AGENDA
CITY OF NEWTON

September 3, 2019
1. Call to Order – Mayor Anne P. Jordan

2. Opening – Council Member Tom Rowe

3. Approval of Minutes from the August 6, 2019 Regular Meeting

4. Consideration of Consent Agenda Items
   A. Tax Releases
   B. Sewer Adjustments
   C. Consideration of Budget Amendment Using Sue Jones Funds for Improvements to Chadwick and Little Brooke Parks

5. Comments from the Public: (IF YOU WOULD LIKE TO MAKE A PUBLIC COMMENT ON NON-AGENDA ITEMS PLEASE SIGN IN WITH THE CITY CLERK PRIOR TO THE MEETING):

6. Public Hearings
   A. Consideration of Financing Capital Infrastructure Projects

7. Old Business
   A. Consideration of Resolution Approving Financing Bid Award and Resolution Approving Financing Terms
   B. Consideration of Award of Bid and Intent to Reimburse – Valley Drive Water Rehabilitation

8. New Business
   A. Consideration of Resolution for Asset Inventory and Assessment Project Grant
   B. Consideration of Award of Bid and Budget Amendment for the Replacement of the Water Treatment Plant Supervisory Control and Data Acquisition (SCADA)

9. City Manager’s Report

10. Questions and Comments From Mayor and Council
    A. Reports from Appointed Representatives on Outside Boards – Council Member Ed Sain

11. Adjournment

The City of Newton holds all public meetings in accessible rooms. Special requests for accommodations should be submitted by individuals at least 48 hours before the scheduled meeting time. Please call 828-695-4266 or 828-695-4261 for special accommodations.
MINUTES
REGULAR MEETING OF THE NEWTON CITY COUNCIL
August 6, 2019 – 7 p.m.

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, July 9, 2019 at Newton City Hall.

PRESENT: Mayor Pro Tem John Stiver and Council Members Jerry Hodge, Anne Wepner, Jody Dixon, Tom Rowe and Ed Sain

ABSENT: Mayor Anne P. Jordan

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. Jordan welcomed everyone and called the meeting to order.

ITEM 2: OPENING Invocation and Pledge of Allegiance

Council Member Ed Sain 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 July 9, 2019 and the July 22, 2019 City Council meetings be – APPROVED

ITEM 4: CONSIDERATION OF CONSENT AGENDA ITEMS

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

That the Consent Agenda be – APPROVED

A. Sewer Adjustments

B. Consideration of Street Closures
   • Bright Future Concert – September 19th
   • Foothills Folk Art Festival – October 5th

C. Consideration of the Pyrotechnics Display Permit for the American Legion Fairgrounds

D. Consideration to Adopt The Records Retention and Disposition Schedule for Local Government Agencies per the North Carolina Department of Cultural Services, Division Of Archives and History

E. Consideration of Budget Ordinance to Carry Forward Outstanding Purchase Orders at June 30, 2019

F. Consideration of Official Intent to Reimburse Capital Purchase of Five Police Vehicles

(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 Pro Tem John Stiver asked if anyone present would like to make comment concerning non-agenda items. No one appeared.

ITEM 6: Public Hearings

A. Consideration of Text Amendment #2019-01 – To Allow Members of the Planning Commission to Serve as Members of the Board of Adjustment

Mayor Pro Tem John Stiver opened the Public Hearing.

Planner Alex Fulbright stated that the Planning Department provides guidance to the Planning Commission and the Board of Adjustments (BOA) in review of development matters as defined by the Code of Ordinance and in creating the vision of City of Newton. This guidance ensures future orderly development and economic growth that is reflective of the community’s desires and needs. Mr. Fulbright stated that membership of these boards is appointed by the City Council for terms of three years with no more than four consecutive terms.

Mr. Fulbright stated that the Planning Commission meets on a monthly basis as needed to review development proposals and zoning amendments, among other similar revisions. The Board of Adjustments meets on an ‘as needed’ basis to review specific type requirements in a quasi-judicial manner. These reviews consist of variances, special use permits, and interpretation of staff decisions. Mr. Fulbright stated that it is important that both boards have full membership and availability to serve the city and its citizens in review of these important matters.

Mr. Fulbright stated that the Board of Adjustments last met in November 2011. Since that time, the membership of the board has declined due to term expirations, relocations and death. Since there have been no applications submitted for review and staff turnover in the Planning Department to advise the Council of the membership deficit, the City Council has not appointed any new members and the Board of Adjustment membership is incomplete. Therefore if an application was submitted for review, an untimely delay would occur to the applicant in order to appoint and train new members.

