

AGENDA---CITY COUNCIL
CITY OF MARTINSVILLE, VIRGINIA
Council Chambers – Municipal Building

Tuesday, September 13, 2011 at 7:30pm

Invocation – Council Member Mark Stroud, Sr.
Pledge to the American Flag

1. [Hear public input regarding financing of renovations at Martinsville High School, consider approval of Resolution to set Public Hearing, and consider adoption of Preliminary Financing Ordinance on first reading.](#) (30 minutes)
2. [Conduct a public hearing and consider approval on first reading of a resolution and ordinance authorizing the adoption of the Regional Water Supply Plan and Drought Response and Contingency Plan.](#) (10 minutes)
3. [Hear information from city staff on efforts to control littering.](#) (10 minutes)
4. [Hear an overview of September 12, 2011 Council Neighborhood meeting and tour.](#) (10 minutes)
5. [Consider setting public hearing on amendments to the Zoning Ordinance to add civil penalty for violating the sign ordinance.](#) (5 minutes)
6. [Consider setting public hearing to designate the former Sara Lee property and Baldwin Block as urban development areas and to amend the Land Use Map, Comprehensive Plan and Zoning Ordinance to reflect urban development guidelines.](#) (5 minutes)
7. [Hear an update on FOIA changes.](#) (5 minutes)
8. Consider approval of consent agenda. (2 minutes)
 - A. [Accept and appropriate budget adjustments FY11 and FY12.](#)
 - B. [Consider approval of minutes of August 9 and August 11, 2011 meetings.](#)
9. [Business from the Floor](#) (10 minutes)

This section of the Council meeting provides citizens the opportunity to discuss matters that are not listed on the printed agenda. Since the Council meetings are broadcast on Martinsville Government Television, the City Council is responsible for the content of the programming. Thus, any person wishing to bring a matter to Council’s attention under this Section of the agenda should:

 - (1) come to the podium, state name and address;**
 - (2) state the matter they wish to discuss and Council action requested;**
 - (3) limit remarks to five minutes;**
 - (4) refrain from making any personal references or accusations of a factually false and/or malicious nature.**

Persons who violate these guidelines will be ruled out of order by the presiding officer and asked to leave the podium. Persons who refuse to comply with the direction of the presiding officer may be removed from the chambers.
10. Comments by members of City Council (5 minutes)
11. Comments by City Manager. (5 minutes)
12. Items to be considered in Closed Session, in accordance with the Code of Virginia, Title 2.2 Chapter 37—Freedom of Information Act, Section 2.2-3711—Closed Meetings, the following:
 - A. Appointments to boards and commissions as authorized by Subsection 1.

Meeting Date: September 13, 2011

Item No: 1

Department: City Manager and Finance

Issue: Hear public input regarding financing of renovations at Martinsville High School, consider approval of Resolution to set Public Hearing, and consider adoption of Preliminary Financing Ordinance on first reading.

Summary: On March 2, 2011, the Virginia Department of Education announced the award of \$229,551,000 in federal Qualified School Construction Bond (QSCB) allocations to fully or partially fund 41 new construction, renovation, and expansion application-based projects in 33 school divisions. Awards were capped at \$15M per division. The City of Martinsville was awarded a maximum allocation of \$10.5M for use at the Martinsville High School.

A committee was formed to evaluate the needs of the MHS facility and to present options to the Martinsville School Board. The committee's work was completed, and a formal presentation was made to the School Board in July. At that meeting, RRMM Architects made a presentation outlining options estimated at \$8.5M, \$10.5M, \$13.5M, and \$6.4M for a gym only.

The City Council requested additional information following the August 23 council meeting. Specifically, questions to be answered include:

1. What are the components and cost estimates of the major sections of the project:
 - a. Corridors connections between pods (\$1 million was LY estimate for these 3 structures)
 - b. New admin/Global access two story building
 - c. Heavy cafeteria renovations as proposed
 - d. Major heating/cooling upgrades.

- e. Relocation of the science labs.
2. Options, impact, and cost estimate savings for reducing the size of the new structure eliminating the GAC, moving guidance into current library wing with some modifications in existing library and leaving only admin. in a new, reduced size building.
3. Options, impact, and cost estimate savings of reducing scope of Cafeteria “heavy renovation”.
4. What is being done to classrooms, broken down into those which heavy renovations, moderate renovations, and minor renovations and cost per classroom for each.
5. Do we have all the necessary Science lab equipment built into the relocation cost?
6. What is an estimate of savings in energy consumption after renovations?
7. Estimated timing of the replacement of roofs that are not being addressed in this renovation.
8. How can we engage others to look at different options to reduce cost?

School representatives will be present at this meeting to provide such information and answer additional questions.

After hearing public input, the Council needs to decide if this project will be authorized, and if so, the maximum amount of the project. If the Council wishes to approve the project, the enclosed Resolution must be approved. This Resolution sets a required Public Hearing for October 11, 2011. In the Resolution, a maximum project amount has been inserted due to the start date of the advertisement being the day following this council meeting. If the Council opts for a lower project amount, this does not cause a problem since the inserted amount is a maximum project amount.

The Council will also consider a Preliminary Financing Ordinance in addition to the Resolution. The purpose of the Ordinance is to officially describe the project being financed, set a maximum financing term, declare a maximum principal amount, and directs staff to take necessary action steps to enact the remaining approval process.

If approved, steps to be taken by the Council and associated timelines include:

September 13, 2011 – City Council meeting – Resolution setting Public Hearing and first reading of Preliminary Financing Ordinance. (Adoption of this Ordinance does not obligate the City to proceed – Ordinance is preliminary in nature but required by City Charter)

September 14 and September 21 – publication and broadcast of Notice of Public Hearing

September 27, 2011 – City Council meeting – adopt Preliminary Ordinance on second reading and adopt Financing Ordinance on first reading.

October 11, 2011 - City Council meeting – Public Hearing and adopt Financing Ordinance on second reading.

There will be an additional Ordinance for approval prior to closing.

Attachments: [Resolution](#)
[Ordinance](#)

Recommendations: Following the presentations and discussion, Council should decide if the City is to proceed with this project, and if so, approve the Resolution and adopt the Preliminary Financing Ordinance on first reading.

**RESOLUTION SETTING PUBLIC HEARING AND APPROVING RELATED
ACTIONS RELATED TO POTENTIAL ISSUANCE OF BONDS**

WHEREAS, City Council (**the "City Council"**) of the City of Martinsville, Virginia (**the "City"**) is considering financing capital improvements to Martinsville High School facilities (**the "Project"**) to be accomplished through the issuance by the City of its general obligation bond or bonds to the Virginia Public School Authority (**the "VPSA"**) in a principal amount not to exceed \$10,500,000 (**the "Bonds"**) in connection with the VPSA Qualified School Construction Bond program for the fall of 2011 (**the "QSCB Program"**).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARTINSVILLE, VIRGINIA:

1. The City Manager, City Attorney and other City staff, with Sands Anderson PC as Bond Counsel (**"Bond Counsel"**) and Davenport & Company LLC as financial advisor to the City (**the "Financial Advisor"**), are authorized to take actions deemed necessary and appropriate for participation in the VPSA QSCB Program to provide not more than \$10,500,000 of Bond proceeds for the Project, and such actions are hereby approved and ratified.

2. The City Manager, Assistant Finance Director, City Attorney, Bond Counsel, the Financial Advisor to the City and all other officers, employees and agents of the City are hereby authorized and directed to take such further action deemed necessary or desirable to facilitate consideration of the issuance of the proposed Bonds, including but not limited to the publication and broadcasting, as required by the City Charter, of notice of a public hearing to be held prior to final authorization by the City Council of the issuance of the Bonds. The public hearing shall be held on October 11, 2011 at 7:30 p.m. at the City Council Chambers, Second Floor, City of Martinsville Municipal Building, 55 West Church Street, Martinsville, Virginia 24112.

3. This Resolution shall take effect immediately.

CERTIFICATE

The Members of the Council voted as follows on the foregoing Resolution:

Ayes

Nays

Absent

Abstentions

Adopted this 13th day of September, 2011.

The undersigned Clerk of the City Council of the City of Martinsville, Virginia hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the City Council held on September 13, 2011, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly called meeting and that, during the consideration of the foregoing Resolution, a quorum was present.

Dated this ____ day of _____, 2011.

