

June 25, 2013

The regular meeting of the Council of the City of Martinsville, Virginia, was held on June 25, 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, Sharon Brooks Hodge and Danny Turner. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Eric Monday, Linda Conover, Eddie Cassidy, Dennis Bowles, and Mike Rogers.

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 Mark Stroud, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Stroud, aye; Hodge, aye; and Turner, aye, 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) Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body as authorized by Subsection 29. (C) 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. Council then returned to open session and Mayor Adkins advised Closed Session is recessed until end of meeting.

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

Action taken on Board appointments:

School Board: A motion was made by Gene Teague, seconded by Danny Turner, with a 4-1 vote (Hodge-nay), to appoint Rives Coleman, 603 Mulberry Rd., to a 3 year term ending 6/30/2016.

Piedmont Community Services Board: A motion was made by Sharon Brooks Hodge, seconded by Danny Turner, with a 5-0 vote, to re-appoint Mark Stroud to a 3 year term ending 6/30/2016.

Council Comments on School Board appointment: Teague-with so many qualified candidates, it was a tough decision; Stroud-echoed Mr. Teague's comments and it was very difficult; Turner-it was a hard decision and he encouraged applicants to apply for other positions; Hodge-some of the other candidates would have helped us serve populations we don't already serve; Adkins-encouraged applicants to apply for other vacancies.

Minutes: On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council approved the minutes of the April 24, 2013, April 25, 2013, and May 2, 2013 meetings.

Update from Dr. Boaz on proposed medical school: Dr. Noel Boaz, founder and president of the Integrative Centers for Science and Medicine briefed Council on the progress made on the development of the College of Henricopolis School of Medicine in Martinsville. He reported with their aggressive timetable, plans are to open the medical school in September 2015.

Workforce Investment Board quarterly report: Lisa Fultz, the new Executive Director, briefed Council on activities and programs of the WIB.

Amended Electric Terms and Conditions: Dennis Bowles presented the following information to Council regarding Time of Day Rate and Returned Checks and Bank Draft additions to the City's Electric Terms and Conditions: (1)A Time of Day (TOD) rate is an electric rate that varies according to the time of day and staff recommends the implementation of a TOD rate on experimental basis to assess the impact to system

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load and revenue generated from the schedule for a small sampling of potential new customer base load. The rate may offer some energy savings over the Medium General Service Rate for new customers where power consumption for the facility mainly occurs after the on-peak hours of the day, usually before 7:00AM and after 8:00PM; (2)A fee of \$20 is currently assessed for returned checks or debit bills returned for insufficient funds related to Direct Payments by bank draft. In order to more adequately recover cost associated with returned checks and returned debit bills, staff recommends paralleling the Commonwealth of Virginia's returned check fee presently set at of \$50.00 as allowed by the Code of Virginia Section 15.2-106 as follows: § 15.2-106. Ordinances providing fee for passing bad checks to localities. Any locality may by ordinance provide for a fee, not exceeding \$50, for the uttering, publishing or passing of any check, draft, or order for payment of taxes or any other sums due, which is subsequently returned for insufficient funds or because there is no account or the account has been closed, or because such check, draft, or order was returned because of a stop-payment order placed in bad faith on the check, draft, or order by the drawer. After discussion, a motion was made by Gene Teague, seconded by Mark Stroud, to establish Time of Day rate as presented and motion passed with 5-0 vote. Danny Turner made a motion to make the returned check fee \$20 which was seconded by Sharon Hodge. An amended motion was made by Gene Teague, seconded by Mark Stroud, to increase returned check fee to \$35.00. The amended motion passed with a 3-2 vote (Hodge and Turner voting nay).

Resolutions regarding VRS contributions: Mr. Towarnicki briefed Council on the resolution required by VRS confirming the City's decision to require full-time VRS-covered employees to provide a 1% employee contribution to VRS, offset by a 1% pay increase to employees effective July 1, 2013. In FY13, it was decided to implement the required 5% VRS employee contribution by phasing in 1% increments over a 5 year period with FY14 being the second year of the implementation schedule. On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, the resolution was approved:

Member Contributions by Salary Reduction for Counties, Cities, Towns, and Other Political Subdivisions  
(In accordance with Chapter 822 of the 2012 Acts of Assembly (SB497))

**Resolution**

WHEREAS, the CITY OF MARTINSVILLE [Political Subdivision Name] 59223 Employer code] employees who are Virginia Retirement System members who commence or recommence employment on or after July 1, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis upon commencing or recommencing employment; and

WHEREAS, the CITY OF MARTINSVILLE [Political Subdivision Name] employees who are Virginia Retirement System members and in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis no later than July 1, 2016; and

WHEREAS, such employees in service on June 30, 2012, shall contribute a minimum of one percent of their creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the CITY OF MARTINSVILLE [Political Subdivision Name] may elect to require such employees in service on June 30, 2012, to contribute more than an additional one percent each year, in whole percentages, until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the second enactment clause of Chapter 822 of the 2012 Acts of Assembly (SB497) requires an increase in total creditable compensation, effective July 1, 2013, to each such employee in service on June 30, 2013, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the percentage increase of the member contribution paid by such pursuant to this resolution (For example, if the member contribution paid by the employee increases from two to three percent pursuant to this resolution, the employee must receive a one percent increase in creditable compensation.)

