

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

December 2, 2014 – 7:00 P.M.

The regular meeting of the Newton City Council was held on Tuesday, December 2, 2014 at 7:00 p.m. 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

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

ITEM 2: OPENING – Council Member John Stiver

Council Member Wayne Dellinger led the Pledge of Allegiance.

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

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 November 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 Tom Rowe, it was unanimously RESOLVED:

That Consent Agenda be – APPROVED

- A. Tax Releases
- B. Sewer Adjustments
- C. Resolution – Certificate of Achievement Newton-Conover High School Men’s Soccer Team – State 2A Champions
- D. Consideration of the 2015 Regular City Council Meetings Schedule, Council/Staff Workshop Schedule
- E. Consideration of Commission/Committee Membership Appointments:
Human Relations Committee – Zara H. Saine
Planning Commission – Carmen Isenhower

(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 Hearing

- A. To Consider an Installment Financing Agreement for Financing Certain Equipment, Real Property Improvements and Infrastructure

Mayor Stedman recessed the Council Meeting and called to order a Public Hearing as scheduled to receive public input on the consideration of an agreement for installment financing for certain equipment, real property improvements and infrastructure .

Finance Director Serina Hinson stated that this Public Hearing is being held for public comment concerning the installation of the financing that would put the Capital Improvement Plan, as approved by City Council, in place.

Ms. Hinson stated on November 5, 2014, the city solicited bids for funding of equipment, real property improvements and infrastructure improvements. These capital items were approved as part of the FY 2014-2015 budget ordinance. Ms. Hinson stated that seven 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, Peoples Bank, and Carolina Alliance Bank.

Ms. Hinson stated that of the seven financial institutions solicited, three of these institutions provided a quote; BB&T Governmental Finance, SunTrust Equipment Finance & Leasing Corp., and Peoples Bank.

The bids were as follows:

<u>Financial Institution</u>	<u>Interest Rate</u>
5 Year Amortization (\$449,200):	
BB&T Governmental Finance	1.60%
Peoples Bank	2.16%
SunTrust	2.45%
10 Year Amortization (\$976,750):	
BB&T Governmental Finance	2.37%
Peoples Bank	2.56%
SunTrust	3.13%
15 Year Amortization (\$3,940,000):	
BB&T Governmental Finance	2.91%
Peoples Bank	2.78%
SunTrust	3.49%

Ms. Hinson stated that BB&T Governmental Finance, Sun Trust Equipment Finance & Leasing Corp., and Peoples Bank provided very attractive and competitive bids. She explained that BB&T Governmental Finance provided the lowest bids on the 5 and 10 Year amortizations and Peoples Bank provided the lowest bid on the 15 year amortization.

Ms. Hinson recommended that City Council award BB&T Governmental Finance the bid for the 5 year and 10 year amortizations and to award Peoples Bank the bid for the 15 year amortization. Splitting the financing between the two financial institutions will provide the greatest financial benefit to the City with a savings of \$56,216.63 over the life of the financings.

Ms. Hinson asked that the City Council:

- 1) Award the bid to provide financing to BB&T Governmental Finance for an amount not to exceed \$1,425,950 at stated interest rate of 1.60% for 5 years and 2.37% for 10 years.
- 2) Award the bid to provide financing to Peoples Bank for an amount not to exceed \$3,940,000 at stated interest rate of 2.78% for 15 years.
- 3) Adopt the Resolutions Approving Financing Terms based on 5 years, 10 years and 15 years amortization.

Mayor Stedman asked if there was anyone present that would like to speak in favor or against the proposed financing agreement. No one appeared

Council Member Wes Weaver asked if each bid was individual based on 5, 10 or 15 years, or if each bid was contingent upon award of another. Ms. Hinson stated that there were no contingencies.

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

That the Public Hearing be – CLOSED.

ITEM 7: Old Business

A. Consideration of Award of Financing Bids and Resolutions Approving Financing Terms

Ms. Hinson recommended that City Council award the bid to BB&T Governmental Finance for the 5 year and 10 year amortizations and to award Peoples Bank the bid for the 15 year amortization. Splitting the financing between the two financial institutions will provide the greatest financial benefit to the City with a savings of \$56,216.63 over the life of the financings.

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

That Bid to Provide Financing to BB&T Governmental Finance for an Amount Not to Exceed \$1,425,950 at Interest Rate of 1.60% for 5 years and 2.37% for 10 Years be – APPROVED.

Council Member Robert C. Abernethy, Jr. asked to be recused from voting on the award of bid to Peoples Bank for an amount not to exceed \$3,940,000 at stated interest rate of 2.78% for 15 years, and from voting on the adoption of resolutions approving financing terms based on 5 years, 10 years and 15 years amortization.

