

November 10, 2009

The regular meeting of the Council of the City of Martinsville, Virginia, was held on November 10, 2009, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kathy Lawson presiding. Council Members present included: Mayor Kathy Lawson, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Ruth Easley, Linda Conover, Leon Towarnicki, Cindy Dickerson, Esther Artis, Wayne Knox, T. J. Slaughter and John Dyches. Legislators present included: Senator Roscoe Reynolds, Delegate Ward Armstrong, and Delegate Don Merricks.

Following the invocation by Council Member Gene Teague and Pledge to the American Flag, Mayor Lawson welcomed everyone to the meeting.

Mayor Lawson called on Transportation Safety Commission Vice Chairman, Tim Byrd, to make the presentation from the Transportation Safety Commission. Mr. Byrd explained that in an effort to involve and engage students at Martinsville High School in issues related to safe driving practices, the Martinsville Transportation Safety Commission sponsored a bumper sticker contest encouraging students to design a bumper sticker with a safety message or theme. School Resource Officer T. J. Slaughter coordinated the contest with the school's art classes. Officer Slaughter presented a check to 1st place winner, Kimberly Seamon and noted that checks will also be given to 2nd place winner, William Cannaday, and 3rd place winner, Caroline Dionne.

On a motion by Kimble Reynolds, seconded by Danny Turner, with a 5-0 vote, Council approved the minutes of the October 13, 2009 Council meeting.

Mayor Lawson welcomed the legislators to the meeting. After brief discussion and with one minor correction pointed out (move item 4 from Education to Economic Development section regarding Commonwealth Crossing), on a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council approved the following City 2010 Legislative package:

The City of Martinsville appreciates the efforts its legislators undertake at both the state and federal level on behalf of its citizens. Listed below are the City's priorities requested of its legislative delegation in 2010.

General Assembly Transportation

1. Urge the CTB to reach a final conclusion on the I-73 corridor.
2. In the short term, upgrade those portions of Route 220 overlaying I-73 to interstate standards. Any construction or upgrades to the I-73 corridor should begin on those sections passing through Henry County.
3. Continue to place priority on Route 58 improvements, particularly the section between Stuart and Hillsville, Virginia.
4. Endorse the rapid development of the Trans-Dominion Express, with particular emphasis on extension of passenger rail service to Roanoke.
5. Request that the Trans-Dominion Express be extended to include a spur from Lynchburg to Danville.
6. Encourage the enactment of a long-term capital funding formula for the future transportation needs of the Commonwealth.

Education

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1. City Council endorses the agenda proposed by the Martinsville City School System and also endorses the educational priorities adopted by Henry County, on behalf of its school system.
2. Oppose the imposition of unaided education mandates and in the event of revenue cuts by the Commonwealth opposes targeted cuts by the Commonwealth, instead preferring local decision making authority on where to make any such cuts.
3. Continue support for the development and funding of the New College Institute, and urge that any funding reductions to New College Institute, if considered, be minimized to the greatest extent possible as New College Institute is in the critical stage of growth and its success is critical to the revitalization of uptown Martinsville and its ultimate development as a stand-alone four-year university is critical.

Economic Development

1. Maintain current levels of funding for economic development incentives, including but not limited to the Governor's Opportunity Fund.
2. Enhance the authority granted to localities to address and eliminate blighted properties, and the formation of interstate compacts to allow expedited recourse against out-of-state property owners.
3. Continue current funding levels of the Virginia Museum of Natural History.
4. Support the development of a multiuse trail traversing Southern Virginia from the Blue Ridge Parkway to the Chesapeake Bay in order to stimulate economic growth and promote regional tourism.
5. Include Mayo River State Park on the Commonwealth's list for future capital funding, as a benefit to the entire southern Virginia region.
6. Request enhanced state and federal financial assistance for localities which exceed the average state unemployment rate by 300% or more.
7. Request that any state and federal economic development reimbursements to Martinsville and Henry County for development of the Commonwealth Crossing site include in its computation any sewer revenue lost by the City of Martinsville

