

# **City Council Meeting Packet**



**July 20, 2021**

## AGENDA

Norton City Council

July 20, 2021

6:00 P.M.

1. Roll Call
2. Invocation
3. Pledge of Allegiance
4. Approval of Minutes
  1. Meeting of June 15, 2021
5. Audience for Visitors
6. New Business
  - A. Update on a Virginia Clean Water Financing and Assistance Program Application for Sewer System Evaluation.
  - B. Update on the City's FY22 Paving Efforts.
  - C. Update on the Restoration of the USS Constitution Canon.
  - D. Update on the American Rescue Plan Act's Coronavirus Local Fiscal Recovery Funding.
  - E. Confirmation of a Check/Transfer in Excess of \$100,000.
  - F. Closed Meeting for Personnel as Per Section 2.2-3711 (A) (1) of the Code of Virginia as Amended.

1. Appointment to the Wise County Library Board for a Four-Year Term; Currently Virginia Stokes Whose Term Expires 6/30/2021.

To 6/30/2025

2. Appointment to the Mountain Empire Regional Business Incubator Board for a Four-Year Term; Currently Tyler Giles Whose Term Expires 6/30/2021.

To 6/30/2025

3. Appointment to the Planning Commission for a Four-Year Term; Currently Robert Mitchell Kennedy Whose Term Expires 7/31/2021.

To 7/31/2025

4. Appointment to the Appalachian Community Action & Development Agency, Inc. (AppCAA) to Fill the Unexpired Term of Dee Belcher.

To 4/1/2022

5. Appointment of a Youth Representative to the Wise County/City of Norton Youth Services Board to Fill the Unexpired Term of Morgan Fawbush Whose Term Expires 7/1/22.

7. Comments by the City Manager, City Attorney, and City Council.

8. Adjournment.

The regularly scheduled meeting of the Norton City Council was held Tuesday, June 15, 2021, at 6:00 p.m., in the Municipal Council Chambers with Mayor Joseph Fawbush presiding.

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

Also Present: Fred L. Ramey, Jr., City Manager and Interim City Clerk

Prior to the invocation, Mayor Fawbush welcomed Norton Police Chief James Lane, who was in attendance at the council meeting, and requested that the chief lead the Pledge of Allegiance.

The invocation was given by Councilman Robert Fultz, and was followed by the Pledge of Allegiance led by Chief Lane.

Upon a motion by Councilwoman Davis, seconded by Councilman Caruso, and passed by the following vote: YES – Fultz, Mays, Davis, Caruso, Fawbush, NO – None, ABSENT – None, ABSTAIN – None, council moved to adopt the minutes of the June 1, 2021, meeting as presented.

Following the Mayor's Call for Visitors, the city manager said Chief Lane was attending the council meeting for city business before council and not just as an audience member.

Chief Lane thanked everyone for the tremendous support he has received during his recovery and credited this support to helping him recover quicker. He said he could never express how much the City of Norton means to him and that he looks forward to returning to work.

Noting that the police department had been working on the redesign of its departmental uniform patch for some time and the project was recently completed, Chief Lane said he thought it was the appropriate time to debut the new Norton City Police Department patch to council. New patches were given to each council member, and council thanked Chief Lane and his department for the patches and for completion of the project.

A public hearing was held to solicit input on An Amendment to the FY 2020-21 General Operating Fund Budget totaling \$4,181,578.

The city manager explained that the budget amendment process is part of the city's audit requirement to identify incoming revenue from various sources and unanticipated expenditures. He informed council that this amendment includes \$341,448 from unappropriated reserves, \$791,000 in loan proceeds, and \$3,049,130 in additional revenues.

