AGENDA
CITY OF NEWTON

December 5, 2017
AGENDA
CITY OF NEWTON
NEWTON CITY COUNCIL - REGULAR MEETING
December 5, 2017 - 7:00 p.m.

1. Call to Order – Mayor Anne P. Stedman
2. Opening Invocation and Pledge of Allegiance – Council Member Tom Rowe
3. Approval of Minutes from the November 21, 2017 Regular Meeting
4. Consideration of Consent Agenda Items
   A. Sewer Adjustments
   B. Consideration of Street Closure – Rotary Car Show
5. Comments from the Public: (PERSONS WANTING TO MAKE A PUBLIC COMMENT ON NON-AGENDA ITEMS ARE REQUESTED TO SIGN IN WITH THE CITY CLERK PRIOR TO THE MEETING):
6. Old Business
   A. Presentation of Fiscal Year 2017 Audit
   B. Consideration of Financing Bid Award and Resolution Approving Financing Terms
   C. Presentation of Plaques to Council Members Robert C. Abernethy, Jr. and Wes Weaver
7. Recess Meeting of Present Council
8. Administer the Oath of Office to New Council Members
9. Organizational Meeting of the Council
   A. Election of Mayor Pro Tempore
   B. Consideration of the 2018 Regular City Council Meetings Schedule, Workshop Schedules
10. City Manager’s Report
11. Questions and Comments From Mayor and Council
12. Closed Session – Per North Carolina General Statutes 143-318.11(a)(3), and 143-318.11(a)(5)
13. Adjournment

PERSONS WANTING TO SPEAK ON AN AGENDA ITEM MUST SIGN IN WITH THE CITY CLERK PRIOR TO THE MEETING AND ARE ASKED TO LIMIT THEIR COMMENTS TO THREE MINUTES. PERSONS WANTING TO BE PLACED ON THE AGENDA FOR THE NEXT MEETING MUST CONTACT THE CITY MANAGER AT LEAST SEVEN WORKING DAYS BEFORE THE MEETING. The City of Newton does not discriminate on the basis of disability in the provision of its services as charged by the City Council of the City of Newton. All meetings are held in accessible facilities. Any person with a disability needing special accommodations should contact Teresa Laffon, ADA Coordinator, at least 48 hours prior to the scheduled meeting.
MINUTES
REGULAR MEETING OF THE NEWTON CITY COUNCIL

November 21, 2017 – 7 p.m.

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, November 21, 2017 at Newton City Hall.

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

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

ITEM 1: CALL TO ORDER

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

ITEM 2: OPENING Invocation and Pledge of Allegiance

Council Member Wes Weaver provided the invocation and Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES

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

That the Regular Minutes of the October 17, 2017 City Council meeting be – APPROVED

ITEM 4: CONSIDERATION OF CONSENT AGENDA ITEMS

Council Member Robert C. Abernethy, Jr. asked if Item 4A – Tax Refunds, could be moved off the consent agenda in order for him to recuse himself.

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

That Item 4A – Tax Refunds be moved off the Consent Agenda

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

That the Consent Agenda be – APPROVED

   A. Tax Refunds – Moved

   B. Sewer Adjustments

(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 4A:  Tax Refunds

Council Member Robert C. Abernethy, Jr. asked to be recused from Item 4A - Tax Refunds.

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

That Council Member Robert C. Abernethy, Jr. be RECUSED from Vote Concerning Tax Refunds

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

That Tax Refunds be – APPROVED.

ITEM 6:  Presentations

A. Presentation of Electric Safety Award

Mark Todd from ElectriCities, presented the City of Newton Electric Department with the Electric Safety Award. Public Works and Utilities Director recognized and thanked Doug Wesson, Electric Utilities Supervisor for another year of outstanding work. Mayor Stedman and Council Member Wes Weaver thanked the department for an outstanding job.

B. Presentation from the Catawba County Historical Association – Dr. Amber Albert

Dr. Amber Albert, Director of the Catawba County Historical Association gave a presentation along with Richard Eller showing what the Historical Association of Catawba County has been involved with recently.

C. Presentation from the Public Art Commission

Lisê Swensson and Alan Jackson gave a presentation of current happenings involving the Public Art Commission.

ITEM 7:  Public Hearings

A. Consideration of TKC CCXLIX, LLC (Room & Board) Petition for Non-Contiguous Annexation

Mayor Stedman opened the Public Hearing.