Governance

1. Request the appointment of a joint gubernatorial/legislative commission to examine the structure of local government in Virginia, the commission's mandate to include:
 - a. Examination of local government in the other 49 states for potential adaptation to Virginia.
 - b. Enable cities to expand their revenue base
 - c. Elimination of the "zero-sum" revenue base structure, which creates friction between cities and counties.
 - d. Elimination of redundant services and programs between contiguous cities and counties.
2. Require full funding for HB 599 funds, in fulfillment of the Commonwealth's commitment to cities in return for their acquiescence in the annexation moratorium.
3. Explore all potential options for the generation of revenue by localities.
4. Elimination of all unfunded mandates from the Commonwealth to localities.
5. Oppose any elimination of local revenue streams.
6. Request additional funding to adequately accommodate the space and office requirements of the Henry-Martinsville Department of Social Services.
7. Request that the General Assembly leaves intact the fire programs fund and the rescue squad assistance funds and not use these funds as a way to balance the state budget.
8. Support legislation directing health insurance credit for retirees of local government, constitutional officers, school division employees, and state employees.
9. Request that the Commonwealth fully fund its obligations to constitutional officers.
10. Oppose any attempt to curtail the doctrine of sovereign immunity for localities.
11. Oppose any attempt to permit collective bargaining for state and local government employees.
12. Request that the 2010 legislative redistricting result in at least the same number of legislative districts and members as are currently representing Martinsville and Henry County and that Martinsville and Henry County remain in the Fifth Congressional district.
13. Amend the Code of Virginia § 3.2-6540 to redefine "dangerous dog" to include a dog which has "attempted to bite, attack or inflict injury upon a person, or reasonably induced fear in the mind of a person that an attempt to bite, attack, or inflict injury on that person is imminent."

United States Congress

1. Continue to place priority on Route 58 improvements and the development of I-73.
2. In the short term, upgrade those portions of Route 220 overlaying I-73 to interstate standards.
3. Oppose any attempt to change the route of the Amtrak Crescent train service. Encourage Amtrak to provide motorcoach transfer service between Danville and Martinsville.
4. Request \$3.72M in funds for the redevelopment of brownfields extending from the former Sara Lee site, along Aaron Street, to Rives Road.
5. Request \$6.25M in funds for the elimination and redevelopment of blighted areas in the city.
6. Request legislation to provide special federal incentives to businesses locating in regions which have experienced job losses in excess of 5% of the total workforce and/or declines in median incomes since the adoption of NAFTA, WTO or GATT. Target such areas for increased federal funding in education or workforce retraining.
7. Extend high speed broadband service throughout southern Virginia.
8. Request enhanced state and federal financial assistance for localities which exceed the average state unemployment rate by 300% or more.
9. Request that any state and federal economic development reimbursements to Martinsville and Henry County for development of the Commonwealth Crossing site include in its computation any water and sewer revenue lost by the City of Martinsville.

Staff Designations *City Council empowers the following staff members to speak on its behalf and in its best interests to the General Assembly, its members and committees: City Attorney Eric Monday City Manager Clarence Monday Other department heads as appointed by the City Manager*

City Legislative package 2010 discussion comments from legislators included: Senator Reynolds comments—will be a difficult budget year for state, asked for any suggestions from Council, suggested that Council ask the governor-elect to look at the issue of local government structure which may help get a study started, not a positive outlook on transportation funding, indicated probably will be budget cuts in education and constitutional offices, decline in income tax revenue a big factor in state budget. Delegate Armstrong comments--budget outlook not good and the

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continuing budget problem will affect education, no money available for I-73 and Rt. 58 unless there are new revenues, he is a proponent of bipartisan redistricting, we can do a better job with economic development incentives, will need to raise taxes or cut schools, feels we should not support transportation on the backs of school kids. Delegate Merricks comments—state budget will be a challenge as the revenue trend is down, he will do his best with the city’s legislative list and will take a look at the dog issue, suggested the threshold for the governor’s opportunity fund be lowered, Council asked Merricks to remind Gov.-elect McDonnell of his statement about opening an office for economic development here; Merricks indicated the most impact is made on legislation when people show up at the committee meetings to make their plea and encouraged Council and citizens to do this whenever possible. The Mayor then offered Dr. Scott Kizner time to address legislators. Dr. Kizner’s comments--asked that legislators work with State Board of Education to make sure no requirements are put on education that are not funded, pointed out that it is important that schools have flexibility in spending funds. Mayor Lawson and members of Council thanked the legislators for their efforts on behalf of the city and our citizens.

