

AGENDA

CITY OF NEWTON



August 4, 2020

AGENDA
CITY OF NEWTON
NEWTON CITY COUNCIL - REGULAR MEETING

August 4, 2020

7:00 p.m.

- | | | |
|------|----|--|
| Page | 1. | <u>Call to Order – Mayor Eddie Haupt</u> |
| | 2. | <u>Opening – Council Member Beverly Danner</u> |
| 3 | 3. | <u>Approval of Minutes from the July 7, 2020, Regular Meeting</u> |
| | 4. | <u>Consideration of Consent Agenda Items</u> |
| 10 | A. | Sewer Adjustments |
| 11 | B. | Consideration of Budget Ordinance to Carry Forward Outstanding Purchase Order at June 30, 2020 |
| 14 | C. | Consideration of Official Intent to Reimburse Capital Purchase in FY 2020-2021 Budget with Borrowed Funds |
| | 5. | <u>Comments from the Public: (IF YOU WISH TO MAKE A PUBLIC COMMENT ON NON-AGENDA ITEMS RELATED TO CITY BUSINESS, PLEASE EMAIL CITY CLERK AMY FALOWSKI AT CITYCLERK@NEWTONNC.GOV OR CALL 828-695 4359 TO LEAVE A VOICE COMMENT. ALL EMAILS AND VOICE COMMENTS MUST BE RECEIVED BY 5:00 PM ON August 4, 2020)</u> |
| | 6. | <u>New Business</u> |
| 16 | A. | Consideration of a Resolution Exempting the City of Newton from North Carolina General Statute 14-234 (Public Officers or employees benefiting from public contracts; exceptions) |
| | 7. | <u>City Manager’s Report</u> |
| | 8. | <u>Questions and Comments From Mayor and Council</u> |
| | A. | Reports from Appointed Representatives on Outside Boards – Council Member Anne Wepner |
| | 9. | <u>Adjournment</u> |

PERSONS WANTING TO BE PLACED ON THE AGENDA FOR THE NEXT MEETING MUST CONTACT THE CITY MANAGER AT LEAST SEVEN WORKING DAYS BEFORE THE MEETING. The City of Newton does not discriminate on the basis of disability in the provision of its services as charged by the City Council of the City of Newton. All meetings are held in accessible facilities. Any person with a disability needing special accommodations should contact Sean Hovis, ADA Coordinator, at least 48 hours prior to the scheduled meeting.

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

July 7, 2020 – 7:00 p.m.

The regular meeting of the Newton City Council was held at 7 p.m. Tuesday, July 7, 2020 at Newton City Hall.

PRESENT: Mayor Eddie Haupt, Mayor Pro Tem John Stiver and Council Members Jerry Hodge, Anne Wepner, Jody Dixon, Beverly Danner and Ed Sain

STAFF: Assistant City Manager Sean Hovis, City Clerk Amy S. Falowski, City Attorney John Cilley, City Department Heads and members of the management team

ITEM 1: CALL TO ORDER

Mayor Eddie Haupt welcomed everyone and called the meeting to order.

ITEM 2: OPENING Invocation and Pledge of Allegiance

Council Member Jody Dixon provided the opening and Pledge of Allegiance.

ITEM 3: APPROVAL OF MINUTES

Upon motion duly made by Council Member Ed Sain, seconded by Mayor Pro Tem John Stiver, it was unanimously RESOLVED:

That the Minutes from the June 16, 2020, Regular Meeting and the May 27, 2020 Special Meeting be – APPROVED

ITEM 4: CONSIDERATION OF CONSENT AGENDA ITEMS

Upon motion duly made by Council Member Jody Dixon, seconded by Council Member Jerry Hodge, it was unanimously RESOLVED:

That the Consent Agenda be – APPROVED

- A. Sewer Adjustments
- B. Consideration of Assistant City Manager Sean Hovis for Re-Appointment as Board Member to the Western Piedmont Regional Transit Authority Board of Directors, and Planning Director Randy Williams as Alternate Member

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

ITEM 5: COMMENTS FROM THE PUBLIC: PEOPLE WHO WISH TO COMMENT ON NON-AGENDA ITEMS ARE ASKED TO SIGN IN WITH THE CITY CLERK PRIOR TO THE MEETING.

