

The regular meeting of the Council of the City of Martinsville, Virginia, was held on February 22, 2011, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Leon Towarnicki, Linda Conover, Mike Rogers, Ruth Easley, Jeff Joyce, Coretha Gravely and Donnie Shumate.

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

On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council approved the minutes of the Jan. 25, 2011, Feb. 7, 2011 (tour), and Feb. 7, 2011 (Neighborhood) Council meetings.

Mayor Adkins recognized and read the following list of names of city employees eligible for Service Awards—January 2 through March 31, 2011:

Keith Mikles	Electric	30
Paul Wood	Water	30
Andy Boitnott	Police Dept	20
Coretha Gravely	Police Dept	20
Dawn Vaughn	Police Dept	15
Jimmy Ashworth	Fire Dept	15
Rodney Howell	Fire Dept	15
Henry Hall	Garage	15
Darrell Hammock	Reservoir	10
Roy Donavant	Sewer Maint	5
Lasselle Heffinger	Water	5

Police Chief Mike Rogers briefed Council on the annual Martinsville Police Department's Outstanding Citizen of the Year Award which is given to a citizen for outstanding contributions to the community. Employees of the department submit nominations for the award to a Selection Committee of 5 members of the department who review the applications and present their recommendation to the Police Chief. Nominees for the award must be someone of good moral character with a good attitude towards law enforcement and must have shown support and/or concern for the police department in its efforts to better serve the citizens. Virginia "Puddin" Wallace was named as the 2010 Citizen of the Year and Chief Mike Rogers and Officer Coretha Gravely presented the award to Mrs. Wallace thanking her for her numerous contributions to the community.

Wes Clark of Robinson, Farmer and Cox presented the FY10 Audit Report to Council and discussed in detail specific questions from Council. On a motion by Gene

Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council accepted the audit as presented. The City Manager reported the approved audit will be posted on the city website.

Laura Bowles of MURA gave an update to Council on the Uptown Loyalty card promotions which will be featured monthly to encourage Uptown shopping.

Mayor Adkins reported that at the October 26, 2010 Council meeting, a recycling update was presented by the Green Committee and at tonight's meeting, city staff will present their findings on possible options. Jeff Joyce, Assistant Public Works Director, presented information outlining the existing recycling program and potential options:

**Option I--**Continue with the current program.

Advantages

- No capital expenditures
- Minimal operating expense
- Could expand the program to include an additional collection site for approximately \$20,000.00

Disadvantages

- Not as convenient for citizens as curbside collection program.
- Income from selling the recyclables is minimal.
- Does not increase the percentage of materials removed from the waste stream.
- Lack of available collection sites

**Option II--** Continue with the drop off collection site(s). Construct a basic handling facility and purchase a baler to maximize income from materials and reduce hauling cost. Use inmate labor with a Supervisor to process and bale the material when delivered from the collection site(s). Capital cost for baler with associated equipment and facilities would be approximately \$80,000.00

Advantages

- Clean, baled material brings higher price from buyers.
- Optimizes weight hauled per trip to buyer. It cost essentially the same to haul 15 tons as it does to haul one ton.
- Considerably less capital cost & operating expense as compared to a curbside collection program & associated processing facilities.
- No additional manpower would be needed to process the material. Would use existing supervision to oversee inmate labor.
- Can be expanded later to accommodate a curbside program.

Advantages

- Provides citizens the convenience of placing their household recyclables at the curb in front of their residence.
- Increases the percentage of materials removed from the waste stream.
- Optimizes weights hauled per trip to buyers

Disadvantages

- Requires additional staffing and a large initial capital expenditure for collection vehicles, processing facilities, materials handling equipment, etc.
- Typical initial capital cost for a program the size of Martinsville's program would range from a minimum of \$500,000.00 to \$1.50 million.
- An increase in residential collection rates typically range from \$1.50 to \$3.00 per month per customer. The rate increase is required to cover the operating expense and debt service for this type program.

**Things to consider:**

- Curbside recycling is convenient and generates increased quantities of recyclables, but requires a large initial outlay of funds. (\$500,000 to \$1.5 million)
- Curbside recycling typically requires a rate increase to cover operating cost for the program. (\$1.50 to \$3.00)
- The City already meets the required recycling rates mandated by Virginia.
- Is the convenience and increased quantities generated by a curbside program worth the initial capital cost?
- Are citizens willing to pay higher rates to have the convenience of a curbside collection program?
- Voluntary or required participation? Incentives

**Recommendations:**

(1)Due to the extremely high capital cost & operating expense of a curbside recycling program, this option is not recommended at this time. This option may be feasible in the future if adequate capital funding can be obtained to start the program & if there is sufficient citizen interest in a curbside program to justify a nominal refuse collection rate increase to operate/maintain the program. (2)Provide funding to expand the current drop off collection program. The additional funding will be used to purchase a baler and construct an enclosed baling facility. Baling the recycled materials will optimize the prices received for the materials & will decrease the cost of hauling larger quantities to markets. The cost of this expansion will be approximately \$80,000.00 (3)Continue public education & awareness of the importance of recycling & better publicize the existing drop-off recycling operation. (4)Utilize public service announcements on MGTV/city's website. (5)Work with the

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school system to promote recycling with students & faculty. (6)Work with community/citizen groups interested in recycling. Council thanked city staff for the report and no action was taken.

