

The regular meeting of the Norton City Council was held on Tuesday, May 15, 2007 at 7:30 p.m. in Council Chambers with Mayor Robert Raines presiding.

Present: Joseph Hunnicutt, Jack Wallace, Robert Raines, William Mays, and Joseph Fawbush

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

The invocation was given by the City Manager and was followed by the pledge of allegiance led by Acting Police Chief Randy Mullins.

Upon a motion by Joseph Hunnicutt, seconded by Jack Wallace, and passed by unanimous vote, Council moved to adopt the minutes of the May 1, 2007 meeting 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 Adopting the Budget for the City of Norton, Virginia for the Fiscal Year of July 1, 2007 Thru June 30, 2008 Appropriating Funds for all Contemplated Expenses of the City for the Fiscal Year and Placing Levies Upon All Real Estate, Personal Property and Bank Stock, Licenses, Fees, User Charges, And All Other Levies as Previously Imposed or Modified Herein.

Mayor Raines advised that the public hearing has been duly advertised.

The City Manager gave a brief overview of the budget which totals, for all funds, \$19,733,883. There is a ten cents increase in real estate taxes which will bring it to \$.80 per hundred dollars of assessed value. This increase should generate approximately \$170,000. There are no other fee/tax/license increases. The budget also reflects a 4% cost of living raise for all employees. Local school funding is \$1,890,219 which is an increase in local funds of \$126,620. Also briefly discussed was the increased debt service on the 11th Street Bridge Project and capital projects which totals \$651,812.

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

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There being no public comments, Mayor Raines closed the public hearing.

Mayor Raines advised that action will be taken on the City's budget at the next council meeting.

Before Council tonight was the consideration of the 2007-2008 budget of the Norton City Schools. This budget totals \$7,102,747 of which \$1,890,219 is local funds. This is an increase in local funds of \$126,610 over the previous year.

Dr. Lee Brannon, Superintendent of the Norton City School System and Ron McCall, Chairman of the City of Norton School Board were present.

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Following a brief discussion and upon a motion by Joseph Hunnicutt, seconded by William Mays, and passed by unanimous roll call vote, Council moved to adopt the 2007-2008 budget of the Norton City Schools.

Council had a request from the City of Norton Fire Department to increase their membership from 30 members to 35.

Mr. Ward advised that per Article II, Section 8-34(b) of the City Code under Fire Prevention and Protection, the department shall consist of not less than twenty (20) active members with the maximum number of active members set by the City Manager with the approval of the City Council. Mr. Ward advised that Fire Chief Mullins had made his case and the City Administration agrees. Therefore, the City Administration requests that this increased membership be approved.

Representing the Fire Department at tonight's meeting was Chief David Mullins and Todd Lagow.

Chief Mullins spoke briefly to Council.

Upon a motion by Joseph Hunnicutt, seconded by Joseph Fawbush, and passed by unanimous vote, Council moved to increase the membership of the Norton Fire Department from 30 members to 35. This is per the recommendation of the City Manager.

In their packets, Council had a request from Jeffery Shupe, Director of Finance, for a budget amendment in the 2006-2007 General Fund Operating Budget in the amount of \$137,797 to represent the award of a Homeland Security Grant. This grant is designated as an Assistance to the Firefighters Grant Program and requires that the City participate in the grant program with a 5% match.

Chief Mullins spoke briefly to Council and advised that receipt of this grant was due to the work of Todd Lagow. Mr. Lagow was present and displayed several items that were purchased from the funds received in this grant.

Following a brief discussion and upon a motion by Joseph Fawbush, seconded by Joseph Hunnicutt, and passed by unanimous roll call vote, Council moved to approve a budget amendment in the 2006-2007 General Fund Operating Budget in the amount of \$137,797.

Council had been presented with a copy of the audit of the Norton Industrial Development Authority for the year ended June 30, 2006 and a memorandum giving the highlights of this audit.

Mr. Ward advised that there are several Memorandums of Understanding between NIDA and the City. The first of these was made in mid-1990s and was the authorization for NIDA to borrow \$800,000 to save the Hotel Norton. As of June 30, 2006, this debt has been paid down to \$50,000 and will be paid off by the end of this fiscal year.

The second of these was for the development of the commercial retail project and the borrowing of 3.9 million dollars from Powell Valley National Bank. This will be paid off over a ten year period beginning June 30, 2006. As of June 30, 2006, the outstanding balance is \$3,777,996.

The third memorandum was for \$450,000 for the purchase of the Goad Property, which is owner-financed and will be paid off over a five year period. As of June 30, 2006, the amount outstanding was \$311,079.

Mr. Ward also advised Council that the amount of debt remaining on the Virginia Relay Center Building at year end was \$35,634. This debt will be completely retired as of August 15, 2007. Phase II of the Hotel Norton Project required the borrowing of

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\$1,000,000 from the Virginia Economic Development Authority (VCEDA). As of June 30, 2006, the outstanding balance on this debt was \$799,267; however on August 22, 2006, VCEDA agreed to convert this debt into a grant, thus forgiving the entire amount due, which was \$790,058 as of the date of forgiveness.

The City Manager then advised Council that the City and NIDA were very lucky to have Mr. Robert Leonard as a member of this board. Mr. Leonard, a retired accountant, does the books for NIDA and furnishes them with monthly reports.

Mayor Raines thanked Mr. Ward for the information on NIDA's audit.

Council had been presented with a copy of a check made payable to the Norton City Schools in the amount of \$169,840.

Upon a motion by Joseph Hunnicutt, seconded by Jack Wallace, and passed by unanimous roll call vote, Council moved to approve a check in the amount of \$169,840 made payable to the Norton City Schools.

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

Flag Rock Recreation Area opened on May 1st.

The City has received a report from the Litter Coordinator/Animal Control Officer. There have been 155 bags of litter picked up in 16 miles of roadway, and 160 hours of labor worked in the Assign-A-Highway Program. As for animals, there had been 15 complaints, 6 summons issued, and 6 animals taken to the shelter.

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The City received the new clam shell truck today and it will be on the road in a week or so.

In comments from the Assistant City Manger, Mr. Ramey advised that NIDA has their web site completed and he would like for Council members to go on line and view it. He further advised that the City is working on improving its web site and hopes to have this done within 30 to 60 days. In working on this site, he noticed that the picture of Council on line was done several years ago. He inquired if Council would like to have a new group and individual pictures taken. He advised this could be done prior to a council meeting.

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After a brief discussion, it was the consensus of Council for Mr. Ramey to schedule this prior to an upcoming council meeting.

There were no comments from the City Attorney.

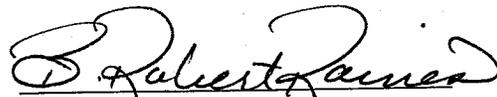
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In comments from City Council, Vice Mayor Mays commended several members of the Fire Department who have cross-trained and passed exams in the Emergency Medical Services area. Specifically mentioned were Steven McElroy, Levi Delp, and Todd Lagow.

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

CITY OF NORTON, VIRGINIA


B. Robert Raines, Mayor

ATTEST:


Clerk