

**MINUTES**  
**REGULAR MEETING OF THE NEWTON CITY COUNCIL**  
**December 10, 2013 – 7:00 P.M.**

The regular meeting of the Newton City Council was held on Tuesday, December 10, 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, Robert C. Abernethy, Jr. 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 Wayne Dellinger**

Council Member Robert C. Abernethy, Jr. provided the invocation and introduced Boy Scout Troop 903 to lead the Pledge of Allegiance.

**ITEM 3:      APPROVAL OF MINUTES FROM THE November 12, 2013 REGULAR CITY COUNCIL MEETING**

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

That the Regular Minutes of the November 12, 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 Council Member Tom Rowe, it was unanimously RESOLVED:

That Consent Agenda be – APPROVED.

- A. Tax Releases
- B. Sewer Adjustments
- C. Consideration of Annual Fire Department Membership Roster
- D. Consideration to Accept Abstract of Votes Received During the November 5, 2013 Election
- E. Consideration of Proclamation to Honor Bob and Michelle McCreary

Mayor Stedman presented a Proclamation to Bob and Michelle McCreary in honor of their contribution and support to the Old Post Office Playhouse.

- F. Consideration of the 2014 Regular City Council Meetings Schedule, Council/Staff Workshop Schedule
- G. Consideration of Commission/Committee Membership Appointment: Festival and Events Committee – Zara H. Saine
- H. Consideration to Adopt Resolution – Certificate of Appreciation for Suzette Bradshaw
- I. Consideration to Approve the City of Newton Local Water Supply Plan
- J. Consideration of Budget Ordinance Amendment Recognizing Donation from Weidner and Tracy Abernethy

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

**ITEM 5:           Community Service Award Presentation**

Police Chief Don Brown stated that he would like to express his gratitude on behalf of the Police Department to Officers Mark Hopkins and Kyle Jenks for heroic efforts performed on October 20, 2013. Chief Brown introduced William Butler, from Catawba County Emergency Medical Services who then explained the details of the event.

Mr. Butler stated that on October 20<sup>th</sup> at 3:10 a.m., Newton Police received a call from Catawba County seeking assistance for a cardiac arrest at 1991 Villa Drive. Mr. Butler stated that Officers Jenks and Hopkins were dispatched to the call and that upon arrival the officers found the patient in cardiac arrest and began CPR. Mr. Butler explained that all other EMS units were busy, and that the responding unit was coming from Propst Crossroads. He stated that when EMS arrived they took over patient care and continued lifesaving skills and then transported the patient to the hospital.

Mr. Butler stated that EMS Supervisor, Noel Kay, met with Newton Lieutenant William Propst and advised Lt. Propst that by the officers arriving quickly they gave the patient a fighting chance. Mr. Butler stated that because of the quick thinking actions of the officers, the patient was able to live long enough for his family to be notified and have time with him before he passed away.

Mr. Rick Yandle, Scoutmaster for Boy Scout Troop 903, who was present in the council chamber stood at this time and stated that he believed the patient had been his father. After confirmation that it was his father, Mr. Yandle thanked Newton Police Officers Hopkins and Jenks for their quick lifesaving actions.

Mayor Stedman stated that on behalf of herself and City Council, she was very proud of Officers Hopkins and Jenks for their heroic actions.

**ITEM 6:           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.

Mr. John Yelton, of 1381 Ghostly Hollow Drive, stated that as an employee of El Senioral Club, he was run over in their parking lot causing a broken foot. Mr. Yelton stated that after several calls to the police officer that investigated the accident, he has yet to receive any relief from the insurance carrier of the

person that ran over his foot. City Manager Todd Clark asked Mr. Yelton if he had spoken to Police Chief Don Brown. Mr. Yelton stated that he had not. Mr. Clark stated that speaking with Chief Brown would be the next logical step.

**ITEM 7: 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 that on November 13, 2013, the city solicited bids for funding of equipment and infrastructure improvements. She explained these capital items were approved as part of the FY 2013-2014 budget ordinance. Ms. Hinson stated that nine RFP's were submitted to the following financial institutions: BB&T Governmental Finance, PNC Bank, Wells Fargo, SunTrust Equipment Finance & Leasing Corp. (SunTrust), Bank of America, First Tennessee Commercial Banking, First Citizens Bank, Community One, and Peoples Bank.

