

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA

Council Chambers – Municipal Building

7 pm CLOSED SESSION 7:30 pm regular session

Tuesday, May 13, 2014

7 pm --Closed Session

1. 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(A)—Closed Meetings, the following:
 - A. Appointments to Boards and Commissions as authorized by Subsection 1.

7:30pm-Regular Session

Invocation & Pledge to the American Flag—Council Member Mark Stroud

1. Consider approval of Council meeting minutes of February 11, 2014 and February 25, 2014 meetings. (2 mins)
2. Conduct a public hearing on FY15 budget and consider approval of FY15 budget ordinance 2014-U-1 on first reading. (60 mins)
3. Conduct a public hearing regarding amendments to the Zoning Ordinance on first reading related to land use as a temporary flexibility option as the Zoning Ordinance is being updated. (10 mins)
4. Consider a review and recommendation for options related to the City's repayment of stranded costs for the AMPGS (American Municipal Power Generating Station) project. (10 mins)
5. Consider setting a public hearing for May 27, 2014 for purpose of receiving/interviewing citizens interested in appointments for two school board positions beginning July 1, 2014 and ending June 30, 2017 to the City's School Board. (5 mins)
6. Consider approval of consent agenda. (2 mins)
7. Business from the Floor

This section of the Council meeting provides citizens the opportunity to discuss matters, which are not listed on the printed agenda. In that 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 and state name and address;**
 - (2) state the matter that they wish to discuss and action they would like for Council to take;**
 - (3) limit remarks to five minutes;**
 - (4) refrain from making personal references/accusations of a factually false/malicious nature.**

Persons who violate these guidelines will be ruled out of order by the presiding officer and will be asked to leave the podium. Persons who refuse to comply with the direction of the presiding officer may be removed from the chambers.
8. Comments by members of City Council. (5 mins)
9. Comments by City Manager. (5 mins)



City Council Agenda Summary

Meeting Date: May 13, 2014

Item No: 1.

Department: Clerk of Council

Issue: Consider approval of minutes of City Council February 11, 2014 and February 25, 2014 meetings.

Summary: None

Attachments: February 11, 2014 minutes
February 25, 2014 minutes

Recommendations: Motion to approve minutes as presented

February 11, 2014

The regular meeting of the Council of the City of Martinsville, Virginia, was held on February 11, 2014, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Gene Teague, Sharon Brooks Hodge, Mark Stroud and Danny Turner. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Eric Monday, Linda Conover, and Eddie Cassidy.

Following the invocation by Council Member Stroud and Pledge to the American Flag, the Mayor welcomed everyone to the meeting and recognized Scout Troop 61 members from First Presbyterian Church.

Recognition of Donald W. Merricks: Mayor Adkins and members of City Council made comments thanking former Delegate Don Merricks for his service and efforts to Martinsville and presented him with a Key to City. Several members of the public also made comments thanking Mr. Merricks for his service.

Conduct public hearing for special use permit: The Planning Commission recommended to City Council that the special use permit be granted on a request from Sharon Martin to operate a home child care, caring for up to twelve (12) children, as a home occupation. Mayor Adkins opened the public hearing. Sharon Martin of Independence Drive stated she has been in business over 20 years. Mayor Adkins closed the public hearing. On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, Council approved the special use permit as recommended by the Planning Commission.

Conduct public hearing regarding grant funding for emergency generator: Mr. Towarnicki briefed Council on the City's intent to file an application for grant funding with USDA, Rural Development for assistance in the replacement of the emergency generator for the City's Shop/Warehouse Complex located at 300 Fishel Street and consider approval of a required resolution. After a review of recent mechanical problems with the emergency power generator at the City Shop/Warehouse complex, it has been determined that the best option for the City is to consider replacing the unit with a new larger, natural gas-powered unit. Total cost of the generator and related equipment for connection to the Shop/Warehouse complex is estimated to be \$55,000. The generator powers the entire Shop/Warehouse complex during outages and is essential to the ability to provide reliable emergency services for the citizens of Martinsville. There is an opportunity to apply for partial grant funding of the project through the United States Department of Agriculture Rural Development and a public hearing is a required component of the application process. Any funding needed in addition to the grant will be covered by City Electric and/or the City's Capital budget. On a motion by Mark Stroud, seconded by Sharon Brooks Hodge, with a 5-0 vote, Council approved the following resolution authorizing city staff to proceed with the grant application process:

RESOLUTION OF THE GOVERNING BODY OF MARTINSVILLE VA
<p>The Council of the City of Martinsville consisting of five members, in a duly called meeting held on the 11th day of February, 2014 at which a quorum was present, RESOLVED as follows:</p>
<p>BE IT HEREBY RESOLVED THAT in order to facilitate obtaining financial assistance from the United States of America, acting by and through the Rural Housing Service, an agency of the United States Department of Agriculture, (the Government) the development of replacement emergency generator purchases to serve the community, the governing body does hereby adopt and abide by the covenants contained in the agreements, documents, and forms required by the Government to be executed.</p>
<p>BE IT FURTHER RESOLVED, that the City Manager of the City of Martinsville authorized to execute on behalf of the City of Martinsville the above-referenced agreements and to execute such other documents including, but not limited to, deeds, instruments and security instruments as may be required in obtaining the said financial assistance.</p>
<p>THIS RESOLUTION, along with a copy of the above-referenced documents, is hereby entered into the permanent minutes of the meetings of this Council.</p>
<p>Attest: <i>Kathy S. Verma</i></p>
<p>City of Martinsville, VA By: <i>Leon Towarnicki</i></p>
<p>CERTIFICATION</p>
<p>I hereby certify that the above resolution was duly adopted by the City Council of the City of Martinsville in a duly assembled meeting on the 11th day of February, 2014. <i>Brenda Prillaman</i></p>

February 11, 2014

Hear update from M-HC Economic Development Corporation: Mark Heath briefed Council on the current activities of all departments and prospects.

Approval of Preliminary Ordinance on second reading regarding bonds: Finance Director Linda Conover briefed Council reporting that at the January 29th meeting, Council approved on first reading the Preliminary Ordinance for the potential issuance of refunding bonds. The next step in this process is to adopt the Preliminary Ordinance on second reading that serves the following purposes: 1. Reciting the expediency of the issuance of up to \$2,650,000 of Principal Amount of General Obligation Bonds (expediency does not mean that the Council declares this as a matter of emergency). Instead, expediency means that the most efficient, effective, and expedient way to provide for such acquisition is by the issuance of Refunding General Obligation Bonds. 2. The intended use of the Bonds is for municipal purposes. 3. Issuance of the Bonds is within the power of the City. 4. The issuance of the bonds is in the best interest of the City and its citizens. Three of the City's outstanding bond obligations, with interest rates somewhat higher than current markets, could be refinanced, saving over \$100,000 over the life of the loans. After speaking with the current holder of these particular loans, it was determined that they were willing to reduce the current rates being charged, producing savings to the City without extending the life of the loans. This ordinance authorizes staff to participate in the refunding process. On a motion by Gene Teague, seconded by Mark Stroud, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, Council approved the following Preliminary Ordinance on second reading:

<p style="text-align: center;">CITY OF MARTINSVILLE, VIRGINIA</p> <p>AN ORDINANCE RECITING THE EXPEDIENCY OF THE ISSUANCE OF UP TO \$2,650,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING 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</p> <p style="text-align: right;">Adopted on February 11, 2014 (Second reading)</p>	<p>Be it Ordained by the Council of the City of Martinsville, Virginia:</p> <p>Section 1 - Findings and Determinations</p> <p>The City Council ("City Council") of the City of Martinsville, Virginia (the "City") proposes to issue bonds for the purpose of refunding all or some of the outstanding balances of the City's General Obligation Bond (Capital Project), Series 2009A (the "2009A Bond"), General Obligation Bond (Capital Project), Series 2009B (the "2009B Bond") and General Obligation Refunding Bond, Series 2009A (the "2009A Refunding Bond, and together with the 2009A Bond and 2009B Bond, the "2009 Bonds"), all for municipal purposes, specifically for the original purposes of the 2009 Bonds described herein and for debt service savings. The 2009A Bond financed the costs of the acquisition and equipping of an electric utility truck. The 2009A Bond financed certain City landfill improvements and the 2009A Refunding Bond refinanced school and redevelopment projects in the City. The City Council hereby finds and determines that: (i) the City is in need of funds to be used by the City for the refunding of the 2009 Bonds and for costs of issuance of the Bonds (defined below); (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 the City's buildings, facilities and equipment used for municipal purposes; (iii) the most effective, efficient and expedient manner in which to provide such funds to the City is through the issuance of general obligation refunding bonds in an original principal amount not to exceed \$2,650,000 to be issued by the City as further described herein (the "Bonds") to be used for the refunding of the 2009 Bonds 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, (v) the issuance of the Bonds is in the best interests of the City and its citizens.</p> <p>Section 2 - Description of the Bonds</p> <p>The City Council finds that it is expedient for the City to borrow money and issue the Bonds for the refunding of the 2009A Bond in a maximum principal amount of \$118,250, the refunding of the 2009B Bond in a maximum principal amount of \$706,250 and the refunding of the 2009A Refunding Bond in a maximum principal amount of \$1,825,500. The maximum length of time that the Bonds will be outstanding is seventeen 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 "AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$2,650,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF MARTINSVILLE, VIRGINIA AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF," which will be introduced before the Council and considered for final passage following a public hearing on the issuance of the Bonds.</p>	<p>Section 3 - Further Actions Authorized</p> <p>The City Manager, City Finance Director, Clerk of the Council, City Treasurer, City Attorney, Sands Anderson PC as bond counsel to the City, 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, including but not limited to the publication and broadcasting of a notice of public hearing to be held prior to final authorization by the City Council of the issuance of the Bonds. All actions of the City Manager, City Finance Director, Clerk of the Council, City Treasurer, City Attorney, bond counsel to the City, 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 refunding of the 2009 Bonds are hereby approved and ratified.</p> <p>Section 4 - Invalidity of Sections</p> <p>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.</p> <p>Section 5 - Headings of Sections</p> <p>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.</p> <p>Section 6 - Effective Date and Filing of Ordinance</p> <p>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.</p>																
<p>The Members of the Council voted as follows on the foregoing Ordinance:</p> <table border="0"> <tr> <td>Aye</td> <td>Nays</td> </tr> <tr> <td>Kim Adkins</td> <td></td> </tr> <tr> <td>Gene Teague</td> <td></td> </tr> <tr> <td>Danay Turner</td> <td></td> </tr> <tr> <td>Mark Stroud</td> <td></td> </tr> <tr> <td>Sharon Brooks Hodge</td> <td></td> </tr> <tr> <td>Absent</td> <td>Abstentions</td> </tr> <tr> <td></td> <td></td> </tr> </table> <p>Adopted this 11th day of February, 2014 (second reading).</p> <p>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 February 11, 2014, 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.</p> <p>Dated this 11th day of February, 2014.</p> <p style="text-align: center;"><i>Brenda Pullman</i> Clerk, City Council of City of Martinsville, Virginia</p> <p>VIRGINIA In City of Martinsville Circuit Court Clerk's Office Received and Filed this 12th day of February 2014 at 2:15 PM Tanya R. Edick Clerk</p> <p>IN TESTIMONY that the foregoing is a true Copy taken from the records of said Court, I, Audrey E. Prosser, Clerk thereof set my hand and affix the Seal of said Court.</p> <p>This 12th day of February 2014 <i>Audrey E. Prosser</i> Clerk Circuit Court City of Martinsville, VA</p>	Aye	Nays	Kim Adkins		Gene Teague		Danay Turner		Mark Stroud		Sharon Brooks Hodge		Absent	Abstentions				
Aye	Nays																	
Kim Adkins																		
Gene Teague																		
Danay Turner																		
Mark Stroud																		
Sharon Brooks Hodge																		
Absent	Abstentions																	

