

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA
Council Chambers – Municipal Building
7:00 pm CLOSED SESSION **7:30 pm regular session**
Tuesday, September 10, 2013

7:00--Closed Session

1. Items to be considered in Closed Session, in accordance with the Code of Virginia, Title 2.2, Chapter 37—Freedom of Information Act, Section 2.2-3711(A)—Closed Meetings, the following:
 - 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.
 - B. Appointments to boards and commissions as authorized by Subsection 1.

7:30—Regular Session

Invocation & Pledge to the American Flag-Council Member Stroud

1. Consider approval of minutes of July 23, 2013 and August 13, 2013. (2 mins)
2. Hear an overview of Council's September 9, 2013 Neighborhood meeting. (5 mins)
3. Introduction and comments from Tommy Hudgins, new Headmaster at Carlisle School. (5 mins)
4. Consider approval, on first reading, of an ordinance related to increasing number of members serving on the City's advisory Arts & Cultural Committee from five to eleven. (5 mins)
5. Consider adoption of a Resolution authorizing the execution of an agreement providing for the obligations of the City to consider certain appropriations to the Industrial Development Authority of Henry County, VA and to Henry County, VA to finance the construction of a shell building for economic development purposes at the Patriot Centre Industrial Park. (15 mins)
6. Hear a staff update on a recently completed project involving the City and Martinsville Uptown related to promoting the Uptown area as a place to shop, visit, live, and develop or expand a business. (15 mins)
7. Consider approval of consent agenda. (2 mins)
8. Business from the Floor
This section of the Council meeting provides citizens the opportunity to discuss matters, which are not listed on the printed agenda. In that the Council meetings are broadcast on Martinsville Government Television, the City Council is responsible for the content of the programming. Thus, any person wishing to bring a matter to Council's attention under this Section of the agenda should:
 - (1) come to the podium and state name and address;**
 - (2) state the matter that they wish to discuss and what action they would like for Council to take;**
 - (3) limit remarks to five minutes;**
 - (4) refrain from making any personal references or accusations of a factually false and/or malicious nature.****Persons who violate these guidelines will be ruled out of order by the presiding officer and will be asked to leave the podium.**
Persons who refuse to comply with the direction of the presiding officer may be removed from the chambers.
9. Comments by members of City Council. (5 minutes)
10. Comments by City Manager. (5 minutes)



City Council Agenda Summary

Meeting Date: September 10, 2013

Item No: 1.

Department: Clerk of Council

Issue: Consider approval of minutes of City Council meeting July 23, 2013 and August 13, 2013.

Summary: None

Attachments: July 23, 2013
August 13, 2013

Recommendations: Motion to approve minutes as presented

July 23, 2013

The regular meeting of the Council of the City of Martinsville, Virginia, was held on July 23, 2013, in Council Chambers, Municipal Building, at 7:30 PM, Closed Session beginning at 7:00PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Gene Teague, Mark Stroud, and Sharon Brooks Hodge. Mr. Turner was absent. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Eric Monday, Mike Rogers, Marshall Thomas, Steve Draper, Kathy Vernon, Jay Stout, Linda Conover, Danny Wimmer, Lane Shively, Doug Hardy, Robert Fincher, Betsy Pace, Mildred Montgomery, Bart Hampton, Eddie Cassady, Janet Hiatt, and Coretha Gravely.

Mayor Adkins called the meeting to order and advised Council will go into Closed Session. 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 Sharon Brooks Hodge, with the following 4-0 recorded vote: Adkins, aye; Teague, aye; Stroud, aye; and Hodge, aye, (Turner-absent), Council convened in Closed Session, for the purpose of discussing the following matters: (A) Appointments to Boards and Commissions as authorized by Subsection 1. (B) A personnel matter as authorized by Subsection 1.

Following the invocation by Mayor Adkins and Pledge to the American Flag, the Mayor welcomed everyone to the meeting.

Boards & Commissions actions taken:

Southern VA Recreation Facilities Authority-on a motion by Gene Teague, seconded by Mark Stroud, with 3-0 vote, (Hodge abstained), Council appointed Gavin Russell of 1014 Sheraton Ct. to a 4-year unexpired term ending 10/31/16.

Southern VA Recreation Facilities Authority-on a motion by Gene Teague, seconded by Mark Stroud, with a 3-0 vote (Hodge abstained), Council appointed Will Vaughn of 1015 Sheraton Ct. to a 4-year unexpired term ending 10/31/14.

Transportation Safety Commission-on a motion by Mark Stroud, seconded by Gene Teague, with a 4-0 vote, Council appointed Joseph Allan Martin of 27 East Church St. to a 4-year unexpired term ending 12/31/13.

Minutes: On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 4-0 vote, Council approved the minutes of the June 11, 2013 meeting.

City Sheriff's office reaccreditation- Sheriff Eric Atkins of the City of Salem presented the certificate to the Sheriff's Office personnel for earning reaccreditation from the Virginia Law Enforcement Professional Standards Commission (VLEPSC). Sheriff Atkins briefed Council on the process for reaccreditation pointing out that seeking VLEPSC accreditation is strictly voluntary. Accreditation standards provide norms against which an agency's performance can be measured and monitored, boosting public confidence in how their community is being served in crime prevention and control. During December 2012, the VLEPSC certified assessors spent three days with the Martinsville Sheriff's Office going through files, randomly interviewing deputies to test their knowledge, touring the facilities, riding along with civil enforcement deputies, and conducting other functions for their audit. There were zero deficiencies noted and the Martinsville Sheriff's Office complied with all 188 standards set forth by VLEPSC. With a 100 percent score, the Martinsville Sheriff's Office went before the VLEPSC accreditation board on January 10, 2013 where it was

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announced the office earned the seal of approval as an accredited Virginia law enforcement agency. This was Martinsville Sheriff's Office second accreditation. The executive board consists of representatives selected by the Virginia Sheriffs' Association (VSA), and the Virginia Association of Chiefs of Police (VACP). The Department of Criminal Justice Services (DCJS) provides oversight. VLEPSC accreditation indicates that participating Virginia agencies are systematically measured and evaluated on policy and procedure. Law enforcement professionalism is advanced through the establishment of professional standards. There is a formal mechanism by which all accredited agencies across the Commonwealth of Virginia are measured and delivery of services is more effective and efficient. Cooperation and coordination among all components of the criminal justice system is promoted and the appropriate level of training for law enforcement personnel is ensured. Ultimately, public confidence in law enforcement is enhanced. VLEPSC accreditation remains in effect for four years and it is a coveted award that symbolizes professionalism, excellence, and competence.

Recognition of retiring Police Chief Mike Rogers: City Council formally recognized retiring Police Chief Mike Rogers with presentation of a Key to the City in appreciation for over 33 years of dedicated service to the citizens of Martinsville, VA from February, 1980 to July, 2013 and for serving the Martinsville Police Department as Police Chief. Council members, along with Commonwealth's Attorney Joan Ziglar, and several citizens made comments commending Chief Rogers for his service. City Neighborhood Watch group members and Lane Shively, City Garage employee, along with Officer Coretha Gravely presented Chief Rogers with a framed, enlarged reproduction of a former patch that officers wore on their uniforms.

Proclamation for National Night Out 2013: Mayor Adkins read and presented a proclamation regarding National Night Out August 6, 2013 to Officer Coretha Gravely and Neighborhood Watch members.

Proclamation for Smith River Week 2013: Mayor Adkins read and presented a proclamation regarding Smith River Week to Brian Williams and members of the Smith River Fest Committee.

