

May 11, 2010

The regular meeting of the Council of the City of Martinsville, Virginia, was held on May 11, 2010, in Council Chambers, Municipal Building, at 7:00 PM, with Mayor Kathy Lawson presiding. Council Members present included: Mayor Kathy Lawson, Gene Teague (arrived at 7:10 pm), Mark Stroud, Sr., and Danny Turner. Vice Mayor Reynolds was absent. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Dennis Bowles, Donna Odell, Linda Conover, Leon Towarnicki, Wayne Knox, Ruth Easley, John Dyches, Mike Rogers, Sharon Echols, and Cindy Dickerson.

Mayor Lawson called the meeting to order and announced that Council will go into Closed Session before the regular session begins at 7:30 pm.

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 3-0 recorded vote: (Teague was not present for vote in to Closed Session) Lawson, aye; Stroud, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matter: (A) A prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community as authorized by Subsection 5.

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 said Session. On a motion by Danny Turner, seconded by Mark Stroud, with the following recorded vote: Lawson, aye; Stroud, aye; Turner, aye; and Teague, abstaining, Council returned to Open Session, with no action taken, specific to the Closed Session.

Council then reconvened in regular session at 7:30 pm with the invocation given by Council Member Gene Teague and the Pledge to the American flag.

On a motion by Danny Turner, seconded by Gene Teague, with a 4-0 vote, Council approved the minutes of the April 21, April 27, and April 28, 2010 meetings.

The Mayor continued the public hearing which was opened at the April 27, 2010 Council meeting regarding the establishment of three local Historic Districts as recommended by the Planning Commission. Comments included: Wayne Knox noted the First Methodist Church requests to be excluded from the Uptown District. Mr. Knox answered Council's previous inquiries regarding: (1) would excluding the requested properties be harmful—no. (2) would excluding requested properties lead to others asking for exclusion—yes. (3) if several properties were excluded, would it harm local and state historic designation—no. Mr. Knox stated staff recommends that we go forward and exclude the properties requested from the district: 135 E. Main St., 147 E. Main St., 51 Lester St. 50 Ford St., 52 Ford St. Even with excluding these

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properties, they will still have to follow the same permitting procedures. The City Attorney advised that if amending the boundaries, we should advertise and conduct another public hearing. Gene Teague asked that Wayne Knox get information from other communities and “real life” examples of how historic grant funding has helped. Sylvia Pickering commented she is trying to open a restaurant Uptown and it is important to her that the historic district be approved to ease the burden of bringing her building up to code. On a motion by Gene Teague, seconded by Mark Stroud, with a 4-0 vote, Council agreed to amend the Uptown Historic District excluding the church properties as requested. A motion was made by Danny Turner, seconded by Mark Stroud, to give businesses Uptown the opportunity to opt in or out of the district and have Community Development send another letter out. Motion was then withdrawn. Gene Teague pointed out with the public hearings held, people were given opportunity to voice opinions and he asked that Wayne Knox contact the one that has voiced opposition. On a motion by Gene Teague, seconded by Danny Turner, Council agreed to set a public hearing for June 8 regarding the three historic districts as amended tonight.

Clarence Monday briefed Council on the process for filling the June 30, 2010 school board vacancy. He asked that Council start interviewing on May 25 and the appointment can be made as early as June 8. On a motion by Mark Stroud, seconded by Danny Turner, with a 4-0 vote, Council agreed to set the public hearing for May 25 for the purpose of receiving/interviewing citizens interested in appointment for one three-year position beginning July 1, 2010 and ending June 30, 2013 to the City’s School Board.

City Attorney Eric Monday briefed Council on possible charter amendment to change Council elections from May to November. Changes in the state budget now transfer the cost of funding purely local elections to the locality. The cost of a City Council election is \$12,000.00. Shifting the election to November would keep funding costs with the state. A shift to November elections requires both a local ordinance and a charter amendment, which could be introduced in the 2011 General Assembly and, if approved, would become effective July 1, 2011, thus affecting the 2012 Council elections. Council members subject to reelection in 2012 would have their terms extended to January 1, 2013, when the Council members elected in November, 2012, would take office, and when the Council organizational meeting, with Mayoral and Vice-Mayoral elections, would occur. Council agreed to move forward on this issue and directed the City Attorney to present a draft ordinance and charter amendment for consideration at the May 25, 2010 Council meeting and the required public hearing will be held that evening.

Business from the floor: Mayor Lawson recognized Joyce Staples, an instructor at NCI, who brought her class to the meeting. Police Chief Mike Rogers made the following comments:

I greatly appreciate the opportunity to come before you tonight, BECAUSE just like each of you and especially City Manager Clarence Monday, who has a young son in the Martinsville City School System, I don’t want any citizen or school employee to think that I am against Education or our teachers. I could stand up here all night long talking about how much I respect and appreciate a teacher for the difficult job they have to do; and I have raised both of my children **to have and show** the same level of respect.

