of $552.03 per month with an annual increase of 2% for a period of five years. This lease shall be for a period of five years beginning on the 19th day of August, 2018.

Action Suggested:
Along with the request is a Resolution which Council is asked to adopt to establish the terms of this lease.
RESOLUTION -2018
Authorizing Lease Agreement with AT&T

Whereas, NCGS §160A-272(a) sets forth that any property owned by a city may be leased or rented for such terms and upon such conditions as the council may determine, but not for longer than 10 years and only if the council determines that the property will not be needed by the city for the term of the lease, and

Whereas, the City Council of the City of Newton desires to lease City owned property to AT&T for a period of five (5) years, and

Whereas, the City Council of the City of Newton has determined that a rectangular portion of property with a total area of 11,280 square feet located to the rear (west side) of the AT&T Office located on North Ashe Avenue adjoining the City of Newton Public Works Facility (east side) located on West 4th Street is not needed for the term of the proposed five (5) year lease, and

Whereas, the City of Newton advertised a public hearing on February 22nd and 23rd, 2018 in accordance with NCGS §160A-272(a), and

Whereas, the public notice included a description of the property to be leased, the annual lease payments, and announced the council’s intent to authorize the lease at its March 6th, 2018 meeting, and

Whereas, the City Council of the City of Newton conducted a public hearing on March 6th, 2018 concerning the lease of property to AT&T.

NOW, THEREFORE, BE IT RESOLVED that the City of Newton City Council authorizes the execution of a five (5) year lease with AT&T for property generally described as a 11,280 square foot parking lot located to the rear (west side) of the AT&T Office located on North Ashe Avenue adjoining the city of Newton Public Works Facility (east side) located on West 4th Street and whereas the lease agreement is hereby referenced as Attachment A to this Resolution.

Adopted this 6th day of March, 2018

______________________________
Anne P. Stedman, Mayor

______________________________
Amy S. Falowski, City Clerk
PUBLIC HEARING

The Newton City Council will hold a Public Hearing beginning at 7:00 p.m. on March 6, 2018 in the Council Chambers at Newton City Hall, 401 North Main Avenue, to consider a lease agreement between the City of Newton and AT&T for a rectangular portion of property with a total area of 11,280 square feet located to the rear (west side) of the AT&T office located on North Ashe Avenue adjoining the City of Newton Public Works Facility (east side) located on West 4th Street.

Lessee (AT&T) shall pay Lessor (City of Newton) the sum of five hundred fifty two 03/100 dollars ($552.03) per month, with an annual increase equal to two (2) percent. This lease shall be for a period of five (5) years beginning on the 19th day of August 2018.

All interested persons are urged to attend and provide comment, or call 828-695-4265 with any questions.

Amy Falowski
City Clerk

The City of Newton does not discriminate on the basis of disability in the provision of its services as charged by the City of Newton City Council. All meetings are held in accessible facilities. Any person with a disability needing special accommodations should contact the City of Newton ADA Coordinator at least 48 hours prior to the scheduled meeting.

Publish: February 22, 2018 and February 23, 2018
NORTH CAROLINA              FIRST AMENDMENT TO LEASE AGREEMENT

CATAWBA COUNTY

THIS FIRST AMENDMENT TO LEASE AGREEMENT (the “Amendment”) made and executed this 6th day of March, 2018 by and between the City of Newton, a municipal corporation of Catawba County, North Carolina (“Party of the First Part”) and BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina (“Party of the Second Part”).

W I T N E S S E T H:

WHEREAS, the Parties hereto entered into that certain Lease Agreement dated June 18, 2013, (the “Lease”); and

WHEREAS, the Parties desire to extend the term of the Lease;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. The term of this Lease shall be extended for a period of five (5) years, beginning August 19, 2018, and ending August 18, 2023 (the “Extended Term”), unless either party terminates this Lease by written notice delivered to the other not less than sixty (60) days prior to the requested termination date.

2. As rental during the Extended Term, the Party of the Second Part shall pay to the Party of the First Part, the sum of Five Hundred Fifty-Two and 03/100 Dollars ($552.03) per month, with payment being due by the fifth day of each month. The first payment is due on August 19, 2018 in the prorated amount of Two Hundred Thirty-One and 50/100 Dollars ($231.50) and thereafter by the fifth day of each month in advance. It is further agreed that the rent shall be increased each year on its anniversary by an amount equal to two (2) percent of the rent then in effect. The final payment under this Agreement shall also be prorated at the monthly rate then in effect.
Except as amended hereby, the Lease remains in full force and effect and is ratified and confirmed by the Parties hereto.

IN TESTIMONY WHEREOF, the Parties have executed this agreement in duplicate originals, the day and year first above written.