BE IT THEREFORE RESOLVED, that the CITY OF MARTINSVILLE [Political Subdivision Name] does hereby certify to the Virginia Retirement System Board of Trustees that it shall effect the implementation of the member contribution requirements of Chapter 822 of the 2012 Acts of Assembly (SB497) according to the following schedule for the fiscal year beginning July 1, 2013:

PLAN 1		PLAN 2	
Employer Paid Member Contribution	Percent	Employer Paid Member Contribution	Percent
Employer Paid Member Contribution	3 %	Employer Paid Member Contribution	3 %
Employee Paid Member Contribution	2 %	Employee Paid Member Contribution	2 %
<b>Total</b>	<b>5%</b>	<b>Total</b>	<b>5%</b>

(Note: Each column must add up to 5 percent.), and

BE IT FURTHER RESOLVED, that such contributions, although designated as member contributions, are to be made by the CITY OF MARTINSVILLE [Political Subdivision Name] in lieu of member contributions; and

BE IT FURTHER RESOLVED, that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and

BE IT FURTHER RESOLVED, that member contributions made by the CITY OF MARTINSVILLE [Political Subdivision Name] under the pick up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and

BE IT FURTHER RESOLVED, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the CITY OF MARTINSVILLE [Political Subdivision Name] directly instead of having them paid to VRS; and

BE IT FURTHER RESOLVED, that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the CITY OF MARTINSVILLE [Political Subdivision Name] shall be reduced by the amount of member contributions picked up by the CITY OF MARTINSVILLE [Political Subdivision Name] on behalf of such employee pursuant to the foregoing resolutions; and

BE IT FURTHER RESOLVED, that in accordance with the Appropriation Act, no salary increases that were provided solely to offset the cost of required member contributions to the Virginia Retirement System under § 51.1-144 of the Code of Virginia will be used to certify that the salary increases required by the Appropriations Act have been provided.

NOW, THEREFORE, the officers are hereby authorized and directed in the name of the CITY OF MARTINSVILLE [Political Subdivision Name] to carry out the provisions of this resolution, and said officers are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the CITY OF MARTINSVILLE [Political Subdivision Name] for this purpose.

Kim E. Davis  
Governing Body Chairman

**CERTIFICATE**

I, CLERK of Council, [Title, e.g. Clerk, Secretary] of the CITY OF MARTINSVILLE [Political Subdivision Name], certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the CITY OF MARTINSVILLE [Political Subdivision Name] held at MARTINSVILLE, Virginia at 7:30pm o'clock on June 25, 2013. Given under my hand and seal of the CITY OF MARTINSVILLE [Political Subdivision Name] this 25 day of June, 2013.

Brenda H. Pullman  
Clerk

Special Events Itinerant Merchant BPOL issue: Mayor Adkins advised this agenda item has been withdrawn from the agenda.

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VML 2013 Policy Committee nominations: Council agreed on the following nominations to submit to the Virginia Municipal League for the 2013 Policy Committees with Mr. Turner asking to be excluded as he does not agree with VML policy:

- Community & Economic Development-Kim Adkins, Mayor
- Environmental Quality-Eric Monday, City Attorney
- Finance-Leon Towarnicki, City Manager
- General Laws-Gene Teague, Vice Mayor
- Human Development & Education-Mark Stroud, Council Member
- Transportation-Sharon Brooks Hodge, Council Member

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 6/25/13				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<b>FY13</b>				
<b>General Fund:</b>				
01100909	490104	Advance/Recovered Costs		7,500
01221082	501300	Commonwealth's Attorney - Part-time/Temporary Wages	3,000	
01122028	501300	Communications - Part-time/Temporary Wages	3,000	
01814243	501300	Planning & Zoning - Part-time/Temporary Wages	1,500	
		Funds from NCI for summer interns		
<b>Total General Fund:</b>			<b>7,500</b>	<b>7,500</b>
<b>Capital Reserve Fund:</b>				
16100909	490104	Advance/Recovered Costs		15,000
16577367	508132	Physical Plant Expansion - Hooker Field	15,000	
		New scoreboard @ Hooker Field		
<b>Total Capital Reserve Fund:</b>			<b>15,000</b>	<b>15,000</b>

Business from floor: Ural Harris, 217 Stuart St.: 1.commented on need for AMP to address Council on electric issues and take questions from public 2.Commonwealth Crossing permit comments.

Council comments: Turner-1.reminders about July 4<sup>th</sup> events 2.reported citizen concerns about a noisy Southside event held at PYSL field; Stroud-1.regrets on several events he missed due to his vacation 2.voiced citizen concerns he had heard about the noisy event in Southside area 3.reported on Patrick Henry Ham Radio Association event; Teague-1.voiced citizen concerns he had received regarding the noisy event at Southside field 2.reported he missed the last Council meeting due to a work commitment.

Closed Session: Mayor Adkins recessed the regular meeting and Council re-convened Closed Session at 9:00PM. 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 Danny Turner, with the following recorded 5-0 vote: Adkins, aye; Teague, aye; Stroud, aye; Hodge, aye; and Turner, aye, Council returned to Open Session. There being no further business, the meeting adjourned at 10:11pm.

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Brenda Prillaman  
Clerk of Council

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Kim Adkins  
Mayor