AGENDA
CITY OF NEWTON
NEWTON CITY COUNCIL - REGULAR MEETING

June 20, 2017
7:00 p.m.

1. Call to Order – Mayor Anne P. Stedman
2. Opening – Council Member Robert C. Abernethy, Jr.
3. Approval of Minutes from the June 6, 2017, Regular Meeting
4. Consideration of Consent Agenda Items
   A. Tax Releases
   B. Sewer Adjustments
   C. Proclamation – July is Recreation and Parks Month
   D. Consideration of Budget Ordinance Amendment to Write Off Uncollectible Accounts
   E. Consideration of Budget Ordinance Amendment – Insurance Proceeds
   F. Consideration of Grant Project Ordinance and Related Administrative Agreement – Building Reuse Grant – Newton Urgent Care
   G. Consideration of Capital Budget Ordinance – Hwy. 16 Project
   H. Consideration of Assistant City Manager Sean Hovis for Appointment as Board Member to the Western Piedmont Regional Transit Authority Board of Directors, and Planning Director Randy Williams as Alternate Member for the City of Newton
5. Comments from the Public: (PERSONS WANTING TO MAKE A PUBLIC COMMENT ON NON-AGENDA ITEMS ARE ASKED TO SIGN IN WITH THE CITY CLERK PRIOR TO THE MEETING):
6. New Business
   A. Consideration to Adopt a Resolution Declaring Surplus Property – Fire Station
   B. Consideration of Bid Award and Budget Ordinance Amendment – Emergency Sewer Realignment
   C. Consideration of Electronic Payments – Collections Counter
7. City Manager’s Report
8. Questions and Comments From Mayor and Council
   A. Reports from Appointed Representatives on Outside Boards – Council Member Jody Dixon
9. Closed Session - Per North Carolina General Statutes 143-318.11(a)(5)
10. 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.

The City of Newton does not discriminate on the basis of disability in the provision of its services as charged by the City Council of the City of Newton. All meetings are held in accessible facilities. Any person with a disability needing special accommodations should contact Teresa Laffon, ADA Coordinator, at least 48 hours prior to the scheduled meeting.
The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, June 6, 2017 at Newton City Hall.

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

STAFF: City Manager Todd Clark, City Clerk Amy S. Falowski, City Attorney John Cilley, City Department Heads and members of the management team

ITEM 1: CALL TO ORDER

Mayor Anne P. Stedman welcomed everyone and called the meeting to order.

ITEM 2: OPENING Invocation and Pledge of Allegiance

Council Member Jerry Hodge provided the invocation and Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES

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

That the Regular Minutes of the May 16, 2017 City Council meeting be – APPROVED

ITEM 4: CONSIDERATION OF CONSENT AGENDA ITEMS

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

That the Consent Agenda be – APPROVED

A. Proclamation – Flag Day

B. Consideration of Resolution to Write off Uncollectible Account

C. Consideration of Municipal Declaration to Enact Speed Limits and Request for Concurrence

(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: Presentations

A. North Carolina’s Area Wide Optimization Program Award – Water Treatment Plant

Public Works and Utilities Director Dusty Wentz announced that the City’s Water Treatment Plant has received the North Carolina’s Area Wide Optimization Program Award for the time. Mayor Stedman presented Mr. Wentz and the Water Department Staff with the plaque and expressed appreciation on behalf of herself and the city council.

B. Catawba County Historical Association

Dr. Amber Clawson Albert, Director of the Catawba County Historical Association gave a presentation concerning current and upcoming happenings at the Catawba County Museum. The highlights this summer are; The Downtown Newton Historical Landmark Walking Tours and Self guided Tour, with the help of the Catawba County Library; the “North Carolina in the Great War” exhibit; the “Hmong Heritage Project”; “Museum on Main Street”; and the “The Way We Worked” exhibit.

ITEM 7: Public Hearing

A. Consideration of Fiscal Year 2017-2018 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 2nd and after four work sessions there were several proposed changes that are outlined in the summary. These changes are noted below:

**City of Newton**
**Recommended Budget Changes**
**PY 2017-2018**

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Water/ Wastewater Fund</th>
<th>Electric Fund</th>
<th>Federal</th>
<th>Asset Seize</th>
<th>Powell Bill Fund</th>
<th>Emergency Telephone System Fund</th>
<th>Health Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>14,796,150</td>
<td>6,380,650</td>
<td>13,893,900</td>
<td>3,000</td>
<td>1,045,450</td>
<td>12,850</td>
<td>1,065,800</td>
<td>44,205,230</td>
<td></td>
</tr>
</tbody>
</table>

**Expenditures**

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Special Appropriations</th>
<th>Capital Outlay - Land/Land Improvements</th>
<th>Construction of Soccer Field at Jacob Park</th>
<th>Transfer to Powell Bill Fund (Street Resurfacing)</th>
<th>Transfer to Powell Bill Fund (Sidewalk Construction/Repair)</th>
<th>Powell Bill Street Resurfacing Repair (1,000 to $10,000)</th>
<th>Powell Bill Sidewalk Construction/Repair (300 to $200,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>14,796,150</td>
<td>6,380,650</td>
<td>13,893,900</td>
<td>3,000</td>
<td>1,045,450</td>
<td>12,850</td>
<td>1,065,800</td>
<td>44,205,230</td>
</tr>
</tbody>
</table>

**Summary of Financial Changes:**

1. Remove Capital Outlay - Land/Land Improvements for Construction of Soccer Field at Jacob Park from $10,000 to $1,000; remove $60,000 Fund Balance Appropriation - Frank/J.B. Jones.
2. Increase Powell Bill Street Resurfacing Repair from $50,000 to $5,000; increase Fund Balance Appropriation by $50,000, increase Transfer to Powell Bill Fund by $50,000.
3. Increase Western Pedestrian Improvement Special Appropriation from $3,000 to $6,000; Increase Fund Balance Appropriation by $3,000.
4. Increase Powell Bill Sidewalk Construction/Repair from $300 to $3,000; Increase Fund Balance Appropriation by $3,000.
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 Wes Weaver, seconded by Mayor Pro Tem John Stiver, it was unanimously RESOLVED:

That Public Hearing be – CLOSED.

ITEM 8: Old Business

A. Consideration of Lease Agreement with The Green Room Community Theatre

City Manager Todd Clark stated that the City Council considered leasing the City’s former Fire Station I to The Green Room Community Theatre at their May 16, 2017, regular meeting. After considerable review and discussion of the terms of the lease, the Council directed the City Clerk to advertise the City’s intent to lease the building in accordance with NCGS 160A-272(a1). Accordingly, a 30 day advertisement period announcing the Council’s intent is required prior to the City executing a multi-year lease agreement.

Mr. Clark stated that as directed by City Council, the City Clerk contacted our local newspaper and coordinated an advertisement that was scheduled to run in the May 19, 2017, edition. Unfortunately, the newspaper failed to run the advertisement per the request of our City Clerk.