February 11, 2014

Approval of Authorizing Ordinance on first reading regarding bonds: Mrs. Conover briefed Council on the need for the Authorizing Ordinance, on first reading for the refunding of bonds with Carter Bank. Approval of the Authorizing Ordinance authorizes the issuance of up to \$2,630,000 principal amount of General Obligation Refunding Bonds. Second reading of the same Ordinance will occur on February 25, 2014. Three of the City's outstanding bond obligations, with interest rates somewhat higher than current markets, will be refinanced, saving over \$100,000 over the life of the loans. After speaking with the current holder of these particular loans, it was determined that they were willing to reduce the current rates being charged, producing savings to the City without extending the life of the loans. This ordinance authorizes staff to participate in the refunding process. On a motion by Mark Stroud, seconded by Sharon Brooks Hodge, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, Council approved the ordinance as described on first reading.

Hear update on proposed Northside Neighborhood Revitalization Project: Wayne Knox briefed Council on the proposed Northside Neighborhood Revitalization Project. On September 6, 2013, the City was awarded a planning grant by the Department of Housing & Community Development in the amount of \$30,000. A public meeting has been conducted and three management team meetings. Neighborhood surveys and infrastructure assessments have also been conducted and now we are in a position to go forward with an application for a neighborhood comprehensive grant with a deadline date of March 26, 2014. Two City Council public hearings are required and on a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council set two public hearings for February 25, 2014 and March 11, 2014 Council meetings.

Hear overview of February 10, 2014 Northside Council Neighborhood Tour and Meeting: Mayor Adkins reported on the Council tour of February 10, 2014 noting neighborhoods visited and issues of citizen concern. Vice Mayor Teague noted he was not able to attend the Neighborhood Meeting as his job required him to be out of town.

Business from floor: Ural Harris-217 Stuart St.-concerns regarding electric funds and rates. It was noted that Council receives quarterly utility updates and it is not productive to discuss electric issues at every meeting.

Council comments: Turner-advised citizens to have arrangements in place in case the impending snow storm causes powers outages. Hodge-asked the city manager to brief citizens on storm preparations for the city. Stroud-noted that Friday is Valentine's Day.

City Manager comments: Mr. Towarnicki commented on the letter to the editor regarding road construction on Liberty Street where there was a water line break. He clarified that other contractors besides city employee crews do work in the street and it is not always the city. He also reported that that the annual audit will be presented at the February 25 meeting and the auditor will be available the afternoon of February 25 to meet with individual Council members.

There being no further business, the meeting adjourned at 9:10 pm.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor

February 25, 2014

The regular meeting of the Council of the City of Martinsville, Virginia, was held on February 25, 2014, in Council Chambers, Municipal Building, at 7:30 PM, Closed Session beginning at 7:00PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Gene Teague, Sharon Brooks Hodge, Mark Stroud and Danny Turner. Staff present included: Leon Towarnicki, City Manager, Eddie Cassady, Wayne Knox, Dave Brahmstadt, Chris Morris and Linda Conover.

