

April 28, 2020 Council Meeting

The regular meeting of the Council of the City of Martinsville, Virginia was held on April 28, 2020 in Council Chambers, Municipal Building, at 7:30 PM with Mayor Kathy Lawson presiding. Other Council Members present included Jennifer Bowles, Jim Woods, Chad Martin and Danny Turner. Staff present included City Manager Leon Towarnicki, Assistant City Manager/City Attorney Eric Monday, Sheriff Steve Draper, Building Inspector Kris Bridges, Finance Director Linda Conover, Assistant Finance Director Mandy McGhee and Police Chief Eddie Cassady.

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

Mayor Lawson explained that the meeting would follow COVID guidelines, allowing Council Members plus ten others in attendance and recognizing social distancing recommendations.

Consider approval of the minutes for April 14, 2020 Council Meeting – Mayor Lawson requested a correction on the last page, removing “on a case by case basis” which was noted by City Manager Towarnicki. Council Member Woods made a motion to approve the minutes as presented. Council Member Turner seconded the motion with all Council Members voting in favor.

Read and present a proclamation recognizing the week of May 3 through May 9, 2020 as National Correctional Officers Week – Council Member Bowles read the proclamation, which was presented to Sheriff Draper. Draper thanked Council for the recognition. Draper stated that the officers are unsung heroes; he is very proud of them and their hard work. Unfortunately, most of officers were unable to attend the meeting due to the COVID restrictions. Draper shared information on how the officers and inmates are being protected during the pandemic. Vice Mayor Martin and Mayor Lawson both thanked Draper and Sheriff’s department employees.



PROCLAMATION

National Correctional Officers and Employees Week

WHEREAS, on May 5, 1984, President Ronald Reagan signed Proclamation 5187 creating National Correctional Officers Week and since then, the first full week in May has been observed to recognize and honor the work of correctional officers and corrections personnel nationwide; and

WHEREAS, one of the primary goals for the City of Martinsville is to provide its citizens with an effective judicial system that concentrates on quality for all of our citizens; and

WHEREAS, the City of Martinsville's dedicated correctional officers are essential to the success of our judicial process, and our correctional officers' work includes daily exposure to a hostile environment with many of the most dangerous individuals in our society; and

WHEREAS, Correctional Officers contribute daily to the protection of our citizens by housing dangerous felons in a humane environment, often at great risk to the officers' own protection; and

WHEREAS, the City of Martinsville is pleased to join with officials and distinguished correctional officers across America to recognize the achievements of these dedicated individuals. We are indebted to the International Association of Correctional Officers for continuing to emphasize the accomplishments of correctional officers worldwide;

NOW, THEREFORE, for these significant reasons, I, Kathy Lawson, Mayor of the City of Martinsville, Virginia, do hereby proclaim May 3-May 9, 2020

"NATIONAL CORRECTIONAL OFFICERS AND EMPLOYEES WEEK"

in the City of Martinsville and commend this observance to all of our citizens.

Kathy Lawson
Mayor

Consider presentation of a proclamation regarding National Police Week 2020 and Peace Officer's Memorial Day – Vice Mayor Martin read the proclamation, which was presented to Police Chief Cassady. Cassady thanked Council for the recognition. Unfortunately, the annual memorial service has been cancelled this year due to the COVID restrictions. Cassady said he could not say enough about the work by his officers and staff. Cassady shared information about the neighborhood walks, which serves as a reminder to residents that the Police Department is available to them. The Police Department staff appreciates local residents and restaurants who have contributed to the department with meals, desserts, masks, etc.