Mr. Clark explained the advertisement was a critical part of meeting the 30 day public notice requirement in order for the City Council to move forward and take action to execute the lease agreement at the June 20, 2017, City Council meeting. He stated that because adequate public notice was not provided, the Council will not be able to formally execute the lease, but rather have to revisit the term of the lease that was supposed to start on July 1, 2017 and expire on June 30, 2020. In effect, City Council will need to consider an amendment to the lease that sets the new effective date as July 15, 2017. Mr. Clark stated if that date is acceptable and City Council continues to support the lease agreement with The Green Room Community Theatre, the City Clerk will need to run a 30 day advertisement in accordance with NCGS 160A-272(a1). The City Council will then be able to formally take action to execute the lease agreement at the July 11, 2017 City Council Meeting.

Mr. Clark stated that it is the recommendation of staff is to consider the presented lease agreement, as amended and pursuant to the direction of City Council on May 16, 2017, and direct the City Clerk to advertise a 30 day public notice of the City’s intent to enter into a lease agreement with The Green Room Community Theatre.

City Attorney John Cilley went over the changes that were made to the lease per direction of City Council at the May 16th meeting.

Council Member Jerry Hodge stated that basically the new lease is resetting the dates along with the changes discussed at the May 16th meeting.

Mr. Clark stated that there has been considerable interest in the purchase of the property since the staff has placed For Lease/Sale signs in the windows. Assistant City Manager Sean Hovis stated that he has had at least 10 telephone calls about the property and has shown it around 6 times. Council Member Tom
Rowe asked if there have been any offers made. Mr. Clark said that there have not yet been offers, but that the city has received one letter of interest to evaluate as well.

Council Member Wes Weaver stated that he was pleased the property is on the market as he doesn’t want to be in the lease business. Mr. Abernethy agreed and said he would rather sell the property than rent it and wondered how moving forward with the lease would affect the desirability of the building.

Mayor Pro Tem John Stiver stated that he has had negative phone calls about the lease agreement because it wasn’t advertised before it was discussed. He stated that the City Manager should have been the one involved in the lease agreement discussions and that he agreed with Mr. Weaver.

Council Member Tom Rowe made a motion to enter into the new lease agreement with The Green Room Community Theatre, seconded by Council Member Jerry Hodge.

Council Member Robert Abernethy asked if the property could still be offered for sale. Mr. Cilley stated that it would have to be declared surplus first. Mr. Abernethy stated he would like to consider this. Mr. Stiver stated that all the discussions have revolved around commerce. He stated if advertised as surplus, the city can reject any offers and the city can have some say in the business in that it matches the use that we want. Mr. Abernethy asked if we turn down a bid and someone makes a lower bid, can that be accepted. Mr. Cilley said that after a bid is rejected the whole process would then start over.

Mr. Weaver asked if the lease is completed with the Green Room, and someone wants to lease at fair market value could the lease with the Green Room be broken. Mr. Cilley said the lease could only be broken if the building is sold. Mr. Weaver stated that he hasn’t heard an argument to change his mind that the building should be sold and that the city should not enter into a lease agreement.

Mayor Stedman stated that there is a motion and a second to approve the proposed lease and called for a vote.

With Council Members Tom Rowe and Jerry Hodge voted in favor of the new lease agreement with The Green Room Community Theatre; and with Mayor Pro Tem John Stiver, and Council Members Jody Dixon, Wes Weaver, and Robert C. Abernethy, Jr. voting against, motion - FAILED.

**ITEM 9: New Business**

A. Consideration of Adoption of Fiscal Year 2017-2018 Budget

Mayor Stedman thanked Mr. Clark and staff and City Council for all their hard work during the budget process. Mayor Pro Tem John Stiver stated that he was concerned with paving any road that will have water/sewer replacements in the next 4-5 years. He also asked about culverts for storm water and if they could be fixed. Mr. Clark stated that Mr. Wentz would be doing an analysis and looking at streets that will be having water/sewer repairs issues in 5-10 years.

Council Member Robert Abernethy stated that the street improvements are a positive part of this budget, also the lights and trying to get employees’ pay on par. He stated that the negative for him is the fact that the tax rate could not be decreased by a penny.

Mr. Hodge stated that the strengths of this budget are employee salaries and the fact that the city is planning in advance. Mr. Stiver agreed and said that it is a good budget and that we needed to look at more competitive small business for town, and the fact that the housing inventory has dropped.

Council Member Jody Dixon made a motion to adopt the Fiscal Year 2016-2017 Budget. Council Member Jerry Hodge seconded the motion.
Council Member Wes Weaver stated that the connection fees were an issue for him and that he feels like with the savings from AMI the tax rate could be reduced by one penny. Also, he is not happy about special appropriations, and the fact that one organization petitioned the council but still did not receive any funding.

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

That The Fiscal Year 2017-2018 Fiscal Year Budget be – ADOPTED.

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

ITEM 8: City Manager’s Report

Planning Director Randy Williams gave an update on Streetscape, West A Street and the Brownfields Application.

Meetings & Events

- June 7, Biscuit Day on the Square
- June 12, Pool Opens (Mon-Sat, 1:00 p.m.- 6:00 p.m., Thurs evenings 6:00 p.m. – 8:00 p.m.)
- June 17, Take a Kid Fishing at the City Lake, 9:00 a.m. – 12:00 p.m.
- June 23rd and 30th Movies in the Park, Southside Park beginning at dusk
- June 8, June 15, June 22, July 6, July 13, and July 20, July 27, August 3, and August 10, 2017 from 7 p.m. until 11 p.m. “Get Your NewtOn – Thursdays on the Square”

Projects

- Report on Streetscape Revitalization
  - Virtual Demonstration Model
- West A Street Pedestrian Island
- Update on Brownfield Assessment Grant Application
- Update on Fire Station Roof
- Electric Department Updates: Corning, Love’s Truck Stop, and Catawba County
- Westside Jaycee Park Sewer Line Project Update
- Sanitary Sewer Overflow at Newton-Conover High School
- Report on Old Saint Paul’s Waterline
- Report on Sanitation Truck Repairs
- Report on Red Parking Lot
- Sidewalk Construction

ITEM 9: Questions and Comments from Mayor and Council

Mayor Stedman asked if there were any questions or comments from City Council. There were none.

ITEM 10: Closed Session – Per North Carolina General Statutes 143-318.11(a)(5)

Upon motion duly made by Council Member Wes Weaver, seconded by Council Member Robert C. Abernethy, Jr., it was unanimously RESOLVED:
That City Council enter CLOSED SESSION per General Statutes 143-318.11(a)(5)

Motion was then made by Council Member Wes Weaver to return to open session, seconded by Councilman Robert C. Abernethy, Jr. All Ayes.