Council Neighborhood meetings FY: Council discussed locations for the Neighborhood Focus Meetings to be held in September, November, February, and April. City Staff was directed to firm up locations using Council's suggestions of Druid Hills School Administration office for the September meeting, Fuller Memorial Church for Southside meeting, Chatham Hts. Baptist for the Northside meeting, and the City Housing Office for the Westside meeting.

Passport fees ordinance first reading: City Attorney Eric Monday briefed Council on the ordinance regarding recovery of passport fees. The Clerk of the Circuit Court processes applications for passports as a Passport Agent for the State Department. He remits all application and processing fees set by the Department of State for processing the applications to the Commonwealth, but is allowed to reimburse the City for passport application mailing costs. The Clerk also takes and processes passport photographs. Although authority to process passport applications is recognized and allowed by the Commonwealth of Virginia, the State appropriates no funding for this activity; the City supports this activity financially, under authority of Code of Virginia section 15.2-1656, by furnishing supplies and equipment to accomplish this purpose. The Clerk recommends that an ordinance be adopted to ensure these funds remain with the City and are not intercepted and redirected to the Commonwealth. On a motion by Gene Teague, seconded by Mark Stroud,

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with the following recorded vote of 4-0: Adkins, aye; Teague, aye; Stroud, aye; and Hodge, aye, (Turner-absent), Council approved the following proposed ordinance on first reading. Council will consider the ordinance again at the August 13, 2013 meeting for the second reading and final vote.

2-27. Recovery of Costs Related to Passport Applications.

The Clerk of Martinsville Circuit Court is authorized:

- (1) To collect a Passport Photo Fee of \$15 from every passport applicant who requests photograph services; and
- (2) To assess and collect passport application mailing costs; and
- (3) To pay the fees and recovered costs monthly to the Treasurer of the City of Martinsville.

Should Passport Agent authority of the Office of the Clerk of Martinsville Circuit Court be removed or suspended, either temporarily or permanently, by the United States Department of State, the Clerk shall immediately notify the Martinsville City Manager. Collections of revenue authorized by this Section shall cease during any period of removal or suspension, and shall immediately resume upon re-authorization of the Office of the Clerk of Martinsville Circuit Court as Passport Agent. *State code reference: Code of Virginia § 15.2-1656*

Sewer/water discharges ordinance first reading: City Attorney Eric Monday briefed Council on the ordinance regarding unlawful sewer/water discharges pointing out that an issue has arisen concerning discharge of commercial car wash water into City streets and storm water systems and the existing ordinance is too vague to be enforceable. An attempt to resolve the issue short of legislation has been unsuccessful. Discussions with Director of the Water Department indicated that an expansion of the existing ordinance to protect the storm water system more generally would be appropriate. Council discussion included whether due diligence has been done before putting people out of business and the ordinance impact on streams. On a motion by Gene Teague, seconded by Mark Stroud, with the following recorded vote of 4-0: Adkins, aye; Teague, aye; Stroud, aye; and Hodge, aye, (Turner-absent), Council approved the following ordinance on first reading.

Sec. 23-3. - Unlawful disposal of sewage and waste water.

A. No person shall make use of any vacant lot, or any building or structure without toilet facilities, for the disposal of human wastes, and no person shall make like use of any street, sidewalk or public or private alley. ~~No wash water or other waste water producing or likely to produce an offensive odor shall be emptied so as to flow upon any paved alley, sidewalk street in the city at any time.~~

B. It shall be unlawful and a violation of this section to:

- (1)Cause or allow any illicit discharge to the city's storm sewer system;
- (2)Cause or allow any illicit connection to the city's storm sewer system; or
- (3)Violate any condition or provision of this section, or any permit or approval granted to allow any storm water discharges to the city's storm sewer system.

C.The following activities shall not be considered illicit discharges:

- (1)Water line flushing;
- (2)Landscape irrigation;
- (3)Diverting stream flows or rising groundwater, or infiltration of uncontaminated groundwater;
- (4)Public safety activities, including, but not limited to, law enforcement and fire suppression;
- (5)Pumping of uncontaminated groundwater from potable water sources, foundation drains, irrigation waters, springs, or water from crawl spaces or footing drains;
- (6)Lawn watering;
- (7)Individual car washing on residential properties;
- (8)De-chlorinated swimming pool discharges (less than 1 PPM chlorine);
- (9)Street washing;
- (10)Any activity authorized by a valid National Pollutant Discharge Elimination System (NPDES) permit, waiver or discharge order, a Virginia Pollutant Discharge Elimination System (VPDES) permit, waiver or discharge order, or a Virginia Pollution Abatement (VPA) permit;
- (11)Any activity by a governmental entity in accordance with federal, state, and local regulations and standards for the maintenance or repair of drinking water reservoirs or drinking water treatment or distribution systems; and

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(12)Any activity by the city, its employees and agents, in accordance with federal, state and local regulations and standards, for the maintenance of any component of its storm water management system.

(13)Discharges specified in writing by the City Manager or his designee as being necessary to protect public health and safety.

(14)Dye testing, following notification to the City Manager or his designee.

D.If any of the activities listed in subsection (b), above, of this section are found to be sources of pollutants to public waters, the City Manager or his designee shall so notify the person performing such activities and shall order that such activities be stopped or conducted in such manner as to avoid the discharge of pollutants into such waters. The failure to comply with any such order shall be unlawful and a Class 1 misdemeanor. (Code 1971, § 17-2)

Finance report: Finance Director Linda Conover presented the following finance report:

FY13 – Revenues & Expenditures through June 30, 2013; Combined Balance Sheet; Projected Fund Balance

Although FY13 officially ended on June 30, all year-end transactions will not be finalized until early fall in order to realize all earned revenue and incurred expenses for the fiscal year. The annual audit process will begin in late September or early October. The reports provided this evening reflect only the actual transactions to-date and some of the anticipated transactions yet to occur. Additional adjustments will impact both revenues and expenditures before FY13 is officially “closed”.

Exclusive of School and Special Revenue funds, actual revenues posted to-date are \$57,896,800, representing 96.6% of the anticipated \$59,957,500 through the fourth quarter, ending June 30th. Representing eleven months, Local Sales/Use Taxes received from the Commonwealth through June 30 are ahead of anticipated by \$59,490, for total receipts of \$1,883,490. Utility revenues in Refuse, Water, and Sewer Fund were all greater than anticipated; Electric Fund revenues were less than anticipated for June 30. Actual expenditures currently posted through June 30 are \$64,417,320.

Currently, as of the end of the FY13 fourth quarter, the current total combined fund balance for FY13 is \$21,781,721, a decrease over FY12 of \$4,990,800. The unadjusted available cash-on-hand June 30th for all City Funds was \$15.8 million.

The projected fund balance, including all Utility Funds, for FY13 is \$17,205,067 – a decrease from FY12 year-end of \$9,567,454. Based upon this projection, the unassigned Fund Balance would be \$3,424,471 for non-utility funds and \$9,347,123 for utility funds, for a total of \$12,771,594. Again, these numbers are still fluid and will change as the year-end closing process continues. There are still many revenue, expense and balance sheet adjustments to be made.

On a motion by Gene Teague, seconded by Mark Stroud, with a 4-0 vote, Council approved the finance report.

