1. Call to Order – Mayor Anne P. Stedman

2. Opening – Council Member Ed Sain

3. Approval of Minutes from the September 18, 2018 Regular Meeting

4. Consideration of Consent Agenda Items
   A. Sewer Adjustments
   B. Consideration of Change in Fee Schedule for Blue Parking Lot Rent
   C. Proclamation – Fire Prevention Week, October 7-13, 2018
   D. Resolution Promoting Public Power Week, October 7-13, 2018

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. Old Business
   A. Consideration of Proposed State Park
   B. Consideration of Final Adjusting Change Order for 2018 Annual Paving Project

7. New Business
   A. Consideration of East 2nd Street Sewer Realignment Budget Ordinance Amendment and Intent to Reimburse and Approval of Resolution to Apply for SRF Funding
   B. Consideration of Budget Ordinance Amendment for Engineering Reporting, Bidding Services, and Funding Administration for Phases 2, 3, and 4 of Streetscape

8. City Manager’s Report

9. Questions and Comments From Mayor and Council
   A. Reports from Appointed Representatives on Outside Boards – Mayor Pro Tem John Stiver

10. Closed Session - Per North Carolina General Statutes 143-318.11(a)(3), 143-318.11(a)(5), and 143-318.11(a)(6)

11. Adjournment
MINUTES
REGULAR MEETING OF THE NEWTON CITY COUNCIL
September 18, 2018 – 7 p.m.

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, September 18, 2018 at Newton City Hall.

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

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

ITEM 1: CALL TO ORDER

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

ITEM 2: OPENING Invocation and Pledge of Allegiance

Council Member Anne Wepner provided the invocation and Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES

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

That the Regular Minutes of the September 4, 2018 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 Ed Sain, it was unanimously RESOLVED:

That the Consent Agenda be – APPROVED

A. Tax Releases
B. Sewer Adjustments
C. Consideration of Budget Ordinance Amendment – Marketing and Branding
D. Consideration of Budget Ordinance Amendment – Data Processing Equipment
E. Consideration of Budget Ordinance Amendment – Water/Wastewater Fund Equipment
F. Consideration of Resolution for Uniform Guidance Procurement Standards Policy Amendment
G. Consideration of Resolution for Appointment of Deputy Finance Director
H. Consideration of Resolutions to Recognize Planning Commission Members

(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. Consideration Rezoning by James River Equipment

Planning Assistant Alex Fulbright stated that Clyde Phillips representing James River Equipment has requested to rezone property located at 2612 & 2616 Northwest Blvd from R-20 Single Family Residential to B-4 General Business. The subject site includes 2 parcels, which consist of a 5.7 acre tract identified as Catawba County Pin 3731-16-83-1458 and a 2.61 acres tract identified as 3731-16-83-4417. 2612 Northwest Blvd is owned by Mark and Melissa McCloud and 2616 Northwest Blvd is owned by Rowe and Anita Bollinger. Mr. Fulbright stated that if approved, James River Equipment will purchase the property and use for the sales, service, and repair of equipment and tractors.

Surrounding Zoning and Land Use:

<table>
<thead>
<tr>
<th>Subject(s)</th>
<th>ZONING</th>
<th>LANDUSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>R-20 Single Family Residential</td>
<td></td>
</tr>
<tr>
<td>South</td>
<td>R-20 Single Family Residential</td>
<td></td>
</tr>
<tr>
<td>East</td>
<td>M-1 General Manufacturing</td>
<td>Distillery and consignment market</td>
</tr>
<tr>
<td>West</td>
<td>R-20 Single Family Residential</td>
<td>Vacant</td>
</tr>
</tbody>
</table>

Zoning History:

Mr. Fulbright stated that the area requested to be rezoned is currently zoned R-20. According to the current, 1982, and 1966 Zoning Map the area has been zoned R-20 and before that it was zoned R-15, the predecessor to the R-20 district. The portions of the property that is currently zoned B-4 General Business was zoned that way on both the 1966 and 1982 zoning map.

Transportation:

Mr. Fulbright explained that the property has access off of Northwest Blvd, which is a four-lane road with a turn lane and an unopened right of way on the south side. The most recent ADT on Northwest Blvd is 22,000. There are no proposed projects that will have an immediate impact on the subject.