Mr. Fulbright explained that this issue is not unique in Newton, and that several cities and towns have seen similar issues arise due to the ‘on-call’ need for the Board of Adjustments to meet. The NC General Statues permit the combination of membership rosters for the Planning Commission and Board of Adjustments, while their duties and actions would follow course with separate board considerations and reviews.

Mr. Fulbright stated that Planning Commission recommends approval to the City Council to amend the Code of Ordinances as attached to combine the membership rosters of the Planning Commission and Board of Adjustments and be staffed by the present members of the Planning Commission.

Mayor Pro Tem John Stiver asked if anyone present would like to speak. No one appeared.

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

That the Public Hearing be – CLOSED

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

That the Ordinance to Amend the Code of Ordinances to Combine the Membership Rosters of the Planning Commission and Board of Adjustments, and be Staffed by the Present Members of the Planning Commission be – ADOPTED

(Ordinances, Resolutions and Proclamations are hereby referenced and on file in the Office of the City Clerk)
Mayor Pro Tem John Stiver opened the Public Hearing.

Planner Alex Fulbright stated that Catawba County has approached the City about letting the County administer the Soil Erosion and Sedimentation Control (SESC) Program inside the City of Newton City Limits and its Extraterritorial Jurisdiction. The County is currently delegated the authority by the State to administer the SESC Program within the entire County and the municipalities in the County with the exception of the City of Newton. The City was delegated authority by the State in 2001 prior to the County starting their program in 2005. At the time that Catawba County began their program, the City evaluated relinquishing its authority and requested that the State allow the County to administer the SESC Program within the City. Mr. Fulbright explained that at that time, there was not a compelling reason to do so. However, the State recently made some changes that have the potential to significantly increase the amount of monthly inspections that the City would have to perform. Catawba County has the staff available to meet the increased demands. In addition, this change would make it easier on developers and contractors as the SESC program would be the same agency throughout the entire County. Mr. Fulbright stated that the City would not incur any cost as result of this change and the State would still issue SESC permits to the City, as is currently the case. Staff has been in contact with the State Department of Environmental Quality and they would be willing to relinquish the City’s authority to administer the SESC program and delegate that authority to the County.

Mr. Fulbright stated that It is the recommendation of staff that Council relinquish its authority to administer the State’s SESC program and they allow the County to administer the State’s SESC program within the City’s Jurisdiction by taking the following actions:

1. Adoption of an ordinance to rescind the City’s Soil Erosion Ordinance.
2. Authorize the City Manager to sign the memo of agreement between the North Carolina Sedimentation Control Commission and City of Newton for the purpose of rescinding the Commission's delegation of authority to enforce the Sedimentation Pollution Control Act.
3. Authorize the City Manager to sign the contract between Catawba County and City Newton for enforcement services of Catawba County Soil Erosion and Sediment Control Ordinance within the City Limits and It’s Extraterritorial Jurisdiction.

Mayor Pro Tem John Stiver asked if there was anyone present that would like to speak. No one appeared.

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

That the Public Hearing be – CLOSED

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

That the Ordinance to rescind the City’s Soil Erosion Ordinance be – ADOPTED

(Ordinances, Resolutions and Proclamations are hereby referenced and on file in the Office of the City Clerk)
ITEM 7: New Business

A. Consideration of Memorandum of Agreement Between the North Carolina Sedimentation Control Commission and City of Newton

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

That the City Manager be – AUTHORIZED to sign the Memo of Agreement between the North Carolina Sedimentation Control Commission and City of Newton for the purpose of rescinding the Commission's delegation of authority to enforce the Sedimentation Pollution Control Act

B. Consideration of Contract Between Catawba County and City of Newton for Enforcement of Soil Erosion and Sedimentation Control Regulations

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

That the City Manager be - AUTHORIZED to sign the Contract Between Catawba County and City Newton for Enforcement Services of Catawba County Soil Erosion and Sediment Control Ordinance within the City Limits and It’s Exterritorial Jurisdiction

C. Consideration to Approve Public Art Commission By-Laws

City Manager Todd Clark stated that the Newton Public Art Commission adopted bylaws shortly after it was founded in 2017, and that modifications of such bylaws have been made over the past two years. The commission proposes the attached bylaws for the transaction of business subject to the approval of city council.

Approve the attached proposed Newton Public Art Commission bylaws.

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

That the Proposed Newton Public Art Commission bylaws be – APPROVED

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

ITEM 8: City Manager’s Report

Meetings & Events

• August 11th – Symphony on the Square, 7:30 p.m.
• August 22nd – Western Piedmont Council of Governments Mayors/Chairs/Managers, Cedar Rock Golf & Country Club, Lenoir
• Sept. 9th – Bright Future Concert, 3:30p.m. – 10:00 p.m. Frank and Sue Jones Amphitheatre
• Recruiting to Begin for Newton 101

ITEM 9: Questions and Comments from Mayor and Council

Mayor Pro Tem Stiver asked if there were any questions or comments from City Council.