Consent Agenda: On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 4-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 7/23/13				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY13				
General Fund:				
01101917	442810	Categorical Other - State - Highway Projects		576,587
01413151	503193	Thorofare Construction - Prof.Serv. -Inspections/Fees	45,519	
01413151	508220	Thorofare Construction - Physical Plant Expansion	531,068	
		Reimbursement-Liberty St Project		
01100909	490801	Recovered Costs - Senior Citizens		5,386
01714212	506016	Senior Center - Program Supplies	2,203	
01714212	501300	Senior Center - Part-time Wages	1,998	
01714212	502100	Senior Center - Social Security	124	
01714212	502110	Senior Center - Medicare	29	
01714212	506049	Senior Center - Vehicle Fuels	1,032	
		Transportation Grant and Reimbursements		
01101916	434703	Categorical Shared - Circuit Ct Clerk - Addtl Allowance		16,268
01216076	503320	Circuit Court Clerk - Maint. Service Contracts	15,500	
01216076	505410	Circuit Court Clerk - Lease/Rental of Equipment	768	
		Additional Reimbursement from Comp Board		
01102926	443157	Categorical Federal - Safe Routes to School		302,729
01413146	503191	Street Marking - Prof. Services - Contractors	302,729	
		Safe Routes to School Project		
Total General Fund:			900,970	900,970
SCHOOL FUND				
18102926	418297	Nasa Program		20,000
61101100	561120	Instructional S&W	9,345	
61101100	561620	Supplementatl S&W	7,450	
61101100	562100	Social Security	1,041	
61101100	562150	Medicare	244	
66501100	562210	Retirement	1,463	
66501100	562400	State Life	111	

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66501100	562750	RHCC	104	
66501100	566000	Materials & Supplies	242	
18101917	402912	Mentor Teacher Program		1,000
85031310	561620	Supplemental S&W	929	
85031310	562100	Social Security	58	
85031310	562150	Medicare	13	
18103919	489904	Harvest		10,000
81621310	568200	Capital Outlay Additions	10,000	
18103909	480301	Bus Operations		15,760
80003400	566051	Bus Fuel	15,760	
Total School Fund:			46,760	46,760

Business from floor: No comments.

Council comments: Hodge-explained that she abstained on the Southern VA Recreation Facilities appointment vote because the person appointed by Council in February has indicated to her that he felt unwelcomed to serve and conversations need to be had with boards and commission chairs to involve all citizens; Stroud-wished retiring Chief Rogers well and thanked him for his service.

City Manager comments: Mr. Towarnicki reported (1) Druid Hills pool demolition is underway (2) reminded Council of VML Committee meetings this week (3) reported on a press release announcing that Eddie Cassady will be serving as interim police chief and a future report will be brought to Council regarding possibilities of combining services of police department and sheriff's office.

Council reconvened Closed Session. At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting 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 Session. On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with the following recorded 4-0 vote: Adkins, aye; Teague, aye; Stroud, aye; and Hodge, aye, Council returned to Open Session. No action was taken.

There being no further business, the meeting adjourned at 9:42pm.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor

August 13, 2013

The regular meeting of the Council of the City of Martinsville, Virginia, was held on August 13, 2013, in Council Chambers, Municipal Building, at 7:30 PM, Closed Session beginning at 7:00PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Gene Teague, Mark Stroud, Danny Turner and Sharon Brooks Hodge. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Linda Conover, Eric Monday, Eddie Cassady, Dennis Bowles, and Rob Fincher.

Mayor Adkins called the meeting to order and advised Council will go into Closed Session. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Danny Turner, seconded by Mark Stroud, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Stroud, aye; and Hodge, aye, 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 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 Session. On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with the following recorded 5-0 vote: Adkins, aye; Teague, aye; Stroud, aye; and Hodge, aye; Turner, aye, Council returned to Open Session. Mayor Adkins reported the following for the public record regarding the order from the Circuit Court for the City of Martinsville and former City Manager, Clarence Monday:

<p>VIRGINIA: IN THE CIRCUIT COURT FOR THE CITY OF MARTINSVILLE</p> <p>CLARENCE MONDAY,) Plaintiff)</p> <p>vs.) CL13000058-00</p> <p>CITY OF MARTINSVILLE,) Defendant.)</p>	<p>JUDGES DAVID V. WILLIAMS MARTIN F. CLARK, JR. G. CARTER GREEN</p> <p>RETIRED JUDGES KENNETH M. COVINGTON CHARLES M. STONE</p>	<p>Commonwealth of Virginia</p>  <p>Twenty-First Judicial Circuit Henry County • Patrick County • City of Martinsville</p>	<p>REPLY TO: MARTINSVILLE CIRCUIT COURT 55 WEST CHURCH STREET P.O. BOX 1347 MARTINSVILLE, VA 24114</p> <p>VOICE: (276) 403 5183 FAX: (276) 403 5389</p>
<p>ORDER</p> <p>On Monday, July 15, 2013 came the Plaintiff, Clarence Monday by counsel, R. Reid Young, III and Eric Helms Monday, Attorney for the City of Martinsville to be heard on Plaintiff's Petition for Arbitration previously filed herein.</p> <p>After hearing evidence and argument of counsel, the Court finds that the Plaintiff is clearly entitled to be paid accrued and unused vacation and sick leave, in accordance with the terms of the contract.</p>	<p>July 22, 2013</p>	<p>R. Reid Young, III, Esq. P.O. Box 1231 Martinsville, VA 24114</p>	<p>Eric H. Monday, Esq., City Attorney P O Box 1112 Martinsville, VA 24114</p>
<p>It is ORDERED by the Court that the Plaintiff is awarded the sum of \$67,523.33.</p> <p><i>[Signature]</i> Judge</p> <p><i>[Signature]</i> R. Reid Young, III Attorney for Plaintiff</p> <p><i>[Signature]</i> Eric Helms Monday, City Attorney</p> <p><small>Send court orders to us. All requests of being returned to the Clerk of the Court must be made.</small></p>	<p>RE: <u>Clarence C. Monday v. City of Martinsville</u></p>	<p>Dear Counsel:</p>	<p>The plaintiff has filed a petition for arbitration, in which the City has joined, requesting the court to resolve a dispute concerning the interpretation of the employment agreement ("contract") between the plaintiff, the former City Manager, and the City. The contract contains an arbitration clause, and on February 22, 2013, the court entered an order granting the petition. The parties have submitted a joint statement of facts, together with copies of the contract and pertinent pages of the City's employee handbook.</p>
<p>R. REID YOUNG, III ATTORNEY AT LAW, P.C. 55 WEST CHURCH STREET POST OFFICE BOX 1231 MARTINSVILLE, VIRGINIA 24114 878-538 7300</p>	<p>I. Findings of Fact</p>	<p>1. On October 23, 2007, the plaintiff and the City entered into a contract, whereby the plaintiff assumed the responsibilities of the position of City Manager at an annual salary of \$116,000.00.</p>	<p>2. After the execution of the contract, certain personality issues arose between the plaintiff and members of the City Council, and the plaintiff resigned his position as City Manager.</p>
	<p>3. The City has withheld the sum of \$67,523.33, representing accrued and unused vacation and sick leave, pending the court's construction of the contract.</p>		

Messrs. Young and Monday
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II. Conclusions of Law

The issue in this case is whether the plaintiff is entitled to accrued and unused vacation and sick leave, in view of his voluntary resignation. The resolution of this issue necessarily depends upon the language of the contract. "It is the function of the court to construe the contract made by the parties, not to make a contract for them." *Wilson v. Holyfield*, 227 Va. 184, 187, 313 S.E.2d 396, 398 (1984). In *Univest Construction v. Amitech Elevator Services*, 280 Va. 428, 699 S.E.2d 699 (2010), the Supreme Court of Virginia stated in part as follows:

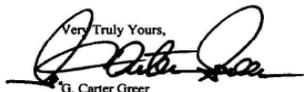
"[T]he contract is construed as written, without adding terms that were not included by the parties. When the terms in a contract are clear and unambiguous, the contract is construed according to its plain meaning. Words that the parties used are normally given their usual, ordinary, and popular meaning. No word or clause in the contract will be treated as meaningless if a reasonable meaning can be given to it, and there is a presumption that the parties have not used words needlessly."

