

The regularly scheduled meeting of the Norton City Council was held on Tuesday, August 18, 2009 at 6:00 p.m. in the Municipal Council Chambers with Mayor William Mays presiding.

Present: Mark Caruso, Joseph Hunnicutt, William Mays, Joseph Fawbush, and Terry Roop

Also Present: E. W. Ward, City Manager and Bill Bradshaw, City Attorney

At this time, Mayor Mays recognized Rev. Ken Taylor, who gave the invocation, and welcomed back Councilman Joseph Hunnicutt, who had been ill. The pledge of allegiance was led by Captain J. C. Lane of the Norton Police Department.

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Upon a motion by Councilman Caruso, seconded by Councilman Hunnicutt, and passed by unanimous vote, the minutes of the July 28, 2009 meeting were approved as presented.

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There was no response to the Mayor's call for visitors.

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A public hearing was held on An Ordinance of the City Council of the City of Norton, Virginia Amending Section 23-2 of the Norton City Code Establishing a Due Date for the Payment of Local Taxes and Prescribing Penalties and Interest Thereof.

The City Manager advised that this topic has been discussed by Council on several occasions and at the last meeting a draft ordinance was presented to Council for consideration. If adopted, it would establish twice a year payments for real estate taxes. These dates would be May 15th and October 15th and personal property, machinery and tools taxes would be due by October 15th. He further advised that the City Treasurer, the Commissioner of Revenue, and City Administration support this ordinance. He feels this is a positive situation for our citizens as well as establish a better cash flow for the City.

Mayor Mays advised that he had received positive comments on this ordinance.

There were no questions or comments from Council prior to the public hearing.

Mayor Mays opened the public hearing.

Mrs. Becky McElroy, 125 – 9th Street, spoke to Council and advised that she felt this was a great move to make as far as the citizens of Norton are concerned.

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There being no further public comments, Mayor Mays closed the public hearing.

Councilman Fawbush commended the City Administration for bringing this ordinance to Council for their consideration. He further made a motion, which was seconded by Councilman Hunnicutt, and passed by unanimous vote that Council adopt An Ordinance of the City Council of the City of Norton, Virginia Amending Section 23-2 of the Norton City Code Establishing a Due Date for the Payment of Local Taxes and Prescribing Penalties and Interest Thereof. This ordinance will take effect January 1, 2010. (Insert)

Representing Appalachian Traditions at tonight's meeting was Bill and Nancy Jones. They gave Council a brief history of the Country Cabin and Appalachian Traditions as well as an update on the upcoming Dock Boggs Festival. Following their presentation,

they gave Council members brochures regarding the Crooked Road and Appalachian Traditions.

Mayor Mays thanked them for tonight's presentation and then asked for Council's consideration of their request for funding for the 2009 Dock Boggs Festival.

Upon a motion by Councilman Caruso, seconded by Councilman Hunnicutt, and passed by unanimous roll call vote, Council moved to approve \$1,000 to Appalachian Traditions for the 2009 Dock Boggs Festival with said funds to come from Contingency.

24352

In Council's packets, Mr. Ward advised that he had included a copy of an e-mail from Charles Yates, Ninth District Representative of the Virginia Department of Game and Inland Fisheries regarding an Elk Restoration Project in Southwest Virginia. Mr. Yates wants to gauge the interest and support of the counties and cities in this area. If Council is interested in supporting this project, then a resolution will be developed and brought back to Council for consideration.

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Councilman Caruso stated he had seen the results of the Elk Restoration Project in Kentucky and he would be very much in support of this project in Southwest Virginia.

Both Mayor Mays and Councilman Caruso stated that would like to see a resolution on Council's next agenda in support of this project.

Mr. Ward advised that he would do so.

Council had been supplied in their packets information regarding the refunding of water meter deposits. Mr. Ward advised that this item has been discussed from time to time by Council and minutes from 1998 were included in the information provided. Mr. Ward then briefly went over the 1998 draft policy and asked for Council's direction on how they wish him to proceed on this matter. As of today, the City has \$135,000 in a non-interest bearing account that holds all water meter deposits. He advised that the amounts of deposits range from \$3.00 in 1952 to the current rate of \$80.00.

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After a brief discussion in which Councilman Fawbush advised he would like for Council to proceed with refunding these deposits, the City Manager advised that he would draft a policy, have the City Attorney review it, and bring it to Council for their consideration.

Councilman Caruso stated he felt this would be a good idea and commended Councilman Fawbush for bringing this item back for Council's consideration.

Council also decided to address the issue of raising the amount of meter deposit in the future.

The City Manager advised Council that on May 26, 2004, the City received notification from Rural Development that \$2,593,000 of loan monies had been set aside for the City's Storm Drainage Project. On August 30, 2005, the City again received notification that an additional \$1,607,000 of loan funds had been set aside for this project making a total amount of loan money from Rural Development of \$4,200,000. Debt service on the Rural Development loans would be \$249,036 per year for 30 years. A commitment of \$150,000 of grant funds from the Virginia Tobacco Commission was also received for this project.

The total estimated cost to construct this project in 2005 dollars was \$4,850,000, leaving a gap of \$500,000. Since that time, the City staff has attempted to put together a

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financial package that would allow this project to move forward; however this has been unsuccessful. Rural Development has advised that they are at the point to where the City needs to either go forward on this project or deobligate the funding. By deobligating these funds, the City will not lose its good standing with Rural Development.