Mayor Eddie Haupt asked if anyone present would like to make comment concerning non-agenda items

Michael Waltuch commended Public Works on their response to repairs on N College Avenue to a water line break. He stated that it was very appreciated. He also stated that the opening of another block (A Street) should be considered an achievement and that the street and the park look great. He stated that what is left needs support on College and 1st with signage.

ITEM 6: Presentation

A. DNDA Presentation – Leslie Yount

Leslie Yount, president of The Downtown Newton Development Association, stated that the DNDA board discussed rescheduling some of the planned events and is recommending that all 2020 events be cancelled. The DNDA will work on moving the concert series to dates in the spring of 2021 since we do have deposits with three bands.

Ms. Yount stated that as we get closer to Light Up the Town, the Promotions Committee will look into what can safely be planned to celebrate the lighting of the 1924 Courthouse.

Ms. Yount provided a list of events that would need to be cancelled and/or re-scheduled:

July 11th Legacy Band – R&B, Motown
August 1st Darrell Harwood - Country
September 5th - Gary Lowder and Smokin' Hot – Beach Music
October 24th – Spooktacular
November 21st – Light Up The Town

ITEM 7: Public Hearings

A. Plan Amendment 2020-01 Timber Creek Acres to Amend the Previously Approved Planned Development, 2360 W NC 10 Hwy

Mayor Haupt opened the Public Hearing.

Randy Williams stated that staff received a development plan from Timber Creek Acres, LLC. to construct a medical facility on a 2 acre outparcel in front of the Startown Crossing Shopping Center. The project will front on W NC 10 Hwy and the only driveway will be off of the shopping center's existing driveway access from W NC 10 Hwy.

Mr. Williams stated that while researching the compliance with Zoning requirements, it was determined that the subject property is currently zoned as PD-SC-C (Planned Development Shopping Center - Community). This zoning designation was established in 2002 when the City Council approved a development plan for the entire Startown Crossing Shopping Center which included the out-parcel in question. Mr. Williams explained that the Zoning Ordinance specifies that any **substantial change** in an approved preliminary plan **shall be considered by Council**. This is not a rezoning, this is only an amendment to the previously approved plan.

Mr. Williams stated that the proposed use is a permitted use in the zoning district and that the original approved plan indicated that the area where the veterinary hospital is now proposed would be used for stormwater management. The stormwater was accommodated elsewhere within the shopping center. Mr. Williams explained that the approved plan requires a sidewalk along the frontage of W NC 10 Hwy and a 15 foot landscaped buffer along the property line. This is not shown on the plan submitted. In addition to the requirements on the original approved plan, the development would still have to comply with the zoning, erosion control, and stormwater ordinance as it relates to the development of the site and that the plan amendment would approve the location of the building, parking and driveway on the site; as well as the appearance of the building.

Mr. Williams stated that the notices for this case have been performed as follows:

Newspaper: published on June 25 and July 2, 2020.

Posted on-site: posted June 12, 2020

Mailed notices: sent notice to the owner of the site, owners of adjacent property, and the owners of property within 100 feet of the property adjacent to the subject site. 20 letters were sent on June 26, 2020

Mr. Williams stated that it is the Planning Commission's recommendation that the attached plan be approved on the condition that the plan complies with the conditions established when the original plan was approved in 2002, which are as follows:

1. That a 15' buffer and screening be established along the north side and east side of the parcel.
2. That sidewalks be constructed along the frontage along NC 10 Hwy.

Mayor Haupt asked if there was anyone present that would like to speak during the Public Hearing. No one appeared.