Mayor Adkins called the meeting to order and advised Council will go into Closed Session. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Gene Teague, seconded by Sharon Brooks Hodge, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matter: (A) Appointments to Boards and Commissions as authorized by Subsection 1. 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 Mark Stroud, seconded by Sharon Brooks Hodge, with the following recorded 5-0 vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, Council returned to Open Session.

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

Board appointment: On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council appointed Max Hall, 4045 Mt. Olivet Road, to the Arts & Cultural Committee as the Theatre Works representative for a term ending 2/25/17.

Minutes: On a motion Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council approved the minutes of the November 26, 2013 meeting.

Proclamation-Red Cross: Mayor Adkins presented a proclamation recognizing American Red Cross Month to Ralph Lawson.

Proclamation Teen Dating Violence Awareness: Mayor Adkins presented a proclamation recognizing Teen Dating Violence Prevention and Awareness Month to Citizens Against Family Violence representatives, Dee Barbour and Bethann James.

Employee Service Awards Recognition: Mayor Adkins recognized the following city employees eligible for Service Awards:

Mike Bradshaw	Fire Department	10
Marietta Harmon	Sheriff's Department	10
Rodney Smith	Sheriff's Department	10
Jody Duncan	Comm. of the Revenue	15
Wesley Brooks	Fire Department	15
Richard Barrow	Police Department	15
Stephen Draper	Sheriff's Department	20
Pam Norman	Sheriff's Department	20
Doug Wickham	Wastewater Plant	20

Conduct Public Hearing regarding refunding bonds: Three of the City's outstanding bond obligations, with interest rates somewhat higher than current markets, will be refinanced, saving over \$100,000 over the life of the loans. After speaking with the current holder of these particular loans, it was determined that they were willing to reduce the current rates being charged, producing savings to the City without extending the

February 25, 2014

life of the loans. A public hearing is required in regard to the City's issuance of up to \$2,650,000 of Principal Amount of General Obligation Bonds, a Refunding of three outstanding bond obligations. Mayor Adkins opened the public hearing. No comments were made and Mayor Adkins closed the public hearing.

Approval Final Ordinance on second reading regarding refunding bonds: At the February 11, 2014 meeting, Council approved on first reading the Authorizing Ordinance, authorizing the issuance of up to \$2,630,000 principal amount of General Obligation Refunding Bonds. The required public hearing has been conducted with the following Council action taken: A motion was made by Gene Teague, seconded by Mark Stroud, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, to approve the final Authorizing Ordinance on second reading. Following is the signature page of final ordinance approved on second reading and the Circuit Court certification pages:

**CERTIFICATE OF THE CLERK OF THE CIRCUIT COURT
OF THE CITY OF MARTINSVILLE, VIRGINIA**

The undersigned Clerk of the Circuit Court of the City of Martinsville, Virginia (the "City") does hereby certify that:

1. An ordinance entitled "AN ORDINANCE RECITING THE EXPEDIENCY OF THE ISSUANCE OF UP TO \$2,650,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING 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" certified by the Clerk of the City Council of the City (the "Council") as adopted by the Council on February 11, 2014, was filed with the Circuit Court of the City on February 12, 2014 in accordance with Section 15.2-2607 of the Code of Virginia of 1950, as amended (the "Code") and Section 5 of Chapter 11 of the City Charter of the City (the "City Charter").

2. An ordinance entitled "AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$2,630,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF MARTINSVILLE, VIRGINIA, AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF" certified by the Clerk of the Council as adopted by the Board on February 25, 2014 was filed with the Circuit Court of the City on February 26, 2014 in accordance with Section 15.2-2607 of the Code and Section 5 of Chapter 11 of the City Charter.

3. The persons named below who were members of the Council from July 1, 2013 to the date hereof have taken and subscribed to the oath prescribed by Section 49-1 of the Code of Virginia of 1950, as amended, for the terms of office ended as set forth below as follows:

Name	Date Oath Taken	End of Term
Gene Teague	July 1, 2010	December 31, 2014
Kim Adkins	July 1, 2010	December 31, 2014
Sharon Brooks Hodge	January 2, 2013	December 31, 2016
Mark C. Stroud, Sr.	January 2, 2013	December 31, 2016
Danny Turner	January 2, 2013	December 31, 2016

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of this _____ day of February, 2014.


Clerk of the Circuit Court
of the City of Martinsville, Virginia

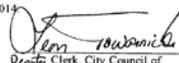
The Members of the Council voted as follows:

Ayes	Nays
Kim Adkins	None
Gene Teague	
Danny Turner	
Mark Stroud	
Sharon Brooks Hodge	
Absent	Abstentions
None	None

Adopted this 25th day of February, 2014.

