

The regularly scheduled meeting of the Norton City Council was held Tuesday, May 17, 2022, at 6:00 p.m., in the Municipal Council Chambers with Vice Mayor Mark Caruso presiding.

Present: William Mays, Robert Fultz, Jr., Mark Caruso and Sarah Davis

Also Present: Fred L. Ramey, Jr., City Manager and Interim City Clerk, Jeffery L. Shupe, Finance Director, and Stephen C. McElroy, City Engineer.

Absent: Joseph Fawbush

At this time, Vice Mayor Caruso asked for council to consider amending the agenda to include an additional appointment during closed session, under Item 7-C, Personnel as Per Section 2.2-3711 (A) (1) of the Code of Virginia. The additional appointment to be discussed in closed session was to the Regional Improvement Commission.

The consensus of council was to amend the agenda to include, under Item 7-C, Personnel as Per Section 2.2-3711 (A) (1) of the Code of Virginia, an appointment to the Regional Improvement Commission to be discussed in closed session.

The invocation was given by Councilman Robert Fultz, Jr., and the Pledge of Allegiance was led by Norton Police Department First Sergeant Greg Mays.

Upon a motion by Councilwoman Davis, seconded by Councilman Fultz, and passed by the following vote, YES – Mays, Fultz, Davis, Caruso, NO – None, ABSENT – Fawbush, ABSTAIN – None, council moved to adopt the minutes of the May 3, 2022, council meeting as presented.

There was no response to the Mayor's Call for Visitors.

A public hearing was held to solicit input on the FY2022-2023 Norton City Schools Budget in the amount of \$12,359,540.49, which includes local funding totaling \$2,889,700.25. The proposed school budget includes General Funds of \$10,805,015.85, and Textbook Funds in the amount of \$373,164.56, of which \$27,063 is locally appropriated funding. The Early Retirement Plan Fund budget totals \$33,040, the Food Services Fund is \$930,788.66, while the Capital Project Fund totals \$217,531.42.

Following a brief overview of the school budget, the city manager advised council that this public hearing was duly advertised.

Vice Mayor Caruso opened the public hearing.

Receiving no public comments on the proposed FY2022-2023 Norton City Schools Budget, Vice Mayor Caruso asked for comments from council.

Receiving no comments from council, the vice mayor closed the public hearing.

The city manager said the school system's FY2022-2023 budget will be included on the June 7th council agenda for formal adoption consideration by council.

Mr. Caruso commended the school board's and school administration's effort in working together with city administration the past few years on budget development.

A public hearing was held to solicit input on the proposed issuance of bonds by the City of Norton not to exceed \$255,912 for financing the cost of replacement of existing waterlines and

improvements to the city's water distribution system in the Southside neighborhood of Norton and the bond issuance costs. More than 10 percent of the total bond proceeds is expected to be used to finance the costs of improvements to the water system in the Southside area.

Vice Mayor Caruso opened the public hearing.

The city manager provided a brief update on the Southside Comprehensive Community Development Project prior to discussion of the bond issuance. In 2020, the city applied for a \$1.5 million grant for the Southside Comprehensive Development Project, and the grant was awarded to the city in 2021. Noting that this was the first time the city had applied for this type of project, he said he believes the project would be successful and one that could possibly be replicated in other parts of the city. The scope of the project would improve the living conditions of 14 households through rehabilitation activities in that community, eliminate blighted influences through the demolition of nine vacant or dilapidated structures, improve pedestrian and transportation infrastructure through sidewalk and street improvements, plans to update the existing neighborhood park, and installation of new waterlines that would serve at least 36 households.

At this time, the city manager displayed an aerial graphic of the project area via PowerPoint and asked City Engineer Stephen C. McElroy to discuss waterline project specifics.

Mr. McElroy said the project area defined by the Southside Comprehensive Community Development Project includes Locust and Roberts Avenues, Fourth, Third and Second Streets and Lost Creek Road. The project would replace a little over 3,600 feet of cast iron/galvanized waterline with new polyvinyl chloride (PVC) lines, adding additional fire hydrants, and looping the system for better water flow for residents. He said this would also improve fire protection and reduce city waterline maintenance redundancy by not having to shut down lines to the entire area to make future repairs. He explained that two highway crossings would be eliminated, one near Lost Creek and the other on Maple Avenue SW.