Planner Alex Fulbright stated that the Keith Corporation (TKC CCXLIX, LLC.) has filed a petition seeking a non-contiguous annexation to the City. They are seeking to annex property located at 1971 Stover Ct which is on the south side of NC 10 Hwy West just west of Stover Ct. Mr. Fulbright stated the proposed site consists of a 41.91 acre tract based on the survey submitted and identified as Catawba County Pin # 3619-03-20-5632. It is owned by TKC CCXLIX, LLC. and is the location of the Room and Board distribution center which is currently under construction. Mr. Fulbright stated the effective date of the annexation will be January 1st, 2018, which is different than the date requested on the application but the applicant is aware of the change and is in agreement with the new date.

Mr. Fulbright stated this annexation is outside the City’s extraterritorial planning jurisdiction; because of this the City will need to establish zoning on the annexed parcel after completing the annexation. The Planning Commission is recommending that the zoning district to be established in the annexed area
Mr. Fulbright requested that City Council adopt the Annexation Ordinance for TKC CCXLIX, LLC (Room & Board).

Upon motion duly made by Council Member Robert C. Abernethy, Jr., seconded by Council Member Wes Weaver, it was unanimously RESOLVED:

That Public Hearing be – CLOSED

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

That Annexation Ordinance for TKC CCXLIX, LLC (Room & Board) be – ADOPTED.

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

B. Consideration of Establishing Zoning for TKC CCXLIX, LLC (Room & Board)

Mayor Stedman opened the Public Hearing

Planner Alex Fulbright stated that the request will establish City zoning on property that is pending annexation. The property is located at 1971 Stover Ct which is on the south side of NC 10 Hwy West just west of Stover Ct. The site consists of a 41.91 acre tract based on the survey submitted and identified as Catawba County Pin # 3619-03-20-5632. It is owned by TKC CCXLIX, LLC. Mr. Fulbright stated the proposed zoning will be 321-Economic Development District-Industrial (321-ED(I)) Zoning Classification.

Mr. Fulbright stated the area requested to be rezoned is currently 321-Economic Development District-Industrial (321-ED(I)) This Zoning Classification has been established since 1996, when the US 321 Corridor Plan was adopted by the Catawba County Board of Commissioners. The plan was recently updated in 2011 and represents formal policy statements by Catawba County concerning land use and land development within the Corridor. Mr. Fulbright explained that the 321-Economic Development District (321-ED) is designed to implement these policy statements and achieve the desired goals for the 321 Corridor.

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<th>County Zoning 321-ED(I)</th>
<th>Landuse</th>
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<tr>
<td>South</td>
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<td>Agriculture &amp; vacant</td>
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<td>County Zoning 321-ED(I)</td>
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<tr>
<td>West</td>
<td>County Zoning 321-ED(I)</td>
<td>Agriculture &amp; vacant</td>
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</tbody>
</table>

Mr. Fulbright stated the subject site is not impacted by any planned transportation improvements. The City has no adopted plans that address the site; however, the City was an active participant in the process that created the US 321 Corridor Plan as well as the update of the Plan in 2011. The plan supports the proposal, which is reflective of the existing County zoning. Mr. Fulbright stated that city water, sewer, and electric are available to the site.
Mr. Fulbright stated that the Planning Commission unanimously recommends to the City Council approval of this request.

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

That Public Hearing be – CLOSED

Upon motion duly made by Council Member Wes Weaver, seconded by Council Member Robert C. Abernethy, Jr., it was unanimously RESOLVED:

That Establishing Zoning for TKC CCXLIX, LLC (Room & Board) be – APPROVED.

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

C. Consideration of Street Renaming Request – Lawyers Lane to Iris Lane

Mayor Stedman opened the Public Hearing

Planner Alex Fulbright stated that in the agenda packet council will find letters from Newton Vision Center and Abingdon Housing Services requesting that Lawyers Lane be renamed to Iris Lane. Mr. Fulbright stated that Section 86-14 of Newton City Code specifies the process for changing an existing street name. The request indicates support of more than 51% of the property owners along Lawyers Lane as required by code.

Mr. Fulbright stated that the Planning Commission recommends that Council approve the street naming request which changes the name of Lawyers Lane to Iris Lane.

Upon motion duly made by Council Member Wes Weaver, seconded by Council Member Robert C. Abernethy, Jr., it was unanimously RESOLVED:

That Public Hearing be – CLOSED

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

That Street Renaming Request – Lawyers Lane to Iris Lane be – APPROVED.

