

MINUTES
REGULAR MEETING OF THE NEWTON CITY COUNCIL
November 12, 2013 – 7:00 P.M.

The regular meeting of the Newton City Council was held on Tuesday, November 12, 2013 at 7:00 p.m. in the Council Chambers at City Hall.

PRESENT: Mayor Anne P. Stedman, Mayor Pro Tem Bill Lutz, Council Members Mary Bess Lawing, Tom Rowe, Wayne Dellinger, and Robert C. Abernethy, Jr.

ABSENT: Council Member Wes Weaver

STAFF: City Manager Todd Clark, City Clerk Amy S. Falowski, Assistant City Manager Sean Hovis, City Attorney John Cilley, Public Information Officer Julie Chang, City Department Heads and members of the management team

ITEM 1: **CALL TO ORDER – Mayor Anne P. Stedman**

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

ITEM 2: **OPENING – Council Member Wayne Dellinger**

Council Member Wayne Dellinger provided the Pledge of Allegiance.

ITEM 3: **APPROVAL OF MINUTES FROM THE October 15, 2013 REGULAR CITY COUNCIL MEETING**

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

That the Regular Minutes of the October 15, 2013 City Council Meeting be –
APPROVED

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

Upon motion duly made by Mayor Pro Tem Bill Lutz, seconded by Council Member Tom Rowe, it was unanimously RESOLVED:

That Consent Agenda be – APPROVED.

A. Sewer Adjustments

B. Consideration to Adopt Resolution for Designation of Applicant’s Agent

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

ITEM 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).**

Mayor Anne P. Stedman asked if anyone present would like to make any comments concerning non-agenda items. Teena Willis, Housing Coordinator for Partners Behavioral Health Management, made a

brief statement concerning the Hunger and Homelessness Awareness week, November 16-24, 2013 proclamation that was adopted by City Council in October. They thanked City Council for recognizing Hunger and Homelessness Awareness Week. Mayor Stedman thanked them for all that they do in the community.

ITEM 6: **Old Business**

A. Consideration to Amend Capital Project Funds for the W 18th to W 15th Street Sewer Rehabilitation Project

Public Works and Utilities Director Wilce Martin stated that a change order for \$40,367.54 was requested by Dellinger, Inc., the contractor on the W 15th to W18th Street (Rear of Newton-Conover High School to NW B) Sewer Line Replacement Project. Mr. Martin explained this change order is in addition to the project cost and the project contingency which have already been expended for this project.

Mr. Martin stated the change order was submitted due to a miscalculation by McGill Associates' Engineer for the amount of pavement that was to be replaced due to the excavation of the project and this resulted in the increased cost for additional pavement replacement. Mr. Martin stated McGill Associates have submitted a check in the amount of the change order to reimburse the City, and recommended that City Council approve the change order and the Capital Project Budget Ordinance Amendment recognizing the reimbursement of costs by McGill Associates.

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

That the Change Order requested by Dellinger, Inc. for the change order for W 15th to W 18th Street Project be – APPROVED

Upon motion duly made by Council Member Tom Rowe, seconded by Council Member Mary Bess Lawing, it was unanimously RESOLVED:

That Ordinance 2013-35 to Amend Capital Project Funds for the W 18th to W 15th Street Rehabilitation Project be – ADOPTED

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

ITEM 7: **New Business**

A. Presentation of Fiscal Year 2012-2013 Audit

Marcie Spivey of Martin-Starnes & Associates presented the City Council with the 2012 Audited Financial Statement. Ms. Spivey stated that the financial statements of the City of Newton present fairly, in all material respects, the respective financial position which results in an unqualified opinion. Ms. Spivey stated that this opinion basically means the auditors feel the City 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.

Ms. Spivey stated that the city had again planned capital outlay expenditures, and that the revenues are nice and even. She mentioned that there had been a one-time large substantial contribution (Sue Jones Estate) that accounts for the big difference in revenues.

Ms. Spivey stated that the Finance Staff was very cooperative, and that her staff was very appreciative of this.

City Manager Todd Clark thanked Ms. Spivey and also Serina Hinson, Finance Director, and her staff for the great job that they do for the City, and stated that the audit is available to the public on the City's website.

