

July 10, 2012

The regular meeting of the Council of the City of Martinsville, Virginia, was held on July 10, 2012, 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 Kimble Reynolds, Gene Teague, Mark Stroud and Danny Turner. Staff present included: Leon Towarnicki, Interim City Manager, Brenda Prillaman, Eric Monday, Linda Conover, Bobby Phillips 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 Kimble Reynolds, seconded by Mark Stroud, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Stroud, aye; Reynolds, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matters: (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. (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 Closed Session. On a motion by Kimble Reynolds, seconded by Gene Teague, with the following recorded 5-0 vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session. No action was taken.

Following the invocation by Vice Mayor Kimble Reynolds and Pledge to the American Flag, the Mayor welcomed everyone to the meeting.

Minutes: On a motion by Gene Teague, seconded by Mark Stroud, Council approved the minutes of the May 1, 2012 and May 3, 2012 meetings.

Mayor Adkins advised the EDC report from Mark Heath will occur later on the agenda.

Henry Hotel update: Leon Towarnicki presented the following information regarding annual costs incurred by the City related to the Henry Hotel since acquisition of the property in 2009:

06/27/2012 08:09 11221000 CITY OF MARTINSVILLE YTD BUDGET REPORT PT10 HENRY HOTEL REVENUES							DC 1 glytdbud
FOR 2010 13							
	ORIGINAL ESTIM REV	ESTIM REV ADJUSTMS	REVISED EST REV	ACTUAL YTD REVENUE	REMAINING REVENUE	PCT COLL	
49 HOUSING CHOICE VOUCHER PROGRAM							
49100905 REVENUE FROM USE OF MONEY/PROP							
49100905 450201 RENTAL/GEN PROG/RES	0	-25,501	-25,501	-27,081.00	1,580.00	106.24	
TOTAL REVENUE FROM USE OF MONEY/PROP	0	-25,501	-25,501	-27,081.00	1,580.00	106.24	
49100908 MISCELLANEOUS							
49100908 403210 MISC REVENUES - HEN	0	-316	-316	-349.25	33.25	110.54	
TOTAL MISCELLANEOUS	0	-316	-316	-349.25	33.25	110.54	
TOTAL HOUSING CHOICE VOUCHER PROGRAM	0	-25,817	-25,817	-27,430.25	1,613.25	106.24	
TOTAL REVENUES	0	-25,817	-25,817	-27,430.25	1,613.25		
GRAND TOTAL	0	-25,817	-25,817	-27,430.25	1,613.25	106.24	

06/27/2012 09:07 11221000 CITY OF MARTINSVILLE YTD BUDGET REPORT PT10 HENRY HOTEL EXPENSES							DC 1 glytdbud
FOR 2010 13							
	ORIGINAL APPROP	TRANSFR/ADJUSTMS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
49 HOUSING CHOICE VOUCHER PROGRAM							
49009279 COMM DEV PROPERTY-HENRY HOTEL							
49009279 501100 SHOF SERV-LEGAL	0	19,812	19,812	15,811.72	.00	3,999.28	100.00*
49009279 501189 RELOCATION EXPENSES	0	1,250	1,250	1,450.00	.00	-200.00	116.24*
49009279 501210 SHOF SERV - REPAIRS	0	2,488	2,488	2,384.88	.00	103.12	90.84*
49009279 502705 SHOF SERV/PT CUSTOD	0	3,980	3,980	4,419.70	.00	-439.70	109.24*
49009279 504110 ELECTRICAL SERVICE	0	7,453	7,453	11,689.12	.00	-4,236.12	125.24*
49009279 505120 PUMP SERVICE	0	18,664	18,664	18,365.19	.00	298.81	101.64*
49009279 505130 WATER SERVICE	0	4,475	4,475	6,253.84	.00	-1,778.84	124.24*
49009279 505140 SEWER SERVICE	0	4,217	4,217	4,528.20	.00	-311.20	108.24*
49009279 505150 GASBAKE SERVICE	0	237	237	457.00	.00	-220.00	192.84*
49009279 505160 TELECOMMUNICATIONS	0	782	782	674.04	.00	107.96	86.84*
49009279 505234 INSURANCE - HENRY H	0	552	552	552.00	.00	.00	100.00*
49009279 505237 HEALTH & MAINTENANC	0	398	398	252.84	.00	145.16	100.00*
49009279 505100 MISCELLANEOUS ESTIM	0	409	409	459.20	.00	-50.00	100.00*
TOTAL COMM DEV PROPERTY-HENRY HOTEL	0	65,427	65,427	70,595.48	.00	-5,168.48	107.94*
TOTAL HOUSING CHOICE VOUCHER PROGRAM	0	65,427	65,427	70,595.48	.00	-5,168.48	107.94*
TOTAL EXPENSES	0	65,427	65,427	70,595.48	.00	-5,168.48	
GRAND TOTAL	0	65,427	65,427	70,595.48	.00	-5,168.48	107.94*