Utilities:

Mr. Fulbright stated that city water and sewer are available.

Consistency and Conclusion:

Mr. Fulbright stated that the 1988 Land Development Plan Map shows the area being zoned commercial. The plan mentions that the city should avoid sprawling strip development and to encourage development...
at intersection of major thoroughfares and arterials or collector streets; however this is an expansion of existing commercial zoned area. The request is consistent with the 1988 Land Development Plan.

Public Notice:

Public notice for this rezoning case has been performed as follows:

Newspaper: published on September 6 & 13, 2018.
Posted on-site: posted August 17, 2018
Mailed notices: sent notice to the owner of the site, owners of adjacent property, and the owners of property within 100 feet of the property adjacent to the subject site. 18 letters were sent on September 7, 2018.

Mr. Fulbright stated that the Planning Commission unanimously recommended that the City Council approve this rezoning request. The request is inconsistent with the 2008 Southeast Area Plan, but the request is consistent with existing use of the property and would not adversely impact nor hamper the development of the adjoining areas. He stated that the Southeast Area Plan is recommended to be amended to reflect the proposed land use.

Mayor Stedman asked if anyone present would like to speak. No one appeared.

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

That Public Hearing be – CLOSED

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

That the Rezoning Request by James River Equipment - Property Located at 2612 & 2616 Northwest Blvd from R-20 Single Family Residential to B-4 General Business be – APPROVED.

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

ITEM 7: Old Business

A. Consideration of Ordinance Change – Golf Carts

Police Chief Don Brown stated that during the September 4, 2018 Council meeting, a request was made by Council to review the current Golf Cart ordinance as it relates to limits on rows of seating. The request specifically deals with reviewing Section 54-275 Registration and Permit Requirements (d) (7) which currently states: Must be limited to a maximum of three (3) rows of seats.

Chief Brown stated that if Council chooses to remove this restriction, line (7) of section (d) would be stricken from the current Ordinance.

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

That Ordinance Change (removal of line (7) of section (d)) - Golf Carts, Section 54-275 Registration and Permit Requirements (d) (7) be – ADOPTED.
ITEM 8: New Business

A. Consideration of Resolution in Support of State Park

City Manager Todd Clark stated that this item is an introduction to City Council of the following information. He stated that the City of Newton has been asked to consider supporting a cooperative effort to create a new state park along the Henry Fork River and Jacobs Fork River. State Senator Andy Wells has been working for several months to facilitate discussions with the City of Hickory, Town of Long View, Catawba County and the City of Newton on the benefits of a partnership with the State of North Carolina. If successful, this would be the first and only state park located within Catawba County.

Mr. Clark stated that at this time, the cities of Hickory and Newton operate municipal parks along each of the rivers. The creation of a state park that incorporates each of these parks, along with potential property acquisitions, would garner significantly more use if added to the state park system. Mr. Clark stated that the intended outcome would be to improve the area’s quality of life through land conservation, education, and the creation of additional recreational activities. Additionally, it would have a significant impact on the economic viability of our region through increased levels of tourism, enhanced property values, added jobs, as well as an enhanced ability to attract and retain businesses to the region.

A resolution of support has been provided to City Council and Mr. Clark said that he would present any questions that Council may have to Senator Wells.

B. Consideration of Amendment of FY 2019 Fees and Charges - Sanitation

Finance Director Serina Hinson stated that Catawba County has historically accepted, managed, and disposed of solid waste collected with Newton’s municipal jurisdiction. On June 8, 2018 the City renewed the contract with Catawba County to continue this service. Ms. Hinson stated that Tipping Fees assessed by the County have not changed since July 2008, and prior to that, the previous rate was remained unchanged back to 1995. Ms. Hinson stated that previous contracts with the County allowed for annual CPI increases; however, the County never imposed an increase in all those years.

