

June 13, 2017

The regular meeting of the Council of the City of Martinsville, Virginia was held on June 13, 2017 in Council Chambers, Municipal Building, at 7:30 PM with Mayor Gene Teague presiding. Council Members present included Gene Teague, Sharon Hodge, Chad Martin, Jennifer Bowles, and Kathy Lawson. Staff present included City Manager Leon Towarnicki, Assistant City Manager Wayne Knox, City Attorney Eric Monday, Commissioner of Revenue Ruth Easley, Finance Director Linda Conover, Police Chief Sean Dunn, and Assistant Police Chief Eddie Cassidy.

Mayor Teague called the meeting to order and advised Council would go into Closed Session beginning at 7:00 PM. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Council Member Hodge, seconded by Council Member Lawson, with the following 5-0 recorded vote: Mayor Teague, aye; Council Member Bowles, aye; Vice Mayor Martin, aye; Council Member Lawson, aye; and Council Member Hodge, aye. Council convened in Closed Session to discuss the following matters: (A) Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7. At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during the Session. A motion was made by Council Member Lawson, seconded by Council Member Hodge, with the following 5-0 recorded vote in favor to return to Open Session: Vice Mayor Martin, aye; Council Member Lawson, aye; Council Member Hodge, aye; Mayor Teague, aye; and Council Member Bowles, aye.

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

Consider approval of minutes of the May 23, 2017 Council Meeting – Council Member Bowles made a motion to approve the minutes as presented; Council Member Lawson seconded the motion with all Council Members voting in favor.

Hear an update from United Way Executive Director Kim Adkins – Mayor Teague indicated that this item would be delayed until the June 27, 2017 Council meeting.

Conduct a public hearing for consideration of citizens interested in appointments for two 3-year term positions beginning July 1, 2017 and ending June 30, 2020 to the Martinsville City School Board – Mayor Teague opened the public hearing. City Manager Towarnicki announced Donna Dillard who submitted an online application was interested in the vacancy. City Attorney Monday announced James Hyler and Victor Correa would also like to be considered. Tonya Jones and Phillip Harris expressed their interest in being considered for the vacancy. Council Member Hodge announced Barry Broadnax. No other names were

June 13, 2017

mentioned so Mayor Teague closed the hearing. Towarnicki indicated that interviews would be scheduled for June 27, 2017 before and after the scheduled Council Meeting. Candidates would be contacted to schedule their interview time next week.

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 judgement of the Board to 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.

TERMS: 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: Mr. Zeb Talley, Interim Superintendent, 403-5820, 746 Indian Trail, Martinsville, VA 24112

Name & Address	Initial Appointment	Term Expires	Full Term
Eric Hruza, 707 Mulberry Rd	6/30/16	6/30/19	1
Donna Dillard, 912 Forest Lake Dr.	8/24/16	6/30/17	0
Victor Correa, 1242 Sam Lions Tr.	6/10/14	6/30/17	1
Lawrence Mitchell, 700 Second St.	6/16/15	6/30/18	1
Joan Montgomery, 807 Corn Tassel Tr.	6/16/15	6/30/18	1

Conduct a public hearing concerning the intention of City Council to propose for passage an Ordinance authorizing the issuance of not to exceed \$11,740,000 principal amount of water and sewer revenue bonds of the City of Martinsville, Virginia related to the City’s sewer interceptor project – Mayor Teague rearranged the agenda moving items 5 and 6 up. After comments by City Manager Towarnicki regarding the sewer interceptor project and financing, Teague opened the hearing on sewer bond issues. No one approached the podium. The hearing was closed and no Council action was necessary.

Consider approval on second reading of an ordinance authorizing the issuance of up to \$11,740,000 principal amount of water and sewer revenue bonds of the City of Martinsville, Virginia and providing for the form, details, and payment thereof, related to the City’s sewer interceptor project – Council Member Bowles made a motion to approve the ordinance on second reading; Council Member Hodge seconded the motion with a 5-0 roll call vote: Council Member Hodge, aye; Council Member Lawson, aye; Mayor Teague, aye; Vice Mayor Martin, aye; and Council Member Bowles aye.