The city manager said it is important to note that the waterline component is part of the Southside Comprehensive Community Development Project, but isn't part of the \$1.5 million in grant funding. In April 2020, council authorized the city to submit a grant application for funding. The city received a grant funding offer which was brought before council on March 15, 2022. Council authorized city administration to accept that offer and since that time city administration has been working with bond counsel, City Attorney William Bradshaw, and Virginia Resources Authority.

Contained in council packets were three documents - a funding resolution that will become part of the bond document, which council will formally consider tonight, a sample funding agreement, and a financing agreement. Mr. Ramey briefly discussed the agreements and asked if anyone had any questions.

Receiving no public comments on the proposed issuance of bonds by the City of Norton, Vice Mayor Caruso asked for comments from council.

Following a brief discussion, Vice Mayor Caruso closed the public hearing.

Upon a motion by Councilwoman Davis, seconded by Councilman Mays, and passed by the following roll call vote: YES – Mays, Fultz, Davis, Caruso, NO – None, ABSENT – Fawbush, ABSTAIN – None, council moved to adopt a Resolution Authorizing the Issuance of a General Obligation and Water and Sewer Revenue Bond by the City of Norton in the Amount not to Exceed \$255,912 and Providing for the Form, Details and Payment of the Bond. (Insert)

Mr. Ramey explained that this funding is a loan/grant so the \$255,912 is not the only project funding. There is also a principal forgiveness loan of up to \$109,676.

The next agenda item was a public hearing to solicit input on the proposed Ordinance Amending City Code Sections §14-132 and §14-140 to bring City Code in conformity with the Code of Virginia. The 2022 Session of the Virginia General Assembly adopted SB 758 amending and reenacting §18.2-311 of the Code of Virginia relating to selling or possessing switchblade knives. The bill removes switchblade knives from the list of objects which may not be sold, possessed or carried and the criminal penalties for the sale, possession or carrying of such knives.

Vice Mayor Caruso opened the public hearing.

Receiving no public comments on the proposed Ordinance Amending City Code Sections §14-132 and §14-140 to bring City Code in conformity with the Code of Virginia, Vice Mayor Caruso asked for comments from council.

After a brief discussion, the vice mayor closed the public hearing.

Upon a motion by Councilman Mays, seconded by Councilwoman Davis, and passed by the following unanimous vote: YES – Mays, Fultz, Davis, Caruso, NO – None, ABSENT – Fawbush, ABSTAIN – None, council moved to adopt an ordinance amending City Code Sections §14-132 and §14-140 to bring City Code in conformity with the Code of Virginia, as stated above.

The ordinance will become effective July 1, 2022.

Under new business, the city's proposed FY2022-2023 Budget was presented via PowerPoint.

Prior to discussing the recommended FY2022-2023 Budget, Mr. Ramey gave an overview of the FY2022 Budget revenue and expenditure trends, as well as historical financial analysis. Retail sales and meals taxes are trending positive to budget by 11.6 percent and 11 percent, respectively. Business licenses and transient occupancy taxes increased while personal property tax collections are below budget and actual. He said most normal operating expenditures appear in line and a refund as high as \$130,000 is expected from the Southwest Virginia Regional Jail Authority.

The city manager advised the city has not received the FY2021 audit yet and is awaiting information from the Commonwealth that could impact the city's FY2022-2023 Budget. He said changes since the April 30th work session included a fund balance increase needed to balance the budget due to an increase in operating expenditures and council's additional funding request for the Wise County Shrine Club.

Mr. Ramey said the recommended FY2022-2023 Budget General Operating Fund included no proposed revenue enhancements and that city revenues included modifications for grants and support and \$200,000 in surplus funds to balance the budget. Explaining that implementation of a water rate increase was postponed for two years due to COVID-19, the city manager said city administration proposed a 50-cent per 1,000-gallon base water rate increase for the FY2022-2023 Enterprise Fund Budget.

He also advised that the local appropriation to the Norton Department of Social Services Operating Fund totaled \$1,570,467, the same as last year, and would be supplemented with Social Services surplus funds should the Commonwealth's final FY2022-2023 Budget require.