Wayne Knox spoke briefly on the 2010 Census and pointed out the need to get everyone counted for Census 2010. He asked that Council approve the proclamation presented, authorize the City Manager to sign the partnership agreement and authorize appointment of a count committee in cooperation with Henry County. He then introduced the Census representative present. Census Partnership Specialist Linda Edwards-White gave an overview of the process and stressed the importance that everyone is counted since funds allocated by the federal government will rely on our census numbers. She explained that the count committee should be made up of “trusted voices” in the community to encourage citizens to participate. A motion was made by Gene Teague, seconded by Kimble Reynolds to approve the proclamation and census agreement. Council member Turner disclosed that his sister works for the census and that he has taken the census test. An amended motion was then made by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, to approve the following proclamation and the agreement as well as to form a Census Count Committee:

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2010 Census Partner Proclamation

 **Martinsville**
A CITY WITHOUT LIMITS

WHEREAS an accurate census count is vital to our community and residents' well-being by helping planners determine where to locate schools, day care centers, roads and public transportation, hospitals and other facilities, and achieving an accurate and complete count of the nation's growing and changing population;

WHEREAS more than \$400 billion per year in federal and state funding is allocated to states and communities based, in part, on census data;

WHEREAS census data help determine how many seats each state will have in the U.S. House of Representatives and often is used for the redistricting of state legislatures, county and city councils and voting districts;

WHEREAS the 2010 Census creates jobs that stimulate economic growth and increase employment;

WHEREAS the information collected by the census is confidential and protected by law;

Now, therefore, we PROCLAIM that the City of Martinsville, Virginia is committed to partnering with the U.S. Census Bureau to help ensure a full and accurate count in 2010.

As a 2010 Census partner, we will:

1. Support the goals and ideals for the 2010 Census and disseminate 2010 Census information to encourage those in our community to participate.
2. Encourage people in our community to place an emphasis on the 2010 Census and participate in events and initiatives that will raise overall awareness and ensure a full and accurate census.
3. Support census takers as they help our community complete an accurate count.
4. Create or seek opportunities to collaborate with other like-minded groups in our community by participating in Complete Count Committees and/or utilizing high-profile, trusted voices to advocate on behalf of the 2010 Census.

Signed this 10th day of November in the year 2009.

Signature Clarence Monday

Title City Manager

Organization Name City of Martinsville

Council heard an update from Jeannie Frisco of M-HC Activate explaining the grant application process for the Infrastructure Projects for the Safe Routes to School Program. She pointed out this grant is 100% federally funded and does not require a local dollar match. She also pointed out this endeavor supports Council's goals and initiatives. On a motion by Kimble Reynolds, seconded by Mark Stroud, with a 5-0 vote, Council approved the following resolution required for the grant application:

A RESOLUTION AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION FOR GRANT FUNDS FOR SAFE ROUTES TO SCHOOL INFRASTRUCTURE IMPROVEMENS AND EDUCATIONAL PROGRAMS.

WHEREAS, the Virginia Department of Transportation has invited cities to make application for grant funds; and

WHEREAS, the City of Martinsville desires to submit an application for a grant of state funds up to \$311,400 through the Virginia Department of Transportation Safe Routes to School Program, Fiscal Year 2009-2010; and

WHEREAS, \$254,500 of these state grant funds are requested to fund infrastructure improvements including but not limited to sidewalk construction, painting of crosswalks, and traffic signal actuation; and

WHEREAS, the three pilot schools in the City of Martinsville being considered for this program are Albert Harris Elementary, Patrick Henry Elementary and Martinsville Middle School.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Martinsville, Virginia, that it does hereby authorize the City Manager, Clarence Monday, to sign an application for a grant for the Safe Routes to School Program in an amount up to \$311,400 through the Virginia Department of Transportation Safe Routes to School Program; and

BE IT FURTHER RESOLVED, that the City Manager, Clarence Monday, be, and is hereby, authorized to accept such grant and execute, on behalf of the City, any required contracts and agreements related thereto.

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Water Resources Director John Dyches briefed Council on the revisions to Rules & Regulations governing the use of Beaver Creek Reservoir and asked that Council approve a resolution adopting the revisions as outlined:

RULES AND REGULATIONS
GOVERNING THE USE OF BEAVER CREEK RESERVOIR AND
THE ADJACENT AREAS FOR RECREATIONAL PURPOSES

Adopted: June, 1956

Revised: February, 1981; January, 1994; August, 1995; November, 2001; November 2009

GENERAL PROVISIONS:

1. **Departmental Jurisdiction.** Beaver Creek Reservoir, a primary water supply source for the City of Martinsville, and certain areas adjacent to the Reservoir are under direct control and supervision of the Water Resources Department.
2. **Designated Recreation Areas.** The water surface of the Reservoir and approximately 20 acres of adjacent land area are available to the general public for recreation purposes, subject to these rules and regulations.
3. **Types of Recreational Privileges.** Recreational activities shall be generally classified as picnicking, fishing, boating and hiking.
4. **Hours of Operation.** All activities shall be restricted to the period each day from sunrise until sunset, unless special permission is granted otherwise.
5. **Access.** Entrances to the water surface and recreation areas shall be controlled and limited to the gated entrance on Boat Ramp Drive. The designated access shall be strictly observed by the public.
6. **Prohibited Acts.** No activity shall be allowed that would endanger the reservoir impoundment, contaminate the water, pollute the watershed, or in any other way be detrimental to the public interest. Specifically, no person shall:
 - a. Swim, wade or bathe in the reservoir.
 - b. Allow a pet or domestic animal to enter the water or run at large in the recreation areas.
 - ~~c. Enter the area with firearms or fireworks, nor discharge same while there.~~
 - d. Engage in any commercial activity within the area, except pursuant to a specific contract with the City.
 - e. Post, distribute or display private notices or advertisements, except those deemed necessary for the convenience and guidance of the public using the reservoir area for recreational purposes.
 - f. Operate a boat in any manner so as to constitute a menace or hazard.
 - g. Place in the reservoir any boat, trailer or bait container that has been in other water bodies within the previous week, or that has been in other water bodies within three weeks but not within the previous week unless first inspected and approved by the Lake Warden, in order to prevent the introduction of zebra mussels.
 - h. Possess or consume alcohol within the area.
 - i. Commit lewd or licentious acts or use profane language.
 - j. Feed fowl.
7. **Suspension of Recreational Privileges.** By order of the City Manager or the Director of Water Resources, recreational privileges may be suspended or discontinued in part or in full and for any length of time required to preserve the safety of the water supply, to abate hazardous conditions or for other appropriate reasons.

ENFORCEMENT OF REGULATIONS

1. **Responsibility.** Enforcement of these regulations shall be the primary responsibility of an officer of the City designated as the Lake Warden.
2. **Posting of Regulations.** These regulations shall be posted in a conspicuous place(s) at the Reservoir and shall otherwise be made available to all persons entering the area.
3. **Fees.** All fees required by these regulations shall be collected and accounted for by the Lake Warden.
4. **Denial of Admission.** The Lake Warden is empowered to revoke the recreation privileges described herein and/or to deny admission and/or to arrest and take into custody any person who violates these regulations.

PICNICKING

1. **Location.** Picnicking activities shall be permitted only in designated areas.
2. **Fires.** Fires shall be allowed only in designated picnic areas and shall be laid only in the cooking grills provided or in privately owned grills, or otherwise to strictly avoid uncontrolled conflagration.
3. **Garbage.** All garbage, rubbish and trash resulting from picnicking shall be deposited in receptacles provided.

FISHING

1. **Licensure.** Persons fishing the Reservoir must be in compliance with all Commonwealth of Virginia game and fish laws and must have in their possession valid state licenses. No other fees or permits shall be required.
2. **Where Allowed.** Fishing shall be allowed from boats, from the shore and from established fishing piers.
3. **Sale of Fish.** Fish taken from the Reservoir may not be sold commercially nor bartered.

BOATING

1. **Permits Required.** Any person desiring to place a boat upon the Reservoir, either for regular or temporary use, shall pay a fee and secure a permit from the Lake Warden.
2. **Permit Types, Terms and Fees.** All permits shall be valid only during the calendar year of issuance and fees shall not be prorated. A permit may be transferred to successive owners of a boat.
 - a. Annual: An annual permit may be issued to a boat to be placed on the Reservoir during normal hours of operation upon the payment of \$15.00 per year.
 - ~~b. Daily: A one day permit may be issued to a boat to be placed on the Reservoir during normal hours of operation upon the payment of \$3.00 per day.~~
3. **General Requirements.** Unless otherwise specifically provided herein, all boats must be equipped and operate in accordance with Virginia Boating Laws and Regulations. Permits will be issued only to boats of a substantial type and structure as determined by the Lake Warden.
 - a. Capacity. Limited to two people unless a higher capacity or weight limit is specifically stated on the boat.
 - b. Juveniles. No boat shall be operated by a person under sixteen years of age. Persons under sixteen years of age may enter and be passengers in a boat only if accompanied by an adult.
 - ~~c. Operating Near Spillways. No boat shall be taken into restricted areas adjoining the spillways and/or intake tower, or in any other area marked by signs as restricted. No boat shall be tied, anchored or moored to the intake tower or its support cable.~~
 - d. Passing. When two boats approach each other on the same course, the operator of each shall keep to his right (starboard), passing the other boat to his left (portside). Boats without power shall at all times have the right-of-way over power boats. No boat shall cross the bow of another boat within a distance of 50 yards.