B. Report – Business Advisory Committee

John Stiver, Chairman of the Business Advisory Committee gave a report and brief presentation to the City Council. Mr. Stiver stated that the committee has been committed to working on the Master Economic Plan, as well as marketing the community. Mr. Stiver stated that the BAC is working with the other committees and commissions on economic development, business and industry development, parking issues, Jacobs Fork Park, and how to reinvent Newton and develop the city's small town atmosphere.

Mayor Stedman stated that she wanted to commend the BAC, as she realizes how hard they've been working, and for working with the other committees.

Council Member Mary Bess Lawing stated that downtown is really busy and that there are very few parking spaces available.

City Manager Todd Clark stated that the Business Advisory Committee was formed to function in an advisory capacity and that staff appreciates the feedback on implementation of these plans for budgeting purposes. Mr. Stiver stated that it is important to have the Master Plan in order to apply for grants for projects. Council Member Mary Bess Lawing stated that she feels like the city needs to move on projects, and that it seems like it takes forever to implement some projects. Council Member Robert C. Abernethy, Jr. stated that the city has been talking about Wayfinding for four years. Mayor Stedman stated that she would like to add Wayfinding to the agenda for the Council/Staff Workshop that will be held in February 2014. Mr. Stiver mentioned that Wayfinding has been discussed since September 2012, and that the sign specifications are ready to be sent to the Department of Transportation for approval.

Council Member Wayne Dellinger stated that he did not like the "t" in "Newton" and asked if the font could be different. Mr. Stiver stated that the city could change the font on the signs, but not the aspects of the sign that are subject to DOT approval. Mr. Dellinger asked if the bottom "marquee" of the sign could be interchangeable, Mr. Stiver stated that it could be.

Mr. Stiver stated that Rob, Alex and Sean have work hard on the details of this plan, and that after the plans are sent to DOT the city should expect a 8-12 week process for their approval. Mr. Stiver explained that the purpose of bringing this to City Council now is for consideration of approval to submit plans to the DOT.

Council Member Robert C. Abernethy asked if these signs would replace the green signs in place. Mr. Stiver answered that they would. Mr. Abernethy stated that he really liked the plans, but would like for Council Member Wes Weaver to be here for this discussion. Mr. Stiver stated that he understood, and that he would like to move forward.

Mayor Stedman asked the Council what they would like to do at this point. Council Member Mary Bess Lawing stated that she would like to discuss again in December. Mayor Stedman stated that this discussion would be postponed until the next meeting, December 10, 2013.

- C. 1) Consideration of Resolution Making Certain Findings and Determinations Regarding the Financing of Equipment, Real Property, Acquisition and Construction, and Infrastructure Improvements and the Filing of an Application with the North Carolina Local Government Commission
- 2) Consideration of Resolution Calling for Public Hearing on Borrowing for Equipment, Real Property Acquisition and Construction, and Infrastructure Improvements

Finance Director Serina Hinson stated that the City of Newton wishes to finance the acquisition of certain equipment, real property acquisition and construction, and infrastructure improvements which were approved by City Council as part of the City's Fiscal Year 2013-2014 budget. Ms. Hinson stated the estimated cost of the acquisitions and infrastructure is \$4,815,200 (\$4,223,000 from the General Fund, \$392,200 from the Water/Wastewater Fund and \$200,000 from the Electric Fund).

Ms. Hinson explained that the Finance Department will be soliciting quotes from various financial institutions to borrow the funds, and will provide a recommendation to City Council on awarding the financing on December 10, 2013. Ms. Hinson also recommended that City Council call for a public hearing on this same date.

City Manager Todd Clark stated that all financing is consistent with the city's Capital Improvement Plan.

Upon motion duly made by Mayor Pro Tem Bill Lutz, seconded by Council Member Tom Rowe, it was unanimously RESOLVED:

That resolution authorizing the City Manager and Finance Director to act on behalf of the City and to authorize the filing of an application with the North Carolina Local Government Commission be – ADOPTED.

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

That resolution calling for a public hearing on December 10, 2013 be – ADOPTED.

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

- D. Consideration to Approve the Closing Change Order for the Westlake Drive Culvert Replacement

Public Works and Utilities Director Wilce Martin stated that a change order for \$40,367.54 was requested by Dellinger, Inc., the contractor on the W 15th to W18th Street (Rear of Newton-Conover High School to NW B) Sewer Line Replacement Project. Mr. Martin explained that this change order is in addition to the project cost and the project contingency which have already been expended for this project.