THE CITY OF NEWTON
(PARTY OF THE FIRST PART)

BY: ______________________
    Mayor

ATTEST:

________________________
City Clerk

BELLSouth TELECOMMUNICATIONS, LLC
d/b/a AT&T NORTH CAROLINA
(PARTY OF THE SECOND PART)

BY: ______________________

WITNESS:
    Name: ______________________
    Title: ______________________
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: March 6, 2018

TO: Mayor and City Council

FROM: Todd Clark, City Manager

CONSIDERATION OF: Consideration of the Use of Proceeds from the Lillian Sewell Jones Estate

Approved for Council Consideration

Background:

The City Council has contemplated the utilization of proceeds from the Jones’ estate on several occasions. According to the Lillian Sewell Jones’ will, there must be two unanimous votes by two seated City Council’s that are at least 2 years and 3 months apart. The first unanimous vote occurred January 8, 2013, at the regularly scheduled council meeting, and the second unanimous vote occurred January 9, 2018.

During the January 23, 2018, Council/Staff Workshop, City Council discussed projects on which to spend the proceeds. The three projects agreed upon were an amphitheater, splash pad, and possible lighting at Jacob Fork Park.

Recommendation:

At this time staff requests that City Council consider an expenditure of principal funds allocated to the City by Ms. Jones’ estate on the downtown amphitheater project rather than funding this project through annual financing.
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: February 28, 2018
TO: E. Todd Clark, City Manager
FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Financing bid award and resolution approving financing terms.

Approved for Council Consideration

On January 25, 2018, bids were solicited for funding of vehicles and equipment. These capital items were approved as part of the FY 2017-2018 budget ordinance. Five RFP’s were submitted to the following financial institutions: BB&T Governmental Finance, Wells Fargo, SunTrust Equipment Finance & Leasing Corp. (SunTrust), First Citizens Bank, and Peoples Bank.

Of the five 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><strong>15 Year Amortization:</strong></td>
<td></td>
</tr>
<tr>
<td>BB&amp;T Governmental Finance</td>
<td>3.72%</td>
</tr>
<tr>
<td>Peoples Bank</td>
<td>3.45%</td>
</tr>
<tr>
<td><strong>20 Year Amortization:</strong></td>
<td></td>
</tr>
<tr>
<td>BB&amp;T Governmental Finance</td>
<td>3.90%</td>
</tr>
<tr>
<td>Peoples Bank</td>
<td>3.45%</td>
</tr>
</tbody>
</table>

Peoples Bank provided the lowest bid. It is staff’s recommendation that City Council award both the 15 year amortization and the 20 year amortization to Peoples Bank.

In an effort to streamline the process with the Local Government Commission, the resolutions will reflect the bid request numbers and projects presented to the financial institutions; however, the intent is to close our financings with a lesser amount due to savings in the amount of $249,500 from the Westside Dr. Sewer Project (financed in FY 2017) and utilization of $198,000 from the Frank and Sue Jones Funds for the Amphitheater. This also places the City in a better financial position. Financing would be as follows: 15 year amortization - $137,000 in lieu of $386,500 / 20 year amortization - $3,457,000 in lieu of $3,655,000.

Action Suggested:

1) Award the bid to provide financing to Peoples Bank for an amount **not to exceed:**
   a. $386,500 at stated interest rate of 3.45% for a 15 year amortization
   b. $3,655,000 at stated interest rate of 3.45% for a 20 year amortization

2) Adopt the Resolutions Approving Financing Terms based on:
   a. 15 year amortization at a stated interest rate of 3.45%.
   b. 20 year amortization at a stated interest rate of 3.45%
CITY OF NEWTON
Attachment A

Contract A---

<table>
<thead>
<tr>
<th></th>
<th>Requested Proposal Amount</th>
<th>Amount Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financing Term - 20 Years:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Downtown Newton Streetscape Infrastructure Project - Phase I</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Storm Drainage Infrastructure</td>
<td>127,550</td>
<td>127,550</td>
</tr>
<tr>
<td>Streets and Sidewalk Infrastructure</td>
<td>2,093,700</td>
<td>2,093,700</td>
</tr>
<tr>
<td>Amphitheatre</td>
<td>198,000</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous - Benches, Refuse Cans, etc.</td>
<td>35,750</td>
<td>35,750</td>
</tr>
</tbody>
</table>

**Water/Wastewater Operations:**

<table>
<thead>
<tr>
<th></th>
<th>Requested Proposal Amount</th>
<th>Amount Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Line Infrastructure</td>
<td>357,950</td>
<td>357,950</td>
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<tr>
<td>Sewer Line Infrastructure</td>
<td>231,850</td>
<td>231,850</td>
</tr>
</tbody>
</table>

**Electric Operations:**

<table>
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<tr>
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<th>Amount Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric Distribution</td>
<td>610,200</td>
<td>610,200</td>
</tr>
</tbody>
</table>

**Total 20 Year Financing**

|                        | 3,655,000 | 3,457,000 |

Note: The entire Contract A is related to the City's Downtown Streetscape Infrastructure Project for Phase I.