Mayor Pro Tem John Stiver gave reports on the Tree Board and ElectriCities.
ITEM 10: 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. Jordan, Mayor

__________________________________________
Amy S. Falowski, City Clerk
CITY OF NEWTON
Inter-office Correspondence

TO: E. Todd Clark, City Manager  DATE: August 19, 2019

RE: Tax Releases – July 2019

FROM: Vickie Thomas, Finance Director

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>2019</td>
<td>1</td>
<td>Mary C. Anderson</td>
<td>Elderly exemption removed due to property being sold. Re billed correct owner.</td>
<td>$212.76</td>
</tr>
<tr>
<td>2019</td>
<td>2</td>
<td>Blythe Construction Inc</td>
<td>Bill less than minimum amount</td>
<td>$0.35</td>
</tr>
<tr>
<td>2019</td>
<td>3</td>
<td>Reginald W. Bowman</td>
<td>Bill less than minimum amount</td>
<td>$0.46</td>
</tr>
<tr>
<td>2019</td>
<td>4</td>
<td>Dennis W. Byrd</td>
<td>Bill less than minimum amount</td>
<td>$0.18</td>
</tr>
<tr>
<td>2019</td>
<td>5</td>
<td>Raymond C. Call II</td>
<td>Bill less than minimum amount</td>
<td>$0.09</td>
</tr>
<tr>
<td>2019</td>
<td>6</td>
<td>Linville P Couch</td>
<td>Bill less than minimum amount</td>
<td>$0.09</td>
</tr>
<tr>
<td>2019</td>
<td>7</td>
<td>Dell Equipment Funding LP</td>
<td>Bill less than minimum amount</td>
<td>$0.06</td>
</tr>
<tr>
<td>Year</td>
<td>Number</td>
<td>Name / Entity</td>
<td>Description</td>
<td>Amount</td>
</tr>
<tr>
<td>------</td>
<td>--------</td>
<td>---------------</td>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>2019</td>
<td>8</td>
<td>Dishnet Satellite Broadband LLC</td>
<td>Bill less than minimum amount</td>
<td>$0.17</td>
</tr>
<tr>
<td>2019</td>
<td>9</td>
<td>Alton E. Eskridge</td>
<td>Bill less than minimum amount</td>
<td>$0.36</td>
</tr>
<tr>
<td>2019</td>
<td>10</td>
<td>Efrain Godoy-Diego</td>
<td>Bill less than minimum amount</td>
<td>$0.16</td>
</tr>
<tr>
<td>2019</td>
<td>11</td>
<td>Hallmark Marketing Co., LLC</td>
<td>Bill less than minimum amount</td>
<td>$0.10</td>
</tr>
<tr>
<td>2019</td>
<td>12</td>
<td>Joel A. Hernandez Romero</td>
<td>Bill less than minimum amount</td>
<td>$0.31</td>
</tr>
<tr>
<td>2019</td>
<td>13</td>
<td>Woodrow W. Houser</td>
<td>Bill less than minimum amount</td>
<td>$0.41</td>
</tr>
<tr>
<td>2019</td>
<td>14</td>
<td>William L. Jenkins</td>
<td>Bill less than minimum amount</td>
<td>$0.24</td>
</tr>
<tr>
<td>2019</td>
<td>15</td>
<td>Eva W. Jennings</td>
<td>Bill less than minimum amount</td>
<td>$0.32</td>
</tr>
<tr>
<td>2019</td>
<td>16</td>
<td>Allen C. Johnson, Sr.</td>
<td>Bill less than minimum amount</td>
<td>$0.45</td>
</tr>
<tr>
<td>2019</td>
<td>17</td>
<td>Richard G. McCrery</td>
<td>Bill less than minimum amount</td>
<td>$0.09</td>
</tr>
<tr>
<td>2019</td>
<td>18</td>
<td>Steve A. Poteet</td>
<td>Bill less than minimum amount</td>
<td>$0.27</td>
</tr>
<tr>
<td>2018</td>
<td>19</td>
<td>Karen E. Reed</td>
<td>Small underpayment</td>
<td>$0.09</td>
</tr>
<tr>
<td>2019</td>
<td>20</td>
<td>Dennis W. Sigmon</td>
<td>Bill less than minimum amount</td>
<td>$0.27</td>
</tr>
<tr>
<td>2019</td>
<td>21</td>
<td>Jacob A Smith Jr.</td>
<td>Bill less than minimum amount</td>
<td>$0.18</td>
</tr>
<tr>
<td>2019</td>
<td>22</td>
<td>Nancy T. Stewart</td>
<td>Bill less than minimum amount</td>
<td>$0.27</td>
</tr>
<tr>
<td>Year</td>
<td>No.</td>
<td>Name</td>
<td>Description</td>
<td>Amount</td>
</tr>
<tr>
<td>------</td>
<td>-----</td>
<td>---------------</td>
<td>---------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>2019</td>
<td>23</td>
<td>Superior Plus Energy</td>
<td>Bill less than minimum amount</td>
<td>$0.15</td>
</tr>
<tr>
<td>2019</td>
<td>24</td>
<td>Alvin L. Tipps</td>
<td>Bill less than minimum amount</td>
<td>$0.48</td>
</tr>
<tr>
<td>2019</td>
<td>25</td>
<td>Joyce B. Warren</td>
<td>Value change</td>
<td>$168.48</td>
</tr>
<tr>
<td>2019</td>
<td>26</td>
<td>Rodney G. Wike</td>
<td>Situs error</td>
<td>$1.08</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
RE: Sewer Adjustments – 09/03/2019
FROM: Vickie Thomas, 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>67000180-001</td>
<td>Halbert Turner</td>
<td>604 N Gaither Ave</td>
<td>July-Pool</td>
<td>$35.56</td>
</tr>
<tr>
<td>46000340-003</td>
<td>Sonya Coker</td>
<td>1107 Sandhurst Dr</td>
<td>Aug-Pool</td>
<td>$93.28</td>
</tr>
<tr>
<td>46000660-002</td>
<td>Alejandro Ruelas</td>
<td>321 Kilborne Dr</td>
<td>Jun-Jul</td>
<td>$147.65</td>
</tr>
</tbody>
</table>

