

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

Council Chambers – Municipal Building

**7:30 p.m. – Tuesday, November 22, 2011**

Invocation – Council Member Gene Teague

Pledge to the American flag

1. [Consider approval of minutes of Council meeting October 11, 2011.](#) (2 minutes)
2. [Recognition of city employees eligible for Service Awards Oct. 1-Dec. 31, 2011.](#) (2 minutes)
3. [Hear an update from Marc Gerken of American Municipal Power, Inc. \(AMP\) on Phase I Hydroelectric construction.](#) (20 minutes)
4. [Hear from local legislators and consider approval of City Legislative Agenda and Unfunded Mandate List.](#) (20 minutes)
5. [Conduct public hearing on the 2011 Update of the Solid Waste Management Plan.](#) (10 minutes)
6. [Consider adoption of Preliminary Ordinance on second reading for Building Energy Efficiency project.](#) (5 minutes)
7. [Consider approval on first reading of Supplemental Ordinance regarding school bonds \(QSCB program\) for renovations at Martinsville High School.](#) (5 minutes)
8. [Consider adoption of resolution regarding update of West Piedmont Multi-Jurisdictional Hazard Mitigation Plan.](#) (5 minutes)
9. Business from the Floor

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

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

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



## City Council Agenda Summary

**Meeting Date:** November 22, 2011

**Item No:** 1.

**Department:** Clerk of Council

**Issue:** Consider approval of City Council meeting minutes of October 11, 2011

**Summary:** None

**Attachments:** [October 11, 2011](#)

**Recommendations:** Motion to approve.

October 11, 2011

The regular meeting of the Council of the City of Martinsville, Virginia, was held on October 11, 2011, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Leon Towarnicki, Mike Rogers, and Wayne Knox.

Mayor Adkins called the Council meeting to order and Mark Stroud gave the invocation and Pledge of Allegiance to the flag.

Proclamations were presented by the Mayor recognizing Martinsville Rotary Club's World Polio Day October 24, 2011 and MHC Coalition for Health & Wellness Children's Health Month October 2011.

Mark Heath of the MHC Economic Development Corporation gave his monthly update to Council regarding activities and prospects. Lisa Fultz of the Small Business and Minority Division reported on activities with small business efforts.

Mayor Adkins explained process up to this point regarding school bonds. A public hearing has been advertised for the purposes of receiving public input for the proposed MHS renovation project at this meeting. Following the public hearing, the Council may adopt the ordinance on second reading, authorizing the issuance of up to \$9,300,000 as a General Obligation School Bond. The Council's absolute deadline to adopt this particular ordinance at a regular Council meeting is November 8. If the Council authorizes the project and adopts this ordinance on second reading, there will be one additional required ordinance for Council's consideration that requires two readings. This "third and final" ordinance cannot be adopted until after the bond sale on November 30. The purpose of the final ordinance is known as a Supplementary Ordinance, and its purpose is to approve the terms of the bond sale. The Mayor called on Mr. Motley with RRM Architects who gave a presentation and pros and cons of each suggested change and the logic behind the chosen design. The architect's comments included: importance of Master Plan for site; should not ignore the need to build a gym, even in long-term; propose to design roof of global access center so it can be built upon...can bid out as portion in case second floor can't be funded...if not enough money for second floor now, it can be built later; if Council funds less than \$9.3M, we must take a fresh look at project; need to make up time for project to start summer 2012; if have to go back and re-design, would take a few weeks and cost approximately \$25,000 to do. Mayor Adkins then opened the public hearing: L. D. Oakes, 1713 Mulberry Rd., asked Council to move forward with the \$9.3million as the schools will merge eventually and this will give us an opportunity to have a high school in the city; Brad Kinkema, Pioneer Trail, Collinsville, encouraged funding full

