AGENDA
CITY OF NEWTON

December 4, 2018
1. **Call to Order – Mayor Anne P. Stedman**

2. **Opening – Council Member Jody Dixon**

3. **Approval of Minutes from the November 6, 2018 Regular Meeting**

4. **Consideration of Consent Agenda Items**
   - A. Tax Releases
   - B. Consideration of Amendment to Audit Contract to Extend Date from October 31, 2018
   - C. Consideration of Budget Amendment to Recognize Revenue and Authorize Expenditure for Capital Purchase – Police Vehicle
   - D. Consideration of the 2019 Regular City Meeting Schedule, Workshop Schedules

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. **Presentation**
   - A. Economic Development Awards

7. **New Business**
   - A. Consideration to Eliminate Traffic Signals on Ashe Ave and Brady Ave

8. **City Manager’s Report**

9. **Questions and Comments From Mayor and Council**
   - A. Reports from Appointed Representatives on Outside Boards – Council Member Anne Wepner

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

11. **Adjournment**

*Persons wanting to speak on an agenda item must sign in with the city clerk prior to the meeting. Persons wanting to be placed on the agenda for the next meeting must contact the city manager at least seven working days before the meeting.*
The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, October 2, 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 Tom Rowe 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 October 7, 2018 City Council meeting be – APPROVED

ITEM 4: CONSIDERATION OF CONSENT AGENDA ITEMS

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

That the Consent Agenda be – APPROVED

   A. Tax Releases
   B. Sewer Adjustments
   C. Consideration to Accept Governor’s Crime Commission Grant
   D. Consideration to Accept Homeland Security Grant
   E. Consideration of Performance Bond for Finance Officer

(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. Roger Williams announced that the Abernethy Laurels 6th Annual Art Show would be November 9 from 5:00 p.m. – 8:00 p.m. in the Community Center on the campus of Abernethy Laurels, 102 Leonard Avenue.
ITEM 6: Old Business

A. Staff Update on Splash Pad

Assistant City Manager Sean Hovis updated City Council on the current proposal for the Splash Pad. Mr. Hovis explained that there would be several more proposals in the coming months and that no action is needed at this time.

ITEM 7: New Business

A. Consideration of James River Equipment Building Reuse Application

Planning Director Randy Williams stated that James River Equipment proposes to reuse a vacant building located at 2616 Northwest Boulevard for a new business. In an effort to renovate the property, James River is seeking assistance from the City of Newton to access grant funding through the State of North Carolina Department of Commerce, Building Reuse Grant program.

Mr. Williams explained that in order to access these funds, the applicant must be a unit of local government located in either a Tier I or Tier II economically distressed county. Additionally, the proposed project must be a business or manufacturing entity falling in line with the guidelines of the grant. James River meets the requirements and the City of Newton is located within a Tier II economically distressed county.

Mr. Williams stated that the applicant must also demonstrate that new jobs are being created and the amount of the grant award is tied to the number of jobs created. James River is committed to the creation of 12 new full time jobs with an average annual wage of $44,000.

Mr. Williams advised City Council that a 5% local match is required for the grant. A complete breakdown of costs associated with this $367,984.00 renovation project is including the 5% match of $6000.00 from the City of Newton, $120,000 from the Building Reuse Grant, and $241,984.00 from James River Equipment. Mr. Williams stated that City Council is being asked to appropriate $6000.00 from Fund Balance if and when the grant is awarded.

Mr. Williams stated that City Council is requested adopt a resolution authorizing the City Manager to execute and file an application with the NC Department of Commerce Rural Economic Development Division for the Building Reuse Grant and furnish any further information to the State of North Carolina as outlined in the Resolution.

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

    That James River Equipment Building Reuse Application be – APPROVED.

(Ordinances, Resolutions and Proclamations are hereby referenced and on file in the Office of the City Clerk)
B. Consideration to Approve SEPA (Southeastern Power Administration) Allocation and to Authorize the City Manager to Sign the Amended Contracts

Electric Divisions Supervisor Doug Wesson stated that SEPA (Southeastern Power Administration) notified all customers in the Georgia-Alabama-South Carolina System on May 11, 2018, of Federal hydroelectric power available for supplemental allocation. The City of Newton submitted a non-binding expression of interest for a supplemental award of Power.

