

June 9, 2009

The regular meeting of the Council of the City of Martinsville, Virginia, was held on June 9, 2009, in Council Chambers, Municipal Building, at 7:30 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, Wayne Knox, Tim Porter, Susan McCulloch, Wayne Knox, Cindy Dickerson, and Ruth Easley.

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

On a motion by Gene Teague, seconded by Kimble Reynolds, Council approved with a 5-0 vote, the minutes of the May 13, 2009 meeting.

David Hughes from Robinson, Farmer & Cox reported to Council regarding the recent Treasurer's Turnover Audit for the seven month period July 1, 2008 through January 31, 2009. He distributed copies of the audit to Council members as well as copies of a memo to City Council members and a memo to the City Manager regarding different aspects of the audit. Mr. Hughes reviewed and discussed with Council the following areas: accounting for uncollected property taxes, delinquent tax collections policies and procedures, account write-offs, accountability over cash receipts, and reconciliation of general checking account. Mr. Hughes stated the city's tax collection is fine the way it is presently, it just needs to have the policies and procedures streamlined with more clarity in structure. The City Manager reported that policy and procedure recommendations will be brought to Council for approval at a July meeting.

There was lengthy discussion regarding the reconciliation of the general checking account. Council asked that a recommendation as to how to handle this issue be put on the July 14 agenda for Council consideration. Mayor Lawson stated we need to put into place correct procedures to reconcile the checking account each month.

Travis Adkins and Payton Gravely of Community Storehouse reported to Council regarding their organization's programs and how area children are served. On a motion by Kimble Reynolds, seconded by Gene Teague, with a 5-0 vote, Council agreed to provide the organization a letter of support as requested.

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Mark Heath of the Martinsville-Henry County Economic Development Corporation reported to Council on the second year update on the organization's strategic goals. Mr. Heath emphasized that with the present economy, any positive growth is good.

On a motion by Gene Teague, seconded by Kimble Reynolds, with a 4-1 vote, with Council Member Danny Turner casting the dissenting vote, Council agreed to set a public hearing for July 14, 2009 to amend the zoning ordinance and approve a special use permit for 20 Progress Drive to be used by Henry-Martinsville Social Services

Wayne Knox gave an update on the Cherry Street CDBG project reviewing a power point presentation of before and after pictures of homes in the project area. Wayne reported 23 housing inspections have been conducted; eleven residential structures have been rehabilitated; seven structures awaiting construction; to date, 2,500 linear feet of street work has been completed; one former tenant has been converted to a first time homeowner; several parcels have been acquired to prepare for redevelopment into seven building lots and two lots have been identified and prepared for new homes. Wayne reported the required items of this project should be complete by December 2009 with the exception of selling the seven newly constructed residences for sale.

Susan McCulloch gave an update on the Makeover Martinsville-Henry County event held on May 9, 2009. With the help of the Architectural Review Board and other key stakeholders, including a restoration artist, president of the MHC Historical Society, MURA, and Tourism, an exhibitor, and an Uptown resident, the event was successfully marketed to MHC residents and surrounding areas, visitors, property owners, potential property owners, tenants, and/or those passionate about preservation. Susan reviewed topics covered during the event and reported that approximately 25 people attended each session ranging in age from 50 to 75 with a total of approximately 55 people in attendance. Susan pointed out that for the 2010 event, the committee would like to target a broader age range, incorporating more financial/money saving home ownership ideas, how to build to save electricity, expand the expert/exhibitor list, more green

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building information and to pull in those on the line versus those very passionate. Council commended Susan for the good job done on arranging this event.

City Attorney Eric Monday explained proposed changes to Transportation Safety Commission Bylaws requesting a reduction in members from eleven to nine and a reduction in the quorum from six to four members. On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council approved the following amended bylaws of the Martinsville-Henry Transportation Safety Commission:

BYLAWS OF THE MARTINSVILLE TRANSPORTATION SAFETY COMMISSION
As Amended and Approved by the City Council: March 11, 1997, March 25, 2003, November 8, 2005, June 9, 2009

ARTICLE I CREATION

Section 1.1 The Martinsville Transportation Safety Commission was created by action of City Council pursuant to powers granted in Chapter 2, Section 5 of the Code of the City of Martinsville, Virginia. The Commission was created to advise the City Administration and City Council in matters pertaining to transportation and safety in the City of Martinsville.