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 February 25, 2014, 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 25th day of February, 2014


Deputy Clerk, City Council of
City of Martinsville, Virginia

VIRGINIA
In City of Martinsville Circuit Court
Clerk's Office
Received and Filed this the
26th Day of February 2014
at 9:25 AM
Tate:  Clerk

Conduct public hearing regarding Northside Neighborhood Revitalization Project: Wayne Knox briefed Council on the requirement to conduct a public hearing regarding the Northside Neighborhood Revitalization Project and he provided the following statistics on Community Development Block Grants Projects: (1)Village Street-27 new residences constructed (2)Massey/Endless-30 residences rehabbed (3) Moss/Barton -18 residences rehabbed, 10 demolished, 6 newly constructed (4)Southside -12 residences rehabbed; 2 first-time owners (5) Academy Place-17 newly constructed residences; 10 residences rehabbed; 1 first-time homeowner; 4 building lots available. (6) Cherry Street- 7 residences replaced, 4 rehabbed, 2 first-time homeowners; 3 building lots available. Council discussed concerns with the deficit that needs to be reconciled for past redevelopment projects and asked that measures be put in place so a deficit does not occur on future projects. Mayor Adkins opened the public hearing. No comments were made and Mayor Adkins closed the public hearing.

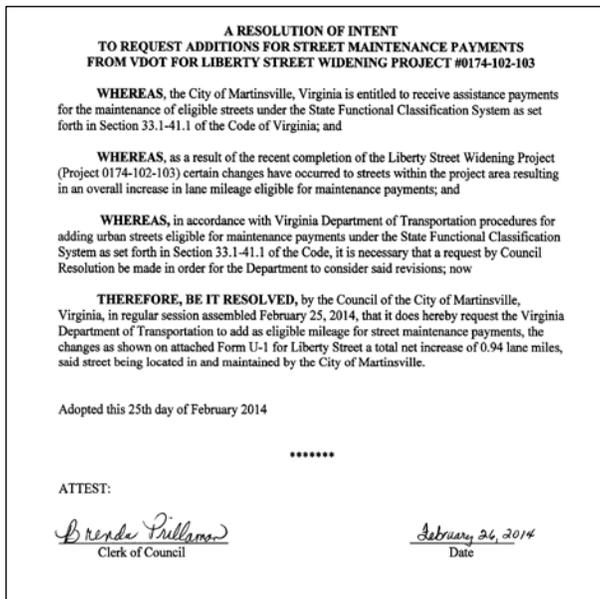
Auditor's report: Robinson, Farmer, Cox Associates representatives, Aaron Hawkins and David Hughes, were present to report on the city's FY13 Audit. The auditors commended the Finance Director

February 25, 2014

Linda Conover and the Finance Department staff for their good job. The audit will be available for public viewing on the city website.

Update from Workforce Development Board: Lisa Fultz reported on statistics involving job placements and ongoing efforts on retention of jobs. She stressed importance for employers to support the WIB in their efforts on Career Readiness Credentials to make the community more marketable.

Adoption of resolution requesting additions to street maintenance payments from VDOT: Chris Morris presented information on the required resolution. The Liberty Street Widening Project constructed two additional lanes resulting in a total net increase of 0.94 lane miles. The City is asking VDOT to add this to our eligible mileage for street maintenance payments paid to the City beginning in FY15. On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council approved the following resolution:



Approval of consent agenda: On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 2/25/2014				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY14				
General Fund:				
01100909	490104	Advance/Recovered Costs		6,948
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	5,055	
01331108	502100	Sheriff/Corrections - Social Security	313	
01331108	502110	Sheriff/Corrections - Medicare	73	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	1011	
01331110	506200	Sheriff/Annex - Prisoner Allowance	496	
		Reimbursement from Henry County for litter pickup - Sept, Oct, Nov, Dec. 2013		
01102926	436402	Categorical Federal - Comm Atty - Confiscated Assets		13532
01221082	506079	Commonwealth's Attorney - Federal Asset Forfeitures	13,532	
		Asset Forfeiture Transfer		
Total General Fund:			20,480	20,480

Business from floor: Ural Harris-217 Stuart St.-comments on taxation/rates and questions on AMP costs. Wayne Knox-reported CEDS economic development projects list draft was received today and is available for review by the public for next 30 days in his office or library and is available on West Piedmont Planning District Commission website.

Council comments: Turner-commended city employees on good job done during recent snow storm; Stroud-also commended employees on snow storm efforts and expressed he is glad to hear Henry Hotel

February 25, 2014

project is moving forward; Adkins-announced she will be seeking the democratic nomination for State Senate and will not be running for City Council.

City Manager comments: Mr. Towarnicki introduced the city Human Resources Director, David Brahmstadt. Mr. Towarnicki also commended the city crews for their good job and team efforts in working 12-hour shifts during recent snow storm. He noted that statistics during recent storm event (1) 557 calls to 911 during 2pm to 9pm storm period (2) 87 motor vehicle wrecks (3) cost to city with regular time, overtime, and materials and equipment approximately \$75,000.

There being no further business, the meeting adjourned at 9:00pm.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor



City Council Agenda Summary

Date: May 13, 2014

Item No: 2.