PROCLAMATION

NATIONAL POLICE WEEK 2020 & PEACE OFFICERS' MEMORIAL DAY

WHEREAS, the Congress and President of the United States have designated May 15 as Peace Officers' Memorial Day, and the week in which it falls as National Police Week; and

WHEREAS, the men and women of the Police and Sheriff's Departments of the City of Martinsville are instrumental in creating peace of mind to all the citizenry through their many efforts to enhance public safety; and

WHEREAS, it is incumbent on all our citizens to recognize, know and understand the duties, responsibilities, hazards, dedication, and sacrifices of the men and women of the Police Department and the Sheriff's Department of the City of Martinsville, and it is also incumbent upon each law enforcement officer to serve the people by safeguarding life and property, by protecting against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and

WHEREAS, the Police and Sheriff's Departments of the City of Martinsville are professional organizations that remain abreast in the latest scientific applications of criminalistics;

WHEREAS, I call upon all citizens of the City of Martinsville to observe May 15th as Peace Officers' Memorial Day to honor those men and women who, through their dedicated service and courageous deeds, have lost their lives or been disabled in the performance of their duties. I especially want to recognize Martinsville Policeman George F. Carter, who lost his life in the performance of his duty on June 14, 1919 while he was attempting to apprehend gamblers. I would also like to recognize Martinsville Police Officer Jonathan Bowling who lost his life on January 26, 2005 while fighting in Iraq during Operation Iraqi Freedom.

NOW THEREFORE, I, Kathy Lawson, Mayor of Martinsville, call upon all citizens of the City of Martinsville and upon all patriotic, civic and educational organizations to observe the week of May 10 through May 16, 2020, as National Police Week with appropriate ceremonies in which all our people may join in recognizing the women and men, both past and present, who by their faithful and loyal service and devotion to their charge have rendered a dedicated service to our community and the citizens within it, and in performing these duties have established an enduring reputation for preserving the rights and security of all the citizens of Martinsville.

Kathy Lawson
Mayor

Consider presentation of a proclamation recognizing May 2020 as Building Safety Month – Mayor Lawson read the proclamation that was presented to Building Inspector Kris Bridges. Bridges said homeowners and contractors have been very cooperative during the current pandemic.



**Proclamation
Recognizing May 2020 as Building Safety Month**

WHEREAS, the City of Martinsville is committed to recognizing that our growth and strength depends on the safety and economic value of the homes, buildings and infrastructure that serve our citizens, both in everyday life and in times of natural disaster, and;

WHEREAS, our confidence in the structural integrity of these buildings that make up our community is achieved through the devotion of vigilant guardians—building safety and fire prevention officials, architects, engineers, builders, tradespeople, design professionals, laborers, plumbers and others in the construction industry—who work year-round to ensure the safe construction of buildings, and;

WHEREAS, these guardians are dedicated members of the International Code Council, a nonprofit that brings together local, state and federal officials that are experts in the built environment to create and implement the highest-quality codes to protect us in the buildings where we live, learn, work, play, and;

WHEREAS, our nation benefits economically and technologically from using the International Codes that are developed by a national, voluntary consensus codes and standards developing organization, our government is able to avoid the high cost and complexity of developing and maintaining these codes, which are the most widely adopted building safety and fire prevention codes in the world;

WHEREAS, these modern building codes include safeguards to protect the public from natural disasters such as hurricanes, snowstorms, tornadoes, wildland fires, floods and earthquake; which, according to a FEMA commissioned study by the National Institute of Building Sciences, provide \$11 in future mitigation benefits for every dollar invested, and;

WHEREAS, Building Safety Month is sponsored by the International Code Council to remind the public about the critical role of our communities' largely unknown protectors of public safety—our local code officials—who assure us of safe, efficient and livable buildings that are essential to America's prosperity, and;

WHEREAS, "Safer Buildings, Safer Communities, Safer World," the theme for Building Safety Month 2020, encourages all Americans to raise awareness about the importance of safe and resilient construction; fire prevention; disaster mitigation, and new technologies in the construction industry. Building Safety Month 2020 encourages appropriate steps everyone can take to ensure the safety of our built environment, and recognizes that the implementation of safety codes by local and state agencies has saved lives and protected homes and businesses, and;

WHEREAS, each year, in observance of Building Safety Month, Americans are asked to consider the commitment to improve building safety and economic investment at home and in the community, and to acknowledge the essential service provided to all of us by local and state building departments, fire prevention bureaus and federal agencies in protecting lives and property.