Clerk, City Council of
City of Martinsville, Virginia

CITY OF MARTINSVILLE, VIRGINIA

AN ORDINANCE RECITING THE EXPEDIENCY OF THE ISSUANCE OF UP TO \$_____ PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE CITY OF MARTINSVILLE, VIRGINIA, AND SETTING FORTH THE PURPOSE, IN GENERAL TERMS, FOR WHICH THE BONDS ARE TO BE ISSUED, THE MAXIMUM AMOUNT OF THE BONDS TO BE ISSUED AND THE MAXIMUM LENGTH OF TIME SUCH BONDS WILL BE OUTSTANDING

Adopted on September 13, 2011 (first reading)

Be it Ordained by the Council of the City of Martinsville, Virginia:

Section 1 - Findings and Determinations

The City Council (**the "City Council"**) of the City of Martinsville, Virginia (**the "City"**) proposes to issue bonds for the purpose of assisting in the construction, expansion, renovation and equipping of Martinsville High School in the City for school purposes (**the "Project"**) and hereby finds and determines that: (i) the City is in need of funds to be used by the City for such construction and equipment needs for the Project, for costs of issuance of the Bonds (defined below) and for payment of interest on the Bonds; (ii) the obtaining of such funds will be for municipal purposes of the City, for the welfare of citizens of the City for purposes which will serve the City and its citizens pursuant to the authority of the City to provide funds for and otherwise support the City's public schools; (iii) the most effective, efficient and expedient manner in which to provide such funds to the City is through the issuance of general obligation bonds in an original principal amount not to exceed \$_____ to be issued by the City as further described herein (**the "Bonds"**) to be used for the construction and equipping of the Project and for certain costs of issuance of the Bonds; (iv) the issuance of the Bonds is within the power of the City to contract debts, borrow money and make and issue evidence of indebtedness; and, (iv) the issuance of the Bonds is in the best interests of the City and its citizens.

Section 2 - Description of the Bonds

The City Council finds that it is expedient for the City to borrow money and issue the Bonds for the Project in a maximum amount not to exceed _____ DOLLARS (\$_____). The maximum length of time that the Bonds will be outstanding is twenty years from the date of issuance of the Bonds. The form and details of the Bonds which are proposed to be issued will be more specifically set forth in a City Ordinance to be entitled "ORDINANCE AUTHORIZING THE ISSUANCE OF A NOT TO EXCEED \$_____ GENERAL OBLIGATION SCHOOL BOND, SERIES 2011, OF THE CITY OF MARTINSVILLE, VIRGINIA TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF," which will be introduced before the Council and considered for passage following a public hearing on the issuance of the Bonds, as required by law.

Section 3 - Further Actions Authorized

The City Manager, Clerk of the Council, City Treasurer, City Attorney, Sands Anderson PC as bond counsel, Davenport & Company LLC as financial advisor to the City and all other officers, employees and agents of the City are hereby authorized and directed to take any and all such further action as shall be deemed necessary or desirable to facilitate consideration of the issuance of the Bonds. All actions of the City Manager, Clerk of the Council, City Treasurer, City Attorney, bond counsel, the City's financial advisor and all other officers, employees and

agents of the City in furtherance of the issuance of the Bonds and the financing of the Project are hereby approved and ratified.

Section 4 - Invalidity of Sections

If any section, paragraph, clause or provision of this Ordinance shall be held invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining portions of this Ordinance.

Section 5 - Headings of Sections

The headings of the sections of this Ordinance shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of such sections of this Ordinance.

Section 6 - Effective Date and Filing of Ordinance

Council hereby declares in the public interest that this Ordinance shall become effective immediately upon its passage. A copy of this Ordinance, certified by the Clerk of the Council, shall be filed with the Clerk of the Circuit Court of the City of Martinsville, Virginia.

The Members of the Council voted as follows on the foregoing Ordinance:

Ayes

Nays

Absent

Abstentions

Adopted this 13th day of September, 2011 (first reading).

The undersigned Clerk of the City Council of the City of Martinsville, Virginia hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the City Council held on September 13, 2011, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly called meeting and that, during the consideration of the foregoing Ordinance, a quorum was present.

Dated this ____ day of _____, 2011.

Clerk, City Council of
City of Martinsville, Virginia

Meeting Date: September 13, 2011

Item No: 2.

Department: Utilities\Water Resources

Issue: Conduct a public hearing and consider approval on first reading of a resolution and ordinance authorizing the adoption of the Regional Water Supply Plan and Drought Response and Contingency Plan.

Summary: As part of the mandated Regional Water Supply Plan, all localities in the West Piedmont Planning District Commission region must hold a public hearing to adopt the water supply plan and adopt an ordinance which implements the Drought Response and Contingency Plan, which is part of the overall plan.

The local public hearing was advertised twice consistent with requirements in Section 15.2-1427 of the Code of Virginia. The resolution adopting the plan and the adopted ordinance will become part of the formal submittal of the Plan to the State Water Control Board.

Attachments: [Resolution](#)
[Ordinance](#)

Recommendations: Conduct a public hearing and a motion for approval of a resolution and an ordinance on first reading.

A RESOLUTION APPROVING THE WEST PIEDMONT PLANNING DISTRICT COMMISSION REGIONAL WATER SUPPLY PLAN

WHEREAS, Virginia State Water Control Board Regulation 9 VAC 25-780, Local and Regional Water Supply Planning, requires all counties, cities and towns in the Commonwealth of Virginia to prepare and submit a water supply plan to the Department of Environmental Quality (DEQ); and

WHEREAS, **The City of Martinsville** is a participant in the West Piedmont Planning District Commission Regional Water Supply Planning Group as reported to DEQ by letter before the November 2, 2008 deadline; and

WHEREAS, on September 13, 2011, the **City of Martinsville** held a public hearing to accept public comment on the Regional Water Supply Plan; and

WHEREAS, the adopted Regional Water Supply Plan will be submitted to the DEQ on or before November 2, 2011.

NOW, THEREFORE BE IT RESOLVED that the City Council of the **City of Martinsville** hereby adopts the West Piedmont Planning District Commission Regional Water Supply Plan as it pertains to the **City of Martinsville**. Approval and adoption of this regional plan indicates support for and general agreement with the regional planning approach, but does not indicate approval or disapproval of conclusions and recommendations presented in the plan as they pertain to other localities. The **City of Martinsville** reserves the right to comment on specific water supply alternatives in the future even though such alternatives may be recommended in this adopted plan. The **City of Martinsville** will not be limited to specific water supply alternatives in this adopted plan and reserves the right to recommend additional alternatives for consideration in the future.

BE IT FURTHER RESOLVED that the City Council of the **City of Martinsville** intends that the Regional Water Supply Plan shall be revised to reflect changes in relevant data at least once every five years and resubmitted to DEQ every ten years in accordance with the regulation and sound planning practice.

PASSED, APPROVED AND ADOPTED by the City Council of the **City of Martinsville** at a meeting held on September 13, 2011.

Mayor

Clerk of Council

CITY OF MARTINSVILLE, VIRGINIA

ORDINANCE NO. 2011-___

Sec. 23-4 Currently reserved, is hereby enacted as follows:

Sec. 23-4 Water Emergencies

A. Authority to declare water emergencies.

During the continued existence of climatic, hydrological and other extraordinary conditions the protection of the health, safety and welfare of the residents of the City of Martinsville may require that certain uses of water, not essential to public health, safety and welfare, be reduced, restricted or curtailed. As the shortage of raw or potable water becomes increasingly more critical, conservation measures to reduce consumption or curtail nonessential water use may be necessary. The definitions, water emergency criteria, and water use restrictions referenced in this ordinance are presented in greater detail in the City of Martinsville Drought Response and Contingency Plan, which is incorporated herein by reference.

The City Manager or their designee is authorized to declare a water emergency in the City restricting the use of water in any area of the City. All water stages are built upon and require compliance with previous water stages. For example when a Drought Emergency – Stage 1 is declared all provisions of a Drought Warning are in effect. Also the City Manager or their designee may declare any of the four stages; they do not have to be declared sequentially.

B. Publication of declaration.

Upon the declaration of a water emergency, the City Manager or their designee shall immediately post a written notice of the emergency at the front door of City Hall and shall place a notice in a newspaper of general circulation in the area in which such emergency has been declared.

C. Water use considerations.

Upon the declaration of a water shortage or emergency, the City Manager or their designee is authorized and directed to implement conservation measures by ordering the restricted use or absolute curtailment of the use of water for certain nonessential purposes for the duration of the water shortage or emergency in the manner hereinafter set out. In exercising this discretionary authority, and making the determinations set forth hereof, the City Manager or their designee shall give due consideration to water levels, streamflow conditions, available/usable storage on hand, draw down rates and the projected supply capability in the City; system purification and pumping capacity; daily water consumption and consumption projections of the system's customers; prevailing and forecast weather conditions; fire service requirements; pipeline conditions including breakages, stoppages and leaks; supplementary source data; estimates of

minimum essential supplies to preserve public health and safety and such other data pertinent to the past, current and projected water demands.