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

ITEM 8: Old Business

A. Consideration of Carolina West Lease Agreement

Assistant City Manager Sean Hovis stated that the City of Newton was contacted by Carolina West and asked to enter into a lease agreement for space on the city’s water tank located at 201 West 4th Street. Carolina West conducted a structural analysis of the tank which shows the tank is capable of withstanding additional equipment. Mr. Hovis stated that Carolina West is offering to pay the City of Newton $2000.00 a month with a 5 year initial term and 2 automatic renewals for a total of 15 years (180 months). Under the terms of the lease agreement, Carolina West is obligated to a minimum 10 year term. Mr. Hovis explained that Carolina West has also offered a second alternative which is to lease space at a rate of $2,250 a month with the right to install 3 more radios at a future date.
Mr. Hovis stated that this was originally brought to City Council on October 3rd, 2017 at which time more information was requested by members of City Council.

Mr. Hovis stated that staff requests that City Council consider the alternative lease proposals submitted by Carolina West and authorize the City Manager to enter into the lease agreement as approved in form by the City Attorney.

Council Member Wes Weaver asked what the other providers are paying. Mr. Hovis said that AT&T is paying $3,400, and that T-Mobile will be paying below $2,000 upon renewal. Mr. Abernethy stated that presently T-Mobile is paying $4,000. Mr. Weaver stated that he doesn’t feel the city can do this contract. He said that the concern should be about the amount of space and he can’t imagine that they would take up less space. Mr. Abernethy stated that he is torn, but that the letter answered some concerns. He said that the city should be careful of setting a precedent. Mr. Weaver agreed and said maybe the matter should be tabled.

Council Member Jody Dixon made a motion to accept the $2,250 offer, seconded by Mayor Pro Tem John Stiver.

Mr. Abernethy stated that he feels like that would be a mistake adding 3 more radios at a future date. Mr. Weaver said that he would like to see staff create a formula to be consistent with each company. Council Member Jerry Hodge stated that he could support the $2,000 offer. City Attorney John Cilley stated that council can vote on the existing motion or amend.

Mayor Pro Tem John Stiver made a motion to amend the current motion to accept the $2,500 offer, seconded by Council Member Tom Rowe. Mayor Pro Tem John Stiver, and Council Members Jody Dixon, Tom Rowe, Jerry Hodge and Robert C. Abernethy, Jr. voted in favor of and Council Member Wes Weaver voted against the motion to amend the current motion to accept the $2,500 offer from Carolina West.

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

That the Lease Proposals Submitted by Carolina West in the amount of $2,000 be – APPROVED; and that the City Manager be Authorized to Enter into the Lease Agreement as Approved in Form by the City Attorney.

**ITEM 9: New Business**

A. Consideration of Budget Ordinance Amendment and Award of Contract for Replacement of Industrial Drive Gravity Sewer Line

Public Works and Utilities Director Dusty Wentz stated that the week of October 2, 2017, staff discovered an exposed 20” ridge PVC sewer pipe in an active ditch near Industrial Drive. The pipe was exposed by means of natural erosion and heavy rain fall.

Mr. Wentz stated the City of Newton sewer collection permit, which is issued by the North Carolina Department of Water Resources, requires that all exposed sewer pipe be ductile iron. This type of PVC pipe is very brittle, making it impossible to put rock or compact dirt on top of it. Furthermore, the City is currently in violation of the sewer collection permit.
Mr. Wentz explained that staff investigated the possibility of replacing a short section and discovered that the PVC ridge pipe is no longer made. The only viable option is to replace 220 feet of 20” ridge PVC sewer pipe with 220 feet of 20” ductile iron from manhole to manhole.

Mr. Wentz stated that on November 6th, 2017, staff released the project for bidding. Three qualified bids were received. The bid results are as follows:

- Dellinger, Inc $81,350.00
- Hickory Sand Co., Inc $68,560.00
- Wesson Septic Tank Service, Inc $59,280.00

Staff recommends adding a 10% construction contingency to this quote, in the amount of $5,928.00 for a total project cost of $65,208.

Mr. Wentz stated that staff recommends that City Council entertain separate motions to approved the attached Budget Ordinance Amendment for the Industrial Dr. Sewer Replacement, and to award the contract to Wesson Septic Tank Service, Inc. in the amount of $59,280.00

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

That Contract to Wesson Septic Tank Service in the amount of $59,290.00 be – AWARDED.