NOW, THEREFORE, I, Kathy Lawson, Mayor of the City Martinsville, do hereby proclaim the month of May 2020 as Building Safety Month. Accordingly, I encourage our citizens to join with their communities in participation in Building Safety Month activities.

Kathy Lawson, Mayor

April 28, 2020 Council Meeting

Hear a summary of the City's quarterly financial report for the period ending March 31, 2020 – Assistant Finance Director Mandy McGhee summarized the financial report for Council. Council Member Bowles made a motion to approve the financial report. Council Member Woods seconded the motion with all Council Members voting in favor.

City of Martinsville					
Combined Balance Sheet					
FY20 - 03/31/2020					
			CURRENT	June 30, 2019	
FUND	TOTAL ASSETS	LIABILITIES & RESERVES	FUND BAL & CASH & EQUIV.	FUND BAL & CASH & EQUIV.	DIFFERENCE FROM FY18
GENERAL FUND	\$ 11,616,800	\$ (7,688,969)	\$ 3,927,831	\$ 5,729,400	\$ (1,801,569)
MEALS TAX	\$ 293,981	\$ -	\$ 293,981	\$ 475,359	\$ (181,378)
SCHOOL CAFETERIA	\$ 1,561,478	\$ (607)	\$ 1,560,872	\$ 1,744,386	\$ (183,514)
REFUSE COLLECTION FUND*	\$ 7,890,863	\$ (3,310,302)	\$ 4,580,561	\$ 5,035,497	\$ (454,936)
TELECOMMUNICATIONS	\$ 723,679	\$ (66,984)	\$ 656,695	\$ 512,753	\$ 143,942
WATER FUND*	\$ 11,162,187	\$ (8,435,843)	\$ 2,726,344	\$ 2,746,494	\$ (20,150)
SEWER FUND*	\$ 23,815,073	\$ (21,915,660)	\$ 1,899,414	\$ 1,911,806	\$ (12,392)
ELECTRIC FUND*	\$ 21,730,282	\$ (19,248,350)	\$ 2,481,932	\$ 1,591,113	\$ 890,819
CAPITAL RESERVE FUND	\$ 1,170,015	\$ -	\$ 1,170,015	\$ 59,500	\$ 1,110,515
SCHOOL FUND	\$ 112,477	\$ (14,955)	\$ 97,522	\$ -	\$ 97,522
SCHOOL FEDERAL PROGRAMS	\$ (138,257)	\$ (71)	\$ (138,328)	\$ (13,810)	\$ (124,518)
CDBG FUND	\$ 205,803	\$ (120,018)	\$ 85,786	\$ 70,345	\$ 15,441
TOTAL	\$ 80,144,382	\$ (60,801,758)	\$ 19,342,624	\$ 19,862,843	\$ (520,219)
*Utility funds reported as cash equivalents, not fund balances.					
RESERVED FUNDS					
INSURANCE TRUST FUND	\$ 290,471	\$ -	\$ 290,471	\$ 618,805	\$ (328,335)
INMATE TRUST FUND	\$ 116,660	\$ -	\$ 116,660	\$ 105,006	\$ 11,654
Fiduciary Agency Funds:					
05-SVRFA	\$ 71,875	\$ (3,169)	\$ 68,706	\$ 16,242	\$ 52,464
06-Dan River ASAP	\$ 308,476	\$ (209,443)	\$ 99,033	\$ 126,854	\$ (27,821)
15-PRCJTA	\$ 427,783	\$ -	\$ 427,783	\$ 309,986	\$ 117,797
30-BRRL	\$ 469,812	\$ -	\$ 469,812	\$ 266,841	\$ 202,971
TOTALS:	\$ 1,277,947	\$ (212,612)	\$ 1,065,335	\$ 719,923	\$ 345,412

