

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

October 2, 2012 – 7:00 P.M.

The regular meeting of the Newton City Council was held on Tuesday, October 2, 2012 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, Robert C. Abernethy, Jr., Wayne Dellinger and Wes Weaver

STAFF: City Manager Todd Clark, City Clerk Amy S. Falowski, City Attorney Larry Pitts, City Department Heads, and members of the Management Team

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

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

ITEM 2: OPENING – Council Member Tom Rowe

Council Member Tom Rowe provided the invocation and led the Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES FROM THE September 4, 2012 REGULAR CITY COUNCIL MEETING

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

That the Minutes of the September 4, 2012 Regular 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 Mary Bess Lawing, it was unanimously RESOLVED:

That Consent Agenda be – APPROVED

- A. Sewer Adjustments
- B. Consideration of Proclamation – Fire Prevention Week – October 7-13, 2012
- C. Consideration of Resolution Proclaiming October 7-13, 2012 as Public Power Week

- D. Consideration of Budget Ordinance to Recognize Grant Revenues And Authorize Expenditures for the “Stay Alert-Stay Alive” Grant Received by Newton Fire Department from 3M Corporation

ORDINANCE 2012-26
AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2011-2012 FOR THE CITY OF NEWTON

WHEREAS, the City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2012, and ending June 30, 2013, in accordance with the General Statutes of the State of North Carolina, and

WHEREAS, The City Council has authorized the Fire Department to apply for a “Stay Alert – Stay Alive” grant by 3M Corporation, parent company of Polymask, in the amount of \$500 with no match required from the City of Newton for a total approved project cost of \$500 for smoke detectors, and

WHEREAS, The City Council desires to recognize the revenue and authorize the related expenditure appropriation within the Fire Department operating budget

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON, NORTH CAROLINA, THAT:

THE FOLLOWING SOURCE OF REVENUE AND APPROPRIATION ARE HEREBY APPROVED.

Section 1

General Fund Revenues

| | | |
|------------------------------------|--------------|-------|
| Special Project Cont./Other Grants | 11.0000.3845 | \$500 |
|------------------------------------|--------------|-------|

Section 2

General Fund Appropriations

| | | |
|--------------------------|--------------|-------|
| Fire Prevention Supplies | 11.4340.5660 | \$500 |
|--------------------------|--------------|-------|

Adopted this 2nd day of October, 2012.

- E. Consideration of Budget Ordinance Amendment to Close Completed Capital Projects

ORDINANCE 2012-27
A BUDGET ORDINANCE AMENDMENT TO CLOSE CAPITAL PROJECTS FOR THE CITY OF NEWTON

WHEREAS, the City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2012, and ending June 30, 2013, in accordance with the General Statutes of the State of North Carolina, and

WHEREAS, the City Council desires to recognize the completion of the following Capital Projects, and

WHEREAS, the City of Newton received a \$450,000 Community Development Block Grant funded by the U.S. Department of Commerce for the construction of an access road which crosses property owned by Moretz, Inc. and RP Holdings, LLC. including a \$100,000 contribution from the developer and \$508,000 in local funds from the City for a total project budget of \$1,058,000. The project was complete as of June 30, 2012 with total expenditures of \$1,055,488.55, and

WHEREAS, the City of Newton received a \$6,310 NC Main Street Energy Grant funded by the U.S. Department of Energy for the purpose of providing energy efficient lighting to City facilities including matching funds of \$9,440 from the City for a total project budget of \$15,750. This project was complete as of June 30, 2012 with total expenditures of \$15,666.17, and

WHEREAS, the City of Newton received a \$53,350 Energy Efficiency and Conservation Block Grant funded by the U.S. Department of Energy for the purpose of providing energy efficient lighting to City facilities including matching funds of \$10,000 for a total project budget of \$63,350. This project was complete as of June 30, 2012 with total expenditures of \$63,303, and

WHEREAS, in July 2005 the City of Newton received a \$100,000 NCDOT Enhancement Grant for the purpose of constructing Phases I and II of the Newton Heritage Trail Greenway including local funds of \$151,200 for a total project budget of \$251,200. The project was complete as of June 30, 2012 with total expenditures of \$253,255.99, and

WHEREAS, the City of Newton received a \$1 million Community Development Block Grant through the N.C. Department of Commerce along with a \$400,000 IDF grant and a \$500,000 Rural Center grant for a total project budget of \$1.9 million for the purpose of providing water and sewer to the Target facility. Due to savings within the project, the City was able to utilize \$111,605 for the purpose of street lighting improvements and meeting NESHAPS modifications on two generators at the Target Facility. The project was complete as of June 30, 2012 with total expenditures of \$1,898,034.91.