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- e. Influence of Alcohol. No person under the influence of alcohol shall operate or be a passenger in a boat on the Reservoir at any time.
 - f. Ride the Gunwales. No person operating a boat shall allow any person to ride or sit on the gunwales or on the deck of the bow of the boat while underway.
 - g. Speed and Reckless Navigation. An operator of a boat shall at all times navigate in a careful and prudent manner, at a rate of speed and in such a way as not to endanger the property or physical well-being of any other person.
 - ~~h. Accidents. The operator of any boat involved in a collision or other accident resulting in damage to property and/or injury or death of any person shall immediately stop the boat at the scene of the accident and shall give his name, address and permit number to the other parties involved; shall render reasonable assistance to any injured person; and shall immediately report the matter to the Lake Warden prior to leaving the Reservoir area.~~
4. **Equipment.** All boats shall be equipped with the following:
- a. Life Preservers. All boats shall be equipped with one U.S. Coast Guard approved wearable personal flotation device for each person aboard. In addition, all boats shall be equipped with one throwable personal flotation device.
 - b. Pails for Sanitary Purposes. Each boat shall be equipped with a pail or other suitable device to be used only for sanitary purposes.
 - c. Bailing Equipment. Each boat shall be equipped with an efficient pumping device or bailing bucket.
 - d. Oars. Each boat shall be equipped with one or more oars or paddles.
5. **Power Boats.** All boats equipped with a motor shall be specially regulated as follows:
- a. The use of gasoline powered motors and the presence of gasoline in containers on the Reservoir shall be prohibited, except by the Lake Warden or other officials during emergencies or enforcement actions.
 - b. Battery powered trolling motors are permitted.
6. **Sailboats.** Permits may be issued to sailboats of small or medium size that are determined by the Lake Warden to be safe and of substantial construction. No person may operate or be a passenger aboard a sailboat unless wearing a U.S. Coast Guard approved life preserver.
7. **Canoes and Kayaks.** Permits may be issued to canoes or kayaks that are determined by the Lake Warden to be safe and of substantial construction. No person may operate or be a passenger in a canoe or kayak unless wearing a U.S. Coast Guard approved life preserver.
- a. Waiver of Age Limit. For the purposes of training or organized excursions, the Lake Warden may authorize the operation of canoes or kayaks by persons under the age of sixteen, and without an adult aboard, when such persons are representing bona fide youth organizations (such as Boy Scouts, Girl Scouts, YMCA) and when such persons are under the immediate supervision of a recognized adult leader.
8. **Inflatable Boats.** Permits may be issued to inflatable boats complying with the following requirements. Rafts and floats are not included.
- a. Air Compartments. Must have a minimum of four air compartments.
 - b. Bottom. Must have a solid bottom.
 - c. Capacity. Limited to two people unless a higher capacity is specifically stated on the boat.

Discussion comments included making the area easier for the handicapped to navigate. Mr. Dyches pointed out the revised regulations will be posted on the city's website. On a motion by Kimble Reynolds, seconded by Gene Teague, with a 5-0 vote, Council approved the following resolution adopting the revisions to the Rules and Regulations governing the use of Beaver Creek Reservoir:

WHEREAS, Martinsville City Council first adopted "Rules and Regulations Governing the Use of Beaver Creek Reservoir and the Adjacent Areas for Recreational Purposes" in June of 1956, which regulations have been revised in February of 1961, January of 1994, August of 1995, November of 2001; and

WHEREAS, a further revision of said regulation is deemed advisable,

THEREFORE, BE IT RESOLVED by the Council of the City of Martinsville, Virginia, assembled in regular session held November 10, 2009, that said rules and regulations be revised as shown on the attached copy of said rules and regulations

City Manager Clarence Monday briefed Council on past power contracts noting the City has been operating an Electric Utility since 1904. He pointed out AMP was chosen to have some control of our own destiny not relying solely on the market for power purchases as well as future projects potential. He then introduced Eric Lloyd of AMP and Duane Dalquist of Blue Ridge Power Agency. Eric Lloyd gave an overview regarding American Municipal Power (AMP), Inc. Meldahl and Greenup Hydroelectric Project Participation, history & development, project status, project costs, risks and benefits. He also reviewed results from a power supply study of AMP members. Duane Dalquist pointed out the city needs to review and evaluate the assumptions by first week in January. The City Manager will provide Council with data as soon as is available in order that a recommendation

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can be heard at the first Council meeting in January and possibly hold a public hearing and consider approval of ordinance on the first reading. Council agreed by consensus to proceed and do the due diligence for these potential projects.