City of Martinsville					
Consolidated Revenues and Expenditures					
FY20 - 03/31/2020					
	Budget	Anticipated	Actual YTD	Remaining Balance	Difference Ant vs. Actual
General Fund					
Revenues	\$ 31,000,890	\$ 19,287,302	\$ 21,772,462	\$ 9,228,428	112.9%
Expenditures	33,639,914	25,170,942	24,500,061	9,139,853	97.3%
Excess (deficiency) of revenues over expenditures	\$ (2,639,024)	\$ (5,883,640)	\$ (2,727,599)		
(Fund Bal contrib)					
Capital Funds					
Meals Tax					
Revenues	\$ 2,250,744	\$ 1,551,501	\$ 1,689,552	\$ 561,192	108.9%
Expenditures	2,250,744	1,870,930	1,870,930	379,814	100.0%
Excess (deficiency) of revenues over expenditures	\$ -	\$ (319,429)	\$ (181,378)		
(Fund Bal contrib)					
Capital Reserve					
Revenues	\$ 2,776,290	\$ 2,364,725	\$ 2,155,453	\$ 620,837	91.2%
Expenditures	2,925,575	2,457,331	2,457,331	468,244	100.0%
Excess (deficiency) of revenues over expenditures	\$ (149,285)	\$ (92,606)	\$ (301,878)		
TOTAL CAPITAL FUNDS:	\$ (149,285)	\$ (412,035)	\$ (483,256)		
(Fund Bal contrib)					
Refuse Fund					
Revenues	\$ 2,107,000	\$ 1,533,210	\$ 1,781,958	\$ 325,042	116.2%
Expenditures	2,893,837	2,130,844	2,122,663	771,174	99.6%
Excess (deficiency) of revenues over expenditures	\$ (786,837)	\$ (597,634)	\$ (340,705)		
MINet/Fiber Optic Fund					
Revenues	\$ 2,115,909	\$ 1,399,812	\$ 1,546,082	\$ 569,827	110.4%
Expenditures	2,115,909	1,492,916	1,452,950	662,959	97.3%
Excess (deficiency) of revenues over expenditures	\$ -	\$ (93,104)	\$ 93,132		
Water Fund					
Revenues	\$ 3,623,565	\$ 2,589,622	\$ 2,683,324	\$ 940,241	103.6%
Expenditures	4,237,475	2,728,881	2,693,328	1,544,147	98.7%
Excess (deficiency) of revenues over expenditures	\$ (613,910)	\$ (139,259)	\$ (10,004)		
Sewer Fund					
Revenues	\$ 4,360,382	\$ 3,264,909	\$ 3,500,121	\$ 860,261	107.2%
Expenditures	5,178,299	3,633,486	3,633,486	1,544,813	100.0%
Excess (deficiency) of revenues over expenditures	\$ (817,917)	\$ (368,577)	\$ (133,365)		
Electric Fund					
Revenues	\$ 21,018,640	\$ 15,783,091	\$ 14,978,721	\$ 6,039,919	94.9%
Expenditures	22,192,740	15,497,765	14,680,191	7,512,549	94.7%
Excess (deficiency) of revenues over expenditures	\$ (1,174,100)	\$ 285,326	\$ 298,530		
GRAND TOTALS FOR UTILITY FUNDS					
Revenues:	\$ 33,225,496	24,570,644	\$ 24,490,206	\$ 8,735,290	99.7%
Expenditures	36,618,260	25,483,892	24,582,618	12,035,642	96.5%
Excess (deficiency) of revenues over expenditures	\$ (3,392,764)	(913,248)	\$ (92,412)		
(Fund Bal Contribution)					
Consolidated Revenues and Expenditures					
FY20 - 03/31/2020					
	Budget	Anticipated	Actual YTD	Remaining Balance	Difference Budg vs. Actual
Cafeteria					
Revenues	\$ 1,695,606		\$ 1,031,314	\$ 664,292	60.8%
Expenditures	1,715,706		1,214,828	500,878	70.8%
Excess (deficiency) of revenues over expenditures	\$ (20,100)		\$ (183,514)		
(Fund Bal contrib)					
Schools					
Revenues	\$ 22,415,767		\$ 15,643,076	\$ 6,772,691	69.8%
Expenditures	22,575,856		15,580,266	6,995,590	69.0%
Excess (deficiency) of revenues over expenditures	\$ (160,089)		\$ 62,810		
Federal Programs					
Revenues	\$ 2,014,943		\$ 998,936	\$ 1,016,007	49.6%
Expenditures	2,014,943		1,178,506	836,437	58.5%
Excess (deficiency) of revenues over expenditures	\$ -		\$ (179,570)		
TOTAL SCHOOL FUNDS:	\$ (180,189)	\$ -	\$ (300,275)		
(fund bal contrib)					
Special Revenue Funds					
CDBG Fund					
Revenues	\$ 28,048		\$ 13,870	\$ 14,178	49.5%
Expenditures	47,797		5,281	42,516	11.0%
Excess (deficiency) of revenues over expenditures	\$ (19,749)		\$ 8,589		
TOTAL SPECIAL REVENUE FUNDS:	\$ (19,749)		\$ 8,589		
GRAND TOTALS:					
<i>(excluding Schools & Special Revenues)</i>					
Revenues:	\$ 69,253,420	47,774,172	\$ 50,107,673	\$ 19,145,747	104.9%
Expenditures	75,434,493	54,983,095	53,410,940	22,023,553	97.1%
Excess (deficiency) of revenues over expenditures	\$ (6,181,073)	(7,208,923)	\$ (3,303,267)		
Local Sales/Use Taxes	\$ 2,010,000	\$ 1,327,002	\$ 1,416,500	\$ 593,500	106.7%
Meals Taxes	\$ 1,880,000	\$ 1,367,512	\$ 1,503,587	\$ 376,413	110.0%
The Budgeted Revenue amounts do not include any contributions from Fund Balance.					