WHEREAS, the City of Newton established the Target Distribution Center Capital Project on October 16, 2007 for the purpose of providing electric infrastructure with a total project budget of \$712,400. This project was complete as of June 30, 2012 with total expenditures of \$629,773.32, and

WHEREAS, the City of Newton established the Sarstedt Electrical Infrastructure/Generator Capital Project on January 4, 2011 to provide new electrical infrastructure and a generator to Sarstedt Industry to meet a new minimum expected load from this project of 777kw with a total project budget of \$137,000. The project was complete as of June 30, 2012 with total expenditures of \$43,346.23, and

WHEREAS, the City of Newton established the Electric System Distribution Center Capital Project for the purpose of continuing the conversion from the 40 plus year old 4KV electric system to a new 24KV electric system for a total project budget of \$477,800. This project was complete as of June 30, 2012 with total expenditures of \$477,708.07.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON, NORTH CAROLINA, THAT:

THE FOLLOWING SOURCE OF REVENUE AND APPROPRIATION ARE HEREBY APPROVED.

| | | |
|--|--------------|-------------|
| General Fund Revenues | | |
| Transfer from Capital Projects | 11-0000.3930 | \$ 2,650 |
| Fund Balance Appropriated | 11-0000.3990 | \$ 450 |
| General Fund Appropriations | | |
| Transfer to Capital Projects | 11-9100.9930 | \$ 3,100 |
| CDBG – Moretz Ind Access Rd Fund Appropriations | | |
| Transfer to General Fund | 21-4252.9911 | \$ 2,550 |
| Roads and Pavement | 21-4252.8910 | \$(2,550) |
| Main Street Energy Grant Fund Appropriations | | |
| Transfer to General Fund | 26-4260.9911 | \$ 100 |
| T-8 Efficient Lighting | 26-4260.5810 | \$(100) |
| General Capital Projects Fund Revenues | | |
| Transfer from General Fund | 30-0000.3911 | \$ 3,100 |
| General Capital Projects Fund Appropriations | | |
| Heritage Trail | 30-4252.5972 | \$ 3,100 |
| Water and Wastewater Fund Revenues | | |
| Transfer from Capital Projects | 61-0000.3930 | \$ 1,200 |
| Retained Earnings Appropriated | 61-0000.3995 | \$(1,200) |
| CDBG – Ed Target Distribution Fund Appropriations | | |
| Transfer to Water & Wastewater | 22-7100.9961 | \$ 1,200 |
| Sewer Lines | 22-7100.8942 | \$(1,200) |
| Electric Fund Revenues | | |
| Transfer from Capital Projects | 63-0000.3930 | \$ 176,300 |
| Retained Earnings Appropriated | 63-0000.3995 | \$ 147,200 |
| Electric Fund Appropriations | | |
| Transfer to Capital Projects | 63-9100.9930 | \$ 323,500 |
| Electric Capital Projects Fund Appropriations | | |
| Transfer to Electric Fund | 38-7201.9938 | \$ 176,300 |
| Target Distribution | 38-7201.5976 | \$(82,650) |
| Sarstedt | 38-7201.5981 | \$(93,650) |

Adopted this 2nd day of October, 2012

- F. Consideration of Budget Ordinance to Establish Capital Project Funds and to Amend Revenues and Expenditures for Fiscal Year 2012-2013

ORDINANCE 2012-28

AN ORDINANCE TO ESTABLISH CAPITAL PROJECT FUNDS FOR SPECIFIC CAPITAL

**ITEMS AND TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2012-2013
FOR THE CITY OF NEWTON**

WHEREAS, The City Council of the City of Newton have adopted a Budget Ordinance for Fiscal Year beginning July 1, 2012, and ending June 30, 2013, in accordance with the General Statutes of the State of North Carolina, and

WHEREAS, The City of Newton has identified specific capital items which were approved and appropriated within the operating budget as part of the Fiscal Year 2012-13 Budget which should be reflected within a Capital Project Fund Budget.