On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council approved the following revised Facility Cost Agreement for the Henry-Martinsville Department of Social Services:

FACILITY COSTS AGREEMENT

THIS FACILITY COSTS AGREEMENT (FCA) is made this _____ day of _____, 2009, by and between The County of Henry, Virginia, (hereinafter referred to as the "County") whose address is P. O. Box 7, 3300 Kings Mountain Road, Collinsville, Virginia, and the City of Martinsville, Virginia, (hereinafter referred to as the "City") whose address is P. O. Box 1112, 55 East Church Street, Martinsville, Virginia, 24112, hereinafter referred to as (the "Owners"), and The Henry-Martinsville Department of Social Services, (hereinafter referred to as the "Agency") whose address is P. O. Drawer 832, Martinsville, Virginia, 24114, 20 Progress Drive, Martinsville, 24112.

The Owners hereby designate the County of Henry to act on behalf of the Owners for all matters related to this FCA.

In consideration of the mutual promises and covenants set forth below, as well as other good and valuable consideration, the receipt of which is acknowledged, the parties hereto agree as follows:

1. REAL PROPERTY, TERM OF OCCUPANCY, AND RENEWALS. Owners hereby assign right of occupancy to the Agency for the property and improvements at the "Premises" (as shown on the attached exhibit) for the term of five (5) years, commencing upon occupancy, and expiring on December 31, 2014. This FCA shall automatically renew for additional one year terms, each year unless a party hereto provides the other parties written notice of intent not to renew ninety (90) days prior to the expiration of the term.
2. ADA ACCESSIBILITY. Prior to delivery of facility to the Agency, the County shall certify to the Agency that the premises comply with the minimum requirement of the American's with Disabilities Act of 1990 (ADA).
3. USE OF PREMISES. The Premises will be used by the Agency as the offices of the Henry-Martinsville Department of Social Services and for no other purpose.
4. ACCEPTANCE OF PREMISES AND ANNUAL INSPECTION. The County and the Agency agree that prior to occupancy of premises, a representative of the Owners and Agency shall inspect the Premises to determine if there are any repairs necessary before occupancy. Prior to March 1 of each year the Owners and Agency shall inspect the facility to determine if any items are in need of repairs or replacement that would be the responsibility of the Owners to be considered in the annual budget process. The Agency is responsible for submitting the annual inspection report.
5. FACILITY COSTS. The Agency agrees to pay as facility costs the total sum of Seventy Five Thousand Dollars (\$75,000) annually. Beginning upon occupancy said facility costs will be paid in arrears in five equal monthly installments due and payable on the last day of business each month, without notice, demand, or offset, in monthly installments of Two Thousand Six Hundred and Seventy Six Dollars (\$2,676.00) for each the month of occupancy through the last day of April 2010. Due to the joint ownership of the occupied premises the Agency will remit 66% of the facility costs (\$1,766.00) to the County of Henry and 34% of the facility costs (\$909.84) to the City of Martinsville, as designated in this FCA. On May 31, 2010 Agency shall pay as facility costs Twenty-Two Thousand Seven Hundred and Eighty Two Dollars (\$22,782.00), said facility costs being contingent upon Agency funds availability. Due to the joint ownership of the occupied premises the Agency will remit 66% of the May 31, 2010 facility costs (\$15,036.12) to the County of Henry and 34% of the May 31, 2010 costs (\$7,745.80) to the City of Martinsville, as designated in this FCA. Beginning July 1, 2010, said facility costs will be paid in arrears in 11 equal monthly installments due and payable on the last day of business of each and every month, without notice, demand, or offset, in monthly installments of Two Thousand Six Hundred and Seventy Six Dollars (\$2,676.00) each for the months of June 2010 through April 2011 and July through April of all subsequent fiscal years of this FCA term. Due to the joint ownership of the occupied premises the Agency will remit 66% of the facility costs (\$1,766.00) to the County of Henry and 34% of the facility costs (\$909.84) to the City of Martinsville, as designated in this FCA. On May 31, 2011, and again on May 31 of each and every subsequent year of this and subsequent FCA terms, Agency agrees to pay Forty Five Thousand Five Hundred and Sixty Four Dollars (\$45,564.00) facility costs, said June 1 facility costs payment being contingent upon Agency funds availability.
6. PARKING. The County agrees to provide 199 parking spaces for the non-exclusive use of the Agency. Eight parking spaces shall be designated for handicapped parking. If the Owners upfit additional unfinished space in the building and lease to one or more additional tenants, the Owners agree to provide additional parking spaces to accommodate the additional tenants.
7. SIGNAGE. The County will cooperate with the Agency to allow installation of building and monument signage of an agreed upon size and style.
8. UTILITIES. The Agency shall pay, as and when the same become due and payable, all charges for water and sewer, and all charges for electricity, gas, heat, telephone service and other utilities supplied the Premises. These charges are not included in the facility costs and will be incurred and billed by means of separate service contracts between the Agency and the service providers.
9. ALTERATIONS AND IMPROVEMENTS. Agency agrees that no alterations, installations, and major repairs shall be done to the Premises without the County's written consent. Such consent will not be unreasonably withheld.
10. MAINTENANCE AND REPAIRS OF PREMISES.
 - (A) During the term of this FCA, the Agency shall keep the interior of the Premises in good order and repair. Damage by fire, the elements or other casualty, and repairs or replacements as outlined herein shall be the obligation of the County. Agency shall also keep the premises free from refuse and other debris during the term hereof. Agency will also be responsible for procuring janitorial services for the Premises; said janitorial services are not included in the facility costs.
 - (B) Agency shall enter into preventative maintenance contracts and be responsible for all repairs to heating, ventilating and cooling equipment, elevator and fire alarm/security systems installed on the premises; provided, however, that the County shall be responsible for the replacement thereof when necessitated by age and ordinary wear and tear, fire, the elements or other casualty.
 - (C) Agency also accepts the responsibility for payment of the first one thousand dollars (\$1,000) of any repairs to the premises. Those amounts incurred over \$1,000 shall be pre-approved by the Owners and billed to and paid by the County of Henry (66%) and the City of Martinsville (34%).
11. SNOW REMOVAL AND LAWN MAINTENANCE. Agency is responsible for maintenance of all exterior common areas including the collection and removal of litter and trash, mowing of grass, maintenance of landscaping and removal of snow and ice from sidewalks.