06/27/2012 08:10 11221000 CITY OF MARTINSVILLE YTD BUDGET REPORT PT11 HENRY HOTEL REVENUES							DC 1 glytdbud
FOR 2011 13							
	ORIGINAL ESTIM REV	ESTIM REV ADJUSTMS	REVISED EST REV	ACTUAL YTD REVENUE	REMAINING REVENUE	PCT COLL	
49 HOUSING CHOICE VOUCHER PROGRAM							
49100905 REVENUE FROM USE OF MONEY/PROP							
49100905 450201 RENTAL/GEN PROG/RES	-17,100	0	-17,100	-16,740.26	-359.74	97.94*	
TOTAL REVENUE FROM USE OF MONEY/PROP	-17,100	0	-17,100	-16,740.26	-359.74	97.94*	
49100908 MISCELLANEOUS							
49100908 403210 MISC REVENUES - HEN	0	0	0	-1,018.96	1,018.96	100.00	
TOTAL MISCELLANEOUS	0	0	0	-1,018.96	1,018.96	100.00	
TOTAL HOUSING CHOICE VOUCHER PROGRAM	-17,100	0	-17,100	-17,759.22	659.22	103.94	
TOTAL REVENUES	-17,100	0	-17,100	-17,759.22	659.22		
GRAND TOTAL	-17,100	0	-17,100	-17,759.22	659.22	103.94	

06/27/2012 09:07 11221000 CITY OF MARTINSVILLE YTD BUDGET REPORT PT11 HENRY HOTEL EXPENSES							DC 1 glytdbud
FOR 2011 99							
	ORIGINAL APPROP	TRANSFR/ADJUSTMS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
49 HOUSING CHOICE VOUCHER PROGRAM							
49009279 COMM DEV PROPERTY-HENRY HOTEL							
49009279 501100 SHOF SERV - REPAIRS	4,000	0	4,000	5,423.90	.00	-1,423.90	140.64*
49009279 501189 RELOCATION EXPENSES	8,400	0	8,400	11,850.00	.00	-3,450.00	140.64*
49009279 501210 SHOF SERV - ELECTRICAL SERVICE	24,114	0	24,114	20,589.70	.00	3,524.30	119.44*
49009279 502705 SHOF SERV/PT CUSTOD	7,122	0	7,122	9,444.47	.00	-2,322.47	132.64*
49009279 504110 ELECTRICAL SERVICE	5,448	0	5,448	7,211.44	.00	-1,763.44	132.64*
49009279 505120 PUMP SERVICE	195	0	195	1,274.00	.00	-1,079.00	643.14*
49009279 505130 WATER SERVICE	460	0	460	869.81	.00	-409.81	148.24*
49009279 505140 SEWER SERVICE	952	0	952	2,123.00	.00	-1,171.00	148.24*
49009279 505160 TELECOMMUNICATIONS	0	0	0	848.62	.00	-848.62	100.00*
49009279 505234 INSURANCE - HENRY H	1,224	0	1,224	1,224.00	.00	.00	100.00*
49009279 505237 HEALTH & MAINTENANC	0	0	0	1,100.00	.00	-1,100.00	100.00*
49009279 509999 DEPT SERV-HARVARD I	0	0	0	15,555.00	.00	-15,555.00	100.00*
TOTAL COMM DEV PROPERTY-HENRY HOTEL	61,454	0	61,454	68,631.24	.00	-7,177.24	111.74*
TOTAL HOUSING CHOICE VOUCHER PROGRAM	61,454	0	61,454	68,631.24	.00	-7,177.24	111.74*
TOTAL EXPENSES	61,454	0	61,454	68,631.24	.00	-7,177.24	
GRAND TOTAL	61,454	0	61,454	68,631.24	.00	-7,177.24	111.74*

