

The regularly scheduled meeting of the Norton City Council was held on Tuesday, August 21, 2012 at 6:00 p.m. in the Municipal Council Chambers with Vice Mayor Joseph Fawbush presiding.

Present: Mark Caruso, Joseph Fawbush, and Terry Roop

Absent: Joseph Hunnicutt and William Mays

Also Present: Fred L. Ramey, Jr., City Manager and Bill Bradshaw, City Attorney

Prior to the invocation, Vice Mayor Fawbush asked that everyone remember Mayor Mays and his family for the loss of his mother on Monday. The invocation was given by Rev. Ken Taylor and was followed by the pledge of allegiance led by Dr. Jeff Comer, Superintendent of the Norton City School System.

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Upon a motion by Councilman Caruso, seconded by Councilman Roop, and passed by unanimous vote, Council moved to adopt the minutes of the July 17, 2012 meeting as presented.

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During the Vice Mayor's call for visitors, Doug Kern and Dennis Scalf, coaches of the eleven and twelve year old Girls Softball Team came forward to present the City Manager with the receipts for their recent trip to the state softball tournament and to thank Council for their financial assistance in helping to defray the expenses incurred. Nine of the eleven players were in attendance at tonight's meeting as well as two of the four coaches.

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The Vice Mayor and Council members told the team members and the coaches that they were proud of their accomplishments.

At this time, Councilman Hunnicutt took his seat on Council.

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Vice Mayor Fawbush commended the girls for their fundraising efforts and thanked them for their attendance tonight. All in attendance gave the team members and the coaches a round of applause.

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A public hearing was held on a Bond Issuance in the Amount of \$596,403 for the Norton System-Wide Water Improvements – Phase II which covers the Hamner Avenue area and the Poplar Street area.

Mr. Ramey gave a brief background on Council's actions on various other water projects in the past year specifically Water System Improvement Phase I and Phase II. Those projects, along with a proposed Phase III, were identified in a Preliminary Engineering Report conducted three years ago. Earlier this year, Council authorized the City Administration to apply for funding from the Virginia Department of Health for the Phase III Project; therefore we have three major projects going on in the City. Phase II has gone out for bids and a Pre-Bid Conference was held on August 16th and a bid opening scheduled for August 28th. If the project comes in on bid, we will proceed with

the project. After tonight's public hearing, Council will consider a resolution on this funding. Of the total amount of the loan which is \$852,004, \$255,601 is a principal forgiveness loan or a grant and the balance of \$596,403 is a principal repayment loan with a 3% interest rate for thirty years.

Mr. Ramey advised that if the resolution to be considered tonight by Council is adopted, it will be forwarded to the bond counsel and a closing will be scheduled. He stated he would be happy to answer any questions from Council.

The Vice Mayor opened the public hearing.

There being no public comment, Vice Mayor Fawbush closed the public hearing.

Following a brief discussion and upon a motion by Councilman Hunnicutt, seconded by Councilman Roop, and passed by the following unanimous roll call vote: YES – Caruso, Hunnicutt, Roop, Fawbush, NO – None, ABSENT – Mays, Council moved to adopt A Resolution Authorizing the Issuance and Sale of A General Obligation Bond in An Amount Not To Exceed \$596,403 of the City of Norton and Providing for the Form, Details and Payment Thereof for the Norton System-Wide Water Improvements – Phase II which covers the Hamner Avenue and Poplar Street areas of the City. (Insert)

The City Manager was advised to proceed on this project.

In their packets, Council had received a water report from the Water Treatment Plant Superintendent, Tommy Roberts, dated August 14, 2012 advising we had a total capacity in both reservoirs of 72.9 million gallons. All water purchases from the Wise County PSA and the Town of Big Stone Gap have ceased. Mr. Roberts further advised that we had received 12.3 inches of rain during the month of July and to the date of August 14th, we had received a total of 4.6”.

The City Manager advised that we will be reimbursed for the purchase of water from the two entities by Rural Development as part of the Upper Spillway Project.

Mr. Ramey then presented Council an update on the Upper Spillway Project via a PowerPoint presentation advising that the completion date has been moved to sometime in September due to weather conditions.

Following a brief discussion, Vice Mayor Fawbush thanked the City Manager for this update.

Council had a request from the City's Registrar, Marie Muir, and the Electoral Board to close City offices on Election Day, November 6th. They cited they expect a large turnout, parking is tight, and the lobby can be used to register the voters. This was done at the last presidential election and it worked really well. Speaking on behalf of the Electoral Board was Dee Belcher and Ms. Muir represented her office.

During a brief discussion, Ms. Muir was asked by the Vice Mayor if vehicles advertising for candidates could be moved up the block and away from close proximity to City Hall in order to have more parking spaces for citizens wishing to vote. She advised that she would write letters to both parties advising them of this.

Upon a motion by Councilman Roop, seconded by Councilman Hunnicutt, and passed by unanimous roll call vote, Council moved to close City Hall for the Presidential Election to be held on November 6, 2012

Appreciation was expressed to the Registrar and the Electoral Board for the work they do on behalf of the City.

A discussion was held on the replacement of the roof at J. I. Burton High School.

