

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

June 18, 2013 – 7:00 P.M.

The regular meeting of the Newton City Council was held on Tuesday, June 18, 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 Robert C. Abernethy, Jr., Mary Bess Lawing, Tom Rowe, Wayne Dellinger and 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 Robert C. Abernethy, Jr.

Council Member Robert C. Abernethy, Jr. provided the invocation, and led the Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES FROM THE June 4, 2013 REGULAR CITY COUNCIL MEETING

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

That the Regular Minutes of the June 4, 2013 City Council Meeting be – APPROVED.

ITEM 4: CONSIDERATION OF CONSENT AGENDA ITEMS

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

That Consent Agenda be – APPROVED.

- A. Tax Releases – May 2013
- B. Sewer Adjustments
- C. Consideration of Citizens Awareness & Relief Effort (CARE) Contribution Program

Mayor Stedman introduced the contribution program called CARE (Citizens Awareness & Relief Effort) which will assist City of Newton utility customers with their utility bills. Mayor Stedman stated that the program is a partnership with the Eastern Catawba Cooperative Christian Ministry and that seed money was donated to the program by Christ Alive Church in the amount of \$1,000. Mayor Stedman expressed the City Council's gratitude for the donation that will start this program.

- D. Consideration of Budget Ordinance Amendment to Close Out Completed Capital Projects
- E. Proclamation – Parks and Recreation Month - July

(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: **Public Hearings**

- A. Consideration of Lease Agreement Between the City of Newton and AT&T

Mayor Stedman opened the Public Hearing.

City Manager Todd Clark stated the City of Newton currently leases property behind the AT&T building to AT&T for parking of its vehicles, and has done so for the last ten years. Mr. Clark explained the current lease will expire August 18, 2013, and that AT&T has contacted the City of Newton about a new lease of that property. Mr. Clark stated the current lease provided that the initial amount was \$405 per month with an annual increase of 5%.

Mr. Clark stated that after reviewing the current lease, a new lease was drafted by the City for AT&T's consideration. He stated this draft set a lease rate of \$500 per month with an annual increase of 5% for a period of five years. Mr. Clark told City Council that in a letter dated June 10, 2013, Meldonna Britt Properties, Inc., on behalf of AT&T, requested the City of Newton consider a 2% annual increase opposed to the 5% increase suggested in the initial draft of the lease agreement.

Mr. Clark stated that along with the request is a Resolution which Council is asked to adopt to establish the terms of this lease.

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

That Lease Agreement Between the City of Newton and AT&T at a Rate of \$500 per month with an annual increase of 2%, as requested by AT&T, be -
APPROVED

ITEM 7: **Old Business**

A. Report of Capital Improvement Projects for Fiscal Year 2013

City Manager Todd Clark stated that on March 20, 2012, Council approved the 5-Year Capital Improvement Plan (CIP) for Fiscal Years 2013 – 2017. He stated the CIP outlines the City's plan for achieving goals, objectives, and service levels for the 5-year period as well as identifying a funding source and outlining the financial impact for each of those years. Mr. Clark stated the City is approaching the end of the first year of the CIP; therefore, staff is providing a report which reflects the progress made thus far for FY 2013. Mr. Clark presented a list of completed capital purchases and projects as well as those which are currently incomplete, and stated staff has identified a projected completion date for all incomplete capital items. Mr. Clark explained that no action is needed, and that this report is just for informational purposes.

ITEM 8: **New Business**

A. Consideration of Adopt a Spot Program – Appearance Commission Presentation

Appearance Commission Chairman Collette Touchette stated the City of Newton Appearance Commission has begun an Adopt-A-Spot program for public properties in an effort to beautify the City. She stated these locations and planting materials must be approved by the Newton Appearance Commission, and that there are several guidelines that must continue to be met for the spot to remain. Ms. Touchette explained that there would be a small sign placed with the name of the business that adopted the spot. Ms. Touchette stated that if the location is not being maintained for a period of four months in an appropriate manner, the City of Newton reserves the right to maintain the site or return to its former state. Ms. Touchette stated the Adopt-A-Spot program is managed by the City of Newton Appearance Commission.

Assistant City Manager Sean Hovis stated that no action is required; this report is for informational purposes only.

Council Member Wes Weaver asked how large the signs would be that are placed at the spot. Ms. Touchette stated that they would be approximately 4"x6".

Mayor Stedman thanked Ms. Touchette and the Appearance Commission for their hard work.

B. Consideration to Authorize the Use of Fund Equity and Adopt a Resolution of Intent to Reimburse for Engineering Services

Finance Director Serina Hinson stated the City intends to complete the annual financing in January 2014 which will require staff to begin the engineering, permitting and bidding which is required a month in advance of Local Government Commission (LGC) approval and financing. Ms. Hinson explained that this will require a use of funds for the engineering services from the Electric Fund, Water/Wastewater Fund and streets within the General Fund until the borrowed funds become available. Ms. Hinson stated the cost associated with engineering, permitting and bidding for the 4 CIP projects is estimated to be \$112,000 as detailed below:

1. S. Caldwell Culvert budget is \$200,000 with \$24,000 included for engineering in the general fund.
2. Shannonbrook Phase III water line replacement is \$392,000 with \$25,000 included for engineering in the water and sewer fund.
3. Feeder circuit-336 ACSR line extension is \$256,900 with \$39,000 included for engineering in the

- electrical fund.
4. Building for materials and vehicles is \$200,000 with \$24,000 included for engineering in the electrical fund.

Ms. Hinson stated that once the borrowing is complete the fund will be reimbursed by the borrowed funds.