The city manager said the proposed FY2022-2023 Budget for the General Operating Fund totaled \$10,976,591, which was an increase of \$437,770 over last year's budget. The recommended budget included a five percent cost of living adjustment (COLA) increase for local and state supported positions, city absorption of the 8.5 percent increase for the employee share of health insurance, targeted wage scale adjustments, an increase in Workers' Compensation Insurance and step increases for qualifying employees. The General Operating Fund budget also

included an increase in School Debt Service, School Textbook Funding and local contribution for School Operations, a small increase for city General Operating Fund Debt Service, decreases in the regional jail contribution and juvenile detention, no funding for capital projects and removal of paving funding from the city budget. He explained that capital projects and paving were separated from the budget and would be funded by American Rescue Plan Act (ARPA) funding revenue. He noted that the budget would look much different if the city did not have a decrease in the regional jail contribution and juvenile detention.

Mr. Ramey also provided council with departmental and categorical overviews of the 2022-2023 General Operating Budget and asked if council had any questions.

Council did not have any questions.

Mr. Ramey provided council with a brief update on the FY2021-2022 Enterprise Fund Budget. He reported minimum water purchases from other agencies and reduced overall water consumption to commercial usage and collections due to COVID-19. He said the city was seeing an ongoing decrease in water consumption even before COVID-19, which he said could primarily be attributed to the increased installation of energy efficient products.

The city manager advised the proposed FY2022-2023 Budget Enterprise Fund totaled \$3,527,072, which represented an increase of \$143,249, and included a 50-cent increase per 1,000 gallons to the base water rate structure. Budget increases to this fund included \$65,400 for wage benefits and salaries for personnel, \$42,084 increase to Coeburn-Norton-Wise Regional Waste Water Treatment Authority (CNW) due to an increase that has been anticipated for several years, \$20,000 increase for operations, \$8,000 increase for tank maintenance, and a Debt Service increase of \$7,765.

Mr. Ramey advised that city administration recommended a 50-cent per 1,000 gallons water base rate increase to make the Enterprise Fund self-sufficient for 2022-2023. There will not be any capital projects funded by the Enterprise Fund, but he anticipates that if there are any Enterprise Fund projects in 2022-23 the projects will be funded by ARPA.

He also provided council with analysis of a regional in-town and out-of-town water/sewer rate comparison study done by LENOWISCO Planning District Commission.

Comparison analysis of current residential inside water/sewer minimum bills of 2,000 gallons and minimum bills of 2,000 gallons with the 50-cent residential inside water/sewer increase was provided. Water rates increased from \$18.10 to \$19.10 while sewer rates increased from \$31.68 to \$33.43, for a total bill increase of \$2.75 or 4.3 percent. Mr. Ramey explained that the minimum bill has always been a concern for council because these are usually the bills of senior and fixed income residents.

The city manager noted that garbage is included in the bill and the city has not increased garbage rates in what City Finance Director Jeffery Shupe said was eight to 10 years.

Noting that wages, gas, garbage trucks and landfill fees cost more, Councilwoman Davis said the garbage rate is something that needs to be discussed by council.

Following a discussion about the city's garbage rate and how garbage rates are handled by local municipalities, comparison analysis of current residential inside water/sewer average bills of 4,200 gallons and average bills of 4,200 gallons with the 50-cent residential inside water/sewer increase was shown. Water rates increased from \$31.63 to \$33.73, while sewer rates increased from \$55.35 to \$59.03, for a total bill increase of \$5.78 or 5.6 percent.

The city manager asked if council had any modifications to the recommended budgets.

No modifications were suggested by council.

Mr. Ramey requested council authorization to advertise a public hearing on the proposed FY2022-2023 Budget to be held as early as the June 7th council meeting.

Following a brief discussion and upon a motion by Councilman Mays, seconded by Councilman Fultz, and passed by the following vote, YES – Mays, Fultz, Davis, Caruso, NO – None, ABSENT – Fawbush, ABSTAIN – None, council authorized the city manager to advertise a public hearing on the recommended FY2022-2023 Budget.

A Resolution Declaring the Week of May 15-21, 2022, as National Emergency Medical Services Week in the City of Norton was presented for adoption by council. This year's theme was "Rising to the Challenge."