**ITEM 11: Adjournment**

Upon motion duly made by Council Member Wes Weaver, seconded by Mayor Pro Tem John Stiver, 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>2016</td>
<td>118</td>
<td>McSwain, Ernie</td>
<td>Business closed</td>
<td>$6.70</td>
</tr>
<tr>
<td>2016</td>
<td>119</td>
<td>Newton Merchant’s Association</td>
<td>Small underpayment</td>
<td>$0.01</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: June 12, 2017
RE: Sewer Adjustments – June 20, 2017

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>53000080-004</td>
<td>Derek C. Lindstrom</td>
<td>814 E. 23rd St.</td>
<td>May (Pool)</td>
<td>$35.90</td>
</tr>
<tr>
<td>17000208-001</td>
<td>Marylou Schnaue</td>
<td>1107 Security St.</td>
<td>May (Pool)</td>
<td>$121.97</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.
JULY IS PARKS AND RECREATION MONTH
A PROCLAMATION BY THE
NATIONAL RECREATION AND PARK ASSOCIATION

North Carolina Recreation and Park Association

Whereas, public parks and recreation systems are dedicated to enhancing the wellness and quality of life for residents in communities through recreation programming; and

Whereas, parks, recreation activities and leisure experiences provided opportunities for young people to live, grow and develop into contributing members of society; create lifelines and continuous life experiences for older members of the community; generate opportunities for people to come together and experience a sense of community; and

Whereas, parks and recreation services pay dividends to communities by attracting business and jobs and increasing housing values; and

Whereas, we recognize the vital contributions of employees and volunteers in parks and recreation facilities these dedicated supporters keep public parks clean and safe for visitors, organize youth activities, provide educational programming on health, nutrition, first aid and gardening, advocate for more open space and better trails, and fundraise for local improvements. They ensure that parks and recreation facilities are safe and accessible places for all citizens to enjoy; and

Whereas, we call upon park and recreation supporters to join us in recognizing the importance of our community's parks and recreation facilities and to learn about how to support the places that bring our community a higher quality of life, safer places to play and healthy alternatives through recreation programming.

NOW, THEREFORE, BE IT RESOLVED the City of Newton, recognizes July as "Parks and Recreation Month" and we resolve to encourage our citizens enjoy what our community has to offer by taking part in their favorite sports, visiting the outdoors, spending time with family and friends or just relaxing, as "the pursuit of happiness" is an inalienable right of all Americans.

Furthermore, I Anne P. Stedman Mayor of Newton, and on behalf of the City Council, do hereby proclaim July 2017 as Parks and Recreation Month in the City of Newton

Anne P. Stedman, Mayor
June 20, 2017
DATE: May 31, 2017

TO: E. Todd Clark, City Manager

FROM: Serina T. Hinson, Finance Director

CONSIDERATION OF: Budget Ordinance Amendment to Write Off Uncollectible Accounts.

Approved for Council Consideration

Background:

Although the City has established and implemented procedures to collect payment for services and miscellaneous billings and to actively pursue delinquent accounts, there are occasions where amounts are not collected.

Staff has identified those accounts meeting one or more of the following criteria:

1) **Expired statute of limitations:** Debt has exceeded three years or other applicable statutory limitation.
2) **Bankruptcy:** Account has been discharged through bankruptcy court.
3) **Deceased:** Debtor is deceased with no estate.
4) **Unjustifiable Cost:** Amount of debt is less than $50; therefore, it is not eligible for the North Carolina Debt Set-Off Program.

After the debt has been removed from the accounts receivable subsidiary ledger and the financial records of the City, the debt is no longer recognized as collectible for financial reporting purposes; however, the legal obligation to pay the debt will still remain.

Action Suggested:

1) Approve the attached Budget Ordinance Amendment related to the Write Off of Uncollectible Utility and Miscellaneous Billing Accounts.
ORDINANCE # 2017-22

AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2016-2017 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, 2016, and ending June 30, 2017, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, the City of Newton City Council has reviewed the list of uncollectible utility and miscellaneous billing accounts; and

WHEREAS, the Finance Director has determined that specific utility and miscellaneous billing accounts totaling $52,258.22 which is attached hereto and made a part hereof by reference have been deemed uncollectible and should be written off as bad debt; and

WHEREAS, diligent efforts have already been made to collect the amounts shown on the attached list; however, said accounts are uncollected and further efforts at collection are not possible either due to statutory limits, bankruptcy, deceased debtor, or not being cost effective; and

WHEREAS, continuing to include such amounts in the financial records of the City could result in a distorted balance sheet.

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.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Appropriation</th>
<th>Appropriation Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Revenues</td>
<td>Fund Balance Appropriated</td>
<td>11-0000.3990</td>
</tr>
<tr>
<td>General Fund Appropriations</td>
<td>Bad Debt Expense</td>
<td>11-6900.7925</td>
</tr>
<tr>
<td>Water/Wastewater Fund Revenues</td>
<td>Fund Equity Appropriated</td>
<td>61-0000.3995</td>
</tr>
<tr>
<td>Water/Wastewater Fund Appropriations</td>
<td>Bad Debt Expense</td>
<td>61-6900.7925</td>
</tr>
</tbody>
</table>
Electric Fund Revenues
  Fund Equity Appropriated  63-0000.3995  $33,800

Electric Fund Appropriations
  Bad Debt Expense  63-6900.7925  $33,800

Adopted this 20th day of June, 2017.

Anne P. Stedman, Mayor

Attest:

__________________________
Amy S. Falowski, City Clerk

NEWTON NORTH CAROLINA
1855
DATE: June 14, 2017

TO: E. Todd Clark, City Manager

FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Budget Ordinance Amendment to Recognize Insurance Proceeds

Approved for Council Consideration

On occasion City vehicles and equipment are involved in accidents or storm related damage which results in the City filing a claim with the respective insurance provider for reimbursement. The majority of the incidents this fiscal year were storm related or caused by someone other than City staff. For Fiscal Year 2017 our claims, as well as proceeds from those claims are higher than we anticipated; therefore, a Budget Ordinance Amendment is necessary to recognize the additional revenues from insurance and the related expenditures to repair/purchase vehicles and equipment. An appropriation from fund balance of $6,750 is also necessary due to deductibles and insurance proceeds which reverted to Fund Balance at the end of the previous year with the repair expended this current fiscal year.

Action Suggested:

Motion to approve the attached Budget Ordinance Amendment recognizing additional insurance proceeds, related expenditures and fund balance appropriation.
AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2016-2017 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, 2016, and ending June 30, 2017, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, on occasion City vehicles and equipment are involved in accidents or storm related damage which results in the City filing a claim with the respective insurance provider. The majority of the incidents this fiscal year were storm related or caused by someone other than City staff. For Fiscal Year 2017 our claims, as well as proceeds from those claims are higher than we anticipated; and,

WHEREAS, the City Council desires to recognize additional revenues from insurance, to authorize the related expenditure appropriation related to the repair or purchase of vehicles and equipment, and appropriate funds from fund balance.

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.

Revenues:

General Fund
- Insurance Claims 11-0000.3780 $18,850
- Fund Balance Appropriated 11-0000.3990 $ 6,750

Electric Fund
- Insurance Claims 63-0000.3780 $10,200
- Fund Balance Appropriated 63-0000.3990 $(8,250)

Appropriations:

General Fund
- Reserve for Liability Insurance Claims 11-6900.7501 $ 4,200
- Capital Outlay – Motor Vehicles 11-4340.8400 $21,400

Electric Fund
- Reserve for Liability Insurance Claims 63-7201.7501 $ 1,950

Adopted this 20th day of June, 2017.