CITY OF MARTINSVILLE, VIRGINIA

AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$11,740,000 PRINCIPAL AMOUNT OF WATER AND SEWER REVENUE BONDS OF THE CITY OF MARTINSVILLE, VIRGINIA AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

Adopted on June 13, 2017 (second reading)

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

Section 1 Definitions

Unless the context shall clearly indicate some other meaning, the following words and terms shall for all purposes of the Ordinance and of any certificate, resolution or other instrument amendatory thereof or supplemental thereto for all purposes of any opinion or instrument or other documents therein or herein mentioned, have the following meanings:

"Act" shall mean the Public Finance Act, Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended.

"Bond" or "Bonds" shall mean the City's Water and Sewer Revenue Bond, Series 2017, in the aggregate principal amount of up to \$11,740,000, authorized to be issued hereunder.

"Bond Counsel" shall mean Sands Anderson PC or another attorney or firm of attorneys nationally recognized on the subject of municipal bonds selected by the City.

"City" shall mean the City of Martinsville, Virginia.

"City Charter" shall mean the City Charter of the City of Martinsville, Virginia, as amended.

"Clerk" shall mean the Clerk of the Council or the Deputy Clerk of the Council.

"Commonwealth" shall mean the Commonwealth of Virginia.

"Council" shall mean the City Council of the City of Martinsville.

"Financing Agreement" shall mean the Financing Agreement between VRA and the City related to issuance of the Bond for the financing of the Project.

"Fund" shall mean the Virginia Water Facilities Revolving Fund.

"Mayor" shall mean the Mayor or Vice Mayor of the City.

"Paying Agent" shall mean the City Treasurer acting as Paying Agent for the Bond hereunder or the successors or assigns serving as such hereunder.

"Project" shall mean specifically the acquisition, construction, renovation and equipping of sewer system repairs, replacements, and capital improvements, all for the City's municipal purposes.

"Registrar" shall mean the Paying Agent, or the successors or assigns serving as such hereunder.

"System" shall mean the City's water and sewer system.

"VRA" shall mean the Virginia Resources Authority, as administrator of the Fund.

Section 2 Findings and Determinations

The Council hereby finds and determines that (i) the City is authorized to acquire, construct, operate and maintain water and sewer systems in the City (together, the "System"), which System is a revenue producing undertaking of the City (ii) the City is in need of funds to be used for the purposes of financing capital improvements, specifically the acquisition, construction, renovation and equipping of the Project, including payment of costs of issuance of the Bond; (iii) 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 activities of the City and the City's municipal purposes; (iv) the most effective, efficient and expedient manner in which to provide such funds to the City is through the issuance of a water and sewer revenue bond, Series 2017, in an aggregate original principal amount not to exceed \$11,740,000 to be issued by the City as further described herein to be sold to VRA as administrator of the Fund, which has offered to purchase the same on certain terms and conditions pursuant to a commitment letter dated as of February 18, 2016 as revised by an extension commitment letter dated as of March 3, 2017 and the Financing Agreement (as defined herein); (v) the issuance of the Bond is within the power of the City to contract debts, borrow money and make and issue evidence of indebtedness; (vi) the Project constitutes a water or waste system within the meaning of Title 15.2, Chapter 51, Section 15.2-5101, of the Code of Virginia, 1950, as amended (the "Virginia Code") and a wastewater treatment (including sewage and wastewater collection) facility within the meaning of the term "Project" as defined in Section 62.1-224 of the Virginia Code, (vii) the Council desires to issue the Bonds under the provisions of the Act and the City Charter, and a duly advertised and conducted public hearing has been held with respect to the Bonds on June 13, 2017 and, (viii) the issuance of the Bond is in the best interests of the City and its citizens. The maximum length of time that the Bond will be outstanding is thirty years from the date of issuance of the Bond. The Council further hereby finds and determines that the probable useful life of the Project financed by the Bond is thirty years and that the Bond is payable and shall mature within the probable useful life of the Project.