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

That Use of Fund Equity be – APPROVED, and Resolution of Intent to Reimburse for Engineering Services be – ADOPTED.

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

C. Consideration of Rural Fire Protection Contract with Catawba County

Fire Chief Yoder stated the City of Newton Fire Department provides fire protection services to approximately 25 square miles of rural area adjacent to the City of Newton corporate limits. This area is referred to as the Newton Rural Fire District. Chief Yoder explained that the Fire Protection Services within the Newton Rural Fire District are funded through a Rural Fire Tax. The Rural Fire Tax rate is currently 7.00 cents per \$100 valuation, and generates approximately \$350,000 of annual revenue.

Chief Yoder stated that Catawba County is modifying the Rural Fire Protection Contracts to coincide with the change from Fire Tax Districts to Service Districts. He stated this is considered a necessary change due to inadequate information regarding the initial establishment and subsequent modification of all Fire Tax Districts throughout the County.

Chief Yoder stated this change neither increases nor decreases the amount of revenue we receive from the Rural District. The previous Fire Tax District Rate was set at .07 cents per \$100.00 and the new Service District Rate is to be .07 cent per \$100.00.

Chief Yoder explained the Rural Fire Protection Contract is for Fire Protection services only and that all Fire Inspections and Fire Investigations are performed by the Catawba County Fire Marshal's Office.

Council Member Wayne Dellinger stated that it says in the contract "other services as deemed necessary". Mr. Dellinger asked who would deem the services necessary. Chief Yoder stated that all services would be determined by the city. City Manager Todd Clark stated that this new contract is not open ended like the old one, and makes everything very clear.

Council Member Mary Bess Lawing asked if the Fire Department will still perform the same duties as before, and Chief Yoder stated that nothing will change.

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

That the Rural Fire Protection Contract with Catawba County be – APPROVED.

D. Consideration of Budget Ordinance Amendment for Emergency Storm Water Replacement

Public Works and Utilities Director Wilce Martin stated that on June 11, 2013, the department received a call from police dispatch regarding a pothole in the Old A&P Parking Lot on N. Ashe St. He stated that a 15' wide by 15' long by 13' deep pothole had developed under the existing asphalt adjacent to the cardboard recycling container, directly above an existing 36" Corrugated Metal Pipe (CMP) culvert. Mr. Martin stated that after further investigation via excavation, it was determined that the existing (buried) junction box invert and 36" pipe had failed, allowing storm water runoff to traverse outside of the storm water system, creating the pothole.

Mr. Martin stated that after further investigation it was indicated that the 300' of 36" CMP downstream (through the parking lot toward the city's public works and utilities yard) is failing and will result in multiple pot holes and storm water system failures in the near future.

Mr. Martin stated that two alternatives for rehabilitation were investigated; cured in place piping liner (CIPP); and traditional excavation and replacement. Discussions with contractors and manufactures indicated that CIPP lining was not a suitable application for this type of pipe failure, and that spot repairs would likely increase the price beyond that of traditional replacement.

Mr. Martin stated that the department instructed CK Construction (currently contracted for McDaniel's Circle Water Line replacement, 18th St. water line replacement, and the AC Little Culvert Replacement CIP) to produce a detailed cost estimate for replacement. Mr. Martin stated that the cost estimate reflects a "worst case scenario" which will include replacement of the three downstream junction boxes as well as the 300' of 36" CMP pipe.

Mr. Martin recommended that Council adopt a Budget Ordinance Amendment and consider contracting with CK Construction for replacement of the existing storm water system in the old A&P parking lot for the estimated cost of \$137,720 (\$125,200 with a 10% contingency).

Council Member Robert Abernethy asked if the project needs to go to bid since it exceeds \$90,000. Mr. Martin stated that since it is an emergency situation, it does not.

Council Member Tom Rowe asked if the construction would have to go under the fence. Mr. Wilson stated that that it might.

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

That the Contract with CK Construction for Emergency Storm Water Replacement in the Old A&P Parking Lot on N. Ashe Street be – APPROVED.

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

That Budget Ordinance Amendment for Emergency Storm Water Replacement be – ADOPTED.

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

ITEM 9: City Manager's Report

- Legislative Update
- The Police Department's Citizen Academy will hold a graduation ceremony at 7:30 p.m. this Thursday night in the Council Chambers.
- Because of the storm damage that occurred in Statesville last Thursday, we were able to send an Electric Crew Friday to help with recovery efforts
- The Mayors/Chairmen/Managers meeting is TUESDAY, June 25, at Mimosa Hills Country Club in Morganton. Golf is at 1 pm, social hour/dinner at 6 pm. Please let Amy know by 6/19 if you will be attending
- Retirement Celebration for Dr. Barry Redmond – Thursday, June 27, 2013 3:30-6:00 p.m. at Newton-Conover Auditorium Gallery
- Technibilt will be having a roll out and dedication of "Caroline's Cart" Thursday, July 18th at 11:00 a.m. Please RSVP to Amy by June 24th
- There will be a NCLM Board of Directors meeting this Thursday, June 20th. Council Member Lawing (Board Member) and Mayor Stedman will be attending
- Cancellation of July 9th meeting
- Pool Summary

Mayor Stedman stated that it had been brought to her attention that there needs to be a vote concerning the cancellation of the July 9, 2013 regularly scheduled 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 July 9, 2013 Regularly Scheduled Meeting be - CANCELLED.

ITEM 10: 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 11: 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

Anne P. Stedman, Mayor

Amy S. Falowski, City Clerk