WHEREAS, The City Council desires to establish Capital Project Funds for numerous Water Rehabilitation Projects and Sewer Rehabilitation Projects; 336 ACSR Line Extension, 4KV Conversion and AC Little Culvert Project.

NOW THEREFORE, Be it Ordained by the City Council of the City of Newton, North Carolina, that:

THE FOLLOWING SOURCE OF REVENUE AND APPROPRIATION ARE HEREBY APPROVED.

| | | |
|--|--------------|---------------------|
| <u>Appropriation</u> | | |
| Transfer to Capital Project Fund | 11.9100.9930 | 270,000.00 |
| Capital Outlay - Building Improvements | 11.4252.8941 | <u>(270,000.00)</u> |
| | | <u>0.00</u> |
| <u>General Capital Project Fund</u> | | |
| <u>Revenue</u> | | |
| Transfer from General Fund | 30.4252.3911 | <u>270,000.00</u> |

| | | |
|----------------------|--------------|-------------------|
| <u>Appropriation</u> | | |
| AC Little Culvert | 30.4252.5991 | <u>270,000.00</u> |

Water & Wastewater Fund

| | | |
|----------------------------------|--------------|---------------------|
| <u>Appropriation</u> | | |
| Transfer to Capital Project Fund | 61.9100.9947 | 1,384,150.00 |
| Capital Outlay - Sewer Lines | 61.7100.8942 | (775,400.00) |
| Capital Outlay - Water Lines | 61.7100.8951 | <u>(608,750.00)</u> |
| | | <u>0.00</u> |

Water & Wastewater Capital Project Fund

| | | |
|-------------------------------------|--------------|---------------------|
| <u>Revenue</u> | | |
| Transfer from Water/Wastewater Fund | 47.7100.3961 | <u>1,384,150.00</u> |

| | | |
|---|--------------|---------------------|
| <u>Appropriation</u> | | |
| Water Rehabilitation Projects FY 2013 | 47.7100.5992 | |
| East 18th from Davis to East 17th | | 83,800.00 |
| McDaniels Circle | | 132,750.00 |
| Shannonbrook Phase II/III | | 392,200.00 |
| Sewer Rehabilitation Projects FY 2013 | 47.7100.5994 | |
| Stadium to East 1st Street (Snowcreek Phase II) | | 250,000.00 |
| Rear of High School to NW Blvd | | <u>525,400.00</u> |
| | | <u>1,384,150.00</u> |

Electric Fund

| | | |
|----------------------------------|--------------|---------------------|
| <u>Appropriation</u> | | |
| Transfer to Capital Project Fund | 63.9100.9930 | 906,900.00 |
| Capital Outlay - Distribution | 63.7201.8960 | <u>(906,900.00)</u> |
| | | <u>0.00</u> |

Electric Capital Project Fund

Revenue

| | | |
|-----------------------------|--------------|-------------------|
| Transfer from Electric Fund | 38.7201.3963 | <u>906,900.00</u> |
|-----------------------------|--------------|-------------------|

Appropriation

| | | |
|---|--------------|-------------------|
| 336 ACSR Line Extension FY 2013 | 38.7201.5999 | 256,900.00 |
| Electric System Conversion Continuation | 38.7201.5983 | <u>650,000.00</u> |
| | | <u>906,900.00</u> |

Adopted this 2nd day of October, 2012

- G. Consideration of Adoption of a Final Change Order for Water and Wastewater Rehabilitation Project for Fiscal Year 2011-2012

ORDINANCE 2012-29

AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2012-2013 FOR THE CITY OF NEWTON

WHEREAS, the City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2012, and ending June 30, 2013, in accordance with the General Statutes of the State of North Carolina, and

WHEREAS, the City of Newton recently learned that North Carolina State Employees Credit Union is seeking to relocate an automatic teller machine presently located adjacent to the Food Lion located at 1390 South Highway 16 in Newton. In consideration of this recent discovery and the fact that numerous governmental employees work in the immediate Newton area, a mutual interest with the bank has developed in moving the ATM to a location adjacent to City Hall. The proposed location for the ATM is on a vacant parcel just north of the Newton Police Department between City Hall and Smokey Little's Garage. This location has previously been identified by the City staff for designated employee parking that will result in needed convenient and available parking spaces for citizens visiting City Hall to pay utility bills, obtain permits, consult with Police Department personnel, and conduct meetings relevant to City business, and