Ms. Hinson stated that the city’s FY 2019 Fees and Charges should be amended to coincide with the contract. Those changes are as follows:

**Landfill Fees:**
- Mixed Trash: from $33 to $35 per ton, Minimum $16 plus tax
- Construction and Demolition: from $23 to $25 per ton, Minimum $11 plus tax
- Grindable Brush: from $15 to $17 per ton
- Non-grindable Brush: from $23 to $25 per ton

Ms. Hinson recommended that the City Council approve the amendment to the FY 2019 Sanitation Fees and Charges.
Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Anne Wepner, it was unanimously RESOLVED:

That the Amendment to the FY 2019 Sanitation Fees and Charges 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

Meetings & Events

- Sept 20th – NCLM Host City Event Concert, Rock the Block, at Sails on Union Square, Hickory – 7:30 – 9:30 p.m.
- September 25th – NCMPA1 Board of Commissioners Mtg
- Sept 26th, Water Treatment Plant Dinner and Tour with Energy United, Town of Taylorsville and Town of Troutman, 5:30 p.m. – 8:00 p.m.
- Sept 28th – Lane Venture Ribbon Cutting, 2309 North College Ave. – 10:00 a.m.
- Oct 4th – Hallmark Ribbon Cutting, 2 Pink Magnolias – 1:00 p.m.
- Oct 6th – Foothills Folk Art Festival, 10:00 a.m. – 4:00 p.m.
- Oct 25th – WPCOG Policy Board Meeting, Maiden – 6:00 p.m.
- Oct 27th – Spooktacular, 5:00 – 8:00 p.m.
- Nov 17th – Light up the Town, 4:00 – 7:00 p.m.

Other Projects

- Hurricane Florence Update
- Streetscape Update
- Buffalo Shoals Road Waterline
- Gateway Entry Signs
- Water/Sewer Rate Study
- Request to Close N Ashe Ave
- Public Art
- Lighting at Jacob Fork Update
- Splash Pad Update

ITEM 10: Questions and Comments from Mayor and Council

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

Mayor Anne Stedman gave a report on the Public Art Commission and the DNDA.

ITEM 11: Closed Session – Per North Carolina General Statute 143-318.11(a)(6)

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

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

Motion was then made by Council Member Jody Dixon, seconded by Mayor Pro Tem John Stiver to return to open session.

All ayes.
ITEM 12:  Adjournment

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

That the Meeting be – ADJOURNED

________________________________
Anne P. Stedman, Mayor

_________________________________
Amy S. Falowski, City Clerk
CLOSED SESSION SEPTEMBER 4, 2018
MINUTES

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

STAFF: City Manager Todd Clark, City Attorney John Cilley

Mayor Stedman announced that the purpose of the closed session was to conduct the annual review of the City Manager as called for in his employment contract with the City of Newton. It was noted by the Mayor that the City Manager was completing his first year of a four year contract with the City that expires August 31, 2021. City Council may, but is not required, to make adjustments in the City Manager's compensation as called for in said employment contract.

The City Manager concurred with the Mayor that it was time for his annual performance review by City Council as called for in his employment contract with the City. However, because of Mr. Clark's recent surgery, it was the consensus of Council to further consider this matter at the next regularly scheduled Council meeting on September 18, 2018, to allow Mr. Clark additional time to prepare a presentation of his goals and objectives for consideration by City Council as part of his annual review.

Council members shared with the City Manager that they were pleased with the overall direction that Mr. Clark was leading the City in. Council expressed concern about the workload of the City Manager, given all of the projects that the City is currently involved in, and Council also asked that it be provided some examples of salaries of City Managers of other municipalities of comparable size to Newton to be available at the next Council meeting on September 18 as Council reviews Mr. Clark's performance and compensation.

Councilman, Jody Dixon, then made the motion to return to open session, seconded by John Stiver.

All ayes.

Councilman, Jody Dixon then made the motion to adjourn, seconded by Councilman Ed Sain.

All ayes.

______________________________
Mayor, Anne P. Stedman

______________________________
Amy S. Falowski, City Clerk
TO: E. Todd Clark, City Manager
RE: Sewer Adjustments – 10/02/2018
FROM: Kelsie Mease, Assistant 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>
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<tr>
<td>19000070-004</td>
<td>Martha Moose</td>
<td>1165 Edgefield Ln</td>
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Backup documentation to support each adjustment is on file in the Finance Department. Should you have questions or require further clarification, please notify.
DATE: September 26, 2018

TO: E. Todd Clark, City Manager

FROM: Alex Fulbright, Assistant Planning Director

CONSIDERATION OF: Changes to FY 2019 Fees and Charges for Parking

Approved for Council Consideration

Request:

It is requested that the amount charged for a space in the Blue Lot within the City’s FY 2019 Fees and Charges be increased.