D. Limitation of restrictions.

The provisions of this article shall not apply to any governmental activity, institution, business or industry which shall be declared by the City Manager or their designee, upon a proper showing, to be necessary for the public health, safety and welfare or the prevention of severe economic hardship or the substantial loss of employment. Any activity, institution, business or industry aggrieved by the finding of the City Manager or their designee may appeal that decision to the City Council.

E. Water conservation measures.

Upon a determination by the City Manager or their designee of the existence of the following conditions, the City Manager or their designee shall take the following actions that shall apply to all water users in the City:

(a) Drought Watch: When moderate but limited supplies of water are available and a drought watch is declared in accordance with the Drought Response and Contingency Plan, the City Manager or their designee shall, through appropriate means, call upon the general population to employ prudent restraint in water usage. Public outreach activities shall be identified to inform the general population of the potential for drought conditions to intensify and potential water conservation activities that may be utilized.

(b) Drought Warning: The drought warning stage includes voluntary water conservation actions due to imminent onset of a significant drought event. When a drought warning exists, the following voluntary water restrictions are requested:

- ◆ Voluntary, commercial, manufacturing, institutional and residential conservation measures will be strongly encouraged and recommended including the following:
 - Inspect and repair all faulty and defective parts of faucets and toilets.
 - Use shower for bathing rather than bathtub and limit shower to no more than five minutes.
 - Do not leave faucets running while shaving, rinsing dishes, or brushing teeth.
 - Limit use of clothes washers and dishwashers and when used, operate fully loaded.
 - Limit lawn watering to that necessary for plant survival.
 - Water shrubbery the minimum required, reusing household water when possible.
 - Limit vehicle washing.
 - Do not wash down outside areas such as sidewalks, patios, driveways, etc.
 - Install water flow restrictions in showerheads and other water saving devices.
 - Use disposable and biodegradable dishes where possible.
 - Install water saving devices in toilets, such as early closing flapper valves.
 - Do not fill swimming pools.

- ◆ An extensive publicity campaign will be initiated using public media and specialized methods to inform the public of an impending water shortage.
- ◆ Water supply line pressure should be reduced where feasible to reduce water consumption if it will not affect operation of fixtures, equipment or public safety devices.
- ◆ Conservation in public buildings, institutions, dormitories, and similar facilities is encouraged by reducing pressure at plumbing fixtures and by installation of restricting devices.
- ◆ All residents, business, and institutions are requested to delay new landscape work until the water shortage has ended.
- ◆ Water conservation should be followed during all phases of construction related activities. Where appropriate, water needed should be obtained from supplemental sources and construction related activities, which require water, should be delayed until such time as the water emergency has ended.

All industrial, manufacturing, and commercial enterprises shall reduce consumption to any degree feasible with a goal of a reduction of 10%.

(c) Drought Emergency – Stage 1: As drought conditions continue to worsen, a drought emergency – stage 1 may be declared by the City Manager or their designee in accordance with the Drought Response and Contingency Plan. When a drought emergency – stage 1 exists, the following will be prohibited:

- ◆ Watering lawns, grass, shrubbery, trees, flower, and vegetable gardens except by hand held hose, container, or drip irrigation system, except persons regularly engaged in the sale of plants will be permitted to use water for irrigation of their commercial stock and golf courses may water greens;
- ◆ Filling of newly constructed swimming pools and/or wading pools or refill swimming and/or wading pools, which have been drained;
- ◆ Operating water-cooled air conditioners or other equipment that does not recycle cooling water, except when health and safety are adversely affected;
- ◆ Washing automobiles, trucks, trailers, boats, airplanes, or any other type of mobile equipment, except persons regularly engaged in the business of washing motor vehicles and any commercial car wash facility will be permitted to use water for such purposes;
- ◆ Washing down outside areas such as streets, driveways, service station aprons, parking lots, office buildings, exteriors or existing or newly constructed homes or apartments, sidewalks, or patios or to use water for similar purposes;
- ◆ Operation of ornamental fountain, pool, or pond or other structure making similar use of water;
- ◆ Serving drinking water in restaurants, cafeterias, or other food establishments, except as requested by the customer;
- ◆ Using public or private fire hydrants for any purpose other than fire suppression or other public emergency or Utility Department need ;
- ◆ Using water for dust control or compaction; and

- ◆ Using water for any unnecessary purpose or intentionally waste water.

All industrial, manufacturing, and commercial enterprises shall reduce consumption to any degree feasible with a goal of a reduction 10-15%.

(d) Drought Emergency – Stage 2: As drought conditions continue to worsen, a drought emergency – stage 2 may be declared by the City Manager or their designee in accordance with the Drought Response and Contingency Plan. When a drought emergency – stage 2 exists, in addition to the restrictions imposed under the drought emergency – stage 1, the following will be prohibited:

- ◆ Watering lawns, grass, shrubbery, trees, or flowers, except persons regularly engaged in the sale of plants shall be permitted to use water for irrigation of their commercial stock and golf courses may water greens;
- ◆ Watering any vegetable garden, except by hand held hose, container, or drip irrigation system;
- ◆ All nonessential use of water for commercial or public use;
- ◆ Using water outside a structure for any use other than an emergency use involving fire or as needed by the water utility to maintain the water system;
- ◆ Operating an evaporative air conditioning unit which recycles water, except as may be required for health and safety; and
- ◆ Other restrictions as may be deemed appropriate and adopted by the City Council.

All industrial, manufacturing, and commercial enterprises shall reduce consumption to any degree feasible with a goal of a reduction of at least 15-25%.

F. Penalty and enforcement.

(a) Any person who violates any provision of this article shall be subject to the following civil penalties:

(1) For the first offense, violators shall receive a written warning delivered in person or posted by a representative of the City.

(2) For the second offense, violators shall be fined fifty dollars (\$50.00), the fine to be imposed on the violator's next water bill, or in the case of violators not on the public water system, in a written notice.

(3) For the third and each subsequent offense, violators shall be fined one hundred dollars (\$100.00) for each offense, the fine to be imposed on the violator's next water bill, or in the case of violators not on the public water system, in a written notice.

(4) Each violation by a person shall be counted as a separate violation by that person, irrespective of the location at which the violation occurs.

(b) Persons who have been assessed a penalty shall have the right to challenge the assessment by providing a written notice to the City Manager or their designee within ten (10) days of the date of the assessment of the penalty. The City Manager or their designee shall determine that the penalty was properly assessed and notify the complaining person in writing of his determination.

(c) The City Manager or their designee may waive the penalty if he determines that the violation occurred due to no fault of the person.

G. Notification of end of water emergency.

The City Manager or their designee, following discussions with the Authority, shall notify the City Council when, in his opinion, the water emergency situation no longer exists. Upon concurrence of the City Council, the water emergency shall be declared to have ended. When this declaration is made, the information shall be conveyed to the general public through the news media.

Meeting Date: September 13, 2011

Item No: 3.

Department: Public Works

Issue: Hear information from city staff on efforts to control littering.

Summary: At the August 22, 2011 City Council meeting, Mr. Reid Young spoke during business from floor on the issue of littering throughout the community and the need for a more aggressive and pro-active approach. Due to time limitations at that meeting, Mr. Young was invited to have the item placed on a future Council agenda for additional discussion. City staff will present information on current practices used for cleanup efforts, education, and enforcement, and Mr. Young will continue with and elaborate on comments he made at the August 22nd meeting.

Attachments: None

Recommendations: No staff recommendations at this time – agenda item is for information purposes only. Pending discussion at the meeting and desire of Council to pursue further action, staff may have recommendations for a later meeting.



City Council Agenda Summary

Meeting Date: September 13, 2011

Item No: 4.

Department: City Council

Issue: Hear an overview of September 12, 2011 Council Neighborhood Meeting and tour of Druid Hills/Uptown area.

Summary: Mayor Kim Adkins will give an overview of citizen input received at the September 12, 2011 Druid Hills/Uptown area Neighborhood Meeting.

Attachments:

Recommendations:

Meeting Date: September 13, 2011
Item No: 5.
Department: Community Development

Issue: Consider setting a public hearing on amendments to the Zoning Ordinance to add a civil penalty for violating the sign ordinance.

Summary: At present, the City of Martinsville has a criminal penalty for violating the Zoning Ordinance, but no civil penalty. The need for a civil penalty was brought up for discussion by the Planning Commission due to the numerous sign violations that are occurring in the City. After consultation with the City Attorney, the Commission learned that a civil penalty could be added to the current ordinance. The civil penalty enforcement will require fewer taxpayer dollars by requiring less administrative time (for documentation, photography of each site, and other field work); and postage/supplies. This proposed amendment would be to assess a civil penalty of not more than fifty dollars (\$50.00) for the initial summons and no more than two hundred dollars (\$200.00) for each additional summons.