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

That Budget Amendment for the Industrial Drive Sewer Replacement be – ADOPTED.

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

B. Consideration of Homeland Security Domestic Preparedness Grant Ordinance

Police Chief Don Brown stated that in the spring of 2016, law enforcement agencies within Catawba County met to discuss ways to provide security and safety for law enforcement personnel and citizens during events that may require crowd control. During this conversation, it was determined that additional equipment would be needed within Catawba County to prepare for such events. Chief Brown stated that a decision was then made within the Newton Police Department, to seek funding from Homeland Security for crowd control equipment.

Chief Brown stated that each year, the state of North Carolina receives funding from Homeland Security to be used to develop and expand regional prevention, preparedness, response and recovery capabilities for all hazards both man-made and natural. Funding is managed by the North Carolina Department of Public Safety Emergency Management, which is the dispersing agency for Homeland Security funds. The funds are dispersed to (9) Domestic Preparedness Regions across the state. Chief Brown stated that Catawba County is part of the Domestic Preparedness Region 7 (DPR 7) which consists of the following ten counties: Catawba, Cleveland, Lincoln, Gaston, Iredell, Mecklenburg, Rowan, Cabarrus, Stanly and Union.

Chief Brown stated that in October of 2016, the Newton Police Department attended the annual DPR 7 meeting in Charlotte to present a request for funding to the DPR 7 Law Enforcement Subcommittee. The request included funding for an enclosed utility trailer with office and storage space, (30) sets of crowd control equipment and a utility vehicle (UTV) to transport personnel and equipment. The request received a favorable review from the Subcommittee and was forwarded to the Core Committee Board of Directors for DPR 7 and was then approved by the Core Committee and presented to the North Carolina
Department of Public Safety Emergency Management with a recommendation for approval and full funding.

Chief Brown stated that in September 2016, the Newton Police Department received a Sub Award Notification from the North Carolina Department of Public Safety Emergency Management, funding the entire project as requested at a cost totaling $65,301.00. This is a reimbursement grant with no matching funds required.

Chief Brown requested that council consider a motion to adopt the attached budget ordinance to recognize grant revenues and authorize the expenditure appropriation in the police department operating budget.

Upon motion duly made by Council Member Wes Weaver, seconded by Mayor Pro tem John Stiver, it was unanimously RESOLVED:

That Budget Ordinance to Recognize Grant Revenues and Authorize the Expenditure Appropriation in the Police Department Operating Budget be – ADOPTED.

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

ITEM 10: City Manager’s Report

Meetings & Events

- November 25th – Small Business Saturday in Downtown Newton 10:00 a.m. – 4:00 p.m.
- November 26th – Light up the Town in Downtown Newton 5:00 p.m. – 8:00 p.m.
- December 1st – Employee Appreciation Luncheon
- December 1st – One Source Auto Group Ribbon Cutting 2:00 p.m.
- January 11th and 12th – Essentials of Municipal Government including Ethics Training

ITEM 11: Questions and Comments from Mayor and Council

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

Council Member Jody Dixon explained the activities going on with the Newton-Conover Auditorium and the Depot Authority. He also stated that the Branding and Marketing Committee has been busy and will be moving forward hopefully soon.

ITEM 12: Adjournment

Upon motion duly made by Council Member Wes Weaver, seconded by Council Member Robert C. Abernethy, Jr., it was unanimously RESOLVED:

That the Meeting be – ADJOURNED
# CITY OF NEWTON

## Sewer Adjustments

**TO:** E. Todd Clark, City Manager  
**DATE:** October 12, 2017  
**RE:** Sewer Adjustments – October 17, 2017  
**FROM:** Serina Hinson, Finance Director

The following sewer adjustment is recommended for approval. The adjustment is recommended as a result of a water leak at the service address or a pool fill up.

