

May 17, 2010

A budget worksession of the Council of the City of Martinsville, Virginia, was held on May 17, 2010, in Council Chambers, Municipal Building, at 7:00 PM, with Mayor Kathy Lawson presiding. Council Members present included: Mayor Kathy Lawson, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Donna Odell, Linda Conover, Leon Towarnicki, Gary Cody, Dennis Bowles and Esther Artis.

Mayor Lawson called the meeting to order.

School funding: Mayor Lawson reported she and the City Manager met this morning with school representatives noting the schools will replace the boiler with their funds and will come back later to Council regarding the roof replacement. At this point, the schools are not requesting any additional funding, but will come back to Council if they need more funds. There was also discussion on combining like departments and the potential savings of \$100,000 through efficiency using existing personnel for various tasks. It was recommended that the City Manager and the new Mayor & school representatives have monthly meetings to discuss future savings. Mayor Lawson stated we should not consider the potential \$100,000 savings for budget purposes.

Capital expenditures: The City Manager explained how capital projects were ranked and the process staff followed to recommend capital projects. He explained the fire truck and garbage truck are loaded in the proposed FY11 budget and no debt service will occur in FY11. Chief Draper briefed council on the vehicle replacement plan explaining the need for the proposed rescue pumper now that the rescue squad is not in service. He also pointed out there is the potential for a USDA grant of \$140,000. There was discussion as to issues involved with ISO rating and the impact on local businesses and commercial buildings as well as how not purchasing this fire truck would get us off the 5-year replacement plan with the potential of causing the city to have two payments at once for vital equipment. On a motion by Gene Teague, seconded by Kimble Reynolds, with a 3-2 vote, Lawson and Stroud voting nay, Council delayed the purchase of the fire truck for a year. Leon briefed Council on the proposed garbage truck noting it is very expensive to repair. On a motion by Danny Turner, seconded by Gene Teague, with a 5-0 vote, (all voting aye), Council deferred purchase of the garbage truck. Council will have the option to reconsider this in six months if we have issues with current truck. John Dyches briefed Council on the \$225,000 automated bar screen for the wastewater plant noting the existing bar screen was installed over 25 years ago and has been running 24/7 with no back up. He also explained the \$45,000 in the budget for contract sewer replacement noting the city will be facing some major replacement of water/sewer lines in the future with the aging infrastructure. On a motion by Kimble Reynolds, seconded by Mark Stroud, with a 5-0 vote, Council approved the \$225,000 and \$45,000 expenditures for capital in the FY11 proposed

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budget. There were questions regarding the video arraignment system and the parks & recreation vehicle with no motions made. Esther Artis reported on the \$70,000 for computer replacements which the city has been replacing every five years. Leon pointed out the MINET Uptown is seeing a lot of use and crews are extremely busy with setting up fiber optics networks in Uptown businesses.

Enterprise Funds: Dennis Bowles reported on the City's philosophy of buying power established by City Council noting that the city won't be seeing a decline in rates until 2012. Mr. Bowles briefed Council on the PCA (Power Cost Adjustment) fee which is built in to the proposed FY11 budget. A motion was made by Danny Turner to leave the PCA at zero and asked that the City Manager come back with recommendations to make up for shortfall. The motion died for lack of a second.

There being no further business, the meeting adjourned at 8:45 pm.

Clarence C. Monday, Clerk of Council

Kathy C. Lawson, Mayor