Department: City Attorney

Issue: Conduct a Public hearing on the FY14-15 Budget

Summary: Attached is the summary of the 2014-15 Budget in ordinance form

Attachments: 2014 Budget Ordinance

Recommended Action: Conduct a public hearing and consider adoption on first reading with a roll call vote.

CITY OF MARTINSVILLE, VIRGINIA
ORDINANCE NO. 2014-U-1
The Budget for Fiscal 2014-2015

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session assembled May 27, 2014, that the following sums of money be and hereby are appropriated—by specified Fund—for the City’s fiscal year ending June 30, 2015, from the following Fund sources of estimated revenue:

SUMMARY STATEMENT OF BUDGET ESTIMATES
2014-2015

Fund	Projected Revenues	Budgeted Expenditures	Changes in Fund Balance
General	\$ 28,586,727	\$ 29,889,342	\$(1,302,615)
Meals Tax	\$ 2,066,792	\$ 2,066,792	-
Capital Reserve	\$ 1,101,757	\$ 1,121,757	\$ (20,000)
Refuse	\$ 2,337,000	\$ 2,337,000	-
MiNet/Fiber	\$ 775,206	\$ 775,206	-
Water	\$ 3,547,500	\$ 3,847,500	\$ (300,000)
Sewer	\$ 4,310,012	\$ 4,310,012	-
Electric	\$ 18,668,308	\$ 19,468,308	\$ (800,000)
Cafeteria*	\$ 1,507,795	\$ 1,707,795	\$ (200,000)
Schools**	\$ 21,857,801	\$ 21,857,801	-
CDBG	\$ 26,966	\$ 200	\$ 26,766
Housing	<u>\$ 1,944,525</u>	<u>\$ 1,944,450</u>	<u>\$ 75</u>
Totals	<u>\$ 86,730,389</u>	<u>\$ 89,326,163</u>	<u>\$ (2,595,774)</u>

*Cafeteria – Estimated; actual unavailable at time of publication.

**Schools – As adopted by School Board.

Tax Rates (unchanged):

Real Estate: \$1.0621 per \$100 assessed value
Personal Property: \$2.30 per \$100 assessed value
Machinery & Tools: \$1.85 per \$100 assessed value

BE IT FURTHER ORDAINED by the Council that this Ordinance shall be effective on and after July 1, 2014.

Attest:

Brenda Prillaman, Clerk of Council

Date Adopted

Date Effective

Meeting Date: May 13, 2014
Item No: 3.
Department: Community Development

Issue: Conduct a duly advertised public hearing on amendments to the Zoning Ordinance, on first reading, related to land use as a temporary flexibility option as the Zoning Ordinance is being updated.

Summary: Community Development has received inquiries from potential business owners regarding newer uses of land than the City's Zoning Ordinance currently allows. One example is potentially operating a hydroponic facility within the City. At present, the City of Martinsville's Zoning Ordinance is a permissive ordinance, meaning if a specific land use is not explicitly listed as permitted by right or by special use permit in the individual district, then it is not allowed. The Zoning Ordinance is currently being reviewed in its entirety as part of the update budgeted for FY '14 and FY '15. A major goal of the update is to be more flexible with new businesses and new land uses. Staff submits the proposed amendment as a reasonable way to accommodate new hybrid light/industrial commercial development in the interim prior to the adoption of the new ordinance.

Planning Commission held a duly advertised public hearing on March 4, 2014. No one spoke for or against the amendment during the public hearing. Planning Commission voted unanimously (7-0) to send this amendment to City Council for their consideration.

Attachments: Planning Commission Letter
Proposed Amendment to the Zoning Ordinance

Recommendations: Conduct the public hearing and consider a motion to approve the proposed amendment to the Zoning Ordinance on first reading with a roll call vote.



March 11, 2014

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

RE: Amendment to the Zoning Ordinance

Dear Mayor and City Council Members:

The Planning Commission, at its meeting on March 4, 2014, conducted a duly advertised Public Hearing on a request by the City of Martinsville, for a proposed amendment to the Martinsville Zoning Ordinance related to land use.

At the public hearing, it was noted that the amendment would make land use more flexible to new forms of business in the Commercial and Business districts. This amendment will work in the interim prior to the adoption of the new Zoning Ordinance.

There was no opposition to the amendment and no one from the public was present at the hearing. The Planning Commission voted (7-0) to recommend the proposed amendment to City Council. The Planning Commission respectfully submits the recommendation for further consideration.

Yours Truly,

James A. Crigger, Sr., Secretary

Wayne D. P. Knox

Director of Community Development

WDPK

Cc: Timothy D. Martin, Chairperson
James A. Crigger, Sr., Secretary

PROPOSED AMENDMENTS – ZONING ORDINANCE

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

SECTION XII: COMMERCIAL DISTRICTS

B. Uses permitted by right in the C-1 District.

- 54. Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).**

C. Uses permitted by special use permit in the C-1 District.

- 8. Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance).**

F. Uses permitted by right in the C-1A District.

- 67. Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).**

G. Uses permitted by special use permit in the C-1A District.

- 8. Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing,**

assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance).