<table>
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<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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<tbody>
<tr>
<td>29000920-001</td>
<td>Teresa Lowery</td>
<td>213 W. 10th St.</td>
<td>Aug–Sept</td>
<td>$211.61</td>
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</table>

Backup documentation to support each adjustment is on file in the Finance Department. Should you have questions or require further clarification, please notify.
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: November 27, 2017

TO: E. Todd Clark, City Manager

FROM: Sean Hovis, Assistant City Manager

CONSIDERATION OF: Street Closure

Approved for Council Consideration

Background:

The 2018 Newton Conover Rotary Car Show is scheduled for April 28th with the rain date of May 5th. The Rotary Club has requested that the following streets be closed:

Saturday Morning, 7:30 a.m.: Main Avenue will be closed from 1st Street to A Street. College Avenue will be closed from 2nd Street to B Street. A Street will be closed from Main Avenue to Brady Avenue. One direction of 1st Street will be closed from Brady Avenue to Ashe Avenue. Cars moving through the city will be directed along the highlighted detour route. Please refer to the attached map.

The streets will be re-opened at 3 p.m.

If approved by City Council, staff will assist with filing the request for street closures with the N.C.D.O.T. for the closure of NC Hwy 16 (Main and College Avenues). Staff is requesting on behalf of the Rotary Club the closure of the remaining city streets per the attached map (“A” Street and 1st Street) which may be granted at the discretion of City Council.

Requested Action:

That City Council authorizes the closure of the streets as requested by the Newton Conover Rotary Club, for the date of April 28th, 2018 with the rain date of May 5th, 2018.
North Carolina Department of Transportation

Special Event Request Form
Effective 7/31/15, Revised 2/25/16

This request form is required for non-governmental entities for all special events requiring a road, lane, and/or shoulder closure, or repurposing a State Highway System facility for something other than its intended use, except where a county or municipality is regulating the use of the highways in accordance with General Statutes §20-169. This form must be submitted with a formal request to the appropriate Division Engineer(s) at least sixty (60) days prior to the scheduled beginning of the event. See a listing of the Highway Divisions and their contact information at the following URL:


Section A: Event Information

Name of Event: 2018 Rotary Car Show
Type of Event: Classic Car Show
County/Counties: Catawba
City/Cities: Newton
Event Date(s): 4/28/2018 with rain date of 05/05/2018
Event Time(s): 9:00 a.m.-3:00 p.m. (Street closure from 7:30 a.m.-3:00 p.m.)

Primary Sponsoring Organization: Newton-Conover Rotary Club

Anticipated number of participants (estimate): 800-1500
Anticipated number of spectators (estimate): 800-1500
Approximate distance in miles: N/A

Requested Action(s): [ ] Road Closure* [ ] Lane Closure* [ ] Shoulder Closure*
(Check all that apply)

*For closures, anticipated time road/lane/shoulder will actually close: 7:30 a.m. and re-open: 3:00 p.m.

Section B: Contact Information

Director/Organizer Name: Scott Gilleland Email: scottgilleland@aol.com
Mailing Address: 1062 South Brady Ave., Newton, NC 28658

Telephone 1: 828-461-2180 Telephone 2: Fax:

Responsible Local Government: City of Newton

Local Government Contact: Sean Hovis Email: shovis@newtonnc.gov
Telephone 1: 828-695-4261 Telephone 2: Fax:

Responsible Law Enforcement Agency: Newton Police Department

Law Enforcement Contact: Don Brown Email: dbrown@newtonnc.gov
Telephone 1: 828-695-4330 Telephone 2: Fax:
Section C: Support Material (check list)

The following support documentation must be attached to this request before it will be considered (as applicable following discussions with the local Highway Division(s))...

1. Detailed location(s) of event including maps indicating proposed route(s) used by the event. Any changes to the proposed routes shall be submitted as soon as the change is made.

2. Detailed description of the event and how it will affect the route(s) used by the event.

3. Written acknowledgement and approval by all local governments whose jurisdiction the event is being held in.

4. Written acknowledgement and approval by local law enforcement and/or the State Highway Patrol.

5. Type, description, and location of any proposed temporary lane closures/interference, road closures/interference, traffic control and signing with appropriate maps, sketches, detour routes, and written acknowledgement from the agency providing the temporary closures/interference, traffic control, and/or signing accepting responsibility for such.

6. Description of notification to residents along the route as a safety and informational service.

7. Waiver modification or insurance (select one)

   a. Addition of the State of North Carolina and the North Carolina Department of Transportation into participant release waivers (see Appendix A for example). A copy of a blank waiver shall be provided.

   OR

   b. Certificate of liability insurance as follows:

   - General Liability, Each Occurrence: minimum amount of $1,000,000
   - Description field: name and type of the event (as indicated in Section A, above)
   - Description field: the State of North Carolina and the North Carolina Department of Transportation named as additional insured parties (this is at the discretion of the individual insurance company)

   Note – Additional liability insurance may be requested at the discretion of the Department

Section D: Terms and Conditions

The following applies to all approved events...