Id., 280 Va. at 439 (quoting *PMA Capital Ins. Co.*, 271 Va. at 358).

Section 6 of the contract states that "[i]n the event of resignation, no severance shall be paid to City Manager; accrued and unused vacation and sick leave shall, however, be paid to City Manager." By its plain terms, this section draws a distinction between "severance," which section 5 defines as "full salary and benefits equal to six months service," and "accrued and unused vacation and sick leave." Although the plaintiff is not entitled to severance, he is clearly entitled to be paid accrued and unused vacation and sick leave, in accordance with the terms of the contract. To the extent that the employee handbook conflicts, the more specific language of the contract controls. See *Condominium Services v. First Owner's Assn.*, 281 Va. 561, 573, 709 S.E.2d 163 (2011) ("a specific provision of a contract governs over one that is more general in nature.").

III. Arbitration Award

The court awards the plaintiff the sum of \$67,523.33. Would Mr. Young please prepare an order consistent with the court's ruling?

Very Truly Yours,

G. Carter Greer

Following the invocation by Mayor Adkins and Pledge to the American Flag, the Mayor welcomed everyone to the meeting and advised that agenda item #9 regarding water discharges is being withdrawn.

Minutes: On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council approved the minutes of the June 25, 2013 meeting.

Proclamation Wigs Unlimited: Mayor Adkins presented a proclamation to Ella Mae Wickham of Wigs Unlimited recognizing the Hair 4-A Friend program.

VEC Update from Chris Pope: Office Manager of the Virginia Employment Commission, Chris Pope, updated Council regarding local unemployment rate, how the rate is derived, and efforts being made to improve employment opportunities in the community.

EDC Update: Lisa Lyle presented the update from the M-HC Economic Development Corporation regarding their recent activities. Council Member Hodge asked for information on the amount of return on investment for the money being spent on economic development and requested more quantitative reporting in future reports.

Resolution IRF grant for Henry Hotel: On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council adopted the following resolution required for grant funding for the Henry Hotel under the Industrial Revitalization Fund (IRF) administered by the Dept. of Housing & Community Development:

WHEREAS, the City of Martinsville is the owner of record of the historic "Henry Hotel Building", located on 50 East Church Street in Uptown Martinsville, and;

WHEREAS, building was purchased by the City of Martinsville to both preserve the historic structure and to make the building available for redevelopment, and to be a catalyst for new investment in the Uptown area, and;

WHEREAS, the purchase price for the "Henry Hotel Building" was a total of \$425,000, with a cash payment of \$95,000 and the balance in the form of a loan from The Harvest Foundation for \$330,000, and;

WHEREAS, The Harvest Foundation has forgiven the loan of \$330,000, as an expression of its support of this project, and;

WHEREAS, The City of Martinsville desires to work with Waukeshaw Development, Incorporated, toward the renovation of the Henry Hotel Building and is willing to transfer the ownership of the building for the sum of \$1.00, and;

WHEREAS, the analysis by Phoenix CDC, followed by a subsequent analysis by Waukeshaw Development, Incorporated, that was contracted by Martinsville Uptown Revitalization Association, shows that it is feasible to renovate the building from a physical standpoint, it would not be economically feasible to renovate the building without the use of both various Tax Credit programs and other Grants to fill the financial gaps caused by the local economic conditions, and;

WHEREAS, considering the City's previous purchase of the building and have spent an additional \$233,000 toward maintenance of the building and together bring the current local funds committed to the renovation project totaling \$658,000, and;

WHEREAS, this amount meets the minimum required local matching funds for an "2013 Industrial Revitalization Fund (IRF) Grant" at the maximum grant amount of \$600,000, now then;

HEREBY BE IT RESOLVED, that the City Council of the City of Martinsville, does hereby authorize the City Staff to prepare and submit on behalf of the City of Martinsville a "2013 Industrial Revitalization Fund (IRF) Grant Application" to the Virginia Department of Housing and Community Development (DHCD) to request funding for the renovation of the Henry Hotel Building which is owned by the City of Martinsville. Such grant request to total \$600,000, and

BE IT ALSO RESOLVED, that if approved by DHCD, the IRF Grant Funds would be used to financially assist in the physical renovation of the Henry Hotel Building, the total renovation cost currently estimated to be over \$3.4 million, with Waukeshaw Development, Incorporated, a for-profit organization, incorporated in the Commonwealth of Virginia, serving as the Project Developer.

This Resolution was read and approved by majority vote of the City Council of the City of Martinsville, at its Council meeting, held on the Thirteenth (13th) Day of August in the Year 2013, and recognized by the Authorized Signature(s) below:


Signature of Authorized Official

Attest:

Brenda Prillaman, Clerk of Council

August 13, 2013

Resolution and ordinance regarding employee residency requirement: City Attorney Eric Monday briefed Council on the required votes regarding the residency resolution and ordinance. Staff recommends that the residency requirements for department heads be repealed, as set forth in the attached ordinance (deletions in ~~strikethrough~~, additions in *italicized underlined*). He noted the resolution for consideration rescinds an earlier resolution listing particular offices subject to the requirement. Mr. Towarnicki reported on current and future vacancies of senior management noting there are qualified people in the community to fill these positions and the residency requirement is a hindrance. After lengthy Council discussion, Mayor Adkins opened the floor for public comment. Mr. Ural Harris of 217 Stuart St. commented that he felt employees need to live in the city. It was noted by Council that the resolution needs rephrasing in a positive way before final approval clarifying that if all things being equal with applicants, that the city resident is to be highly considered. On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with the following 3-2 recorded vote: Teague, aye; Adkins, aye; Hodge, aye; Turner, nay, and Stroud, nay, Council approved the ordinance, on first reading to repeal the residency requirement:

REPEAL OF RESIDENCY REQUIREMENT

Sec. 2-3. - Residency required for certain employees.

~~The city manager, the city attorney, the assistant city manager and the head of any department of the city established pursuant to the Charter, the City Code, or resolution of the city council shall establish residence within the corporate boundaries of the city no later than twelve (12) months after the commencement of employment and shall thereafter maintain residence within the corporate boundaries of the city during the term of his or her employment. The city manager may make exceptions to the requirements established hereby when unusual or extraordinary conditions exist that would constitute a hardship for an applicant. A determination as to whether such employee resides in the city shall be made by the city manager, with the exception of the city manager's residency, which shall be determined by the city council. This section shall apply to any new employee and to any existing employee subsequently promoted to an office or position affected hereby. This section shall not apply to any person employed in an office or position affected hereby if such person was so employed prior to this section's enactment, nor shall it apply to any person employed by the city at least fifteen (15) years prior to this section's enactment. Violation of this section shall result in termination of employment.~~

Repealed. (Ord. No. 2004-17, 10-26-2004)

On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 4-1 vote (Turner-nay), Council approved adopting the resident resolution with modifications adding text to give preference to applicants living in the city with all things being equal. Eric Monday will have the modified resolution for Council's consideration, on second reading, at the next meeting. City Attorney reported that effective July 1, 2013, VA State law will allow Council Member Hodge to participate remotely at the August 27, 2013 as she will be out of town on business. Following is the unmodified resolution which was approved on first reading:

WHEREAS, the Council of the City of Martinsville adopted on October 26, 2004 an ordinance amending Section 2-3 of the City Code, requiring residency within the City for certain employees of the City; and

WHEREAS, Section 2-3 provides that officials subject to the ordinance may be set forth by resolution of the City Council; and

WHEREAS, the City Council has, concurrently with this resolution, voted to repeal that ordinance; now, therefore

BE IT RESOLVED by the City Council of the City of Martinsville Virginia, convened in regular session on August 13, 2013, that its prior resolution dated October 26, 2004, listing specific offices subject to the residency requirements set forth in Section 2-3 of the City Code is hereby rescinded.