Mr. Martin stated that the change order was submitted due to a miscalculation by McGill Associates' Engineer for the amount of pavement that was to be replaced due to the excavation of the project. He explained this resulted in the increased cost for additional pavement replacement and that McGill Associates have submitted a check in the amount of the change order to reimburse the City.

Mr. Martin recommended that City Council approve the Change Order.

Upon motion duly made by Council Member Tom Rowe, seconded by Mayor Pro Tem Bill Lutz, it was unanimously RESOLVED:

That Capital Project Budget Ordinance Amendment recognizing the reimbursement of costs by McGill Associates and the related change order be – ADOPTED.

Council Member Tom Rowe stated that the new box culverts were so much better than what was installed previously. City Manager Todd Clark agreed, and stated that the old culverts would not have survived the flood this past summer. Mr. Wilson stated that this culvert should have a fifty year life.

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

E. Consideration to Approve the City of Newton Local Water Supply Plan

Public Works and Utilities Director Wilce Martin stated that a Local Water Supply Plan is an assessment of a water system's current and future water needs and its ability to meet those needs. Mr. Martin explained that by understanding current and future needs, local governments will be better able to manage water supplies and better prepared to plan for water supply system improvements.

Mr. Martin stated that North Carolina General Statute G.S. 143-355(1) requires all units of local government that provide or plan to provide public water service to prepare a Local Water Supply Plan. All community water systems that regularly serve 1,000 or more service connections or serve more than 3,000 people are also required to prepare a Local Water Supply Plan.

Mr. Martin explained further that North Carolina Administrative Code 15A NCAC 02E 0.0600 requires all systems subject to G.S. 143-355(1) to electronically submit an annual water use update based on their water use and system conditions by April 1st of every year for the period of January 1st to December 31st of the prior year.

Mr. Martin stated that staff worked with NCDENR on the update of the plan and submitted the final version which was approved. Mr. Martin recommended that the Council consider approving the attached update to the City of Newton Local Water Supply Plan.

City Manager Todd Clark stated that the actual Local Water Supply Plan document is not attached, therefore this item should be considered on next month's agenda.

After motion duly made by Council Member Mary Bess Lawing, seconded by Mayor Pro Tem Bill Lutz, Council Member Robert C. Abernethy stated that he would like to be able to read the plan.

Mayor Stedman called for the motions to be withdrawn.

Council Member Mary Bess Lawing, and Mayor Pro Tem Bill Lutz withdrew their motions. Mayor Stedman stated that this item would be added to the Consent Agenda for the December 10, 2013, City Council Meeting.

F. Consideration of Application to Governors Crime Commission

Police Chief Don Brown stated that in October 2013 the North Carolina Governor's Crime Commission released the latest grant cycle for Criminal Justice Improvement grants. He explained that the application period for this grant ends on January 31st or the last working day of January. Chief Brown stated the funding cap for Criminal Justice Improvement is \$60,000.00 with a required match of 25%, and if received, this funding would be used to offset the amount requested in the 2014-2015 FY CIP for mandated replacement of our radio system. Chief Brown recommended that City Council authorize the police department to apply for a Criminal Justice Improvement grant from the North Carolina Governor's Crime Commission.

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

That Authorization to Apply to the Governors Crime Commission for a Criminal Justice Improvement Grant be – GRANTED.

G. Consideration of the Bid Award for the Snow Creek Sewer Line Replacement

Public Works and Utilities Director Wilce Martin stated that the Snow Creek sewer line has been a significant source of infiltration and inflow to the Newton Sewer System resulting in additional treatment costs at the wastewater treatment plant. The City recognized the need to replace this line several years ago and included the project in the City's approved 5-year Capital Improvement Program starting in 2012. Mr. Martin explained the project was originally scheduled for completion in four different phases with the first phase starting in 2012 and the final phase being completed in 2015. In recognizing the magnitude of this project the City pursued and was awarded a NCDENR, Division of Water Quality, State Revolving Fund (SRF) loan having a favorable 2.0% interest rate for a term of 20 years.

Mr. Martin stated the Division of Water Quality on January 16, 2013 approved the City of Newton for a \$1,399,000 Clean Water State Revolving Fund (SRF) loan to combine Phases II-IV. He stated the City Council subsequently accepted the loan offer and established a capital project budget in February 2013. Mr. Martin explained that in order to assure receipt of the SRF loan funds, the city must award a construction bid no later than December 2, 2013.

