

August 19, 1954

The regular meeting of the City Council was held in the Municipal Building on the above date at 7:30 P. M. with Mayor B. E. Ball presiding.

Minutes of the last meeting were read and approved.

Mr. Joe Caruso & Frank Caruso appeared before council protesting the penalty for failure to pay the water bill before the 15th. They stated that since the 15th fell on Sunday that Monday should be allowed to pay overdue water bills. #418

On a motion by A. O. Umstead, seconded by Sol Cury and carried by unanimous roll call vote, the City Manager was instructed to revise the ordinance describing penalties and failure to make payment by the 15th to read "that should the 15th of the month fall on a Sunday or a recognized holiday that water bills shall be collected without penalty on the following day, and further that those people having paid penalties in the past two months shall have their penalties refunded."

Mr. Jim Hickman appeared before council requesting that some repairs be made to Virginia Avenue. The matter was turned over to the City Manager for action. #419

Miss Sarah Dollarhyde appeared before council requesting that the street be graded to permit access to her property on Ridge Avenue. This matter was turned over to the City Manager for investigation. #420

The City Attorney presented a proposed bond ordinance and after discussion by council in which Mr. Sam G. Slaughter, Jr., of Scott, Horn & Mason, Inc., was advised that the firm would be retained as fiscal agents for 3/4 of 1% of said bond issue when the necessary agreements were submitted to council for approval. #421

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$550,000 OF BONDS OF THE CITY OF NORTON TO FINANCE THE COST OF IMPROVING AND ENLARGING THE CITY'S WATER SUPPLY SYSTEM AND SEWAGE DISPOSAL SYSTEM, AND PROVIDING FOR THE SUBMISSION OF THE QUESTION OF ISSUING SAID BONDS TO THE QUALIFIED VOTERS OF SAID TOWN.

WHEREAS, the City of Norton has, for many years, maintained and operated a water supply system to provide a supply of water to the City and its inhabitants, and a sewage disposal system suitable to collect and dispose of sewage and industrial wastes; and

WHEREAS, such water supply system does not now provide a supply of water adequate to serve the City and its inhabitants, and such sewage disposal system does not include any facilities for the treatment of sewage and certain sections of the City have no sewer facilities or water mains, and the Council deems it desirable to enlarge and improve such water supply system and sewage disposal system, and to maintain and operate such systems as a single specific undertaking; and

WHEREAS, SAID water supply system and sewage disposal system if enlarged and improved as hereinafter set forth will be a specific undertaking from which said City may hereafter derive a revenue within the meaning of Section 127 of the Constitution of Virginia; NOW, THEREFORE,

BE IT ORDAINED by the Council of the City of Norton, as follows:

Section 1. The Council of the City of Norton has ascertained and hereby determines that the public interest requires that the water supply system and sewage disposal system maintained by the City shall be enlarged and extended by constructing an additional water storage reservoir, and by constructing a sewage disposal plant appropriate to treat and dispose of sewage, and by extending the existing sewer lines and water mains, and that it is expedient that said City shall borrow money and issue its bonds, as hereinafter provided, to finance the cost of such improvements.

Section 2. In order to finance the cost of enlarging and improving said water supply system and sewage disposal system in the manner hereinbefore set forth, the City of Norton shall issue its negotiable bonds of the aggregate principal amount of \$550,000 pursuant to and in accordance with Section 2.214 of the City of Norton Charter of 1954 and Article 2 of Chapter 19 of Title 15 of the Code of Virginia, 1950. Said bonds shall be issued under and in compliance with the provisions of Clause (b) of Section 127 of the Constitution of Virginia, and, subject to the conditions prescribed by said clause, shall not be included within the otherwise authorized indebtedness of said City.