Section 3 Authorization, Form and Details of the Bond

The Project, which shall constitute a part of the System, is hereby approved and the City is authorized to issue not more than \$11,740,000 principal amount of water and sewer revenue bonds, Series 2017 (the "Bonds") pursuant to the City Charter and under the Act. The Bonds

shall mature no later than thirty (30) years from the date of their issuance and the Bonds shall not bear interest. The Bonds shall be issued in fully registered form, shall mature or be subject to mandatory sinking fund redemption on such dates and in such amounts as the City Manager or Assistant City Manager may approve and shall be subject to such optional and other redemption provisions as the City Manager or Assistant City Manager may approve. The proceeds from the sale of the Bonds shall be used to finance the Project.

The Bonds shall be issued to VRA, as administrator of the Fund, pursuant to the terms, conditions and provisions of this Ordinance and the Financing Agreement and upon such other terms as may be determined in the manner set forth in this Ordinance. The issuance and sale of the Bonds in one or more series from time to time in accordance with this Ordinance is authorized. The Bonds shall be in substantially the form herein, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance and by the VRA.

The Bonds shall be executed, for and on behalf of the City, by the Mayor or the Vice-Mayor of the City, either of whom may act, and shall have the corporate seal of the City impressed thereon, attested by the Clerk or Deputy Clerk of the City. The manner of execution and affixation of the seal may be by facsimile, provided, however that if the signatures of the Mayor or Vice Mayor are by facsimile, the Bonds shall not be valid until signed by the manual signature of the Clerk or Deputy Clerk. The Bonds shall be in substantially the form herein, with such variations, insertions or deletions as may be approved by the officer executing the Bonds on the City's behalf. The City Treasurer is hereby appointed as the Registrar for the Bonds.

"FORM OF BOND"

ISSUE DATE: _____, 2017

UNITED STATES OF AMERICA COMMONWEALTH OF VIRGINIA

§ Water and Sewer Revenue Bond, Series 2017

THE CITY OF MARTINSVILLE (the "Borrower"), a public body politic and corporate of the Commonwealth of Virginia, acknowledges itself indebted, and for value received, hereby promises to pay, solely from the revenues and other property hereinafter described and pledged to the payment of this Bond, to the order of Virginia Resources Authority (VRA), as Administrator of the Virginia Water Facilities Revolving Fund (the "Fund"), Richmond, Virginia, or registered assigns or legal representatives, the sum equal to the amount of principal advances made hereunder but not to exceed _____ and 00/100 Dollars (\$ _____00), with interest on the disbursed and unpaid principal balance from the date

of each disbursement until payment of the entire principal sum. This Bond shall not bear interest.

Commencing on _____, 20____, and continuing semi-annually thereafter on _____ 1 and _____ 1 in each year, principal due under this Bond shall be due and payable in equal installments, with a final installment due and payable on _____, 20____; when, if not sooner paid, all amounts due hereunder shall be due and payable in full provided however, that if principal advances up to the maximum authorized amount are not made, the principal amount due on this Bond shall not include such undisbursed amount. However, unless the Borrower and VRA agree otherwise in writing, until all amounts due hereunder shall have been paid in full, less than the full disbursement of the maximum authorized amount hereunder shall not postpone the due date of any semi-annual installment due hereon, or change the amount of such installment.

In addition, if any installment of principal is not received by the holder of this Bond within ten (10) days from its due date, the Borrower shall pay into the Fund, a late payment charge in an amount equal to five percent (5.0%) of such overdue installment. Principal is payable in lawful money of the United States.

No notation is required to be made on this Bond of the payment of any principal on normal installment dates. HENCE, THE FACE AMOUNT OF THIS BOND MAY EXCEED THE PRINCIPAL SUM REMAINING OUTSTANDING.

THIS BOND IS A LIMITED OBLIGATION OF THE BORROWER AND IS PAYABLE SOLELY FROM CERTAIN REVENUES TO BE DERIVED FROM THE OWNERSHIP OR OPERATION OF THE BORROWER'S WATER AND WASTEWATER SYSTEM AS THE SAME MAY FROM TIME TO TIME EXIST, WHICH REVENUES HAVE BEEN PLEDGED PURSUANT TO THE FINANCING AGREEMENT (HEREINAFTER DEFINED) TO SECURE THE PAYMENT THEREOF. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE BORROWER, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF THIS BOND OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE BORROWER IS PLEDGED TO THE PAYMENT OF PRINCIPAL OF THIS BOND OR OTHER COSTS INCIDENT THERETO.