On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 2/22/11				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<b>FY11</b>				
<b>GENERAL FUND</b>				
01100909	490104	Advanced/Recovered Costs		4,034
01331108	501300	Sheriff/Corrections - Part-time & Temporary	3,290	
01331108	502100	Sheriff/Corrections - Social Security	204	
01331108	502110	Sheriff/Corrections - Medicare	48	
01331108	506008	Sheriff/Corrections - Vehicle/Equipment Maintenance appropriate additional funds-inmate use	492	
01100908	480406	Donations/Recreation		293
01711210	506007	Recreation - Equipment & Supplies donated funds for basketball goals	293	
01100908	480411	Donations/Skate Park		600
01713211	508220	Park Maintenance - Physical Plant Expansion donated funds for skate park	600	
01100909	490104	Advance/Recovered Cost		1,144
01411140	506104	Public Works Director/Non-Capital Equipment reimbursement for signage	1,144	
01100909	490801	Recovered Costs - Senior Citizens		440
01100908	480420	Donations - Senior Citizens		188
01102926	436421	Categorical Federal - Sr. Citizens		1,769
01714212	506016	Senior Citizens/Program Supplies funds rec'd for programs & Disease Prevention program	2,396	
01100908	440402	Miscellaneous Revenue - Donations/Hooker Field		587
01720420	506014	Hooker Field - Field Materials & Supplies funds rec'd for equipment purchased	587	
<b>Total General Fund:</b>			9,055	9,055
<b>SCHOOL FUND</b>				
18101918	404152	Project Graduation		17,460
71501100	561120	Instructional S&W	15,000	
51001100	562100	Social Security	930	
51001100	562150	Medicare Fica	218	
51001100	565800	Miscellaneous	352	
51001100	566013	Instructional Materials & Supplies State Grant appropriation	960	
<b>Total School Fund:</b>			17,460	17,460

Mayor Adkins gave an overview of the February 7, 2011 Council Neighborhood meeting held at Chatham Hts. Baptist Church.

Business from the floor: Mike Elder, 923 Childress Dr., commented on funds being cut for workforce development, reconsideration of furlough days, clarifications on utility bills, and court proceedings.

Comments from City Council: Mayor Adkins asked for Council's support for legislation regarding the Linda Bostwick Act and on a motion by Danny Turner, seconded by Mark Stroud, with a 5-0 vote, Council directed that the legislators be notified of Council's support of this bill. Mayor Adkins read the following statement regarding the local school merger and encouraged citizen participation in the scheduled discussions:

**Statement on School Merger—February 22, 2011**

On February 9, 2010, prior to my election, City Council passed a resolution that “endorsed the vote by Martinsville School Board...to explore all potential options for achieving the maximum cost savings” to our citizens. In my view, this action was a formal endorsement for the school board to proceed with the continued discussion of a unified city and county school system. I publicly supported this action by City Council.

To my knowledge this is the community’s third attempt to explore formally a unified or merged school system, spanning over multiple decades. The two previous studies concluded that a unified school system would position the community to offer our students a quality education in the most cost-effective manner; but, due to a lack of political will, recommendations were not adopted. While consolidations did occur within each school system, I believe our political and community leaders at the time thought the forecasted financial struggles would not actually get to a point that warranted this level of a change in our community.

Unfortunately, they were mistaken. The city’s financial status is far worse than predicted six years ago.

Take the last merger study, which was conducted from 2002 to 2004, as an **example**. A subcommittee of the joint city and county school boards agreed in principal a merged system was in the community’s best interest due to declining student enrollment and population, which would make it difficult to sustain funding for quality education. At the time, the study predicted a combined city and county enrollment would decline to under 10,000 in 2007. It also predicted with unemployment rates exceeding 12 percent, “our community will likely suffer continued decreases in population and student enrollment.” It also predicted a deteriorating local composite index, which is a measurement on a locale’s ability to pay for education.

Fast forward to today...these predictions have turned out to be correct if not worse. In 2011, a combined school enrollment is under 9,400. The unemployment rate has continued to rise where the city and county have the highest combined rate in the state consistently around 17 percent from month to month. New Census data reflects the population has decreased more than many of us would have thought in the last decade. Who would have imagined our city’s population would have dropped below 14,000 and Henry County’s below 55,000. Our local composite index is still in the bottom quartile.