Anne P. Stedman, Mayor

Attest:

Amy S. Falowski, City Clerk
DATE: June 14, 2017

TO: E. Todd Clark, City Manager

FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Grant Project Ordinance to Recognize Building Reuse Grant Funds and Related Administrative Agreement – Newton Urgent Care

Approved for Council Consideration

Background:

On February 16, 2017 the City was awarded the Building Reuse Project Grant through the North Carolina Department of Commerce Rural Economic Development Division in an amount not to exceed $70,000 with a 5% match of $3,500 from the City. The agreement with the Western Piedmont Council of Governments to administer the grant will serve as the City’s 5% match.

This grant is to assist with stimulating economic activity in Newton and to create new jobs for citizens. More specifically, this grant will assist with renovations of a 2,400 square foot building located at 1366 South Newton Highway 16 for Newton Urgent Care. This business will offer emergency care, seven days a week to residents of Newton and the southeastern region of Catawba County.

Consideration of the related Grant Project Ordinance is necessary to recognize the $70,000 grant funds, authorize the 5% match from fund balance and to utilize these grant funds for the Newton Urgent Care renovation and consideration of the administrative agreement with the Western Piedmont Council of Governments.

Action Suggested:

1) Motion to approve the attached Grant Project Ordinance for the Building Reuse Grant – Newton Urgent Care.
2) Motion to approve the attached administrative agreement with the Western Piedmont Council of Governments.
Be it ordained by the City Council of Newton that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

Section 1. The project authorized is the Building Reuse Grant between the City of Newton and the North Carolina Department of Commerce, Rural Economic Development Division in an amount not to exceed $70,000 with a 5% match from the City. The agreement with the Western Piedmont Council of Governments to administer the grant will serve as the City’s 5% match. This project is more familiarly known as the Building Reuse Grant Project – Newton Urgent Care.

Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the North Carolina Department of Commerce, Rural Economic Development Division and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete this project:

Revenues:

Building Reuse Grant
- State Grants: 41-4910.3410(200) $70,000
- Transfer from General Fund: 41-4910.3911(200) $3,500

General Fund
- Fund Balance Appropriated: 11-0000.3990 $3,500

Section 4. The following amounts are appropriated for the project:

Appropriations:

Building Reuse Grant
- Building Reuse Grant: 41-4910.9465(200) $73,500

General Fund
- Transfer to Special Revenues Fund: 11-9100.9941 $3,500

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and federal and state regulations.
Adopted this 20th day of June, 2017.

Attest: ____________________________________________

Anne P. Stedman, Mayor

Amy S. Falowski, City Clerk
AGREEMENT BETWEEN THE
WESTERN PIEDMONT COUNCIL OF GOVERNMENTS AND
THE CITY OF NEWTON
FOR THE PROVISION OF
ADMINISTRATIVE ASSISTANCE
NORTH CAROLINA DEPARTMENT OF COMMERCE
RURAL ECONOMIC DEVELOPMENT DIVISION
NEWTON URGENT CARE
BUILDING REUSE GRANT
JULY 1, 2017 – MARCH 1, 2019

This AGREEMENT, entered into on this the ____ day of __________, 2017 by and between the Western Piedmont Council of Governments (hereinafter referred to as the "Planning Agency") and the City of Newton, North Carolina (hereinafter referred to as the "Local Government"); WITNESSETH THAT:

WHEREAS, the Planning Agency is empowered to provide technical assistance by the North Carolina General Statutes and by resolution passed by the Planning Agency on April 17, 1972. Technical assistance shall consist of the provision of services as described in Attachment A, which is herein made a part of this Contract;

WHEREAS, the Local Government has requested the Planning Agency to provide such technical assistance to the Local Government; and

WHEREAS, the Planning Agency desires to cooperate with the Local Government in every way possible to the end that the proposed activities are carried out in an efficient and professional manner;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. **Personnel.** That during the period of this Contract, the Planning Agency will furnish the necessary trained personnel to the Local Government.

2. **Travel/Printing.** The Local Government will pay for expenses related to conferences, conventions, seminars, local travel, etc. of the personnel when the Local Government requests or approves travel related to the Local Government's planning program, or if it is beneficial to both parties, the costs will be shared on an agreed-upon ratio. The Local Government will also pay for expenses related to printing of report(s), mailings to advisory boards, and other costs not related to normal travel and staffing costs associated with personnel furnished by the Planning Agency.

3. **Compensation.** The Local Government will pay the Planning Agency an amount of $3,500 (three thousand five hundred dollars) for the satisfactory performance of all services related to administration of the project as defined in the attached Scope of Services. It is expressly understood and agreed that total compensation
shall not exceed the sum specified without prior approval of both agencies.

4. **Termination/Modifications.** The Local Government may terminate this Contract by giving the Planning Agency a thirty-day written notice. Furthermore, if there is a need to amend the proposal outlined in Attachment A, either party may do so with the written approval of the other.

5. **Time of Performance.** The Planning Agency shall ensure that all services required herein should be completed and all required reports, maps, and documents submitted during the period beginning July 1, 2017 and ending March 1, 2019.

6. **Interest of Members, Officers, or Employees of the Planning Agency, Members of the Local Government, or Other Public Officials.** No member, officer, or employee of the Planning Agency or its agents; no member of the governing body of the locality in which the program is situated; and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any financial interest, either direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Agreement. Immediate family members of said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The Planning Agency shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this section.

7. **Nondiscrimination Clause.** No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination with any program or activity funded.

8. **Age Discrimination Act of 1975, as amended.** No qualified person shall on the basis of age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.

9. **Section 504, Rehabilitation Act of 1973, as amended.** No qualified disabled person shall, on the basis of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.

10. **Access to Records and Record Retainage.** All official project records and documents must be maintained during the operation of this project and for a period of three years following closeout.

11. **Liquidated Damages Clause.** If the project fails to be carried out within the time
frame outlined in the administrative proposal due to activities attributed to the Planning Agency, the Local Government may assess the Planning Agency a sum in the amount of $100 per week for any subsequent weeks until completion.

12. **Termination of Agreement for Cause.** If, through any cause, the Planning Agency shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or violate any of the covenants, conditions, or stipulations of this Agreement, the Local Government shall thereupon have the right to terminate this Agreement by giving written notice of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared under this Agreement shall, at the option of the Local Government, become its property, and the Planning Agency shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials in direct proportion to the extent of services actually completed.

IN WITNESS WHEREOF, the Planning Agency and the Local Government have executed this Agreement as of the date first above written.

LOCAL GOVERNMENT:  
CITY OF NEWTON  
By: ____________________________
City Manager

PLANNING AGENCY:  
WESTERN PIEDMONT COUNCIL OF GOV'TS.  
By: ____________________________
Executive Director

LOCAL GOVERNMENT:  
By: ____________________________
Mayor

PLANNING AGENCY:  
By: ____________________________
Chairman

Preaudit statement:
This instrument has been pre-audited in the manner prescribed by the Local Government Budget and Fiscal Control Act.