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Scott Kizner does a good job of telling you about the challenges his employees face, what they have accomplished and what gains they have made and don't want to lose. As your Chief of Police and the one person most responsible for the safety of our citizens, I can definitely just as much about what my police officers face, what we have accomplished, and what we don't want to lose.

As for Challenges, I ask that all of our citizens consider this:

- Back in the 60s & 70s the city of Martinsville was called "Little Chicago" by people out on the street and in the late 80s & 90s people called it "Little New York," because we had so much crime.
- For many years during the 80s & 90s our city had "THE HIGHEST" crime rate per capita of any city in the state.
- In 2000, my first full year as Chief of Police, we had more murders per capita than any other locality in the state. I had 11 murders during my first 10 months on the job.
- That same year, we had the 12 highest violent crime rate in the state among 135 cities and counties.
- In 2002, only four cities in the state had a higher crime rate index per capita.

No one can say my police officers do not have a tough and very dangerous job. They have accomplished a lot in their efforts to make this city a better and safer place to live. Thankfully, the city of Martinsville is certainly not what it used to be in terms of Crime and I definitely don't want to see us lose any ground on what we have accomplished. I think I could make a good argument that my police officers are every bit as professional and valuable as our city school teachers. That being said, if any of our citizen's question why I have been so vocal and have recently written so many letters to the editor of the Martinsville PLEASE CONSIDER THIS:

Based on everything I have been able to find on the Virginia Department of Education's web site, the largest amount of local funding our city was required to provide our city schools for Standards of Learning during any recent year is \$3,521,929.

Yet during each of those four years and the five previous years, the city has provided at least \$6,380,249.00 to our city schools.

THAT'S AT LEAST 2.3 TO 4 MILLION EXTRA DOLLARS during the past four years.

Nearly every year since I first became Chief of Police in 1999, I have come before council BEGGING FOR decent pay increases for my police officers so I could retain the ones I had and recruit good ones for the future.

If I remember correctly, back in 2000, which was my first full year as Chief of Police, it would have taken over \$175,000 just to get our officers up to average pay for their counterparts in the local area. It's no secret the combined salaries of all of our city government employees (less than 230 people) totals well over \$1,000,000.00 below what the city's salary survey shows they should be paid in order to be fairly compensated.

That's a BIG PILL TO SWALLOW and something that's hard for me to explain to my police officers when you consider what we are giving our schools in addition to the extra funding they get from the state and Harvest Foundation.

I ask that you also consider this:

In 2005 – The Police Departments DARE Officer position was eliminated from the Police Department to help the city balance its budget.

In 2006 Our city schools received an extra 1.7 million in state funding and still received level funding from the city (the amount of which included an extra 3 to 4 million dollars more than what the city had to pay). Kizner later stated that he put all of the 1.7 million towards salary and benefits.

In that same year, after I approached then city manager Dan Collins about how concerned I was over the possibility of losing good employees because our salaries were so low, he told me he would give me \$48,000 if I agreed to give up a police officer position. After considerable thought I did.

In 2007, If the Va. Dept. of Education figures are correct the city gave the schools \$7,353,894 in local funding, which was \$3,952,771 above what they had to provide. \$47,000 shy of FOUR MILLION EXTRA dollars.

That same year, shortly after I had 9 well-trained and experienced police officers line up at the front door of the Henry County Sheriff's Department seeking employment, I begged Dan Collins to please help me out with additional funding since our police officers were so far below the market average and I needed something to talk them into staying. His response: He would agree to a (long overdue) 8% step increase if I would agree to a "ONE FOR TWO" deal. According to him I could replace one officer for every two that left the department. Thus I gave up another police officer to get the pay raise. It got to the point that getting a pay raise for my employees was a lot like being on the, "LETS MAKE A DEAL SHOW" with Monty Hall...And I'm not trying to be funny. That same year both of my SROs quit the department and Dr. Kizner was begging me to replace them because, according to him, he had teachers who were scared to death and threatening to quit if they didn't get an SRO back in the High School. After telling him I didn't have the manpower, nor the funding to pay for extra officers to go back in the schools Dr. Kizner came up with the funding for me to put T.J. Slaughter in the high school for the remainder of that school year. He and I later reached an agreement for the following year that we were going to do like most every other jurisdiction in the State and split the cost of having two SROs in the school. The schools agreed to pay for the position at the High School and we (city) paid for the Jr. High position.

In 2008 – City Schools get at least \$6,380,249 in level funding (\$3,113,000) over what was required, **PLUS 1.5 extra million from the State.** If I remember correctly he also got funding from the Harvest Foundation.

