

**MINUTES**  
**REGULAR MEETING OF THE NEWTON CITY COUNCIL**  
**March 3, 2015 – 7 p.m.**

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, March 3, 2015, at Newton City Hall.

**PRESENT:** Mayor Anne P. Stedman, Mayor Pro Tem Mary Bess Lawing, Tom Rowe, Wayne Dellinger, Robert C. Abernethy Jr., John Stiver, and Wes Weaver

**STAFF:** City Manager Todd Clark, City Clerk Amy S. Falowski, Assistant City Manager Sean Hovis, 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 Wayne Dellinger led the Invocation and the Pledge of Allegiance.

**ITEM 3:**        **APPROVAL OF MINUTES**

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

That the Regular Minutes of the February 3, 2015, City Council meeting be –  
APPROVED

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

Council Member Robert C. Abernethy, Jr. asked to be recused from Item 4B, Sewer Adjustments.

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

That Council Member Robert C. Abernethy, Jr. be – RECUSED from Voting on Item 4B,  
Sewer Adjustments

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

That the Consent Agenda be – APPROVED

- A. Tax Releases
- B. Sewer Adjustments
- C. Proclamation – Give Healthy & National Nutrition Month

Mayor Stedman introduced Reverend Bob Silber from Eastern Catawba Cooperative Christian Ministry. Reverend Silber explained the program “Give Healthy & National Nutrition Month” and thanked the City Council for recognizing and adopting the proclamation.

(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:**        **Old Business**

A.        Consideration of Offer on West 7<sup>th</sup> Street Property

City Manager Todd Clark stated the City of Newton recently voted to accept a dedication of real property from Wells Fargo. The property is located at 216 West 7<sup>th</sup> Street in Newton. Mr. Clark stated once the property was deeded to the City, the City Council voted to declare the property surplus and advertise it for sale. Mr. Clark explained that in accordance with the Council’s directive, the staff advertised the property for sale for a period of 30 days during which time no bids were received. Mr. Clark stated that consequently, the Council considered the poor condition of the house located on the property and voted to demolish the structure and to surplus the property per the City Attorney’s guidance and also directed the City Manager to solicit bids after demolition was complete.

Mr. Clark stated the staff proceeded with the demolition of the structure at a cost of \$8,260. After the demolition was complete, the property was advertised for sale in the Newton Observer News Enterprise and a “for sale” sign was posted on the property. Mr. Clark stated only one bid has been received within the month of February. Mr. Clark stated the bid of \$4,707 is from Mr. James Sacs of 1144 Fairview Street, Claremont, North Carolina.

Mr. Clark explained that in accordance with state law, the Council may accept the bid and advertise a 10 day upset period or otherwise reject the offer. Mr. Clark recommended City Council reject the offer and re-advertise the property. He explained this recommendation is based on the present tax value of \$16,900 as reported by Catawba County. Additionally, the City incurred expenses of \$8,260 to demolish the house. Mr. Clark stated if the Council rejects Mr. Sacs’ bid, a minimum price may be established in addition to directing staff to continue soliciting bids.

Council Member Wayne Dellinger stated that he thought the donation from Wells Fargo was enough for the demolition. Mr. Clark stated that donation was for \$8,000.

Council Member Tom Rowe made a motion to REJECT the bid and to re-advertise the property for sale, and to continue to do so until a reasonable price is made. Motion was seconded by Mayor Pro Tem Mary Bess Lawing, and it was unanimously RESOLVED:

That the Offer of \$4,707 from Mr. James Sacs of 1144 Fairview Street, Claremont, North Carolina be – REJECTED and that the property be re-advertised for sale until a reasonable price is made.

**ITEM 7:      New Business**

- A.      Consideration of Bid of Award and Resolution Designation Branch Banking and Trust Company (BB&T) as Official Depository for the City of Newton

Finance Director Serina Hinson stated that on January 5, 2015, we solicited bids for banking services. The city submitted the Request for Proposal to five (5) financial institutions with a branch (location) within the City of Newton:

Branch Banking & Trust Company (BB&T)  
Community One  
First Citizens Bank  
Peoples Bank  
Wells Fargo Bank

Finance Director Serina Hinson stated the city received four (4) bids. Wells Fargo Bank was the only financial institution that did not bid. The city reached out to Wells Fargo Bank to inquire as to why they did not provide a bid. Their response was that they have not been successful with competitive pricing in the past with governments of comparable size to Newton.