By:_________________________________________

Local Government Finance Officer
Introduction

The Western Piedmont Council of Governments (WPCOG) has worked with City of Newton on the NC Department of Commerce Rural Economic Development Division to secure a Building Reuse Grant for Urgent Care of Mountain View, PLL. The company intends to rehabilitate the property located at 1366 S. Newton Hwy Newton NC, 28658 and create 7 new full-time jobs.

The Scope of Services proposal is intended to describe the various administrative activities the WPCOG will provide as related to the NC Department of Commerce Rural Economic Development Division Building Reuse grant funds.

WPCOG Services

Sherry Long will serve as Project Administrator and will provide the following specific activities:

- Development and management of the overall project filing system.
- Preparation of all pay request recommendations for the City.
- Requisition of the grant funds.
- Preparation of all required reports during the project construction.
- Update Manager on status of project.

The City will be responsible for the following:

- Adequate office space including utilities.
- Direct payment of legal and audit services and general administrative costs.
- All administrative costs not specifically identified as WPCOG responsibilities.
Administrative Fee

The WPCOG proposes to provide the above-described services for a fee not to exceed contract of $3,500.

Amendments and Termination

The City of Newton can terminate this contract by giving a one-month written notice. Should there be the need to amend this proposal during the term of the project, either party may do so with the approval of the other.
DATE: June 13, 2017

TO: E. Todd Clark, City Manager

FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Capital Project Ordinance Amendment for Highway 16, Buffalo Shoals and Balls Creek Waterline Project

Approved for Council Consideration

Background:

In March 2017 City Council approved an amended contract between Catawba County and the City of Newton which included updated project costs, assignments of responsibility for construction, and financing of water lines to serve Highway 16, Buffalo Shoals Road and Balls Creek Road. Updated project costs increased from the original estimate of $2,646,000 to $5,839,284. Those costs include NC Department of Transportation construction as per the contract which was also approved in March 2017 - $3,765,078, Buffalo Shoals and Balls Creek Construction - $1,474,206, Design Engineering - $300,000, and Engineering Construction Administration - $300,000.

An amendment to the Capital Project Ordinance is necessary to reflect the updated project costs as identified in both the NC Department of Transportation contract and the amended Catawba County contract and outlined above.

Action Suggested:

Motion to approve the attached Capital Project Ordinance Amendment for the Highway 16, Buffalo Shoals, and Balls Creek Waterline Project.
WHEREAS, the City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the General Statutes of the State of North Carolina, and

WHEREAS, on May 22, 2013 the City Council of the City of Newton approved the contract between Catawba County and City of Newton for construction, operation and maintenance of water line(s) to serve Highway 16 South, Buffalo Shoals Road and Balls Creek Road. The County and the City have agreed that municipal water service is needed to serve this area creating hydraulic loops within the City’s water system with the purpose of improving water quality. The engineer’s initial estimated cost of the water line(s) was $2,646,000; and,

WHEREAS, City Council approved the amended contract with Catawba County which includes updated project costs totaling $5,839,284 broken down as follows: NCDOT construction $3,765,078, Buffalo Shoals and Balls Creek Construction $1,474,206, Design Engineering $300,000, and Engineering Construction Administration $300,000; and,

WHEREAS, City Council approved the contract between North Carolina Department of Transportation and the City of Newton for the coordination and completion of the construction project on N.C. Highway 16 South in the amount of $3,765,078 (included above); and,

WHEREAS, the City Council desires to fund this project with an intergovernmental loan representing 75% of the total project cost from the County over a ten (10) year period in equal annual installments and a 25% grant from the County as per the contract; and,

WHEREAS, the City Council desires to amend the project to recognize the updated project costs identified in the NCDOT contract and the amended Catawba County contract.

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.

<table>
<thead>
<tr>
<th>Section 1</th>
<th>Original Project</th>
<th>Project Amendment</th>
<th>Revised Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water/Wastewater Capital Project Fund Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental Loan</td>
<td>47.7100.3902</td>
<td>$1,984,500</td>
<td>$2,395,000</td>
</tr>
<tr>
<td>Contributed Capital</td>
<td>47.7100.3830</td>
<td>$661,500</td>
<td>$798,350</td>
</tr>
</tbody>
</table>
Section 2

Water/Wastewater Capital Project Fund Appropriations

Water Ext–Hwy 16,
Buffalo Shoals and Balls Crk
47.7100.5945(100) $2,646,000 $3,193,350 $5,839,350

Adopted this 20th day of June, 2017.

Anne P. Stedman, Mayor

Attest:

Amy S. Falowski, City Clerk
DATE: June 14, 2017

TO: Mayor and City Council

FROM: E Todd Clark, City Manager

CONSIDERATION OF: Appointments to the Western Piedmont Regional Transit Authority Board of Directors

Mayor and Members of City Council, I would like to recommend Assistant City Manager Sean Hovis for Appointment as Board Member to the Western Piedmont Regional Transit Authority Board of Directors, and Planning Director Randy Williams as Alternate Member for the City of Newton.
DATE: June 13, 2017

TO: Mayor and City Council

FROM: Todd Clark, City Manager

CONSIDERATION OF: A Resolution Declaring Surplus Properties

Approved for Council Consideration

Background:

The City presently owns numerous parcels of land for various reasons and purposes. In some cases, land owned by the City is of no practical use and serves no purpose in carrying out the delivery of services to the public. Two parcels have been identified that Council would like to declare as surplus and sell according to the laws of the State of North Carolina.

The first parcel is located at 116 West A Street and was the former Fire Headquarters for the city. The second parcel is the parking lot adjoining the former Fire Headquarters. Because construction is completed at the new headquarters and no other use has been identified for the properties, the staff recommends that they be sold.

Recommendation:

City Council is asked to consider adopting the attached Resolution which declares the property located at 116 West A Street and the adjoining parking lot as surplus.
CITY OF NEWTON
RESOLUTION

A RESOLUTION DECLARING PROPERTIES AS SURPLUS

WHEREAS, it has been determined by the City Council that certain real property owned by the City of Newton is no longer needed for municipal purposes; and

WHEREAS, it has been determined that it is in the best interest of the City to offer said real property for sale; and

WHEREAS, the City Council is desirous of disposing of the property; and

WHEREAS, North Carolina General Statute 160A-269 enables municipalities to conduct sales of real or personal property by negotiated offer, advertisement, and upset bids.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Newton hereby authorizes the following tracts of real property shall be declared surplus property and sold pursuant to the requirements and procedures of North Carolina General Statute 160A-269 as follows:

<table>
<thead>
<tr>
<th>Surplus Real Estate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deed Reference</td>
</tr>
<tr>
<td>0185/0139</td>
</tr>
<tr>
<td>1383/0152</td>
</tr>
</tbody>
</table>

NOW, THEREFORE, IT IS FURTHER RESOLVED that the City Manager is hereby authorized to dispose of said real property in accordance with North Carolina General Statute 160A-269.