He said he provided council with updated amendment information as advertised because city administration thought it was important to also include the refinancing proceeds. Mr. Ramey said the advertised budget amendment totals \$4,181,578 and almost \$4 million of that amount comes from grant/loan refinancing-related revenues. The city manager said grant revenues alone account for \$3,049,130, the largest of which is \$1.7 million from the LENOWISCO Planning District Small Business Recovery Grant for which the City of Norton serves as fiscal agent. The second largest category is loan proceeds from refinancing \$749,000, and loan proceeds the city received to purchase a patrol vehicle for the sheriff's department through the United States Department of Agriculture Rural Development Program.

Mr. Ramey said an estimated \$341,448 in unappropriated reserves could be used to balance the budget although he hoped that it would be much less. A few examples of how these reserves would be utilized include \$150,000 for continued downtown revitalization efforts, emergency

storm drainage repairs this year at Norton Elementary and Middle School totaling \$25,658, and additional Christmas decorations for next year.

Upon a motion by Councilman Mays, seconded by Councilman Fultz, and passed by unanimous roll call vote, YES – Fultz, Mays, Davis, Caruso, Fawbush, NO – None, ABSENT – None, ABSTAIN – None, council moved to adopt the FY 2021 Budget Amendment to the City of Norton General Operating Fund totaling \$4,181,578.

A public hearing to solicit input on An Ordinance Placing Levies Upon Equipment and Enabling Software in a Data Center was held, and Mr. Ramey said a notice of public hearing on the ordinance was advertised. He said the ordinance establishes a data center equipment tax of \$0.24 cents per \$100 of assessed value of computer equipment or enabling software used in a data center, which council agreed to in a Memorandum of Understanding (MOU) with Lonesome Pine Regional Industrial Facilities Authority in February 2021. He noted that establishing a regional uniform tax rate for data center equipment will place the region in a positive position to attract data centers to locate here. He added that this regional uniform data center tax rate is probably the best data center tax rate in the Commonwealth and the ordinance will expire June 30, 2035, unless extended by council.

After thanking everyone involved in establishing the regional data center tax rate, Mayor Fawbush opened the public hearing.

There being no public input, the mayor closed the public hearing.

Upon a motion by Councilman Caruso, seconded by Councilwoman Davis, and passed by unanimous roll call vote, YES – Fultz, Mays, Davis, Caruso, Fawbush, NO – None, ABSENT – None, ABSTAIN – None, council moved to adopt An Ordinance Placing Levies Upon Equipment and Enabling Software in a Data Center. (Insert)

In new business, council was asked to consider a request from Norton City Schools for A Supplemental Appropriation and Budget Amendment to the Norton City Schools Fiscal Year 2020-2021 Budget due to increased Average Daily Membership (ADM). The city manager said the request, presented to members in their council packets, is for amendment to the General Operating Fund due to additional funding in federal, state and local revenue (\$417,788 federal, \$673,427 state, and \$97,908 local). The local appropriation to the Textbook Fund decreased by \$22,571, and was waived by the state.

Mr. Ramey noted that the supplemental appropriation and budget amendment is due to increased ADM or student enrollment, which is a positive thing for the school system to have and not a normal occurrence.

Norton City Schools Superintendent Gina Wohlford and Chairman Cody McElroy were in attendance to make the request and to address questions from council.

Mr. McElroy said the local required effort the school is requesting due to increased ADM (775 to 810.29) totals \$75,337 and school administration will work closely with the leadership team and city administration to determine the final amount.

Following some brief comments from council, Councilman Mays motioned to approve the request for A Supplemental Appropriation and Budget Amendment of \$75,337 due to increased ADM for the school system's FY2020-2021 Budget. The motion was seconded by Councilman Caruso, and passed by unanimous roll call vote: YES – Mays, Fultz, Davis, Caruso, Fawbush, NO – None, ABSENT – None.

The city manager explained that a public hearing is not required for this amendment request because the amendment is less than one percent of the city budget.

Mr. McElroy then updated council on capital projects the school system can begin working on as a result of increased state and federal funding. The capital projects mentioned by the board chairman included an outdoor basketball court at the high school, a gateway to the high school football field with restrooms, softball locker rooms and restroom upgrades, and a courtyard behind the high school cafeteria.