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amount of \$9.3 million; Skip Phillips, 1105 Sam Lions Trail, said schools help attract physicians and he encouraged funding the project; Malvester Dixon, 622 Watt St., feels we are having this funding discussion because of black/white issue and he encouraged funding the entire \$10M; Shane Painter, Collinsville, in favor of as much as possible as education is key to reducing unemployment and crime and renovations are long overdue; Mayor Adkins read a letter from Perry Harrold endorsing the \$9.3M being funded; Craig Dietrich, 1227 Lanier Rd., school board member, said project should go forward; J. C. Richardson, school board member, feels school board has done their job and that is was thoroughly researched before he and Dietrich started their terms on the school board; Jim Johnson, White Oak Ct., after 46 years, it is time to bring school into 21<sup>st</sup> century with the \$9.3M funding and this is not taking anything away from the city and he asked if anyone has given a true projection of the fund balance in the last five years; Jim Barnett, 1318 Root Trail, reminded Council of the importance of perception and he feels this will not increase taxes and school budget at all; Tyler Millner, Henry County, encouraged unanimous Council support of this project as it is positive for education and economic development and would be a tremendous statement to citizens; Angilee Downing, 917 Corn Tassel Tr., supported project as it provides for the needs of our children; Bernie Gray, Grayson St., supports renovations, but it is only impacting 20% of the school and he feels the schools will be coming back and asking for more money to do it right and this is not being good stewards of taxpayer money; Monty Ridenhour, 1231 Mulberry Rd., stated RRM Architects knew from the start the budget is \$10.5M and they built the project around that...city is headed for a waterfall that it is going over soon...feels meals tax revenue should be preserved for other city needs...no compelling reason to spend \$1.5M for cafeteria...he feels \$7M would take care of the schools capital needs for next 5 years....sure that taxes will have to be raised; Carolyn McCraw, 1724 Meadowview Lane, asking for Council's support to fund \$9.3M to renovate the 43 year old high school and stated everything asked for are needs, not just wants, including the global access center; Robert Williams, 1710 Country Club Drive, stated project was started two years ago and the board has listened to public comment and narrowed it down and asking for funding at \$9.3M, said process was transparent from the beginning, and board requests approval of \$9.3M that includes discretion to do what is in the best interest of the students; Pam Heath--have many needs that exceed the \$9.3M available, have used stimulus funds to save jobs and will not come back to Council asking to restore stimulus funds, worked hard to develop renovation master plan and would cost and be a waste to un-do what has been done if renovation doesn't follow the master plan, schools not planning on coming back and asking for money for gymnasium, global access center signals that we are trying to be visionary, schools pledge to remain good

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stewards and requests funding of \$9.3M; Bill Manning—supportive of the alternate bid strategy, master plan addresses immediate needs to position schools for future teaching needs, requests \$9.3M and ask that school board be trusted to make the decision if project doesn't come in at exactly \$9.3M. The Mayor closed the school bond public hearing at 9:54pm. Council discussion before the vote: Turner- supportive of \$9.3M and hopes global access center can be included; Adkins—supports \$9.3M, noted that unintended consequences had occurred during this process and there was never an intent to question the integrity of the City Manager, Clarence Monday, and it was most unfortunate; Reynolds—supports \$8M, noted budget constraints and less local funds for public education will be forthcoming and that needs should take precedence over wants, all of the city's needs have to be addressed, project should take out the global access center and dining services to trim \$2.5 and then put back in the roof for a total of \$8M; Stroud—before Mr. Stroud's comments, City Attorney, Eric Monday, pointed out a disclosure statement is on file for Mr. Stroud—supports the \$9.3M, when he went through RTI, he saw the future and he wants to be fair to the city employees; Teague—is not supporting the \$9.3M, in today's economy it a very difficult decision and we have to protect the long term interest of the city, there is no dedicated revenue stream for city capital needs at present, education is important, but not the only thing Council has to consider, he is supportive of technology needs and feels it is appropriate to question the design, security needs to be addressed. On a motion by Danny Turner, seconded by Mark Stroud, with the following 3-2 recorded vote: Adkins, aye; Teague, nay; Reynolds, nay; Stroud, aye; and Turner, aye, Council approved the following ordinance on second reading to fund \$9.3M Martinsville High School renovations:

**ORDINANCE AUTHORIZING THE ISSUANCE OF A NOT TO EXCEED  
\$9,300,000 GENERAL OBLIGATION SCHOOL BOND, SERIES 2011,  
OF THE CITY OF MARTINSVILLE, VIRGINIA, TO BE SOLD TO  
THE VIRGINIA PUBLIC SCHOOL AUTHORITY  
AND PROVIDING FOR THE FORM AND DETAILS THEREOF**

[Second reading]

**WHEREAS**, the City Council (the "**Council**") of the City of Martinsville, Virginia (the "**City**"), has determined that it is necessary and expedient to borrow an amount not to exceed \$9,300,000 and to issue its general obligation school bond (as more specifically defined below, the "**Local School Bond**") for the purpose of financing the construction, expansion, renovation and equipping of Martinsville High School in the City, which constitutes a capital project for public school purposes (the "**Project**"); and

**WHEREAS**, the City has held a public hearing, duly noticed, on October 11, 2011, on the issuance of the Local School Bond in accordance with the requirements of Section 15.2-2606, Code of Virginia 1950, as amended (the "**Virginia Code**"); and

**WHEREAS**, the School Board of the City has, by Resolution, requested the Council to authorize the issuance of the Local School Bond and consented to the issuance of the Local School Bond; and

**WHEREAS**, the Virginia Public School Authority ("**VPSA**") has offered to purchase the Local School Bond along with the local school bonds of certain other localities with a portion of the proceeds of certain bonds to be issued by VPSA in the fall of 2011 (the "**VPSA Bonds**"); and

**WHEREAS**, VPSA intends to issue the VPSA Bonds as "qualified school construction bonds" (referred to below as "**QSCBs**") within the meaning of Section 54F of the Internal Revenue Code of 1986, as amended (the "**Tax Code**"), which section was added to the Tax Code by the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5, 123 Stat. 355), enacted on February 17, 2009; and

**WHEREAS**, VPSA intends to elect to treat the VPSA Bonds as "specified tax credit bonds" under Section 6431 of the Tax Code, as amended by the Hiring Incentives to Restore Employment Act (Pub. L. No. 111-147, 123 Stat. 301), enacted on March 18, 2010, which status enables an issuer of a QSCB to receive a direct payment of a refundable credit in lieu of providing a tax credit to the purchaser or holder of the QSCB; and

**WHEREAS**, the refundable credit payable with respect to each interest payment date will be equal to the lesser of (i) the amount of interest payable under the QSCB on such date or (ii) the amount of interest which would have been payable under the QSCB on such date if such interest were determined at the applicable credit rate determined under Section 54A(b)(3) of the Tax Code (that is, the rate used in computing the amount of tax credit that could be claimed by

the QSCB holder absent the "specified tax credit bond" refundable credit election); and

**WHEREAS**, subject to the terms and conditions set forth or referred to below, VPSA will transfer to the City the allocable portion of the refundable credit actually received in cash by VPSA with respect to the VPSA Bonds; and

**WHEREAS**, the allocation of QSCB volume cap pursuant to which VPSA will issue the VPSA Bonds will be made by Executive Order to be issued by the Governor of the Commonwealth of Virginia (the "**Executive Order**"), to finance the Project along with a number of other projects selected through a competitive evaluation process administered by the Virginia Department of Education; and

**WHEREAS**, the Bond Sale Agreement (as defined below) shall indicate that \$9,300,000 is the amount of proceeds requested (the "**Proceeds Requested**") by the City from the VPSA in connection with the sale of the Local School Bond; and

**WHEREAS**, VPSA's objective is to pay the City a purchase price for the Local School Bond which, in VPSA's judgment, reflects the Local School Bond's market value (the "**VPSA Purchase Price Objective**"), taking consideration of such factors as the purchase price to be received by VPSA from the sale of the VPSA Bonds, the underwriters' discount and the other issuance costs of the VPSA Bonds and other market conditions relating to the sale of the VPSA Bonds; and

**WHEREAS**, such factors may result in the Local School Bond having a purchase price other than par and consequently (i) the City may have to issue the Local School Bond in a principal amount that is less than the Proceeds Requested in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested, or (ii) because the maximum authorized principal amount of the Local School Bond set forth in paragraph 1 of this Ordinance cannot exceed the Proceeds Requested, the purchase price to be paid to the City, given the VPSA Purchase Price Objective and market conditions, will be less than the Proceeds Requested.