Mr. Martin stated the remaining four phases of this project will be completed as one consolidated project with the loan proceeds obtained through SRF funds paying for the remaining project costs. The remaining work to be completed includes the following:

1. The replacement of approximately 11,200 lineal feet of 12" pipe with 12" ductile iron pipe.
2. The rehabilitation of approximately 1,200 lineal feet of 12" pipe with Cured-In-Place-Pipe (CIPP) lining.
3. The replacement of approximately thirty two 4' foot manholes
4. The rehabilitation of approximately ten 4' manholes.

Mr. Martin stated the City solicited bids for this project and received 10 responses on October 22, 2013. Unfortunately, the project had to be rebid due to the lowest bidders failing to comply with the specifications established for the project. Mr. Martin stated the City solicited bids from 17 different contractors and received 4 responses at the November 5, 2013 bid opening. The following bids were received:

1. Hickory Sand, Hickory, NC	\$ 964,861.70
2. Dellinger, Inc., Monroe, NC	\$1,066,340.20
3. L J, Inc., Columbia, SC	\$1,134,543.00
4. Monroe Roadways, Denver, NC	\$1,107,810.85

Mr. Martin stated Wooten Engineering has reviewed the bid proposals and is recommending that the lowest qualified bidder is Hickory Sand Company.

Mr. Martin explained the above bids are for construction only and Hickory Sand's bid of \$964,861.70 is \$138,965.30 less than the original project estimate. Including all other project costs and contingency, the total project loan amount is \$1,162,604.79. He explained there is a 2% closing fee of \$23,252.04 required by the State which is not funded by the CWSRF Loan or included in the project cost of \$1,162,604.79.

Mr. Martin recommended that Council approve the Resolution for Tentative Award of Bid for the Snow Creek Outfall Rehabilitation Project to Hickory Sand Company for \$964,861.70.

Mayor Stedman and Council Member Wayne Dellinger thanked Mr. Martin and the city staff for all their hard work on this project.

Upon motion duly made by Mayor Pro Tem Bill Lutz, seconded by Council Member Tom Rowe, it was unanimously RESOLVED

THAT Bid for the Snow Creek Sewer Line Replacement - to Hickory Sand Company for \$964,861.70 be – AWARDED.

At this time Mayor Stedman congratulated election winners in the recent City Council and School Board elections.

ITEM 8: City Manager's Report

- The annual fall cemetery clean-up is ongoing this week. New arrangements may be placed on Saturday, Nov. 16
- The Newton Depot is hosting an open house event from 10 a.m. to 2 p.m. this Saturday. The public is invited to view the progress at the Southeastern Narrow Gauge & Shortline Museum.
- The Newton Recreation Department is sponsoring a canned food drive to benefit ECCCM's Hunger Prevention Program. The campaign runs through Dec. 22 and drop off locations include City hall, The Newton Rec Center and Central Rec Center.
- There are two upcoming ribbon cutting ceremonies: 11:30 a.m., Wednesday, Nov. 20 at Big Sig's Military Surplus and 2 p.m., Friday, Nov. 22 at Dana's Sentimental Expressions
- City offices will be closed on Thursday, Nov. 28 and Friday, Nov. 29 for Thanksgiving.
- Light Up the Town is from 5-8 p.m. Sunday, Dec. 1 in downtown Newton.
- Employee Appreciation Luncheon December 6th, 11:30 at the Rec Center
- Innovate Catawba
- Advertisement of the Executive Director Position with the Western Piedmont Regional Transit Authority
- Ethics Training for Newly Elected Officials – TBD
- Council Member Dellinger nominated as vice chair NCMPA #1 Board of Commissioners
- Tobacco-free campus – November 21 – Great American Smokeout

City Manager Todd Clark stated that there are a number of municipalities in the area considering policies to prohibit public use of tobacco products and would like to receive feedback from City Council concerning the issue. Council Member Tom Rowe asked if the current policy covered city vehicles, and Mr. Clark stated that it did. Mr. Clark asked if Council would like for this issue to be place on a future agenda. Council stated that they would like to discuss on a future agenda.

Mr. Clark also mentioned that Paul Meyer would be replacing Ellis Hankins as Executive Officer of the North Carolina League of Municipalities.

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

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

ITEM 10: **Adjournment**

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

That the Meeting be – ADJOURNED

Anne P. Stedman, Mayor

Amy S. Falowski, City Clerk