Backup documentation to support each adjustment is on file in the Finance Department.
Should you have questions or require further clarification, please notify.
DATE: August 27, 2019

TO: Mayor and City Council

FROM: Todd Clark, City Manager

CONSIDERATION OF: Consideration of Budget Amendment Using Sue Jones Funds for Improvements to Chadwick Park and Little Brooke Park

Approved for Council Consideration

Background:

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

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

City Council has also discussed using Jones funds to create pocket parks. Three locations have been identified as possible locations. These locations are Chadwick Park, Little Brooke Park and the area off of Hwy 10 at the Greenway entrance. These locations exist by name and are not set up in a manner to be utilized. Staff is asking City Council to allow Jones estate funds to be used for improvements to these locations so that the public would be able use them.

The location near the Greenway entrance will need to be put on hold temporarily until Duke Power finishes with improvements planned for that area. The pricing breakdown for the other two locations is as follows:

<table>
<thead>
<tr>
<th>Chadwick Park</th>
<th>Little Brooke Park</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absolute Tree Care-</td>
<td>(1) 6 ft. picnic table-</td>
</tr>
<tr>
<td>$15,595.00</td>
<td>$600.00</td>
</tr>
<tr>
<td>(1) 6 ft. picnic table-</td>
<td>(1) Trash can-</td>
</tr>
<tr>
<td>$600.00</td>
<td>$475.00</td>
</tr>
<tr>
<td>(1) Trash can-</td>
<td>(1) Signage-</td>
</tr>
<tr>
<td>$475.00</td>
<td>$1,720.00</td>
</tr>
<tr>
<td>(1) Signage-</td>
<td>(1) Grill-</td>
</tr>
<tr>
<td>$1,720.00</td>
<td>$240.00</td>
</tr>
<tr>
<td>(1) Grill-</td>
<td></td>
</tr>
<tr>
<td>$240.00</td>
<td></td>
</tr>
<tr>
<td>Total-</td>
<td>Total-</td>
</tr>
<tr>
<td>$18,630.00</td>
<td>$2,795.00</td>
</tr>
</tbody>
</table>

Recommendation: City Council authorize staff to use Sue Jones estate funds in the amount of $21,425.00 to make improvements and purchase furnishings for Chadwick Park and Little Brooke Park.
ORDINANCE

AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2019-2020 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, 2019 and ending June 30, 2020, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, City Council has agreed to use Sue Jones estate principal funds for improvements to Chadwick Park and Little Brook Park; and,

WHEREAS, the City has obtained pricing of $21,425 for the improvements to both parks; and,

WHEREAS, the City Council desires to appropriate fund balance from Frank and Sue Jones Funds and authorize the related expenditure appropriation within the Parks operating budget.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON, NORTH CAROLINA, THAT:

THE FOLLOWING SOURCE OF REVENUE AND APPROPRIATION ARE HEREBY APPROVED.

