

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

**July 12, 2016 – 7 p.m.**

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, July 12, 2016 at Newton City Hall.

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

**ABSENT:** Council Member Wes Weaver

**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 Robert C. Abernethy, Jr. 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 June 7, 2016 City Council meeting be –  
APPROVED.

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

Upon motion duly made by Council Member Jerry Hodge, seconded by Council Member Robert C. Abernethy, Jr., it was RESOLVED:

That the Consent Agenda be – APPROVED

- A. Sewer Adjustments
- B. Proclamation – July is Recreation and Parks Month
- C. Proclamation – In Recognition of the Service and Career of J. Thomas Lundy
- D. Consideration of Commission/Committee Membership Appointments:
  - Jessica Hoffman – Business Advisory Committee
  - Jeff Kelley – Business Advisory Committee
  - Aisha Hope – Recreation Committee
  - Mary Bess Lawing – Recreation Committee
- E. Consideration of Public Fee Structure – 2016 Soldiers Reunion Activities

(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:**        **Public Hearing**

- A. Special Use Permit – Bennett’s Funeral Home

Mayor Stedman stated that this Public Hearing will be held at the August 2, 2016 meeting.

**ITEM 7:**        **Old Business**

- A. Consideration to Accept Offer to Purchase Property Located at 1000 N Ashe Avenue

Assistant City Manager Sean Hovis stated that the Newton City Council has formally declared a parcel of land located at 1000 N Ashe Ave in Newton as surplus property.

Mr. Hovis stated that Mr. James E. Brackett submitted a bid on May 12, 2016 in the amount of \$2,200. In accordance with North Carolina General Statute §160A-269, “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.”

Mr. Hovis stated that additionally, the statute requires that the public notice include 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. If an upset bid is offered, the bidder must deposit (5%) of his increased bid with the City Clerk and the Clerk must re-advertise the offer at the increased bid. Mr. Hovis explained 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 Statute also provides that the Council may at any time reject any and all offers.

Mr. Hovis stated that as per City Council action on May 17<sup>th</sup>, City Staff began the procedures set forth in NCGS §160A-269 for the upset bid process. No other offers were made during the 10 day upset bid period.

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

That Offer to Purchase Property Located at 1000 N Ashe Avenue be – ACCEPTED.

**ITEM 8:**        **New Business**

- A. Consideration to Adopt Resolution for the Downtown County Government Center Connection (A Street) LAPP (Locally Administered Project Program) Grant Application

Planning Director Randy Williams stated 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 a once-a-year 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).

Mr. Williams explained that 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. He stated 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.

Mr. Williams stated over the last year, the City Council has adopted the Streetscape Master Plan and Strategic Growth Plan which detail the improvements and priorities for the City of Newton for the future. He explained that within those plans are design and implementation recommendations to enhance and reinforce the city's downtown as an attractive and active place.

Mr. Williams stated the selected project is the A Street corridor location due to its connection to Catawba County Government and Justice Center, Pin Station and Expo Center, Honey's IGA Supermarket and Downtown Newton combined with the high traffic counts. This sidewalk and bike lane improvement project was identified in 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.

Mr. Williams stated that 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."

Mr. Williams stated that 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. Mr. Williams stated that 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.

Mr. Williams stated the overall project cost estimate is \$1,900,000.00. The grant fund request to be submitted is \$1,520,000 and City required 20% match is \$380,000.

Council Member Robert C. Abernethy, Jr. asked if the powerlines leaving downtown would remain above ground. Mr. Williams stated that

Council Member Jerry Hodge asked how many employees work at the Government Center, and stated that this would invite that population in to downtown. Mr. Williams stated that he did not know how many employees work at the Government Center. Mr. Hodge stated that would impact Newton's downtown.

Council Member Abernethy asked about the completion time and whether the city's match could be spread out over that time frame. Mr. Williams stated that it is about a five year completion time frame and that yes, the match could be spread over that time.

Council Member Tom Rowe asked if there would be sidewalks on both sides of the road, Mr. Williams stated that there would be. Mr. Rowe asked if they would be all the way to Pin Station, Mr. Williams stated that is definitely the first option.