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

1. **Authorization of Local School Bond and Use of Proceeds.** The Council hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bond in a principal amount not to exceed \$9,300,000 (the "**Local School Bond**") for the purpose of financing the Project and the City's allocable share of (A) VPSA's costs of issuing the VPSA Bonds and (B) any upfront flat fees of VPSA as determined by VPSA to be necessary to compensate VPSA for the on-going costs related to administering the local school bonds purchased with the VPSA Bonds, including the City's Local School Bond (such upfront fees may be in lieu of the Annual Administrative Fee described in paragraph 4 in this Ordinance). The Council hereby authorizes the issuance and sale of the Local School Bond in the form and upon the terms established pursuant to this Ordinance and the Bond Sale Agreement.

2. **Sale of the Local School Bond.** The sale of the Local School Bond, within the parameters set forth in paragraph 4 of this Ordinance, to VPSA is authorized. Given the VPSA

Purchase Price Objective and market conditions, the City acknowledges that the limitation on the maximum principal amount on the Local School Bond set forth in paragraph 1 of this Ordinance restricts VPSA's ability to generate the Proceeds Requested, however, the Local School Bond may be sold for a purchase price not lower than 90% of the Proceeds Requested. The Mayor of the City, the City Manager, or either of them and such other officer or officers of the City as either may designate are hereby authorized and directed to enter into an agreement with VPSA providing for the sale of the Local School Bond to VPSA (**the "Bond Sale Agreement"**). The Bond Sale Agreement shall be in substantially the form submitted to the Council at this meeting, which form is hereby approved.

3. **Details of the Local School Bond.** The Local School Bond shall be dated the date of its issuance and delivery; shall be designated "General Obligation School Bond, Series 2011;" shall bear interest from the date of delivery thereof payable semi-annually on dates specified by VPSA (**each, an "Interest Payment Date"**) at the rates established in accordance with paragraph 4 of this Ordinance; and shall mature annually in the years (**each a "Principal Payment Date," and together with any Interest Payment Date, a "Payment Date"**) and in the amounts (**the "Principal Installments"**) determined by the City Manager, subject to the provisions of paragraph 4 of this Ordinance.

4. **Interest Rate and Principal Installments.** The City Manager is hereby authorized and directed to accept the interest rate on the Local School Bond established by VPSA, provided that each interest rate may be up to five one-hundredths of one percent (0.05%) over the interest rate to be paid by VPSA for the corresponding principal payment date of the VPSA Bonds, a portion of the proceeds of which will be used to purchase the Bonds, to the extent required by VPSA (**the "Annual Administrative Fee"**), and provided further that the true interest cost of the Local School Bond does not exceed seven and a half percent (7.50%) per annum. The Payment Dates and the Principal Installments shall be specified by VPSA. The City Manager is hereby authorized and directed to accept the final Payment Dates and the Principal Installments at the request of VPSA based on the final term to maturity of the VPSA Bonds, requirements imposed on VPSA by the nationally-recognized rating agencies and the final principal amount of the Local School Bond; provided, however, that the principal amount of the Local School Bond shall not exceed the amount authorized by this Ordinance and the final maturity of the Local School Bond shall be no later than the earlier of December 31, 2031 and the latest maturity date permitted under Section 54A of the Tax Code. The execution and delivery of the Local School Bond as described in paragraph 10 hereof shall conclusively evidence the approval and acceptance all of the details of the Local School Bond by the City Manager as authorized by this Ordinance.