J. Uses permitted by right in the C-2 District.

72. *Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).*

K. Uses permitted by special use permit in the C-2 District.

8. *Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance).*

N. Uses permitted by right in the C-3 District.

83. *Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).*

O. Uses permitted by special use permit in the C-3 District.

8. *Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair,*

distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance)

SECTION XIII: BUSINESS AND MANUFACTURING DISTRICTS

B. Uses permitted by right in the B-1 District.

- 12.** *Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).*

C. Uses permitted by special use permit in the B-1 District.

- 4.** *Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance)*

Adopted _____

Attest:

Clerk of Council

Meeting Date: May 13, 2014

Item No: 4.

Department: Electric

Issue: Consider a review and recommendation for options related to the City's repayment of stranded costs for the AMPGS (American Municipal Power Generating Stations) project.

Summary:

American Municipal Power Inc. recently released revised projected AMPGS stranded cost estimates for the City of Martinsville along with repayment options for consideration by City Council.

As of March 31, 2014, the City's total stranded costs are \$903,391 inclusive of litigation and interest charges up to this date. AMP is holding the AMPGS site (land, site developments and power plant siting permits) as a potential site for future development and offering a credit of \$364,467 leaving a balance due of \$538,924.

The plant held for future use liability of \$364,467 is still a potential liability for the City if AMP is unable to develop the site or sell the site for future development.

Staff will provide an overview of options available for repayment of AMPGS stranded cost during the meeting.

Attachments: AMP's letter outlining AMPGS stranded Cost payment options

Recommendations: Staff will provide recommendations at the meeting.



To: Dennis Bowles, Director of Utilities
From: Marc S. Gerken, P.E., President/CEO
Subject: AMPGS Stranded Cost Payment Options
Date: April 16, 2014

The purpose of this memo is to inform you, as a participant in the AMPGS project, the City of Martinsville's net AMPGS liability for stranded costs currently held on AMP's revolving line of credit facility (LOC) at March 31, 2014, including any payments made by the City, is \$538,924.00 (please see **Attachment A**). Stranded costs are subject to change, including future borrowings costs on the LOC. That amount does not include allocation of the \$34,881,074 Plant Held for Future Use potential liability.

Subject to the continued renewal of the LOC, AMP is prepared to assist the City with a payment plan of your choosing for a payback period of up to 15 years. The City may choose to include these payments as part of their monthly power invoice from AMP or pay their respective AMPGS liability in one or several lump sum payments. AMP prefers that these amounts would be invoiced to your municipality through the AMP monthly power supply invoices in order for these costs be recovered through your power cost adjustment. Please utilize **Attachment B** to this memo to make your selection, being sure an authorized signatory executes the document and returning **Attachment B** to the attention of Marty Engelman (mengelman@amppartners.org, 614-540-0851) at AMP headquarters, 1111 Schrock Rd, Columbus, OH 43229 by June 1, 2014.

AMP would like to emphasize the expectation that whatever payment option is chosen, the payment option should not cause the Electric Fund to exhibit an annual operating loss at any time during the payment period or cause the municipality to fail any covenants for its own debt service, AMP Joint Venture (JV) debt service if a participant in a JV, or reflect unfavorably on the municipal's AMP project participation.

As you have questions in deciding your payment options or would like assistance in determining the potential effects on your Electric Fund of a particular payment option under consideration, please contact Chris Deeter (cdeeter@amppartners.org, 614-540-0848) at AMP.

	Original Ordinance kW	AFEC Allocation kW	AMPGS Stranded Costs	AMPGS AFEC Credit	AMPGS Plt held future use Credit	Less Municipal Payments	Net AMPGS Stranded Liability
Martinsville	8,059	4,579	1,395,460	(492,069)	(364,467)	-	538,924
Plus:							
Potential Plant Held for Future Use Liability							<u>364,467</u>
					Total		<u><u>903,391</u></u>

\$ _____ per Month or Annual _____ in Year _____
\$ _____ per Month or Annual _____ in Year _____
\$ _____ per Month or Annual _____ in Year _____
\$ _____ per Month or Annual _____ in Year _____

If there is a desire to pay on your municipality's Plant Held for Future Use potential liability, please contact Chris Deeter (cdeeter@amppartners.org, 614-540-0848) at AMP for assistance and payment arrangements.

If you want to make any other payment arrangements, also please contact Chris Deeter (cdeeter@amppartners.org, 614-540-0848) at AMP for assistance with alternate payment arrangements.

Community

Authorized Representative Name (Printed)

Authorized Representative Signature

Date

Meeting Date: May 13, 2014

Item No: 5.

Department: City Manager

Issue: Consider setting a public hearing for May 27, 2014 for the purpose of receiving/interviewing citizens interested in appointments for two 3-year positions beginning July 1, 2014 and ending June 30, 2017 to the City's School Board.