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Jerry Hodge, it was unanimously RESOLVED:

That the Public Hearing be – CLOSED

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Ed Sain, it was unanimously RESOLVED:

That Plan Amendment 2020-01 Timber Creek Acres to Amend the Previously Approved Planned Development, 2360 W NC 10 Hwy be – APPROVED

B. Community Development Block Grant Neighborhood Revitalization Scattered-Site Housing Project

Planning Director Randy Williams stated that Federal Community Development Block Grant funds are distributed across the county for many diversified uses. One such use is the rehabilitation of houses for low- and moderate-income families in scattered sites across the city. Staff and the Western Piedmont COG are working together on this program. WPCOG staff will be administering this effort to the benefit of Newton citizens and housing needs. This will include the identification and rehabilitation of three to seven homes in the city. Mr. Williams introduced Lourie Powell, administrator for the project for the City of Newton.

Ms. Powell stated that this is the city's second Public Hearing in order to receive citizen input in the development and submission of a NC Neighborhood Revitalization Scattered Site Housing Project with Community Development Block Grant (CDBG-NR) funds. CDBG-NR funds will be requested for \$750,000 to be used for the rehabilitation of fifteen (15) 100% low to moderate income, owner occupied homes scattered throughout the Newton City limits. Ms. Powell stated that applications will be submitted to the North Carolina Department of Commerce, Rural Economic Development Division by July 27th. The City most likely will not find if they are funded until later this fall.

Ms. Powell stated that five (5) homes have been selected at this time and the other ten (10) homes will be selected at later date due to Covid-19. The City will continue to take applications for this grant program. Once the other ten (10) have been selected, a waiting list will be started.

Mayor Haupt asked if there was anyone present that would like to speak during the Public Hearing. No one appeared.

Michael Waltach asked how the public is being informed about how to apply for the program. Mr. Williams stated that it would be in the paper and on social media and the city's website. He said the city will also explore other options.

Upon motion duly made by Council Member Ed Sain, seconded by Mayor Pro Tem John Stiver, it was unanimously RESOLVED:

That the Public Hearing be – CLOSED

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Anne Wepner, it was unanimously RESOLVED:

That the City Pursue this Grant and Submission of the Application by the Western Piedmont Council of Government Staff

ITEM 8: Old Business

A. Consideration of Lease Agreement for Municipal Owned Property Located at 116 West A Street and Adjoining Tract – D9 Brewing Company

Assistant City Manager Sean Hovis stated that the City Council held a Special Meeting on May 27, 2020, to consider the possible leasing of the former Fire Department Headquarters station and parking area behind said headquarters building on West “A” Street in Newton. The proposed tenant for the former Fire Headquarters is District 9 Brewing Company.

Mr. Hovis stated that after a lengthy discussion concerning the possibility of entering a long-term lease with District 9 Brewing Company, and the terms thereof, Council determined that it would like to enter into such agreement with the proposed tenant provided that the City of Newton and District 9 Brewing Company could agree to mutually acceptable terms for a long-term rental agreement of less than ten (10) years as required by North Carolina General Statute 160A-272. He said that Council reached a consensus as to specific terms the City would require of the Tenant, including but not limited to, the length of the lease, the rental amount for the building and adjoining parking area, the requirement of general liability insurance with specific amounts of coverage required for property damage, bodily injury, personal injury or death, and general maintenance, upgrades and repair of the interior of the building. Mr. Hovis explained that the tenant would also be responsible for the payment of all utilities associated with the use of the building. Council then instructed the City Manager to negotiate the terms of a possible lease with District 9 Brewing Company within parameters as set by Council.

Mr. Hovis stated that at the June 2, 2020, regularly scheduled City Council meeting, Council directed the City Clerk to publish the Notice of Intent to lease the subject property at least thirty (30) days prior to authorizing the execution of said lease as required by North Carolina General Statute 160A-272(a)(1). The notice was published in both the Observer-News-Enterprise and the Hickory Daily Record within the time frame required.