General Fund Revenues
  Fund Balance Appropriated-Frank/Sue Jones  11-0000.3993  $ 21,450

General Fund Appropriations
  Capital Outlay-Land/Land Improvements  11-6122.8700  $15,595
  Non-Capital Outlay                 11-6122.7900      5,855

Adopted this 3rd day of September, 2019

Anne P. Jordan, Mayor

Amy S. Falowski, City Clerk
DATE: August 28, 2019

TO: E. Todd Clark, City Manager

FROM: Vickie Thomas, Finance Director

CONSIDERATION OF: Financing bid award and resolution approving financing terms

Approved for Council Consideration

On July 25, 2019, bids were solicited for financing certain infrastructure improvements. The Downtown Streetscape Phase 2 Capital Project was approved in the Downtown Streetscape Capital Project Fund and the Valley Drive water infrastructure project was approved as part of the FY 2019-2020 budget ordinance. A Request For Proposal was submitted to the following seven financial institutions: Branch Banking and Trust (“BB&T”), First Citizens Bank, HomeTrust Bank, Live Oak Bank, Regions Bank, Peoples Bank, and U.S. Bank.

Of the seven financial institutions solicited, three of these institutions provided a proposal, BB&T, Peoples Bank and Live Oak Bank.

The bids were as follows:

<table>
<thead>
<tr>
<th>Financial Institution</th>
<th>15 Year Amortization:</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>BB&amp;T</td>
<td>2.62%</td>
<td></td>
</tr>
<tr>
<td>Peoples Bank</td>
<td>2.69%</td>
<td></td>
</tr>
<tr>
<td>Live Oak</td>
<td>4.75% + (depending on LIBOR rate at closing)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>20 Year Amortization:</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>BB&amp;T (could not provide 20 year financing)</td>
<td>N/A</td>
</tr>
<tr>
<td>Peoples Bank</td>
<td>2.75%</td>
</tr>
<tr>
<td>Live Oak</td>
<td>4.75% + (depending on LIBOR rate at closing)</td>
</tr>
</tbody>
</table>

BB&T provided the lowest bid. It is staff’s recommendation that City Council award the financing for both projects to BB&T.

In an effort to streamline the process with the Local Government Commission, the resolutions will reflect the bid request numbers and projects presented to the financial institutions; however, the intent is to close our financings with a lesser amount due to savings of $161,540 from the Valley Drive Water Project due to actual construction bids coming in lower that the engineer’s estimate.
Action Suggested:

1) Award the bid to provide financing to BB&T for an amount **not to exceed:**
   a. $700,000 at stated interest rate of 2.62% for a 15 year amortization
   b. $757,300 at stated interest rate of 2.62% for a 15 year amortization

2) Adopt the Resolutions Approving Financing Terms based on 15 year amortization at a stated interest rate of 2.62%.
Resolution
Resolution Approving Financing Terms

WHEREAS: The City of Newton, North Carolina ("City") has previously determined to undertake a project for the financing of downtown streetscapes, and the Finance Director has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The City hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated August 23, 2019. The amount financed shall not exceed $757,300.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.62%, and the financing term shall not exceed fifteen (15) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Director is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Director is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Director shall approve, with the Finance Director's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The City intends that the adoption of this resolution will be a declaration of the City's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The City intends that funds that have been advanced, or that may be advanced, from the City's general fund, or any other City fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 3rd day of September, 2019

_________________________________ ____________________________________
Amy S. Falowski, City Clerk Anne P. Jordan, Mayor
Resolution
Resolution Approving Financing Terms

WHEREAS: The City of Newton, North Carolina (“City”) has previously determined to undertake a project for the financing of water and sewer infrastructure rehabilitation, and the Finance Director has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The City hereby determines to finance the Project through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated August 23, 2019. The amount financed shall not exceed $700,000.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.62%, and the financing term shall not exceed fifteen (15) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Director is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer’s satisfaction. The Finance Director is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Director shall approve, with the Finance Director’s release of any Financing Document for delivery constituting conclusive evidence of such officer’s final approval of the Document’s final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as “qualified tax-exempt obligations” for the purpose of Internal Revenue Code Section 265(b)(3).

5. The City intends that the adoption of this resolution will be a declaration of the City’s official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The City intends that funds that have been advanced, or that may be advanced, from the City’s general fund, or any other City fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 3rd day of September, 2019

_________________________________ ____________________________________
Amy S. Falowski, City Clerk Anne P. Jordan, Mayor
<table>
<thead>
<tr>
<th>Contract A---</th>
<th>Requested Proposal Amount</th>
<th>Amount Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financing Term - 15 Years:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downtown Newton Streetscape Infrastructure Project - Phase 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>General Fund:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Streets, Sidewalks &amp; Storm Drainage Infrastructure</td>
<td>$548,000</td>
<td>$548,000</td>
</tr>
<tr>
<td><strong>Electric Operations:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electric Distribution</td>
<td>209,300</td>
<td>209,300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>757,300</td>
<td>757,300</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract B----</th>
<th>Requested Proposal Amount</th>
<th>Amount Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financing Term - 15 Years:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water/Wastewater Operations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valley Drive Water &amp; Sewer Infrastructure Rehabilitation</td>
<td>700,000 *</td>
<td>538,460</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>700,000</td>
<td>538,460</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,457,300</td>
<td>$1,295,760</td>
</tr>
</tbody>
</table>