The Planning Commission held a duly advertised public hearing on August 30, 2011. There was one person in attendance at the public hearing. That person did not voice opinion in favor or against the proposed amendment. Planning Commission voted unanimously (5—0) to send this amendment to City Council for their consideration.

The Planning Commission recommends amending the Zoning Ordinance to add a civil penalty for violating the ordinance.

Attachments: [Planning Commission Letter](#)
[Proposed Amendment to the Zoning Ordinance](#)

Recommendations: Staff recommends that City Council consider setting a public hearing for September 27, 2011 on the proposed amendment to the Zoning Ordinance.



September 2, 2011

Mayor Kim Adkins
Members of City Council
City of Martinsville
P. O. Box 1112
Martinsville, VA 24114

RE: Amendment to the Zoning Ordinance (Civil Penalties)

Dear Mayor and City Council Members:

The Planning Commission, at its meeting on August 30, 2011, conducted a duly advertised Public Hearing on a request by the City of Martinsville, for a proposed amendment to the Martinsville Zoning Ordinance to add civil penalties for violating the ordinance.

At the public hearing, it was noted that this request would add a civil penalty provision to the current ordinance that would allow the Zoning Administrator or his designee to issue a civil summons (ticket) as provided by law for a violation of the Zoning Ordinance. The proposed amendment would assess a civil penalty of not more than fifty dollars (\$50.00) for the initial summons and no more than two hundred dollars (\$200.00) for each additional summons. There was only one citizen present at the public hearing. That person voiced no opinion on the matter.

Following evidence heard at the public hearing, the Planning Commission voted unanimously (5-0) to recommend the proposed amendment to City Council. The Planning Commission respectfully submits the recommendation for further consideration.

Yours Truly,

Barbara Cousin, Secretary

Wayne D.P. Knox
Director of Community Development

WDPK

cc: Timothy D. Martin, Chairperson
Barbara Cousin, Secretary

PROPOSED AMENDMENTS – ZONING ORDINANCE

(~~Strikethrough~~ indicates deletion; ***italicized bold*** indicates addition)

SECTION XXII: VIOLATION AND PENALTIES

A. General.

All employees, officials and departments of the city, which are vested with the duty or authority to issue permits or licenses, shall issue permits for uses, building or purposes only when they are in harmony with the provisions of this ordinance. Any such permit, if issued in conflict with the provisions of this ordinance, shall be null and void.

B. Penalties.

1. Any person, firm or corporation whether as principal, agent, employed or otherwise, violating, causing or permitting the violation of this ordinance, shall be guilty of a misdemeanor, punishable by a fine of not less than ten dollars (\$10.00) nor more than one thousand dollars (\$1,000.00). Failure to remove or abate a zoning violation within the specified time period set by the court upon conviction, shall constitute a separate misdemeanor offense punishable by a fine of not less than ten dollars ten dollars (\$10.00) nor more than one thousand dollars (\$1,000.00), and any such failure during any succeeding thirty-day period shall constitute a separate misdemeanor offense for each thirty-day period punishable by a fine of not less than ten dollars (\$10.00) nor more than one thousand dollars (\$1,000.00).

2. *Any person, firm or corporation whether as principal, agent, employed or otherwise, violating, causing or permitting the violation of this ordinance, shall be assessed a civil penalty in the amount of fifty dollars (\$50.00) for the initial summons and not more than two hundred dollars (\$200.00) for each additional summons. The assessment of a civil penalty shall not preclude the institution of a civil action by the zoning administrator pursuant to this ordinance, but no such violation shall, unless it results in injury to any person, be prosecuted as a criminal misdemeanor, provided however that when such civil penalties total five thousand dollars (\$5,000.00) or more, the violation may be prosecuted as a criminal misdemeanor.*

3. *The zoning administrator or his or her designee may issue a civil summons as provided by law for a violation. Any person summoned or issued a ticket for a violation may make an appearance in person or in writing by mail to the city treasurer prior to the date fixed for trial in court. Any person so appearing may enter a waiver of trial, admit liability, and pay the civil penalty established for the offense charged. Such persons shall be informed of their right to stand trial and that a signature to an*

admission of liability will have the same force and effect as a judgment of court. If a person charged with a scheduled violation does not elect to enter a waiver of trial and admit liability, the violation shall be tried in the general district court in the same manner and with the same right of appeal as provided by law. In any trial for a violation, it shall be the burden of the zoning administrator or his or her designee to show the liability of the violator by a preponderance of the evidence. If the violation remains uncorrected at the time of the admission of liability or finding of liability, the court may order the violator to abate or remedy the violation in order to comply with the zoning ordinance. Except as otherwise provided by the court for good cause shown, any such violator shall abate or remedy the violation within a period of time as determined by the court, but not later than six months of the date of admission of liability or finding of liability. Each day during which the violation continues after the court-ordered abatement period has ended shall constitute a separate offense. An admission of liability or finding of liability shall not be a criminal conviction for any purpose.

4. Each day during which the violation is found to have existed shall constitute a separate offense. However, specified violations arising from the same operative set of facts shall not be charged more frequently than once in any ten-day period, and a series of specified violations arising from the same operative set of facts shall not result in civil penalties which exceed a total of five thousand dollars (\$5,000.00).

Meeting Date: September 13, 2011

Item No: 6.

Department: Community Development

Issue: Consider setting a public hearing to designate the former Sara Lee property and the Baldwin Block as urban development areas and to amend the Land Use Map, Comprehensive Plan and Zoning Ordinance to reflect urban development area guidelines.

Summary: As a way to address some of the negative effects of suburban sprawl and strip development, particularly on traffic and transportation, new legislation was adopted in 2007 as Virginia Section 15.2-2223.1 of the Code of Virginia, requiring certain high-growth localities to amend their comprehensive plans to incorporate one or more Urban Development Areas (UDAs). The City of Martinsville received a grant to 1) Amend the Comprehensive Plan to reflect the addition of Urban Development Areas and 2) Amend the Zoning Ordinance to add the UDA overlay district(s). The UDA(s) must be sized to meet projected residential and commercial growth in the locality for the ensuing period of at least 10 years, but not more than 20 years. In addition, federal, state and local transportation, utility, economic development, and other public funding should, to the extent possible, be directed to the UDA(s). UDAs should be established in areas that are appropriate for higher density development due to (a) their proximity to transportation facilities, (b) the availability of public water and sewer infrastructure, and (c) their proximity to existing developed areas.

The Cox Company was retained by VDOT to be the City's Consultant for the UDA study and work. Working with the City, stakeholders, and property owners, the Cox Company identified the Baldwin Block area and the Sara Lee Property as two Urban Development Areas in the City of Martinsville. This designation will encourage mixed-use development and denser residential that is allowed in this district. A duly advertised Public Hearing was held Tuesday, August 30, 2011 during the Planning Commission meeting. One person was present and she spoke about her concerns that whatever was built on the Baldwin Block would reflect the heritage of the community and to keep in mind the national marker already installed that comments on the history. After the hearing, the Planning Commission voted unanimously (5-0) to send the recommendation to City Council to designate the former Sara Lee property and the Baldwin Block as urban development areas and to amend the Land Use Map, Comprehensive Plan and Zoning Ordinance to reflect urban development area guidelines.

Attachments: [Planning Commission Letter](#)
[Urban development areas proposed map](#)

Recommendations: When researching the possibility of locations for the UDAs, staff talked to stakeholders, developers, and property owners to learn where the types of development recommended in UDAs would best fit. The research led to the Baldwin Block and the Sara Lee properties, where mixed use work was hoped to be done in the near future (less than 10 years away). Therefore, staff recommends that City Council consider setting a public hearing for September 27, 2011 to designate the former Sara Lee property and the Baldwin Block as urban development areas and to amend the Land Use Map, Comprehensive Plan and Zoning Ordinance to reflect urban development area guidelines.



September 2, 2011

Mayor Kim Adkins
Members of City Council
City of Martinsville
P. O. Box 1112
Martinsville, VA 24114

RE: Urban Development Areas (UDAs)

Dear Mayor and City Council Members:

The Planning Commission, at its meeting on August 30, 2011, conducted a duly advertised Public Hearing on a request by the City of Martinsville, for a proposed amendment to designate the former Sara Lee property and the Baldwin Block as Urban Development Areas (UDAs) and to amend the Land Use Map, Comprehensive Plan and Zoning Ordinance to reflect urban development area guidelines.

At meetings discussing this idea, it was noted that this request could impact economic development. To take vacant, huge buildings or lots and prescribe a formula that would encourage a larger number of residential units per acre than is normally allowed, as well as sticking with Traditional Neighborhood Development by inviting retailers and other small business on the ground floors would be attractive to developers crunching the numbers to get the best value out of their investments.