Mr. Wesson stated that on September 12, 2018, the City received a letter from SEPA which qualifies Newton for a supplemental award of 242 Kw of additional power allocations. This total combined new allocation would be 2,309 Kw. Also as part of the letter, the Administration requested confirmation of acceptance by October 12, 2018.

Mr. Wesson explained that once the City received notice, staff had asked Electricities to run an Economic Analysis to see what impact this would have on Purchase Power Cost. After reviewing the analysis, city would recognize approximately $3,100 annually savings.

Mr. Wesson stated that on October 12, 2018, City Manager Todd Clark responded for the additional SEPA allocation contingent on Council approval.

Mr. Wesson stated that staff is requesting that City Council approve the additional 242 Kw SEPA allocation and authorize the City Manager to sign the amended contracts.

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

That Consideration to Approve SEPA (Southeastern Power Administration) Allocation and to Authorize the City Manager to Sign the Amended Contracts 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

- Nov 8th – Robinson’s Builders Mart Customer Appreciation Lunch, 11:00 a.m. – 2:00 p.m.
- Nov 17th – Light up the Town, 4:00 – 7:00 p.m.
- Nov 29th – Police Chief Retirement, Save the Date
- Dec 7th – Annual Employee Appreciation Luncheon

Other Projects

- Leaf Collection began October 15th
- Streetscape Update
- Buffalo Shoals Road Waterline
- Balls Creek Road Waterline Project
- North Shipp Ave Waterline Project
- 15th Street Sewer Line Repair Project
- Greenway Sewer Line Repair Project
- Lighting at Jacob Fork Update
- Finance Department Updates
ITEM 9: Questions and Comments from Mayor and Council

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

Council Member Tom Rowe gave a report on the Newton Depot.

ITEM 10: Adjournment

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

That the Meeting be – ADJOURNED

________________________________
Anne P. Stedman, Mayor

_______________________________
Amy S. Falowski, City Clerk
CITY OF NEWTON

Inter-office Correspondence

TO: E. Todd Clark, City Manager  DATE: November 8, 2018

RE: Tax Releases – October 2018

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>2018</td>
<td>39</td>
<td>Beal, Coyte J</td>
<td>Elderly exemption removed</td>
<td>$157.68</td>
</tr>
<tr>
<td>2017</td>
<td>40</td>
<td>Bona, Clinton R</td>
<td>Property sold in 2016</td>
<td>$12.09</td>
</tr>
<tr>
<td>2017</td>
<td>41</td>
<td>Gibbs, Robert L Sr.</td>
<td>Mobile home removed from property in 2017</td>
<td>$5.94</td>
</tr>
<tr>
<td>2018</td>
<td>42</td>
<td>Jones, Dewey W Jr.</td>
<td>Property sold in 2016</td>
<td>$7.75</td>
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<tr>
<td>2017</td>
<td>43</td>
<td>Lofland, Monica R</td>
<td>Property sold in 2016</td>
<td>$24.35</td>
</tr>
<tr>
<td>2018</td>
<td>44</td>
<td>Tate, Carol A</td>
<td>Elderly exemption value changed</td>
<td>$814.32</td>
</tr>
</tbody>
</table>

Should you have any questions or need clarification, please notify. Releases are submitted as required by NCGS § 105-381(b).
DATE: November 29, 2018

TO: E. Todd Clark, City Manager

FROM: Vickie Thomas, Finance Director

CONSIDERATION OF: Amendment to Audit Contract for Fiscal Year 2018

The City has entered into a contract with Martin Starnes & Associates, CPAs to provide audit services for Fiscal Year 2018. This contract provided that financial statements would be completed by October 31, 2018. Due to the turnover in the Finance Director position, the due date needs to be extended to December 31, 2018, and an amendment to the contract needs to be submitted to the Local Government Commission.

It is staff’s recommendation that City Council approve the amendment to the contract with Martin Starnes & Associates, CPAs extending the due date to December 31, 2018.