* Amount to be financed is less due to construction bids coming in less that engineer's estimate.
DATE: August 26, 2019

TO: Todd Clark, City Manager

FROM: Dusty Wentz, PWU Director

CONSIDERATION OF: Award of Bid for Replacement of Six (6) Inch Water Main on Valley Drive and Intent for Reimbursement.

Background:
In November of 2017, City staff was made aware of brown water in the 800 block of Valley Dr. Staff began flushing the water main, added an automatic flushing valve, replaced two service lines, and replaced 120 feet of six (6) inch water main. During the replacement of the water main, staff noted that the old water main had heavy tuberculation, which is causing the brown water. The tuberculation had reduced the inside diameter of the pipe from six (6) inches to three (3) inches. Staff replaced 120 feet of water main to resolve the brown water issue. Brown water was no longer present after the initial water main replacement.

In November of 2018, the brown water returned. Staff investigated beyond the 120 feet that was replaced and found more areas of water main that needed replacement. Staff estimates that 1,280 feet of water main will need to be replaced. Replacement area will include the 800 block of Valley and the 800 Block of Hamilton St. Staff also noted that some of the replacement may involve sewer because of State standards on separation distances between water mains and sewer mains.

In, March of 2019, WithersRavenel engineering firm and City of Newton started engineering, designing, and solicited bids from ten contractors. Bid opening was on July 9, 2019. Out of the ten contractors, only one bid was received. A minimum of three bids is required for the first bid opening, staff rebidding.

Re-bid opening was July 29, 2019. Staff did receive three bids.

<table>
<thead>
<tr>
<th>Utility Contractor</th>
<th>Base Bid</th>
<th>Alternate #1</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dellinger, Inc</td>
<td>$973,500.00</td>
<td>$314,750.00</td>
<td>$1,288,250.00</td>
</tr>
<tr>
<td>Hickory Sand Company</td>
<td>$324,615.00</td>
<td>$111,095.00</td>
<td>$435,710.00</td>
</tr>
<tr>
<td>Piedmont Utility Group</td>
<td>$393,581.27</td>
<td>$318,121.00</td>
<td>$711,702.27</td>
</tr>
</tbody>
</table>

City Staff and WithersRavenel have reviewed the bids and determined that Hickory Sand Company is the lowest qualified and most responsive bidder. See attached engineer recommendation. Staff and WithersRavenel recommend that a 10% contingency ($43,550) be allocated for the construction project. Base bid with Alternate #1 and the 10% contingency, will bring this construction cost to a total of $479,260. Alternate #1 is complete street mill and overlay of the project area. Combined with the $59,200 engineering costs previously authorized, the total project cost is $538,460.

Action Suggested:
It is recommended that the City Council award the bid for replacement of approximately 1280 feet of 6 inch water main on Valley Drive and Hamilton Street to Hickory Sand Company Inc. Staff also recommends an Intent for Reimbursement from Borrowed Funds.
Resolution

A Resolution Declaring Official Intent
to Reimburse Expenditures

WHEREAS, the City of Newton desires to incur certain capital expenditures prior to the issuance of debt; and

WHEREAS, the City of Newton intends to reimburse such expenditures from the proceeds of debt to be issued; and

WHEREAS, this is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section; and

WHEREAS, the undersigned is authorized to declare the official intent of the City of Newton, North Carolina with respect to the matters contained herein.

NOW, THEREFORE, BE IT RESOLVED, the City of Newton anticipates incurring engineering, permitting, construction and other administrative expenditures for the Valley Drive Water Infrastructure Rehabilitation Project which was approved in the Fiscal Year 2019-2020 Budget.

The estimated cost of the Valley Drive Water Infrastructure Rehabilitation Project is $538,460.

The City of Newton intends to finance the costs of the Project with the proceeds of debt to be issued, the interest on which is to be excluded from gross income for Federal income tax purposes,

The maximum principal amount of the Borrowing to be incurred by the City of Newton to finance the Project noted above is $538,460.