This Bond is issued pursuant to the terms of the Financing Agreement between the Borrower and VRA dated as of June 1, 2017 (the "Financing Agreement") to evidence a loan by VRA to the Borrower to finance the Project Costs (as defined in the Financing Agreement). The obligations of the Borrower under this Bond and the Financing Agreement shall terminate when all amounts due and to become due pursuant to this Bond and Financing Agreement have

been paid in full. Reference is hereby made to the Financing Agreement and any amendments thereto for the definitions and provisions, among others, describing the pledge and covenants securing this Bond, the nature and extent of the security, the terms and conditions upon which this Bond is issued, and the rights and obligations of the Borrower and the holders of this Bond.

The pledge of Revenues, as defined in the Financing Agreement, toward payment of the Bond in accordance with the terms of the Financing Agreement shall be on parity with the pledge of Revenues securing the Existing Parity Bonds, if any, as defined in the Financing Agreement and set forth on Exhibit F thereto. The Borrower may incur additional indebtedness secured by a pledge of the Revenues pursuant to the terms of the Financing Agreement.

Transfer of this Bond may be registered upon the registration books of the Bond Registrar. Prior to due presentation for registration of transfer, the Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and the exercise of all other rights and powers of the owner.

This Bond is subject to optional prepayment to the extent and on the terms set forth in the Financing Agreement.

If an Event of Default (as defined in the Financing Agreement) occurs, the principal of this Bond may be declared immediately due and payable by the holder by written notice to the Borrower.

Notwithstanding anything in this Bond to the contrary, in addition to the payments of the principal provided by this Bond, the Borrower shall also pay such additional amounts, if any, which may be necessary to provide for payment in full of all amounts due under the Financing Agreement.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed.

IN WITNESS WHEREOF, the Borrower has caused this Bond to be signed by its Mayor or Vice-Mayor, to be attested by the Clerk of the City Council, its seal to be affixed hereto and to be dated as of _____, 2017.

CITY OF MARTINSVILLE, VIRGINIA

SEAL

By: _____
Name: _____
Title: Mayor

ATTEST:

Clerk of the City Council

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ whose address for registration purposes is _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ Tax I.D.No. _____
Transferee: _____

Signature Guaranteed

(NOTE: the signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.)

SCHEDULE OF PRINCIPAL ADVANCES

The amount and date of principal advances not to exceed the face amount hereof shall be entered hereon by an authorized representative of the Virginia Resources Authority, as Administrator of the Fund, when the proceeds of each such advance are delivered to the Borrower.

Amount	Date	Authorized Signatures

If any Bond has been mutilated, lost, stolen, or destroyed, the City shall execute and deliver a new Bond of like date and tenor in exchange and substitution for, and upon delivery to the Registrar and cancellation of, such mutilated Bond, or in lieu of and in substitution for such lost, stolen, or destroyed Bond; provided, however, that the City shall execute, authenticate, and deliver a new Bond only if its registered owner has paid the reasonable expenses and charges of the City in connection therewith and, in the case of a lost, stolen, or destroyed Bond (i) has filed with the Registrar evidence satisfactory to him or her that such Bond was lost, stolen, or destroyed and that the holder of the Bond was its registered owner and (ii) has furnished to the City indemnity satisfactory to the Registrar. If the Bond has matured, instead of issuing a new Bond, the City may pay the Bond without surrender upon receipt of the aforesaid evidence and indemnity.

Section 4 Pledge of Water and Sewer Revenues

The Bond shall be a limited obligation of the City and, except to the extent payable from the proceeds of the sale of the Bond or the income, if any, derived from the investment thereof, is payable exclusively from the Revenues (as defined in the Financing Agreement) of the City's System which the City hereby pledges to the payment of the Bond pursuant to the terms of the Financing Agreement. The pledge of the Revenues securing the Bond shall be on parity with any Parity Bonds (as defined in the Financing Agreement) secured by such Revenues.

Section 5 Application of Proceeds; Sale of Bond

Proceeds derived from the sale of the Bond together with other monies available therefor shall be used to pay the costs of issuance and for the purposes specified in Section 2 of this Ordinance and otherwise used in accordance with the provisions of this Ordinance or an opinion of Bond Counsel.