Hear information related to local impact of the COVID-19 pandemic – Finance Director Linda Conover summarized the projected financial impact that the COVID-19 pandemic may have on the City including variables of impact, local tax revenues, sales and meals tax, the steps the City is taking and expected recovery. The City is not actively hiring for vacancies.

City of Martinsville

COVID-19

Potential Financial Impact

VARIABLES OF IMPACT

Local Tax Revenues	Sales & Meals Taxes																																																			
<table border="1" style="width: 100%; border-collapse: collapse; font-size: small;"> <thead> <tr> <th>ACCOUNT DESCRIPTION</th> <th>% OF TOTAL OF REVISED BUDGET REVENUES</th> <th>REVISED EST</th> <th>% OF YTD COLLECTIONS REVENUE</th> <th>ACTUAL YTD REVENUE</th> <th>REMAINING REVENUE</th> <th>% COLL</th> </tr> </thead> <tbody> <tr> <td>GENERAL PROPERTY TAXES</td> <td>51.07%</td> <td>-8,948,000</td> <td>48.754%</td> <td>-6,168,766</td> <td>-2,779,234</td> <td>68.9%</td> </tr> <tr> <td>LOCAL SALES TAX</td> <td>11.47%</td> <td>-2,010,000</td> <td>12.43%</td> <td>-1,573,031</td> <td>-436,969</td> <td>78.3%</td> </tr> <tr> <td>OTHER LOCAL TAXES</td> <td>23.52%</td> <td>-4,120,570</td> <td>22.16%</td> <td>-2,809,948</td> <td>-1,310,622</td> <td>68.0%</td> </tr> <tr> <td>PERMITS FEES & LICENSES</td> <td>3.21%</td> <td>-562,550</td> <td>4.79%</td> <td>-406,459</td> <td>-156,091</td> <td>107.8%</td> </tr> <tr> <td>MEALS TAX</td> <td>10.73%</td> <td>-1,880,000</td> <td>11.88%</td> <td>-1,503,587</td> <td>-376,413</td> <td>80.0%</td> </tr> <tr> <td>Grand Total</td> <td></td> <td>-17,521,120</td> <td></td> <td>-12,655,791</td> <td>-4,865,429</td> <td>72.2%</td> </tr> </tbody> </table> <div style="text-align: center; margin-top: 10px;"> <p>Budgeted Local Tax Revenues</p> </div>	ACCOUNT DESCRIPTION	% OF TOTAL OF REVISED BUDGET REVENUES	REVISED EST	% OF YTD COLLECTIONS REVENUE	ACTUAL YTD REVENUE	REMAINING REVENUE	% COLL	GENERAL PROPERTY TAXES	51.07%	-8,948,000	48.754%	-6,168,766	-2,779,234	68.9%	LOCAL SALES TAX	11.47%	-2,010,000	12.43%	-1,573,031	-436,969	78.3%	OTHER LOCAL TAXES	23.52%	-4,120,570	22.16%	-2,809,948	-1,310,622	68.0%	PERMITS FEES & LICENSES	3.21%	-562,550	4.79%	-406,459	-156,091	107.8%	MEALS TAX	10.73%	-1,880,000	11.88%	-1,503,587	-376,413	80.0%	Grand Total		-17,521,120		-12,655,791	-4,865,429	72.2%	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"> <p>FY20 Budgeted Sales Taxes Revenue \$2,010,000</p> <p>9 Months Revenue Received \$1,573,031 (78.3% of budget)</p> <p>\$303,100 Loss of anticipated