Staff update on electric issues: Dennis Bowles, Utilities Director, updated Council on the Electric Rate Stabilization Fund for fiscal year ending June 30, 2013 and the impact the fund has had on the City's power cost.

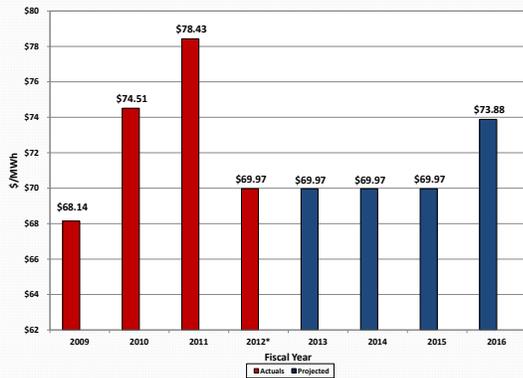
Rate Stabilization Plan Update

July 1, 2012 ~ June 30, 2013

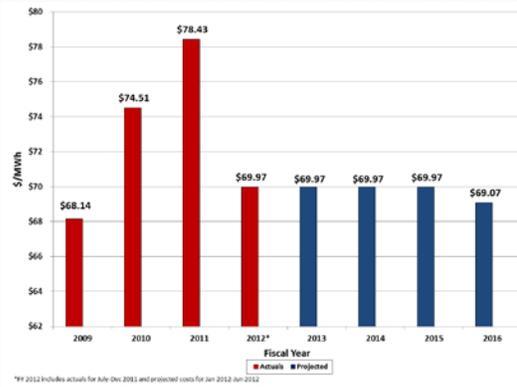
Rate Stabilization Plan Specifics

- The plan is based on a 42 month term which began on July 1, 2012 and continues through December 31, 2015.
- The savings accumulating during 2013-2015 are deposited into an interest bearing trust fund by AMP on the City's behalf, through payment of the City's monthly power bill.
- The accumulating funds are used to maintain a stabilized monthly power cost of \$69.97, as actual power cost fluctuates above and below the stabilized rate.
- At plan termination, the remaining fund balance will be used to repay AMPGS stranded cost.

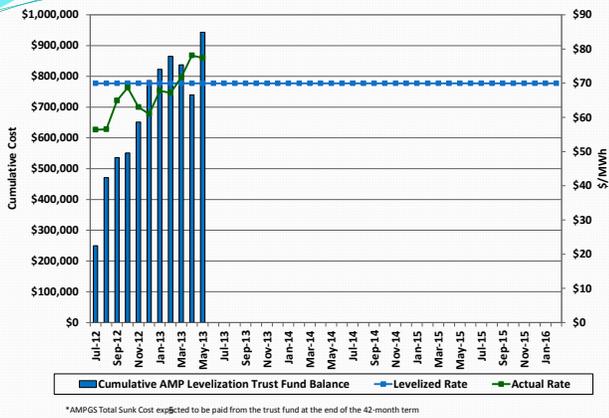
City of Martinsville Fiscal Year Rate Summary - Levelized Rates, Sept. 2012



City of Martinsville Fiscal Year Rate Summary - Levelized Rates, June 2013



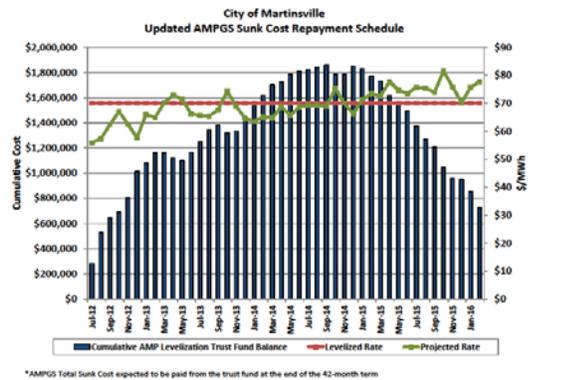
City of Martinsville Actual AMPGS Sunk Cost Repayment Schedule



Rate Stabilization Fund

	Accumulated Interest on Deposited Funds	Actual Funds for Stab.	Monthly Projected Funds for Stab.	Difference of Actuals vs. Projections	Distributions from the fund balance	Actual Metered Load in MWh	Projected Load in MWh	MWh Difference
Jul-12		\$249,422.60	\$282,628.00	(\$33,205.40)		18,343	20,166	-1,823
Aug-12		\$221,337.00	\$245,764.00	(\$24,427.00)		16,450	19,456	-3,006
Sep-12		\$65,380.87	\$119,341.00	(\$53,960.13)		12,908	15,831	-2,923
Oct-12	\$43.66	\$15,142.58	\$41,321.00	(\$26,178.42)		12,097	14,147	-2,050
Nov-12	\$71.73	\$100,093.20	\$113,883.00	(\$13,789.80)		14,337	15,170	-833
Dec-12	\$113.38	\$135,073.14	\$206,875.00	(\$71,801.86)		15,072	16,923	-1,851
Jan-13	\$102.45	\$36,472.00	\$67,873.00	(\$31,401.00)		16,401	17,163	-762
Feb-13	\$89.29	\$41,992.64	\$82,029.00	(\$40,036.36)		15,028	16,336	-1,308
Mar-13	\$118.46	-\$27,681.12	-\$2,292.00	(\$25,389.12)	(\$27,681.12)	15,360	15,476	-116
Apr-13	\$105.01	-\$97,253.79	-\$43,392.00	(\$53,861.79)	(\$97,253.79)	11,953	14,266	-2,313
May-13	\$57.44	\$203,381.79	-\$24,070.00	\$227,451.79	(\$96,618.21)	13,026	14,727	-1,701
Jun-13								
	\$701.42	\$943,360.91	\$1,089,960.00	(\$146,599.09)	(\$221,553.12)	160,975	179,661	-18,686
Total Fund Accumulation		\$944,062.33						

City of Martinsville Updated AMPGS Sunk Cost Repayment Schedule



Benefits of the Plan:

- Provides stable rates for customers through FY' 13 and for the term of the plan.
 - Residential rate = \$105.60 for 1000 kWh's
 - 2013 Ranking, 11th lowest in the State, when compared to the 32 other Municipals, Co-ops and Investor owned utilities.
- Provides stable power cost for FY' 13 continuing through mid-term of FY' 16.
- Repayment of AMPGS stranded cost at the end of the plan term.

Options to Increase Fund Balance

1. Monitor the fund balance during FY-'14 to determine if additional funding requirements will be needed for the remainder of the term, July 1, 2014 ~ Dec. 31, 2015.
2. If the fund balance continues to lag initial projections, deposit annual lump sum payments such as was done in FY-'13 to boost fund balance, based on available funding.
3. Extend the fund termination date to allow for additional fund accumulations based on recent lower power cost projections for FY-'16.