Mr. Hovis stated that the City Attorney, with input from the City Manager, Assistant City Manager and Planning Director, drafted a proposed Lease Agreement incorporating the terms as discussed by the City Council at its Special Meeting on May 27, 2020. The terms of the Lease include, but are not limited to, a schedule of total rental payments for the first five (5) years of the Lease, usage requirements and limitations for the location, maintenance and upgrades of the building, insurance requirements including indemnification of the City should there be an injury to either an employee or patron at the site, requirements as to specific insurance coverage amounts, and provisions for allowing the Lessee to exercise two (2) year options to extend the Lease for an additional four (4) years at specific rental rates as contained in the Lease Agreement. The maximum time limit that the Lessee may lease the structure under this specific Lease Agreement is nine (9) years.

Mr. Hovis stated that staff and the City Manager recommend City Council to consider the terms of the Lease as presented with a determination by City Council that the subject property will not be needed by the City for the term of the Lease as required in North Carolina General Statute 160A-272(a) and that Council approve the Lease Agreement with District 9 Brewing Company with an authorization for the Mayor to execute said Lease Agreement on behalf of the City.

Upon motion duly made by Council Member Jody Dixon, seconded by Council Member Ed Sain, it was unanimously RESOLVED:

That the Lease Date – July 8, 2020 be – APPROVED

Upon motion duly made by Council Member Jody Dixon, seconded by Mayor Pro Tem John Stiver, it was unanimously RESOLVED:

That the Cost of Asbestos Removal – \$18,500 be – APPROVED

Upon motion duly made by Council Member Jody Dixon, seconded by Mayor Pro Tem John Stiver, it was unanimously RESOLVED:

That Lease Agreement for Municipal Owned Property Located at 116 West A Street and Adjoining Tract – D9 Brewing Company be – APPROVED

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

ITEM 9: **New Business**

- A. Consideration of Stormwater Planning and Administration Agreement with the Western Piedmont Council of Governments

Planning Director Randy Williams stated that in 2019, the City of Newton approved the state mandated Stormwater Management Plan, whose purpose is “to establish and define the means by which the City of Newton will comply with its National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Permit and the applicable provisions of the Clean Water Act to meet the federal standard of reducing pollutants in stormwater runoff to the maximum extent practicable.” Mr. Williams stated that this agreement will employ the WPCOG to provide technical assistance and services to implement the provisions required by the plan.

Mr. Williams stated that in March 2019, the City of Newton, along with other cities in the region, were audited by the NCDEQ and received a Notice of Violation, as well as the other cities. Newton acknowledged those violations and, as part of the compliance measures developed a Stormwater Management Plan. Mr. Williams explained that in the past, stormwater management has been conducted by both Planning and Public Works departments. Even with the minimal measures outlined in the plan, the NCDEQ requirements were extensive and made it necessary for expanded oversight and training. In light of those requirements and that the WPCOG has a capable and professional staff, it was determined the best approach was to hire WPCOG to administer the program for the City.

Mr. Williams stated that Staff recommends approval of this agreement between the City of Newton and the Western Piedmont Council of Governments to administer the City’s Stormwater Management Plan from July 1, 2020 to June 30, 2021 in the amount of \$32,396.00 including public education and outreach, public involvement, illicit discharge detection and elimination, construction site stormwater runoff control, post construction stormwater management and pollution prevention.

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Jerry Hodge, it was unanimously RESOLVED:

That the Stormwater Planning and Administration Agreement with the Western Piedmont Council of Governments be - APPROVED

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

B. Consideration of Award of Bid and Intent to Reimburse – Sewer Jet Truck

Assistant Manager Sean Hovis stated that the water sewer operations department has a specialized piece of equipment that is used for cleaning and flushing sewer mains in the sewer system. This piece of equipment is known as a jet truck. This jet truck responds to sewer backups, overflows because of backups, and cleaning that is mandated by the North Carolina Department of Quality (NCDEQ). Mr. Hovis stated that the jet truck is able to reach small, tight areas and responds quickly as required by NCDEQ. The jet truck is a 1999 International and the hydraulic water pump is the pump used to flush the gravity line with water at a high pressure. It was replaced in 2007 and again in 2014.