ARTICLE II MEMBERSHIP

Section 2.1 The Commission shall consist of up to ~~eleven~~ nine regular members and two representatives of the student body of Martinsville High School appointed by the City Council.

Section 2.2 Members shall be citizens of the City, appointed at large to represent various geographic areas and other interests. No more than a combination of two employees of the City or Constitutional Offices shall serve on the Commission at any one time.

Section 2.3 The Commission shall receive full and effective staff support from the City Administration, by a person(s) to be designated by the City Manager. This support shall include serving as the secretary for the Commission, agenda development, preparation of reports and recommendations, required research, and any other services necessary to assist the Commission in its functions.

ARTICLE III TERMS OF MEMBERS AND VACANCIES

Section 3.1 Terms of the eleven regular members shall be four years, but staggered whereby six members and then five members would be appointed. Representatives of the student body of Martinsville High School shall be appointed annually and serve the Commission during the school year.

Section 3.2 All regular members shall be eligible to serve three successive terms provided they continue to satisfy the basic and respective criteria upon which they were originally appointed. They will be ineligible for reappointment for a period of one year, unless there are an insufficient number of qualified applicants to fill all vacancies.

Section 3.3 Should mid-term vacancies occur among regular member positions, or when terms expire as provided herein, the Commission as a whole and/or as individuals shall be entitled to submit nominations for City Council's consideration in appointing replacements.

ARTICLE IV OFFICERS

Section 4.1 The officers shall be the Chairperson and the Vice Chairperson. The Chairperson and Vice Chairperson shall be elected for a two-year period. The Chairperson shall serve not more than two consecutive terms. In the event of a vacancy in either office, an election to fill the vacancy shall be held at the next meeting of the Commission or as soon thereafter as practicable.

Section 4.2 The Chairperson shall cause an agenda to be prepared for each meeting and shall preside thereat. The Chairperson shall also appoint such ad hoc or standing committees from the membership of the Commission as are deemed necessary. The Chairperson shall sign correspondence, reports and recommendations on the part of the Commission and shall otherwise represent the Commission in its proper relationships with the City Council, the City Administrator, State and Federal agencies, and the public.

Section 4.3 The Vice Chairperson shall serve in the absence of the Chairperson.

Section 4.4 A Recording Secretary shall be provided, at the direction of the City Manager, to assist the Chairperson in development and dissemination of the agenda and in recording accurate minutes of all meetings. Minutes of each meeting shall be forwarded to Commission members with the next regularly scheduled Commission meeting agenda and to members of City Council with the next regularly scheduled Council agenda following the monthly meeting of the Commission. All records of the Commission shall be made available to the news media and the public in a timely way by the Recording Secretary.

ARTICLE V MEETINGS

Section 5.1 The Commission shall meet once each month, except December, at a time and day agreed on in advance by the Commission, or at the call of the Chairperson. The Chairperson may cancel any monthly meeting when it is deemed appropriate.

Section 5.2 Meetings shall convene at the appointed time, except when members are specifically notified otherwise.

ARTICLE VI QUORUM AND ATTENDANCE

Section 6.1 No business of the Commission can be conducted at any meeting thereof without the presence of a quorum, consisting of at least ~~six~~ four regular members.

Section 6.2 Members are expected to attend all regularly scheduled meetings. Any member having missed five regularly scheduled meetings in a calendar year shall be so notified in writing by the Chairperson. The Chairperson may report such fact to the City Council, who may determine the necessity of replacing such member.