Contract B----

**Financing Term - 15 Years:**

**Water/Wastewater Operations:**

<table>
<thead>
<tr>
<th></th>
<th>Requested Proposal Amount</th>
<th>Amount Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. Cedar Ave to Forney Sewer Infrastructure Rehabilitation</td>
<td>214,750</td>
<td>-</td>
</tr>
<tr>
<td>Fye Dr. Water Infrastructure Extension</td>
<td>171,750</td>
<td>137,000</td>
</tr>
</tbody>
</table>

**Total 15 Year Financing**

|                        | 386,500 | 137,000 |

**Total**

|                        | 4,041,500 | 3,594,000 |

* Utilize Frank and Sue Jones Funds in lieu of financing Amphitheatre

** Utilize $249,500 in savings from Westside Dr. Sewer Rehabilitation Project financed in FY 2017

Savings are a result of $137,050 in contingency not utilized and $112,450 in final project costs below contract amount.
Resolution 6-2018
Resolution Approving Financing Terms

WHEREAS: The City of Newton, North Carolina ("City") has previously determined to undertake a project for the financing of the Downtown Newton Streetscape Infrastructure Project – Phase I (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 February 27, 2018. The amount financed shall not exceed $3,655,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 3.45%, and the financing term shall not exceed twenty (20) 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 6th day of March, 2018.

_________________________________ ____________________________________
Amy S. Falowski, City Clerk                Anne P. Stedman, Mayor
Resolution 7-2018
Resolution Approving Financing Terms

WHEREAS: The City of Newton, North Carolina (“City”) has previously determined to undertake a project for the financing of the S. Cedar Ave to Forney Sewer Infrastructure Project and Fye Drive Water Infrastructure Extension 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 February 27, 2018. The amount financed shall not exceed $386,500, the annual interest rate (in the absence of default or change in tax status) shall not exceed 3.45%, 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 6th day of March, 2018.

_________________________________  ____________________________________
Amy S. Falowski, City Clerk          Anne P. Stedman, Mayor
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: February 23, 2018

TO: E. Todd Clark, City Manager

FROM: R. S. Williams, AICP, Planning Director

CONSIDERATION OF: Locally Administered Projects Program (LAPP) Sidewalk Grant Application

Approved for Council Consideration

Background:

The Locally Administered Projects Program (LAPP) was adopted by the Greater Hickory Metropolitan Planning Organization (GHMPO) to be used by the GHMPO to prioritize and program all projects in the region that use federal funding. This process involves an annual call for all local highway, transit, bicycle and pedestrian projects, and will result in an annual program of projects added to the GHMPO’s Metropolitan Transportation Improvement Program (MTIP).

As a Transportation Management Area (TMA), the GHMPO will receive a direct allocation of approximately $2,700,000 in Surface Transportation Program Direct Attributable (STP-DA) and $200,000 in Transportation Alternatives Program (TAP) funding annually. These funds are distributed to local jurisdictions by application for grant funds to be used for transportation related activities and require a minimum 20% cash match.

Review:

Since 2015, the City Council has adopted the Streetscape Master Plan and Strategic Growth Plan along with several similar studies which detail the improvements and priorities for the City of Newton for the future. Within those plans are design and implementation recommendations to enhance and reinforce the city’s downtown as an attractive and active place.

In 2016, the city was awarded this grant for the A Street corridor location due to its connection to Catawba County Government and Justice Center, Pin Station and Expo Center, and Downtown Newton combined with the high traffic counts. This sidewalk and bike lane improvement project was identified in this application and was chosen based on the connections to the existing sidewalk network, closing gaps in the sidewalk network, providing a sidewalk on a street with a high traffic volume, connecting business centers notably the County Government Center and Downtown Newton, and serving adjoining neighborhoods.

As quoted in the Streetscape Master Plan, “It is essential to Newton’s economic future that…visitors arrive in downtown Newton and, once there, find an attractive and vibrant downtown. Likewise vehicular wayfinding and pedestrian and bike connections to and from the adjacent neighborhoods and to and from the nearby Catawba County Government Center will all encourage increased downtown visitation and increased economic activity.”
Planning staff outlined the potential project and working closely with the Public Works staff, determined the required improvements necessary and a cost estimate for the project. The project consists of the planning, design, engineering, and administration to construct a combination of a protected bikeway and bike lane improvements, sidewalk construction and ADA improvements with connections in the gaps to the partial sidewalk network will allow users a more safe multi-modal connection between the areas. It also includes the replacement of waterlines and moving the utility poles for power lines which must be relocated as a part of these improvements and to conform to the federal standards for construction.