Mr. Hovis stated that the week of June 15, 2020 the sewer cleaning jet truck hydraulic water pump quit working. Staff repaired the hydraulic water pump three times last fiscal year. If this pump breaks down one more time, staff will have to sideline this unit until the pump and hydraulic system is replaced. Mr. Hovis explained that total cost will be around \$26,400. The repairs to the pump do not extend the life of the truck chasis. In the fiscal year 2020-2021 budget, Newton City Council approved \$154,500 to replace this truck. The budgeted amount is to be financed.

Mr. Hovis stated that the NC Sheriffs' Association's Heavy Equipment Procurement Program currently has this unit listed. The purchasing cost of a jet truck is \$148,349.17, the tag title cost of \$2,006.00. Total cost to replace the sewer cleaning jet truck is \$150,355.17, and the delivery time could be up to 160 days, dependent on supply disruptions.

Mr. Hovis stated that Staff wishes to purchase a new sewer cleaning jet truck and necessary equipment with the intent to reimburse now, so that we are not forced to spend \$26,400 then replace the truck in a few months. Having this truck out of service to repair or replace can risk issues with sewer overflows that could lead to NCDEQ fines. Total cost of reimbursement will be \$150,355.17.

Mr. Hovis stated that Staff is requesting that Council adopt the attached "Intent to Reimburse" resolution and to authorize the Public Works and Utilities Department to purchase a sewer cleaning jet truck.

Upon motion duly made by Council Member Ed Sain, seconded by Council Member Jody Dixon, it was unanimously RESOLVED:

That the Purchase of and the Award of Bid be – APPROVED

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Jerry Hodge, it was unanimously RESOLVED:

That the Resolution – Intent to Reimburse be - ADOPTED

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

C. Consideration of Award of Contract and Intent to Reimburse for the Purchase of Fire Truck

Fire Chief Kevin Yoder stated that the purchase of a Fire Engine is included in the FY 2020-2021 budget and Capital Improvement Plan. Chief Yoder stated that the City has received a bid through a national purchasing cooperative referred to as HGAC (Houston Galveston Area Council), and that this purchasing cooperative is used by numerous municipalities in North Carolina and complies with all current bidding and purchasing laws and guidelines. Chief Yoder stated that although this bidding process is conducted through the cooperative, the apparatus will be manufactured by a vendor used by the City of Newton previously. This manufacturer has constructed most of the current fire apparatus currently in use by the Fire Department. The manufacturer/vendor is the Sutphen Corporation.

Chief Yoder stated that staff has evaluated the specifications and pricing from HGAC and the Sutphen Corporation, and the bid amount is \$628,442.37. The construction of the apparatus will take approximately 15 – 17 months following the signing of the contract. Therefore, delivery would be December 2021 – February of 2022. Chief Yoder

explained that there will be additional purchases of fire equipment to equip this vehicle for service. The equipment will be purchased later in the fiscal year prior to delivery of the apparatus. The equipment for this apparatus is expected to be within the total budget for this project of \$746,750.00.

Chief Yoder stated that Staff recommends to award the bid for construction of the custom fire engine of \$628,442.87 to the Sutphen Corporation through the Houston Galveston Area Council, and to adopt the Intent to Reimburse Resolution.

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Ed Sain, it was unanimously RESOLVED:

That the Purchase of and the Award of Bid be – APPROVED

Upon motion duly made by Mayor Pro Tem John Stiver, seconded by Council Member Jerry Hodge, it was unanimously RESOLVED:

That the Resolution – Intent to Reimburse be - ADOPTED

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

ITEM 10: City Manager's Report

Meetings & Events

- August 4 – City Council Meeting

Other

- Update on Utility Balances
- Update on Streetscape
- Year End Report – Police
- Year End Report – Fire

Finance Director Vickie Thomas gave an update on Utility Balances.