CITY OF MARTINSVILLE YTD BUDGET REPORT FY12 HENRY HOTEL REVENUES							CITY OF MARTINSVILLE YTD BUDGET REPORT FY12 HENRY HOTEL EXPENSES							
FOR 2012 99							FOR 2012 99							
ORIGINAL ESTIM REV	ESTIM REV ADJUSTMS	REVISED EST REV	ACTUAL YTD REVENUE	REMAINING REVENUE	PCT REVENUE		ORIGINAL APPROP	TRANSFRS/ADJUSTMS	REVISED BUDGET	YTD EXPENSED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED	
49 HOUSING CHOICE VOUCHER PROGRAM							49 HOUSING CHOICE VOUCHER PROGRAM							
49100905 REVENUE FROM USE OF MONEY/PROP							4980279 COMM SERV PROPERTY-HENRY HOTEL							
49100905 450201 RENTAL/GEN PROP/USE	-17,100	0	-17,100	-17,100.00	.00	100.0%	4980279 503310 PROF SERV - REPAIRS	5,000	0	5,000	2,324.84	.00	2,675.06	66.3%
TOTAL REVENUE FROM USE OF MONEY/PROP	-17,100	0	-17,100	-17,100.00	.00	100.0%	4980279 503305 PROF SERV OPT CONTROL	2,000	0	2,000	1,900.00	.00	100.00	95.0%
49100908 MISCELLANEOUS							4980279 505110 WASTE SERVICE							
49100908 401110 MISC REVENUE - BEN	0	0	0	-46.20	66.20	100.0%	4980279 505140 WASTE SERVICE	10,000	0	10,000	11,931.09	.00	-1,931.09	119.3%
TOTAL MISCELLANEOUS	0	0	0	-46.20	66.20	100.0%	4980279 505145 GARBAGE SERVICE	7,000	0	7,000	6,841.09	.00	1,158.91	98.4%
TOTAL HOUSING CHOICE VOUCHER PROGRAM	-17,100	0	-17,100	-17,146.20	66.20	100.3%	4980279 505150 GARBAGE SERVICE	700	0	700	6,942.70	.00	-474.20	108.3%
TOTAL REVENUE	-17,100	0	-17,100	-17,146.20	66.20		4980279 505155 TELECOMMUNICATIONS	895	0	895	967.00	.00	-72.05	108.3%
GRAND TOTAL	-17,100	0	-17,100	-17,146.20	66.20	100.3%	4980279 505160 INSURANCE - GENRY H	2,000	0	2,000	2,000.00	.00	0.00	100.0%
							4980279 504007 REPAIR & MAINTENANCE	500	0	500	418.44	.00	81.56	83.7%
							4980279 504100 MISCELLANEOUS EXPEND	1,224	0	1,224	.00	.00	1,224.00	.0%
							4980279 506104 MUN CAPITAL EQUIPMENT	1,700	0	1,700	1,700.00	.00	0.00	100.0%
							4980279 505051 PROF SERV GARAGE 1	1,400	0	1,400	11,730.00	.00	-4,330.00	164.3%
							TOTAL COMM SERV PROPERTY-HENRY HOTEL	54,459	0	54,459	55,179.15	.00	-720.15	101.3%
							TOTAL HOUSING CHOICE VOUCHER PROGRAM	54,459	0	54,459	55,179.15	.00	-720.15	101.3%
							TOTAL EXPENSES	54,459	0	54,459	55,179.15	.00	-720.15	101.3%
							GRAND TOTAL	54,459	0	54,459	55,179.15	.00	-720.15	101.3%

Mr. Towarnicki noted several future maintenance issues that will need to be addressed, including an estimated \$35,000 for roof replacement. Council discussion points included: getting other developers involved; selling possibilities; leasing possibilities; suspending debt service to Harvest; seek recommendation from Phoenix CDC for their plans to get property back on tax roll with best use of property for Uptown. City staff was directed to work with Ray Gibbs and bring back an update at next Council meeting on plan for expense control, update on current plan for development, and an alternate plan update.