Mr. Ramey advised that Council's last discussion on this roof was at the May 1, 2012 meeting and at that time, Dr. Comer gave an update to Council. Mr. Ramey quoted from the minutes of that meeting that the estimated cost of this roof would be between \$125,000 - \$150,000. He advised two items need to be discussed tonight. These being: deciding where the funds will come from to pay for this portion of the roof and a discussion on the remainder of the other portions of the roof on this building.

Estimates given for the flat roof, which is the primary trouble location, are between \$80,000 - \$85,000 including labor and other miscellaneous costs. Dr. Comer had forwarded to the City Manager an estimate on the gym roof in the amount of \$23,453 for materials and \$29,151 for labor which would total \$52,694. Adding in the estimated cost of \$10,000 to \$12,000 for the two smaller concrete roofs, would bring this total to under \$150,000 for a new roof for the entire school.

Councilman Roop, being an employee of the School System at that school, had been given the task by school administration of looking over various projects for a Capital Improvement Plan that need to be done at the school due to his expertise in the construction field. He has looked at this gym roof and, even though it is only seven years old and looks good on the front side of the building, there are problems with it on the back side of the building. The shingles appear to be puckering. In his opinion if the entire building could be re-roofed for the amount of \$137,603, he feels like it should be done and cited his reasons for this. Dr. Comer also spoke to Council regarding this roof. Councilman Roop stated he would appreciate Council's favorable consideration on this.

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Following a lengthy discussion during which both Councilman Roop and Dr. Comer answered questions from Council members and upon a motion by Councilman Caruso, seconded by Councilman Roop, and passed by a unanimous roll call vote, Council moved to authorize the Norton City School System to move forward with the replacement of the remainder of the roof at J. I. Burton High School and to request that the Norton Industrial Development Authority transfer funds in the amount of \$150,000 from the proceeds of the sale of land to Wise County for the new Central High School to cover the cost of an entire new roof for J. I. Burton High School and authorized the City Manager to schedule a public hearing on same. (Councilman Roop's Disclosure Statement)

Dr. Comer thanked City Council for their authorization on this roof replacement.

Mr. Ramey advised the City is in receipt of a letter dated July 25th from the Virginia Resources Authority advising that the Virginia Department of Health has authorized funding from the Virginia Water Supply Revolving Fund to the City for a total funding package in the total amount of \$1,652,800. Of this amount, \$826,400 is a principal repayment loan and \$826,400 is a principal forgiveness loan or a grant. There will be a 3% interest rate for a period of thirty years for Phase I of the City's Water System Improvements Projects. He then showed, via a Power Point presentation, the two areas covered by this loan which are the Dorchester and 11th Street areas.

The Dorchester line will cover Dooley Road, Dorchester, and James Road (which is in the County and the Frog Level area.

The 11th Street line will cover from the Park to the pump station on 11th Street, 10th Street to the intersection of Spruce and 10th and to the intersection of Spruce and 11th Streets, and the lines around the City Park. This will represent 2,400 linear feet of 8" line and 1,650 linear feet of 6" lines.

On October 18, 2011, Council authorized the City Administration to move forward with the Virginia Department of Health funding package on this project which totaled \$1,472,037 for a 50/50 match. Since that time and after meeting with officials of the Health Department, they are offering water systems to install generators on pump stations, water plants, etc. We have a generator at our Water Plant and have very few on our pump stations. This new offer represents an increase for an addition of three generators for the Hoot Owl Hollow, IDA Tank, and the Hawthorne Tank. With these three new additions, the City would have coverage for the majority of our customers. Council needs to advise if we should move forward with the increase in the amount of this project from \$1,472,037 million dollars to \$1,652,800 million dollars and purchase the generators or stay with the initial offer.

Upon a motion by Councilman Caruso, seconded by Councilman Roop, and passed by unanimous roll call vote, Council moved to accept the revised offer from the Virginia Resources Authority in their letter dated July 25, 2012 which includes the purchase of three generators for this project in the amount of \$1,652,800.

The City Manager presented Council with an update on the initial funding offer from the Virginia Department of Health for the Phase III Water Improvement Project.

Mr. Ramey advised that Council authorized the City Administration in February of this year to apply for funding for Phase III of the Water Improvement Projects. This project covers primarily the down town area, which is the oldest part of our system, a large section of Virginia Avenue, a small portion of Chestnut Street, a section of Craig Street, and a small section of Oak Street and represents 7,800 linear feet of lines.

The offer from the Virginia Department of Health is a 60/40 match in the amount of \$879,445 with \$483,695 being a loan and \$395,750 as principal forgiveness.

The purpose of having this on the agenda is to inform Council of this offer and to advise that he would like to go back to the Department of Health and try to obtain a 50/50 match while working with engineers to see if there are any sections that can be eliminated in order to reduce the cost further. Once he has the best case scenario, he will bring the information back to Council at a meeting in September.

It was the consensus of Council for the City Manager to proceed with renegotiations with the Virginia Department of Health to try to obtain a 50/50 match and to work with engineers to see if anything can be eliminated in order to reduce the cost further.

Councilman Roop commended the City Administration for the great job they are doing in trying to get the best funding possible for the City.

Council had been presented with a request for one water tap outside the city limits by the Wise County School Board for the new Central High School.

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Upon a motion by Councilman Hunnicutt, seconded by Councilman Roop, and passed by unanimous vote, Council moved to approve one water tap to the Wise County Schools for the new Central High School.

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Included in Council's packet was a series of transfers/checks to be approved. These are as follows: A transfer to the Norton City Schools in the amount of \$325,000 dated July 31, 2012, a transfer to The Bank of New York Mellon in the amount of \$112,500 dated July 2, 2012, a check to the Wise County Treasurer for \$221,058.94 dated April 1, 2012, a transfer to the Norton City Schools in the amount of \$188,000 dated March 29, 2012, a check to Caroline Industrial Equipment in the amount of \$202,000 dated March 21, 2012, a check to Thomas Construction Company, Inc. in the amount of \$336,781.74 dated March 21, 2012, a check to Boring Contractors in the amount of \$152,873.33 dated March 21, 2012, a check to the Norton Industrial Development Authority in the amount of \$122,004.25 dated February 21, 2012, a check to W-L Construction & Paving in the amount of \$151,527.79 covering dated February 10, 2012, a check to Wells Fargo Corporate Trust in the amount of \$100,412.50 dated January 11, 2012, a check in the amount of \$169,989.19 made payable to Summers Taylor dated December 6, 2011, a check to U. S. Bank Operations Center in the amount of \$116,984.38 dated September 13, 2011, a check to Two Way Radio in the amount of \$111,857.39 dated September 13, 2011, and a transfer to The Bank of New York Mellon in the amount of \$136,312.57 dated July 1, 2011.

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Upon a motion by Councilman Hunnicutt, seconded by Councilman Caruso, and passed by unanimous roll call vote, Council moved to approve the wire transfers and checks as specified above. (Councilman Roop's Disclosure Statement)

Upon a motion by Councilman Roop, seconded by Councilman Caruso, and passed by unanimous roll call vote, Council moved to go into closed meeting to discuss personnel as per Section No. 2.2-3711 (A) (1) of the Code of Virginia, as amended.

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Vice Mayor Fawbush declared Council in closed meeting.

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

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Vice Mayor Fawbush declared Council back in open meeting.

The Clerk 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 Hunnicutt, seconded by Councilman Caruso, and passed by the following unanimous vote: YES – Caruso, Hunnicutt, Roop, Fawbush, NO – None, ABSENT – Mays, Council moved to adopt A Resolution of the Certification of Closed Meeting. (Insert)

25521

The Vice Mayor opened the floor for nominations to the Lonesome Pine Office on Youth Services Board to fill an unexpired term which will expire on May 2, 2016.

Councilman Hunnicutt nominated Robert Fultz, Jr. to be appointed to this Board.

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

Vice Mayor Fawbush declared Robert Fultz, Jr. appointed to the Lonesome Pine Office on Youth Services Board to fill an unexpired term which will expire on May 2, 2016.

The Vice Mayor opened the floor for nominations of a student representative to the Lonesome Pine Office on Youth Services Board to fill a two year term which will expire on July 1, 2014.

Councilman Roop nominated Tanner Crowder to be appointed to this Board.

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

Vice Mayor Fawbush declared Tanner Crowder appointed as a student representative to the Lonesome Pine Office on Youth Services Board to fill a two year term which will expire on July 1, 2014.

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

A VPSA Application for up to ten million dollars was submitted by the School Board last week and an anticipated public hearing on this will be scheduled for September 18th. He has asked Davenport & Company to prepare a financial analysis to present to Council no later than September 18th so that Council will have it before their final consideration of the bond issue and amount. Prior to September 20th, Council must have held a public hearing and determine the amount of financing to be requested. Also, both Council and the School Board must have formally approved a list of projects that the additional funds, if any, would cover.

He presented a Davenport & Company calendar for the proposed bond issue to Council members.

He gave a brief synopsis of City events. The first of these is the High Knob Tower Ground Breaking which is scheduled for August 28th at 11:00 a.m.

The 2012 Parks and Recreation Department had five summer camps with a total of 93 participants at a cost of \$4,560. The Wet & Wild Wednesday Water Slides had a total of 440 participants at a cost of \$4,908. There was one event rained out and one rain impacted.

In comments from Council:

Councilman Caruso advised that he and his wife will be in attendance at the High Knob Tower Ground Breaking and expressed thanks for the entrepreneurial blueprint publication and stated that it had good ideas.

Councilman Roop stated he would make a copy of the Thompson and Litton Study done in 2003 for Council members and send it to them. Items for the elementary school listed in this study have almost all be done; however nothing except the upcoming roof at Burton has been done.

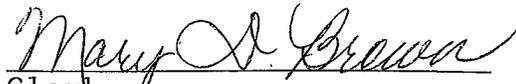
Vice Mayor Fawbush again asked that everyone keep Mayor Mays and his family in their thoughts and prayers during this difficult time of the loss of his mother.

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

CITY OF NORTON, VIRGINIA


Joseph Fawbush, Vice Mayor

ATTEST:


Clerk