WHEREAS, City Council desires to provide City Hall as the host location for the ATM and to provide much needed additional parking at City Hall. The City's costs for the improvements associated with this project are \$41,140 for the Parking Lot (vacant parcel), \$9,724 for resurfacing the existing Police Department parking lot which adjoins the vacant parcel, \$15,416 for lights for parking lot, \$2,000 for tree and stump removal and \$584 for landscaping. Funding for the project will come from a

combination of recognized savings in our liability insurance expense for FY 2013 in the amount of \$12,050 and a recent budget amendment appropriating \$56,850 for a specific street project.

WHEREAS, the City Council authorizes the related expenditure appropriation within the operating budget.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON, NORTH CAROLINA, THAT:

THE FOLLOWING SOURCE OF REVENUE AND APPROPRIATION ARE HEREBY APPROVED.

Section 1

General Fund Appropriations

| | | |
|-------------------------|--------------|-------------------|
| Capital Outlay – Other | 11.4252.8990 | \$(56,850) |
| Capital Outlay – Paving | 11.4260.8911 | \$ 50,900 |
| Capital Outlay – Other | 11.4260.8990 | \$ 18,000 |
| Insurance | 11.4310.7500 | <u>\$(12,050)</u> |
| | | <u>\$ 0</u> |

Adopted this 2nd day of October, 2012

- H. Consideration to Designate Anne Stedman as Voting Delegate and Mary Bess Lawing as the Alternate Voting Delegate at the NCLM Annual Conference October 21-23, 2012

(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 there was anyone present that would like to make any comments concerning non-agenda items. No one appeared.

ITEM 6: **Public Hearing**

- A. To Receive Citizen Input in the Development of Community Development Block Grant (CDBG) Applications for the Coming Year

Mayor Stedman opened the Public Hearing.

City Manager Todd Clark stated that the City of Newton has applied for and received Community Development Block (CDBG) grants over the years. As a recipient of CDBG

funding, the City has been able to rehabilitate numerous homes for income eligible recipients, install needed infrastructure in underserved income eligible areas, and secure funding for economic development purposes.

Mr. Clark explained that in order to continue the City's eligibility in the program this year, a public hearing must be held to announce the intention to apply for grant opportunities that may be deemed beneficial by the City Council. The required public hearing does not obligate the City to apply for grants or provide a financial contribution toward a successful application.

Mr. Clark recommended to City Council to conduct the public hearing as required by the CDBG program and explained that failure to conduct the public hearing will mean the City is ineligible to apply for various grant opportunities.

Mayor Stedman asked if there was anyone present that would like to speak concerning the Development of Community Development Block Grant (CDBG) Applications for the coming year. No one appeared.

ITEM 7: New Business

- A. Consideration of Budget Amendment and Award of Bid for Paving of City Hall Parking Lot Project and approval of Lease Agreement with the State Employees Credit Union

City Manager Todd Clark stated that the City of Newton recently learned that North Carolina State Employees Credit Union (NCSECU) is seeking to relocate an automatic teller machine presently located adjacent to the Food Lion located at 1390 South Highway 16 in Newton. In consideration of this recent discovery and the fact that numerous governmental employees work in the immediate Newton area, Mr. Clark stated that a mutual interest with the bank has developed in moving the ATM to a location adjacent to City Hall.

Mr. Clark stated that the proposed location for the ATM is on a vacant parcel just north of the Newton Police Department between City Hall and Smokey Little's garage. He explained that this location has previously been identified by the City staff for designated employee parking that will result in needed convenient and available parking spaces for citizens visiting City Hall to pay utility bills, obtain permits, consult with police department personnel, and conduct meetings relevant to City business. Mr. Clark explained that if approved by City Council, a drive-up ATM machine will be located in the newly paved parking lot.