receipts based on 3 months with 50% drop</p> </td> <td style="width: 50%;"> <p>FY20 Budgeted Meals Tax Revenue \$1,880,000</p> <p>9 Months Revenue Received \$1,503,587 (79.9% of budget)</p> <p>\$250,706 Loss of anticipated receipts based on 3 months with 50% drop</p> </td> </tr> </table> <p style="margin-top: 10px; color: #00728f;">Estimated Worst Case FY20 Scenario Assuming 50% Loss Over 3 Months - Shortage of \$553,800 in Sales & Meals Taxes. Initial estimate was substantially higher, in excess of \$900K.</p>	<p>FY20 Budgeted Sales Taxes Revenue \$2,010,000</p> <p>9 Months Revenue Received \$1,573,031 (78.3% of budget)</p> <p>\$303,100 Loss of anticipated receipts based on 3 months with 50% drop</p>	<p>FY20 Budgeted Meals Tax Revenue \$1,880,000</p> <p>9 Months Revenue Received \$1,503,587 (79.9% of budget)</p> <p>\$250,706 Loss of anticipated receipts based on 3 months with 50% drop</p>
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What We are Doing Now	How Will We Recover?																																																			
<ul style="list-style-type: none"> Departments are only purchasing essential items and supplies needed to continue operations, or purchases related to employee and/or public health & safety Putting a pause on all projects that are not in progress or under contract Hiring freeze through May, 2020 Keeping track of all COVID-19 related expenses for potential FEMA reimbursement <p><u>For citizens/customers</u></p> <ul style="list-style-type: none"> No utility disconnects for inability to pay, through May 18 Ability to work case by case with customers: unable to pay utilities* on time, waiving late fees and penalties through May 18 unable to pay business license fees** by May 1 deadline unable to pay real estate taxes*** by the June 5 deadline <p style="font-size: x-small;">Customers unable to pay on time <u>must</u> contact *Utility Billing @ 403-5146; **Commissioner of the Revenue @ 403-5131; or the ***Treasurer's Office @ 403-5240 to discuss individual arrangements.</p>	<ul style="list-style-type: none"> FEMA Reimbursement to cover some COVID-19 Related Expenses Funds provided from the Commonwealth from the CARE act- unclear how these funds will be distributed Federal assistance to state/local governments being discussed Loss of FY20 revenue will impact contribution to unassigned fund balance going into FY21. FY21 Proposed Budget being reformulated from original draft with anticipated mid-year adjustments as additional data is available 																																																			