ARTICLE VII GOALS, FUNCTIONS AND PROGRAMS

Section 7.1 The goals of the Commission shall be as follows:

- a) To serve as a forum for various community groups and interests whose concerns include safer streets and highways;
- b) To provide active leadership and to solicit increased citizen participation in all aspects of transportation safety;

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- c) To consistently reduce each year the total number of transportation accidents, with special emphasis on avoidance of those accidents resulting in serious bodily injury and death.
- Section 7.2 The functions of the Commission shall include, but not be limited to the following:
- a) Reviewing State and Federal highway safety standards, assessing local conditions, and determining the existence of local deficiencies as to those standards;
 - b) Making recommendations to the City Council as to policy decisions to enhance transportation safety in the City by the adoption or amendment of appropriate regulatory ordinances;
 - c) Making recommendations to the City Council as to major capital expenditures or necessary efforts to correct other than routine transportation safety problems or conditions;
 - d) Reviewing reports, surveys and studies by the City's staff and others as to accident records, specific safety needs and programs and other activities;
 - e) Making recommendations for corrective action to the City's staff and/or the State Department of Highways and Transportation concerning specifically identified locations or conditions on local streets considered to be accident prone;
 - f) Working cooperatively with the City Planning Commission and the West Piedmont Planning District Commission, as required, in the development of local and regional transportation safety plans;
 - g) Developing public information programs and enlisting the assistance of all local organizations (PTA/PTO's, civic clubs, etc.) in generating overall public awareness of the need for safe transportation practices and the prevention of accidents;
 - h) Serving as a liaison with the State Department of Highways and Transportation and, through this relationship, to maintain the City's eligibility for grant funding whenever available from the Federal Highway Safety Act of 1966 and other such State or Federal assistance programs;
 - i) Updating the appendices to these Bylaws as to membership matters and major accomplishments.

ARTICLE VIII AMENDMENTS

Section 8.1 These Bylaws may be amended by a two-thirds vote of the Commission in attendance, provided that a quorum is present and further provided that written notice of proposed amendments are first given to each member not less than ten days prior to the regular or called meeting at which such amendments are to be considered.

Section 8.2 Amendments so adopted shall not become effective until duly ratified by City Council.

On a motion by Danny Turner, seconded by Mark Stroud, with a 5-0 vote,
Council approved the following consent agenda:

BUDGET ADDITIONS FOR 06/09/2009

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY09</u>				
<u>GENERAL FUND</u>				
01100909	490104	Advanced/Recovered Costs		3,000
01413148	501300	Engineering - Part-time Wages	2,787	
01413148	502100	Engineering - Social Security	173	
01413148	502110	Engineering - Medicare	40	
		Funds from NCI for Engineering Intern Program		
01100909	490104	Advanced/Recovered Costs		3,000
01725422	501300	Mustangs - Part-time Wages	2,787	
01725422	502100	Mustangs - Social Security	173	
01725422	502110	Mustangs - Medicare	40	
		Funds from NCI for Mustangs summer intern		
Total General Fund:			6,000	6,000
<u>SCHOOL FUND</u>				
18100906	418105	PHCC Dual Enrollment		75,674
71001001	566045	High School Regular Instruction/Governor's School Additional dual enrollment funds received	75,674	
18102926	418297	Categorical Federal/NASA Program		28,000
65001050	561121	NASA Program/Teacher S&W Funding for NASA Program	28,000	
18101918	418303	State Grants/Teacher Incentive Program-Arts		1,390
11001001	563146	Albert Harris Reg Instruct/Contract Service - Arts/Music	695	
41001001	563146	Patrick Henry Reg Instruct/Contract Service - Arts/Music Teacher Incentive Arts Grant	695	
18100909	490104	Advanced/Recovered Costs		6,494
65001023	566007	Middle School/Repairs & Maintenance Insurance money for water damage at MMS	6,494	
18103919	443130	Private Grants/Harvest Foundation		75,000