The initial project cost estimate was $1,900,000.00 in 2015 dollars. The initial grant funding approval was for $1,520,000 and City required 20% match is $380,000, of which NCDOT is funding $250,000. At this point the city has now entered in to an agreement with NCDOT and hired an engineer to perform the design work. In reviewing the City estimates, it was stated that due to increased material and labor costs, the federal project cost could now be $3,330,000. This leaves a gap of $1,430,000 in funding.

With the proposed increase in budget, the City is now requesting supplemental funding through this grant of $1,140,000 with the City’s 20% match of $290,000, equaling the $1,430,000 gap necessary. This will bring the funding for the project to $2,660,000 federal funding, $250,000 NCDOT funding and $420,000 City funding match. Additionally, the City is contributing $854,000 in local funding to complete items within the project area that do not qualify for federal funding.

**Action Suggested:**

Planning Staff requests the City Council to endorse the project and authorize submission of the grant application to GHMPO for funding.
City of Newton
RESOLUTION -2018
Authorizing City of Newton, NC to Submit an Application to the Greater Hickory Metropolitan Planning Organization in the Amount of $1,430,000.00 Supplemental Funding for Surface Transportation Program - Direct Appointment Funds for the Downtown – County Government Center Connection Project.

LEGISLATIVE INTENT/PURPOSE:

In January 2018 the Greater Hickory Metropolitan Planning Organization (GHMPO) issued a call for projects to agencies in its jurisdiction for Surface Transportation Program- Direct Appointment Funding (STP-DA). STP-DA is comprised of a collection of discretionary programs including bicycle/pedestrian improvement for sidewalks lacking connections. Each agency may submit no more than three (3) projects of not less than $200,000 each for possible reward. The funding requires a minimum 20% local cash match.

WHEREAS, Certain areas lacking sidewalks in the city were highlighted in the City of Newton Strategic Plan, and in particular three potential projects became priority during the citizen participation meetings, and;

WHEREAS, The sidewalk project which was identified for this application was chosen based on the connections to the existing sidewalk network, closing gaps in the sidewalk network, providing a sidewalk on a street with a high traffic volume, connecting business centers notably the County Government Center and Downtown Newton, and serving adjoining neighborhoods, and;

WHEREAS, The selected project is the A Street corridor location due to its connection to Catawba County Government and Justice centers, Pin Station and Expo Center, and Downtown Newton combined with the high traffic counts, and;

WHEREAS, Planning staff outlined the potential project and working closely with the Public Works staff, determined the required improvements necessary and a cost estimate for the project, and;

WHEREAS, after initial funding was granted in 2016, preliminary designs increased the potential project costs to $3,330,000, leaving a $1,430,000 funding gap, and;

WHEREAS, The project consists of the planning, design, engineering, and administration to construct a combination of a protected bikeway and bike lane improvements, sidewalk construction and ADA improvements with connections in the gaps to the partial sidewalk network will allow users a more safe multi-modal connection between the areas., and;

WHEREAS, The overall project cost estimate is now $3,330,000.00. The grant request for supplemental funding request to be submitted is $1,140,000 and City required 20% match is $290,000.

THEREFORE, BE IT RESOLVED: That, the City Council approves that Randolph S. Williams, AICP, City of Newton Planning Director is hereby authorized to submit a STP-DA application for supplemental funding for A Street improvements in the amount of $1,140,000 and will commit $290,000 as a match for the Downtown – County government Center Connection Project.

Adopted this the 6th day of March, 2018

___________________________________
Anne P. Stedman, Mayor

__________________________________
Amy S. Falowski, City Clerk
DATE: March 1, 2018

TO: E. Todd Clark, City Manager

FROM: Dusty Wentz, Director of Public Works and Utilities

CONSIDERATION OF: Awarding the bid for the Annual Paving Project

Background:

This year, resurfacing is focused on N. Forney, S. Ceder, E. 14th, E. 16th, E. 1st, E. F St, Overlook, Chelsea Ln and Counselor Dr. All street segments were selected from the Asphalt and Sidewalk Condition assessment completed in late 2015. They are the city roads that the assessment indicated as having the most severe issues that could be replaced with available funds.

Staff has solicited and received three bids from local contractors. The responses are listed below:

1. Carolina Paving          No Bid
2. Evans Bros.             $406,648.45
3. J. T. Russell           No Bid

Evans Bros. bid was found to be complete and accurate.

Staff is uncertain of the subsurface conditions of several of the street segments. Therefore, we recommend holding a 15% contingency of $61,000 for this project instead of the normal 10%. A 15% contingency will bring the total project cost to $467,645.72.