ITEM 11: Questions and Comments from Mayor and Council

Mayor Haupt asked if there were any questions or comments from City Council.

Council Member Ed Sain gave reports concerning the Appearance Commission and the Recreation Commission.

ITEM 12: Adjournment

Upon motion duly made by Council Member Ed Sain, seconded by Council Member Jody Dixon, it was unanimously RESOLVED:

That the Meeting be – ADJOURNED

Amy S. Falowski, City Clerk



Eddie Haupt, Mayor

CITY OF NEWTON

Sewer Adjustments

TO: E. Todd Clark, City Manager **DATE:** 7/21/2020
RE: Sewer Adjustments – 08/04/2020
FROM: Vickie Thomas, Finance Director

The following sewer adjustment is recommended for approval. The adjustment is recommended as a result of a water leak at the service address or a pool fill up.

Account Number	Name	Service Address	Adjustment Period	Amount of Adjustment
20005050-001	Gary Kilby	915 Westside Dr	July	43.26
17000172-002	Jessica Watkins	762 Courtyard Dr	July	126.03
22012112-002	Lydia Silva	2260 Evergreen Dr	July	75.24
21000960-002	Ofelia Hernandez	1526 Brentwood Ct	Apr- June	357.39

Backup documentation to support each adjustment is on file in the Finance Department.
Should you have questions or require further clarification, please notify.

CITY OF NEWTON REQUEST FOR COUNCIL ACTION

DATE: July 30, 2020

TO: E. Todd Clark, City Manager

FROM: Vickie Thomas, Finance Director

CONSIDERATION OF: Budget Ordinance Amendment to Carry Forward Outstanding Purchase Orders at June 30, 2020

Approved for Council Consideration



BACKGROUND:

As of June 30, 2020, the City of Newton had \$773,500 in outstanding purchase orders. In accordance with Governmental Accounting Standards, these purchase orders will not be recognized as expenditures in Fiscal Year 2020 since they were not complete. However, for reporting purposes, these purchase orders will be reflected as a reservation of fund balance or a reinstatement of grant revenues for those funded with grant revenues. This is a normal and routine practice of all counties and municipalities. These purchase orders are still legal, valid obligations of the City.

The attached budget ordinance reflects the necessary appropriations to reinstate these purchase orders in Fiscal Year 2021.

ACTION SUGGESTED:

Motion to approve the attached Budget Ordinance Amendment to provide funding for the outstanding purchase orders at June 30, 2020.

ORDINANCE

**AN ORDINANCE TO CARRY FORWARD
OUTSTANDING PURCHASE ORDERS AT JUNE 30, 2020**

WHEREAS, The City Council of the City of Newton have adopted a Budget Ordinance for fiscal year beginning July 1, 2020, and ending June 30, 2021, in accordance with the General Statutes of the State of North Carolina, and

WHEREAS, The City of Newton has outstanding purchase orders encumbered at June 30, 2020, that were not received before year end; therefore, those will be received and payable in the current fiscal year, and

WHEREAS, The City Council desires to honor these encumbrances and appropriate funds in the budget for Fiscal Year 2021.

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	
Revenue		
Fund Balance Appropriation	11-0000.3990	\$416,550
Federal Grants	11-0000.3440	47,100
Appropriation		
Administration		
Marketing/Promotion	11-4120.6710	\$ 5,000
Information Systems		
Non-Capital Outlay	11-4132.7900	2,300
Capital Outlay – Data Processing Equip	11-4132.8200	4,000
Streets and Drainage		
Capital Outlay – Vehicles	11-4252.8400	800
Public Safety – Police		
Service/Maint Contracts	11-4310.7430	22,400
Reserve Liability Insurance Claims	11-4310.7501	5,150
Capital Outlay – Vehicles	11-4310.8400	354,250
Capital Outlay – Other Equipment	11-4310.8500	69,750

Water & Wastewater Fund

Revenue

Fund Balance Appropriation	61-0000.3995	\$ 141,800
State Grants	61-0000.3410	150,000