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

BUDGET ADDITIONS FOR 4/28/20				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
BUDGET ADDITIONS				
FY2020				
General Fund:				
01102926	405555	Brownfields Grant - EPA		15,476
01812247	503136	Brownfields - Hazardous - Consultant	15,119	
01812249	503136	Brownfields - Petroleum - Consultant	357	
		Requisition #3		
01102926	405555	Brownfields Grant - EPA		300
01812247	505500	Brownfields - Hazardous - Travel	300	
		Requisition #2		
Total General Fund:			15,776	15,776

Read and present a proclamation recognizing May 3 – May 9, 2020 as National Travel and Tourism Week – Mayor Lawson read the proclamation, which will be forwarded to the Martinsville EDC.



**RECOGNIZING MAY 3 – 9, 2020 AS
NATIONAL TRAVEL & TOURISM WEEK**

WHEREAS a robust travel industry has provided significant economic benefits for the nation, generating more than \$2.6 trillion in economic output last year, with \$1.1 trillion spent directly by travelers in the U.S.; and

WHEREAS travel has been the foundation of a healthy workforce, serving as one of the largest private-sector employers in the U.S., supporting 15.8 million jobs in 2019, including 9 million directly in the travel industry and 6.8 million in other industries; and

WHEREAS spending by travelers has aided state and local governments alike, generating \$180 billion in tax revenue last year to support essential services and programs; and

WHEREAS spending by travelers generated \$21.5 million in Martinsville, VA in 2018, and supported 214 jobs; and

WHEREAS meetings, events and incentive travel have always been a core business function that helps companies strengthen business performance, educate employees and customers, and reward business accomplishments; and

WHEREAS leisure travel, which accounts for more than three-quarters of all trips taken in the U.S., spurs countless benefits to travelers' health and wellness, creativity, cultural awareness, education, happiness, productivity and relationships; and

WHEREAS businesses and workers in the travel industry were some of the first and hardest hit by the economic crisis resulting from coronavirus; and

WHEREAS travel and tourism-dependent businesses, 83% of which are small businesses, depend on our community's support through and after this crisis; and

WHEREAS the leaders of our state's travel and tourism industry truly encapsulate the spirit of our community and our nation; and

WHEREAS even while Martinsville, VA cannot welcome visitors in person, the spirit of travel and hospitality remains the enduring ethos of the travel industry and Martinsville, VA; and

WHEREAS the spirit of travel will be a necessary and prominent component of our return to everyday life and must be supported and protected at all costs;

NOW THEREFORE, I, Kathy Lawson, Mayor of the City of Martinsville, do hereby proclaim May 3-9, 2020 as National Travel and Tourism Week in Martinsville, VA, and urge our citizens to join me in recognizing the critical role this industry plays in Martinsville, VA.

Kathy Lawson, Mayor

Consider adoption of a resolution declining the right of first refusal in the NCI sale – City Attorney Monday explained that the resolution was requested by the Attorney General's office as a "housekeeping" matter. Monday explained the transfer of property prior to the NCI facility being built and how that affects the purchase of the NCI building now. The state had requested that the covenant referencing the use and occupancy of Baldwin Block continue as NCI was originally contemplated, but that will remain in the resolution to protect the integrity and the purpose for which that project was intended. Council Member Woods made a motion to adopt the resolution. Vice Mayor Martin seconded the motion with all Council Members voting in favor.