Background:

The City leases the Blue Lot, which is located at the corner of East 2nd Street and North College Avenue from Donald and Patricia Weathers. Recently, the City was notified by Mr. Don Weathers that the monthly lease payment that he charged for the Blue Lot would increase from $250 to $350 a month effective October 1st, 2018. The City leases 20 individual spaces within the lot for $15 per month and all 20 are currently leased. The revenue collected for the Blue Lot is $300 per month. The Planning Department proposes that the FY 2019 Fees and Charges should be amended to cover the increase in cost. The change is as follows:

Parking Lot Monthly Lease

<table>
<thead>
<tr>
<th>Lot</th>
<th>Current Fee</th>
<th>New Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue</td>
<td>$15</td>
<td>$18</td>
</tr>
</tbody>
</table>

Action Suggested:

Planning Department recommends approval of the amendment to the FY 2019 Parking Fees and Charges, effective November 1st, 2018.
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

TO: E. Todd Clark, City Manager  DATE: September 24, 2018
FROM: Kevin Yoder, Fire Chief
ACTION REQUESTED: Proclamation designating the recognition of Fire Prevention Week.

Approved for Council Consideration

1. Each year the Fire Service recognizes the week of October 9th as Fire Prevention Week.

2. This date commemorates the anniversary of the “Great Chicago Fire”.

3. During this week each year, Fire Departments nationwide double their efforts to educate the public on the dangers of fire and stress the importance of fire safety to school children and other members of the public.

4. The City of Newton Fire Department recognizes this week by providing a large number of station tours and Fire Prevention programs within our local schools, in order to increase our efforts to provide the highest level of Fire Prevention Education.

Action Suggested:

Proclamation designating the recognition of Fire Prevention Week.
City of Newton Proclamation
Fire Prevention Week
October 7-13, 2018

WHEREAS, the City of Newton is committed to ensuring the safety and security of all those living in and visiting our city; and

WHEREAS, fire is a serious public safety concern both locally and nationally, and homes are where people are at greatest risk to fire; and

WHEREAS, nearly 3,000 people die each year as a result of home fires; and

WHEREAS, roughly two-thirds of home fire deaths resulted from home fires in which no smoke alarms or no working smoke alarms were present; and

WHEREAS, working smoke alarms cut the chance of dying in a reported fire in half; and

WHEREAS, the National Fire Protection Association recommends at least one smoke alarm on every level of the home (including the basement) outside all sleeping areas, and in all bedrooms; and

WHEREAS, informing the public about the importance of smoke alarm installation and maintenance serves as an essential step toward increasing the public’s safety from home fires; and

WHEREAS, the City of Newton Fire Department is dedicated to reducing the occurrence of home fires and home fire deaths and injuries through prevention and proper education; and

WHEREAS, the City of Newton’s residents are responsive to public education measures and are able to take personal responsibility to increase their safety from fire, especially in their homes; and

WHEREAS, the Fire Prevention Week 2018, October 7th-13th theme, “Look. Listen. Learn. Be aware. Fire can happen anywhere” works to educate people about three basic but essential steps to take to reduce the likelihood of having a fire—and how to escape safely in the event of one;

NOW THEREFORE, BE IT RESOLVED that I, Anne P. Stedman, Mayor of the City of Newton, do hereby proclaim October 7th-13th, 2018 as Fire Prevention Week throughout this City, and I urge all people of Newton to protect their homes and families by heeding the potentially life-saving messages of Fire Prevention Week 2018, and to support the many activities and efforts of the City of Newton’s fire and emergency services.