He said some of these capital projects will be done in conjunction with the city and the school system is in the process of securing professional services to help with design and bid preparation. Rather than being in a hurry to spend year-end funds, Mr. McElroy said the school system will address council at a later date and work out funding details.

Also in packets for council consideration was An Ordinance Adopting the Budget for the City of Norton, Virginia, for Fiscal Year July 1, 2021, through June 30, 2022, 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. The General Operating Fund totals \$10,538,821; the Enterprise Fund, \$3,383,823; and the Social Services Fund, \$1,570,467. Personal property and real estate tax rates remain unchanged at \$2.05 per \$100 of assessed value and \$0.90 per \$100 of assessed value, respectively.

The FY 2021-2022 General Operating Fund budget of \$10,538,821 is an increase of \$493,297 over last year's budget. The Enterprise Fund budget of \$3,383,823 shows an increase of \$43,341 compared to the previous year, while the Social Services Operating Fund increased by \$139,971 and had a local appropriation decrease of \$2,527.

He said the recommended budget includes no revenue enhancements; however, the budget does include \$247,900 in surplus funds to balance the budget. There are no proposed rate increases and no changes to the Water Improvement Fee structure or sewer percentages in the Enterprise Fund.

The budget includes an increase in employee salaries and fringe benefits, a five percent increase for both state-supported and non-state-supported positions, an increase in Workers' Compensation Insurance, and a one percent rate decrease for the city's insurance plan.

The city manager noted that a public hearing on the budget was held June 1, 2021.

Upon a motion by Councilwoman Davis, seconded by Councilman Mays, and passed by the following unanimous roll call vote: YES – Mays, Davis, Fultz, Caruso, Fawbush, NO – None, ABSENT – None, council moved to adopt An Ordinance Adopting the Budget for the City of Norton, Virginia, for Fiscal Year July 1, 2021, through June 30, 2022, 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. (Insert)

Council was also asked for consideration of separate LENOWISCO Regional Small Business Recovery Assistance Interagency Agreements with Lee County, Scott County and Wise County as well as the program design for the regional project. The city manager said the agreements had been reviewed by City Attorney William Bradshaw and the agreements allow the City of Norton to continue to serve as the distributing agent of up to \$640,000 in Community Development Block Grant (CDBG) funding to the three participating LENOWISCO counties and the City of Norton, and the LENOWISCO Planning District Commission. The allocation distribution is as follows: City of Norton, \$150,000; Lee County, \$150,00; Scott County, \$150,000; Wise County, \$150,000; and LENOWISCO Planning District Commission, \$40,000 for project administration.

Mr. Ramey said the grants are \$15,000 each and are available to businesses that did not receive grant assistance previously - unless there were COVID-19-related expenses that were not covered previously.

Upon a motion by Councilman Caruso, seconded by Councilman Fultz, and passed by unanimous roll call vote, YES – Mays, Fultz, Davis, Caruso, Fawbush, NO – None, ABSENT – None, council moved to approve the agreements and program design as presented and authorized the city manager to execute the three agreements on behalf of the city. (Inserts)

The next agenda item before council was consideration of A Resolution Authorizing Submission of an Application for up to \$345,700 in Funding Through the Virginia Department of Transportation (VDOT) Fiscal Year 2022-2023 Revenue Sharing Program for the Laurel Avenue Bridge Superstructure Replacement Located at the Intersection of Laurel Avenue, SW, and 12<sup>th</sup> Street, SW. The city will fund its local share for preliminary engineering, right-of-way, and construction, and the resolution authorizes the city manager to execute all agreements and/or addendums.