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The City agrees to remove snow from the parking lot area. Agency acknowledges that said snow removal from parking lot by Owners shall occur at the same time as snow is removed from Progress Drive by the City of Martinsville.

12. INSPECTIONS AND ACCESS. The County and its representatives may enter the premises to make inspections, repairs, decorations, alterations or improvements. Except in case of emergency or when it is impractical to give notice, the County will give Agency reasonable notice of the County's intent to enter and may enter the Premises only at reasonable times.

13. COVENANTS BY OWNERS. The County shall keep the Premises insured against loss or damage. The City shall pay 34% of said costs. Agency is responsible for insuring the contents of the occupied area and shall pay for same and provide proof of insurance to the County.

14. COVENANTS BY AGENCY.

(A) Agency shall (1) use, maintain and occupy the Premises in a careful, safe, proper and lawful manner, keep the appurtenances, including adjoining areas and sidewalks in a clean and safe condition; (2) maintain the Premises at its own expense in a clean, orderly and sanitary condition, free of insects, rodents, vermin and other pests; (3) not permit undue accumulations of garbage, trash, rubbish and other refuse; (4) remove such refuse at its own expense.

(B) Agency shall, at its expense, keep the Premises, signs and sidewalks and the parking areas, as designated, adjacent to the premises, in a clean, safe and sanitary condition; conform to applicable laws, ordinances, regulations, and codes; and store all trash and garbage within the premises, or in such places as the County may designate. Agency shall not mark, drill, deface, injure or damage the premises; conduct business so as to constitute a nuisance to other property owners or tenants or occupants in the building and area; burn trash on the property; permit rubbish, refuse or garbage to accumulate or a fire hazard to exist about the Premises; overload any floor facility; or throw foreign substances in plumbing facilities or use the same for any purpose other than that for which constructed.

Agency agrees not to change or add locks without giving the County immediate notice and a duplicate of all keys, except in those areas where checks, marketable securities, food stamps and any confidential documents are stored.

Agency agrees to pay all costs resulting from the intentional or negligent destruction, damage or removal of any part of the Premises by Agency or by any of Agency's guests or other persons on the Premises with Agency's consent.

15. ASSIGNMENT OR SUBLET. Agency will not assign this FCA or sublet the Premises without the County's prior written consent. No assignment or sublet will release Agency from continuing liability for the full performance of this FCA unless the County signs a written statement clearly releasing Agency from such liability.