This 2nd day of October, 2018

Anne P. Stedman, Mayor
Resolution 35-2018
Promoting NC Public Power During
Public Power Week, October 7-13, 2018

WHEREAS, public power is a crucial component in cities and towns across North Carolina, contributing to the overall health of communities by providing reliable electricity, excellent local service and prompt restoration;

WHEREAS, North Carolina’s more than 70 public power cities and towns are among more than 2,000 across the country;

WHEREAS, many of North Carolina’s public power cities and towns have been electric providers for more than 100 years;

WHEREAS, public power meets the electric needs of 40 million Americans, almost 15 percent of electricity consumers;

WHEREAS, North Carolina’s public power utilities are valuable community assets that contribute to the well-being of the community and provide economic development opportunities; and,

WHEREAS, North Carolina’s public power utilities are dependable institutions that provide excellent service and a commitment to community; now, therefore be it

RESOLVED, that the week of October 7-13, 2018, is Public Power Week, a week to promote North Carolina’s public power cities and towns for their contributions to their communities;

BE IT FURTHER RESOLVED, that NC Public Power communities join with all public power systems in the United States in this celebration of public power.

Adopted this day of October 02, 2018

Anne P. Stedman, Mayor

Amy S. Falowski, City Clerk
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: September 27, 2018

TO: Mayor Anne Stedman and Newton City Council

FROM: Todd Clark, City Manager

CONSIDERATION OF: A New State Park along the Henry Fork River and Jacobs Fork River

Approved for Council Consideration

Background:

The City of Newton has been asked to consider supporting a cooperative effort to create a new state park along the Henry Fork River and Jacobs Fork River. State Senator Andy Wells has been working for several months to facilitate discussions with the City of Hickory, Town of Long View, Catawba County and the City of Newton on the benefits of a partnership with the State of North Carolina. If successful, this would be the first and only state park located within Catawba County.

At the present time, the cities of Hickory and Newton operate municipal parks along each of the rivers. The creation of a state park that incorporates each of these parks, along with potential property acquisitions, would garner significantly more use if added to the state park system. Consequently, the intended outcome would be to improve the area’s quality of life through land conservation, education, and the creation of additional recreational activities. Additionally, it would have a significant impact on the economic viability of our region through increased levels of tourism, enhanced property values, added jobs, as well as an enhanced ability to attract and retain businesses to the region.

A resolution of support was provided to City Council at the September 18, 2018 meeting for consideration. At that time City Council had a variety of questions concerning the request and no action was taken. The city Manager then reached out to the Senator after the last council meeting with a list of questions. Although a written response was not provided, Senator Wells offered to speak with each Council Member separately to address any concerns.

Action Suggested:

The Council is asked to consider adopting the Resolution of Support.
RESOLUTION NO. 32-2018
RESOLUTION OF SUPPORT FOR
A NEW STATE PARK ALONG THE HENRY FORK AND JACOBS FORK RIVERS

WHEREAS, the City of Newton is committed to maintaining and enhancing the quality of life for its citizens and recognizes that a new North Carolina State Park along the Henry Fork and Jacobs Fork rivers in western Catawba County will contribute to our area’s quality of life by providing land conservation, education, and additional recreational activities; and

WHEREAS, there are few existing State Parks within the Piedmont region of the state, a new State Park in our area would provide equitable and increased access to North Carolina’s State Park system to local citizens, as well as serve visitors from across the region; and

WHEREAS, State Parks have a significant impact on the economic viability of a region through increased levels of tourism, enhanced property values, added jobs, as well as enhanced ability to attract and retain businesses to the region due to improved quality of life; and

WHEREAS, State Parks are freely accessible community assets, providing key recreational amenities and safe areas for our citizens to exercise, play, and connect with nature away from heavily trafficked areas; and

WHEREAS, a new State Park in our area will lend visibility to and make accessible the local area’s historic and natural resources and will create significant opportunities for local public-private partnerships and investment; and

NOW, THEREFORE, BE IT RESOLVED that the City of Newton supports a new State Park along the Henry Fork and Jacobs Fork Rivers, that will enhance our community’s wellness and recreational opportunities, provide increased tourism, and care for our land and natural resources for years to come.

Adopted this the 18th day of September, 2018

The City of Newton
In the State of North Carolina

By: __________________________________________
   Anne P. Stedman, Mayor

___________________________________________
Amy S. Falowski, City Clerk

Approved as to form this ___ day of ____________, 2018

___________________________________________
Attorney for the City of Newton
DATE: September 27, 2018

TO: E. Todd Clark, City Manager

FROM: Dusty Wentz, Director of Public Works and Utilities

CONSIDERATION OF: Approval of Final Adjusting Change Order for 2018 Annual Paving Project

Approved for Council Consideration

Background:

This year, N. Forney, S. Ceder, E. 14th, E. 16th, E. 1st, E. F St, Overlook, Chelsea Ln, Counselor Dr., W. 4th and N. Ashe had segments addressed. Council awarded the original contract in the amount of $406,648.45 in March and approved a change order adding $85,370.52 in July, for a total project cost of $492,018.97.

