

**MINUTES
REGULAR MEETING OF THE NEWTON CITY COUNCIL**

April 1, 2014 – 7:00 P.M.

The regular meeting of the Newton City Council was held on Tuesday, April 1, 2014 at 7:00 p.m. at the 1924 Courthouse.

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

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 Tom Rowe

Council Member Tom Rowe led the opening prayer and Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES FROM THE March 18, 2014 REGULAR CITY COUNCIL MEETING

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

That the Regular Minutes of the March 18, 2014 City Council Meeting be –
APPROVED

ITEM 4: CONSIDERATION OF CONSENT AGENDA ITEMS

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

That Consent Agenda be – APPROVED

- A. Sewer Adjustments
- B. Proclamation – Arbor Day, April 24, 2014
- C. Proclamation – April is Child Abuse Prevention Month

Mayor Stedman also recognized the month of April as Donate Life Month.

(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. No one appeared.

ITEM 6: New Business

A. Appearance Commission – Essay Contest Winners

Mayor Anne Stedman along with Collette Touchette, Appearance Commission Chairperson, presented certificates of achievement to the Essay Contest Winners.

B. Consideration to Authorize the New Rental Rate for Broadplex Pole Attachments

Public Works and Utilities Director Wilce Martin stated the City of Newton presently has a contract with Broadplex, LLC that allows them to connect fiber optic cables to City owned utility poles. Mr. Martin explained the contract with Broadplex was executed in November 2010 for the purpose of allowing them to serve various schools in Catawba County and the AT&T central operations facility on Ashe Avenue.

Mr. Martin stated the contract renews automatically each year unless either party gives the other a minimum sixty (60) day advance notice. Mr. Martin explained that as part of the initial contract, the City established pole attachment fees for the first four years of the contract (2010 – 2014). Mr. Martin stated that staff is recommending that Council amend the fees according to the attached fee schedule.

Council Member Robert C. Abernethy asked how many poles were included. Mr. Martin stated twenty-nine.

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

That the New Rental Rate for Broadplex Pole Attachments be - APPROVED

C. Report – Smart Grid

Public Works and Utilities Director Wilce Martin stated the City Council received a presentation from staff on “Smart Grid” technology at their February 17-19th annual workshop, and also had further discussion on Smart Grid during a separate meeting on March 4th, concerning the City’s proposed five year Capital Improvement Plan. Mr. Martin stated that during that discussion, City Council asked for additional information on the purported savings and decided to delay making a decision on Smart Grid until staff made a final report. Mr. Martin stated that the staff has worked to complete a cost-benefit analysis which is attached to this Council Action Request. In summary, the analysis demonstrates a cost savings of \$5.1 million over a twenty (20) year period.

Mr. Martin stated the staff recommends moving forward with the implementation of Smart Grid given the savings recognized in the cost-benefit analysis. He explained to Council that marginal utility rate increases will be required to fund the capital costs associated with the project consistent with the financial review provided to City Council at the March 4th meeting. In order to move forward, City Council will need to take action to include Smart Grid in the 2015 CIP.

Council Member Robert Abernethy asked for the total expense of implementation for the project. City Manager Todd Clark stated that Jason Clay has a cost analysis included with the materials provided. City Manager Todd Clark stated that the savings would be equally spread out and Mr. Clay agreed.

IS Director Jason Clay stated that it would take approximately four months to change out all meters in the city, and that the meters have 20 year warranties. Council Member Wayne Dellinger asked if the new meters would be able to track lost water due to water leaks, and Mr. Clay stated that they would. Mr. Dellinger expressed concern at the initial cost with no guarantees of future savings.

Council Member Robert Abernethy, Jr. asked where the money to pay for the project would come from. Finance Director Serina Hinson stated that the project would be financed. Council Member John Stiver

asked about the .02 increase projected for water/wastewater rates in 2015 and then another .02 increase in water/wastewater rates in 2017. Ms. Hinson stated that there would be an increase in 2015, but if the savings were large enough an increase may not be needed in 2017. Mr. Abernethy asked if the city would receive a letter from the Local Government Commission if either the Electric or Water/Wastewater Funds fell below a certain amount. Ms. Hinson stated that the LGC does not regulate enterprise funds the way that it regulates the General Fund. Mr. Abernethy stated that if we financed for 15 years as opposed to 10 years it may save on a 1% rate increase later. Ms. Hinson stated that the loan could always be paid early, and that there are very attractive borrowing rates available at this time.

Council Member Wayne Dellinger asked if implementation would eliminate a meter reader position. Mr. Clay stated that only one meter reader would be needed, so the other position would be reclassified to a locator position.

Council Member Wes Weaver stated that he thinks this is a great idea but is not excited about passing the cost on to the customer. Mr. Abernethy agreed.

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

That the Smart Grid Project Move Forward as Proposed.

ITEM 7: City Manager's Report

- Regional ElectriCities Meeting – April 29th 6:00 p.m. at Statesville Civic Center
- Mayors/Chairmen/Managers Meeting on Thursday, April 24 at Catawba Country Club
- Sunday, April 13 – Easter Egg Hunt begins at 2 p.m. at Southside Park
- Our Tree Board will recognize Arbor Day, on Saturday April 26th at Southside Park at 10:00 a.m.
- The City Wide Yard Sale is Saturday, April 12 from 7 a.m. to noon. Yard sales will be held at individual properties simultaneously. To register your location, contact the Festival and Events group.
- The Citizens Police Academy returns this year and runs from 6-8 p.m. Tuesdays April 29 to June 10. Registration is required by April 14.
- Installing new LED lights in upper and lower parking lots at the Recreation Center
- The Greenway is open / FEMA – 6ft wash out / Asphalt. West 1st Street
- Tennis Court has been removed at Northside Park. Playground Equipment ordered this week. Asphalt has been removed – Midstate Contractors – Will grass in next 2 weeks. Fence removed to be used at upper basketball court
- 148 Girls in this year's volleyball program – up from 109 last year. Ages are 9-16 and will run from March until June
- Catawba County Historical Association is Celebrating its 65th Anniversary on April 12, 2014 from 6:00 p.m. until 8:00 p.m.
- Friday Morning Brew Brew – Friday, April 4th from 7:30-9:00 a.m. at the Catawba County Historical Association
- Keep Catawba County Beautiful – April 26th from 8:00 a.m. – 1:00 p.m. at Southside Park. Hotdogs will be served
- Tour of Catawba Nuclear Plant – Dates to choose from – April 15, 17, 21, 23

ITEM 8: 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 9: Closed Session to Consult with Attorney – G.S. 143-318-11(a)(5)

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

That City Council enters CLOSED SESSION per G.S. 143-318-11(a)(5).

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

That City Council return to REGULAR SESSION

ITEM 10: Adjournment

Upon motion duly made by Mayor Pro Tem Mary Bess Lawing, seconded by Council Member Tom Rowe the meeting was ADJOURNED.

Amy S. Falowski, City Clerk



Anne P. Stedman, Mayor