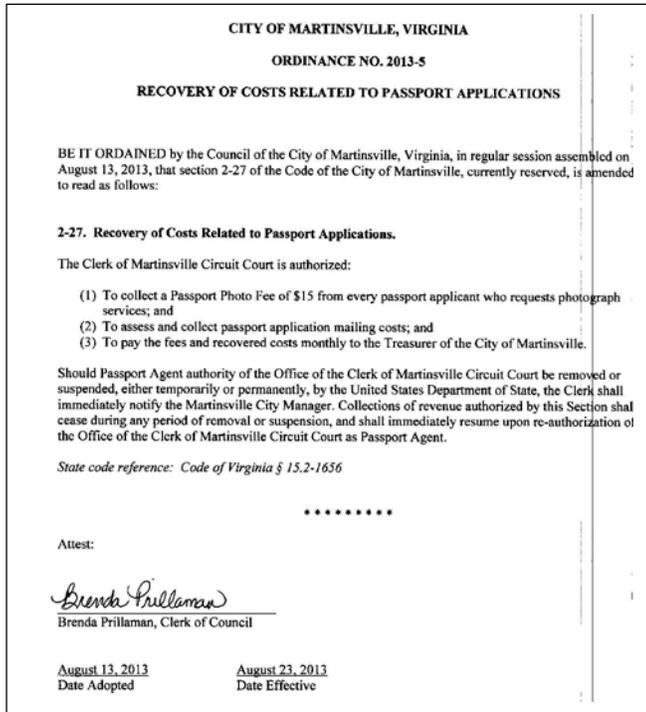
Conclusions:

- The fund balance is less than projected from the onset due to optimistic load projections for FY-'13, the past mild winter & business closings.
- Based on current projections the fund balance peak will be approximately \$300,000 less than previous projections.
- Staff recommends no changes to the fund at this time.

August 13, 2013

After lengthy Council discussion, Council Member Turner submitted a list of five questions regarding Prairie State and requested they be answered by AMP. Mayor Adkins asked the City Manager to submit the questions to AMP for a report back to Council.

Passport fees ordinance second reading: City Attorney, Eric Monday, briefed Council on the ordinance related to recovery of costs related to passport applications which Council passed on first reading at their last meeting. On a motion by Gene Teague, seconded by Mark Stroud, with the following 5-0 recorded vote: Teague, aye; Adkins, aye; Hodge, aye; Turner, aye, and Stroud, aye, Council approved the following ordinance on second reading:



Consent Agenda: On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 5-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 8/13/13					
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT	
FY13					
General Fund:					
01100909	490104	Advance/Recovered Costs		4,216	
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	3,065		
01331108	502100	Sheriff/Corrections - Social Security	190		
01331108	502110	Sheriff/Corrections - Medicare	44		
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	613		
01331110	506200	Sheriff/Annex - Prisoner Allowance	304		
		Reimbursement from Henry County for litter pickup - Apr 2013 - June 2013			
Total General Fund:			4,216	4,216	

Before Mayor Adkins called for Business from the Floor, Council Member Danny Turner asked that the September 9 Neighborhood meeting location be changed to be held at an Uptown restaurant. After Council discussion, Mayor Adkins asked that Mr. Towarnicki explore pros and cons and come back to Council with a recommendation.

Business from the Floor: no comments

August 13, 2013

Council comments: Stroud-announced today is his 35th wedding anniversary; Turner-commended Smith River Fest event coordinators and inquired on status of Uptown Big Chair; Teague-reported citizen concerns about Greyson St. properties and asked that staff follow up and report back with options and recommendations, also reported WDBJ television did a good story on the Martinsville High School renovations; Hodge-reported citizen concerns on Summit & Graves St. properties and she asked that inspections respond back to person who initiated the concern; Adkins-reported on Martinsville Rotary “urban art” project with the Uptown picnic tables.

City Manager comments: Mr. Towarnicki reminded Council to submit their registrations for the October 13-15 VML Conference and he indicated the City of Martinsville may be receiving an award at that meeting.

There being no further business, the meeting adjourned at 10:15pm.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor

Meeting Date: September 10, 2013

Item No: 2.

Department: City Council

Issue: Hear an overview of September 9, 2013 Council Neighborhood Meeting.

Summary: Mayor Kim Adkins will give an overview of citizen input received at the September 9, 2013 Uptown/Druid Hills Neighborhood Meeting.

Attachments: none

Recommendations: for information



City Council Agenda Summary

Meeting Date: September 10, 2013

Item No: 3.

Department: City Council

Issue: Introduction and comments from Tommy Hudgins, new Headmaster at Carlisle School.

Summary: Mr. Tommy Hudgins will present comments.

Attachments: None

Recommendations: No action required

Date: September 10, 2013

Item No: 4.

Department: Community Development

Issue: Consider approval, on first reading, of an ordinance related to increasing the number of members serving on the City's advisory Arts & Cultural Committee from five to eleven.

Summary: In 2009, City Council voted to establish the City of Martinsville Arts & Cultural District and the advisory Arts & Cultural Committee. During meetings of the Arts & Cultural Committee, the group realized that more stakeholders from the many organizations were needed to get proper input from the Committee's ideas.

Attachments: Ordinance
Committee List

Recommendations: Staff recommends that to get a broad spectrum of input from the various arts and cultural entities in the community regarding Arts & Cultural related issues, that 11 members be able to serve on the Arts & Cultural Committee.

Motion to approve, on first reading, with a roll call vote.

City of Martinsville, Virginia

ORDINANCE 2013-8

Increasing membership of advisory Arts and Cultural Committee

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session held on September 24, 2013 that Section 2-126 of the City Code is hereby amended as follows:

ARTICLE VIII: Martinsville Arts and Cultural District

Sec. 2-126. Purpose.

The City of Martinsville finds that the continued development and success of its downtown commercial district and surrounding area requires incentives, and determines that the most appropriate method of offering incentives for the area described is to create an Arts and Cultural District in that area, as authorized by Section 15.2-1129.1 of the Code of Virginia. The City believes that the establishment of an Arts and Cultural District will improve the economic conditions of this geographic area located in the central business district portion and corridors to the central business district, which could, in turn, benefit the welfare of the citizens of Martinsville. An advisory Arts and Cultural Committee, consisting of ~~five~~ *eleven* members appointed by City Council for staggered three year terms, shall suggest the direction and purpose of the district.

(Ord. No. 2010-01, § 1, 12-8-2009)

* * * * *

Attest:

Brenda Prillaman, Clerk of Council

Date Adopted

Date Effective

Arts and Cultural Committee

ARTS AND CULTURAL COMMITTEE - Established by City Council in 2010, under Martinsville City Code Section 2-109 through 2-118, the Arts and Cultural Committee and works to enhance the Arts/Cultural District in the City of Martinsville. The Arts and Cultural Committee reports to the Planning Commission and works with the Architectural Review Board. The Committee consists of **10 11*** members serving four-year terms appointed by City Council.

To ensure stakeholder involvement and input, members include:

- Representative from Piedmont Arts Association/Studio 107
- Representative from the Virginia Museum of Natural History
- Representative from Southern Virginia Artisan Center
- Representative from the MHC Historical Society
- Representative from the Architectural Review Board
- Representative from the EDC
- Representative from MURA
- Representative from TheatreWorks***
- A City Business Owner
- 2 Citizens

The City Planner serves as Secretary and the Committee elects a Chairman and Vice Chairman from among its members. The Committee meets on an as-needed basis.

TERMS: Each committee member will serve staggered terms of four years in duration.