All work is complete. The final cost, all based on unit bid prices is $498,731.58, a $6,712.61 (1.364%) overage. The final cost per street is attached. The cost overage was caused by a difference in estimated material quantities in the contract and actual quantities used in the field. The Contractor has submitted all material quantity tickets from the mill and quarry.

A contingency in the amount of $61,000, or 15%, was held for this project.

Recommendation:

Staff request council authorize use of $6,712.61 out of the project contingency to address the final change order and close out the 2018 Paving Project.
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<th>Bid</th>
<th>Final</th>
<th>Over/(Under)</th>
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<tr>
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<td>$492,018.97</td>
<td>$498,731.58</td>
<td>$6,712.61</td>
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</table>
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: September 26, 2018

TO: Todd Clark, City Manager

FROM: Dusty Wentz, Director of PWU

CONSIDERATION OF: Adopt a Resolution of Intent to Reimburse for Engineering Services and Approval of Resolution to Apply for SRF Funding

Background:

There are two separate sewers mains that run under Carolina Specialty Fabrics, a 12 inch clay and 18 inch clay. In addition, there is a 48 inch sanitary storm water pipe that runs parallel with both sewer mains. Roughly a year ago Staff noticed that there was high sewer flow during rains and the possibility sewer interring the water of the State on normal dry days. Starting on E. 2nd Street and ending just south of East A. Street, City staff inspected both mains using smoke testing and closed circuit television camera (CCTV).

Inspection indicates that both gravity sewer mains have major failures under 28 N. Caldwell Ave. (Carolina Specialty Fabrics). Some of the major findings are: sections of clay pipe with whole top missing, water coming in from the storm water pipe on a non-rain day, large voids in the sewer main, high probability of building support beams setting on top of the sewer mains causing structural failure.

The project consists of survey, design engineering, relocating sewer flows around Carolina Specialty Fabrics with the use of sewer lift station and force main, replacing and/or relocating 800 feet of sewer main, and replacement of the 48’’ storm water pipe under East 2nd Street only.

Staff released on RFQ in July 2018, and has selected The Wooten Company as the most qualified firm from the respondents. The proposal from Wooten includes survey, design engineering, permitting, bidding and construction phase services, as well as application to the North Carolina State Revolving Fund for possible grant or low interest loan. If a grant or loan is obtained, the project will not be included in the borrowing package that will be completed this winter.

Action Suggested:

Multiple actions are requested.

- First, staff requests that council approve the attached budget ordinance amendment to fund the engineering proposal in the amount $234,400 and create a capital project.
- Second, staff requests that council approve the attached Intent to Reimburse from borrowing for the full amount of the project, estimated at $1,900,000.
- Third, staff request council approved the attached Resolution for the SRF Application.
ORDINANCE # 2018-35
AN ORDINANCE TO ESTABLISH CAPITAL PROJECT FUND
FOR EAST 2ND STREET SEWER REALIGNMENT PROJECT

WHEREAS, the City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2018, and ending June 30, 2019, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, the City of Newton periodically establishes capital project ordinances for endeavors that involve infrastructure/construction activities in which the duration of the project will extend from one fiscal year into another; and,

WHEREAS, inspection of the 12” and 18” line revealed a failure in June/July 2018 of this line. At that time, the wastewater line progressed to an emergency replacement due to the condition of the line. Resolution 35-2018 is approved concurrently Declaring Official Intent to Reimburse Expenditures for this project and to move forward with the engineering; and,

WHEREAS, the City has estimated the project cost to be $1.9 million; and,

WHEREAS, the City Council desires to establish a Capital Project Fund for the East 2nd Street Sewer Relocation Project; and,

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

THE FOLLOWING SOURCE OF REVENUES AND APPROPRIATIONS ARE HEREBY APPROVED.