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82001031	565503	Harvest Foundation Grant/Travel Expense	75,000	
		Harvest Foundation funds received		
18103908	418286	Miscellaneous Revenue/E-rate Reimbursements		60,547
85001040	568209	Technology/E-rate ADP Equipment	60,547	
		E-rate funds received		
18100905	450209	Use of Money/Prop - Sale of Salvage/Surplus		5,059
85001040	566013	Technology/Materials & Supplies	5,059	
		sale of salvage equipment		
18101917	418281	Use of Money/Prop - School Buss Usage		22,652
89001020	561176	Transportation/Operation S & W	22,652	
		Rental of School Buses		
18101917	418281	Categorical - Other - State/DMAS Reimbursement		87,727
85001009	563140	Healthnet - Contracted Services	87,727	
		Excess Medicaid Payments		
18101918	418308	State Grants/Project Graduation		5,900
71001001	566057	HS Regular Instruction/Supplies/Project Graduation	5,900	
		Project Graduation funding		
18102926	418298	Categorical Federal/Prime Time 21st Century Grant		84,570
85001029	563140	Prime Time/Contracted Services	84,570	
		Prime Time 21st Century funding		
18102926	421500	Categorical Federal/Blue Ridge East Ed Tech Grant		9,350
85008001	561121	Blue Ridge East Ed Tech/Teachers S & W	1,150	
85008001	563140	Blue Ridge East Ed Tech/Contracted Services	3,000	
85008001	566013	Blue Ridge East Ed Tech/Instructional Materials/Supp.	5,200	
		Blue Ridge East Ed Technology funding		
18103908	418285	Miscellaneous Revenue		13,119
85001032	565503	Project Promise/Travel	13,119	
		Project Promise funding		
Total School Fund:			475,482	475,482

After review and discussion of the monthly finance report through the end of April 2009, Council approved with a 5-0 vote, the monthly finance report, on a motion by Kimble Reynolds, seconded by Gene Teague.

Business from the floor: no comments were made.

Comments by Council members: Teague-pleased to hear about upcoming update on potential tax incentive; Stroud-offered congratulations to all area graduates; Turner-pointed out need to have accelerated incentive to attract businesses Uptown such as antique malls, wants citizens to honor all veterans, has had several citizen inquiries about water pressure issues on Lanier Road; Reynolds-requested an update on the lights for the Starling Avenue bridge; Lawson-congratulations to all graduates, would like information whether citizens can bring their dogs to the Mustangs ballpark at any game, reported a re-appropriation needs to be done from goals & initiatives money to do the Uptown streetlights, reported Council had an informative tour of the Westside area. The

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City Manager will get an update on cost of the Uptown lights and get this issue on a Council agenda.

Comments by City Manager: Mr. Monday reported that the city is aware of the water line issues on Lanier Road and apologized to citizens for the inconvenience. Water Resources staff members are working to get a plan as to what needs to be done and the cost to resolve the issue.

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 Danny Turner, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. 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 and (B) 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 said Session. On a motion by Gene Teague, seconded by Danny Turner, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council returned to Open Session.

On a motion by Mark Stroud, seconded by Kimble Reynolds, with a 5-0 vote, Council agreed to appoint Robert Vogler, 301 Oakdale, and Ralph Lawson, 909 Barrows Mill Road, to serve four year terms ending 12/31/2010 on the Transportation Safety Commission.

School Board: On a motion by Kimble Reynolds, seconded by Danny Turner, with a 5-0 vote, Council agreed to re-appoint Robert Williams, 1017 Country Club Drive, to a 3-year term ending 6/30/2012 on the Martinsville City School Board.

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A motion was made by Kimble Reynolds to re-appoint Sandra Haley to the Martinsville City School Board, but the motion died for lack of a second.

On a motion by Danny Turner, seconded by Gene Teague, with a 5-0 vote, Council agreed to appoint Carolyn McCraw, 1724 Meadowview Lane, to a 3-year term ending 6/30/2012 on the Martinsville City School Board.

On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council agreed to re-appoint Lance Heater, 615 Mulberry Road, to a 4-year term ending 6/30/2013 to the Blue Ridge Regional Library Board.