RESOLUTION

WHEREAS, the Commonwealth of Virginia has contracted to purchase the Baldwin Block from the New College Foundation for the net sum of \$7,469,009.00; and

WHEREAS, the City enjoys a right of first refusal in the premises set forth as restrictive covenant F in the deed conveying title thereto from the City to the New College Foundation, of record as Instrument Number LR1300458 in the Office of the Clerk of the Circuit Court of Martinsville; and

WHEREAS, upon the Commonwealth's representation that the current occupancy and use of the Baldwin Block shall continue unchanged, the City does not desire to exercise said right of first refusal; and

WHEREAS, the Commonwealth further requests that references in the restrictive covenants to the New College Foundation be deleted as moot, as New College Foundation will no longer be associated with the Baldwin Block, and further requests that restrictive covenants B and C, dealing exclusively with the timeline and manner of construction upon the Baldwin Block, be deleted, as construction on the premises has been completed; and

WHEREAS, the City does not object to said deletions.

NOW, THEREFORE, BE IT RESOLVED that the City declines to exercise its right of first refusal and consents to the deletion of all references to the New College Foundation, and of restrictive covenants B and C in the restrictive covenants as amended; and

BE IT FURTHER RESOLVED that the City requires that restrictive covenant A remain unamended and in full force and effect; and

BE IT FURTHER RESOLVED that pursuant to City Charter Chapter 5, Section 2(g), the City Manager is authorized to execute such instrument as may be necessary to effect the terms of this Resolution.

Attest:

Karen Roberts, *Clerk of Council*

Business from the Floor – No requests or comments were received

Comments by City Council – Council Member Turner shared that VE Day will be recognized at the old Henry County Courthouse on May 8, 2020 and will be handled according to COVID restrictions and televised on local stations for residents to view. Vice Mayor Martin thanked the police and fire department staff and Tammy's Grill for donating food to those departments. Council Member Bowles wished her grandfather Albert Petty a happy birthday. Cinco de Mayo is next week, Bowles asked residents to continue to shop local and support businesses. Bowles wished all mothers a wonderful Mother's Day on May 10. Thank you to residents, health care workers, essential workers and others during the pandemic. Bowles shared that Council had sent a letter to the governor requesting that he include a provision for Martinsville to avoid a "one size fits all" provision for opening back up. Council Member Woods walks the Dick and Willie trail regularly and encourages residents if they plan to walk, be sure to walk against traffic for their own safety. Woods shared his appreciation to those residents and civic groups who are delivering education packets and meals to local children or making masks for workers. Mayor Lawson said a resident on Prospect Hill reached out to her thanking the Electric Department for performing preventative maintenance in their area, getting the power back on quickly and for the tornado warning sirens. Lawson commended the sanitation workers for working extra hard; residents seem to be generating more trash

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during the pandemic and the workers are doing a great job collecting that. The Commissioner of Revenue asks that forms be dropped off at the drive-thru or drop box, mail, email or fax but the forms are due soon. The City is discussing when to reopen the City Municipal building.

Comments by City Manager – City Manager Towarnicki mentioned the letter from Council that was mailed to the Governor related to reopening of businesses and how the pandemic impact varies greatly among different localities. The City has plans to paint a pedestrian lane along the street on Country Club Drive, which was mentioned by Council Member Woods previously. Towarnicki reminded residents to complete their 2020 census. The self-response rate for Martinsville is 49% of residents who have completed the survey compared to 57.8% statewide. Towarnicki explained that it is critical for residents to complete the survey to get an accurate census either online, mailing the form back or by calling in.

Comments by City Attorney – City Attorney Monday echoed the importance of completing the census survey and how it affects the amount of money that will come back to the City. Monday feels that there is a significant opportunity for Martinsville to continue to be one of the most affordable places to live even after this pandemic is over. Martinsville is a City without limits with impressive gigabyte capacity and broadband streaming capacity, one of the best in the nation providing ideal conditions for workers to work from home. Monday warned residents of are several scams ongoing including blackmail emails and calls regarding relief checks and tax returns.

There being no further business, Council Member Bowles made a motion to adjourn the meeting; the motion was seconded by Vice Mayor Martin with all Council Members voting in favor. The meeting adjourned at 8:50pm.

Karen Roberts
Clerk of Council

Kathy Lawson
Mayor