1. Requestor shall be responsible for proper closure of the lanes/roads according to the Manual on Uniform Traffic Control Devices (MUTCD).

2. Requestor shall be responsible for providing all necessary traffic control using the appropriate law enforcement agency/agencies or individuals trained in traffic control as set forth in General Statute §20-114.1.

3. Requestor shall be responsible for notification of all emergency services and other responders of any impending closures and/or interference.

4. Event shall be supported by, or endorsed by, the local governing body/bodies.

5. If the event is a bicycle race, requestor shall be responsible for following rules and statutes specific to bicycle racing as provided for in General Statute §20-171.2.

6. Requestor shall ensure that all debris, litter, decorations, and other items associated with the event are removed following the event.

Section E: Signatures

Requestor Signature: _______________________________ Date: 11/7/17
CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFER NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Arthur J. Gallagher Risk Management Services, Inc.
2850 Golf Road
Rolling Meadows IL 60008

CONTACT
Ali Sulita
PHONE: 1-833-3ROTARY
FAX: (AG, No. Exp.)
ADDRESS: rotary@ag.com

INSURED
All Active US Rotary Clubs & Districts
Rotary Club of Newton Conover #6036
ATTN: Risk Management Dept.
1560 Sherman Ave.
Evanston, IL 60201-3698

INSURER(S) AFFORDING COVERAGE
Lexington Insurance Company
19437

COVERAGES
CERTIFICATE NUMBER: 899307648
REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

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<th>ADDR. SUBS.</th>
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<th>POLICY EXP (M/DD/YYYY)</th>
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<td>DAMAGE TO RENTED PREMISES (Ex occurrence): $500,000</td>
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<td>MED EXP (Any one person): $</td>
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<td>GENL AGGREGATE LIMIT APPLIES PER:</td>
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<td></td>
<td>PRODUCTS - COMP/PORT AGG: $4,000,000</td>
</tr>
<tr>
<td>A</td>
<td>AUTOMOBILE LIABILITY</td>
<td>ANY AUTO</td>
<td>015375594</td>
<td>7/11/2017</td>
<td>7/11/2018</td>
<td>COMBINED SINGLE LIMIT (Ex accident): $2,000,000</td>
</tr>
<tr>
<td></td>
<td>OWNED</td>
<td>SCHEDULED AUTOS</td>
<td></td>
<td></td>
<td></td>
<td>BODILY INJURY (Per person): $</td>
</tr>
<tr>
<td></td>
<td>HIRED</td>
<td>NONOWNED AUTOS ONLY</td>
<td></td>
<td></td>
<td></td>
<td>BODILY INJURY (Per accident): $</td>
</tr>
<tr>
<td></td>
<td>X AUTOS ONLY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PROPERTY DAMAGE (Per accident):</td>
</tr>
<tr>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UMBRELLA LIAB</td>
<td>OCCUR</td>
<td></td>
<td></td>
<td></td>
<td>EACH OCCURRENCE: $</td>
</tr>
<tr>
<td></td>
<td>EXCESS LIAB</td>
<td>CLAIMS-MADE</td>
<td></td>
<td></td>
<td></td>
<td>AGGREGATE: $</td>
</tr>
<tr>
<td>WORKERS COMPENSATION AND EMPLOYERS LIABILITY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ANY PROPRIETOR/OWNER/EXECUTIVE OFFICER/ENERGIER EXCLUDED (Mandatory in NH)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DESCRIPTION OF OPERATIONS below</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The Certificate holder is included as additional insured where required by written contract or permit subject to the terms and conditions of the general liability policy, but only to the extent bodily injury or property damage is caused in whole or in part by the acts or omissions of the insured.

CERTIFICATE HOLDER
North Carolina Department of Transportation (NCDOT)
Raleigh, NC

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: November 30, 2017

TO: E. Todd Clark, City Manager

FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Presentation of Fiscal Year 2017 Audit.

Approved for Council Consideration

Martin, Starnes & Associates, Certified Public Accountants, have completed the audit of the City of Newton for Fiscal Year Ended June 30, 2017. Marcie Spivey, Partner, for Martin Starnes & Associates, will be presenting the audit.