At the public hearing, Frank Cox of The Cox Company discussed how UDAs were attractive to the marketplace, contained pedestrian friendly streets, interconnected streets and sidewalks, encouraged parks and civic spaces, became friendly neighborhoods, used mixed housing types, required reduced building setbacks (thus less of a "sea" of parking, reduced street widths to allow for large sidewalks and calmed traffic, used lower maintenance and infrastructure costs, enhanced land values and tax base. There was only one citizen present at the public hearing. That person's only concern was that any development that occurs in the Baldwin Block would continue to celebrate the history relating to the block and that developers be cognizant of the National Landmark sign that is in place.

Following evidence heard at the public hearing, the Planning Commission voted unanimously (5-0) to recommend the proposed amendment to City Council. The Planning Commission respectfully submits the recommendation for further consideration.

Yours Truly,

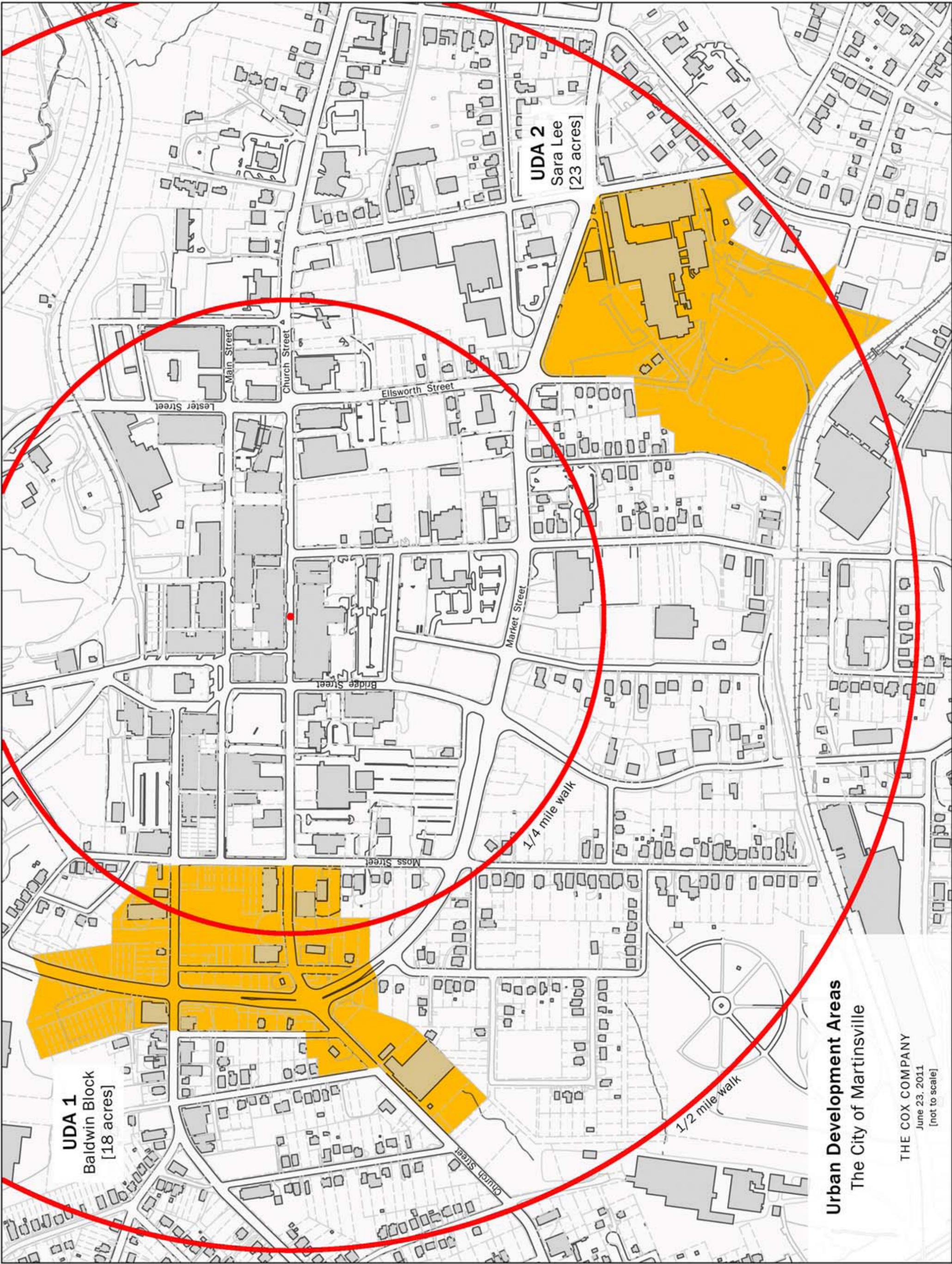
Barbara Cousin, Secretary



Wayne D. P. Knox
Director of Community Development

WDPK

cc: Timothy D. Martin, Chairperson
Barbara Cousin, Secretary



UDA 1
Baldwin Block
[18 acres]

UDA 2
Sara Lee
[23 acres]

Urban Development Areas
The City of Martinsville



City Council Agenda Summary

Meeting Date: September 13, 2011

Item No: 7.

Department: City Attorney

Issue: Hear an update on FOIA changes.

Summary: City Attorney Eric Monday will give this update.

Attachments: None

Recommendations: No action required



City Council Agenda Summary

Meeting Date: September 13, 2011
Item No: 8.A Consent Agenda
Department: Finance
Issue: Accept and appropriate budget adjustments FY11 and FY12.

Summary:

The attachments amend the FY11 and FY12 Budgets with appropriations in the following funds:

FY11:

General Fund: \$21,979 –local confiscated assets proceeds; reimbursements for Liberty St. and Safe Route to Schools Projects

Capital Reserve Fund: \$10,056 – reimbursement for State Homeland Security Program

FY12:

General Fund: \$1,769 – donations and recovered costs

Attachments: [Spreadsheet FY11](#)
[Spreadsheet FY12](#)

Recommendations: Motion to approve consent agenda

BUDGET ADDITIONS FOR 9/13/11

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY11</u>				
<u>GENERAL FUND</u>				
01101917	442810	Categorical Other State - Highway Projects		6,122
01413151	503140	Thorofare Construction - Prof. Service Engineering state reimbursements-Liberty St.	6,122	
01100904	442401	Local Confiscated Assets - Police		515
01311085	506118	Police Dept - Local Confiscated Assets Local Confiscated Assets	515	
01102926	443157	Categorical Federal - Safe Routes to Schools		14,827
01413146	503140	Street Marking/Signs - Prof Serv Eng & Arch Safe Routes to Schools Project	14,827	
01100904	442402	Local Confiscated Assets - Comm. Attorney		515
01221082	506118	Comm. Atty - Local Confiscated Assets Local Confiscated Assets	515	
Total General Fund:			21,979	21,979
<u>CAPITAL RESERVE FUND</u>				
16101918	416507	State Grant - VDEM Homeland Security Program		10,056
16572362	508075	Tools/Equipment - Police Dept SHSP Grant	10,056	
Total Capital Reserve Fund:			10,056	10,056

BUDGET ADDITIONS FOR 09/13/11

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY12</u>				
<u>GENERAL FUND</u>				
01100908	440402	Donations/Hooker Field		1,555
01725422	505508	Mustangs - Meals for Team	234	
01720420	506014	Hooker Field - Materials & Supplies 50/50 & donations	1,322	
1100909	490134	Recovered Costs - Parks & Recreation		214
1711210	506091	Parks & Recreation - Special Events/Cruise In Costs recovered from various sponsors	214	
Total General Fund:			1,769	1,769



City Council Agenda Summary

Meeting Date: September 13, 2011

Item No: 8.B Consent Agenda

Department: Clerk of Council

Issue: Consider approval of City Council meeting minutes of August 9, 2011 and August 11, 2011.

Summary: None

Attachments: [August 9, 2011](#)
[August 11, 2011](#)

Recommendations: Motion to approve consent agenda

August 9, 2011

The regular meeting of the Council of the City of Martinsville, Virginia, was held on August 9, 2011, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Linda Conover, Leon Towarnicki, Wayne Knox, Dennis Bowles, Andy Lash and Mike Rogers.

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

On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council approved the minutes of the July 26, 2011 Council meeting.

A proclamation recognizing the Virginia Cardinals travel baseball team was presented to team members and coaches.

Jim Tobin briefed Council on the annual Piedmont Community Services contract that the state requires the local government to approve. This contract does not make the local government a party to the contract and creates no additional responsibility. After discussion, a motion was made by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, to approve the FY12 Performance Contract between Piedmont Community Services and the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services.