Contact: Susan McCulloch, Community Planner, Community Development, 403-5156, P. O. Box 1112, Martinsville, VA 24114.

Name & Address	INITIAL APPOINTMENT (group representing)	TERM EXPIRES	FULL TERM
	(PAA) 2 yr initial term		
	(VMNH) 3 yr initial term		
	(SVAC) 4 yr initial term		
	(Historical Soc) 2 yr initial term		
	(ARB) 3 yr initial term		
	(EDC) 4 yr initial term		
	(MURA) 4 yr initial term		
	(City Business Owner) 3 yr initial term		
	(Citizen) 4 yr initial term		
	(Citizen) 2 yr initial term		
	(TheatreWorks) 2 yr initial term		

*Represents proposed changes

Meeting Date: September 10, 2013

Item No: 5.

Department: City Manager

Issue: Consider adoption of a Resolution authorizing the execution of an agreement providing for the obligations of the City to consider certain appropriations to the Industrial Development Authority of Henry County, Virginia and Henry County, Virginia to finance the construction of a shell building for economic development purposes at the Patriot Centre Industrial Park.

Summary: With the recent sale of the only remaining shell building in the Patriot Centre Industrial Park, the Martinsville-Henry County EDC recommended at the January 22, 2013 Council meeting that consideration be given to developing another shell building on Lot 8 to help with recruitment of industry to this area. Council voted to participate in the project with a 4-1 vote at that meeting. The proposed project is being developed under the revenue sharing agreement between Henry County and the City and the attached Resolution commits the City to its share of the financial obligations related to the project.

Attachments: Resolution

Recommendations: Motion to adopt the Resolution

**RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT
PROVIDING FOR THE OBLIGATIONS OF THE CITY TO CONSIDER
CERTAIN APPROPRIATIONS TO THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF HENRY COUNTY, VIRGINIA AND HENRY COUNTY, VIRGINIA
TO FINANCE THE CONSTRUCTION OF A SHELL BUILDING FOR
ECONOMIC DEVELOPMENT PURPOSES AT THE PATRIOT CENTRE
INDUSTRIAL PARK**

WHEREAS, the City Council (the “City Council”) of the City of Martinsville, Virginia (the “City”), desires to assist Henry County, Virginia (“Henry County”) and the Industrial Development Authority of Henry County, Virginia (the “Henry County IDA”) in connection with their efforts to obtain financing for all or a portion of the costs associated with the design, construction and equipping of a shell building on Lot 8 located in the Patriot Centre Industrial Park for use in economic development efforts to attractive commercial businesses to locate in the area, together with related costs and expenses (collectively, the “Project”);

WHEREAS, the Henry County IDA is the fee simple owner of Lot 8 located in the Patriot Centre Industrial Park (together with the Project, referred to as, the “Property”);

WHEREAS, pursuant to that certain Revenue Sharing Agreement dated as of April 30, 2002 by and among the City, Henry County and the Henry County IDA (the “Revenue Sharing Agreement”), the parties have agreed, among other things, that when a business locates on one of the designated sites on the Property, Henry County will pay to the City, on a subject to appropriation basis, one-third of all revenues generated by the real estate, personal property, machinery and tools, and consumer utility taxes collected by Henry County from the business located on such site, after Henry County is reimbursed for infrastructure costs in excess of grant funds and after repayment of any cash incentives that may be paid by the County;

WHEREAS, the undertaking of the Project is expected to be financed through the issuance by the Henry County IDA of its Lease Revenue Bond (Henry County Shell Building Project), Series 2013 (the “Bond”), and the issuance of the Bond is expected to be undertaken in accordance with the following documents (the “Financing Documents”):

(a) A Lease Agreement between the Henry County IDA and Henry County, pursuant to which the Henry County IDA will lease the Property to the County, and the County will agree, on a subject to appropriation basis, to make lease payments thereunder equal to or greater than the debt service payments due and payable on the Bond;

(b) An Assignment Agreement from the Henry County IDA to _____ (the “Bank”), assigning the rights of the Henry County IDA under the Lease Agreement (except for certain rights to indemnification, payment of fees and expenses, etc.) to and for the benefit of the Bank;

(c) One or more support, purchase or similar agreements by and among Henry County, the Henry County IDA, the Martinsville Henry County Economic Development

Corporation (“MHCEDC”) and the City (collectively, whether encompassed in one or more agreements, referred to as, the “Support Agreement”), pursuant to which, generally, (i) the MHCEDC will agree to fund to or otherwise reimburse Henry County for design, engineering, insurance, maintenance, utility, legal and other costs associated with the development of the Project, together with an amount equal to the rental payments due under the Lease Agreement during the construction period for the Project and for one year following the completion of the Project, and (ii) the City, in consideration of the Revenue Sharing Agreement and its other interests and desire to facilitate the development of the Project, will agree, subject to the terms set forth therein, to fund to or otherwise reimburse Henry County for an amount equal to at least thirty-three percent (33%) of the rental payments due and payable by Henry County throughout the term of the Lease Agreement;

(d) A Collateral Assignment or similar agreement pursuant to which the Henry County IDA and Henry County will assign substantially all of their rights under the Support Agreement to and for the benefit of the Bank; and

(e) Such other documents and agreements as may be deemed necessary or appropriate by Henry County in order to effectuate the financing of the Project;

WHEREAS, the obligation of the City to make any payments under the Support Agreement shall be subject to annual appropriations by the City Council, which is under no legal obligation to make such appropriations. Neither the Lease Agreement, the Support Agreement, the other Financing Documents nor the Bond will constitute a general obligation debt of the Commonwealth of Virginia or any political subdivision thereof, including the City, Henry County, and the Henry County IDA, or a pledge of the faith and credit or taxing power of the Commonwealth of Virginia, the City, Henry County or the Henry County IDA.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARTINSVILLE, VIRGINIA:

1. It is determined to be in the best interests of the City and its citizens for the City Council to enter into a Support Agreement in connection with the Project.

2. The City Manager and Assistant City Manager, either of whom may act, are hereby authorized and directed to execute and deliver a Support Agreement in connection with the Project upon the terms and conditions generally described herein, together with such amendments, modifications and supplements thereto as may be acceptable to the City Manager or Assistant City Manager; provided, however, that (i) the principal amount of the obligations under the Lease Agreement shall not exceed \$3,500,000, (ii) the interest rate on the principal components of the rentals under the Lease Agreement shall not exceed 4.00% per annum, (iii) the final maturity date of the Bond and the term of the Lease Agreement shall not extend beyond December 31, 2018, (iv) the debt service payments due under the Bond (and the rental payments under the Lease Agreement) shall consist of interest-only payments (together with any costs and expenses) until the maturity date thereof, and (v) the principal amount of the Bond and rental payment under the Lease Agreement is subject to prepayment at any time (upon reasonable notice), without premium or penalty. The execution and delivery of the Support Agreement by

the City Manager or Assistant City Manager shall constitute conclusive evidence of his approval of such completions, omissions, insertions or changes.

3. The City Council hereby consents to execution and delivery of the other Financing Documents to be prepared in connection with the financing of the Project.