Ms. Hinson explained that the recommendation is not solely based on competitive pricing. BB&T was the only bank that is currently in a position to offer the city all of the services noted in the RFP without outsourcing to another vendor. Restrictive timeframes/cutoff times for specific functions/services could prohibit the city from providing quality customer service. Ms. Hinson stated Peoples Bank provided the lowest Net Estimated Service Charge of \$578.63 followed by BB&T at \$649.74 for a difference of \$71.11. Due to recent experience with Peoples Bank, the city could incur attorney fees initially as well as going forward that would far exceed the benefit of this immaterial difference. Ms. Hinson said that based on the bid information provided, we don't feel that Peoples Bank meets the scope of the City's expectations for services at this time.

Ms. Hinson stated that it is staff's recommendation that City Council award Branch Banking & Trust Company (BB&T) the bid to continue banking services and serving as the City's official depository.

Ms. Hinson stated the City of Newton and BB&T have had a banking partnership for the past fifteen (15) years and that BB&T is the 10<sup>th</sup> largest financial institution in the United States and is a qualified depository for public funds in accordance with North Carolina General Statute 159-31(b) under the State Treasurer pooling method of collateralization.

Ms. Hinson recommended that the City Council:

- 1) Award the bid to Branch Banking & Trust Company (BB&T) to provide banking services and to serve as the City's official depository.

- 2) Approve the attached Resolution designating Branch Banking & Trust Company (BB&T) as the official depository for the City of Newton.

Council Member John Stiver asked if it is required to put the banking out for bid every year. Ms. Hinson stated that it is not required, but that it is just good practice. Council Member Wes Weaver asked about the attorney fees that Ms. Hinson mentioned. Ms. Hinson stated that during the most previous financing the attorney fees were higher with Peoples Bank. Ms. Hinson also stated that BB&T's cut off time far exceeds Peoples Bank. Council Member Wes Weaver asked if it was state mandated that the city choose the lowest qualified bidder. Ms. Hinson stated that this is a service and that the expenses of Peoples Bank far exceed the benefits that the city would receive. She stated that the service at BB&T is on a much higher scale. She also explained that Peoples outsources their procurement cards and that the security and technology at BB&T is much better. Council Member Wes Weaver stated that Peoples is a local business and that he thinks the city should support them. Mayor Pro Tem Mary Bess Lawing stated that BB&T's service is all inclusive. Council Member Robert C. Abernethy stated that it doesn't seem right to disqualify the lowest bidder, and that the charges that Ms. Hinson is talking about are all assumed. City Manager Todd Clark stated that the charges that Ms. Hinson spoke of are all based on recent experience. Council Member Tom Rowe stated that the fees are lower with BB&T. Mr. Abernethy stated that his family owns stock in Peoples, but does not own controlling interest therefore he didn't feel the need to recuse himself.

Motion was made by Council Member Tom Rowe, seconded by Mayor Pro Tem Mary Bess Lawing that the bid be awarded to Branch Banking & Trust Company (BB&T) to provide banking services and to serve as the city's official depository.

Council Member Wes Weaver stated that he thinks the world of Ms. Hinson and that his vote has nothing to do with the job that she does.

With Mayor Pro Tem Mary Bess Lawing, and Council Members Tom Rowe, John Stiver, Wayne Dellinger voting in favor of, and Council Members Wes Weaver and Robert C. Abernethy, Jr. voting in opposition of, it was RESOLVED:

That the bid be awarded to Branch Banking & Trust Company (BB&T) to provide banking services and to serve as the city's official depository be – APPROVED.

Upon motion duly made by Mayor Pro Tem Mary Bess Lawing, and seconded by Council Member Tom Rowe and with Mayor Pro Tem Mary Bess Lawing, and Council Members Tom Rowe, John Stiver, and Wayne Dellinger voting in favor of, and Council Members Wes Weaver and Robert C. Abernethy, Jr. voting in opposition of, it was RESOLVED:

That Resolution designating Branch Banking & Trust Company (BB&T) as the official depository for the City of Newton be – APPROVED.