The audit was conducted in accordance with auditing standards generally accepted in the US and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the US. Those standards require that the auditors plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In the auditor’s opinion, the financial statements of the City of Newton do present fairly, in all material respects, the respective financial position which results in an unqualified opinion, “best opinion in an independent audit”.

This opinion basically states that the auditors feel that the City of Newton followed all accounting rules appropriately and that the financial statements are an accurate reflection of the financial position of the City with no material misstatements.

Action Suggested: No Action Necessary.
City of Newton
2017 Audited Financial Statements
Audit Highlights

- Unmodified Opinion
- No findings or questioned costs
- Fully Prepared and Cooperative Staff
Audit Process

- Planning and risk assessment
- Interim procedures
- Final procedures
- Year-round process
Fund Balance

- Serves as a measure of the City’s financial resources available.

5 Classifications:

- **Non spendable** - not in cash form
- **Restricted** - external restrictions (laws, grantors)
- **Committed** - internal constraints at the highest (Board) level-do not expire, require Board action to undo
- **Assigned** - internal constraints, lower level than committed
- **Unassigned** - no external or internal constraints
Total Fund Balance - General Fund

- 2015: $7,932,593
- 2016: $8,621,096
- 2017: $8,856,266

Increase:
- 2016 to 2017: $235,170
Fund Balance - LGC

Available fund balance as defined by the Local Government Commission (LGC) is calculated as follows:

Total Fund Balance
Less: Non spendable (not in cash form, not available)
Less: Stabilization by State Statute (by state law, not available)
Available Fund Balance

This is the calculation utilized as the basis for comparing you to other units and calculating your fund balance percentages.
Fund Balance Position-General Fund

Total Fund Balance $8,856,266
Non-spendable 439,889
Stabilization by State statute 1,056,556

Available Fund Balance 2017 $7,359,821
Available Fund Balance 2016 $7,420,355
Change in Available Fund Balance $(60,534)
Available Fund Balance as a Percent of Expenditures & Transfers Out – General Fund

- 2016: 60.92%
- 2017: 57.00%
General Fund Summary

- **2016**
  - Revenues: $12,587,203
  - Expenditures: $12,177,643

- **2017**
  - Revenues: $12,830,891
  - Expenditures: $12,893,539
General Fund Revenues
2017 & 2016

- Property Tax: $5,554,119 (2017) vs. $5,661,736 (2016)
- Unrestricted Intergov't: $1,500,593 (2017) vs. $1,468,025 (2016)
General Fund Revenues
2017 & 2016 (continued)

General Fund Expenditures 2017 & 2016

- Environmental Protection: $1,248,865 (2017), $1,065,055 (2016)
General Fund Expenditures
2017 & 2016 (continued)

- Cultural and recreational: $1,780,230 (2017), $1,531,592 (2016)
## Enterprise Funds
### Operating Activities

<table>
<thead>
<tr>
<th></th>
<th>Cash</th>
<th>Operating Revenues</th>
<th>Operating Expenditures</th>
<th>Operating income (loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017 Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water and Wastewater</td>
<td>$3,636,654</td>
<td>$6,937,232</td>
<td>$6,958,008</td>
<td>$(20,776)</td>
</tr>
<tr>
<td>Electric</td>
<td>$4,294,112</td>
<td>$14,742,720</td>
<td>$15,023,067</td>
<td>$(280,347)</td>
</tr>
<tr>
<td><strong>2016 Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water and Wastewater</td>
<td>$2,516,917</td>
<td>$6,588,633</td>
<td>$6,467,505</td>
<td>$121,128</td>
</tr>
<tr>
<td>Electric</td>
<td>$4,483,457</td>
<td>$14,806,776</td>
<td>$14,803,102</td>
<td>$3,674</td>
</tr>
</tbody>
</table>
## Enterprise Funds (continued)

<table>
<thead>
<tr>
<th></th>
<th>2017 Enterprise Funds</th>
<th>2016 Enterprise Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Debt Service</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal only</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash Flow from</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Unrestricted</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Position</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Position</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Water and Wastewater</strong></td>
<td>$1,423,206 $</td>
<td>$1,420,592 $</td>
</tr>
<tr>
<td>Electric</td>
<td>$740,791 $</td>
<td>$726,768 $</td>
</tr>
</tbody>
</table>
# Internal Service Fund

<table>
<thead>
<tr>
<th></th>
<th>Internal Service Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 1,490,319</td>
</tr>
<tr>
<td>Unrestricted net position</td>
<td>1,341,786</td>
</tr>
<tr>
<td>Operating revenues</td>
<td>1,588,586</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>1,547,190</td>
</tr>
<tr>
<td>Change in net position</td>
<td>49,414</td>
</tr>
<tr>
<td>Cash flows from operations</td>
<td>(2,734)</td>
</tr>
</tbody>
</table>
Discussion & Questions
CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: November 30, 2017

TO: E. Todd Clark, City Manager

FROM: Serina Hinson, Finance Director

CONSIDERATION OF: Financing bid award and resolution approving financing terms.