Action Suggested:

1) Approve the attached amendment to the contract for audit services with Martin Starnes & Associates, CPAs.
Whereas Primary Government Unit
City of Newton, NC
and Discretely Presented Component Unit (DPCU) (if applicable)
NA
and Auditor
Martin Starnes & Associates, CPAs, P.A.

entered into a contract in which the Auditor agreed to audit the accounts of the Primary Government Unit and DPCU (if applicable)

<table>
<thead>
<tr>
<th>Fiscal Year Ending</th>
<th>and originally due on</th>
<th>Audit Report Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/30/18</td>
<td>10/31/18</td>
<td>10/31/18</td>
</tr>
</tbody>
</table>

hereby agree that it is now necessary that the contract be modified as follows.

☑ Modification to due date:

<table>
<thead>
<tr>
<th>Original due date</th>
<th>Modified due date</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/31/18</td>
<td>12/31/18</td>
</tr>
</tbody>
</table>

☐ Modification to fee:

| Original fee | Modified fee |

EXPLANATION OF MODIFIED CONTRACT TERMS

*Additional time is needed due to turnover of the Finance Director position.*

By their signatures on the following pages, the Auditor, the Primary Government Unit, and the DPCU (if applicable), agree to these modified terms.
## AUDIT FIRM

Audit Firm  
Martin Starnes & Associates, CPAs, P.A.

<table>
<thead>
<tr>
<th>Authorized Firm Representative (typed or printed)</th>
<th>Signature</th>
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</thead>
<tbody>
<tr>
<td>Amber Y. McGhinnis</td>
<td>[Signature]</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Email Address</th>
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<tbody>
<tr>
<td>11/16/18</td>
<td><a href="mailto:amcghinnis@martinstarnes.com">amcghinnis@martinstarnes.com</a></td>
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## GOVERNMENTAL UNIT

Governmental Unit  
City of Newton, NC

Date Primary Government Unit Governing Board Approved Audit Contract  
(Ref: G.S. 159-34(a) or G.S. 115C-447(a))

<table>
<thead>
<tr>
<th>Mayor/Chairperson (typed or printed)</th>
<th>Signature</th>
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<tbody>
<tr>
<td>Anne Stedman, Mayor</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Email Address</th>
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</thead>
<tbody>
<tr>
<td></td>
<td><a href="mailto:Mayor@newtonnc.gov">Mayor@newtonnc.gov</a></td>
</tr>
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<table>
<thead>
<tr>
<th>Chair of Audit Committee (typed or printed, or &quot;NA&quot;)</th>
<th>Signature</th>
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<tbody>
<tr>
<td>NA</td>
<td></td>
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<table>
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<tr>
<th>Date</th>
<th>Email Address</th>
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### GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

*ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT*

(Pre-audit certificate not required for charter schools or hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

<table>
<thead>
<tr>
<th>Primary Governmental Unit Finance Officer</th>
<th>Signature</th>
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<table>
<thead>
<tr>
<th>Date of Pre-Audit Certificate</th>
<th>Email Address</th>
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<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**SIGNATURE PAGE – DPCU**  
(complete only if applicable)

**DISCRETELY PRESENTED COMPONENT UNIT**

<table>
<thead>
<tr>
<th>DPCU</th>
<th>NA</th>
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<tbody>
<tr>
<td>Date DPCU Governing Board Approved Audit Contract (Ref: G.S. 159-34(a) or G.S. 115C-447(a))</td>
<td></td>
</tr>
<tr>
<td>DPCU Chairperson (typed or printed)</td>
<td>Signature</td>
</tr>
<tr>
<td>Date</td>
<td>Email Address</td>
</tr>
</tbody>
</table>

| Chair of Audit Committee (typed or printed, or "NA") | Signature |
| NA | |
| Date | Email Address |

**DPCU – PRE-AUDIT CERTIFICATE**  
*ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT*  
(Pre-audit certificate not required for charter schools or hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

*This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.*

| DPCU Finance Officer (typed or printed) | Signature |
| Date of Pre-Audit Certificate | Email Address |
DATE: November 13, 2018

TO: E. Todd Clark, City Manager

FROM: Donald G. Brown II, Chief of Police

CONSIDERATION OF: Budget Amendment to recognize revenue and authorize expenditure for Capital Purchase in FY 2018-2019 Budget.