Section 6 Further Actions Authorized; Approval of Documents

The Financing Agreement will be in substantially the form presented to and filed with the minutes of the meeting of this City Council at which this Ordinance is being adopted. The form of the Financing Agreement and the terms, conditions and provisions thereof are hereby approved by this City Council, and the Mayor, or City Manager, any of whom may act, are hereby authorized and directed to execute and deliver to the VRA the Financing Agreement in substantially such form, with such changes and amendments as the officer executing the same shall approve or as shall be necessary to satisfy VRA requirements, such approval to be conclusively evidenced by his execution and delivery thereof.

The Mayor, City Manager, City Finance Director, City Treasurer, City Clerk, bond counsel for the City and all other appropriate officers and employees of the City shall take all actions and execute all certificates and documents as shall be necessary to carry out the provisions of this Ordinance.

All other actions of City officials in conformity with the purposes and intent of this Ordinance and in furtherance of the issuance and sale of the Bonds as authorized herein are ratified, approved and confirmed. City officials are authorized and directed to execute and deliver all certificates and other instruments considered necessary or desirable in connection with the issuance, sale and delivery of the Bonds pursuant to this Ordinance and the Financing Agreement and to do all acts and things necessary or convenient to carry out the terms and provisions of such documents.

All ordinances, resolutions and proceedings in conflict herewith are, to the extent of such conflict, repealed. This Ordinance shall constitute the "Local Resolution" as such term is defined in Section 1.1 of the Financing Agreement.

Section 7 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 8 Headings of Sections, Table of Contents

The headings of the sections of this Ordinance and the Table of Contents appended hereto or to copies hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of such sections of this Ordinance.

Section 9 Effectiveness and Filing of Ordinance

This Ordinance was presented to the Council and a public hearing concerning this Ordinance was held in accordance with applicable law by the Council at its meeting on June 13, 2017. The Council hereby declares that this Ordinance shall become effective upon its passage as provided for in the Act and pursuant to Section 3 of Chapter 3 of the City Charter. A certified copy of this Ordinance shall be filed by the Clerk with the Clerk of the Circuit Court of the City of Martinsville, Virginia. The filing of this Ordinance with the Clerk of the Circuit Court of the City of Martinsville, Virginia shall be deemed to be the filing of an initial resolution or ordinance with such Court for all purposes of the Act.

The Members of the Council voted as follows:

Ayes Nays

Absent Abstentions

Adopted this 13th day of June, 2017.

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 June 13, 2017, 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 _____, 2017.

Clerk, City Council of
City of Martinsville, Virginia

TABLE OF CONTENTS

	<u>Page</u>
Section 1 <u>Definitions</u>	1
Section 2 <u>Findings and Determinations</u>	2
Section 3 <u>Authorization, Form and Details of the Bond</u>	2
Section 4 <u>Pledge of Water and Sewer Revenues</u>	7
Section 5 <u>Application of Proceeds; Sale of Bond</u>	8
Section 6 <u>Further Actions Authorized; Approval of Documents</u>	8
Section 7 <u>Invalidity of Sections</u>	8
Section 8 <u>Headings of Sections, Table of Contents</u>	9
Section 9 <u>Effectiveness and Filing of Ordinance</u>	9

Conduct a public hearing jointly with the Martinsville Planning Commission on the Zoning Ordinance update and consider approval of the ordinance on first reading – Planning Commission Chairman Tim Martin opened the Planning Commission meeting. Commission attendees included: Tim Martin, Joseph Martin, Ural Harris, Jim Barnett and Sarah Krauss.

June 13, 2017

Wayne Knox provided a summary of the Zoning Ordinance changes for Council using the same PowerPoint Frank Cox presented at the May 9, 2017 joint Council Meeting. After the presentation, Council members asked questions to clarify certain points and after discussion, Mayor Teague opened the public hearing by asking how many desired to speak.