Approved for Council Consideration

On November 20, 2017, bids were solicited for funding of vehicles and equipment. These capital items were approved as part of the FY 2017-2018 budget ordinance. Six RFP’s were submitted to the following financial institutions: BB&T Governmental Finance, Wells Fargo, SunTrust Equipment Finance & Leasing Corp. (SunTrust), First Tennessee Commercial Banking, First Citizens Bank, and Peoples Bank.

Of the six financial institutions solicited, four of these institutions provided a quote: BB&T Governmental Finance, First Citizens Bank, Peoples Bank and SunTrust Equipment Finance & Leasing Corp.

The bids were as follows:

<table>
<thead>
<tr>
<th>Financial Institution</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>59 month Amortization ($713,769):</td>
<td></td>
</tr>
<tr>
<td>BB&amp;T Governmental Finance</td>
<td>2.47%*</td>
</tr>
<tr>
<td>First Citizens Bank</td>
<td>2.15%</td>
</tr>
<tr>
<td>Peoples Bank</td>
<td>2.65%</td>
</tr>
<tr>
<td>SunTrust</td>
<td>2.175%</td>
</tr>
</tbody>
</table>

*BB&T Governmental Finance also provided an Option B which was 2% with an interest rate that could fluctuate from year to year. Since a fixed term was specifically requested, Option B was not considered.

BB&T Governmental Finance, First Citizens Bank, Peoples Bank and SunTrust Equipment Finance & Leasing Corp. all provided very attractive and competitive bids. **First Citizens Bank** provided the lowest bid.

It is staff’s recommendation that City Council award First Citizens Bank the bid.

Action Suggested:

1) Award the bid to provide financing to First Citizens Bank for an amount not to exceed $713,769 at stated interest rate of 2.15% for 59 months.

2) Adopt the Resolution Approving Financing Terms based on a 59 month amortization.
WHEREAS: The City of Newton, North Carolina ("City") has previously determined to undertake a project for the financing of vehicles and equipment (the "Project"), 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 First Citizens Bank, in accordance with the proposal dated November 29, 2017. The amount financed shall not exceed $713,769, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.15%, and the financing term shall not exceed fifty-nine (59) months 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 First Citizens Bank 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 5th day of December, 2017
<table>
<thead>
<tr>
<th>Financing Term - 59 months:</th>
<th>Financing Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Safety - Police:</strong></td>
<td></td>
</tr>
<tr>
<td>1 Admin Vehicle/5 Patrol Vehicles Fully Equipped</td>
<td>320,000</td>
</tr>
<tr>
<td>Animal Control Vehicle Fully Equipped</td>
<td>41,950</td>
</tr>
<tr>
<td><strong>Water/Wastewater Operations:</strong></td>
<td></td>
</tr>
<tr>
<td>Kubota Track Mini-Excavator</td>
<td>112,919</td>
</tr>
<tr>
<td><strong>Electric Operations:</strong></td>
<td></td>
</tr>
<tr>
<td>Freightliner F:L-80 Electric Line Truck</td>
<td>238,900</td>
</tr>
<tr>
<td><strong>Total 59 Month Financing</strong></td>
<td><strong>713,769</strong></td>
</tr>
</tbody>
</table>
2018 CITY COUNCIL MEETING SCHEDULE

January 9th and January 23rd

Workshop January

January 22nd 8:00 a.m. – 5:00 p.m.
January 23rd  2:00 p.m. – 6:00 p.m.
January 24th  2:00 p.m. – 6:00 p.m.
January 25th  2:00 p.m. – 6:00 p.m.

February 6th

March 6th and March 20th

April 10th and 24th

May 1st and 15th

June 5th and 19th

July 10th

August 7th

September 4th and 18th

October 2nd and 16th

November 6th and 20th

December 4th