Mr. Ramey said the city's emergency medical services personnel have been rising to the challenge for years and Norton Fire Chief and Emergency Management Coordinator Todd Lagow and Norton Rescue Squad Captain Buddy Cash, who were not in attendance, planned some special activities throughout the week to recognize these employees and volunteers.

The vice mayor asked if council had any comments pertaining to the resolution.

There were no comments from council.

Vice Mayor Caruso read the last paragraph of the resolution which stated that Norton City Council joins communities from across the nation in recognizing May 15-21st, 2022, as National Emergency Medical Services Week with the theme "Rising to the Challenge."

He commended the city's emergency management team for doing a spectacular job and said it is right and just to honor them with this resolution.

Upon a motion by Councilwoman Davis, seconded by Councilman Mays, and passed by the following vote, YES – Mays, Fultz, Davis, Caruso, NO – None, ABSENT – Fawbush, ABSTAIN – None, council moved to adopt a Resolution Declaring the Week of May 15-21, 2022, as National Emergency Medical Services Week in the City of Norton with the theme "Rising to the Challenge." (Insert)

Upon a motion by Councilman Fultz, seconded by Councilman Mays, and passed by the following roll call vote: YES – Mays, Fultz, Davis, Caruso, NO – None, ABSENT – Fawbush, ABSTAIN – None, council moved to go into closed meeting to discuss Personnel as per Section 2.2-3711 (A) (1) of the Code of Virginia as amended.

Vice Mayor Caruso declared council in closed meeting.

The vice mayor declared council back in regular session.

Mr. Ramey polled each member of council as to the Certification of Closed Meeting with each answering yes. The city manager then read A Resolution of the Certification of Closed Meeting.

Upon a motion by Councilman Mays, seconded by Councilman Fultz, and passed by the following vote, YES – Mays, Fultz, Davis, Caruso, NO – None, ABSENT – Fawbush, ABSTAIN – None, council moved to adopt A Resolution of the Certification of Closed Meeting. (Insert)

Vice Mayor Caruso opened the floor for two nominations to the Norton Rescue Squad Board of Directors for one-year terms to expire February 1, 2023.

Councilman Fultz nominated Delores "Dee" Belcher and William Mays to be reappointed to the Norton Rescue Squad Board of Directors for one-year terms to expire February 1, 2023.

Upon a motion by Councilwoman Davis, seconded by Councilman Fultz, and passed by the following vote, YES – Fultz, Davis, Caruso, NO – None, ABSENT – Fawbush, ABSTAIN – Mays, council moved that the nominations cease.

The vice mayor declared Delores “Dee” Belcher and William Mays reappointed to the Norton Rescue Squad Board of Directors for one-year terms to expire February 1, 2023.

Vice Mayor Caruso opened the floor for nominations to the Regional Improvement Commission.

Councilman Mays nominated Fred Ramey, Jr., to be appointed to the Regional Improvement Commission.

Upon a motion by Councilman Fultz, seconded by Councilwoman Davis, and passed by the following vote, YES – Mays, Fultz, Davis, Caruso, NO – None, ABSENT – Fawbush, ABSTAIN – None, council moved that the nominations cease.

Vice Mayor Caruso declared Fred Ramey, Jr., appointed to the Regional Improvement Commission.

In comments from the city manager:

The city manager gave council members a handout concerning portions of the City Charter he thinks need some housekeeping. He told council he is working with City Attorney William Bradshaw on the clarifications and updates and Mr. Bradshaw will prepare an ordinance that will include all of the clarifications and changes. He explained that council will have to formally authorize the changes with an ordinance and a public hearing will have to be held so the City Charter can be reviewed by the Virginia Division of Legislative Services prior to advancement to the Virginia General Assembly. He asked council to review the City Charter to determine if additional changes need to be made.

Following discussion of another possible change, council members Fultz, Mays and Caruso agreed the City Charter housekeeping changes need to be made.

Mr. Ramey reminded council that in July 2021 council gave permission for the city to take ownership of old playground equipment located at Norton Elementary and Middle School (NEMS) that was going to be discarded because it was being replaced with new playground equipment. Council also authorized the restoration and relocation of the playground equipment to Clear Creek Park in Ramsey.