City Council budgeted $644,000 for paving this year. This leaves a total of $176,354.28 and staff is evaluating additional roads for paving under a separate contract. The second contract will be brought to council this fiscal year.

Recommendation:

It is recommended that City Council consider awarding the bid for the Annual Overlay project to Evans Bros. in the amount of $406,648.45 and hold a 15% contingency of $61,000 in reserve. Any utilization of contingency funds will be presented to council.
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: February 28, 2018

TO: Todd Clark, City Manager

FROM: Dusty Wentz, PWU Director

CONSIDERATION OF: Award of bid to extend water mains on Balls Creek Rd and Buffalo Shoals Rd.

Background:

In March 2017, Catawba County and the City of Newton entered into an agreement to provide water in the Balls Creek area. This will create a hydraulic loop within the City’s water system and provide access to municipal water to citizens of Catawba County. The project area includes Balls Creek Road and Buffalo Shoals Road. The scope of the project on Balls Creed Rd will start where a current water main ends near Balls Creek Elementary School and end just before HWY 16 South. The scope of the project on Buffalo Shoals Road will start where a current water main ends near Mirrors Lake Road and end just before HWY 16 South. Both water mains will eventually tie into the water main that NCDOT and their contractor is installing as part of the HWY 16 South widening project. Combined, there will be 16,300 feet of 8” water line installed, 22 fire hydrants, and water services to each structure that is occupied.

On February 1, 2018 a total of four bids were received out of nine that were sent.

<table>
<thead>
<tr>
<th>Utility Contractors</th>
<th>Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuller &amp; Construction, LLC</td>
<td>$984,023.80</td>
</tr>
<tr>
<td>Iron Mountain Construction</td>
<td>$1,294,259.50</td>
</tr>
<tr>
<td>Piedmont Utility Group, Inc.</td>
<td>$896,540.32</td>
</tr>
<tr>
<td>Two Brothers Utilities, LLC</td>
<td>$987,120.00</td>
</tr>
</tbody>
</table>

McGill Associates, P.A. have reviewed the bids and determined that Piedmont Utility Group, Inc is the lowest qualified and most responsive bidder.

McGill Associates, P.A. recommends that a contingency of ($90,000) be allocated for the construction project. This contingency will raise the construction amount to $986,540.32.

Action Suggested:

Staff requests that Council consider award of the bid to Piedmont Utility Group, Inc. in the amount of $896,540.32. Additionally, staff recommends that a contingency of $90,000 (10%) be held in reserve.
<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION</th>
<th>QUAN.</th>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
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<td>Mobilization</td>
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<tr>
<td>2</td>
<td>6&quot; Class 350 Ductile Iron Water Line Installation</td>
<td>300</td>
<td>LF</td>
<td>$40.00</td>
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<td>3</td>
<td>6&quot; Class 350 Reinforced Joint Ductile Iron Water Line Installation</td>
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<tr>
<td>5</td>
<td>6&quot; Gate Valves &amp; Boxes</td>
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<td>Compact Ductile Iron Fittings</td>
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<td>7</td>
<td>Pre-Hardened Assembly with Valve and Tee</td>
<td>22</td>
<td>EA</td>
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<td>Concrete Driveway Repair</td>
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<td>20</td>
<td>Temporary Orbit Light</td>
<td>34.066</td>
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<td>$2.50</td>
<td>$85,165.00</td>
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</table>

**Total Bid (Sum of Items 1 to 20)**

- Fuller & Co. Construction, LLC: $984,029.88
- Iron Mountain Construction: $1,294,259.00
- Piedmont Utility Group, Inc.: $605,540.32
- Two Brothers Utilities, LLC: $687,026.00

This is to certify that the bids tabulated herein were publicly opened and read aloud at 2:00 p.m. local time on the 1st day of February 2018, at the Public Works Facility in the City of Newton, North Carolina.

R.J. Measley, PE

McGill
1240 15th Street, NW
Hickory, North Carolina 28611
Phone 828-329-2704
Firm License No. C-0459
February 7, 2018

Mr. Dusty Wentz, PE
Utilities Director
City of Newton
401 North Main Avenue
Newton, North Carolina 28658

RE: Award Recommendation
Balls Creek Area Water Service Project
City of Newton, North Carolina

Dear Mr. Wentz:

A total of four (4) bids were received on February 1st, 2018 for the City of Newton’s Balls Creek Area Water Service Project. Based on the comparison of bid quantities and unit prices provided by each bidder, Piedmont Utility Group, Inc. submitted the lowest responsive bid with a total base bid amount of $896,540.32. Please note that this is a unit price contract and the final project cost will be based upon the actual quantities installed in the field.