Approved for Council Consideration

Background:

On August 17th the police department had a frontline patrol vehicle damaged in an accident at the intersection of Southwest Blvd and N. C. Hwy 10 West. The vehicle in question, a 2014 Chevrolet Tahoe, was responding to an emergency call for service when it was struck in the rear as it proceeded through the intersection. On September 14th the police department was notified by Glatfelter Claims Management Inc., insurance carrier for the City of Newton, that the patrol vehicle in question had been declared a total loss. Glatfelter is subrogating the insurance claim against the insurance of the other involved vehicle. As a result of the total loss, Glatfelter has compensated the City of Newton $28,520.56 for the total loss of the vehicle.

Therefore, this Budget Amendment is to recognize $28,520.56 in revenue from Glatfelter Claims Management Inc., and to authorize expenditure using insurance revenue recognized and current savings in the FY 2019 Police Capital Outlay Motor Vehicle budget for the purchase of a patrol vehicle.

Summary:

Recognize revenue from an insurance settlement to be used with FY 2019 savings to purchase a patrol vehicle that has been declared a total loss.

Requested Action:

Adopt the attached Budget Amendment resolution authorizing the Newton Police Department to purchase a replacement patrol vehicle and equipment to include installation and complete up-fitting using insurance proceeds and FY 2019 savings.
AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2018-2019 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, 2018, and ending June 30, 2019, in accordance with the General Statutes of the State of North Carolina; and

WHEREAS, on August 17, 2018, a Police Department frontline patrol vehicle was damaged in an accident, and the City’s insurance carrier has declared the vehicle a total loss. The City has received $28,520.56 in insurance proceeds. The estimated cost of a replacement vehicle is $50,000.00. The Police Department had savings on from its FY2019 budgeted systematic vehicle replacements to cover the $21,479.44 balance; and,

WHEREAS, City Council desires to recognize $28,520.56 of insurance proceeds and to authorize the related appropriation for a replacement vehicle.

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
   Insurance Claims 11-0000.3780 $ 28,500

General Fund Appropriations
   Capital Outlay – Motor Vehicles 11-4310.8400 $ 28,500

Adopted this 20th day of November, 2018.

Anne P. Stedman, Mayor

Attest:

Amy S. Falowski, City Clerk
2019 CITY COUNCIL MEETING SCHEDULE

January 8th and January 22nd

Workshop February

February 5-8 2:00 p.m. – 6:00 p.m.

February 5th and February 19th

March 5th and March 19th

April 2nd and 16th

May 7th and 21st

June 4th and 18th

July 9th

August 6th

September 3rd and 17th

October 1st and 15th

November 5th and 19th

December 3rd
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: November 29, 2018

TO: Mayor Anne Stedman and Newton City Council

FROM: Todd Clark, City Manager

CONSIDERATION OF: Elimination of Traffic Signals

Approved for Council Consideration

Background:

Council member Jerry Hodge recently asked if there is value in the elimination of traffic signals at the intersections of A Street and Ashe Avenue, 1st Street and Ashe Avenue, and A Street and Brady Avenue.

Traffic signals are used for a variety of reasons, but they are primarily intended to regulate the flow of traffic in generally high volume areas. Based on the observed number of accidents and the traffic flow and volume, staff believes traffic can be moderated just as easily with the use of stop signs as opposed to traffic signals. Additionally, the removal of the signals represents a financial benefit to the city through cost savings related to electrical expenses. Finally, the city regularly receives complaints from motorists concerning wait times at these intersections. Elimination of the signals will satisfy these motorists, as wait times at stop signs will be less than at traffic lights based on the current traffic flow and volume.

The signals under consideration are operated by the City of Newton and therefore may be eliminated without the consultation or approval of NCDOT.

Action Suggested:

The recommended action is for City Council to consider elimination of traffic signals at the intersections of A Street and Ashe Avenue, 1st Street and Ashe Avenue, and A Street and Brady Avenue.