A year has passed since City Council endorsed our school board’s action to explore a unified school system; and we are about to enter into another budgetary session. While education remains a top priority for the city, our citizens expect us to deliver all services in the most cost effective way. The city departments and school system are operating at bare bones and decisions in this upcoming budgetary session are going to be remarkably tough and I hope not contentious.

Tonight, we reviewed the audit and it is evident the city has maintained its financial health with a respectable fund balance by primarily eliminating positions, consolidating departments, delaying nearly all capital purchases, enforcing furloughs, reducing local contributions to education and by increasing electric, water/sewer and refuse user fees over the years. These user fees are referred to as Enterprise Funds. These increases are primarily used to help cover their rising costs to operate; and the small amount of revenue that is generated is used to support ongoing valued services and initiatives, like public safety, job creation and senior programs to name a few. With a declining tax base and less users of electricity, water/sewer and refuse, our ability to maintain all city services is unlikely without increasing revenue streams in other areas, like personal property and real estate taxes, on an already financially strapped citizenry.

There is a limit to the amount the city can downsize without seriously cutting the level of services that our citizens expect from their government; and in my opinion, our city has reach that limit. If we cannot downsize anymore, our only alternatives are to continue to cut services below the current levels or to impose new taxes and fees on the citizens in our community. How, in good conscience, can we raise the prices to our citizens when our unemployment rate is close to 20 percent and our local composite index is in the bottom 25 percent of all cities in the Commonwealth of Virginia?

Just six years ago, we completed a two-year, \$100,000 city-county school merger study, which concluded that a merged school system would provide a better education for our children at less cost than if we continue to operate two separate school systems. Now, while our communities continue to lose population and maintain high unemployment and our citizens struggle to pay their bills, we are studying the same issues again.

In my view, we are out of time. While we seem to posture and continue to restudy merger, the price of a quality education in our community is increasing and we do not have the money to pay for it.

All of us have been extended an invitation by our school board to participate in a community conversation on March 10 at 6 p.m. at one of the three area high schools regarding a unified or merged city and county school system. We have an opportunity to have an honest dialog on what this system will look like and what it can do immediately and long term in providing our students quality education in the most cost-effective way. It is my hope this community conversation will be more about how to merge, than should we merge.

Please come out and express your support for a unified or merged school system and respectfully ask our school board officials to move forward with merger while continuing to be transparent and to seek our input on what this merged system should look like.

Thank you.

Kim Adkins  
Mayor, City of Martinsville

Stroud—comments regarding Bostwick legislation, recycling, employee service awards, blood and organ donation. Reynolds-encouraged citizen comment at March 10 school merger discussions. Turner-comments regarding veteran Shaw’s funeral, Wood Brothers racing win, and voiced agreement with Mayor’s comments on school merger.

In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Kimble Reynolds, seconded by Gene Teague, with the following 5-0 recorded vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matter: (A) Appointments to boards and commissions as authorized by Subsection 1.

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 Mark Stroud, with the following recorded 5-0 vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session.

Action taken on Board appointments:

Board of Zoning Appeals-motion by Turner, seconded by Teague, with a 5-0 vote, to recommend to the Circuit Court Judge to appoint the following to the Board of Zoning Appeals: Ron Mateer, 1508 Kenmar Dr., for unexpired term ending 9/11/2014 and William Hopkins, 1805 Sam Lions Tr., for unexpired term ending 10/28/2015.

Tree Board-motion by Stroud, seconded by Reynolds, with a 5-0 vote, to appoint the following to the Tree Board: Shane Pinkston, 1261 Lanier Rd., for an unexpired term ending 3/31/2013 and David Jones, 975 Stonewall Jackson Tr., for an unexpired term ending 3/31/2013.

Arts & Cultural Committee-motion by Teague, seconded by Reynolds, with a 5-0 vote, to appoint the following to the Arts & Cultural Comm: Deborah Hall, 1807 E. Church St., as Architectural Review Bd. representative for unexpired term ending 12/31/2013; Carolyn Beale, 509 Mulberry Rd., as citizen representative for unexpired term ending 12/31/2014; Laura Bowles, 1607 Sam Lions Tr., as MURA representative for unexpired term ending 11/30/2014; Rhonda Hodges, 1315 Plantation Dr., as Artisan Center representative for a term ending 12/31/2014; Bernadette Moore, 621 Mulberry Rd., as citizen representative for term ending 12/31/2012; Dr. Mark Crabtree, 407 Starling Ave., as business owner representative for term ending 12/31/2013.

There being no further business, Mayor Adkins adjourned the meeting at 9:27 pm.

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Clarence C. Monday  
Clerk of Council

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Kim E. Adkins  
Mayor