4. Recognizing that the obligations of the City under the Support Agreement shall in no way constitute an obligation or indebtedness of the City, nor a pledge of the full faith and credit or taxing power of the City, in furtherance of the terms and conditions of the Revenue Sharing Agreement, the City acknowledges and agrees that that an allocation to the City of approximately 33% of the principal amount of the Bond for purposes of Section 265(b)(3)(C)(iii) of the Internal Revenue Code of 1986, as amended (the "Code") represents a reasonable allocation bearing a reasonable relationship to the benefits to be received by the City from the issuance of the Bond in connection with the financing of the Project. The City hereby designates its reasonable allocation of the benefits to be received from the issuance of the Bond, as "qualified tax-exempt obligations" for the purpose of Section 265(b)(3) of the Code. The City (together with its subordinate entities) does not reasonably anticipate issuing more than \$10,000,000 in bonds, notes, leases or other obligations of the City (excluding private activity bonds which are not qualified 501(c)(3) bonds under Section 145 of the Code) during calendar year 2013, and the City (together with its subordinate entities) has not and will not designate more than \$10,000,000 of qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code during such calendar year. The City Manager and Assistant City Manager are each hereby authorized and directed to execute and deliver a bank-qualification allocation agreement or similar agreement necessary to further effectuate the foregoing.

5. The City Council, while recognizing that it is not empowered to make any binding commitment to make appropriations under the Support Agreement in future fiscal years, hereby states its intent to make such appropriations in future fiscal years, and hereby recommends that future City Councils do likewise during the term of the Support Agreement. The City Manager and Assistant City Manager are hereby authorized and directed to carry out the obligations imposed on them by the Support Agreement, subject to the terms and conditions of this Resolution.

6. This resolution shall take effect immediately.

[Remainder of Page Intentionally Left Blank]

CERTIFICATE

The undersigned Clerk of the City Council of the City of Martinsville, Virginia hereby certifies that the foregoing is a true, correct and complete copy of a resolution duly adopted by a majority of the members of the City Council of the City of Martinsville, Virginia present and voting during the meeting duly called and held on September 10, 2013, and that such resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof. A summary of the members present or absent at such meeting, and the recorded vote with respect to the foregoing resolution, is set forth below:

MEMBER NAME	VOTING				
	PRESENT	ABSENT	YES	NO	ABSTAINING
Kim Adkins	_____	_____	_____	_____	_____
Gene Teague	_____	_____	_____	_____	_____
Mark Stroud	_____	_____	_____	_____	_____
Danny Turner	_____	_____	_____	_____	_____
Sharon Hodge	_____	_____	_____	_____	_____

WITNESS my hand and the seal of the County this 10th day of September, 2013.

Clerk, City Council,
Martinsville, Virginia

(SEAL)

Meeting Date: September 10, 2013

Item No: 6.

Department: City Manager

Issue: Hear a staff update on a recently completed project involving the City and Martinsville Uptown related to promoting the Uptown area as a place to shop, visit, live, and develop or expand a business.

Summary: Completion of this project is the culmination of months of work between City staff, Martinsville Uptown, and others with the intended purpose of promoting the Uptown area. The final product is a short video production and related information featuring interviews with key individuals highlighting the many positives of the Martinsville Uptown area. The information will be copied to a flash/jump drive that can be reproduced and mailed, handed out, and made available to promote the Uptown area.

Attachments: None

Recommendations: For information purposes



City Council Agenda Summary

Meeting Date: Sept. 10, 2013
Item No: 7.
Department: Finance
Issue: Consider approval of consent agenda.

Summary:

The attachments amend the FY13 and FY14 Budgets with appropriations in the following funds:

FY13:

General Fund: \$4,541 – State & Federal Funding

FY14:

General Fund: \$2,125 – Recovered Costs & Donation

School Fund: \$156,647 – State Grants & Federal Funding

Federal School Programs Fund: \$505,833 – Federal Title Programs Funding

Attachments:

Consent Agenda - 9-10-13 A.xls

Consent Agenda - 9-10-13 B.xls

Recommendations: Motion to approve consent agenda.

BUDGET ADDITIONS FOR 9/10/13

<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>DEBIT</u>	<u>CREDIT</u>
<u>FY13</u>				
<u>General Fund:</u>				
01101917	442701	Categorical Other State - Fire Programs Fund		4,168
01321102	506110	Fire Department - Fire Programs additional funding rec'd from state	4,168	
01102926	436427	Categorical Federal - Org Crime/Drug Enf Task Force		373
01311085	501219	Police Dept - OCDEF Overtime Grant funding	373	
<u>Total General Fund:</u>			<u>4,541</u>	<u>4,541</u>

BUDGET ADDITIONS FOR 9/10/13

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY14				
General Fund:				
01100909	490104	Advance/Recovered Costs		625
01321102	506130	Fire Dept. - Repair/Maint - Burn Building	300	
01321102	503171	Fire Dept. - Repair/Maint - Burn Building - Labor	125	
01321102	505500	Fire Dept. - Travel & Training	200	
		Reimbursement from Stuart VFD		
01100908	480412	Donations - Sheriff Dept		1,500
01331110	506104	Sheriff-Jail Annex - Non-capital Equipment	1,500	
		Private Donation		
Total General Fund:			2,125	2,125
School Fund:				
18102926	404818	Categorical Federal - Perkins Voc Ed		54,180
73101100	563000	High School Vocational Ed - Purchased Services	1,000	
73101100	565503	High School Vocational Ed - Travel	11,000	
73101100	566000	High School Vocational Ed - Materials	42,180	
18102926	418297	Categorical Federal - Nasa Program		50,000
11001100	561120	Instructional S&W	41,086	
11001100	562100	Social Security	2,548	
11001100	562150	Medicare	596	
11001100	562210	Retirement	4,791	
11001100	562400	State Life	489	
11001100	562520	LTD	35	
11001100	562750	RHCC	455	
18101918	480303	State Grants - Plugged In VA		28,000
87301310	561120	Instructional S&W	26,010	
87301310	562100	Social Security	1,613	
87301310	562150	Medicare	377	
18101918	402032	State Grants - ISAEP		1,701
72201100	561620	Capital Outlay Additions	1,580	
72201100	562100	Social Security	98	
72201100	562150	Medicare	23	
18101918	404182	State Grants - Project Graduation Summer Academy		14,266
71501100	561120	Instructional S&W	12,690	
71501100	562100	Social Security	787	
71501100	562150	Medicare	184	
71501100	562800	Miscellaneous	605	
18101918	480303	State Grants - iReady Grant		8,500
11001100	566040	Software and Online Content	8,500	
Total School Fund:			156,647	156,647
Federal School Programs Fund:				
20102926	417348	Categorical Federal - Title 6B Spec Ed Preschool		5,702
86611100	561120	Title 6B Preschool - Instructional S&W	5,000	
86611100	562100	Title 6B Preschool - Social Security	310	
86611100	562150	Title 6B Preschool - Medicare	73	
86611100	566013	Title 6B Preschool - Materials & Supplies	319	
20102926	402748	Categorical Federal - Title 6B IDEA Spec Ed		500,131
86511100	561120	Title 6B Special Ed - Instructional S&W	147,307	
86511100	561151	Title 6B Special Ed - Instructional S&W Aide	209,176	
86511100	562100	Title 6B Special Ed - Social Security	22,102	
86511100	562150	Title 6B Special Ed - Medicare	5,169	
86511100	562210	Title 6B Special Ed - Retirement	41,566	
86511100	562300	Title 6B Special Ed - Insurance	40,592	
86511100	562400	Title 6B Special Ed - Life Insurance	4,242	
86511100	562520	Title 6B Special Ed - Disability	452	
86511100	562750	Title 6B Special Ed - Retirement Credit	3,957	
86511100	563140	Title 6B Special Ed - Purchased Services	19,000	
86511100	565503	Title 6B Special Ed - Travel	1,000	
86511100	566013	Title 6B Special Ed - Materials & Supplies	5,568	
Total Federal School Programs Fund:			505,833	505,833