Ms. Hinson stated that out of the nine 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>
<b>5 Year Amortization (\$273,000)</b>	
BB&T Governmental Finance	1.57%
Peoples Bank	No Bid
SunTrust	1.88%
<b>10 Year Amortization (\$290,000):</b>	
BB&T Governmental Finance	2.59%
Peoples Bank	No Bid
SunTrust	2.70%
<b>15 Year Amortization (\$592,200):</b>	
BB&T Governmental Finance	2.91%
Peoples Bank	No Bid
SunTrust	No Bid
<b>\$3,460,000 – Fire Headquarters:</b>	<b>15 Year Amortization or 20 Year Amortization</b>
BB&T Governmental Finance	2.91%                      3.79%
Peoples Bank	No Bid                              3.50%**
SunTrust	No Bid                                No Bid

\*\* Stipulation that the City maintain a deposit account with Peoples Bank.

Ms. Hinson stated that BB&T Governmental Finance, Sun Trust Equipment Finance & Leasing Corp., and Peoples Bank provided very attractive and competitive bids, and that BB&T Governmental Finance provided the lowest bids on the 5 and 10 Year amortizations and the only bid on the 15 year amortizations. Peoples Bank provided the lowest bid on the 20 year amortization with a depository stipulation included.

Ms. Hinson recommended that City Council award BB&T Governmental Finance the bid to provide the requested funding and approve the attached financing resolutions for the 5 year, 10 year and both 15 year amortizations. Ms. Hinson explained that a 15 year amortization is recommended over the 20 year term due to an approximate annual difference of approximately \$30,000 for the first 15 years. She stated that a 20 year amortization would require approximately \$575,000 in additional interest.

Ms. Hinson asked that the City Council:

- 1) Award the bid to provide financing for equipment and infrastructure improvements to BB&T Governmental Finance for an amount not to exceed \$4,615,200 at stated interest rate of 1.57% for 5 years, 2.59% for 10 years, and 2.91% for 15 years, and;
- 2) 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.

Council Member Wayne Dellinger asked if any of the funds from the Sue Jones Estate Trust fund could be used to purchase the new playground equipment. Mayor Stedman stated that that money has to be used for a new park, not the refurbishment of an existing park.

City Manager Todd Clark stated that this borrowing is consistent with the approved Capital Improvement Plan. A few projects from the plan have been curtailed, which include; the storm water rehabilitation project; the AMI/Smart Meter project; and the new feeder circuit project.

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

That the Public Hearing be – CLOSED.

**ITEM 8:      Old Business**

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

Ms. Hinson recommended that City Council Award the bid to provide financing for equipment and infrastructure improvements to BB&T Governmental Finance for an amount not to exceed \$4,615,200 at stated interest rate of 1.57% for 5 years, 2.59% for 10 years, and 2.91% for 15 years, and Adopt the Resolutions Approving Financing Terms based on 5 years, 10 years and 15 years amortization.

Council Member Robert C. Abernethy, Jr., stated that one thing was left out of the projects that have been curtailed, and that would be the decision to not buy the tanker truck for the Fire Department. Council Member Abernethy stated that he asked why building a fire station would be more important than replacing the tanker truck. Fire Chief Kevin Yoder stated that the Fire Station is more important because it serves the entire district as opposed to the truck which serves 90% of the rural district, and is mainly used to shuttle water.

Council Member Robert C. Abernethy, Jr. stated that he provided handouts to members of council. Mayor Stedman stated that Council Member Abernethy should stop at this time, as City Council has already voted on the Fire Department structure and this is not the time to re-hash the discussion. Council Member Abernethy stated that he disagreed. Mayor Stedman stated that the matter has already been voted on. Council Member Abernethy apologized if he was out of line, but stated that he felt like \$450,000 should be discussed. Council Member Wayne Dellinger stated that he thinks the Fire Department should be built, and that Council Member Abernethy should be allowed to speak as the bids for the Fire Department have not been voted on. Council Member Rowe stated that Mayor Stedman did not say that the bids have been voted on. Mayor Stedman stated that the Council approved the construction, and the design, and instructed staff to get the bids on the structure.

Council Member Abernethy stated that he made some calls, and some contractors said that the city could save \$25 a square foot. Council Member Wes Weaver stated that if money could be saved, he feels like it should be discussed. Council Member Abernethy stated that per the handouts, one Fire Station was built in Denver using a pre-engineered metal building. He stated that the appearance was a little different on the outside but was functional for what was needed.

Council Member Mary Bess Lawing stated that the board has had plans for months, and that this should have been brought up before. She stated that they were all shown plans, and that Council Member Abernethy should have asked these questions then.

Council Member Abernethy stated that was before the bids came in. He apologized again, and stated that he had never built a house, and that he thought the city had a good architect, but the bids were higher than thought and he wanted to look in to it. Council Member Tom Rowe stated that other stations in the county have come in over bid. Council Member Abernethy stated that it was up to the council to get the best value for the city's citizens.

Council Member Tom Rowe asked what guarantee did Council Member Abernethy have as to that price, and Council Member Abernethy stated that he didn't have one, but that he has two sources that say the city could save \$25 a square foot. Council Member Abernethy stated that the bids were on a brick and mortar building only, and that he has a problem with the cost and location and the fact that the bids came in too high.