Commissioner of Revenue Ruth Easley addressed the impact on property assessments by noting most of the zoning ordinance changes are lateral changes with no need to reassess at this time. The next scheduled reassessment is in 2019 and she noted by then, there may be an impact particularly in the commercial district. Glen Powell of Forest Street asked when the last time the flood plain ordinance was updated, stating that he likes the R16, R9, and R6 current designations since the designations clearly note the required lot sizes. He thinks multi-family should be allowed in all districts and said he cannot find a definition of "cluster homes" in the ordinance. It was later noted by the Planning Commission staff that multi-family is allowed in all districts contingent on obtaining a special use permit, which requires both Planning Commission and Council action. Don Grayson of Mulberry Road asked if multi-family residences are allowed on the vacant parcel below his house and it was confirmed that yes, it was allowed subject to the special use permit. Grayson said he did not favor multi-family in that area due to possible devaluation of residential single-family properties. Council Member Hodge noted that same argument could be applied anywhere in the City and that the ordinance need to ensure such issues are handled fairly and consistently in all areas. It was noted again that multi-family is allowed in all residential areas subject to a special use permit. Glen Powell cited the Breezes Apartments on Mulberry Road as an example of multi-family that does not seem to negatively affect the value of surrounding properties. Planning Commission Secretary Krauss cited several areas needing grammar changes and the day care provision in the Zoning Ordinance should match the state regulations. Mayor Teague asked why these issues were brought to Council at the public hearing rather than addressed through the Planning Commission before the ordinance was brought to Council. Hearing no further public comments, Teague declared the hearing closed. After further discussion, Chairman Martin heard a motion from Joseph Martin to recommend to Council adoption of the ordinance on first reading as amended; the motion was seconded by Ural Harris. City Attorney Monday noted that the ordinance would have to be approved on first reading as presented, not as amended since an amended ordinance has not yet been provided to Council. Any changes to the ordinance could then be provided to Council at the next meeting when final approval on second reading occurs. After further discussion and research by Monday, it was recommended that, given amendments would be discussed at the Planning Commission's June 22nd meeting with further recommendations coming to Council, rather than the public hearing being officially closed, it be continued to the next meeting when Council can have the full text of any amendments. City Attorney Monday said if Council is fine waiting on first reading adoption, he recommends the public hearing be continued to the next meeting since amendments are expected. Mayor

June 13, 2017

Teague reopened the public hearing for the purpose of the adoption of the zoning ordinance. Council Member Lawson made a motion to continue the public hearing to June 27, 2017; Council Member Hodge seconded the motion with all Council Members voting in favor. Teague asked that anyone who had questions or concerns to contact Tim Martin or Wayne Knox. Teague asked Knox to provide a list of concerns that have been addressed be made available at the next Council meeting.

Consider approval of consent agenda – Council Member Bowles made a motion to approve the consent agenda as presented; Council Member Hodge seconded the motion with all Council Members voting in favor.

BUDGET ADDITIONS FOR 06/13/17				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY17				
General Fund:				
01100909	490104	Advance/Recovered Costs		1,921
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	1,420	
01331108	502100	Sheriff/Corrections - Social Security	88	
01331108	502110	Sheriff/Corrections - Medicare	21	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	284	
01331110	506200	Sheriff/Annex - Prisoner Allowance	108	
		Reimbursement from Henry County for litter pickup - April		
01100909	490137	Recovered Costs/Public Safety		2,765
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	2,569	
01331108	502100	Sheriff/Corrections - Social Security	159	
01331108	502110	Sheriff/Corrections - Medicare	37	
		Reimbursement for security services		
01100909	490801	Recovered Costs - Senior Services		1,770
01714212	501300	Senior Citizens - Part-time Wages	1,140	
01714212	502100	Senior Citizens - Social Security	71	
01714212	502110	Senior Citizens - Medicare	16	
01714212	506049	Senior Citizens - Vehicle Fuels	543	
		Transportation Grant - 3rd Qtr		
01100908	480420	Miscellaneous - Donations/Sr Citizens		1,750
01714212	506016	Sr Services - Program Supplies	1,750	
		Sr Health Fair & Craft Show		
Total General Fund:			8,206	8,206
Refuse Fund:				
09100905	450209	Sale of Salvage/Surplus		5,000
09425302	508201	Landfill - Machinery/Equipment	5,000	
		Purchase of mower for Landfill		
Total Refuse Fund:			5,000	5,000
Capital Reserve Fund:				
16100905	416209	Sale of Surplus Equipment		8,093
16572362	508113	Tools/Equipment - Street Cleaning	8,093	
		Purchase of salt spreader		
Total Capital Reserve Fund:			8,093	8,093

Business from the Floor – India Martin, 845 Dogwood Drive, a recent Radford University graduate and Sophia Esdaile introduced themselves to Council noting that they are both interning with Council Member Bowles for the summer.