Adopted this the 20th day of June, 2017

______________________________________________
Anne P. Stedman, Mayor

______________________________________________
Amy S. Falowski, City Clerk
Parcel Information:
Parcel ID: 373016934709
Parcel Address: 116 W A ST
City: NEWTON, 28658
LRK(REID): 1277
Deed Book/Page: 0185/0139
Subdivision:
Lots/Block: /
Last Sale:
Plat Book/Page:
Legal: 116 W A ST FIRE STATION
Calculated Acreage: .180
Tax Map: 001 N 07006
Township: NEWTON
State Road #: 903

Owner Information:
Owner: NEWTON CITY OF
Address: PO BOX 550
City: NEWTON
State/Zip: NC 28658-0550

School Information:
School District: NEWTON CONOVER
Elementary School: SOUTH NEWTON
Middle School: NEWTON CONOVER
High School: NEWTON CONOVER
School Map

Tax/Value Information:
Tax Rates(pdf)
City Tax District: NEWTON
County Fire District: All in City
Building(s) Value: $325,000
Land Value: $18,800
Assessed Total Value: $343,800
Year Built/Remodeled: 1958/
Current Tax Bill

Miscellaneous:
Building Permits for this parcel.
Building Details
WaterShed:
Voter Precinct: P40
Parcel Report Data Descriptions

List all Owners Deed History Report Assessment Report

This map/report product was prepared from the Catawba County, NC Geographic Information Services. Catawba County has made substantial efforts to ensure the accuracy, reliability and likeness information contained on this map/report data on this map/report product. Catawba County provides no warranty of any kind and on this map/report product. The County of Catawba, its employees, agents, and personnel, disclaims and shall not be held liable for any and all damages, loss or liability, whether

© 2017, Catawba County Government, North Carolina. All rights reserved.
Parcel Information:
Parcel ID: 373016934920
Parcel Address: W 1ST ST
City: NEWTON, 28658
LRK(REID): 1274
Deed Book/Page: 1383/0152
Subdivision:
Lots/Block: / 
Last Sale: $30,000 on 1985-01-01
Plat Book/Page:
Legal: WEST 1ST ST
Calculated Acreage: .260
Tax Map: 001N 07003
Township: NEWTON
State Road #: 

Tax/Value Information: Tax Rates(pdf)
City Tax District: NEWTON
County Fire District: All in City
Building(s) Value: $21,400
Land Value: $27,200
Assessed Total Value: $48,600
Year Built/Remodeled: /
Current Tax Bill

Miscellaneous:
Building Permits for this parcel,
Building Details
WaterShed:
Voter Precinct: P40
Parcel Report Data Descriptions

Owner Information:
Owner: NEWTON CITY OF
Owner2: 
Address: PO BOX 550
Address2: 
City: NEWTON
State/Zip: NC 28658-0550

School Information:
School District: NEWTON CONOVER
Elementary School: SOUTH NEWTON
Middle School: NEWTON CONOVER
High School: NEWTON CONOVER

Zoning Information:
Zoning District: NEWTON
Zoning1: B-3
Zoning2: 
Zoning3:
Zoning Overlay:
Small Area:
Split Zoning Districts: /
Zoning Agency Phone Numbers
Firm Panel Date: 2007-09-05
Firm Panel #: 3710373000J
2010 Census Block: 2030
2010 Census Tract: 011200
Agricultural District:

List all Owners Deed History Report Assessment Report

This application product was prepared from the Catawba County, NC Geospatial Information Services. Catawba County has made substantial efforts to ensure the accuracy of location and parcel information contained on this map or data or the report. Catawba County promotes and recommends the independent verification of any data contained in this map or report product by the user. The County of Catawba, its employees, agents, and personnel, disclaim and shall not be held liable for any form of damages, lost or liability, whether direct, indirect or consequential, which arise from this map/report product or the use thereof by any person or entity.

© 2017, Catawba County Government, North Carolina. All rights reserved.
§ 160A-265. Use and disposal of property.

In the discretion of the council, a city may: (i) hold, use, change the use thereof to other uses, or (ii) sell or dispose of real and personal property, without regard to the method or purpose of its acquisition or to its intended or actual governmental or other prior use. (1981 (Reg. Sess., 1982), c. 1236.)

§ 160A-266. Methods of sale; limitation.

(a) Subject to the limitations prescribed in subsection (b) of this section, and according to the procedures prescribed in this Article, a city may dispose of real or personal property belonging to the city by:

(1) Private negotiation and sale;
(2) Advertisement for sealed bids;
(3) Negotiated offer, advertisement, and upset bid;
(4) Public auction; or
(5) Exchange.

(b) Private negotiation and sale may be used only with respect to personal property valued at less than thirty thousand dollars ($30,000) for any one item or group of similar items. Real property, of any value, and personal property valued at thirty thousand dollars ($30,000) or more for any one item or group of similar items may be exchanged as permitted by G.S. 160A-271, or may be sold by any method permitted in this Article other than private negotiation and sale, except as permitted in G.S. 160A-277 and G.S. 160A-279.

Provided, however, a city may dispose of real property of any value and personal property valued at thirty thousand dollars ($30,000) or more for any one item or group of similar items by private negotiation and sale where (i) said real or personal property is significant for its architectural, archaeological, artistic, cultural or historical associations, or significant for its relationship to other property significant for architectural, archaeological, artistic, cultural or historical associations, or significant for its natural, scenic or open condition; and (ii) said real or personal property is to be sold to a nonprofit corporation or trust whose purposes include the preservation or conservation of real or personal properties of architectural, archaeological, artistic, cultural, historical, natural or scenic significance; and (iii) where a preservation agreement or conservation agreement as defined in G.S. 121-35 is placed in the deed conveying said property from the city to the nonprofit corporation or trust. Said nonprofit corporation or trust shall only dispose of or use said real or personal property subject to covenants or other legally binding restrictions which will promote the preservation or conservation of the property, and, where appropriate, secure rights of public access.

(c) A city council may adopt regulations prescribing procedures for disposing of personal property valued at less than thirty thousand dollars ($30,000) for any one item or group of items in substitution for the requirements of this Article. The regulations shall be designed to secure for the city fair market value for all property disposed of and to accomplish the disposal efficiently and economically. The regulations may, but need not, require published notice, and may provide for either public or private exchanges and sales. The council may authorize one or more city officials to declare surplus any personal property valued at less than thirty thousand dollars ($30,000) for any one item or group of items, to set its fair market value, and to convey title to the property for the city in accord with the regulations. A city official authorized under this section to dispose of property shall keep a record of all property sold under this section and that record shall generally describe the property sold or exchanged, to whom it was sold, or with whom exchanged, and the amount of money or other consideration received for each sale or exchange.
(d) A city may discard any personal property that: (i) is determined to have no value; (ii) remains unsold or unclaimed after the city has exhausted efforts to sell the property using any applicable procedure under this Article; or (iii) poses a potential threat to the public health or safety. (1971, c. 698, s. 1; 1973, c. 426, s. 42.1; 1983, c. 130, s. 1; c. 456; 1987, c. 692, s. 2; 1987 (Reg. Sess., 1988), c. 1108, s. 9; 1997-174, s. 6; 2001-328, s. 4; 2005-227, s. 3.)