EDC report: Mark Heath presented the monthly update to Council regarding EDC activities. Mr. Heath was asked to present at his next Council update, an assessment on Commonwealth Crossing and interest shown, a comprehensive review of trade shows attendance, and information on historic trend in prospects over time.

Littering ordinance approval on 2nd reading: Eric Monday briefed Council on the revised littering ordinance which was approved on first reading at the last meeting. On a motion by Gene Teague, seconded by Kimble Reynolds, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Stroud, aye; Reynolds, aye; and Turner, aye, Council approved the following littering ordinance on second reading:

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session held on July 10, 2012 that sections 18-1 of the City Code be amended to read as follows:
 Sec. 18-1. Littering.
 (a) Any person who shall dump, throw, drop, deposit or dispose of any trash, garbage, refuse, dead animal carcass, rubbish, glass, ashes or litter on any public property, street, sidewalk, right-of-way, property adjacent to such street or right-of-way or on private property without the consent of the owner shall be guilty of a Class 4 ~~1~~ misdemeanor for a first offense and a Class 3 misdemeanor for any subsequent offense.
 (b) When a violation of the provisions of this section has been observed by any person, and the matter dumped, thrown, dropped, deposited or disposed of has been ejected from a motor vehicle, the owner or operator of such motor vehicle shall be presumed to be the person ejecting such matter. Such presumption may be rebutted by competent evidence.

Resolution regarding declaration of emergency: Leon Towarnicki reported that over the weekend of June 29–July 1, 2012, the City experienced a widespread power outage along with downed trees and windblown debris resulting from the thunderstorm and high wind event that occurred late Friday, June 29th. Due to the nature of the emergency, the City of Martinsville activated essential personnel, and deployed resources for the purposes of public notification, preservation of public safety, and restoration of City infrastructure and services. The City Manager, under authority as the City’s Director of Emergency Management, in accordance with Virginia Code section 44-146.21, declared a local emergency and the resolution for Council’s adoption authorizes the City Manager and staff to execute necessary applications for Federal and /or State disaster recovery funding, if applicable, for reimbursement, repairs, and/or mitigation due to the aforementioned condition. On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council adopted the following resolution:



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

ORG	OBJECT	DESCRIPTION	BUDGET ADDITIONS FOR 7/10/12	
			DEBIT	CREDIT
<u>FY12</u>				
<u>General Fund:</u>				
01100909	490104	Advance/Recovered Costs		1,185
01211070	506104	Circuit Court - Non-Capital Equipment	1,185	
		Equipment purchased with Court funds		
01100909	490801	Recovered Costs - Senior Citizens		5,770
01714212	501300	Senior Citizens - Part-time Wages	2,330	
01714212	502100	Senior Citizens - Social Security	144	
01714212	502110	Senior citizens - Medicare	34	
01714212	506049	Senior Citizens - Vehicle Fuel	1,191	
01714212	506016	Senior Citizens - Program Supplies	2,071	
		Transportation Grant & Recovered Program Supplies		
<u>Total General Fund:</u>			6,955	6,955
<u>CDBG Fund:</u>				
47101917	447026	Categorical State Other - Uptown		27,243
47832379	508250	NSP 3 - Land/Property Acquisition	27,243	
		Grant funding		
<u>Total CDBG Fund:</u>			27,243	27,243

Business from floor: Doug Sharpe, 206 Clearview Drive, commended city staff on quick response during recent incident at his property. Jody Trick commented he is working on a merit badge for his Eagle Scout designation.

Council comments: Turner-commented on problems with water drainage on Indian Trail and asked city staff to investigate what can be done; Stroud-appreciative of city employees during the recent power outage and urged city staff to seek storm water grants; Reynolds-thanked city employees for outstanding job; Adkins-also expressed thanks to city employees.

Closed Session: 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 Mark Stroud, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Stroud, aye; Reynolds, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matters: (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. (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

July 10, 2012

motion convening the Closed Session were heard, discussed, or considered during Closed Session on a motion by Kimble Reynolds, seconded by Danny Turner, with the following recorded 5-0 vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye. No action was taken.

There being no further business, the meeting adjourned at 9:40pm.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor