

January 10, 2012

The regular meeting of the Council of the City of Martinsville, Virginia, was held on January 10, 2012, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud and Danny Turner. Staff present included: Leon Towarnicki, Interim City Manager, Brenda Prillaman, Eric Monday, Linda Conover, and Mike Rogers.

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

Mayor Adkins and members of City Council recognized Clarence Monday for his 15 ½ years of service to the City of Martinsville and presented him a Key to the City for serving as City Manager from October 2007 to January 2012. Mr. Teague also thanked Stacie Monday and their son, Chad, for loaning Clarence to the city and thanked Clarence for the forward looking things he has accomplished and the professional job done. Mr. Stroud commented that he appreciated all Mr. Monday has done. Mr. Reynolds thanked Clarence for his efforts in bridging the gap with the city and county.

Minutes: A motion was made by Mark Stroud, seconded by Gene Teague, for approval of minutes of November 22, 2011, December 6, 2011, December 13, 2011, and December 19, 2011 meetings. Council Member Turner asked that the November 22, 2011 minutes be amended to include his discussion comments regarding AMP. Mr. Turner was asked to submit the text to be added for future approval on the November 22, 2011 minutes. Mr. Stroud then rescinded his original motion and Mr. Teague rescinded his second of that motion. A new motion was made by Mark Stroud, seconded by Danny Turner, with a 5-0 vote, to approve the Council minutes of December 6, 2011, December 13, 2011 and December 19, 2011 meetings. Approval of the November 22, 2011 minutes will be considered at the next meeting.

Building Energy Efficiency project: Interim City Manager, Leon Towarnicki, briefed Council on the Building Energy Efficiency project. City Council has already adopted an Ordinance, on first reading, authorizing issuance of the proposed general obligation bond for energy saving capital improvements. Before the Council for consideration at this meeting is an Ordinance, on second reading, that approves Carter Bank & Trust as lender and approving other related documents including a Financing Agreement, Post-Issuance Compliance Procedures, and a single marked page showing minor changes to the Financing Agreement since the last distribution. Council is required to conduct a Public Hearing on the matter prior to second reading of the Ordinance. The energy savings will match the debt service and at the end of the first year, an audit process will measure progress. The lighting retrofit is to begin in February and the balance of the project will occur in March and April. Ted Cole and Paul Jacobson also made comments regarding the financing proposal. Mayor Adkins then opened the public hearing. There were no public comments. Mayor Adkins closed the public hearing. On a motion by Gene Teague, seconded by Danny Turner, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, aye, Council approved the following \$1,250,000 Financing Ordinance on Building Energy Efficiency and related documents with Carter Bank for 15 years at 2.75% interest:

CITY OF MARTINSVILLE, VIRGINIA

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$1,250,000 MAXIMUM PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE CITY OF MARTINSVILLE, VIRGINIA AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF**

Adopted on January 10, 2012 (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.

"Bank" shall mean Carter Bank & Trust, Martinsville, Virginia.

"Bond" shall mean the City's General Obligation Bond, Series 2012, in the aggregate principal amount of up to \$1,250,000, authorized to be issued hereunder.

"Bondholder" or "Bondholders" shall mean the registered holder or holders of the Bond.

"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.

"Bond Fund" shall mean the Bond Fund established by Section 6.

"Bond Maturity Date" shall mean February 1, 2027.

"Bond Payment Date" shall mean the first day of each August and February, beginning August 1, 2012, up to and including the Bond Maturity Date.

"Bond Proceeds Fund" shall mean the Bond Proceeds Fund established by Section 4.

"Business Day" shall mean any Monday, Tuesday, Wednesday, Thursday or Friday on which commercial banks generally are open for business in the Commonwealth of Virginia.

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

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

"City Manager" shall mean the City Manager or the Interim City Manager.

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

**Section 2 Findings and Determinations**

The Council hereby finds and determines that (i) the City is in need of funds to be used for the purposes of financing capital improvements, including energy saving improvements to City buildings and facilities, all for municipal purposes (together, the "Project") including payment of costs of issuance of the Bond and interest on the Bond; (ii) the obtaining of such funds will be for municipal purposes of the City, for the welfare of citizens of the City for purposes which will serve the City and its citizens pursuant to the authority of the City to provide funds for and otherwise support the activities of the City and the City's municipal purposes; (iii) the most effective, efficient and expedient manner in which to provide such funds to the City is through the issuance of a general obligation Bond, Series 2012, in an aggregate original principal amount not to exceed \$1,250,000 to be issued by the City as further described herein (the "Bond") to be sold to the Bank, which has offered to purchase the same on certain terms and conditions pursuant to the Bank's proposal and the Financing Agreement dated as of January 1, 2012 between the Bank and the City (the "Financing Agreement"); (iv) the issuance of the Bond 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 Bond is in the best interests of the City and its citizens. The maximum length of time that the Bond will be outstanding is twenty years from the date of issuance of the Bond. The Council further hereby finds and determines that the average probable useful life of the Project financed by the Bond exceeds twenty years and that the Bond is payable and shall mature within the average probable useful life of that portion of the Project.

**Section 3 Authorization, Form and Details of the Bond**

(a) There is hereby authorized to be issued a general obligation bond of the City in the aggregate principal amount of \$1,250,000 for municipal purposes as described in Section 2 above. The Bond authorized herein shall be designated "General Obligation Bond, Series 2012." The Bond shall be issuable in the principal amount of \$1,250,000 as a fully registered Bond, without coupons, shall be dated the Closing Date, shall be numbered R-1, shall bear interest payable on the Bond Payment Dates at a rate of 2.75% per annum. The Bond shall mature on the Bond Maturity Date. Commencing on August 1, 2012, and continuing on each February 1 and August 1 thereafter, interest on the outstanding principal amount of the Bond shall be due and payable as set forth above, and commencing on February 1, 2013, and continuing on each February 1 thereafter, principal amounts of the Bond shall be due in accordance with the Bank's written proposal to purchase the Bond and the terms of the Financing Agreement until the Bond Maturity Date. The Bond is subject to redemption prior to maturity at the option of the Council at any time, in whole or in part, at a redemption price equal to 100% of the principal amount of the Bond to be redeemed, plus interest accrued to the redemption date.

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"Closing Date" shall mean the date on which the Bond is issued and delivered to the Bondholder.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and applicable regulations, procedures and rulings thereunder.

"Commonwealth" shall mean the Commonwealth of Virginia.

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

"Interest Account" shall mean the Interest Account in the Bond Fund established by Section 6.

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

"Outstanding" when used in reference to the Bond shall mean as of a particular date, the Bond authenticated and delivered under this Ordinance except:

- (i) if a Bond is canceled by the City at or before such date;
- (ii) a Bond for the redemption or purchase of which cash or noncallable direct obligations of the United States of America, equal to the redemption or purchase price thereof to the redemption or purchase date, shall have been deposited with the Paying Agent, for which notice of redemption or purchase shall have been given in accordance with the Ordinance;
- (iii) a Bond in lieu of, or in substitution for which, another Bond shall have been authenticated and delivered pursuant to this Ordinance; and
- (iv) if a Bond is deemed paid under the provisions of Section 9, except that such Bond shall be considered Outstanding until the maturity or redemption date thereof only for the purposes of actually being paid.

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

"Principal Account" shall mean the Principal Account in the Bond Fund established by Section 6.

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

The Bond is hereby authorized to be issued under the City Charter and the Act. The Bond shall bear interest from the date on which it is authenticated. Interest on the Bond shall be computed on the basis of 30-day months and a 360-day year.

Principal of, and interest on, the Bond shall be payable in lawful money of the United States of America. Principal of and interest on the Bond shall be payable by check or draft mailed to the registered owner thereof at its address.

The Bond shall be printed, lithographed or typewritten and shall be substantially in the form herein below set forth, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance, including such variations, insertions and omissions as shall be necessary to issue the Bond under a system of book-entry for recording the ownership and transfer of ownership of rights to receive payments of principal of and interest on the Bond and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

If any principal of, or interest on, the Bond is not paid when due (whether at maturity, by acceleration or call for redemption, or otherwise), then, to the extent permitted by law, the overdue installments of principal shall bear interest until paid at the same rate or rates as set forth in the Bond.

The Bond shall be signed by the facsimile or manual signature of the Mayor. The facsimile of the City's seal shall be printed thereon or manually impressed thereon and attested by the facsimile or manual signature of the Clerk. In case any officer whose signature or facsimile of whose signature shall appear on a Bond shall cease to be such officer before delivery of the Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he remained in office until such delivery. The Bond may bear the facsimile signature of or may be signed by such persons as at the actual time of the execution thereof shall be the proper officers to sign the Bond although on the date of delivery of the Bond such persons may not have been such officers.

The Bond shall bear a certificate of authentication, in the form set forth below, duly executed by the Registrar. The Registrar shall authenticate the Bond with the signature of an authorized officer of the Registrar. Only authenticated Bond shall be entitled to any right or benefit under this Ordinance, and such certificate on the Bond issued hereunder shall be conclusive evidence that the Bond has been duly issued and is secured by the provisions hereof.

The Paying Agent shall act as Registrar and shall maintain Registration Books for the registration and the registration of transfer of the Bond. The City Treasurer is hereby designated and authorized to act as Paying Agent and Registrar hereunder. The transfer of the Bond may be registered only on the books kept for the registration and registration of transfer of the Bond upon surrender thereof to the Registrar together with an assignment duly executed by the

registered Bondholder in person or by his duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such transfer, the City shall execute and the Registrar shall authenticate and deliver, in exchange of the Bond, a new registered Bond registered in the name of the transferee of the same series, maturity and interest rate as the Bond so exchanged in any denomination or denominations authorized by this Ordinance.

The Registrar shall not be required to make any such registration or registration of transfer during the thirty (30) days immediately preceding any Bond Payment Date or a redemption date.

Prior to due presentation for registration of transfer for the Bond, the Registrar shall treat the registered Bondholders as the person or persons exclusively entitled to payment of principal of, premium, if any, and interest on, the Bond and the exercise of all other rights and powers of the Bondholder.

If a Bond has been mutilated, lost or destroyed, the City shall execute and the Registrar shall authenticate and deliver a new Bond of like date and tenor in exchange or substitution for, and upon cancellation of, such mutilated Bond or in lieu of and in substitution for such lost or destroyed Bond; provided, however, that the City and the Registrar shall execute, authenticate and deliver such Bond only if the Bondholder has paid the reasonable expenses and charges of the City and the Registrar in connection therewith and, in the case of a lost or destroyed Bond, has furnished to the City and the Registrar (a) evidence satisfactory to them that such Bond was lost or destroyed and the Bondholder was the Owner thereof and (b) indemnity satisfactory to them. If the Bond has matured, instead of issuing a new Bond, the Registrar may pay the same without surrender thereof upon receipt of the aforesaid evidence and indemnity.

If a Bond has been paid (whether at maturity, by acceleration or otherwise) or delivered to the Paying Agent for cancellation, the Bond shall not be reissued and the Registrar shall, unless otherwise directed by the City, cremate, shred or otherwise dispose of the Bond. The Registrar shall deliver to the City a certificate of any such cremation, shredding or other disposition of the Bond.

CUSIP identification numbers may be printed on the Bond, but such numbers shall not be deemed to be a part of the Bond or a part of the contract evidenced thereby and no liability shall hereafter attach to the City or any of the officers or agents thereof because or on account of said CUSIP numbers.

The Bond, the Certificate of Authentication and the provision for the assignment to be inserted in the Bond shall be substantially in the following form, to-wit:

**"FORM OF BOND"**

This Bond is in the aggregate principal amount of \$ \_\_\_\_\_, and is issued under and pursuant to and in compliance with the Constitution and laws of the Commonwealth of Virginia, including the City Charter of the City of Martinsville, Virginia and Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended, the same being the Public Finance Act, and the Ordinances duly adopted under said Chapter by the City Council on November 22, 2011 and January 10, 2012 (together, the "Ordinance") and the Financing Agreement between the City and Carter Bank & Trust dated as of January 1, 2012 (the "Financing Agreement").

This Bond shall bear interest from the date on which this Bond is authenticated. Interest on this Bond shall be computed on the basis of 30-day months and a 360-day year.

This Bond is transferable only upon the registration books kept at the office of the Registrar by the registered holder hereof, or by his duly authorized attorney, upon surrender of this Bond (together with a written instrument of transfer, satisfactory in form to the Registrar, duly executed by the registered holder or his duly authorized attorney, which may be the form endorsed hereon) and subject to the limitations and upon payment of the charges, if any, as provided in the Ordinance, and thereupon as provided in the Ordinance a new Bond, in the aggregate principal amount and of the same series, interest rate and maturity as the Bond surrendered, shall be issued in exchange therefor. The City and the Registrar shall deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever.

The Bond is subject to prepayment or redemption prior to maturity at the option of the City Council at any time, in whole or in part, at a redemption price equal to 100% of the principal amount of the Bond to be redeemed, plus interest accrued to the redemption date. The records of the Holder hereof shall be prima facie evidence of the amount of principal and interest owed hereunder.

**THIS BOND IS A GENERAL OBLIGATION OF THE CITY FOR THE PAYMENT OF WHICH THE CITY'S FULL FAITH AND CREDIT ARE IRREVOCABLY PLEDGED. THE CITY COUNCIL IS AUTHORIZED AND REQUIRED TO LEVY AND COLLECT ANNUALLY AT THE SAME TIME AND IN THE SAME MANNER AS OTHER TAXES OF THE CITY ARE ASSESSED, LEVIED AND COLLECTED, A TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY, OVER AND ABOVE ALL OTHER TAXES AUTHORIZED OR LIMITED BY LAW AND WITHOUT LIMITATION AS TO RATE OR AMOUNT, SUFFICIENT TO PAY WHEN DUE THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE BOND, TO THE EXTENT OTHER FUNDS OF THE CITY ARE NOT LAWFULLY AVAILABLE AND APPROPRIATED FOR SUCH PURPOSE.**

Reference is hereby made to the Ordinance and to all of the provisions thereof to which any holder of this Bond by his acceptance hereof hereby assents, for definitions of terms; the

IN WITNESS WHEREOF, the City of Martinsville, Virginia, by its City Council has caused this Bond to be signed by the Mayor and attested by the Clerk of said Council, by their manual or facsimile signatures, and its seal to be impressed or imprinted hereon, and this Bond to be dated as set forth above.

(SEAL)

\_\_\_\_\_[Do not sign] \_\_\_\_\_ [Do not sign] \_\_\_\_\_  
 Clerk of the City Council Mayor of the City of Martinsville

**CERTIFICATE OF AUTHENTICATION**

This Bond is the Bond described in the within-mentioned Ordinance.

**REGISTRAR - CITY OF MARTINSVILLE  
 TREASURER**

By: \_\_\_\_\_ [Do not sign] \_\_\_\_\_  
 Martinsville City Treasurer

DATE OF AUTHENTICATION: \_\_\_\_\_

No. R-1

**UNITED STATES OF AMERICA  
 COMMONWEALTH OF VIRGINIA, CITY OF MARTINSVILLE**

**GENERAL OBLIGATION BOND,  
 SERIES 2012**

Dated: \_\_\_\_\_, 2012

Registered Holder: \_\_\_\_\_ Maturity Date: \_\_\_\_\_, 20\_\_\_\_  
 \_\_\_\_\_ BANK

Principal Sum: \$ \_\_\_\_\_  
 Interest Rate: \_\_\_\_\_%

**KNOW ALL MEN BY THESE PRESENTS**, that the City of Martinsville, Virginia (hereinafter sometimes referred to as the "City"), a City of the Commonwealth of Virginia, for value received hereby promises to pay to the registered holder (named above), or assigns, subject to prepayment or prior redemption as hereinafter provided, the principal amount of \_\_\_\_\_ (\$ \_\_\_\_\_), in annual installments in the amounts set forth on Schedule A attached hereto payable on \_\_\_\_\_ and annually on \_\_\_\_\_ thereafter to and including \_\_\_\_\_, 20\_\_\_\_, together with interest from the date of this bond on the unpaid principal balance, payable semi-annually on \_\_\_\_\_ and \_\_\_\_\_ of each year, commencing on \_\_\_\_\_, at the rate of \_\_\_\_\_% per annum, as set forth in Schedule A attached hereto and in accordance with the provisions of the Financing Agreement (as defined herein).

Both principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in regular and due time, form and manner as required by law; that this Bond does not exceed any constitutional, statutory or charter limitation of indebtedness; and that provision has been made for the payment of the principal of, and interest on, this Bond as provided in the Ordinance.

No registration, transfer or exchange of this Bond shall be permitted within thirty (30) days of the Maturity Date or the date of prepayment or redemption of this Bond.

description of and nature and extent of the security for the Bond; the conditions upon which the Ordinance may be amended or supplemented without the consent of the holder of this Bond and upon which it may be amended only with the consent of the holder of the Bond affected thereby; the rights and remedies of the holder hereof with respect hereto; the rights, duties and obligations of the City; the provisions discharging the Ordinance as to this Bond and for the other terms and provisions of the Ordinance.

This Bond shall not be valid or obligatory for any purpose unless the certificate of authentication hereon has been duly executed by the Registrar and the date of authentication inserted hereon.

**[FORM OF ASSIGNMENT]**

For value received, the undersigned hereby sells, assigns, and transfers unto \_\_\_\_\_

Please insert social security number or other tax identification number of assignee: \_\_\_\_\_

Name and address of assignee, including zip code: \_\_\_\_\_ the within-mentioned Bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney-in-fact, to transfer the same on the registration books thereof maintained in the office of the within-mentioned Registrar with the full power of substitution in the premises.

DATED: \_\_\_\_\_

**BOND:** The signature to this assignment must correspond with the name of the registered holder that is written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

<p><b>Section 4 <u>Creation of Proceeds Fund</u></b></p> <p>There is hereby established a trust fund to be designated the "Bond Proceeds Fund, City of Martinsville General Obligation Bond, Series 2012."</p> <p><b>Section 5 <u>Payments into Proceeds Fund</u></b></p> <p>(a) All funds received from the proceeds of the sale of the Bond after payment of certain costs of issuance of the Bond shall be deposited into the Proceeds Fund to pay costs of the Project in accordance with the Financing Agreement and applicable law.</p> <p><b>Section 6 <u>Creation of Bond Fund</u></b></p> <p>There is hereby established a trust fund to be designated the "Bond Fund, City of Martinsville General Obligation Bond, Series 2012" in which Bond Fund there is hereby established an Interest Account and a Principal Account. As and when received, monies shall be deposited into the Bond Fund, and payments from the Bond Fund shall be made as follows:</p> <p>(i) to the Interest Account in the Bond Fund, subject to credit, if any, for proceeds of the Bond deposited therein, on the Business Day prior to each Bond Payment Date, an amount equal to the amount of interest that will become due on the Bond on the next succeeding Bond Payment Date; and</p> <p>(ii) to the Principal Account in the Bond Fund on the Business Day prior to each Bond Payment Date an amount equal to the principal that is required to be deposited into the Principal Account in order to pay the principal due on the Bond on the next succeeding Bond Payment Date.</p> <p><b>Section 7 <u>Accounts Within Funds</u></b></p> <p>Any fund or account created by this Ordinance may contain such accounts or subaccounts as may be necessary for the orderly administration thereof.</p> <p><b>Section 8 <u>Investment of Funds</u></b></p> <p>(a) The City shall separately invest and reinvest any monies held in the funds established by this Ordinance in investments which would mature in amounts and at times so that the principal of, premium, if any, and interest on, the Bond can be paid when due at maturity thereof.</p>	<p>(b) Permissible investments include investments in securities that are legal investments under Chapter 45 of Title 2.2 of the Code of Virginia of 1950, as amended (Section 2.2-4500 et seq.) and which are otherwise in compliance with Section 15.2-2619 of the Act.</p> <p><b>Section 9 <u>Defeasance</u></b></p> <p>The obligations of the City under this Ordinance and covenants of the City provided for herein shall be fully discharged and satisfied as to the Bond and the Bond shall no longer be deemed to be Outstanding thereunder when the Bond shall have been purchased by the City and canceled or destroyed, when the payment of principal of the Bond, plus interest on such principal to the due date thereof either (a) shall have been made or (b) shall have been provided for by irrevocably depositing with a financial institution acting as escrow agent selected by the Paying Agent for the Bond, money sufficient to make such payment, or direct and general obligations of, or obligations the principal of, and interest on, which are guaranteed by, the United States of America, maturing in such amounts and at such times as will insure the availability of sufficient monies to make such payment.</p> <p><b>Section 10 <u>General Obligation</u></b></p> <p>The Council, in accordance with Section 7 of Chapter 11 of the City Charter and Section 15.2-2624 of the Act, is hereafter authorized and required to levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and premium, if any and interest on the Bond, to the extent other funds of the City are not lawfully available and appropriated for such purpose.</p> <p><b>Section 11 <u>Event of Default</u></b></p> <p>Each of the following shall constitute an event of default hereunder as to any particular Bond:</p> <p>(a) Failure to pay the principal of the Bond when due;</p> <p>(b) Failure to pay interest on the Bond when due;</p> <p>(c) Failure of the City to perform any other covenant or agreement contained in this Ordinance, which failure shall have continued for 60 days after the notice thereof from the Bondholder; provided, however, that if any such failure shall be such that it cannot be cured or corrected within a 60-day period but is, in fact, susceptible of cure or correction, it shall not</p>
<p>constitute an Event of Default if curative or corrective action is instituted within said period and diligently pursued until the failure of performance is cured or corrected;</p> <p>(d) The instituting of any proceeding with the consent of the City for the purpose of effecting composition between the City and its creditors or for the purpose of reducing the claims of creditors pursuant to any federal or state statute; or</p> <p>(e) If the City for any reason shall be rendered incapable of fulfilling its obligations under this Ordinance as to the Bond.</p> <p>Upon the occurrence of an Event of Default, the Bondholder may declare the principal of the Outstanding Bond and all accrued and unpaid interest thereon to be due and payable immediately. This provision is subject to the condition that if, at any time after such declaration and before any such further action has been taken, all arrears of interest on, and principal of, the Bond shall have been paid and all other Events of Default, if any, which shall have occurred have been remedied, then the Bondholder may waive such default and annul such declaration.</p> <p>In case an Event of Default shall occur, subject to the provisions referred to in the preceding paragraph, the Bondholder shall have the right to protect the rights vested in such Bondholder by the Ordinance by such appropriate judicial proceeding as such Bondholder shall determine either by suit in equity or by action at law.</p> <p><b>Section 12 <u>Enforcement by Bondholders</u></b></p> <p>The Bondholders may by mandamus or other appropriate proceeding at law or in equity in any court of competent jurisdiction, enforce and compel performance of this Ordinance and every provision and covenant thereof concerning the Bond, including without limiting the generality of the foregoing, the enforcement of the performance of all obligations and duties and requirements to be done or performed by the City by the Ordinance or by the applicable laws of the Commonwealth as to the Bond.</p> <p><b>Section 13 <u>Modification of Bond Ordinance</u></b></p> <p>The City may without the consent of the Bondholder make any modification or amendment of this Ordinance required to cure any ambiguity or error herein contained or to make any amendments hereto or to grant to the Bondholder additional rights. The Bondholder shall have the power to authorize any modifications to this Ordinance proposed by the City other than as permitted above; provided that without the consent of the Bondholder affected thereby, no modifications shall be made which will (a) extend the time of payment of principal of, or interest on, a Bond or reduce the principal amount thereof or the rate of interest thereon; (b) give to a Bond any preference over any other bond secured equally and ratably therewith; (c) deprive</p>	<p>the Bondholder of the security afforded by this Ordinance, or (d) reduce the percentage in principal amount of a Bond required to authorize any modification to the Ordinance.</p> <p><b>Section 14 <u>Application of Proceeds; Sale of Bond</u></b></p> <p>Proceeds derived from the sale of the Bond together with other monies available therefor shall be used to pay the costs of issuance and other expenses of the City relating to the issuance of the Bond and thereafter any remaining funds to be deposited in the Bond Proceeds Fund shall be used 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. Interest accruing on the principal of the Proceeds Fund and any profit realized from it may be transferred to the Bond Fund to be applied to the payment of interest on the Bond during the acquisition, construction, improvement and equipping of the Project.</p> <p><b>Section 15 <u>No Arbitrage Covenant and Covenants and Designations as to the Code</u></b></p> <p>The City hereby covenants that it will not use or invest, or permit the use or investment of any proceeds of the Bond in a manner that would cause the Bond to be subjected to treatment under Section 148 of the Code and the regulations adopted thereunder as an "arbitrage bond," and to that end the City shall comply with applicable regulations adopted under said Section 148 of the Code.</p> <p>The City covenants to comply with the Code provisions requiring that any issuance of "governmental bonds," as defined therein, be subject to certain requirements as to rebate and timing and type of payments to be paid for from the proceeds of such bonds, as well as other additional requirements. In order to assure compliance with such Code provisions, the City will enter into a NonArbitrage Certificate and Tax Covenants document, to comply with such requirements and covenants therein that it will not breach the terms thereof.</p> <p>The Council, on behalf of the City, hereby designates such Bond as "qualified tax-exempt obligations" as defined in Section 265(b)(3)(B) of the Code and certifies by this Ordinance that it does not reasonably anticipate the issuance by it or its subordinate entities of more than \$10,000,000 in "qualified tax-exempt obligations" during the calendar year 2012 and will not designate, or permit the designation by any of its subordinate entities, of any of its notes or bonds (or those of its subordinate entities) during the calendar year 2012 which would cause the \$10,000,000 limitation of Section 265(b)(3)(D) of the Code to be violated. Additionally, the Council on behalf of the City designates the Bond as eligible for the "small issuer exception" to the rebate requirements of Section 148(f)(2) and (3) of the Code pursuant to Section 148(f)(D)(vii) of the Code, as the City is a governmental unit with general taxing powers, no bond which is a part of the Bond will be a private activity bond, 95% or more of the net proceeds of the Bond are to be used for local governmental activities of the City, and the aggregate face</p>
<p>amount of all tax-exempt bonds, excluding private activity bonds to be issued by the City during the calendar year 2012 is not reasonably expected to exceed \$5,000,000 increased by the lesser of \$10,000,000 or so much of the aggregate face amount of bonds as are attributable to financing the construction of public school facilities within the meaning of Section 148(f)(D)(vii).</p> <p>The City intends that the adoption of this Ordinance will be a declaration of the City's official intent in accordance with U.S. Treasury Regulation Section 1.150-2 to reimburse Project expenditures made on or after 60 days prior to the date hereof from Bond proceeds. The City intends that funds that have been advanced for Projects costs, or which may be so advanced, may be reimbursed from Bond Proceeds.</p> <p><b>Section 16 <u>Further Actions Authorized; Approval of Documents</u></b></p> <p>The Mayor and Clerk of the Council and the City Manager, City Treasurer, City Attorney, Bond Counsel, the City's financial advisor and all other officers, employees and agents of the City are hereby authorized and directed to take any and all such further action and to execute and deliver such other documents, certificates, undertakings, agreements or other instruments as shall be deemed necessary or desirable in order to effectuate delivery of, and payment for the Bond, all in accordance with the Ordinance, including but not limited to the execution and delivery of form 8038-G as determined necessary by bond counsel and a Non-Arbitrage Certificate and Tax Covenants document and the making of any elections such officers, employees and agents deem desirable regarding any provision of the Code or regulations promulgated thereunder. The City Manager is hereby authorized to make any additional designations and irrevocable elections for the issuance of the Bond. The Financing Agreement and the Post-Issuance Compliance Procedures for Tax Exempt Governmental Bonds shall each be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions, changes and revisions as may be approved by the officer executing them in his sole and absolute discretion, his execution thereof to constitute conclusive evidence of his approval of any such completions, omissions, insertions, changes and revisions.</p> <p><b>Section 17 <u>Invalidity of Sections</u></b></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><b>Section 18 <u>Headings of Sections, Table of Contents</u></b></p> <p>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.</p> <p><b>Section 19 <u>Effectiveness and Filing of Ordinance</u></b></p> <p>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.</p>

The Members of the Council voted as follows:

<p><b><u>Aves</u></b></p> <p>Kim Adkins, Mayor Kimble Reynolds, Jr. Mark Stroud, Sr. Gene Teague Danny Turner</p> <p><b><u>Absent</u></b></p> <p>None</p>	<p><b><u>Nays</u></b></p> <p>None</p> <p><b><u>Abstentions</u></b></p> <p>None</p>
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Adopted this 10th day of January, 2012.

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 January 10, 2012, 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 10th day of January, 2012.

*Brenda Pullaman*  
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Clerk, City Council of  
City of Martinsville, Virginia

VIRGINIA  
City of Martinsville Circuit Court  
17  
11th and 12th Floor  
1015A  
18th: A. J. ...

(V1031419 | 00086-082542)

Human Relations Advisory Committee: Vice Mayor Reynolds thanked the Human Relations Advisory Committee members for their work and advised that he and two other committee members, Phyllis Hairston and Tom Salyer will make a presentation to Council as follows:

<p><b>Human Relations Advisory Committee Report to City Council</b></p> <p>Ensuring equity and opportunities for all citizens</p> <p>January 10, 2012</p>	<p><b>Setting the Stage</b></p> <ul style="list-style-type: none"> <li>Background on the formation of the Human Relations Advisory Committee</li> <li>Human Relations Committee Activity</li> <li>Formal Recommendation for City Council to Consider</li> </ul> 	<p><b>Background on Formation</b></p> <ul style="list-style-type: none"> <li>City Council adopts 2010-2011 Strategic Priorities</li> <li>One of these priorities states to "Ensure a government that is efficient, transparent, affordable, inclusive and collaborative."             <ul style="list-style-type: none"> <li>Strides have been made.</li> <li>"Ensuring Inclusive" was more of a challenge.</li> </ul> </li> <li>Council did formally adopt the National League of Cities Initiative, "Working Toward Inclusive Communities" several years ago.</li> </ul> 	<p><b>Background on Formation</b></p> <ul style="list-style-type: none"> <li>Fast forward to August 2010: Westside community residents advocates for community center, citing:             <ul style="list-style-type: none"> <li>Westside: "It's like the forgotten part of Martinsville."</li> </ul> </li> </ul> 
<p><b>Background on Formation</b></p> <ul style="list-style-type: none"> <li>Meetings hosted by Mayor and Vice Mayor             <ul style="list-style-type: none"> <li>September 2, 2010</li> <li>October 28, 2010</li> </ul> </li> <li>City Council approves forming a Human Relations Advisory Committee             <ul style="list-style-type: none"> <li>March 22, 2010</li> </ul> </li> <li>City Council appoints members to the Committee             <ul style="list-style-type: none"> <li>April 12, 2010</li> </ul> </li> </ul> 	<p><b>Background on Formation</b></p> <ul style="list-style-type: none"> <li><b>Committee Members</b> <ul style="list-style-type: none"> <li>Kimble Reynolds</li> <li>Kim Adkins</li> <li>Marie Craddock</li> <li>Ural Harris</li> <li>Tony Jones</li> <li>Chad Martin</li> <li>Rachel Benke</li> <li>Randy Stevens</li> <li>Bonnylee Witt</li> <li>Thomas Salyer</li> <li>Barbara Jackson</li> <li>Phyllis Hairston</li> <li>Keraine Randolph</li> <li>William Randolph</li> <li>Alicia Solomon</li> <li>Sidney Lee</li> </ul> </li> </ul> 	<p><b>Background on Formation</b></p> <ul style="list-style-type: none"> <li><b>Regular Guests</b> <ul style="list-style-type: none"> <li>Chief of Police Mike Rogers</li> <li>Sheriff Steve Draper</li> <li>City Attorney Eric Monday</li> <li>Rev. Leonard Jones</li> <li>John Martin</li> <li>Joe Martin</li> <li>Crystal Whitaker</li> <li>Ron Morris</li> <li>Janet Stovess</li> <li>John Fisher</li> <li>Alicia Lee</li> <li>Rev. Tyler Miller</li> <li>James Proctor</li> </ul> </li> </ul> 	<p><b>Background on Formation</b></p> <ul style="list-style-type: none"> <li><b>Original Framework</b> (as adopted by Council on March 22, 2011)             <ul style="list-style-type: none"> <li>Vision - To create a culture of public decision-making and problem-solving that is forward thinking, accountable and inclusive.</li> <li>Mission - To advance strategies in the City that expand opportunity, reduce poverty and build inclusiveness.</li> <li>Goals                 <ul style="list-style-type: none"> <li>Ensure open and accountable government that hears and values all voices</li> <li>Develop the civic capacity to address identified City challenges and opportunities</li> <li>Bridge the fault lines of race and class that inhibit community progress and erode civic health</li> </ul> </li> <li>Objectives                 <ul style="list-style-type: none"> <li>Analyze economic, workforce and demographic trends to identify challenges that impede progress for the City and its residents</li> <li>To address these challenges, help City Council develop or suggest responsive public policies at the local, state and/or federal levels; demonstrate effective programs and build institutional and community capacity for progress.</li> </ul> </li> </ul> </li> </ul>
<p><b>Human Relations Advisory Committee Activity</b></p> <ul style="list-style-type: none"> <li>Held 8 Meetings             <ul style="list-style-type: none"> <li>July 12, 2011</li> <li>July 26, 2011</li> <li>August 23, 2011</li> <li>September 6, 2011</li> <li>September 20, 2011</li> <li>March 22, 2010</li> <li>October 11, 2011</li> <li>November 1, 2011</li> <li>November 7, 2011</li> </ul> </li> <li>Visited Greensboro to meet with Greensboro Human Relations Commission and Staff             <ul style="list-style-type: none"> <li>August 16, 2011</li> </ul> </li> <li>Toured Martinsville             <ul style="list-style-type: none"> <li>September 1, 2011</li> </ul> </li> </ul> 	<p><b>Human Relations Advisory Committee Activity</b></p> <ul style="list-style-type: none"> <li>Based on Strategic Planning Session on September 6, and follow up meetings, revised vision and mission             <ul style="list-style-type: none"> <li>Vision - Martinsville will advocate for a culture of public decision and problem-solving that is accountable and inclusive</li> <li>Mission - To ensure equity and opportunities for all</li> </ul> </li> </ul> 	<p><b>Formal Recommendation to City Council to Consider</b></p> <ul style="list-style-type: none"> <li>To advance this vision and mission, bylaws were formally adopted by the Committee for Council consideration.</li> <li>Components of the bylaws are:             <ul style="list-style-type: none"> <li>The Creation of the Martinsville Human Rights and Relations Commission</li> <li>Commission membership, responsibilities and pertinent details pertaining to the Commission's operation                 <ul style="list-style-type: none"> <li>Up to 11 members with two being representatives from the student body of Martinsville High School</li> <li>One member shall be appointed from each voting precinct</li> <li>Every effort will be made to ensure appointments result in a diversity of membership reflecting race, gender, economic class and cultural background</li> <li>One member shall be appointed with the following experiences: education, health care and human services or employment</li> <li>City attorney shall serve as ex-officio, nonvoting member</li> <li>City Manager shall designate a staff person from City Administration to provide staff support</li> </ul> </li> </ul> </li> </ul>	<p><b>Formal Recommendation to City Council to Consider</b></p> <ul style="list-style-type: none"> <li>Components of the bylaws continued:             <ul style="list-style-type: none"> <li>Goals                 <ul style="list-style-type: none"> <li>Develop community capacity to address challenges and opportunities identified by the Commission, in the areas of race, class, government accountability, economic mobility arising from differences.</li> <li>Ensure open and accountable government that hears and values all voices</li> <li>Bridge the fault lines of race and class that inhibit progress and erode community health.</li> </ul> </li> </ul> </li> </ul> 

<p><b>Formal Recommendation to City Council to Consider</b></p> <p>To implement goals, three committees are proposed to be formed:</p> <p><b>1. Equity</b></p> <ul style="list-style-type: none"> <li>Goal: Develop community capacity to address challenges and opportunities, identified by the Commission, in the areas of race, class, government accountability and responsiveness, and conflicts arising from cultural differences.</li> <li>Offering education and training and/or community discussion and/or speaker series on topics pertaining to equity, inclusiveness, racial reconciliation, poverty reduction.</li> <li>Improving relations and fostering dialogue among various sections of the City.</li> <li>Identifying and dispelling misconceptions and falsehoods among communities within the City.</li> </ul> 	<p><b>Formal Recommendation to City Council to Consider</b></p> <p>2. Inclusion</p> <ul style="list-style-type: none"> <li>Goal – Ensure open and accountable government that hears and values all voices.</li> <li>Offering and supporting activities that build inclusiveness.</li> <li>Advocating for community strategies geared to poverty reduction (reducing barriers toward prosperity).</li> <li>Educating both government employees and citizens on laws and policies fostering greater transparency in government.</li> </ul> 	<p><b>Formal Recommendation to City Council to Consider</b></p> <p>3. Resolution</p> <ul style="list-style-type: none"> <li>Goal – Bridge the fault line of race and class that inhibit progress and erode community health.</li> <li>Advocate a “zero tolerance” policy against discrimination, with the ultimate goal of eradicating discrimination within the City.</li> <li>Providing oversight for mediating claims of discrimination.</li> </ul> 	<p><b>Formal Recommendation to City Council to Consider</b></p> <p>3. Resolution continued...</p> <ul style="list-style-type: none"> <li>In accordance with Code of Virginia, neither this committee or Commission shall have the power of subpoena or to compel testimony.</li> <li>This does not bypass the City Employee Grievance Process.</li> </ul> 
<p><b>Formal Recommendation to City Council to Consider</b></p> <p>To adopt the proposed Martinsville Human Rights and Relations Commission bylaws, formally creating a Human Rights and Relations Commission and specifying its advisory authority</p> 	<p><b>BYLAWS OF THE MARTINSVILLE HUMAN RIGHTS AND RELATIONS COMMISSION</b></p> <p><b>ARTICLE I CREATION</b></p> <p>Section 1.1 The Human Rights Commission was created by action of City Council pursuant to powers granted in Chapter 2, Section 3 of the Code of the City of Martinsville, Virginia and Section 13-2-963 and Chapter 39 of Title 2.2 of the Code of Virginia, 1980, as amended. The Commission was created with the vision that “Martinsville will advocate for a culture of public decision-making and problem-solving that is accountable and inclusive” and to advise the City Administration and City Council on matters that will fulfill the mission “to ensure equity and opportunities for all citizens.”</p> <p><b>ARTICLE II MEMBERSHIP</b></p> <p>Section 2.1 The Commission shall consist of up to eleven regular members, two of which shall be representatives from the student body of Martinsville High School. All members shall be appointed by the City Council.</p> <p>Section 2.2 One member shall be appointed from each voting precinct in the City. The City Council shall make every effort to ensure that its appointments to the Commission result in a diversity of membership reflecting race, gender, economic class and cultural background. City Council shall also seek to appoint at least one member with experience in the respective fields of education, health care, and human resources or employment. The City Attorney shall be an ex-officio, nonvoting member.</p> <p>Section 2.3 The Commission shall receive staff support from the City Administration, by a person to be designated by the City Manager. This support shall include furnishing information that may be of assistance to the Commission in carrying out its mission.</p> <p>Section 2.4 Each member shall, prior to being vested with voting privileges, complete an appropriate training course in human rights and relations, as determined by the Chairman and the City’s designated person. Initial appointees to the Commission, may, however, waive participation of this course.</p>	<p>officers and organization of the Commission prior to such training. No member who has a personal interest in any matter before the Commission shall participate in discussion or voting upon that matter. “Personal interest” shall be defined as a relationship to or knowledge of the matter such that an impartial evaluation of the matter is not possible. In the event that a personal interest is suggested to exist in any member, such member may, if the member desires it to be true under oath, execute a disclosure acknowledging the interest to affirming the member’s impartiality. Such disclosure shall permit that member to participate in discussion of the matter but not to vote upon it.</p> <p><b>ARTICLE III TERMS OF MEMBERS AND VACANCIES</b></p> <p>Section 3.1 Terms of the nine regular members shall be four years, but initial appointment shall be staggered whereby five members shall be appointed for an initial term of three years, and four members shall be appointed for a term of three years. Representatives from the student body of Martinsville High School shall be appointed annually and serve on the Commission during the school year.</p> <p>Section 3.2 All regular members shall be eligible to serve two consecutive terms provided they continue to satisfy the basic and respective criteria upon which they were originally appointed. They will be eligible for reappointment to an additional term for a period of one year, unless there are an insufficient number of qualified applicants to fill all vacancies.</p> <p>Section 3.3 Should said term vacancies occur among regular member positions, or when terms expire as provided herein, the Commission as a whole and/or an individual shall be entitled to submit nominations for City Council’s consideration in appointing replacements.</p> <p><b>ARTICLE IV OFFICES</b></p> <p>Section 4.1 The officers shall be the Chairperson, the Vice Chairperson and the Recording Secretary. The officers shall be elected for a two-year period. The Chairperson shall serve not more than two consecutive terms. In the event of a vacancy in either office, an election to fill the vacancy shall be held at the next meeting of the Commission or as soon thereafter as practicable.</p> <p>Section 4.2 The Chairperson shall cause an agenda to be prepared for each meeting and shall preside thereat. The Chairperson shall sign correspondence, reports and recommendations on the part of the Commission, and shall</p>	<p>otherwise represent the Commission in its proper relationship with the City Council, the City Administrators, State and Federal agencies, and the public.</p> <p>Section 4.3 The Vice Chairperson shall serve in the absence of the Chairperson.</p> <p>Section 4.4 A Recording Secretary shall be elected by the Commission membership to assist the Chairperson in development and dissemination of the agenda and recording accurate minutes of all meetings. Minutes of each meeting shall be forwarded to Commission members with the next regularly scheduled Commission meeting agenda and to members of City Council with the next regularly scheduled Council agenda following the monthly meeting of the Commission. With the exception of records pertaining to investigative or confidential allegations of discrimination, all records of the Commission shall be subject to the Virginia Freedom of Information Act; the Recording Secretary shall be the records custodian.</p> <p><b>ARTICLE V MEETINGS</b></p> <p>Section 5.1 The Commission shall meet once each month, except December, at a time and day agreed on in advance by the Commission, or at the call of the Chairperson. The Chairperson may cancel any monthly meeting when it is deemed appropriate.</p> <p>Section 5.2 Meetings shall convene at an appointed time, except when members are specifically notified otherwise.</p> <p><b>ARTICLE VI QUORUM AND ATTENDANCE</b></p> <p>Section 6.1 No business of the Commission can be conducted at any meeting thereof without the presence of a quorum, consisting of at least four regular members.</p> <p>Section 6.2 Members are expected to attend all regularly scheduled meetings. Any member having missed five regularly scheduled meetings in a calendar year shall be so notified in writing by the Chairperson. In the event the Officers have not demand such absence to be excused, such member shall be presumed to have resigned from the Commission and City Council shall appoint a replacement.</p>
<p><b>ARTICLE VII GOALS, FUNCTIONS AND COMMITTEES</b></p> <p>Section 7.1 The goals of the Commission shall be as follows:</p> <ol style="list-style-type: none"> <li>Develop community capacity to address challenges and opportunities, identified by the Commission, in the areas of race, class, government accountability and responsiveness, and conflicts arising from cultural differences.</li> <li>Ensure open and accountable government that hears and values all voices.</li> <li>Bridge the fault line of race and class that inhibit progress and erode community health.</li> </ol> <p>Section 7.2 The Commission shall have three standing action subcommittees:</p> <p>The Chairperson shall appoint members to each action subcommittee from the membership of the Commission. The Chairperson shall also appoint each of her committees as deemed necessary. The Chairperson shall require approval by a quorum of the Commission to establish the duration of all of her committees and the individual members appointed to the all her committees.</p> <p><b>A. Equity Committee</b></p> <p>Goal: Develop community capacity to address challenges and opportunities, identified by the Commission, in the areas of race, class, government accountability and responsiveness, and conflicts arising from cultural differences.</p> <ol style="list-style-type: none"> <li>Offering education and training and/or community discussion and/or speaker series on topics pertaining to equity, inclusiveness, racial reconciliation, poverty reduction.</li> <li>Improving relations and fostering dialogue among various sections of the City.</li> <li>Identifying and dispelling misconceptions and falsehoods among communities within the City.</li> </ol> <p><b>B. Inclusion Committee</b></p> <p>Goal: Ensure open and accountable government that hears and values all voices.</p>	<ol style="list-style-type: none"> <li>Offering and supporting activities that build inclusiveness.</li> <li>Advocating for community strategies geared to poverty reduction (reducing barriers toward prosperity).</li> <li>Educating both government employees and citizens on laws and policies fostering greater transparency in government.</li> </ol> <p><b>C. Resolution Committee</b></p> <p>Goal: Bridge the fault line of race and class that inhibit progress and erode community health.</p> <ol style="list-style-type: none"> <li>Advocate a “zero tolerance” policy against discrimination, with the ultimate goal of eradicating discrimination within the City of Martinsville.</li> <li>Providing oversight for mediating claims of discrimination in the City.</li> </ol> <p>This Committee shall respond to charges of discrimination leveled against entities within the City. The Committee shall adopt such procedures and forms as is deemed necessary for the processing of charges, subject to the requirements of the Virginia Administrative Process Act, Code of Virginia Section 2.2-800 et seq., and the guidance of the policies and procedures of the Equal Employment Opportunity Commission, the Virginia Human Rights Council, or other appropriate agencies. The Committee may inquire into any charge of discrimination brought before it, may investigate the facts underlying such charges, and take into consideration the cooperation of the parties involved. If the charges are deemed to have merit, the Committee may recommend mediation services, conducted by an impartial third party. Such mediation services shall be voluntary and confidential. The Committee may also recommend to the Commission that unresolved charges, deemed to have merit, be referred to the Equal Employment Opportunity Commission, to the Virginia Human Rights Council, or to other appropriate agencies, and upon the vote of a majority of the Committee, such a referral may be made.</p> <p>In accordance with the Code of Virginia, neither this Committee nor the Commission shall have the power of subpoena or to compel testimony. This power shall not be available to employees of the City of Martinsville who have served government under the City Employee Grievance Process or who are within the prescribed time limitations for initiating such a grievance.</p> <p><b>ARTICLE VIII AMENDMENTS</b></p>	<p>Section 8.1 These bylaws shall become effective when ratified by City Council, and may be amended by a two-thirds vote of the Commission in attendance, provided that a quorum is present and further provided that written notice of proposed amendments are first given to each member not less than ten days prior to the regular or called meeting at which such amendments are to be considered.</p> <p>Section 8.2 Amendments so adopted shall not become effective until duly ratified by City Council.</p>	<p>Section 8.1 These bylaws shall become effective when ratified by City Council, and may be amended by a two-thirds vote of the Commission in attendance, provided that a quorum is present and further provided that written notice of proposed amendments are first given to each member not less than ten days prior to the regular or called meeting at which such amendments are to be considered.</p> <p>Section 8.2 Amendments so adopted shall not become effective until duly ratified by City Council.</p>

Mayor Adkins recognized Dr. Anthony Wade of Greensboro and he presented comments on his work on their Human Rights Commission, staff involved and costs. Mayor Adkins opened public comment period: Carolyn Carr-thinks it is a slippery slope and there is already too much government telling people what to do and this is already being handled at the state level; Vice Mayor Reynolds clarified that a half million dollar commission is not being proposed; Council Member Teague suggested costs for staff support and staff time of city attorney be looked at; City Attorney Monday responded that with the resolution committee, staff time would increase and he emphasized this would have to be done on a professional level requiring professional review on each complaint, also, there is potential of misuse of the commission for frivolous complaints; Naomi Hodge Muse—thinks most complaints could be handled without attorneys and thinks this commission is a wonderful thing; Pam Heath-commented that by approving this, Council would be sending a strong message to the community of reaching out to the community and it will eventually change the culture; Police Chief Mike Rogers—the city police

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department has made giant strides in the black community and feels we have a police force with good people skills and compassion with a zero tolerance for mistreatment of anybody; Tony Millner-does not think this is a “black” thing and the biggest thing he hears are minor complaints such as dogs barking; Chad Martin of Molly Circle-comments on misconceptions about big government (commission to be made up of citizens), training needed (national council and Dr. Wade will offer help for training), and big money (will not be a cost using hired staff members). Mayor Adkins closed the public comment period. Council comments included: need costs on staff time, need City Attorney time cost, need more opportunity for citizen comment, concerns about using volunteers in volatile situation, should take out Resolution Committee altogether, need to concentrate on open government and transparency committee, should be restricted to “inclusion” committee only, what are cost/budgets/bylaws of similar city commissions. For the January 24agenda, there will be consideration of bylaws and consideration of approval of ordinance and public comment period so there will be flexibility. Eric Monday will prepare the summary sheet for this next meeting.

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

ORG	OBJECT	DESCRIPTION	BUDGET ADDITIONS FOR 1/10/12	
			DEBIT	CREDIT
<u>FY12</u>				
<u>GENERAL FUND</u>				
01100909	490104	Advance/Recovered Costs		200
01331108	501300	Sheriff-Corrections - Part-time wages donation	200	
01100909	490104	Advance/Recovered Costs		1,500
01211070	503127	Circuit Court - General Professional Services donation agreement with Judge Greer	1,500	
01102926	436401	Categorical Federal - Confiscated Assets		1,401
01311085	506078	Police Dept - Federal Asset Forfeitures City's share of Federal Asset Forfeiture	1,401	
01101917	442810	Categorical Other State - Highway Projects		106,504
01413151	503140	Thoroughfare Constr - Prof. Services - Eng & Arch Liberty Street Reimbursement	106,504	
<u>Total General Fund:</u>			<u>109,605</u>	<u>109,605</u>
<u>Refuse Fund:</u>				
09102926	436442	Federal Grant - ARRA - Biomass Energy Grant		495,237
09425302	508220	Landfill - Physical Plant Expansion Landfill Methane Energy Project Reimbursement	495,237	
<u>Total Refuse Fund:</u>			<u>495,237</u>	<u>495,237</u>
<u>Electric Fund</u>				
14102926	436440	Federal Grant - ARRA - Energy Efficiency Grant		84,741
14565340	503140	Electric - General Exp. - Prof. Serv.-Eng & Arch Hydro Plant Efficiency Grant Reimbursement	84,741	
<u>Total Electric Fund:</u>			<u>84,741</u>	<u>84,741</u>
<u>SCHOOL FUND</u>				
18103919	443130	Harvest Foundation Grant		70,000
81621310	561120	Instructional S&W	4,695	
81621310	562100	Social Security	314	
81621310	562150	Medicare	91	
81621310	563000	Purchased Services	35,250	
81621310	565503	Travel	900	
81621310	565800	Misc	750	
81631310	561120	Instructional S&W	3,130	
81631310	562100	Social Security	209	
81631310	562150	Medicare	61	
81631310	563000	Purchased Services	23,500	
81631310	565503	Travel	600	
81631310	565800	Misc	500	
<u>Total School Fund:</u>			<u>70,000</u>	<u>70,000</u>

Leon Towarnicki gave a brief update on the City Hydro, Landfill project, Liberty Street construction, and Lanier Road water line project in response to Council members' questions.

Business from the floor: Chief of Police Mike Rogers reported the Police Department is presently advertising for police officer positions due to vacancies and he also noted that he was very

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pleased with Clarence Monday as his City Manager as he was always prepared. City Attorney Eric Monday reported the taser case against the city was dropped and he also noted that Clarence Monday is a dear friend and he was the fifth city manager he has worked with and it has been a pleasure.

Council comments: Stroud-wished Clarence Monday good luck.

Interim City Manager comments: reminded Council of upcoming ribbon cutting at Depot Street; briefly updated Council on Fiber Optic Internet Program master plan noting proposals have been solicited for developing a business plan and staff will interview firms to proceed in order to allow Council to make a decision on going forward with the program with a Council work session to be scheduled in next few months to make that decision.

Closed Session: In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Kimble Reynolds, seconded by Gene Teague, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matters: (A) Appointments to boards and commissions as authorized by Subsection 1 and (B) A personnel matter 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 Kimble Reynolds, seconded by Gene Teague, with the following recorded 5-0 vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session.

Action taken:

On a motion by Kim Adkins, seconded by Gene Teague, with a 5-0 vote, Council appointed Rives Coleman of 603 Mulberry to an unexpired 4 year term ending 9/26/15 on the Industrial Development Authority. On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council appointed Mark Stroud of 1204 Oakgrove Avenue to an unexpired 3 year term ending 6/30/13 on the Piedmont Regional Community Services Board. No other action was taken.

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

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Brenda Prillaman  
Clerk of Council

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Kim Adkins  
Mayor