Appropriation

Water & Wastewater Operations		
Professional Services – Other	61-7100.4990	\$ 150,000
Service/Maint Contract –Soft	61-7100.7430	5,150
Capital Outlay – Water Lines	61-7100.8951	9,300
Water Treatment Plant		
Rent of Other Equipment	61-7130.7390	5,050
Capital Outlay – Land Improvement	61-7130.8700	65,900
Capital Outlay – Bldg Improvement	61-7130.8800	27,100
Wastewater Treatment Plant		
Professional Services – Engineering	61-7141.4940	20,000
Reserve for Liability Insur Claims	61-7141.7501	2,400
Capital Outlay – Other Equipment	61-7141.8500	6,900

Electric Fund

Revenue

Fund Balance Appropriation	63-0000.3995	\$ 18,050
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Appropriation

Equipment Repair/Maint	63-7201.6520	\$ 1,300
Other Services	63-7201.6990	6,300
Service/Maint Contract –Soft	63-7201.7430	10,450

Adopted this 4th day of August, 2020.

Eddie Haupt, Mayor

Attest:

Amy S. Falowski, City Clerk



CITY OF NEWTON
REQUEST FOR COUNCIL ACTION

DATE: July 9, 2020

TO: Todd Clark, City Manager

FROM: Vidal A. Sipe, Chief of Police

CONSIDERATION OF: Official Intent to Reimburse Capital Purchase in FY 2020-2021 Budget with Borrowed Funds.

Approved for Council Consideration



Background:

In the 2020-2021 FY budget, Newton City Council approved \$246,950.00 to purchase and equip Five (5) new vehicles for the Newton Police Department. Four (4) patrol vehicles will be financed at a cost of \$131,786.40 and a fifth administrative vehicle will be purchased with the remaining funds after the patrol vehicles have been purchased and fully equipped. Once financing has been arranged, ordering of new vehicles usually takes place in January or February of the following calendar year using borrowed funds. Ford has announced that the immediate ordering of new vehicles should occur to ensure the shortest delivery time. Currently, vehicles purchased in July 2020 will not be delivered until January 2021 at the earliest, sometimes later depending on supply disruptions, pushing back delivery to May or June. Adopting the Intent to Reimburse will enable the city to start the purchasing process now rather than January. This time frame does not include vehicle up-fitting requiring an additional 30-60 days.

The City of Newton Police Department has received notification from the NC Sheriffs' Association's Cooperative Purchasing Programs and the State of NC Purchase Contract that all current vehicle pricing is locked in until October 2020. This option will also allow for the potential cost savings as the pricing of new patrol vehicles is expected to increase for the 2021 purchase contract. It is the desire of the police department to pre-order vehicles and equipment necessary to install and up-fit for duty with the "Intent to Reimburse". Vehicles could be purchased and up-fitted prior to June 2021, pending no supply or installation issues. This option would reduce the current burden placed on the police fleet for the short term until additional vehicles can be purchased in the future.

If approved by City Council, the balance of the funds remaining after the purchase of the four patrol vehicles (\$115,163.60) will be used for the upfitting of all four cars and the purchase of a vehicle for the narcotics division.

Summary:

Use an "Intent to reimburse" to move forward with the purchase of five (5) police department vehicles including equipment and installation necessary for up-fitting.

Requested Action:

Motion to adopt the attached "Intent to Reimburse" resolution authorizing the Newton Police Department to purchase five (5) vehicles and equipment to include installation and complete up-fitting.

Resolution
A Resolution Declaring Official Intent
to Reimburse Expenditures

WHEREAS, the City of Newton desires to incur certain capital expenditures prior to the issuance of debt; and

WHEREAS, the City of Newton intends to reimburse such expenditures from the proceeds of debt to be issued; and

WHEREAS, this is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section; and

WHEREAS, the undersigned is authorized to declare the official intent of the City of Newton, North Carolina with respect to the matters contained herein.