**Water/Wastewater Capital Project Fund**

<table>
<thead>
<tr>
<th>Revenues</th>
<th>47-7100.3900</th>
<th>$1,900,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from Borrowing</td>
<td>47-7100.3900</td>
<td>$1,900,000</td>
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<table>
<thead>
<tr>
<th>Appropriations</th>
<th>47-7100.5994 (100)</th>
<th>$1,900,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer Rehabilitation Projects</td>
<td>47-7100.5994</td>
<td>$1,900,000</td>
</tr>
</tbody>
</table>

Adopted this 2nd day of October, 2018.

____________________________________
Anne P. Stedman, Mayor

____________________________________
Amy S. Falowski, City Clerk
Resolución 36-2018

Un resolutions Declarando 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, inspection of the 12” and 18” line revealed a failure in June/July 2018 of this line. At that time, the wastewater line progressed to an emergency replacement due to the condition of the line. The City will move forward with the replacement at this time in lieu of waiting until mid-January when the financing is complete.

The cost is estimated to be $1.9 million for the capital project outlined above.

The City of Newton intends to finance the cost 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 $1.9 million.

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 2nd day of October, 2018

Anne P. Stedman, Mayor

Amy S. Falowski, City Clerk
RESOLUTION 37-2018
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 wastewater collection systems, and

WHEREAS, The City of Newton has need for and intends to construct a wastewater collection system known as the East 2nd Street Sewer Relocation Project, and

WHEREAS, The City of Newton intends to request state loan 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 loan award.

That the Applicant will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the Applicant agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the City of Newton to make scheduled repayment of the loan, to withhold from the City of Newton any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

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

That 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 loan 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 2nd Day of October, 2018 at City Hall, Newton North Carolina.

(Signature of Chief Executive Officer)
Mayor

(Title)
CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting City Manager 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 2nd day of October, 2018; 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 October, 2018.

______________________________
(Signature of Recording Officer)

City Clerk

______________________________
(Title of Recording Officer)
DATE: September 27, 2018

TO: E. Todd Clark, City Manager

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

CONSIDERATION OF: Budget Amendment for Streetscape Phases 2, 3, & 4 SRF Funding – McGill & Associates

Approved for Council Consideration

Request:

The Downtown Streetscape project includes several facets of work including those funded by the State Revolving Fund (SRF) low interest loans and those funded by local funds. As part of the project, sanitary sewer and water rehabilitation / improvements are proposed.

Background:

The four phases of the Downtown Streetscape Project were initially self-funded with engineering reporting and bidding services programmed to be completed at the time of each phase. Since then City has been awarded a low interest loan from the state for water and sewer improvements in the three remaining phases. This being the case, the City must complete the requirements of the program for the remaining phases (phases 2, 3 & 4) at this time in order to meet the state timelines.

McGill Associates is contracted with the City to complete the engineering, design services and construction administration for the Downtown Streetscape project. This agreement contracts McGill to complete the engineering reporting and bidding services, which are required for the SRF loan.

Recommendation:

Public Works, Finance and Planning departments are requesting this budget amendment for the engineering reporting, bidding services and funding administration for water and sewer improvements on Phases 2, 3, & 4 of the Downtown Streetscape project.
WHEREAS, the City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2018, and ending June 30, 2019, in accordance with the General Statutes of the State of North Carolina; and,

WHEREAS, the City established the Downtown Streetscape Project for Phase I on January 23, 2018 in the amount of $4,266,500 which included market inflation increase of 25%, 10% contingency, and 6% engineering/administrative costs. A $225,000 NC Department of Commerce Grant has been awarded to the City which will be utilized for Phase I construction; and,

WHEREAS, City Council desires to amend the Downtown Streetscape Project to incorporate the remaining 3 phases of the project to the already established Phase I of the Downtown Streetscape Project which will include Engineering Report Preparation in the amount of $28,000, Bidding Document Approval in the amount of $15,500, Bidding Services in the amount of $24,000, and Funding Administration Services in the amount of $19,500; and,

WHEREAS, the City Council desires to amend the project to recognize the updated project costs identified; and,

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

THE FOLLOWING SOURCE OF REVENUES AND APPROPRIATIONS ARE HEREBY APPROVED.