16. NOTICES. All notices in writing required or permitted by this FCA may be delivered in person, or sent by certified mail, return receipt requested (postage prepaid) to the County of Henry, Agency, or Agent at such parties' addresses, as set forth herein or at such other address as a party may designate from time to time by notice given in accordance with the terms of this section; however, Agency shall be deemed to have received notice if such notice is delivered or served at the address of the Premises. The County's recipient for notice shall be the County Administrator whose address is P. O. Box 7, 3300 Kings Mountain Road, Collinsville, Virginia 24078. The City's recipient for notice shall be the City Manager whose address is P. O. Box 1112, 55 East Church Street, Martinsville, Virginia, 24112. The Social Services recipient for notice shall be the Director whose address is P. O. Drawer 832, 20 Progress Drive, Martinsville, Virginia 24112.

17. HEADINGS. The headings of the sections of this FCA are inserted for convenience only and do not alter or amend the provisions that follow such headings.

18. GOVERNING LAW. This FCA is entered into and shall be construed under the laws of the Commonwealth of Virginia.

19. SEVERABILITY. Any provision of this FCA which is prohibited by, or unlawful or unenforceable under, Virginia law shall be ineffective only to the extent of such prohibition without invalidating the remaining provisions of this FCA.

20. AMENDMENTS. This FCA may be amended only by a writing signed by the parties, or by a change in the County's rules and regulations, provided that reasonable notice of such change is given to Agency and provided that such changes do not substantially modify Agency's arrangement with the County.

21. ENTIRE AGREEMENT. This FCA and any rules and regulations of the County constitute the entire agreement between the County and the Agency. No oral statements made by either party shall be binding.

The City of Martinsville joins in this agreement to acknowledge the FCA was prepared by the County of Henry and to signify their agreement to all the terms herein.

WITNESS the following signatures:

COUNTY OF HENRY
By _____
Debra Buchanan, Chairman
Henry County Board of Supervisors

ATTEST:

Benny Summerlin, Clerk to the Board

CITY OF MARTINSVILLE
By _____
Kathy Lawson, Mayor

ATTEST:

Clarence Monday, Clerk of Council

HENRY-MARTINSVILLE DEPARTMENT
OF SOCIAL SERVICES
By _____
Ben Meador, Chairman
Henry-Martinsville Board of Social Services

ATTEST:

Amy Tuttle, Director
Henry-Martinsville Department of Social Services
State of Virginia, City of Martinsville, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by Ben Meador, Chairman of the Henry-Martinsville Board of Social Services and Amy Tuttle, Director of Social Services, respectively, on behalf of the Henry-Martinsville Department of Social Services.

Description of Occupied Premises--

The occupied premises shall include non-exclusive use and access to all outside common areas to include parking as well as 36,000-square feet of interior office space and fixtures as shown in the attached exhibit.

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Business from the floor: Scott Coleman, PIO, gave an update on use of social media opportunities noting a plan is now being crafted and the city attorney will develop a policy. Cindy Dickerson, Treasurer, as a matter of information, reminded citizens about being able to make payments on the city's website. She also noted that use of the online payments is growing. Wayne Knox reminded citizens of the Nov. 12 update on the Master Plan Session and encouraged participation.

Comments by Council members: Stroud-encouraged citizens to give blood and said he was pleased with high number lined up to receive flu shots. Stroud, along with all Council members mentioned their appreciation to our veterans. Turner-reminded citizens of flag ceremony to be held on Veterans' Day. Reynolds-complimented City Council on areas we are succeeding in including WiFi zones and work on inclusive leadership to encourage participation. Reynolds also noted a lot of good ideas were brought back from the VML meeting by those attending. Mayor Lawson-reminded citizens a free energy audit service is available to citizens and this service will be highlighted on the December utility bill; requested the city look into using pedestrian signs in the middle of road that she has seen in other communities—City Manager reported this will be part of the Uptown Master Plan; reminded citizens of Christmas Parade on Dec. 5.

Comments by City Manager: Updated Council that staff is working hard to get stimulus funds and he praised Assistant City Manager, Leon Towarnicki, Community Development Director, Wayne Knox, and City Planner, Susan McCulloch for the good job done on projects that are being submitted. He also reported that work is on schedule at the landfill site.

In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Gene Teague, seconded by Mark Stroud, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matter: (A) Consultation with legal counsel and briefings by staff members, attorneys, or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7.

At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting

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requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during said Session. On a motion by Kimble Reynolds, seconded by Danny Turner, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council returned to Open Session. No action was taken.

There being no further business, Mayor Lawson adjourned the meeting at 10:29 pm.

Clarence C. Monday
Clerk of Council

Kathy C. Lawson
Mayor