Mr. Clark stated that the City of Newton serves as the hub for many state and local government offices including the Newton-Conover School System (administrative offices and schools), the Catawba County School System (administrative offices and Startown Elementary), the N.C. Division of Motor Vehicles, N.C. Highway Patrol offices, N.C. Department of Transportation maintenance facility, a minimum security prison operated by the NC Division of Adult Correction, various City of Newton offices and Catawba County Government Offices (Administration, Courts, Sheriff's Office, County Jail, Clerk of Court, Register of Deeds, Elections Office, and Animal Control). Mr. Clark stated that these state and local government

employees working in these agencies do not have a safe and convenient location to conduct banking transactions including deposits and withdrawals in the absence of a local branch bank in Newton. He explained that the addition of an ATM at City Hall will better serve those needs while generating additional traffic needed in the downtown area.

Mr. Clark stated that if Council agrees to provide City Hall as the host location for the ATM, they would need to execute a lease agreement. Additionally the City will need to construct the needed parking lot north of City Hall, extend power to the preferred location identified by our staff or an alternate location as specified by Council, install necessary lighting, remove one tree and install new landscaping to complement the site. Mr. Clark stated that NCSECU will incur all costs associated with moving the ATM to the city's property including the cost for all permits and the installation of a concrete pad. At this time, the City staff does not propose a monthly or annual lease payment as the ATM is expected to generate additional traffic downtown for our local merchants.

Mr. Clark provided the City's cost for the improvements associated with this project below in Table 1. He stated that the City did solicit bids for paving and those bids are reflected separately in Table 2. Mr. Clark stated that City Council would need to award the paving bid to the lowest responsible and responsive bidder according to City policy and North Carolina General Statute. Mr. Clark stated that funding for the project will come from a combination of recognized savings in our liability insurance expense for FY 2013 (\$12,050) and a recent budget amendment appropriating fund balance for street projects (\$56,850).

Table 1

| | |
|--|------------|
| Parking Lot (vacant parcel) | \$41,140 |
| Parking Lot (resurfacing of existing PD parking lot) | 9,724 |
| Lights for Parking Lot | 15,416 |
| Tree and Stump Removal | 2,000 |
| Landscaping | <u>584</u> |
| Total: | \$68,864 |

Table 2

| | <u>Paving, and grading of new lot.</u> | <u>Overlay of the Existing parking parking lot.</u> |
|-------------------------|--|---|
| 1. Maymead Inc. | \$88,620.00 | |
| 2. MidState Contractors | \$41,140.00 | \$ 9,724.00 |
| 3. JT Russell & Sons | No bid | |
| 4. Carolina Paving | No response | |

Mr. Clark stated that the City is in need of additional parking to accommodate our staff, citizens and volunteers, and that the NCSECU ATM will meet a present need for the County's workforce employed by state and local government agencies while generating additional traffic for downtown merchants.

Mr. Clark stated that City staff recommends that City Council authorize the attached budget amendment transferring adequate funding to the Municipal Buildings budget to construct a parking lot and necessary improvements, execute the attached one year lease agreement with NCSECU, and award a paving bid in the amount of \$50,864 to Mid-State Contractors, the lowest responsible and responsive bidder.

City Council Member Wayne Dellinger stated that the only problem he has with the proposal is that there should be rent charged to the Credit Union. He stated that he would like to see \$250 charged for rent of the space for the ATM.

Mayor Pro Tem Bill Lutz stated the rent charge would cover maintenance costs.

Council Member Mary Bess Lawing asked where the landscaping would be located. City Manager Todd Clark stated that the landscaping would be along the property line shared by the City and Smokey Little. Ms. Lawing asked if there would be any around the ATM. Mr. Clark stated that there could be very low growing shrubs because of security issues. Ms. Lawing stated that she is not in favor of removing any trees.

Council Member Tom Rowe asked if the dumpster would be screened, Mr. Clark answered that it would.

Council Member Tom Rowe stated that the flag pole is not visible from Main Avenue and suggested that the pole be moved to where staff thinks it will be more visible. Mr. Clark stated that it would be taken care of.

Mayor Pro Tem Bill Lutz asked if the curbing would be removed, and Mr. Clark stated that the lot would be seamless.

Council Member Wayne Dellinger made the motion to approve the Consideration of Budget Amendment and Award of Bid for Paving of City Hall Parking Lot Project and approval of Lease Agreement with the State Employees Credit Union, with the Amendment that the State Employees Credit Union be Charged \$250 Per Month for the Lease of the Property for the Automatic Teller Machine. The Motion was seconded by Council Member Robert C. Abernethy, Jr.