The City of Newton hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

Adopted this 3rd day of September, 2019

Anne P. Jordan, Mayor

Amy S. Falowski, City Clerk
July 30, 2019

City of Newton
201 W. 4th Street
Newton, NC 28658

Attn: Dennis Falder, Assistant Public Works & Utilities Director

RE: WR Project #06170969.00
Recommendation of Award
Valley Drive Water Main Project

Dear Mr. Falder:

The original bid for the Valley Drive Water Main Project resulted in only one bid being received. As a result, the City rebid the project, opening bids on July 29, 2019, with a total of three bids being opened and examined. A summary of the bids is shown below, and a certified bid tabulation is attached to this letter.

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Base Bid Amount</th>
<th>Alternate Bid Amount</th>
<th>Total Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dellinger, Inc.</td>
<td>$973,500.00</td>
<td>$314,750.00</td>
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<td>Hickory Sand Company</td>
<td>$324,615.00</td>
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<td>$435,710.00</td>
</tr>
<tr>
<td>Piedmont Utility Group</td>
<td>$393,581.27</td>
<td>$318,121.00*</td>
<td>$711,702.27*</td>
</tr>
</tbody>
</table>

*Corrected mathematical error on submitted Bid.

We have reviewed the bids for completion and accuracy. The bid submitted by Hickory Sand Company appears to be complete. Their total base bid for this project is $324,615.00.

Hickory Sand Company was the low bidder for both the base bid and the total bid (including alternate bid), and both bids and amounts are under the previously stated project budget. Based on our review of the qualifications of Hickory Sand Company, it appears that they are properly licensed to perform the work required for this project. According to the North Carolina Licensing Board for General Contractor’s website, the firm holds a current unlimited, public utilities contractor’s license in the State of North Carolina. Hickory Sand Company met all the bid requirements and was also listed on the City’s list of preferred contractors that they have worked with in the past. Therefore, WithersRavenel recommends that the City of Newton award the construction contract to Hickory Sand Company for the base bid amount of $324,615.00 contingent upon the City’s staff and legal counsel review of and concurrence with the bid documents. The City may also
choose to accept the alternate paving bid, in which the total construction contract would amount to $435,710.00.

We look forward to continuing to assist the City during the construction phase of the project. If you have any questions regarding this recommendation or the opening of bids, please do not hesitate to contact me.

Sincerely,

WithersRavenel

[Signature]

Randall D.Hintz, P.E.
Project Manager

84 Coxe Avenue, Suite 260 | Asheville, NC 28801
Email: rhintz@withersravenel.com

Attachments:

Certified Bid Tabulation
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: August 26, 2019

TO: Todd Clark, City Manager

FROM: Dusty Wentz, Public Works and Utilities Director

CONSIDERATION OF: Asset Inventory and Assessment Grant Resolution

Approved for Council Consideration

Background:

The City engaged Wooten Engineering to submit a wastewater collection system Asset Inventory and Assessment (AIA) grant for state funding. This grant will help fund technical assistance by an engineering firm. Deadline for application submittal is the end of September 2019.

The sewer grant is for providing assistance with determining the cause of flow spikes at the wastewater plant, as well as the cause of sanitary sewer overflows during rain events. This project will focus on wastewater collection mains that flow into the Burris Rd Lift Station, which is located in the North West quadrant of the City limits. This project will help determine points of inflow and infiltration (I&I) as well as current pipe conditions and provide a recommendation on priority of replacement.

This grant is capped at $150,000. City’s responsibility will be a match of 15% above the final grant total and a 1 ½ % of the grant total fee. City staff can offset the 15% match with in kind labor. Once selection is determined, staff will need to request bids for qualifications to engineering firms to start the wastewater collection system Asset Inventory Assessment project.

The attached resolutions are required as part of the grant application process.

Recommendation:

Staff requests Council consider the attached Council Resolutions and approve execution to complete the application process.
RESOLUTION

BY GOVERNING BODY OF APPLICANT

WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of a wastewater collection system project, and

WHEREAS, The City of Newton has need for and intends to implement a wastewater collection system project described as an Asset Inventory and Assessment project, and

WHEREAS, The City of Newton intends to request state grant assistance for the project,

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF NEWTON:

That the City of Newton, the Applicant, will arrange financing for all remaining costs of the project, if approved for a State grant award.

That the Applicant will provide for efficient operation and maintenance of the project on completion of construction thereof.

That E. Todd Clark, City Manager, the Authorized Official, and successors so titled, is hereby authorized to execute and file an application on behalf of the Applicant with the State of North Carolina for a grant to aid in the construction of the project described above.

That the Authorized Official, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Applicant has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the 3rd day of September, 2019 at Newton, North Carolina.

________________________________________
Anne P. Jordan
MAYOR
CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting Clerk of the City of Newton does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the City Council duly held on the 3rd day of September, 2019; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this 3rd day of September, 2019.