Via a PowerPoint presentation, Mr. Ramey provided council with a brief history of the Laurel Avenue bridge and the bridge replacement details. He said the city owns several bridges in the city and has to maintain those structures according to VDOT standards. He said the Laurel Avenue bridge is the second lowest-rated bridge in the city, after the Main Avenue Bridge near the Norton Rescue Squad Building, which is scheduled for replacement probably next year. The city manager said the Laurel Avenue bridge was built in 1965 and was damaged in 2020 during an accident involving an uninsured, stolen vehicle. He explained that bridge repair is expensive and very detailed work which often cannot be done by the city. In 2016, the cost estimate to repair the bridge was \$143,000 and construction costs continue to increase. He also noted that the Laurel Avenue bridge is currently safe and serves as the only access point to the destination center property.

Mr. Ramey said the city can get 100 percent funding for the bridge replacement through VDOT's State of Good Repair Program; however, the bridge is not currently on the program's eligible funding list. He recommended that the city apply for VDOT Revenue Sharing funding where the city would receive 50 percent of the cost of the project. The city manager said the city would find out if the city is eligible for the Revenue Sharing funding by the spring of 2022.

Following a discussion concerning whether the bridge replacement would be more cost effective now or at a later date and possible alternative funding sources, council moved to adopt the resolution with the numerical correction from \$345,000 to \$345,700 in the second paragraph of the resolution. Upon a motion by Councilman Fultz, seconded by Councilwoman Davis, and passed by unanimous roll call vote, YES – Mays, Fultz, Davis, Caruso, Fawbush, NO – None, ABSENT – None, council adopted A Resolution Authorizing Submission of an Application for up to \$345,700 in Funding Through the Virginia Department of Transportation (VDOT) Fiscal Year 2022-2023 Revenue Sharing Program for the Laurel Avenue Bridge Superstructure Replacement with the numerical change of \$345,000 to \$345,700 in the second paragraph of the resolution. (Insert)

Council was also asked for consideration of the City of Norton Southside Comprehensive Community Development Rehab Program Design, which is being funded by the Virginia Department of Housing and Community Development (VDHCD). The city manager said the city is making progress on the Southside project which will improve the area for 36 low-to-middle-income residents. He explained that the project includes rehabilitation of eight owner-occupied housing units, rehabilitation of four investor-owned units, substantial reconstruction of two

owner-occupied houses, demolition of nine dilapidated, vacant building units (eight of which using Community Development Block Grant funding), and removal of all debris, weeds and inoperable vehicles throughout the project area, as well as utility upgrades, sidewalk improvements and paving. He said the city is taking the necessary steps to get the project under contract and establish a project management team and a project rehabilitation board, and council approval of the rehab program design is part of that process. He also said the project will serve as a model for future projects throughout the city.

Councilman Fultz noted the scope of this project is substantial when you look at the project blueprint and realize that 19 out of 55 buildings or properties (35 percent of buildings/homes) will be impacted, which is a significant change to a neighborhood and impacts the city landscape.

Mr. Ramey said this will be a big change for this community and many of these changes could not be done unless the changes were done as a large-scale project. He also noted that this project will improve the city landscape along US 23 and Southside residents have been an active force in getting this project underway.

Upon a motion by Councilman Mays, seconded by Councilman Caruso, and passed by the unanimous vote, council moved to approve the City of Norton Southside Comprehensive Community Development Rehab Program Design including Housing Rehab Oversight Board By-Laws, Project Area map, Program Income Plan, Rehab Specialist/Acquisition, Relocation, Demolition, and Consultant List of Work Items, as presented, with the understanding that there may be changes by VDHCD. (Insert)

Council had been presented with A Resolution of the City Council of the City of Norton Adopting a Five-Year Capital Improvement Program. The city manager advised that when the financial situation improves this year, council will want to address some of these capital improvements. He highlighted the capital improvements included in the FY 2021-22 Budget: \$225,000 for annual paving; \$5,000 for vacant home demolition, which will fund two \$2,500 grants; and \$15,000 for dilapidated structure demolition, which will fund two \$7,500 grants. He said the only project from the Enterprise Fund in the FY 2021-22 Budget is for \$47,000 for the annual Water Tank Rehab Program.