Summary: None

Attachments: Martinsville School Board current listing 2014

Recommendations: Set the public hearing for May 27, 2014 and interview applicants in closed session following the conclusion of the May 27, 2014 Council meeting.

According to State Law, only those citizens interviewed by Council or whose names were brought up during the Public Hearing can be considered for appointment, and appointments cannot be made until seven days after the Public Hearing, thus this item will be on Council's June 10, 2014 agenda.

SCHOOL BOARD

SCHOOL BOARD – The School Board is declared a body corporate. In its corporate capacity, it is vested with all the powers and charged with all the duties, obligations, and responsibilities upon school boards by law. It may sue, be sued, contract, be contracted with, and in accordance with the provisions of this title, purchase, take, hold, lease, and convey school property both real and personal. The School Board has the following powers and duties: 1 – to make rules for the governance of the schools within its jurisdiction; 2 – to determine the curriculum, methods of teaching, methods of administration and governance, and the length of the school term; 3 – to employ and dismiss teachers upon the recommendation of the superintendent; 4 – to suspend or expel pupils when necessary; 5 – to establish such schools as are necessary in the judgment of the Board to so constitute a complete and efficient system; 6 – to control and manage funds made available to the Board for the purpose of conducting free public schools; 7 – examine all claims for payment and authorize payment; and 8 – to submit annually to City Council a budget request.

The Board consists of five members serving **three-year** terms appointed by City Council. **School Board members can serve a maximum of three 3-year consecutive terms.**

Meetings are held on the second Monday of each month.

Contact: Ms. Pam Heath, Superintendent, 403-5700 P. O. Box 5548, Martinsville, VA 24115.

NAME ADDRESS	INITIAL APPOINTMENT	TERM EXPIRES	FULL TERM
Rives Coleman, 603 Mulberry Rd.	6/25/13	06/30/16	1
Craig B. Dietrich, 1227 Lanier Rd.	06/14/11	06/30/14	1
J. C. Richardson, Jr., 115 Melody Court	06/14/11	06/30/14	1
Carolyn McCraw, 1724 Meadowview Lane (638-2160 H)	06/09/09	06/30/15	2
Robert Williams, 1017 Country Club Drive	06/21/06	06/30/15	3



City Council Agenda Summary

Meeting Date: May 13, 2014
Item No: 6.
Department: Finance
Issue: Consider approval of consent agenda.

Summary:

The attachments amend the FY14 Budget with appropriations in the following funds:

FY14:

General Fund: \$45,951 – Recovered Costs/Reimbursements

CDBG Fund: \$30,000 – State Funding

School Fund: \$25,150 – Federal Funding

Attachments: Spreadsheet

Recommendations: Motion to approve consent agenda.

BUDGET ADDITIONS FOR 5/13/2014

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY14				
General Fund:				
01100909	490104	Advance/Recovered Costs		1,483
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	1,080	
01331108	502100	Sheriff/Corrections - Social Security	67	
01331108	502110	Sheriff/Corrections - Medicare	16	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	216	
01331110	506200	Sheriff/Annex - Prisoner Allowance	104	
		Reimbursement from Henry County for litter pickup for March 2014		
01100909	490137	Recovered Costs - Public Safety		44,468
01311085	501200	Police Dept - Overtime	24,661	
01311085	502100	Police Dept - Social Security	1,529	
01311085	502110	Police Dept - Medicare	358	
01217078	501200	Sheriff - Courts - Overtime	2,996	
01217078	502100	Sheriff - Courts - Social Security	186	
01217078	502110	Sheriff - Courts - Medicare	43	
01331108	501200	Sheriff - Corrections - Overtime	13,651	
01331108	502100	Sheriff - Corrections - Social Security	846	
01331108	502110	Sheriff - Corrections - Medicare	198	
		Reimbursements for use of officers/deputies		
Total General Fund:			45,951	45,951
CDBG Fund:				
47101917	447062	Categorical Other - State - Northside Neighborhood Improv.		30,000
47835525	503130	Northside Neighborhood Improvement - PS Consultant	30,000	
		Establish the Northside Neighborhood Planning Grant Program		
Total CDBG Fund:			30,000	30,000
School Fund:				
18102926	418297	Categorical Federal - NASA Program		25,150
61101100	561620	MSS - SEMAA - Supplemental S&W	4,000	
61101100	562100	MSS - SEMAA - Social Security	248	
61101100	562150	MSS - SEMAA - Medicare	58	
61101100	565504	MSS - SEMAA - Student Competitions	700	
61101100	565800	MSS - SEMAA - Miscellaneous Expense	5,200	
61101100	566000	MSS - SEMAA - Materials & Supplies	420	
66501100	561120	MSS - Summer SEMAA - Instructional S&W	3,000	
66501100	561151	MSS - Summer SEMAA - Instructional Aide S&W	5,000	
66501100	562100	MSS - Summer SEMAA - Social Security	496	
66501100	562150	MSS - Summer SEMAA - Medicare	115	
66501100	566013	MSS - Summer SEMAA - Instructional Materials	5,913	
Total CDBG Fund:			25,150	25,150