Piedmont Utility Group, Inc. is appropriately licensed with the North Carolina General Contractor Board and is qualified to perform this project. Therefore, we recommend award of the Balls Creek Area Water Service Project to Piedmont Utility Group, Inc. for the bid amount of $896,540.32. We also recommend that the City appropriate funds for construction contingency in the amount of $90,000.

Enclosed for your use is the certified bid tabulation. If you have any questions or comments, please do not hesitate to contact us at (828) 328-2024.

Sincerely,
McGILL ASSOCIATES, P.A.

R.J. MOZELEY, PE
Project Manager

RJM: mh

Enclosure

cc: Mr. Dennis Falder, Jr., City of Newton
    Mr. Jonathan Greer, Catawba County
CITY OF NEWTON  
REQUEST FOR COUNCIL ACTION

DATE: March 2, 2018

TO: Mayor Anne Stedman and Newton City Council

FROM: Todd Clark, City Manager

CONSIDERATION OF: Consideration of an Amendment to the FY 2017-18 Schedule of Fees and Charges

Approved for Council Consideration

Background:

The City Council has expressed a need to extend water lines to currently un-served areas within the City’s service area. As part of this effort, the City Council authorized the construction of water lines on Fye Drive, Balls Creek Road and Buffalo Shoals Road during this fiscal year.

Members of City Council have also expressed an interest in waiving tap fees as a way to encourage property owners to connect to water line extension projects at the time of construction. Consequently, the City staff have drafted an amendment to the 2017-2018 “Schedule of Fees and Charges” that, if adopted, will allow potential new customers to connect to water extension projects without having to pay the existing tap fee.

If approved by City Council, the following text will be incorporated into the Schedule of Fees and Charges:

“*The City Council may on a case by case basis waive tap fees for the standard 3/4” water tap or standard 4” sewer tap for connections to newly installed water or sewer mains. The tapping fee will only be waived during the first 90 days after the date the water or sewer main is placed into service. The City will not waive or provide a credit for any tap fee other than the standard 3/4” for water or 4” for sewer. The cost for meter and transmitter fees will not be waived and will still be due and payable by the customer.*”

Action Suggested:

The recommendation is for City Council to amend the FY 2017-18 Schedule of Fees and Charges by including the aforementioned text.
# CITY OF NEWTON FEES & CHARGES

**PUBLIC UTILITIES – WATER & WASTEWATER**

**FISCAL YEAR 2017 – 2018**

## NEW TAPS

<table>
<thead>
<tr>
<th>Tap Size</th>
<th>Inside City Limits</th>
<th>Outside City Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>$1,200.00</td>
<td>$2,200.00</td>
</tr>
<tr>
<td>1&quot;</td>
<td>$1,750.00</td>
<td>$3,250.00</td>
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<tr>
<td>2&quot;</td>
<td>$2,900.00</td>
<td>$5,800.00</td>
</tr>
<tr>
<td>4&quot;</td>
<td>$6,480.00</td>
<td>$12,830.00</td>
</tr>
<tr>
<td>6&quot;</td>
<td>$8,880.00</td>
<td>$17,630.00</td>
</tr>
</tbody>
</table>

8" and above Must be completed by developer and under the supervision of the City. All materials and installation must be approved by the City before ordering and installing. The developer/owner will pay all costs.

8" and above Must be completed by developer and under the supervision of the City. All materials and installation must be approved by the City before ordering and installing. The developer/owner will pay all costs.

**NOTE:** The 5/8" through 6" taps above include the cost of each new meter plus 10%.

**NOTE:** If shared line between the City and the County, additional fees may be assessed by Catawba County.

## Sewer Connection Fee

<table>
<thead>
<tr>
<th>Tap Size</th>
<th>Inside City Limits</th>
<th>Outside City Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>4&quot;</td>
<td>$1,000.00</td>
<td>$1,950.00</td>
</tr>
<tr>
<td>6&quot;</td>
<td>$1,607.50</td>
<td>$2,920.00</td>
</tr>
<tr>
<td>8&quot;</td>
<td>$2,245.00</td>
<td>$4,195.00</td>
</tr>
</tbody>
</table>

**NOTE:** Sewer connection fees shall be as listed above except for those connections that are deeper than 10'. Any connections deeper than 10' shall incur charges for actual labor, equipment, and materials.

**NOTE:** Boring is $70/ft, if required. Any savings from actual contracted cost will be credited to the account.

## EXISTING TAPS/METER AND TRANSMITTER REPLACEMENT

### Water Meters

#### Residential Placement of Water Meters

<table>
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<tr>
<th>Size</th>
<th>Part Number</th>
<th>Cost</th>
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<tbody>
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<td>5/8&quot;</td>
<td>290-05-05-0010</td>
<td>$130.00</td>
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<tr>
<td>1&quot;</td>
<td>290-05-05-0015</td>
<td>$180.00</td>
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</table>

#### Placement and/or Replacement of Large Meters

1 1/2" or larger Current Market Price plus 10%

#### Placement and/or Replacement of Radio Transmitter

$130.00

*The City of Newton DOES NOT assess Capital or System Development Fees.*
Valve Installation

<table>
<thead>
<tr>
<th>Size</th>
<th>Cost</th>
<th>Note</th>
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<tbody>
<tr>
<td>6&quot;</td>
<td>$2,550.00</td>
<td>plus cost of valve</td>
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<tr>
<td>8&quot;</td>
<td>$3,400.00</td>
<td>plus cost of valve</td>
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<tr>
<td>10&quot;</td>
<td>$4,200.00</td>
<td>plus cost of valve</td>
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<tr>
<td>12&quot;</td>
<td>$5,100.00</td>
<td>plus cost of valve</td>
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</tbody>
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Note: All installation is subject to an agreement.

Water Meter Setters

Cost for all water meter setters will be current market price plus 10% at the time of purchase, and the Customer will pay all costs for replacement of the meter setter.

Water Meter Box

Cost for all water meter box sizes will be current market price plus 10% at the time of purchase, and the Customer will install and pay all cost for replacement.

Meter Testing

When a customer requests that their 5/8" to 1" meter be tested by the City, there will be a $80.00 charge for this service if the meter is found to be working properly. If the meter is not working properly, the City will replace the meter at no charge to the customer.

When a customer requests that their 1 1/2" or larger meter be tested by the City, there will be a $500.00 charge for this service if the meter is found to be working properly. If the meter is not working properly, the City will replace the meter at the users expense (Sec. 98-63).

Special Utility Charges

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<th>Monitoring Charge</th>
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<tr>
<td>High Strength Charges</td>
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<tr>
<td>Monitoring Analysis</td>
</tr>
<tr>
<td>BOD over 300 mg / l</td>
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<tr>
<td>COD over 750 mg / l</td>
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<tr>
<td>TSS over 250 mg / l</td>
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<tr>
<td>TKN over 40 mg / l</td>
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<tr>
<td>Monitoring Analysis Charges</td>
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<tr>
<td>Conventional Pollutant Sample</td>
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<tr>
<td>Metals Analysis</td>
</tr>
<tr>
<td>Auto Sampler / Day</td>
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<tr>
<td>Total Kjeldahl Nitrogen</td>
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<tr>
<td>Technician Labor</td>
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<tr>
<td>High Strength Monitoring</td>
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<tr>
<td>24 Hr. Composite Sampling</td>
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<tr>
<td>BOD (Biochemical Oxygen Demand)</td>
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<tr>
<td>COD (Chemical Oxygen Demand)</td>
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<tr>
<td>TSS (Total Suspended Solids)</td>
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<td>TS (Total Solids)</td>
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<tr>
<td>NH3 (Ammonia Nitrogen)</td>
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<tr>
<td>Coliform, Membrane Filter</td>
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<td>TKN (Total Kjeldahl Nitrogen)</td>
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<tr>
<td>Nitrate – Nitrite Nitrogen</td>
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<td>Nitrate Nitrogen</td>
</tr>
<tr>
<td>Total Phosphorus</td>
</tr>
<tr>
<td>Oil &amp; Grease</td>
</tr>
<tr>
<td>pH</td>
</tr>
<tr>
<td>Temp</td>
</tr>
<tr>
<td>Dissolved Oxygen</td>
</tr>
</tbody>
</table>
Quarterly SIU Monitoring Charge

- 24 hr. Composite Sampling: $58.00
- BOD: $35.00
- COD: $23.00
- TSS: $14.00
- NH₃: $23.00
- TKN: $29.00
- pH Grab Sample: $6.00
- Temp Grab Sample: $6.00

Metals
- Cadmium: $12.00
- Copper: $12.00
- Chromium: $12.00
- Lead: $12.00
- Nickel: $12.00
- Zinc: $12.00

Permit / Sewer Use Applications (Non-refundable)

- Sewer Use Application and Renewal Based on Sewer Discharge Max. 10,000 gal. / day: $20.00
- Sewer Use Application and Renewal Based on Sewer Discharge Over 10,000 gal. / day: $100.00
- S.I.U. Permit Applications and Permit Modifications: $500.00 (5 Yr Cycle (Prorated based on 5 yr. cycle))

Water fees – use of hydrants

- Annual Bulk Water Purchase Permit Application Fee: $20.00 plus $5.00 per truck
  (charge for bulk water purchase, i.e. Tanker Trucks, etc.
  5,000 gallons or less: $75.00 per load
  More than 5,000 gallons as measured: $12.00 per 1,000 gallons
  Water may be obtained in accordance with the City's Bulk Water Purchase Policy.

Jet Vacuum Truck
- $300.00 per hour
  Minimum of one hour. Time starts at the City of Newton Public Works facility.

Closed Circuit TV (Sewer Camera)
- $190.00 per hour
  Minimum of one hour. Time starts at the City of Newton Public Works facility.

Septic Haulers
(Septic haulers will need to continue receiving vehicle inspections and permits from Catawba County)

Truck Capacity Fees (Gallons)

- 1 to 500: $25.00
- 501 to 1000: $45.00
- 1001 to 1500: $55.00
- 1501 to 2000: $75.00
- 2001 to 2500: $95.00
- 2501 to 3000: $115.00
- 3001 to 3500: $130.00
- 3501 to 4000: $150.00
- 4001 to 4500: $170.00
- 4501 to 5000: $190.00
- 5001 to 5500: $210.00
CITY OF NEWTON FEES & CHARGES
PUBLIC UTILITIES - WATER & WASTEWATER
FISCAL YEAR 2017 - 2018

Water

Minimum charge: (Inside)
  Customer Service Charge $13.98
  Usage: 0 – 3,000 Gallons $11.71
  Usage: 3,001 and greater $3.06 per 1,000 gal

Minimum charge: (Outside)
  Customer Service Charge $27.91
  Usage: 0 – 3,000 Gallons $23.41
  Usage: 3,001 and greater $6.13 per 1,000 gal

Wastewater

Minimum charge: (Inside)
  Customer Service Charge $14.76
  Usage: 0 – 3,000 Gallons $16.32
  Usage: 3,001 and greater $5.44 per 1,000 gal

Minimum charge: (Outside)
  Customer Service Charge $29.53
  Usage: 0 – 3,000 Gallons $32.61
  Usage: 3,001 and greater $10.86 per 1,000 gal

Wastewater Only: (Inside)
  1 Bedroom: 1,800 Gallons $31.08
  2 Bedrooms: 3,600 Gallons $34.34
  3 Bedrooms: 5,400 Gallons $44.13
  4 Bedrooms: 7,200 Gallons $53.92
  5 Bedrooms: 9,000 Gallons $63.71

Wastewater Only: (Outside)
  1 Bedroom: 1,800 Gallons $62.14
  2 Bedrooms: 3,600 Gallons $68.65
  3 Bedrooms: 5,400 Gallons $88.19
  4 Bedrooms: 7,200 Gallons $107.74
  5 Bedrooms: 9,000 Gallons $127.28

Owner can elect to have meter installed at own expense, if owner chooses to be billed by actual usage:
- Owner is responsible for the installation of the meter box and setter at their expense.
- The City is responsible for the installation of the water meter and radio transmitter.
- The purchase of the meter setter, water meter, radio transmitter, and meter box must be purchased from the City at a cost set forth in the current year fees and charges.
- Location of meter box will be established only by the Public Works and Utilities Director or their designee.
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE:  March 2, 2018

TO:  Mayor Anne Stedman and Newton City Council

FROM:  Todd Clark, City Manager

CONSIDERATION OF:  Consideration to Waive Tap Fees for Fye Drive, Buffalo Shoals Road, and Balls Creek Road Water Line Extensions

Approved for Council Consideration

Background:

This Request for Council Action has been prepared in anticipation of City Council adopting an amendment to the Schedule of Fees and Charges that will encourage potential new customers to connect to newly constructed water lines on Fye Drive, Balls Creek Road, and Buffalo Shoals Road.

The amendment to the Schedule of Fees and Charges has been included as a separate agenda item on the March 6th City Council agenda and it allows the City Council to waive tap fees as set forth in the following paragraph:

“The City Council may on a case by case basis waive tap fees for the standard 3/4” water tap or standard 4” sewer tap for connections to newly installed water or sewer mains. The tapping fee will only be waived during the first 90 days after the date the water or sewer main is placed into service. The City will not waive or provide a credit for any tap fee other than the standard 3/4” for water or 4” for sewer. The cost for meter and transmitter fees will not be waived and will still be due and payable by the customer.”

The City Council is asked to consider waiving the tap fee as set forth above for the water line extension projects on Fye Drive, Balls Creek Road, and Buffalo Shoals Road. The current tap fee of $940 per connection is what staff proposes to waive. The cost for each individual meter and transmitter associated with the project is currently $260 and is not recommended to be waived.

Action Suggested:

The recommendation is for City Council to consider waiving the tap fee of $940 for a period of 90 days following the date each respective water line is installed on Fye Drive, Balls Creek Road, and Buffalo Shoals Road.