When the council proposes to dispose of property by private sale, it shall at a regular council meeting adopt a resolution or order authorizing an appropriate city official to dispose of the property by private sale at a negotiated price. The resolution or order shall identify the property to be sold and may, but need not, specify a minimum price. A notice summarizing the contents of the resolution or order shall be published once after its adoption, and no sale shall be consummated thereunder until 10 days after its publication. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 24.)

The sale of property by advertisement for sealed bids shall be done in the manner prescribed by law for the purchase of property, except that in the case of real property the advertisement for bids shall be begun not less than 30 days before the date fixed for opening bids. (1971, c. 698, s. 1.)

§ 160A-269. Negotiated offer, advertisement, and upset bids.
A city may receive, solicit, or negotiate an offer to purchase property and advertise it for upset bids. When an offer is made and the council proposes to accept it, the council shall require the offeror to deposit five percent (5%) of his bid with the city clerk, and shall publish a notice of the offer. The notice shall contain a general description of the property, the amount and terms of the offer, and a notice that within 10 days any person may raise the bid by not less than ten percent (10%) of the first one thousand dollars ($1,000) and five percent (5%) of the remainder. When a bid is raised, the bidder shall deposit with the city clerk five percent (5%) of the increased bid, and the clerk shall readvertise the offer at the increased bid. This procedure shall be repeated until no further qualifying upset bids are received, at which time the council may accept the offer and sell the property to the highest bidder. The council may at any time reject any and all offers. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 25.)

(a) Real Property. – When it is proposed to sell real property at public auction, the council shall first adopt a resolution authorizing the sale, describing the property to be sold, specifying the date, time, place, and terms of sale, and stating that any offer or bid must be accepted and confirmed by the council before the sale will be effective. The resolution may, but need not, require the highest bidder at the sale to make a bid deposit in a specified amount. The council shall then publish a notice of the sale at least once and not less than 30 days before the sale. The notice shall contain a general description of the land sufficient to identify it, the terms of the sale, and a reference to the authorizing resolution. After bids have been received, the highest bid shall be reported to the council, and the council shall accept or reject it within 30 days thereafter. If the bid is rejected, the council may readvertise the property for sale.

(b) Personal Property. – When it is proposed to sell personal property at public auction, the council shall at a regular council meeting adopt a resolution or order authorizing an appropriate city official to dispose of the property at public auction. The resolution or order shall identify the property to be sold and set out the date, time, place, and terms of the sale. The resolution or order (or a notice summarizing its contents) shall be published at least once and not less than 10 days before the date of the auction.
(c) The council may conduct auctions of real or personal property electronically by authorizing the establishment of an electronic auction procedure or by authorizing the use of existing private or public electronic auction services. Notice of an electronic auction of property shall identify, in addition to the information required in subsections (a) and (b) of this section, the electronic address where information about the property to be sold can be found and the electronic address where electronic bids may be posted. Notice may be published in a newspaper having general circulation in the political subdivision or by electronic means, or both. A decision to publish notice solely by electronic means for a particular auction or for all auctions under this subsection shall be approved by the governing board of the political subdivision. Except as provided in this subsection, all requirements of subsections (a) and (b) of this section apply to electronic auctions. (1971, c. 698, s. 1; 1973, c. 426, s. 43; 2001-328, s. 5; 2005-227, s. 4; 2006-264, s. 74.)


A city may exchange any real or personal property belonging to the city for other real or personal property by private negotiation if the city receives a full and fair consideration in exchange for its property. A city may also exchange facilities of a city-owned enterprise for like facilities located within or outside the corporate limits. Property shall be exchanged only pursuant to a resolution authorizing the exchange adopted at a regular meeting of the council upon 10 days' public notice. Notice shall be given by publication describing the properties to be exchanged, stating the value of the properties and other consideration changing hands, and announcing the council's intent to authorize the exchange at its next regular meeting. (1971, c. 698, s. 1; 1973, c. 426, s. 42.1.)

§ 160A-272. Lease or rental of property.

(a) 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 (except as otherwise provided herein) and only if the council determines that the property will not be needed by the city for the term of the lease. In determining the term of a proposed lease, periods that may be added to the original term by options to renew or extend shall be included. Property may be rented or leased only pursuant to a resolution of the council authorizing the execution of the lease or rental agreement adopted at a regular council meeting upon 10 days' public notice. Notice shall be given by publication describing the property to be leased or rented, stating the annual rental or lease payments, and announcing the council's intent to authorize the lease or rental at its next regular meeting.

(b) No public notice need be given for resolutions authorizing leases or rentals for terms of one year or less, and the council may delegate to the city manager or some other city administrative officer authority to lease or rent city property for terms of one year or less. Leases for terms of more than 10 years shall be treated as a sale of property and may be executed by following any of the procedures authorized for sale of real property.

(c) (Effective until June 30, 2015) The council may approve a lease for the siting and operation of a renewable energy facility, as that term is defined in G.S. 62-133.8(a)(7), for a term up to 20 years without treating the lease as a sale of property and without giving notice by publication of the intended lease. This subsection applies to Catawba, Mecklenburg, and Wake Counties, the Cities of Asheville, Raleigh, and Winston-Salem, and the Towns of Apex, Carrboro, Cary, Chapel Hill, Fuquay-Varina, Garner, Holly Springs, Knightdale, Morrisville, Rolesville, Wake Forest, Wendell, and Zebulon only.

(c) (Effective June 30, 2015) The council may approve a lease for the siting and operation of a renewable energy facility, as that term is defined in G.S. 62-133.8(a)(7), for a term up to 20 years without treating the lease as a sale of property and without giving notice by publication of the intended lease. This subsection applies to Catawba, Mecklenburg, and Wake
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: June 15, 2017
TO: Todd Clark, City Manager
FROM: Dusty Wentz, Director of PWU

CONSIDERATION OF: Award of Construction Contract and Budget Ordinance Amendment for High School
Sewer Line Replacement.

Approved for Council Consideration

Background:
In early June of 2017, PWU was notified of a Sanitary Sewer Overflow next to the football field at Newton-
Conover High School. Camering of the line found a gravity sewer collapse in the outfield of the baseball field, near
the visitor side bleachers for the football stadium. Further investigation by PWU staff revealed that the gravity
sewer was approximately 25 – 30 foot deep and was installed in 1928. Several options for repairing or replacing
the sewer line were discussed with Newton-Conover School staff and Wooten Engineering, and finally a
realignment though the outfield of the baseball stadium was agreed upon.

Design engineering and permitting has been completed at a cost of $13,100, and $7,200 is budgeted for
construction engineering observation and administration. Additionally, $480 was spent on the fast track application
for the NCDENR-Division of Water Quality.

Construction consists of 640 LF of 8” PVC gravity main installation, two new manholes, and filling the existing
sewer line with grout. The contract also includes a complete asphalt overlay on N. Ashe once the sewer line has
been constructed.

The project has been released for bid, and bids received on June 15th, 2017 are as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Base Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bushy Mountain LLC</td>
<td>$179,810</td>
</tr>
<tr>
<td>Wesson Septic Tank</td>
<td>$148,895</td>
</tr>
<tr>
<td>Hickory Sand Company, Inc.</td>
<td>No Bid</td>
</tr>
</tbody>
</table>

Note that the bids do not include contingency.