Ural Harris, 217 Stewart Street noted from the newspaper article that \$100 million is going to the Berryhill Industrial Park in Danville and wanted to know why Danville gets economic development and Martinsville gets left out. Harris noted that residents are waiting on information from Council regarding the sewer negotiations, stating that it was a shame that the City let the water/sewer agreement “get away from us” and it has put the City in a bad position.

June 13, 2017

Mayor Teague asked Police Chief Sean Dunn to come to the podium. Mayor Teague expressed his regret that Dunn would be leaving the Martinsville City Police Department. Council Member Hodge echoed Teague's words; she thanked Dunn for his management of the police department and appreciated that he was familiar and worked with the Strategic Plan. Council Member Lawson said Dunn brought an entirely different style of leadership to the Police Department and she thanked him for his relationship with the community. Vice Mayor Martin said Dunn has always shared the spotlight and brought others to the forefront. Martin said he would see him in Williamsburg later in the month. Council Member Bowles shared other Council Member sentiments, stating the community policing efforts make her proud and residents feel safe. City Manager Towarnicki said Chief Dunn brought many successful ideas with him to Martinsville and he has heard many positive comments from residents. He says that crime is down which reflects on Dunn's leadership. Chief Dunn said he is humbled and says it has touched his heart to hear from the residents the past few weeks. Every step of the way, Eddie Cassidy has been by his side so he has no doubt that the City will be in good hands. The community-policing legacy will carry on and the future looks bright. Dunn thanked the City for the opportunity and said it has been the greatest three years of his career.

Comments by members of City Council – Council Member Bowles congratulated recent graduates. Vice Mayor Martin reflected on Father's Day and the men who have served an important role in his life presenting City Attorney Monday, Mayor Teague, City Manager Towarnicki and Assistant City Manager Knox with neckties. Council Member Hodge commented on a recent incident involving the new meter system, acknowledging that the new meters are beneficial. The City system received a notice from the electric meter at her house indicating an unusually high temperature at the meter, an electric crew responded and pulled the meter and found an unsafe situation in the meter box that could possibly have led to a fire. Power was temporarily disconnected. Although inconvenienced by the interruption in power, Council Member Hodge was appreciative of the notification that may have prevented serious damage. Council Member Lawson thanked City Attorney Monday for the Best of Virginia list which including several local businesses. Lawson reminded residents of upcoming Mustangs games and fireworks shows. Lawson also recognized Bobby Scott, Safety Coordinator who would be leaving the City for other employment. Mayor Teague thanked the Planning Commission for their hard work and reminded residents that those members are volunteers.

Comments by City Manager – Towarnicki commented on the meter incident at Council Member Hodge's residence and explained that the Electric Department follows up with those alarms regarding electricity and water at residents. Mayor Teague asked for a report on power outages and alarms since the new system has been in place. Towarnicki reported on the meeting earlier in the day at New College Institute hosted by Bassett Furniture CEO Rob Spillman and Senator Stanley, which was attended by approximately 35 business and industry leaders discussing the future of NCI. The meeting

June 13, 2017

was productive with many good ideas and discussion, the future for NCI appears encouraging.

Towarnicki said there would be another town hall meeting later in the month.

City Attorney Monday pointed out that Martinsville and Henry County was probably second only to Roanoke on the Best of Virginia awards list in the number of local businesses recognized. Monday recognized Carlisle School for being on that list for years running. Monday encouraged citizens to fly their flags June 14, 2017 for Flag Day.

There being no further business, Council Member Bowles made a motion to adjourn the meeting; the motion was seconded by Council Member Hodge with all Council Members voting in favor. The meeting adjourned at 9:20pm.

Karen Roberts
Clerk of Council

Gene Teague
Mayor