Council Member Wes Weaver asked how much the State Employees Credit Union is paying to Food Lion currently for lease for the ATM. Mr. Clark stated that he did not know. Mr. Weaver stated that he is confused as to why we would take up 2 or 3 spaces for an ATM if the City needs additional parking. Mayor Stedman stated that the ATM would not take up much space and that it would increase traffic in the downtown area.

Mayor Pro Tem Bill Lutz asked that if the Pecan tree is removed would the Magnolia tree remain, and would it be grassy. Mr. Clark stated that it would.

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

That Ordinance 2012-29 to Amend Revenues and Expenditures for Fiscal Year 2012-2013 be – APPROVED.

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

ORDINANCE 2012-29
AN ORDINANCE TO AMEND REVENUES AND EXPENDITURES FOR FISCAL YEAR 2012-2013 FOR THE CITY OF NEWTON

WHEREAS, the City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2012, and ending June 30, 2013, in accordance with the General Statutes of the State of North Carolina, and

WHEREAS, the City of Newton recently learned that North Carolina State Employees Credit Union is seeking to relocate an automatic teller machine presently located adjacent to the Food Lion located at 1390 South Highway 16 in Newton. In consideration of this recent discovery and the fact that numerous governmental employees work in the immediate Newton area, a mutual interest with the bank has developed in moving the ATM to a location adjacent to City Hall. The proposed location for the ATM is on a vacant parcel just north of the Newton Police Department between City Hall and Smokey Little's Garage. This location has previously been identified by the City staff for designated employee parking that will result in needed convenient and available parking spaces for citizens visiting City Hall to pay utility bills, obtain permits, consult with Police Department personnel, and conduct meetings relevant to City business, and

WHEREAS, City Council desires to provide City Hall as the host location for the ATM and to provide much needed additional parking at City Hall. The City's costs for the improvements associated with this project are \$41,140 for the Parking Lot (vacant parcel), \$9,724 for resurfacing the existing Police Department parking lot which adjoins the vacant parcel, \$15,416 for lights for parking lot, \$2,000 for tree and stump removal and \$584 for landscaping. Funding for the project will come from a combination of recognized savings in our liability insurance expense for FY 2013 in the amount of \$12,050 and a recent budget amendment appropriating \$56,850 for a specific street project.

WHEREAS, the City Council authorizes the related expenditure appropriation within the operating budget.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON, NORTH CAROLINA, THAT:

THE FOLLOWING SOURCE OF REVENUE AND APPROPRIATION ARE HEREBY APPROVED.

Section 1

General Fund Appropriations

| | | |
|------------------------|--------------|------------|
| Capital Outlay – Other | 11.4252.8990 | \$(56,850) |
|------------------------|--------------|------------|

| | | |
|-------------------------|--------------|-------------------|
| Capital Outlay – Paving | 11.4260.8911 | \$ 50,900 |
| Capital Outlay – Other | 11.4260.8990 | \$ 18,000 |
| Insurance | 11.4310.7500 | <u>\$(12,050)</u> |
| | | <u>\$ 0</u> |

Adopted this 2nd day of October, 2012

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

That the Lease Agreement with the State Employees Credit Union for a One Year Term, with the Amendment that the State Employees Credit Union be Charged \$250 Per Month for the Lease of the Property for the Automatic Teller Machine be – APPROVED.

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

That Robert C. Abernethy, Jr. be RECUSED from Voting in the Matter of the Award of Bid for Paving for the City Hall Parking Lot.

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

That the Award of Bid for Paving for the City Hall Parking Lot be – APPROVED

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

That Resolution 12-2012 – Authorizing the City Manager to Lease or Rent City Property be – ADOPTED

RESOLUTION 12-2012
A Resolution Authorizing the City
Manager to Lease or Rent City Property

WHEREAS, The provisions of NCGS 160A-272(b) allows the Council of the City of Newton to delegate by resolution to the City Manager the authority to lease or rent city property for terms of one year or less; and

WHEREAS, The Newton City Council desires to delegate this authority to its City Manager

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Pursuant to the provisions of NCGS 160A-272(b) the City Council of the City of Newton hereby authorizes the City Manager to lease or rent city property for terms of one year or less.

Adopted this 2nd day of October, 2012

City Attorney Larry Pitts stated that this Lease will not just automatically renew, but that adoption of this Resolution just gives the City Manager authority per NCGS 160A-272(b) to lease or rent property for terms of one year or less.