General Capital Project Fund

Revenues
Proceeds from Borrowing 30-4252.3900 $ 7,000

Appropriations
Street and Sidewalk Construction 30-4252.5987 $ 7,000

Water/Wastewater Capital Project Fund

Revenues
Proceeds from Borrowing 47-7100.3900 $ 80,000

Appropriations
Water Rehabilitation Projects 47-7100.5992 $ 52,350
Sewer Rehabilitation Projects 47-7100.5994 $ 27,650

Adopted this 2nd day of October, 2018.

________________________________________
Anne P. Stedman, Mayor

Amy S. Falowski, City Clerk
September 25, 2018

Mr. Randy Williams, AICP  
Planning Director  
City of Newton  
Post Office Box 550  
Newton, North Carolina 28658

RE: Request for Additional Services  
Downtown Streetscape Improvements  
City of Newton, North Carolina

Dear Mr. Williams:

Pursuant to your request, McGill Associates (McGill) is pleased to provide this proposal to amend our existing Consulting Services Agreement with the City of Newton, and offer the following items as additional services for the above-referenced project. These services were necessitated for particular project elements that are outside of our original scope requested by the City. The additions consist primarily providing Engineering Report and Funding Administration Services.

Our previous proposals did not include services associated with the State Revolving Fund (SRF) programs or any related Funding Administration for the project. It is our understanding that the City now desires for McGill to assist with these services, including the tasks described below. Please note that each of these tasks have been written with the understanding that the City’s funding awards have been made as two (2) separate awards, one (1) for the water system improvements and one (1) for the sewer system improvements. Further, these tasks assume that the funding awards and all related tasks will be required to proceed independent of one another with the respective staffs at DWI.

**TASK 1 Engineering Report Preparation**

- Discuss the City’s Streetscape Phasing approach with the North Carolina Department of Water Infrastructure (DWI) to notify DWI of the City’s intent for implementation of streetscape improvements.
- Negotiate potential funding program milestone modifications for the streetscape projects to accommodate the City’s phased, multi-prime construction approach for both the water and sewer funding awards.
- Assist the City in negotiations for potential funding amount modification requests by the City (if necessary)
Bidding Document Approval

- Modify the current bidding documents for phases 2-4 of the streetscape project to include all funding agency requirements.
- Submit the modified bid documents for phases 2-4 to DWI for their review and authorization to bid.
- Make revisions to the bid documents with respect to comments provided by DWI.

Bidding Services

- Provide bidding phase services for each independent streetscape phase (2, 3, and 4) including assisting the City with creation of and submission of an advertisement for bids, conducting a pre-bid meeting, maintaining compliance with DWI requirements, conducting one (1) bid opening per phase and creation of a certified bid tabulation and award recommendation for City Council.

Funding Administration Services

- Communicate with DWI and City staff throughout the life of the streetscape project and act as liaison for the City with the funding agency.
- Communicate with the Contractor(s) on the streetscape project for each phase and relay funding requirements for compliance with DWI procedures.
- Assist the City’s administration and finance departments with preparation of and submission of requests for reimbursement from DWI for both the water and sewer funding sources.

Please note that this proposal for additional services does not include any services related to the modification of the full design documents for phased bids on Phases 2-4, construction administration, construction observation, construction design modifications, supplemental construction administration or construction materials testing.

Basis for Compensation

Based on our understanding of the additional requested work, we propose to provide the Scope of Services detailed is this amendment for the following hourly fees:

- **TASK 1** – Engineering Report Preparation (Phases 2-4) $28,000.00
- **TASK 2** – Bidding Document Approval (Phases 2-4) $15,500.00
- **TASK 3** – Bidding Services (Phases 2-4) $24,000.00
- **TASK 4** – Funding Administration Services (Phases 2-4) $19,500.00
If this proposal is acceptable to the City, please sign below and return one (1) copy to our office. We are prepared to begin work immediately upon the City’s authorization to proceed.

Mr. Williams, we appreciate the opportunity to continue our working relationship with the City of Newton on this important project. If you have any questions or need additional information, please do not hesitate to call me at 828-310-5238.

Sincerely,
McGILL ASSOCIATES, P.A.

MICHAEL J. NORRIS, PLA
Project Manager

This proposal accepted this ______ day of ____________________, 2018.

__________________________________________
Name and Title