Section 3. Said bonds shall comprise an issue of serial coupon bonds payable in annual installments as follows, viz.: \$10,000 on the first anniversary of the date of the bonds, \$20,000 on each such anniversary beginning with the second anniversary and ending with the eighth anniversary, and \$25,000 on each such anniversary beginning with the ninth anniversary and ending with the twenty-fourth anniversary. Said bonds shall be redeemable, at the option of the City, at par and accrued interest, on the twelfth anniversary of the date of the bonds or on any subsequent interest payment date. The bonds shall bear interest from their date at a rate which shall not exceed three and three-quarters per centum (3 3/4%) per annum and such interest shall be payable semi-annually.

Section 4. Said bonds shall be general obligations of the City of Norton and shall be issued upon the credit and in the name of said City.

Section 5. Acting pursuant to Section 15-600 of the Code of Virginia, the Council of said City shall contract and agree with the purchaser of said bonds, and with each person, firm or corporation which may hereafter become the holder of any of said bonds or of any of the interest coupons representing interest payable thereon, that, until all of said bonds have been fully paid and discharged in accordance with their terms, (1) said City will charge rates for water furnished and services rendered by said water supply system and sewage disposal system; and (2) such rates shall be fixed and maintained at a level which will produce sufficient revenues under the requirements of Clause (b) of Section 127 of the Constitution of Virginia, to prevent said bonds from being included in determining limitations of the power of said City to incur indebtedness, that

is to say, sufficient revenues to pay for the cost of operation and administration of said water supply system and sewage disposal system (including interest on bonds issued therefor) and the cost of insurance against loss by injury to persons and property, and an annual amount to be covered into a sinking fund sufficient to pay, at or before maturity, all installments on bonds issued to finance such water supply system; and (3) the revenues which the City derives from such water supply system and sewage disposal system in each fiscal year shall, to the extent necessary, be first applied to the payment of such cost of operation and administration during such fiscal year and to the payment of such annual amount payable in such fiscal year; and (4) in order to give guarantees for the faithful observance of such stipulations, said City shall segregate and keep segregated, from all other funds, all revenues derived by the City from its operation and ownership of such water supply system and sewage disposal system.

Section 6. Bonds shall not be issued pursuant to this ordinance until said bonds shall have been approved by the affirmative vote of the majority of the qualified voters of the City of Norton voting upon the question of their issuance. The Clerk of the Council is hereby directed to present forthwith a certified copy of this ordinance to the Circuit Court of the County of Wise, or to the Judge thereof in vacation, and the said court or judge is hereby requested to enter an order directing the proper officers of said City to take such steps and to provide such means as may be necessary to submit to the qualified voters of said City the question of whether said bonds shall be issued, and to make such order as may be proper to give due publicity to such election.

Section 7. The amount required to pay installments on the principal of and interest on said bonds, in any fiscal year, shall be raised at the time and in the manner prescribed by law from the revenues of the City's water and sewage systems, and the amount so raised for the payment of such principal shall be paid into a sinking fund which is hereby established to provide for the payment of the installments of such principal.

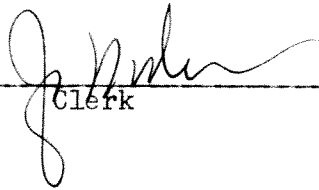
Section 8. An emergency existing this ordinance shall be in full force and effect from its passage.


Upon a motion by Sol Cury, seconded by W. R. Hamner and carried by unanimous roll call vote, the City Manager was instructed to obtain Monroe Thrower to audit the City records for the fiscal year ending June 30, 1954. #422

Upon a motion by Sol Cury, seconded by A. O. Umstead and carried by unanimous roll call vote, the City Manager was instructed to provide a platform for the United Mine Workers Labor Day Celebration. #423

The City Manager advised council that the Southeastern Underwriters Engineers had made a survey of our fire defenses and made the suggestion that one full-time fireman be provided on duty at all times, that the building code be revised and brought up to date and that water storage be improved in order that Norton might maintain its present rating of 7th class as determined by the National Board of Fire Underwriters. #424

There being no further business before the council same adjourned.


Clerk


Mayor