Dennis Bowles briefed Council on the AMP Fremont Power Sales Contract and the opportunity to re-visit its initial decision to participate in the Fremont Energy Center with the post closing knowledge that the plant is now owned by AMP as of July 28, 2011. The plant is fully subscribed and participant allocations have been set based on a pro-rata share of the plant output of 512 MW. Martinsville's pro-rata share, should City Council decide to participate, is 4579 kW or 4.579 MW. He reported the plant is 99% complete. Council members were provided documents of AMP PSC comparisons of municipal participants & VA Electric Cooperative, AMP contract Appendices comparisons, certification from AMP, Blue Ridge Power Agency support letter, Attorney Fred Ritts' support letter, and Attorney Carter Glass support letter. Mr. Bowles reported the staff recommendation is to consider re-approval of a resolution authorizing the execution of the AMP Fremont Power Sales Contract. AMP also requests that the City Council rescind its June 2011 instructions to the City Attorney to transmit the Power Sales Contract subject to the restriction that there are no differences in other participants' PSCs. Mayor Adkins then opened the public hearing. Vince Stone of the Power Advisory Committee spoke regarding AMP newspaper articles; Ural Harris, 217 Stuart St. spoke in opposition to the AMP contract and comments on city dealing with APCO; City Manager Clarence Monday responded to the APCO inquiry that the city has solicited bids for power from APCO and the rates have not been the most competitive; Dave Maddox, Chairman of the Power Advisory Committee stated that now 85 more communities have done their due diligence and have concluded that Fremont was a good deal just as the Power Advisory Committee

August 9, 2011

recommended. Mayor Adkins closed the public hearing. On a motion by Gene Teague, seconded by Kimble Reynolds, with the following 4-1 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, nay, Council approved the following resolution authorizing the execution of the AMP Fremont Power Sales Contract:

A RESOLUTION OF THE CITY COUNCIL TO APPROVE THE FORM AND AUTHORIZE THE EXECUTION OF A POWER SALES CONTRACT WITH AMERICAN MUNICIPAL POWER, INC. AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH REGARDING PARTICIPATION IN THE AMP FREMONT ENERGY CENTER

WHEREAS, the City of Martinsville, Virginia ("hereinafter Municipality") owns and operates an electric utility system for the sale of electric power and associated energy for the benefit of its citizens and taxpayers; and

WHEREAS, in order to satisfy the electric power and energy requirements of its electric utility system, Municipality has heretofore purchased, or desires to purchase in the future, power and energy from, or arranged by, American Municipal Power, Inc. (hereinafter "AMP"), of which Municipality is a Member; and

WHEREAS, Municipality, acting individually and, along with other municipalities which own and operate electric utility systems, jointly, endeavors to arrange for reliable, reasonably priced supplies of electric power and energy for ultimate delivery to its customers; and

WHEREAS, it is efficient and economical to act jointly in such regard; and

WHEREAS, AMP is an Ohio nonprofit corporation, organized to own and operate facilities, or to provide otherwise, for the generation, transmission or distribution of electric power and energy, or any combination thereof, and to furnish technical services on a cooperative, nonprofit basis, for the mutual benefit of AMP members ("Members"), such Members, including Municipality, being, and to be, political subdivisions of their respective states that operate municipal electric utility systems in, as of the date of adoption hereof, Kentucky, Michigan, Ohio, Pennsylvania, Virginia and West Virginia; and

WHEREAS, each of the Members owns and operates its electric system for the benefit of its customers; and

WHEREAS, certain of the Members, including the Municipality, ("Participants") have determined they require additional, long-term sources of reliable intermediate electric capacity and energy at reasonable costs and have requested that AMP arrange for the same by developing or otherwise acquiring interests in certain intermediate generation facilities; and

WHEREAS, in furtherance of such purpose, AMP intends to finance, construct, operate and own up to a one hundred percent (100%), and in any case not less than an eighty percent (80%), undivided ownership interest, in the Fremont Energy Center having an expected net rated electric generating capacity of approximately six hundred seventy five (675 MW), consisting of 512 MW of base capacity and 163 MW of "duct-fired" peaking capacity, to be known collectively as the American Municipal Power Fremont Energy Center (as hereinafter defined, "AMP Fremont Energy Center"); and

WHEREAS, AMP has resolved, in accordance herewith, to develop, including, as appropriate, the financing, acquisition, construction, ownership and operation of, and arrangements for the acquisition, financing, payment and prepayment of fuel for, its ownership interest in the AMP Fremont Energy Center (the "Project") as well as other arrangements related thereto, which AMP and, in certain cases, the Participants, deem necessary to enable AMP to fulfill its obligations hereunder to sell and transmit, or otherwise make available, electric capacity and energy to the Participants pursuant to the Fremont Energy Center Power Sales Contract (hereinafter "PSC"); and

WHEREAS, in order to obtain such sources of electric capacity and energy, the Participants are willing to pay AMP for their respective rights to such electric capacity and energy and transmission service at rates that are sufficient, but only sufficient, to enable AMP to (i) recover all costs and expenses incurred with respect to, and arrangements for the acquisition, financing, payment and prepayment of fuel for, the Project as set forth herein, all other Power Sales Contract Resources obtained by AMP to supplement the Project, and related service arrangements undertaken by AMP to enable it to fulfill its obligations hereunder, and (ii) recover any other expenditures or revenues authorized hereunder.

WHEREAS, AMP has investigated both a self-build of a new natural gas combined cycle project as well as the acquisition of one of several existing natural gas combined cycle projects either operating or in various stages of construction; and

WHEREAS, because the expected in service date of the Fremont Energy Center is on or about January 1, 2012, certain Participants may need to have AMP rearrange their current power supply portfolio by selling certain already purchased power, principally for 2012 through 2015, into the market ("Buy-Out") and finance the cost of such transaction pursuant to the PSC.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MARTINSVILLE, VIRGINIA:

SECTION 1. That the PSC between Municipality and AMP, substantially in the form on file with the City Clerk including Appendices thereto is approved, and the City Manager of Municipality is hereby authorized to execute and deliver such Power Sales Contract, with such changes as the City Manager may approve as neither inconsistent with this Resolution nor materially detrimental to the Municipality and report said changes to City Council, his or her execution of the PSC to be conclusive evidence of such approval.

SECTION 2. That the City Manager is hereby authorized to acquire on behalf of the Municipality, as a Participant, as defined in the PSC, Power Sales Contract Resources (hereinafter "PSCR Share"), as defined in the PSC, from AMP and to execute and deliver any and all documents necessary to become a Participant in the AMP Fremont Energy Center project pursuant to the conditions set forth herein and in the PSC and to carry out its obligations thereunder and to arrange for the Buy-Out of any excess power and energy currently under contract with AMP as the City Manager deems in the best interests of the Municipality.

SECTION 3. That it is further acknowledged and understood that because the Participants will finalize the precise PSCR Share to be acquired by each Participant electing to enter into the PSC after all such Participants execute and deliver the PSC, the City Manager in connection with the execution and delivery of the PSC, is authorized and directed to determine and acquire Municipality's PSCR Share (not taking into account the Step-Up as defined in the PSC), of up to a nominal amount of 5200 kilowatts, after consultation with AMP and the other Participants regarding the PSCR Share available pursuant to said PSC, such PSCR Share to be set forth in Appendix A of the PSC, such determination as to such PSCR Share being conclusively evidenced by the adoption of Appendix A to the PSC, as authorized therein.

SECTION 4. That the City Manager, as a part of such officer's official duties, is hereby appointed as Municipality's representative for any meetings or determinations of the Participants or the Participants Committee pursuant to the PSC and is authorized and directed, acting for, in the name of and on behalf of this Municipality, to vote Municipality's PSCR Share with regard to any determinations regarding the AMP Fremont Energy Center project as set forth in the PSC.

SECTION 5. That the City Manager may appoint, in writing from time to time as convenient or necessary, another appropriate representative of the Municipality as his or her alternate to carry out the duties set forth in Section 4 hereof.

SECTION 6. That it is found and determined that all formal actions of City Council concerning and relating to the passage of this Resolution were taken in conformance with applicable open meetings laws and that all deliberations of this Council and of any committees that resulted in those formal actions were in compliance with all legal requirements including any applicable open meetings requirements.

SECTION 7. If any section, subsection, paragraph, clause or provision or any part thereof of this Resolution shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Resolution shall be unaffected by such adjudication and all the remaining provisions of this Resolution shall remain in full force and effect as though such section, subsection, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not, to the extent of such invalidity, been included herein.

SECTION 8. That this Resolution supersedes the Resolution that was adopted by the Council of the City of Martinsville on June 28, 2011, and that was titled "A Resolution of the City Council to Approve the Form and Authorize the Execution of a Power Sales Contract with American Municipal Power, Inc. and Taking Other Actions in Connection Therewith regarding Participation in the AMP Fremont Energy Center."