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

That the Locally Administered Project Program Sidewalk Grant Application be – APPROVED.

B. Consideration to Adopt Resolution for the Building Reuse Program  
Temprano Techvestors Building Reuse Application

Project Coordinator Sherry Long explained that Mr. Luke Walling proposes to utilize a vacant building located at 2015 Northwest Boulevard for a new business startup called Temprano Techvestors, Inc. In an effort to renovate the property, Mr. Walling is seeking the assistance of the City of Newton to access grant funding through the State of North Carolina Department of Commerce, Building Reuse Grant program.

City Manager Todd Clark and Ms. Long explained that in order to access these funds, the applicant must be a unit of local government located in either a Tier I or Tier II economically distressed County. Additionally, the proposed project must be a priority industry with a business classification of manufacturing, warehousing, wholesale trade, courier services, central administrative offices, electronic mail order services, computer systems design, software publishers, software reproducing, or data processing services. They stated that Temprano Techvestors meets the priority industry test and the City of Newton is located within a Tier II economically distressed county.

Ms. Long stated the applicant must also demonstrate that new jobs are being created and the amount of the grant award is tied to the number of jobs created. Mr. Walling is committed to the creation of 21 new full time jobs with an average weekly wage of \$51,906. Mr. Clark stated that there is a copy of the Pre-Application Form in the agenda packet that includes a complete list of the jobs being created and the associated gross annual wages associated with each.

Mr. Clark stated that a 5% local match is required for the grant. A complete break-down of costs associated with this \$520,188 renovation project is included on the Pre-Application Form which includes a 5% match of \$12,688 from the City of Newton, \$253,750 from the Building Reuse Grant, and \$253,750 from Temprano Techvestors, Inc. Mr. Clark stated that the City Council would need to make an appropriation of \$12,688 from Fund Balance if and when, a grant is awarded

Mr. Clark stated that the suggested action is for City Council to adopt Resolution 10-2016 authorizing the City Manager to execute and file an application of behalf of the City of Newton with the NC Department of Commerce Rural Economic Development Division for a Building Reuse Grant and furnishing any further information to the State of North Carolina as outlined in the Resolution.

Mayor Pro Tem John Stiver stated that he appreciates the work that has been done on this project. Ms. Long stated that she would love for this to be the first of many projects of this kind. Council Member Jerry Hodge questioned the 21 employees, Ms. Long stated that they positions would have to be created and held for six months.

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

That Resolution 10-2016 – Building Reuse Grant Application be – ADOPTED.

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

C. Consideration of Westside Drive Sewer Engineering Contract with McGill and Associates and Approval of Intent to Reimburse

Public Works and Utilities Director Dusty Wentz stated that inspection of the existing gravity sewer from W. K St., cross country headed southwest, and off of Westside Dr. has revealed failure of the clay 12" sewer line. Two particularly concerning points of failure is the section of gravity sewer under Southwest Blvd and a section behind the homes on the south side of Westside Dr. This realignment project is listed on the 10 year CIP for FY 2023-2024. Mr. Wentz explained that due to the existing condition of the sewer line, emergency replacement is required.

Mr. Wentz stated that closed circuit television camera (CCTV) inspection indicates that between half and three quarters of the dry conditions flow is exiting the sewer main. He explained that staff cannot currently find any evidence of sewer entering State waters, and is unsure where the escaping sewer is flowing. Conversely, given the location of the sewer adjacent to Westside Dr., this section of pipe is almost certainly a point of a very large amount of inflow during wet weather conditions.

The project consists of survey, engineering, and replacement of approximately:

- 2,500 LF of 10" Sewer
- 500 LF of 8" sewer
- 12 Manholes
- 24 residential sewer taps
- 60 LF of steel encasement inside of the NCDOT right-of-way

Mr. Wentz stated that staff released an RFQ in June, and has selected McGill and Associates as the most qualified firm from the respondents.

Mr. Wentz stated that multiple actions are requested at this time. First, staff requests that council approve the attached Intent to Reimburse from borrowing for the full amount of the project, estimated at \$1,100,000. Second, staff requests that council approve the provided contract with McGill and Associates in order to begin survey and engineering design services immediately. Mr. Wentz stated that staff will return to council once design is complete, bids have been received, and a construction contract is ready for consideration.

City Manager Todd Clark explained that this project will leapfrog several water/sewer projects which will cause them to move back on the list.

Council Member Tom Rowe asked if work would begin on the east side, Mr. Wentz said that it would. Mr. Clark added that resurfacing is part of the project. Council Member Jerry Hodge asked if the project would cause an impact on citizens. Mr. Wentz stated that crews would try to work when homeowners are away, but that there would be a significant impact. Mr. Hodge asked how many days would the homeowners be impacted. Mr. Wentz said until Christmas. Mayor Pro Tem John Stiver asked if notice would be sent to the residents. Mr. Wentz stated that there would be contact with them, Mr. Stiver stated that they should be reminded that this is a positive thing, to solve a problem. Mr. Clark stated that there will not be any mess left. Mr. Hodge asked about damage to driveways. Mr. Wentz stated that any damage would be repaired or replaced.

Council Member Tom Rowe asked if 12" line would be big enough for the future, Mr. Wentz stated that for the most part 12" lines would be more than enough.

Finance Director Serina Hinson explained the borrowing procedure and reporting to the Local Government Commission.

Council Member Robert C. Abernethy, Jr. stated that paving is a concern.

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

That Resolution 12-2016 Declaring Official Intent to Reimburse Expenditures be – ADOPTED.

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

That Agreement for Engineering Services – McGill Associates, P.A. be – APPROVED.

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

**ITEM 9: City Manager's Report**

- July 19<sup>th</sup> – Economic Development Corporation 2016 Annual Meeting at Hickory Metro Convention Center, 11:45 a.m.
  - July 23<sup>rd</sup> – Motorcycle, Truck, and Car Show at Southside Park, 11 a.m. – 5 p.m.
  - July 22<sup>nd</sup> – Eddie Copeland Retirement, Water Treatment Plant, 11:30 a.m.–1 p.m.
  - July 26<sup>th</sup> – WPCOG Policy Board Meeting at Conover Station, 6:00 p.m.
  - August 2<sup>nd</sup> – Workshop prior to Regular Meeting to Discuss Stormwater Enterprise Fund – 6:00 p.m.
  - August 11-13<sup>th</sup> – ElectriCities Annual Conference, Concord
- Streetscape Project Update
  - Water and Sewer Rate Study Update
  - Paving Projects Update
  - Parks & Recreation Master Plan Update
  - Marketing & Branding Study Update
  - LAPP Grant Update
  - Electric Cost of Service Study Update
  - Pedestrian Plan RFP Update

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

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

Mayor Anne Stedman gave reports on the DNDA, including an update on the Folk Art Festival, and reminders of Spooktacular, and Light up the Town. Mayor Stedman stated that the artists for the Folk Art Festival have so far exceeded expectations and that the festival will be October 1, 2016, 10:00 a.m. until 4:00 p.m.

Mayor Pro Tem John Stiver stated that the Tree Board will meet August 1<sup>st</sup>. He stated that there is nothing new to report on ElectriCities or Parks and Recreation at this time.

**ITEM 11: Closed Session to Consult with the City Attorney – G.S. 143-318-11(a)(4) and G.S. 143-318-11(a)(5)**

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

That the City Council enter CLOSED SESSION per G.S. 143-318-11(a)(4) and G.S. 143-318-11(a)(5)

Council Member Tom Rowe made the motion to go back into open session, which was seconded by Mayor Pro Tem John Stiver; All Ayes.

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

That Council Member Robert C. Abernethy be RECUSED from the vote to Consider an Economic Development Agreement with Peoples Bank

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

That Economic Development Agreement with Peoples Bank and the City of Newton be – APPROVED.

**ITEM 12:**     **Adjournment**

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

That the Meeting be – ADJORNED

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Amy S. Falowski, City Clerk



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Anne P. Stedman, Mayor