On a motion by Gene Teague, seconded by Kimble Reynolds, with the following 4-1 recorded vote, Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, nay, Council approved the following ordinance, on second reading as amended during the FY10 budget process, establishing the City's Budget and Tax Rates for Fiscal Year 2010:

CITY OF MARTINSVILLE, VIRGINIA ORDINANCE NO. 2009-___

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session assembled May 26, 2009, that the following sums of money be and hereby are appropriated—by specified Fund—for the City's fiscal year ending June 30, 2010, from the following Fund sources of estimated revenue:

SUMMARY STATEMENT OF BUDGET ESTIMATES, 2009-2010

	Projected Fund Net Balance <u>06/30/09</u>	Projected Revenues <u>FY09-10</u>	Budgeted Exp/ <u>Transfers</u>		Projected Fund Balance <u>06/30/010</u>	(decrease) <u>Increase</u>
General Fund	\$2,469,407	\$28,889,422	\$29,433,664		\$ 1,925,165	\$(544,242)
Electric	\$4,703,536	\$17,789,990	\$18,289,990	\$ 500,000	\$ 4,703,536	
Water	\$ 171,275	\$ 2,977,740	\$ 3,227,740	\$ 250,000	\$ 171,275	
Sewer	\$ 546,954	\$ 3,490,012	\$ 4,010,012	\$ 520,000	\$ 546,954	
Refuse	\$2,036,554	\$ 1,729,000	\$ 1,829,000	\$ 100,000	\$ 2,036,554	
TOTAL UTILITY FUNDS	\$7,458,319	\$25,986,742	\$27,356,742	\$1,370,000	\$ 7,458,319	
Schools	\$1,732,382	\$24,415,980	\$ 24,415,980		\$1,732,382	
Cafeteria	\$ 444,904	\$ 1,180,987	\$ 1,180,987		\$ 444,904	
School Grants	\$ (21,372)	0	0		\$ (21,372)	
TOTAL SCHOOL FUNDS	\$2,155,914	\$ 25,596,967	\$25,596,967		\$2,155,914	
Capital Reserve	\$ 392,639	\$ 872,134	\$ 872,134		\$ 392,639	
Meals Tax	\$ 776,100	\$1,463,650	\$1,463,650		\$ 776,100	
TOTAL CAPITAL FUNDS	\$1,168,739	\$2,335,784	\$2,335,784		\$ 1,168,739	

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CDBG	\$(676,737)	\$ 529,954	\$ 449,400	\$ (596,183)	\$ 80,554
Housing Choice	\$ 370,176	\$1,972,189	\$2,239,860	\$ 102,505	\$(267,671)
TOTAL SP REV FUNDS					
	\$(306,561)	\$2,502,143	\$2,689,260	\$ (493,678)	\$ (187,117)

TOTAL ALL FUNDS

\$12,945,818 \$85,311,058 \$87,412,417 \$1,370,000 \$12,214,459 \$ (731,359)

BE IT FURTHER ORDAINED by said Council that the tax rates for said fiscal year shall be, for each one hundred dollars of assessed valuation, as follows:

Rate Class

Real Estate: \$1.01816 per \$100 assessed value
Personal Property: \$2.30 per \$100 assessed value
Machinery & Tools: \$1.85 per \$100 assessed value

BE IT FURTHER ORDAINED by said Council that the Proposed Personal Property Tax Relief Act Reimbursement Rate shall be set at 42.86%.

BE IT FURTHER ORDAINED by said Council that the rate for public electric service shall remain unchanged from the current rate, but that rates for other public utility services shall be established for the said fiscal year as follows:

Tiered Water and Sewer Rates

First 4K gals/month \$17.28
Next 2.996M gals/month \$2.60 per 1000 gals.
Next 7M gals/month \$2.25 per 1000 gals.
Over 10M gals/month \$1.90 per 1000 gals.

Refuse Fund Rate

Rate Class

Residential Service \$16.25/month
Commercial Service \$24.50/month

BE IT FURTHER ORDAINED by said Council that this Ordinance shall be effective on and after July 1, 2009.

There being no further business, Mayor Lawson adjourned the meeting at 10:24 pm.

Clarence C. Monday
Clerk of Council

Kathy C. Lawson
Mayor