NOW, THEREFORE, BE IT RESOLVED The City's Fiscal Year 2021 Budget reflects \$246,950 for the purchase of five police vehicles which will be financed. The City can purchase these vehicles at the 2020 contract pricing which will provide potential savings as the pricing for 2021 is expected to increase. Expediting the purchasing process by ordering in advance of the financing will not only provide savings but will help alleviate extended delivery times of the new vehicles.

The cost is estimated to be \$246,950 for the five financed vehicles which includes equipment upfitting as well.

The City of Newton intends to finance the cost of the Project with the proceeds of debt to be issued, the interest on which is to be excluded from gross income for Federal income tax purposes,

The maximum principal amount of the Borrowing to be incurred by the City of Newton to finance the Project noted above is \$246,950.

The City of Newton hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

Adopted this 4th of August, 2020.

Amy S. Falowski, City Clerk



Eddie Haupt, Mayor

**CITY OF NEWTON
REQUEST FOR COUNCIL ACTION**

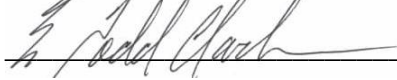
DATE: July 29, 2020

TO: Mayor and City Council

FROM: Todd Clark, City Manager

CONSIDERATION OF: Consideration of A Resolution Exempting the City of Newton from North Carolina General Statute §14-234

Approved for Council Consideration



Background:

The City of Newton will hold a drive-through appreciation luncheon for city staff on August 21, 2020. The staff would like to use the food truck service that is presently owned and operated by Council Member Anne Wepner. In accordance with N.C.G.S. § 14-234, however, no city council member who is involved in making or administering contracts on behalf of a city may derive a direct benefit from any contract entered into between him/her and the city unless the city meets specific exemption requirements as set forth in Subdivision (a)(1) of the statute. Attached you will find a resolution that exempts the City of Newton and enables the city to use Council Member Wepner's business for the purpose of the appreciation luncheon to be held on August 21, 2020

Recommendation:

I recommend approval of the attached Resolution.

RESOLUTION
A RESOLUTION EXEMPTING THE CITY OF NEWTON
FROM NORTH CAROLINA GENERAL STATUTE § 14-234

WHEREAS, North Carolina General Statute § 14-234 (a) (1) sets forth that no public officer or employee who is involved in making or administering a contract on behalf of a public agency may derive a direct benefit from the contract except as provided in NCGS § 14-234, or otherwise allowed by law; and

WHEREAS, North Carolina General Statute § 14-234 (a1) (1) defines a “public officer” as an individual who is elected or appointed to serve or represent a public agency, other than an employee or independent contractor of a public agency; and

WHEREAS, Cities having a population of no more than 15,000 according to the most recent official federal census may be exempted from Subdivision (a) (1) of NCGS § 14-234 if the following actions are taken:

- 1) The proposed contract(s) between the city and one of its officials must be approved by a specific resolution of the governing body adopted in an open and public meeting and the action must be recorded in the city council’s minutes;
- 2) The amount does not exceed forty thousand (\$40,000) for goods and services within a 12-month period;
- 3) The official entering into the contract with the unit or agency cannot participate in any way or vote;
- 4) The total amount of the contract(s) with each official is specifically noted in the audited annual financial statement of the city; and
- 5) The City Council must post in a conspicuous place in city hall a list of officials with whom contracts have been made, briefly describes the subject matter of the contracts, and shows the total contract amounts within the preceding 12 months; all of which must be updated on a quarterly basis.

WHEREAS, the City of Newton proposes to rent a facility from a City of Newton officer for a public purpose

NOW THEREFORE, BE IT RESOLVED, that the Newton City Council adopt this resolution with the intent of using a Food Truck, owned and operated by Council Member Anne Wepner, for the purpose of hosting one event on the date of August 21, 2020.

Adopted this the 4th day of August, 2020

Eddie Haupt, Mayor

Amy S. Falowski, City Clerk