5. **Certain Acknowledgements.** The City acknowledges that the interest rate on the Local School Bond will be set at the level necessary to pay the interest on the allocable portion of the VPSA Bonds plus the Annual Administrative Fee, if any, and that the City will be obligated to pay interest on the Local School Bond at the stated taxable rate thereon regardless of the elimination or reduction of the refundable credit to be received by VPSA due to (i) any amendments by Congress to Sections 54A, 54F or 6431 or any other applicable sections of the Tax Code, (ii) any failure or determination by Congress not to appropriate funds necessary to pay the refundable credit, (iii) any guidance or changes to guidance provided by the U.S. Department of Treasury or the Internal Revenue Service, or (iv) any action or omission by VPSA, the City or

any other locality selling local school bonds to VPSA in connection with the VPSA Bonds that causes the VPSA Bonds to lose their status as QSCBs and/or specified tax credit bonds in whole or in part. It is also acknowledged that the City has the right to effect an extraordinary optional redemption of the Local School Bond in whole or in part upon the occurrence of any of these events as provided in the form of Local School Bond.

6. **Certain Investment Earnings.** The Council hereby acknowledges that VPSA will (i) issue the VPSA Bonds with multiple maturities or with a single "bullet" maturity, in either case, with a final maturity date on or shortly before the latest maturity date permitted for the VPSA Bonds under Section 54A of the Tax Code, (ii) invest the Principal Installments for the benefit of the City until they are applied to pay the principal of the VPSA Bonds and (iii) either remit the investment earnings periodically to the City or credit the investment earnings against the City's obligation to make Principal Installments, at the option of VPSA. The Council further acknowledges that VPSA may cause a portion of such earnings to be deposited into a reserve fund or account to be applied by VPSA for use to pay the costs, fees and expenses described in paragraph 15 below. Any balance in such reserve fund or account attributable to investment earnings on the City's Principal Installments as reasonably determined by VPSA will be remitted or credited to the City on the final maturity date of the VPSA Bonds.

7. **Form of the Local School Bond.** The Local School Bond shall be initially in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A.

8. **Payment; Paying Agent and Bond Registrar.** The following provisions shall apply to the Local School Bond:

(a) For as long as VPSA is the registered owner of the Local School Bond, all payments of principal of and interest and premium, if any, on the Local School Bond shall be made in immediately available funds to, or at the direction of, VPSA at, or before 11:00 a.m. on the applicable Payment Date or date fixed for prepayment or redemption, or if such date is not a business day for Virginia banks or for the Commonwealth of Virginia, then at or before 11:00 a.m. on the business day next succeeding such Payment Date or date fixed for payment, prepayment or redemption.

(b) The Bond Registrar and Paying Agent for the Local School Bond shall be the banking institution selected by VPSA for such purposes.

9. **Prepayment or Redemption.** The Principal Installments of the Local School Bond may be subject to optional prepayment or redemption prior to their stated maturities as determined by VPSA. The Principal Installments of the Local School Bond will be subject to extraordinary mandatory redemption (i) if certain proceeds of the Local School Bond have not been spent within three years after the date of its issuance and delivery (which three year period may be extended by the U.S. Secretary of the Treasury or his delegate), (ii) due to a loss of "qualified tax credit bond" and "qualified school construction bond" status of the VPSA Bonds corresponding to the Local School Bond under Sections 54A and 54F of the Tax Code, and (iii) if due to (a) any amendments by Congress to Sections 54A, 54F or 6431 or any other applicable sections of the Tax Code or (b) any guidance or changes to guidance provided by the U.S.

Department of Treasury or the Internal Revenue Service, there is a reduction or elimination of the direct payment of the refundable credit to be received by VPSA with respect to the VPSA Bonds. The Principal Installments of the Local School Bond shall be redeemed at the redemption prices and upon the other terms set forth in the Local School Bond.