Upon a motion by Councilwoman Davis, seconded by Councilman Mays, and passed by unanimous roll call vote, YES – Mays, Fultz, Davis, Caruso, Fawbush, NO – None, ABSENT – None, council moved to adopt A Resolution of the City of Norton Adopting a Five-Year Capital Improvement Program. (Insert)

The city manager then provided an update on COVID-19 and the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 as of June 11, 2021.

Via a brief PowerPoint presentation, Mr. Ramey reported no new COVID-19 cases in the city, for a total of 290 cases, and no additional deaths. He reported that Wise County had an increase of 28 new COVID-19 cases for a total of 3,265 cases with three additional deaths reported.

Mr. Ramey provided a vaccine update as of June 11, 2021. He said 1,322 Norton residents had been fully vaccinated, 11,438 Wise Countians had been fully immunized, and just over 4 million Virginians had received full immunization.

The city manager reported that the 15-month-long COVID-19 State of Emergency in Virginia is expected to end June 30, 2021, with almost all public restrictions being lifted. He said Virginia Governor Ralph Northam is expected to call for a special session of the General Assembly which will have the task of determining how to spend \$4.3 billion in federal aid from the American Rescue Plan.



Mr. Ramey reminded council that on June 22 Virginia Department of Accounts analysts will conduct a conference call monitoring review of the \$694,654 in 2020 CARES Act funding the city received. He said he thinks the review will be a series of calls and meetings.

The city manager said the city received \$386,631.50 of the 2021 American Rescue Plan Act “county funding” on June 8<sup>th</sup>, and he anticipates the city will receive an equal amount in approximately one year.

Mr. Ramey informed council that the city received a letter June 9<sup>th</sup> from the Commonwealth of Virginia regarding allocations of the Coronavirus State and Local Fiscal Recovery Funds to Non-Entitlement Units of Government and preliminary estimates indicate the city will receive two transfers of \$2,065,177 each (\$4,130,354 total).

The city manager said the city’s certification form for payment of Coronavirus State and Local Fiscal Recovery funds was submitted June 10<sup>th</sup> and covers COVID-related costs incurred from March 3, 2021, through December 31, 2024, with all funds being expended by December 31, 2026. He explained that two equal payments are expected one year apart.

Mr. Ramey noted that the city also received information June 15<sup>th</sup> from the Virginia Municipal League that the release of the next round of 2021 American Rescue Plan Act funding could take place by June 30, 2021.

The city manager told council that the city submitted the paperwork for the additional \$600,000 in grant funding to the Commonwealth of Virginia for the LENOWISCO Small Business Recovery Assistance Program, and he believes the city will receive those funds.

He reported no change in the status of Municipal Utility Relief Program grant funding.

Upon a motion by Councilman Caruso, seconded by Councilman Mays, and passed by the following roll call vote: YES – Fultz, Davis, Mays, Caruso, and Fawbush, NO – None, ABSENT – None, council moved to go into closed meeting for Personnel as per Section 2.2-3711 (A) (1) of the Code of Virginia, as amended, and Section 2.2-3711 (A) (5) of the Code of Virginia for discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcements have been made of the business or industry’s interest in locating or expanding its facilities in the community, as amended.

Mayor Fawbush declared council in closed meeting.

Upon a motion by Councilman Fultz, seconded by Councilman Mays, and passed by unanimous vote, council moved to go back into open meeting.

Mayor Fawbush declared council back in open meeting.

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

Upon a motion by Councilman Caruso, seconded by Councilman Fultz, and passed by unanimous vote, council moved to adopt A Resolution of the Certification of Closed Meeting. (Insert)

No action was taken on appointments to the Lonesome Pine Regional Library Board of Directors and the Mountain Empire Regional Business Incubator Board of Directors.

In comments from the city manager:

Mr. Ramey thanked all organizers and volunteers who made the 2021 Best Friend Festival a successful event despite the inclement weather.

He distributed to council a FY2022 funding request from Norton Little League to place in their FY2022 Discretionary Funding Binder and provided council with the latest Retail Sales Tax Report. Council members said they were pleased with the positive Retail Sales Tax Report.