You may recall that is the year after getting all of that money he approached council about needing additional money for an early development program he wanted to start for 3 or 4 year olds. In addition to asking for that money, He shocked me when he stated that he thought the city should pick up the salary of the SRO position they were funding because they fall under the city and police department anyway. That was the same year that Clarence Monday had set aside \$200,000 in funding to be distributed to 70 or 90 city employees whose salaries were a combined \$685,000 below what they should have been compensated. That amount was cut \$100,000.00

In 2009 – Our schools got \$6,439,251.00 which was at least \$2,330,000 over what the city had to pay in local funding. Plus \$1.2 million in Stimulus Funding plus whatever they got from the Harvest Foundation. I may be wrong, but it is my understanding Council held back some on the local funding, but allowed him to carry over \$300,000 in unspent money, which balanced out as best I can tell.

It's still not enough, so he puts the pressure on all of you again to "NOT BE ANTI SCHOOLS" and he got an additional \$50,000. Clarence Monday was directed to find the cuts in his budget and as a result every city department's training budget was cut.

Our Police Department's training budget was cut \$10,000.00. I've spent the last couple of weeks watching all of these past Budget Work Sessions dating back to 2006 and the one thing that is common in all of them is the fact that Scott Kizner always wants more money. He is notorious for putting everything he can in salary and benefits and then coming back to council later for more funding for special programs or capital needs. I can't tell you how discouraging, disheartening and frustrating it has been trying to keep the morale up among the police officers I count on to accomplish the goals and objectives council set forth. I tell my employees all of the time, treat everyone you meet like you would want to be treated. Treat them with due respect and do what is right. I'm having a hard time, as are all other city department heads and our City Manager, trying to justify to our employees how the schools can get all the extra funding they have been getting while they remain so under compensated and are having to do without. "Why are we having to take four furlough days and school employees are not?" to help with the budget, is what I am being asked in addition to a lot of other questions. In closing let me stress the fact that I'm not against schools at all. I want to ask every school employee (and I'll include Kizner) to put yourself in my shoes and ask yourself how would you feel if you had been treated the way we have been treated???? There has to be some balance in how the city treats all of its employees.

Comments from Council: Teague-publically thanked Kathy Lawson and Kim Adkins for running good campaigns and he thanked the citizens for their confidence in him. Turner—recognized Alicia Solomon who assisted an elderly couple that was being taken advantage of. Stroud-gave update on his back surgery. Lawson-extended Kimble's regrets for not being in

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attendance; she distributed copies of a Danville dog ordinance asking that Council members review it and send their comments to the City Attorney; commended T. J. Slaughter for excellent job done on program at the high school; asked that the City Attorney take care of the request from FAHI that they would like the sign from the Paradise Inn. There were no comments from the City Manager.

Council then considered discussion on FY11 budget regarding water rates, power cost adjustment, city tree trimming, and revenue projections.

John Dyches: briefed Council on the information regarding water rates which was previously presented in the City Manager's budget presentation. There was discussion as to water minimum usage fees and equitable fees for city users and county users. Danny Turner asked that city staff come back with no increases in rates of water or electric. City Manager Clarence Monday stated that the city will need \$1.5 million without the increases and asked that this be a formal Council request—there was no formal Council request on this matter.

Dennis Bowles: briefed Council on the power cost adjustment for electric and explained why costs continue to rise. He reported Council can implement PCA prior to July to recover costs when PJM goes into effect June 1. He pointed out that GDS recommends changing the PCA rate each month. The City Manager stated two positions will be critical for revenue (1) engineer for Phase II of landfill for FY11 and (2) telecommunications position for FY11. He will be looking for re-organization opportunities to fund these two critical positions.

Dennis also reported on the city's tree trimming policy noting the electric department follows guidelines in the 2005 City Tree Ordinance in Chapter 21. Tree trimming is done on an annual basis with concentration on two rotating areas of the city each year. He reported our tree policy is modeled after what other communities are doing. There was discussion on possibility of Arbor grant money for replacement of trees.

The City Manager made the following comments regarding Revenue Projections: not an exact science and is an educated guess based on year's experience of staff; used historical data, current YTD collections, GA action and reductions, estimate as to next year. Unemployment rate continues to go up. Elderly tax credit showed an increase in the number of qualifying applicants in FY10 (197 this year – 183 last year that qualified). Continue to see business closings and very few business expansions/openings. Caseload at DSS for assistance continues breaking the previous record. FY12 appears to be no better for state funding. In making decisions for FY11, need to look to FY12—even if economy picks up, local revenue will not immediately increase. FY09 revenue projections (\$593,588) in the General Fund when economy started deteriorating; FY10 revenue projections (\$449,801) YTD, and recessionary conditions continue. FY11 numbers believed to be reflective of what the City expects to collect.

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Council then discussed path forward in budget discussions to be held on May 13, 2010 and May 17, 2010. Mayor Lawson pointed out she wants to discuss combining like services in city and schools, specifically, Finance, Purchasing and Human Resources. Council asked that outside agencies be contacted for information as to what pay raise/bonus percentages are included in agency budgets. Council asked that West Piedmont Planning District representatives be invited to next session to discuss their funding amount.

There being no further business, the meeting adjourned at 9:50 pm.

Clarence C. Monday, Clerk of Council

Kathy C. Lawson, Mayor