10. **Execution of the Local School Bond.** The Mayor or Vice Mayor of the City and the Clerk or any Deputy Clerk of the Council are authorized and directed to execute and deliver the Local School Bond and to affix the seal of the City thereto.

11. **Pledge of Full Faith and Credit.** For the prompt payment of the principal of and interest and premium, if any, on the Local School Bond as the same shall become due, the full faith and credit of the City are hereby irrevocably pledged, and in each year while any of the Local School Bond shall be outstanding there shall be levied and collected in accordance with law an annual ad valorem tax upon all taxable property in the City subject to local taxation sufficient in amount to provide for the payment of the principal of and interest and premium, if any, on the Local School Bond as such principal and interest and premium, if any, shall become due, which tax shall be without limitation as to rate or amount and in addition to all other taxes authorized to be levied in the City to the extent other funds of the City are not lawfully available and appropriated for such purpose.

12. **Use of Proceeds Certificate and Tax Compliance Agreement.** The Mayor or Vice Mayor of the City, the City Manager and such other officer or officers of the City as either may designate are hereby authorized and directed to execute and deliver on behalf of the City a Use of Proceeds Certificate and Tax Compliance Agreement (**the "Tax Compliance Agreement"**) setting forth the expected use and investment of the proceeds of the Local School Bond and containing such covenants as may be necessary for the VPSA Bonds to qualify as and to remain as "qualified tax credit bonds," "qualified school construction bonds" and "specified tax credit bonds" under Sections 54A, 54F and 6431 of the Tax Code and the applicable regulations. The Council covenants on behalf of the City that (i) the proceeds from the issuance and sale of the Local School Bond will be invested and expended as set forth in the Tax Compliance Agreement and that the City shall comply with the other covenants and representations contained therein and (ii) the City shall comply with the provisions of the Tax Code so that the VPSA Bonds will not lose their status as "qualified tax credit bonds," "qualified school construction bonds" and "specified tax credit bonds" under Sections 54A, 54F and 6431 of the Tax Code.

13. **State Non-Arbitrage Program; Proceeds Agreement.** The Council hereby determines that it is in the best interests of the City to authorize and direct the City Treasurer and Director of Finance to participate in the State Non-Arbitrage Program in connection with the Local School Bond. The Mayor or Vice Mayor of the City, the City Manager and such officer or officers of the City as either may designate are hereby authorized and directed to execute and deliver a Proceeds Agreement with respect to the deposit and investment of proceeds of the Local School Bond by and among the City, the other participants in the sale of the VPSA Bonds, VPSA, the investment manager and the depository, substantially in the form submitted to the Council at this meeting, which form is hereby approved.

14. **Continuing Disclosure Agreement.** The Mayor or Vice Mayor of the City, the City Manager and such other officer or officers of the City as either may designate are hereby authorized and directed to execute a Continuing Disclosure Agreement, as set forth in Appendix D to the Bond Sale Agreement, setting forth the reports and notices to be filed by the City and containing such covenants as may be necessary in order to show compliance with the provisions of the Securities and Exchange Commission Rule 15c2-12, under the Securities Exchange Act of 1934, as amended, and directed to make all filings required by Section 3 of the Bond Sale Agreement should the City be determined by the VPSA to be a MOP (as defined in the Continuing Disclosure Agreement).

15. **Fees, Costs and Expenses.** The City agrees to pay the following fees, costs and expenses incurred by VPSA in connection with its purchase and carrying of the Local School Bond within thirty days after receipt by the City Manager of a written bill therefor:

(A) The City's allocable share of (i) the fees, costs and expenses of the trustee, paying agent and bond registrar under the indenture pursuant to which VPSA will issue the VPSA Bonds and (ii) any fees, costs and expenses payable to third parties in connection with such indenture or VPSA's School Tax Credit Bond Program, as determined by VPSA; and

(B) To the extent permitted by law, the reasonable fees, costs and expenses, including reasonable attorneys' fees, if any, incurred by VPSA in connection with any false representation or certification or covenant default by the City or any City or School Board official, employee, agent or contractor under the Local School Bond, the Continuing Disclosure Agreement, the Tax Compliance Agreement, the Proceeds Agreement and/or any document, certificate or instrument associated therewith (collectively, the "City Documents"), or in connection with any extraordinary mandatory redemption of the Local School Bond as described in paragraph 9 above and the corresponding VPSA Bonds, any amendment to or discretionary action that VPSA makes or undertakes at the request of the City under any of the City Documents or any other document related to the VPSA Bonds.