SECTION 9. That this Resolution shall take effect immediately.

Adopted in Martinsville, Virginia this 9th day of August, 2011.

August 9, 2011

On a motion by Gene Teague, seconded by Mark Stroud, with a 4-0 vote (Turner abstained), Council approved sending a letter to AMP rescinding its June 2011 instructions to the City Attorney to transmit the Power Sales Contract subject to the restriction that there be no differences in other participants' PSCs.

Clarence Monday briefed Council on city baseball history and how it has provided significant quality of life for the community. He reported that the Letter of Intent has to be signed each year indicating our desire to continue baseball for the next season. He pointed out that Leon Towarnicki will make a presentation regarding the Mustangs showing the many positives brought to the community by the Martinsville Mustangs many of which cannot be measured in dollars and cents, after which, Pete Bock, Commissioner of the Coastal Plans League will address Council regarding the Mustangs.

Leon Towarnicki presented this information:

As requested by City Council, this summary of financial details for the 2011 Martinsville Mustangs baseball season that ended August 1 is being provided on Friday, August 5th, in advance of the Tuesday, August 9 Council meeting to provide Council with an opportunity to review the information prior to the regular meeting. As has been pointed out previously, with this report being generated only days after the season ends the information being presented is as accurate as possible recognizing that some expenses and revenue may be realized for the next several weeks. In the financial analysis, wherever possible efforts are made to provide an estimate of anticipated expenses or revenues. As noted, this summary focuses entirely on the financial details and will be included in a report presented publicly on Tuesday, August 9, in addition to other general information related to the 2011 season.

In generating this report, information available through the City's financial accounting system (Munis) for both the FY11 and FY12 years was reviewed. This report generally covers expenses and revenues attributed to the team operation from the period of approximately September 1, 2010, through August 31, 2011. The Martinsville Mustangs' budget contains 45 individual line items and month by month records of each line item were reviewed to determine which playing season expenses should be attributed to, and in some cases to determine if costs are in the correct line item and/or budget. Additionally, expenses that have yet to be posted to Munis are reviewed and as noted previously, estimates for anticipated expenses through the end of August are included. Final numbers will not be known until September or October once all invoicing/billing and revenue collections have made their way through the system.

For the 2011 season, revenue is projected to be \$154,312, coming from the usual sources – ticket sales, concessions, souvenir sales, baseball camps, advertising sales, and donations. Expenses for the 2011 season are projected to be \$212,776, for a net cost to the City of \$58,464. While this is obviously not the number we were hoping to see, it is consistent with annual net costs from previous seasons - \$55,699 in 2007; \$60,000 in 2008; and \$56,888 in 2009. Last year's report (2010) indicated a net cost to the City of \$44,365 but in retrospect the decrease was due primarily to two factors – the General Manager's position was not filled until February, 2010 which saved approximately \$13,000 in salary, and there were minimum team uniform and ticket supply costs due to supplies purchased for the 2009 season that carried over to the 2010 season. Were it not for those factors, 2010 season costs would likewise have been in the \$55,000 to \$60,000 range – consistent with numbers from previous seasons. One positive note is that while costs have increased, similar increases in revenue have been achieved to keep the net cost at the same approximate level.

For the 2011 season, savings were realized by using Patrick Henry Community College's bus for Mustangs' out of town games but as is often the case, savings in one area are often balanced with increases elsewhere – for 2011 the full annual salary of the general manager was accounted for; new ticket stock had to be reordered; there were 3 rained out games which accounted for \$5000 to \$8000 in lost revenue; some of the outfield billboards had to be replaced; and team uniforms were replaced. There were some notable achievements that will be highlighted in the report at the August 9th meeting – despite 3 rainouts season attendance and game day revenue both showed increases.

Regarding the 2012 season, the City has 2 options:

Do not execute the Letter of Intent and do not field a team for the 2012 season. Under this scenario the City may be obligated to reimburse the Coastal Plain League for a portion of the annual team dues and consideration will need to be given to continuation of baseball into the 2013 season or sale of the franchise. With this option, the City saves approximately \$50,000 for the season; it "buys" the City time during which the operation can be re-evaluated: options for privatization can be explored; or options for discontinuing the Martinsville Mustangs and sale of the franchise can be considered. The disadvantage is that if it is decided to continue with baseball in the following 2013 season, considerable staff time will be required to reassemble the pieces needed to put a team back in place – hiring personnel, re-establishing player and advertising contacts, etc.

Execute the Letter of Intent for the 2012 season. The obvious question this option raises is what can be done differently from previous seasons to provide the best possible operation for reduced expenditures and increased revenues? There are several recommendations:

- Coach Matt Duffy has expressed an interest in continuing to work for the Mustangs in the offseason selling advertising on a commission-only basis. Any sales revenue would be "new" money and would not be derived from existing sales or contacts that Jim Taipalus has made. There is no cost to the City to do this.
- Move Jim Taipalus to a full-time employee status (he has been working on a contractual basis since February, 2010) and allocate 25% of the salary/benefit costs to Parks & Recreation. A similar amount of Jim's time would be spent assisting with programming and related Parks & Recreation programs. This change would have little or no effect on the Mustangs' budget.
- Utilize the services of a business manager during the season – primarily from late April through the early part of August. Hopefully this could be a volunteer position utilizing the experience of a retired business manager or executive, interested in helping Mustangs' baseball. The position would help monitor day to day expenses, provide some oversight on travel expenditures, assist with vendor expenses and inventory, and provide guidance to the team general manager regarding financial matters.
- Develop a committee to include a representative of the City's Finance Department with the task of analyzing every facet of Mustangs' operations that have a financial impact. This would include for example ticket sales, concessions, souvenir sales, etc. The committee would look at how each operation is currently handled, costs associated with that specific operation, options for privatization of certain functions, pricing structure, proper documentation, etc.
- Continue with efforts to promote the team, expand sales/advertising, and seek new ways to enhance revenue while reducing expenses.

Conclusion: City Council is faced with a difficult decision. There are many in the community who support Mustangs' baseball and feel strongly about continuing the program. As outlined in this and previous annual reports, there is a cost, however, associated with providing summer baseball and that cost obviously must be weighed against the availability of resources. If the decision is made to continue baseball into the 2012 season, the decision should be made with the realization that local net cost will again likely be in the \$50,000 to \$60,000 range, not with the expectation that a significantly lower and perhaps unrealistic net cost can be achieved. Staff will, however, continue to work diligently to provide the best possible program at the lowest cost using any and all available resources.

<ul style="list-style-type: none"> 7th Season in Coastal Plain League Finished 25 -29, most wins since 2007 3rd in team batting, 10th in pitching/fielding Franchise record 5 players named to CPL All- Star team; several players high in league stats Scott Diamond (2006/07) becomes 1st Mustang player to play in majors (July 18 for Minnesota Twins vs. 	<ul style="list-style-type: none"> 2011 Attendance – 65% increase to 43,880 (26,534 in 2010, 27,833 in 2009, 25,792 in 2008, and 24,649 in 2007. 3 rainouts in 2011, 2 nights (6/30 & 7/2 over 3200) Game day revenue - \$93,403 (\$86,055 in 2010; July 2 - \$10,778.55 record night) Advertising sales - \$48,270, total with trades is \$56,700. <p>Over 2000 “friends” on Facebook</p>	<ul style="list-style-type: none"> Financial summary Covers period from 9/1/10 – 8/31/11 Revenue projected to be \$154,312 Expenses projected to be \$212,776, for net cost of operations of \$58,464 FY11 budgeted net cost was \$80,385, FY12 budgeted net cost is \$50,924 <p>2007 NC - \$55,699; 2008 NC - \$60,000, 2009 NC \$56,888; 2010 NC - \$44,365</p>
<ul style="list-style-type: none"> What impacted 2011 costs? Full year of GM salary, only 7 months in 2010 3 rainouts, loss of \$5000 to \$7000 in revenue Materials/supplies, uniforms, etc. Savings from use of PHCC bus 	<ul style="list-style-type: none"> Hooker Field currently used as a “community facility” with practices/games by Martinsville High School, Patrick Henry Community College, Mustangs, and American Legion <p>City has a substantial investment in the facility and will need to continue with maintenance even if Mustangs do not return</p>	<ul style="list-style-type: none"> Tourism – economic impact - visitors, effect on local sales, meals, business taxes, etc. “Quality of Life” – safe, clean, family-oriented recreational activity for the summer Community exposure due to league publicity Economic Development – part of “what the community has to offer” to prospective businesses
<ul style="list-style-type: none"> City has the option to not execute the Letter of Intent and not play in the 2012 season May be CPL costs associated with the “no-play” option City will save approximately \$50,000 Consider options to disband the team, sell or lease the franchise 	<ul style="list-style-type: none"> Disadvantages of not signing the LOI If it is decided to resume play in 2013, much effort will be required to re-hire staff, recruit, re-establish contacts, etc. May prove to be difficult in the future to generate interest in bringing a team in What happens to Hooker Field? 	<ul style="list-style-type: none"> Execute the LOI for the 2012 season Sell advertising on commission-only basis for new revenue, no cost to the City Utilize some of the GM’s time to help with Parks & Recreation Business Mgr during the season (volunteer?) Establish a committee(s) to review every aspect of operation that has a financial impact <p>Continue with efforts to promote team, expand sales and improve revenue</p>
<ul style="list-style-type: none"> Staff recommends that Mustang baseball continue into 2012 and beyond Continue to seek and investigate opportunities to partner or privatize Continue with efforts to increase revenue, reduce costs, and to provide the best operation possible. 		