He asked City Engineer Stephen McElroy to provide council with an update on the playground equipment restoration and relocation project.

Mr. McElroy discussed the project details and shared before and after pictures of the playground equipment via PowerPoint. He explained that some parts of the playground equipment were broken, rusted or outdated, such as the dragon structure and the curly slide, so those portions were replaced. All metal surfaces were painted, all walking surfaces were painted with non-slip paint, a handicapped accessible ramp was installed, as well as wood fiber mulch, which when placed at the correct depth is American with Disabilities Act (ADA) compliant. The mulch was also surrounded with black plastic edging to keep the mulch in place. He said completion of the project took a little longer than anticipated due to parts delivery and project construction delays, rain and cold weather, but is now completed at a cost of a little over \$37,000. He noted that a new playground like this would cost over \$100,000 and recommended visiting Clear Creek Park to see the restored playground equipment.

Vice Mayor Caruso said the restoration project was a great reinvestment.

Mr. Ramey told council the WCYB weather camera has been installed at Hotel Norton. The day after the camera was installed Meteorologist Dave Dierks reported the weather and used the new weather camera to show current weather conditions in Norton. He said the professional quality camera enables great angles for viewing the city and featuring special events taking place in Norton.

The city manager shared the new High Knob Region Map with council, noting that the map was a vision of Vice Mayor Caruso and has taken several years to create. Funding for the map came from a grant from the Virginia Tourism Corporation. He said the goal of the map is to focus on the High Knob Region and show the natural and recreational assets and primary roads. Mr. Ramey said an electronic version of the map is also available on the city website.

Vice Mayor Caruso said this map is something people have been requesting for a long time.

Councilman Fultz said a larger version of the map would look great at the Destination Center and suggested turning the map into an app.

The city manager said those are things that could possibly be done.

Mr. Ramey provided council with the city's latest Retail Sales Tax Report.

He said the Jersey Mike's ribbon-cutting ceremony was scheduled for 9 a.m., Wednesday, May 18, with official opening starting at 10 a.m. The city manager invited council members to attend the ceremony.

Mr. Ramey reminded council of the 1951 Norton Little League All-Star Commemorative Marker Unveiling Ceremony to be held at 2 p.m., Saturday, June 11, 2022, at the marker location on Park Avenue. He said the marker area is close to being finished with pole installation and landscaping scheduled to be completed prior to the June 11th event.

The following comments were made by council members:

Councilwoman Davis requested prayers for Mayor Fawbush who was ill and in the hospital.

Councilman Fultz, who serves as a city representative on the CNW Waste Water Treatment Authority Board, said the predicament this year for the board was addressing wage increases and purchasing a dump truck, so the decision was made not to refund money to the municipalities but to put that revenue toward a dump truck. He said hopefully money will be refunded next year and he commended CNW for a job well done.

He asked for an update on the Sports Car Club of America Hill Climb Event being planned for August 27 and 28, 2022, along Route 619 in Norton.

The city manager said he has not received any news from the Virginia Department of Transportation.

Councilman Fultz said John I. Burton High School graduation will take place Friday, June 20, 2022, on the Lawson-Fitchko Stadium football field, weather permitting.

Councilman Mays thanked Councilman Fultz for the CNW update and he commended the CNW board and staff for doing such a good job.

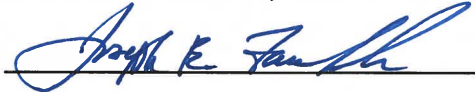
Vice Mayor Caruso thanked city administration for putting the budget together in the midst of state budgetary chaos. He said he was glad the city was able to include the five percent COLA increase for local and state supported positions and targeted wage scale adjustments in the FY2022-2023 Budget.

Mr. Caruso said he was pleased with the High Knob Region map and how it looks. He said he hopes the map will help alleviate fears and get people on the mountain. He noted that the map has been a great effort and he appreciates city administration working on the project.

He wished the mayor the best and welcomed a Forward Wise County Leadership Development Program participant who was in the audience.

There being no further business to come before council, Vice Mayor Caruso declared the meeting adjourned.

CITY OF NORTON, VIRGINIA



Joseph Fawbush, Mayor

ATTEST:



Fred Ramey, Jr., Interim Clerk of Council