Wesson Septic Tank Service is the lowest bidder in the amount of $148,895. The engineer has recommended a
construction contingency in the amount of $14,886 (10%).

Total project costs are as follows:

Design Engineering: $ 3,100
Permitting: $ 480
CO/CA Engineering: $ 7,200
Construction (Base) $148,895
Contingency (10%) $ 14,886
Total $174,561

Attached please find the Budget Ordinance Amendment, Engineer’s Award Recommendation letter, and the
Certified Bid Tab.

Action Suggested:
The staff recommends that City Council entertain separate motions for the attached Budget Ordinance Amendment
for the High School Gravity Sewer replacement project (attached), and award of the construction contract to
Wesson Septic Tank Service in the amount of $148,895.
ORDINANCE # 2017-27

AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR
FISCAL YEAR 2016-2017 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, 2016, and ending June 30, 2017, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, the City Council desires to approve $174,600 for the emergency repair of the sanitary sewer overflow located next to the football field at Newton-Conover High School. Camering (ring that functions as a camera) of the line revealed a gravity sewer collapse in the outfield of the baseball field. The gravity sewer was installed in 1928 and is approximately 25-30 feet deep; and,

WHEREAS, Wesson Septic Tank provided the lowest, responsible bid at $148,895. Total Project costs are as follows: Design Engineering $3,100, Permitting $480, CO/CA Engineering $7,200, Construction $148,895 and a 10% Contingency for a total project of $174,561.

WHEREAS, the City Council desires to utilize fund equity and to authorize the related expenditure appropriation within the Water/Wastewater 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.

Water/Wastewater Fund Revenues
Fund Equity Appropriated 61-0000.3995 $174,600

Water/Wastewater Fund Appropriations
Capital Outlay – Sewer Lines 61-7100.8942 $174,600

Adopted this 20th day of June, 2017.

Anne P. Stedman, Mayor

Attest:

Amy S. Falowski, City Clerk
June 15, 2017

Mr. Dusty Wentz, Director of Public Works & Public Utilities  
City of Newton  
401 N. Main Avenue  
Newton, NC 28658

Re: Sewer Replacement – Newton/Conover High School  
Receipt of Informal Bids – RFP# 61-7100-0617  
Award Recommendation  
City of Newton, NC  
TWC Job No. 3095-AS

Dear Mr. Wentz:

Informal bids for the above referenced project were received on Thursday, June 15, 2017. A copy of the Bid Tabulation Form is attached.

Wesson Septic Tank Service of Shelby, NC is the apparent low bidder, with a bid price of $148,895.00. Wesson has successfully completed work for the City in the past and appears capable of undertaking this project.

Please advise if additional information is needed. Once award has been made by the City Council, we will prepare the contract documents for execution.

Sincerely,

THE WOOTEN COMPANY

[Signature]

Clarence M. Lockamy, PE, PLS

Pc: Mr. Dennis Falder, City of Newton  
Mr. Ed Epley, City of Newton
DATE: June 15, 2017

TO: E. Todd Clark, City Manager

FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Merchant Services (Electronic Payments)

Approved for Council Consideration

G.S. 159-32.1 permits local governments the option to accept electronic payments from citizens and customers. A local government is allowed to accept electronic payments for property taxes, rents, fees, assessments, penalties or any other amounts due to a local government. Local governments are authorized to pay the transaction fee imposed by the processing institution, for the handling of the electronic payment.

The City currently accepts electronic forms of payment online via the City’s website. We introduced electronic forms of payment to Council in 2011. Council chose not to offer this service as a face-to-face transaction at Collections at that time. Other local governments were also choosing not to provide that service face-to-face during a time when governments were trying to find ways to cut/minimize costs.

Acceptance of electronic payments for the City of Newton will improve customer service for citizens and increase collection revenues by reducing accounts receivable and reducing staff time and cost of delinquent payment collections. The request from customers to pay by electronic format continues to increase.

Our proposals consist of State Contract (Suntrust), BB&T, and Peoples Bank. We are recommending State Contract for merchant services (electronic payments) due to the excellent low rates provided. See attached summary of proposals to justify State Contract.

In providing this service, the City would absorb all fees associated with face-to-face electronic transactions which we are estimating at $7,200 annually. Convenience fees which are passed on to the customer are not permissible for face-to-face transactions. The $7,200 reflects an average utility payment amount of $263 and assumes we will collect 10% of our utility bills via face-to-face electronic payments. The only other cost to provide this service would be $649 to purchase each terminal. We would require a minimum of two terminals to start with. Once we implement electronic payments at Collections, we would like to offer electronic payments for our citizens utilizing the City’s recreation facilities.

There would be no change to the electronic services currently provided online through Official Payments.

Action Suggested:

2) Approve the attached Budget Ordinance Amendment to recognize fees associated with electronic forms of payment.
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, the City of Newton City Council desires to offer merchant services (electronic payments) at Collections in City Hall; and

WHEREAS, G.S. 159-32.1 permits local governments the option to accept electronic payments from citizens and customers. A local government is allowed to accept electronic payments for property taxes, rents, fees, assessments, penalties or any other amounts due to a local government. Local governments are authorized to pay the transaction fee imposed by the processing institution, for the handling of the electronic payment; and,

WHEREAS, the City of Newton City Council desires to appropriate fund balance for the fees associated with the merchant services for Fiscal Year 2018; and

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
   Fund Balance Appropriated                     11-0000.3990   $ 8,500

General Fund Appropriations
   Other Services                                11-4130.6990   $ 7,200
   Non-Capital Outlay                            11-4130.7900   $ 1,300

Adopted this 20th day of June, 2017.

Anne P. Stedman, Mayor

Attest:

Amy S. Falowski, City Clerk
## City of Newton
### Merchant Services
#### Summary of Proposals

<table>
<thead>
<tr>
<th></th>
<th>State Contract</th>
<th>BB&amp;T</th>
<th>Peoples Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Per Fee Transaction:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interchange %</td>
<td></td>
<td>Established by Card Brands (not negotiated)</td>
<td></td>
</tr>
<tr>
<td>Interchange Fee</td>
<td></td>
<td>Established by Card Brands (not negotiated)</td>
<td></td>
</tr>
<tr>
<td>Per Item Fee</td>
<td>0.0185</td>
<td>0.05</td>
<td>0.05</td>
</tr>
<tr>
<td>Percentage of Transaction A</td>
<td>No Charge</td>
<td>0.10%</td>
<td>0.35%</td>
</tr>
<tr>
<td>Monthly Fee</td>
<td>No Charge</td>
<td>$14.95</td>
<td>$9.95</td>
</tr>
<tr>
<td>Cost of Terminal - Purchase</td>
<td>$649.00</td>
<td>No Charge</td>
<td>$799.00</td>
</tr>
</tbody>
</table>

**Per average $263 transaction:**

**Debit Card:**
- Visa or Mastercard: $0.37, $0.66, $1.32

**Credit Card:**
- Visa: $3.83, $4.12, $4.78
- Mastercard: $4.20, $4.49, $5.15
- Discover: $3.88, $4.17, $4.83