The city manager informed council that the Norton Business Challenge winner announcement will be scheduled probably Wednesday, June 23, and council will be invited once the date and time are determined.

He noted that paving is scheduled to begin this week on East Park Avenue from Tipple Hill to the dental office on 8<sup>th</sup> Street, NE.

Mr. Ramey said he had received a request for a memorial military rifle salute at Veterans Park June 27<sup>th</sup> in honor of the late Marty Bandy, following a memorial service honoring Mr. Bandy at Hotel Norton. The consensus of council was to authorize the request for the military salute in Veterans Park.

The city manager also informed council that the city is hosting the American Cornhole League Regional Tournament at the Expo Center Saturday, June 17.

The following comments were made by council members:

Councilwoman Davis, Councilman Fultz and Mayor Fawbush said they were pleased to see Chief James Lane at tonight's council meeting.

Councilman Fultz said he was pleased with the 2021 Best Friend Festival and is grateful for the positive things happening in the city and the direction in which the city is going.

Councilman Caruso asked if a trash can be placed at the dam area of reservoir lake, which would need to be bear proof. He also inquired about possible council consideration for the usage of golf carts and all-terrain vehicles in the city, for residents only.

It was the consensus of council to cancel the July 6<sup>th</sup> council meeting.

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

CITY OF NORTON, VIRGINIA

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Joseph Fawbush, Mayor

ATTEST:

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Fred Ramey, Jr., Interim Clerk of Council

# Inter-Office Memo



**To:** Mayor and City Council  
**From:** Fred L. Ramey, Jr., City Manager *FR*  
**CC:**  
**Date:** July 16, 2021  
**Re:** Funding Application for Sewer System Evaluation

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At this meeting, Stephen McElroy will provide a brief update on the City's recent application to the Virginia Clean Water Financing and Assistance Program for funding to assist with a sewer system evaluation in advance of potential funding program opportunities.

Thank You.

# Inter-Office Memo



**To:** Mayor and City Council  
**From:** Fred L. Ramey, Jr., City Manager *FR*  
**CC:**  
**Date:** July 16, 2021  
**Re:** FY22 Paving Projects Update

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At this meeting, Stephen McElroy will provide a brief update on the City's FY22 Paving Projects that have been completed.

Thank You.

# Inter-Office Memo



**To:** Mayor and City Council  
**From:** Fred L. Ramey, Jr., City Manager *FR*  
**CC:**  
**Date:** July 16, 2021  
**Re:** Canon Restoration

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At this meeting, Stephen McElroy will provide a brief update on the Restoration of the USS Constitution Canon Project.

Thank You.

# Inter-Office Memo



**To:** Mayor and City Council  
**From:** Fred L. Ramey, Jr., City Manager *FR*  
**CC:**  
**Date:** July 16, 2021  
**Re:** American Rescue Plan Act and CLFRF

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At this meeting, Jeff Shupe will provide a brief update on the City's share of the American Rescue Plan Act's Coronavirus Local Fiscal Recovery Fund (CLFRF) and an overview of the guidance that we have received to-date.

Thank You.

157521

INV. DATE	INVOICE#	S/L ACCT. #	GROSS AMOUNT	DISC. AMOUNT	NET AMOUNT
6/09/2021	STATEMENT	40-020-20000-0000140,955 03	.00	140,955.03	

6/11/2021	10375	157521	140,955.03	.00	140,955.03
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**CITY OF NORTON  
GENERAL OPERATING FUND  
NORTON, VA 24273**

FIRST BANK & TRUST COMPANY

140 THOUSAND 955 DOLLARS 03 CENTS

PAY TO THE ORDER OF:

HILL CONSTRUCTION, INC.  
358 WILL AND EMMA LANE  
CLINTWOOD VA 24228

DATE

6/11/2021

AMOUNT

\$140955.03

*[Signature]*  
AUTHORIZED SIGNATURE

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