Commissioner Pete Bock’s comments included: Mustangs are a big part of the CPL League; urged Council to agree to a multi-year extension; said the CPL league office would work with team officials to provide assistance in creating or revising the team’s current business plan and review the team’s 2011 expense budget line-by-line to help identify ways to cut expenses and increase revenue; said he would help identify a private business or individual to purchase or lease the team; pointed out possibility of Hooker Field hosting the two-day CPL All-Star weekend in the near future, provided some facility improvements were made to Hooker Field, such as the addition of a roof over a portion of the stands. Mayor Adkins then asked for any public comment. L. D. Oakes, Mulberry Rd., pointed out importance of baseball and encouraged Council to do 2-yr. commitment & get the county on board; Mr. Price, 1022 Chatham Rd. encouraged keeping the Mustangs team for a 6-yr. commitment & extend season to mid August; Gary Ade, 815 Clarke Rd, team adds to community enrichment & happiness/morale; Chet Bason spoke in favor of a 2 yr commitment; Pam Allen, 1005

August 9, 2011

Corn Tassel, baseball relationships build values in young people; John Wallace, 1003 Chalmers, wants to see baseball stay here; Beth Deatherage, HD Web Studio, spoke about quality of life baseball adds & how it helps local businesses; Tiffany Hayworth, 832 Banks Rd., said Eden NC celebrated their All America City Award at a Mustangs game; Ken Ball, Blacksburg, parent of a player, said the Mustangs spread a good impression of Martinsville; Mariah Wells, 1307 Hillcrest, & Brooke Mason, 707 Circle Ct. said that without the Mustangs there would be nothing for young people to do in the summer. Following is a prepared statement read by Mayor Adkins:

Mustang Position Statement - Mayor Adkins 8.9.11

Last year, I did not support the continuation of the Mustangs because I wanted more time to evaluate the materials presented by the administration. For this, I appreciate the administration's release of these materials prior to tonight's meeting, giving me and my colleagues on council more time to evaluate our options.

With this said, based on the last meeting's report from staff, I have to be honest that I was anticipating a net loss, but not greater than the previous year's. A reported anticipated 32 percent greater net loss from the previous year caused me to pause and to rethink if the city should be in the baseball business. I asked myself two primary questions: (1) Do the Mustangs significantly add to the Martinsville's area quality of living, specifically as it pertains to the city's having an excellent venue for family entertainment? (2) Have city businesses come to rely on home game activities with visitors and residents staying out to eat in our restaurants or frequent our convenience stores and, in some cases, spend the night in our hotels?

When it comes to family entertainment in the region, the city has the reputation of investing and sustaining this infrastructure. For the most part, the city taxpayers have always supported many Parks & Recreation activities and programs pertaining to youth and seniors, our parks and now our trails. They have also advocated for the ongoing support for many nonprofits in our region that showcase the city and add to our quality of life annually, such as but not limited to Piedmont Arts, VA Museum of Natural History, Fourth of July Celebration and our library system. Our non-government agency and activity support alone adds up to more than \$1 million annually, a significant and worthy investment of taxpayer dollars in my view. While revenue is generated from alternative sources, such as fees and sponsorships, many of our programs under the umbrella of Parks & Recreation do not generate a net gain of revenue for the city, but they add greatly to our quality of living. The Mustangs are no different.

Recent reports have shown that the City of Martinsville still has the highest unemployment rate in the state of 17.3 percent. Eliminating a venue that is affordable for families and that helps to keep businesses afloat and employing our residents may not be the right decision at this time.

Therefore, after a great deal of thought, I support the city's continued investment in the Martinsville Mustangs. I furthermore support an agreed upon multi-year commitment. This level of a commitment may help to secure additional sponsorships and other revenue-generated activities at the ballpark. Changing the operational structure that supports this multiple-year commitment should position the city to reduce its net loss and over time create an infrastructure that is closer to becoming self-sustaining.

There was lengthy Council discussion on the need to take advantage of league assistance in creating a business plan to assist Mustangs with revenues and expenses and the need to seek potential partners. On a motion by Gene Teague, seconded by Danny Turner, with a 4-1 vote

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(Reynolds-nay), Council approved signing the Letter of Intent for a two year commitment with the understanding that the Mustangs will explore business plan services available through the Coastal Plain League and entertain offers of future partnerships.

Andy Lash briefed Council on the City of Martinsville Water Supply. As part of the mandated Regional Water Supply Plan, all localities in the West Piedmont Planning District Commission region must hold a public hearing to adopt the water supply plan and adopt an ordinance which implements the Drought Response and Contingency Plan, which is part of the overall plan. The local public hearing must be advertised consistent with requirements in Section 15.2-1427 of the Code of Virginia. This section states that the ordinance must be published once a week for TWO successive weeks prior to its passage. The news publication shall include a statement that a copy of the full text of the ordinance is on file in the clerk's office of the circuit court of the locality and is available for public inspection. The resolutions adopting the plan and the adopted ordinances will become part of the formal submittal of the Plan to the State Water Control Board.

Time Line: July 21 thru Aug. 23—Council review documents

August 9, 2011—Council set public hearing

Sept. 13, 2011—hold public hearing and adopt resolution and ordinance on first reading—two required advertisements before holding public hearing

September 27, 2011 adopt resolution and ordinance on second reading

On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council agreed to set the public hearing on the Water Supply Plan for September 13, 2011.

Business from the floor: Eric Monday, speaking as a resident of city, pointed out it was nice to hear that Martinsville has been ranked as least expensive place to live in Virginia and he would hope that the local media and EDC would pick up on that and run with it.

Comments from City Council: Stroud-encouraged EDC to advertise the info regarding Martinsville is least expensive place to live; Turner-commented that Black Box Theatre presentation was entertaining.

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 Kimble Reynolds, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matters: (A) A personnel matter as authorized by Subsection 1; (B) 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.

City Council recessed and convened as the Martinsville Redevelopment and Housing Authority for one agenda item. Wayne Knox briefed the MRHA regarding the minimum rent for recipients of assistance under the Section 8 Housing Choice Voucher Program. MRHA Chairman

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Adkins opened the public hearing. Hearing no public comments, MRHA Chairman Adkins closed the public hearing.

The Martinsville Redevelopment and Housing Authority then adjourned and Martinsville City Council re-convened for their closed session.

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 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 was action taken.

There being no further business, Mayor Adkins adjourned the meeting at 10:30 pm.

Clarence C. Monday, Clerk of Council

Kim E. Adkins, Mayor

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A special called joint meeting of the Council of the City of Martinsville, Virginia and Martinsville City School Board at the request of the School Board was held on August 11, 2011 beginning at 6:00 pm to tour Martinsville High School and then convene in Council Chambers at 7:30 pm with Mayor Kim Adkins and School Board Chairman Bill Manning presiding. Council Members present included: Kim Adkins, Kimble Reynolds, Jr., Gene Teague, Mark Stroud, Sr., and Danny Turner. Representatives present from School Board included: Bill Manning, Robert Williams, Carolyn McCraw, and Craig Dietrich. City staff present included: Clarence Monday, Leon Towarnicki, Eric Monday, Brenda Prillaman, Mike Rogers, Linda Conover and Rob Fincher. Numerous school staff members were present. Mayor Adkins called the Council meeting to order and School Board Chairman Bill Manning called the School Board meeting to order.

Bill Manning outlined presentations to be made: architect plan design and scope; debt service analysis, and superintendent's remarks.

Presentations were made regarding the proposed Martinsville High School renovation project with lengthy discussion. Council asked for more information and time for public input on the financing of the project. No action was taken at this meeting and further discussion will take place at Council's August 23, 2011 meeting.

There being no further business, the meeting adjourned at 9:45 PM.

Clarence Monday
Clerk of Council

Kim Adkins
Mayor