MINUTES
REGULAR MEETING OF THE NEWTON CITY COUNCIL

June 5, 2018 – 7 p.m.

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

That the Regular Minutes of the May 15, 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 Tom Rowe, it was unanimously RESOLVED:

That the Consent Agenda be – APPROVED

A. Sewer Adjustments
B. Consideration of Budget Ordinance Amendment for Smart Communities Grant
C. Consideration of Budget Ordinance Amendment to Recognize Insurance Reimbursement
D. Consideration of Appointment and Re-Appointment to Planning Board
E. Consideration of Street Closure – “Bright Future Concert”

(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.

Elaine Duff, Peg Kutlewski, and Danny Duggan spoke to City Council about traffic problems and speeding on Old Conover-Startown Road. Mayor Stedman stated that staff would look in to these issues.
ITEM 6:  Presentations

A. Reliable Public Power Provider Award

Roy Jones, CEO ElectriCities, presented Public Works Director Dusty Wentz and staff with the Reliable Public Power Provider Award. Mr. congratulated Mr. Wentz, his staff, and the City of Newton.

Mayor Stedman thanked Mr. Jones and Mr. Wentz and his staff on a job well done.

B. Western Piedmont Regional Transit Authority

Camille Sterling gave a PowerPoint presentation outlining all the recent activities at the Western Piedmont Regional Transit Authority.

ITEM 7:  Public Hearing

A. Consideration of Fiscal Year 2019 Budget

Mayor Stedman opened the Public Hearing.

City Manager presented a summary of the proposed budget. He stated that the budget was presented on May, 2018, and after two work sessions there were several proposed changes that are outlined in the summary. These changes are noted below:

City of Newton
Recommended Budget Changes
FY 2018-2019

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Water/Wastewater Fund</th>
<th>Electric Fund</th>
<th>Federal AssetSeizure Fund</th>
<th>Powell Bill Fund</th>
<th>Emergency Telephone System Fund</th>
<th>Health Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>17,444,050</td>
<td>8,477,700</td>
<td>17,011,500</td>
<td>3,000</td>
<td>4,557,500</td>
<td>33,250</td>
<td>1,065,900</td>
<td>45,781,150</td>
</tr>
</tbody>
</table>

**Revenues**

General Fund:
- Fund Balance Appropriated ($202,000 to $945,000) 153,000
- Fund Balance Appropriated ($1,000 to $88,000) 85,000

Powell Bill Fund:
- Transfer from General Fund ($100,000 to $500,000) 150,000

Electric Fund:
- Electric Sales - Residential (20,800) 17,647,100
- Electric Sales Tax (3,900) 8,477,700

<table>
<thead>
<tr>
<th>Expenditures</th>
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**Expenditures**

General Fund:
- Special Appropriations
  - Historical Association 13,000
- Legislative
  - Miscellaneous ($15,000 to $10,000) 13,000
- Administration
  - Miscellaneous ($15,000 to $10,000) 15,000
- Professional Services - Legal ($170 to $200 per hour) 5,000
- Planning
  - Office Equipment 5,000
- Other Appropriations
  - Transfer to Powell Bill Fund 150,000

Powell Bill Fund:
- Street Constr/Recon/Repair/Maint ($114,400 to $500,000) 185,000
- Sidewalk Constr/Recon/Repair ($30,000 to $80,000) 50,000

Electric Fund:
- Purchase Power Costs (30,000) 17,647,100
- Electric Sales Tax (3,900) 8,477,700

**Summary of Financial Changes:**
1. Increase Historical Association's Special Appropriation to include a request for a one-time grant in addition to their annual $10,000 request for marketing materials about the square and museum $5,000; advertising $2,000 and for extending museum hours $5,000 and fund full $10,000 on request and fund $7,000. Reduce Miscellaneous in both Legislative and Administration by $5,000 each.
2. Increase Powell Bill Street Constr/Recon/Repair/Maint by $100,000 ($114,400 to $200,000), Increase Fund Balance Appropriation by $85,600.
3. Increase Professional Services - Legal due to hourly increase for City Attorney from $170 to $200 per hour.
4. Remove appropriation for Office Equipment as existing furniture and equipment available for use.
5. Transfer $100,000 for Street Constr/Recon/Repair/Maint and $50,000 for Sidewalk Constr/Recon/Repair from General Fund to Powell Bill.
6. Reduction in Electric Sales - Residential from (2.0%) to a further reduction of (4%) which will also correlate with Electric Sales Tax.
Mayor Stedman thanked staff for their hard work on the budget, and she asked if there was anyone present that would like to speak during the public hearing. No one appeared.

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

That Public Hearing be – CLOSED.

**ITEM 8: Old Business**

A. Consideration of Adoption of Fiscal Year 2019 Budget

Mayor Stedman thanked Mr. Clark and staff and City Council for all their hard work during the budget process.

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

That Fiscal Year 2018-2019 Budget be - ADOPTED.

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

B. Consideration of Final Change Order for Annual sidewalk Replacement Project

Public Works Director Dusty Wentz stated that work replacing the sidewalk segments on E. 21st and E. 22nd streets has been completed. The contractor encountered two issues completing the work.

Mr. Wentz stated that first, after removing the entire existing sidewalk segments, staff observed that no stone base had been installed under any of the sidewalk. Stone base is necessary to prevent cracking and settlement over time. Both of these conditions result in tripping hazards and Americans with Disabilities Act (ADA) noncompliance. Staff instructed the contractor to perform two actions:

- Removal of additional soil in order to maintain the level grade with existing pavement and curb.
- Installation of additional stone base to meet the minimum 4” thick sub base pad construction standard.

Mr. Wentz stated that both of these items were submitted as unit price bids as part of the bidding process, meaning Staff and the contractor had previously agreed on unit pricing in a competitive setting. The total additional cost for this work is $6,313.50.

Mr. Wentz explained that secondly, the contractor indicated six locations where handicap accessible ramps with rubber dimple pad mats are required by ADA. These ramps were not included in the original bid. The total cost for these ramps is $5,796.

Mr. Wentz stated that these two issues bring the final change order total to $12,109.50. While the total contingency for this contract is $11,850, the line item budget contains sufficient funds to cover the overage of $259.50. The original contract cost is $79,020. The contract cost after the final change order is $91,129.50.

Mr. Wentz stated that staff requests council approve the final change order request of $12,109.50 for the 2018 Annual Sidewalk Replacement Project.
Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Anne Wepner, it was unanimously RESOLVED:

That Final Change Order for Annual sidewalk Replacement Project be – APPROVED.

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

C. Consideration of Award of Bid for Fire Department Rescue Truck

Fire Chief Kevin Yoder stated that the City of Newton has entered into an agreement with Catawba County for the financing of a new rescue truck to be used by the Fire Department for Rescue, Hazardous Materials and Emergency Services within the City of Newton and Rural Service District of Catawba County.

Chief Yoder stated that this rescue truck is included in the adopted Capital Improvement Plan for the City of Newton and is included in the FY 2018-2019 budget.

Chief Yoder stated that the City has received a bid through a national purchasing cooperative referred to as HGAC (Houston Galveston Area Council). This purchasing cooperative is used by numerous municipalities in North Carolina and complies with all current bidding and purchasing laws and guidelines. Although this bidding process is conducted through the cooperative, the apparatus will be manufactured by a vendor used by the City of Newton previously. This manufacturer has constructed most of the current fire apparatus currently in use by the Fire Department. The manufacturer/vendor is the Sutphen Corporation.

Chief Yoder stated that staff has evaluated the specifications and pricing from HGAC and the Sutphen Corporation and that the bid amount is $693,423.87. He explained that construction of the apparatus will take approximately 10 – 12 months following the signing of the contract. Therefore, delivery would be April – June of 2019. There will be additional purchases of fire equipment to equip this vehicle for service, which will be purchased later in the fiscal year prior to delivery of the apparatus. The equipment for this apparatus is expected to be within the total budget for this project of $900,000.00.

Chief Yoder recommended that Council award the bid for construction of the custom rescue truck of $693,423.87 to the Sutphen Corporation through the Houston Galveston Area Council.

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

That Award of Bid for Fire Department Rescue Truck be – APPROVED

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

ITEM 9: New Business

A. Consideration of Solid Waste Contract with Catawba County

Public Works Director Dusty Wentz stated that the agreement with Catawba County for municipal use of the Blackburn Landfill is due for renewal. The last renewal was in 2013.

Mr. Wentz stated the agreement remains fundamentally the same as the 2013 version, with the exception of inclusion of increasing tipping fees year by year. Staff understands that these tipping fee increases are
a result of long term planning concerning the landfill’s closure and development of new tipping locations. The sanitary landfill is expected to be full and closed by 2032. The construction and demolition landfill is expected to be closed by 2023.

Mr. Wentz stated the agreement provided is identical to the contract between Catawba County and all other municipalities in the county. Staff has spoken with two other Public Works directors and is in agreement with them that the contract is acceptable.

Mr. Wentz recommended that Council approve the attached Agreement for Disposal of Household and Commercial Waste.

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

That Solid Waste Contract with Catawba County be – APPROVED

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

ITEM 10: City Manager’s Report

Meetings & Events

• June 11th – Pool Opening, 1:00 p.m.
• June 13th – Biscuit Day, 8:00 a.m. – noon
• June 21st – DNDA’s “Bright Future Concert”, 4:40 p.m. – 9:30 p.m.
• June 28th – BAC Semi-Annual Meeting, 5:30 p.m. – 7:00 p.m., Newton-Conover Auditorium
• Town Hall Meetings, all - 6:00 p.m. – 8:00 p.m.
  1. June 11th, Central Recreation
  2. June 12th, Newton-Conover Auditorium
  3. June 25th, Old St. Paul’s Church
  4. June 27th, Grace Reform Church

Other Projects

• Key Accounts Luncheon – July Date TBD
• June 8th, Streetscape Pre-Construction Meeting, Phase 1 Construction Slated to Start July 9th
• Update on Project Manager Position
• August 20-22, ElectriCities Conference
• Update on Medical First Response
• Update on Assistant Finance Director Position
• CAFR Award (Comprehensive Annual Financial Report)
• Financial Report for April
• Top Water, Sewer and Electric Customers for April

ITEM 11: Questions and Comments from Mayor and Council

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

Council Member Tom Rowe gave a report on the Newton Depot.
ITEM 12: Closed Session – Per North Carolina General Statute 143-318.11(a)(5)

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

That City Council enter CLOSED SESSION per General Statute 143-318.11(a)(5) and 143-318.11(a)(6)

Motion was then made by Council Member Jody Dixon, seconded by Council Member Ed Sain to return to open session

All ayes.

City Manager Todd Clark stated that the personnel portion of the closed session was to update City Council on staff’s intention to develop and use an assessment center in the hiring process of a new police chief. No action taken.

ITEM 13: 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