Council Member Rowe stated that Council has been talking about building for ten years. Council Member Abernethy stated that it is time to do something. Mayor Stedman stated that he is basing these costs on opinion, not guarantees. Council Member Abernethy stated that he considers these opinions are from experts. Mayor Stedman asked who the experts were. Council Member Abernethy stated that he was asked not to use names.

Council Member Mary Bess Lawing asked if these experts built the buildings in the pictures that were provided by Council Member Abernethy. Council Member Abernethy stated that they did not, that he found these pictures online. Council Member Lawing stated that a brick and mortar building will last forever.

Mayor Stedman stated that the Council has been considering and debating the Fire Station for at least two years. Council Member Abernethy stated that he thought it was just this last year. Mayor Stedman stated that at the Council/Staff Workshop last February, Public Safety and the Fire Station were named by Council as the priorities.

Mayor Pro Tem Bill Lutz stated that yes, there could probably be savings if the plans were re-engineered, but that was not the plan or the specs that Council voted on. Council Member Robert Abernethy stated that if he gets out voted, he gets out voted.

Council Member Wes Weaver stated that they weren't given a lot of choices. City Manager Clark stated that the Architect was chosen in 2000, and that Council agreed on those plans, and that Chief Yoder was instructed to design a Fire Station based on those original plans.

Council Member Robert Abernethy stated that standards have changed and that the assumption of bids was based on standards of plans from before other options were available. Chief Yoder stated the building code changes periodically. City Manager Clark stated that the bids were over, but that the staff was able to decrease costs with the generator transfer, and the elimination of the tanker truck.

Mayor Pro Tem Bill Lutz asked if there were savings that could be found in furnishings. Chief Yoder stated that some items that were in the original budget would be put off until next year. Council Member Tom Rowe stated that two other big ticket items were the widening of the intersection and the sign and waterless decorative feature. Council Member Wes Weaver asked if there would be a retaining wall there also. Chief Yoder stated that no, it would be on the north side.

City Manager Todd Clark stated that the Public Hearing was the action taken earlier; next is to award financing and also adopt resolution. If Council moves forward, all projects go to the Local Government Commission for approval. Afterwards the city would close with BB&T then acceptance by Council of a bid for construction.

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

That Financing Terms be – APPROVED.

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

That Resolution 30-2013 – Financing for 5 years be – ADOPTED.

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

That Resolution 31-2013 – Financing for 10 years be – ADOPTED.

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

That Resolution 32-2013 – Financing for 15 years be – ADOPTED.

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

#### B. Discussion Concerning Wayfinding Project

Assistant City Manager Sean Hovis stated that Rob Powell and Alex Fulbright of the Planning Department and the Business Advisory Committee 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. Hovis explained that the purpose of bringing this to City Council now is for consideration of approval to submit plans to the DOT.

Mayor Stedman asked if Council should expect 3 months roughly for DOT approval. Mr. Hovis stated that is correct.

Council Member Robert C. Abernethy, Jr. stated that he misunderstood and thought the signs increased in size the further in town that you went. Mr. Hovis stated that the opposite is true. Council Member Abernethy stated that they are 13 ft. tall on the highway. Mr. Hovis stated that is so they can be seen. Council Member Abernethy stated that he thought it looks good.

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

That Submittal to the Department of Transportation of the Plans for Signs of the Wayfinding Project be – APPROVED.

C. Consideration of Change Order for W 18<sup>th</sup> to W 15<sup>th</sup> Street Sewer Rehabilitation Project

Public Works and Utilities Director Wilce Martin stated that it was discovered that the City's engineer made several errors and omissions over the course of this project resulting in the need for two change orders. The engineer acknowledged the mistakes and has compensated the city as a result of the mistakes. However it was revealed that certain additional work was required to properly complete the project. Therefore, there are certain legitimate expenses for which the city needs to make payment.

Mr. Martin stated the first change order total is \$66,280.54, with the engineer's portion being \$54,590.50. The amount from contingency that the city must use is \$11,690.04 for such expenses including installation of additional service laterals with piping and fittings.

Mr. Martin stated the second change order totaled \$66,650.50. The engineer reimbursed the city \$40,367.54 which was due to their miscalculation of asphalt quantities. The remaining \$26,282.96 is requested to be paid by the city from the project contingency. Mr. Martin stated this cost is due to additional asphalt patching required and that this is a separate change order because the asphalt was not completed until the end of the project.

Mr. Martin explained the city's total portion of these two change orders is \$37,973.00. The project has been completed and reviewed by the engineer, McGill Associates, and city staff.