________________________________________________________
Amy S. Falowski

City Clerk

________________________________________________________
DATE:  August 29, 2019

TO:  Todd Clark, City Manager

FROM:  Dusty Wentz, PWU Director

CONSIDERATION OF:  Award of Bid to Replace Water Treatment Plant Supervisory Control and Data Acquisition (SCADA).

Background:

The water treatment plant has a supervisory control and data acquisition (SCADA) that was put in in 1988 with an update around 2000.  SCADA is a computer system that monitors controls, and records unfinished and finished water levels, pumps, motors, chemical feeds, pH, and other required equipment.  The computer is linked to sensors, actuators, and floats at the water plant and within the distribution system.

Over the past months, on several occasions, the water treatment plant SCADA has stopped working for a few minutes at a time.  The longest period was fifteen minutes. When this happens, plant staff is unable to operate the plant.  They do not know what the levels are in the water tanks, system pressure, what pump is on or off, or what chemicals are being feed.  All the staff can do is reboot the system in hopes of it coming back up. This old SCADA system is running Windows XP operating system that has not been supported by Microsoft since April 2014, which means it is not repairable.

City staff researched companies that could replace SCADA at the City of Newton’s Water Plant.  From that intensive search there were two companies that can meet needs at the water plant.  July 19, 2019, staff proceeded by sending request for pricing.

<table>
<thead>
<tr>
<th>Company</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>CITI, LLC</td>
<td>$90,031.00</td>
</tr>
<tr>
<td>Instrumentation Services Inc.</td>
<td>$85,900.00</td>
</tr>
</tbody>
</table>

Staff reviewed the price proposals and found that Instrumentation Services, Inc. met the requirements of the bid documents.

Action Suggested:

It is recommended that the City Council award the bid for replacement of the water treatment plant SCADA to Instrumentation Services, Inc. in the amount of $85,900. Adding $8,590 for contingency, the total amount to be budgeted for the replacement is $94,490. Staff also requests that Council approve the attached Budget Ordinance Amendment for the SCADA purchase.
ORDINANCE

AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2019-2020 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, 2019 and ending June 30, 2020, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, the City Council desires to appropriate funds to replace the SCADA system at the Water Treatment Plant, and,

WHEREAS, the City Council desires to authorize the use of Fund Balance for this project and to authorize the related expenditure appropriation within the Water Treatment Plant 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 and Wastewater Fund Revenues
 Fund Equity Appropriation 61-0000.3995 $94,500

Water and Wastewater Fund Appropriations
 Capital Outlay – Data Processing Equip 61-7130.8200 $94,500

Adopted this 3rd day of September, 2019

Anne P. Jordan, Mayor

Amy S. Falowski, City Clerk
Purchasing Department

Post office Box 550 • Newton, NC 28658 • (828) 695-4328 • Fax (828) 465-7464

Bid Form

Project Costs for:
WTP SCADA System Upgrade
Project #7130-19-07

PROPOSAL:

1- PLEASE NOTE THAT PRICING IS FOR ALL WORK NECESSARY TO COMPLETE WORK AS SPECIFIED IN THE SCOPE OF SERVICES.

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Item Description</th>
<th>Project Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Installation of updated equipment and integration with existing system.</td>
<td>$57,156.00 Excluding Taxes</td>
</tr>
<tr>
<td>2</td>
<td>Installation of Updated software, integration with existing system and training of personnel.</td>
<td>$32,875.00 Excluding Taxes</td>
</tr>
</tbody>
</table>

Submitted BY: ___________________________  Signature: ___________________________

Marco Varela  Printed: ___________________________

Company Name: CITI, LLC

Contract for WTP SCADA SYSTEM UPGRADE. Any additional costs must be approved by the Finance Director or their authorized representative. Any costs exceeding $750.00 will be handled under separate PO and invoice.
Purchasing Department

Post office Box 550 • Newton, NC 28658 • (828) 695-4328 • Fax (828) 465-7464

Bid Form

Project Costs for:
WTP SCADA System Upgrade
Project #7130-19-07

PROPOSAL:

1- PLEASE NOTE THAT PRICING IS FOR ALL WORK NECESSARY TO COMPLETE WORK AS SPECIFIED IN THE SCOPE OF SERVICES.

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<th>Item Description</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Installation of updated equipment and integration with existing system.</strong></td>
<td>$53,794</td>
</tr>
<tr>
<td>2</td>
<td><strong>Installation of Updated software, integration with existing system and training of personnel.</strong></td>
<td>$32,106</td>
</tr>
</tbody>
</table>

Submitted BY: [Signature] Robert Manuelsmith

Company Name: Instrumentation Services, Inc.

Contract for WTP SCADA SYSTEM UPGRADE. Any additional costs must be approved by the Finance Director or their authorized representative. Any costs exceeding $750.00 will be handled under separate PO and invoice.