A. Presentation and Report on Code Enforcement and Introduction To Proposed Text Amendment

Police Chief Don Brown stated that City Council and staff have recognized the proliferation of nuisance violations in the City and that as a result, a concerted effort is being made to more aggressively enforce the City Code. Chief Brown explained that this includes the recent employment of a full time Code Enforcement Officer whose duty will be to enforce City Code regarding nuisance violations, minimum housing code violations and non-residential maintenance code.

Chief Brown stated that the current code does not provide for a hearing process to allow property owners the opportunity to be heard in nuisance cases. Also the current code requires that the City Manager review cases and order the abatement of nuisances through the use of city resources only, and that the proposed code text amendment allows for a hearing before the Chief of Police or his or her designee, and also allows the use of contracted resources for the abatement of nuisances.

Chief Brown explained that although the proposed code changes are minimal, they will better streamline the process while allowing due process to the property owners. Chief Brown stated that with the ability to utilize contracted resources the city staff would not be required to strain current city resources for the abatement of nuisances.

Chief Brown recommended approval of the text amendment relating to section 62-7 and 62-8 (Nuisance Abatement) of the City of Newton code of ordinances.

Council Member Wayne Dellinger asked if the nuisance violators pay \$25 or \$300. Todd Clark, City Manager, stated that they would pay the full \$325. Mr. Dellinger asked what happens if they still do not pay. Chief Brown answered that a lien would be placed on their property. Mr. Dellinger asked if the city would help with the clean up of the property. Wilce Martin, Public Works and Utilities Director stated that Public Works would do all that they could do to help.

Council Member Wes Weaver asked if there are 15 days until the hearing. Chief Brown stated that there would be 10 days until the hearing.

Mayor Anne Stedman asked if the City of Hickory was successful so far with this method. Chief Brown answered yes.

Council Member Wes Weaver asked what would happen if the house or property is in foreclosure. Chief Brown stated that the bank that owns the property would be contacted. Council Member Weaver asked if the Code Enforcement Officer would be doing all the notifications. Chief Brown said that he would and that he thought it would be better if the notifications were done in person.

Council Member Bill Lutz asked if the lien would still apply after the foreclosed property sold. City Attorney Larry Pitts stated that the lien is on the property itself and that a tax lien would be needed. He stated that the county does not have ability to continue the lien, and that it would have to be renewed annually. Mr. Pitts said that if a lien is taken out through the Clerk's office then it would not die in one year.

Council Member Mary Bess Lawing stated that the banks should want to clean the property.

Mr. Pitts stated that there are cases where it is hard to find out who owns the property.

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

That Proposed Text Amendment Relating to Section 62-7 and 62-8 (Nuisance Abatement) of the City of Newton Code of Ordinances be – APPROVED.

ITEM 8: City Manager's Report

- NCLM Annual Conference, Oct. 21-23
- Newton 101 – This Thursday, October 4th - Recreation
- Station 3 Open House, this Sunday Oct. 7th, 3:00 p.m.
- Putting together a tour of Technibilt – will get dates to consider to Council in the next few days
- Captain Tim Hayes awarded BS in Criminal Justice Admin on August 31, 2012 from Bellevue University, Bellevue Nebraska
- Central High School Update
- Planning Dept. Corridor Overlay Protection District, Accessory Uses, Temporary Uses
- Westside Area Plan – Thursday, October 4, 5pm-7pm

ITEM 9: Questions and Comments from Mayor and Council

Mayor Stedman asked if there were any questions or comments from City Council. There were none.

ITEM 10: Closed Session to Consult with the City Attorney – G.S. 143-318-11(a)(5) and G.S. 143-318-11(a)(6)

Upon motion duly made by Council Member Mary Bess Lawing, seconded by Council Member Tom Rowe, it was unanimously approved to enter Closed Session to consult with the City Attorney per G.S. 143-318-11(a)(5) and G.S. 143-318-11(a)(6).

City Manager Todd Clark initiated a discussion regarding a position vacated in December of 2011 as the result of the retirement of the City's Planning Director and Assistant City Manager.

City Council discussed the vacancy and authorized the City Manager to hire an Assistant City Manager/Planning Director.

ITEM 11: Adjournment

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

Amy S. Falowski, City Clerk



Anne P. Stedman, Mayor