Mr. Martin asked City Council to consider:

1. Approval of the City's Portion of the two change orders of \$37,973.00 for the W. 18<sup>th</sup> Street to W. 15<sup>th</sup> Street (Rear of the High School to NW Blvd.) Sewer Line Replacement Project.
2. Authorizing the use of contingency funds for the City's portion of the change orders.

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

That the City's Portion of the two change orders of \$37,973.00 for the W. 18<sup>th</sup> Street to W. 15<sup>th</sup> Street (Rear of the High School to NW Blvd.) Sewer Line Replacement Project be – APPROVED.

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

That the use of contingency funds for the City's portion of the change orders be – AUTHORIZED.

D. Presentation of Plaque to Mayor Pro Tem Bill Lutz

Mayor Stedman presented outgoing Council Member, Mayor Pro Tem Bill Lutz with a Plaque of Recognition for four years of service to the City of Newton as Council Member and Mayor Pro Tem. Mayor Stedman stated that she would miss Mayor Pro Tem Lutz, and that he was second to none.

**ITEM 9:**      **Recess Meeting of Present Council**

Mayor Stedman recessed the meeting of the Present Council.

**ITEM 10:**      **Administer the Oath of Office to New Council Members**

Judge Robert A. Mullinax, Jr. administered the oaths of office to Council Members Robert C. Abernethy, Jr., Wes Weaver, and newly elected Council Member John Stiver.

**ITEM 11:**      **Organizational Meeting of the Council**

A. Election of Mayor Pro Tem

Mayor Anne P. Stedman asked for nominations for Mayor Pro Tempore.

Council Member Robert C. Abernethy, Jr. nominated Council Member Wayne Dellinger.

Council Member John Stiver nominated Council Member Mary Bess Lawing.

Council Member Wes Weaver nominated Council Member Tom Rowe.

Council Member Robert C. Abernethy, Jr. nominated Council Member Wes Weaver.

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

That Nominations for Mayor Pro Tempore be – CLOSED.

As determined with votes by Council Members Wes Weaver, Wayne Dellinger, and Robert C. Abernethy, Jr. in favor of Council Member Wayne Dellinger for Mayor Pro Tempore; and votes by Council Members John Stiver, Tom Rowe and Mary Bess Lawing in favor of Council Member Mary Bess Lawing for Mayor Pro Tempore, and with Mayor Anne P. Stedman breaking the tie with a vote for Mary Bess Lawing, it was RESOLVED:

That Council Member Mary Bess Lawing – by Tie-Breaking Vote Made by Mayor Anne P. Stedman be elected – Mayor Pro Tempore.

**ITEM 12:**      **New Business**

A. Report – Tree Board

Tree Board Chairman David White gave a brief presentation to City Council. Mr. White stated that in October the City celebrated the 3<sup>rd</sup> Anniversary of being named a Tree City U.S.A. He also stated that the in 2012 the tree board planted 52 trees, pruned 390, and removed 38. Mr. White stated there would be more next year due to storm damage.

**ITEM 13: City Manager's Report**

- NCDOT median beautification projects
- 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.
- City offices will be closed on Tuesday, December 24<sup>th</sup> through Thursday, December 26<sup>th</sup>, and Wednesday, January 1<sup>st</sup>.
- Caroling Concert at Carillon Assisted Living, this Saturday, December 14<sup>th</sup> from 2-4p.m.
- Christmas Gospel Fest – December 21<sup>st</sup> at Central Rec Center
- Human Relations Committee Meeting January 9<sup>th</sup>, at 5:30 p.m.
- Essentials of Municipal Government – Hickory, February 19-20, 2014
- NLC Meeting in DC
- Calendar of upcoming retirement celebrations

December 27	11:30 a.m.	WWTP	Dwight Wilson Jr
January 31	11:30 a.m.	Gantt Room City Hall	Carolyn Deal
February 27	11:30 a.m.	Gantt Room City Hall	Marlene Carr
- WPCOG Annual Meeting, January 28, 2014
- The Museum will be closing for renovations on December 21<sup>st</sup> and would not reopen until March 8<sup>th</sup> or March 15<sup>th</sup> – depending on construction completion. They will be renovating two galleries and adding four new exhibits.

**ITEM 14: Questions and Comments from Mayor and Council**

Mayor Anne P. Stedman asked if any Council Members would like to make any comments.

Council Member Wes Weaver stated that it was an honor to work with former Mayor Pro Tem Bill Lutz, and that he really gave him a lot of enlightenment. He also congratulated Council Member John Stiver. Council Member Weaver stated that he feels blessed and proud to serve the citizens of Newton.

Mayor Anne P. Stedman congratulated all incumbents and newly elected officials and stated that she looks forward to working with them.

**ITEM 15: 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

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Anne P. Stedman, Mayor

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Amy S. Falowski, City Clerk