In his opinion, Mr. Ward advised that the City is not in a position to go forward on this project due to several reasons. These reasons are: 1. The entire funding package is not in place and the total cost is most likely to be in excess of \$5,000,000; 2. The annual debt service is beyond the City's current ability given the other projects to which the City is already committed; 3. The current state of the economy dictates that we should be cautious in proceeding on such a large project; 4. This project generates no revenue to the City like a typical water/sewer project would.

Mayor Mays commended the City Administration for their efforts in trying to get the funds needed for this project.

During this discussion, Councilman Hunnicutt excused himself from the meeting.

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Following a brief discussion and upon a motion by Councilman Roop, seconded by Councilman Fawbush, and passed by unanimous roll call vote, Council authorized the City Manager to write a letter to Rural Development deobligating the funds set aside for this project.

Council had a request for the refund of 2008 Business Personal Property to Bio Medical Applications of Virginia in the amount of \$202.67 for an erroneous assessment.

Upon a motion by Councilman Fawbush, seconded by Councilman Caruso, and passed by unanimous roll call vote, Council authorized a refund for erroneously assessed 2008 Business Personal Property Taxes to Bio Medical Applications of Virginia in the amount of \$202.67.

24357

Council had copies of three transfers, all payable to the Norton City Schools, to be approved. The first of these transfers was dated June 5th in the amount of \$494,524.30 for the Norton Elementary School Project, the second was in the amount of \$100,000 dated July 29th to cover payroll and fringe benefits, and the third was dated August 10th in the amount of \$515,333.12 for the Norton Elementary School Project.

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Upon a motion by Councilman Fawbush, seconded by Councilman Caruso, and passed by unanimous roll call vote, Council moved to approve three transfers to the Norton City Schools as described above.

Upon a motion by Councilman Fawbush, seconded by Councilman Roop, and passed by unanimous roll call vote, Council moved to go into closed meeting.

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Mayor Mays declared Council in closed meeting.

Upon a motion by Councilman Fawbush, seconded by Councilman Caruso, and passed by unanimous vote, Council moved to go back into open meeting.

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Mayor Mays declared Council back in open meeting.

The Clerk then polled each member of Council as to the Certification of Closed Meeting with each answering yes. The Clerk then read A Resolution of the Certification of Closed Meeting. Upon a motion by Councilman Caruso, seconded by Councilman Fawbush, and passed by the following unanimous vote: YES – Caruso, Mays, Fawbush, Roop, NO – None, ABSENT – Hunnicutt, Council moved to adopt A Resolution of the Certification of Closed Meeting. (Insert)

243

Mayor Mays opened the floor for nominations to the City of Norton Planning Commission for a four year term which will expire July 31, 2013.

Councilman Fawbush nominated Mark Gardner reappointed to this Commission.

Upon a motion by Councilman Caruso, seconded by Councilman Roop, and passed by unanimous vote, Council moved that the nominations cease.

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Mayor Mays declared Mark Gardner reappointed to the City of Norton Planning Commission for a four year term which will expire on July 31, 2013.

In comments from the City Manager, Mr. Ward advised that:

The photos on the City's projection screen prior to tonight's meeting were of the work done on the sedimentation basins at the Water Plant. This work has been completed.

The City received a letter yesterday from the Department of Environmental Quality advising that the City had received some stimulus funds for the Stage II of the Guest River Interceptor Project in the amount of \$1,003,090. This will take the project from the old Maxim Engineering Building on Kentucky Avenue almost to the Veterans Bridge.

Funding in the approximate amount of 1-1/2 million dollars for Stage I of this project was borrowed at 0% and will take the project from the City's old sewer plant property in Ramsey to the old Maxim Engineering Building on Kentucky Avenue.

He further advised that the remaining two stages remain to be funded.

24363

Phase I has been advertised and a Pre-Bid Conference will be held on September 1, 2009 and a bid opening will be held on September 5, 2009.

Phase II bids will be advertised on August 30 and bids will be awarded in the time frame of September 30th – October 1st.

He is in receipt of a letter from the County on the sewer situation and has provided Council with a copy of it for their review. After Council's review, this will be discussed at their next meeting.

In comments from the City Attorney, Mr. Bradshaw advised that he will appear before the Wise County Circuit Court Judge in the near future to get all of the tax suits dismissed. He expects all orders to be signed leaving only one case. He hopes to dispose of that case without going through the process and advised that it has been a positive experience.

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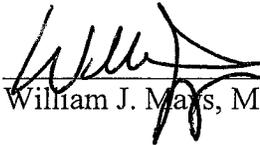
In comments from Council, Councilman Caruso thanked the City Attorney for taking on the task of the delinquent tax sale and seeing it through a successful close. He further thanked the City Administration for doing a fine job for the City.

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Mayor Mays advised it had been a long summer and Mr. Ward had done a great job.

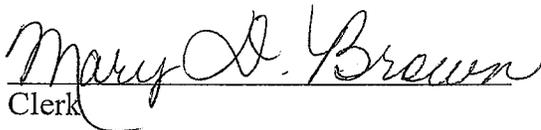
There being no further business to come before Council, the meeting was adjourned.

CITY OF NORTON, VIRGINIA



William J. Mays, Mayor

ATTEST:



Clerk