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

#### B. Consideration of Signage and Sponsorship for Banners

City Manager Todd Clark stated this past year Councilman Abernethy suggested that the Parks and Recreation Department consider a signage and sponsorship program for buildings, gymnasiums and ballfield fences to generate additional revenues for the city. Mr. Clark stated the recreation staff did

extensive research to include a survey through North Carolina Parks and Recreation Society as well as contacting various public and private organizations. He explained that based on the information compiled, the Parks and Recreation Department established a sponsorship package to compliment contributions and in-kind services that are already in place. The signage and sponsorship program have been approved by the Parks and Recreation Commission.

Mr. Clark recommended a motion to amend the FY 2015 Schedule of Fees and Charges that creates a fee structure for signage and sponsorships for recreation buildings, gymnasiums and ball field fences. The recommended fees and charges for each sign and sponsorship is \$200 plus printing costs for the first year and \$150 plus printing costs for each year thereafter.

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

That the Recommended Fees and Charges for Each Sign and Sponsorship is \$200 Plus Printing Costs for the First Year and \$150 Plus Printing Costs for Each Year Thereafter be – APPROVED.

C. Report from WPRTA Executive Director Camille Sterling

Camille Sterling, Executive Director of the Western Piedmont Regional Transit Authority gave a brief presentation to City Council.

Council Member Robert C. Abernethy, Jr. asked Ms. Sterling how many vans are currently in service. Ms. Sterling stated that there are 50 vehicles in all and 42 currently in service. Mr. Abernethy asked what kind of fuel is used, Ms. Sterling stated that they use gas and bio diesel fuels.

D. Report from DNDA Chariman Josh Cummings

Josh Cummings, Chairman of the DNDA gave a brief presentation to City Council.

**ITEM 8: City Manager's Report**

City Manager Todd Clark advised City Council of upcoming events, including:

- March 4th NCMPA1 Rate Committee Meeting – 10:00 a.m. in Concord
- March 5th Teen Leadership – 1:30 p.m. City Council Chamber
- March 5th, 12th, 19th, and 26th Public Input Sessions/Strategic Plan – 5:30-7:00 in the Gantt Room
- March 5th – Economic Development
- March 12th – Infrastructure
- March 19th – Transportation
- March 26th – Public Safety
- March 23rd Streetscape Input Meeting – 7-9 p.m. OPOP
- March 18th – Town Hall Day

Projects

- Fire Station 3 Renovations Complete

- Hwy 10 Pump Station
  - Initial electrical investigation has been completed.
  - Shop drawings for pumps and electrical components have been reviewed by the city and Wooten. Comments have been returned to the contractor.
- The switchgear for the generator at the WWTP cannot be replaced in whole, as parts are unavailable. Staff is investigating replacing the damaged parts through fabrication or complete replacement of the switch gear unit. A plan outage is scheduled for next week at the plant to retrieve remaining of broken parts behind the panel. This week was not viable due to toxicity testing at the WWTP.
- W/S has a failing manhole and three service laterals needing replacement on D street between the C and D St. split and S. Cline. The work has been bid out to three construction companies, and the detour required to complete the work has been approved by NCDOT.
- Weather continues to delay investigative work on the city lake dam. Work is currently scheduled for the middle of March, depending on weather and soil conditions.
- A survey of the electric meters is underway for AMI. This survey will help determine the appropriate number of different electrical meters to order, based on the electrical sockets. Two UMS employees are doing the survey. Completion of field work is expected in approximately two weeks. Work on New World integration continues.

**ITEM 9:        Questions and Comments from Mayor and Council**

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

**ITEM 10:        Closed Session to Consult with the City Attorney – G.S. 143-318-11(a)(6) Personnel**

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

That the City Council enter CLOSED SESSION per G.S. 143-318-11(a)(3) and G.S. 143-318-11(a)(6).

Council Member John Stiver made the motion to go back into open session, which was seconded by Council Member Wes Weaver. All Ayes.

Council Member Weaver then made the motion to offer Mr. Clark a new, three year contract retroactive to the expiration date of his previous Employment Agreement for \$115,000 with the provision that Mr. Clark will not seek alternate employment with any other municipal or other governmental unit for one year from February 6, 2015, until February 6, 2016, and that after the first year, shall provide Council with at least 30 days' notice of his intent to resign his position as City Manager, and further that Council will conduct his annual review as called for in the Employment Agreement at the first meeting in January of each year. Mayor Pro Tem Mary Bess Lawing seconded the motion. All Ayes.

**ITEM 11:     **Adjournment****

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

That the Meeting be – ADJOURNED

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Amy S. Falowski, City Clerk



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Anne P. Stedman, Mayor