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

That Robert C. Abernethy, Jr. be – RECUSED from voting on the award of bid to Peoples Bank for an amount not to exceed \$3,940,000 at stated interest rate of 2.78% for 15 years, and from voting on the adoption of resolutions approving financing terms based on 5years, 10 years and 15 years amortization.

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

That Bid to Provide Financing to Peoples Bank for an Amount Not to Exceed \$3,940,000 at stated interest rate of 2.78% for 15 years be – APPROVED

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

That the Resolutions Approving Financing Terms Based on 5 years, 10 years and 15 years amortization be – ADOPTED.

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

ITEM 8: **New Business**

A. Consideration to Demolish Property Located at 216 W 7th Street

City Manager Todd Clark stated that Newton City Council formally accepted a parcel of land located at 216 West 7th Street in Newton on August 5, 2014 from Wells Fargo, and that the decision was unanimous. Mr. Clark stated that Mr. Cilley, Newton City Attorney has confirmed that the property has since been deeded to the City of Newton and properly filed with the Catawba County Register of Deeds Office.

Mr. Clark explained that as part of the decision to accept the property, the City Council also voted to sell the property once the deed had been filed. Mr. Clark stated that in order to sell the property, the City Council must declare the property as surplus and be sold pursuant to the requirements and procedures of North Carolina General Statute 160A-269. On October 7th, 2014 City Council declared the property as surplus and instructed city staff to attempt to sale the property.

Mr. Clark stated city staff published an ad in the newspaper per NC General Statute and the property was put up for sale for 30 days per City Council request. The City of Newton received no offers to purchase during that time.

Mr. Clark stated city staff has received two quotes for the demolition of the house, and that the cost of demolition will be paid with a cash contribution of \$8,000 provided by Wells Fargo. He stated that if necessary any expense exceeding \$8,000 will be paid from the Code Enforcement Abatement account in the Police Departments budget.

Mr. Clark stated that at this time he would recommend City Council to direct City Staff to proceed with the demolition of the house. He stated that City Council may also want to discuss what is to be done with the property after the demolition process is complete.

Council Member Wes Weaver stated that he would like to make one correction; he did not vote to accept the parcel of land located at 216 West 7th Street.

Council Member Tom Rowe stated that after the demolition of the house, he would like to instruct the City Manager to sell the property. City Attorney John Cilley stated that City Council will have the final say in the sale of the property.

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

That the Structure at 216 West 7th Street be DEMOLISHED and that the Property then be Declared as Surplus and the City Manager Place the Property for Sale

B. Revaluation Report

Finance Director Serina Hinson reported the impact that the Revaluation Report will have on the City of Newton for Fiscal Year 2015-2016.

Municipality	Parcel Count	2014 Value	2015 Value	Increase / Decrease
Newton, City	6,167	771,250,547	710,925,063	-7.82
Commercial	567	138,770,481	124,556,495	-10.24
Industrial	259	169,509,878	146,862,323	-13.36
Residential	5,341	462,970,188	439,506,245	-5.07

Council Member Wayne Dellinger asked if this would only affect six months of the fiscal year. Ms. Hinson stated that it would affect the full fiscal year.

Ms. Hinson stated that residents could appeal through April 2015. Mayor Stedman asked how they would know about the appeal process, Ms. Hinson stated that residents would receive a notice.

ITEM 9: City Manager's Report

- December 5th – Annual Employee Luncheon
- December 9th – Senior Citizen Luncheon, 11:30 a.m. downstairs at Rec Center
- December 18th – Surprise Retirement Party for Dee Blackwell, 6:00 p.m. at the Crowne Plaza
- December 19th Retirement Luncheon for Wilce Martin and Rick Sims at 11:30 downstairs at Rec Center
- Removal of Willow Oak Tree - December 13th
- January 12th Public Forum – Streetscape, 7:00 p.m. in Council Chamber
- April 23, 2015 – WPCOG Annual Meeting, 6:30 at Crowne Plaza

ITEM 10: Questions and Comments from Mayor and Council

Mayor Stedman asked the City Council if they had any comments. Council Member John Stiver stated that he wanted to thank the DNDA for their hard work with the Shop Local Saturday this past Saturday. Mayor Stedman agreed.

ITEM 11: Adjournment

Upon motion duly made by Mayor Pro Tem Mary Bess Lawing, seconded by Council Member Robert C. Abernethy, Jr., the meeting was ADJOURNED.

Amy S. Falowski, City Clerk



Anne P. Stedman, Mayor