16. **Filing of Ordinance.** The appropriate officers or agents of the City are hereby authorized and directed to cause a certified copy of this Ordinance to be filed with the Circuit Court of the City.

17. **Election to Proceed under Public Finance Act.** In accordance with Section 15.2-2601 of the Virginia Code, the Council elects to issue the Local School Bond pursuant to the provisions of the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Virginia Code (the "Act").

18. **Further Actions.** The members of the Council and all officers, employees and agents of the City are hereby authorized to take such action as they or any one of them may consider necessary or desirable in connection with the issuance and sale of the Local School Bond and any such action previously taken is hereby ratified and confirmed.

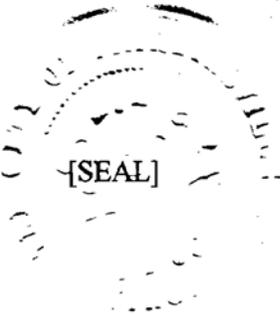
(V0047599.1 012688-079686 )

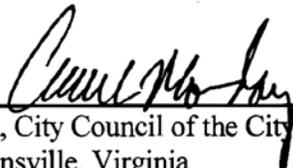
19. **Effective Date.** This Ordinance shall take effect immediately as provided for in the Act and pursuant to Section 3 of Chapter 3 of the City Charter.

October 11, 2011

The undersigned Clerk of the City Council of the City of Martinsville, Virginia, hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the City Council held on October 11, 2011, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing Ordinance, a quorum was present. Members present at the meeting were: Kim Adkins, Kimble Reynolds, Mark Stroud, Gene Teague and Danny Turner. Members absent from the meeting were: None. Members voting in favor of the foregoing Ordinance were: Kim Adkins, Mark Stroud and Danny Turner.. Members voting against the foregoing Ordinance were: Kimble Reynolds and Gene Teague. Members abstaining from voting on the foregoing Ordinance were: None.

WITNESS MY HAND and the seal of the City Council of the City of Martinsville, Virginia, this 11<sup>th</sup> day of October, 2011.



  
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Clerk, City Council of the City of  
Martinsville, Virginia

VIRGINIA  
In City of Martinsville Circuit Court  
Clerk's Office.  
Received and Filed this the  
1st Day of November 2011  
at 4:10 PM  
Tester: Ashley R. Ditchett Clerk

October 11, 2011

After a brief recess, Council re-convened at 10:30pm with Mayor Adkins noting adjustments to the agenda due to the late hour.

Mayor Adkins called on Mr. Reid Young who spoke to Council regarding his strong feelings on the littering issues in the community and his ideas for remedying the situation. Leon Towarnicki reported that he has discussed littering issues with the Gateway Streetscape Board and that organization will form a committee to look at the issues.

After brief comments from Wayne Knox regarding the civil penalty being added to the violations of the Zoning Ordinance, Mayor Adkins opened the public hearing. Hearing no public comments, Mayor Adkins closed the public hearing. On a motion by Kimble Reynolds, seconded by Mark Stroud, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, aye, Council approved the zoning ordinance amendment on first reading adding the civil penalty. A second reading and final vote will be done at the October 25, 2011 meeting to make the ordinance amendment effective with the text of the ordinance amendment included in the minutes of that meeting.

Leon Towarnicki briefed Council on the Building Energy Efficiency Project reporting that at the September 27<sup>th</sup> Council meeting, staff presented information on the building energy efficiency project utilizing a combination of a \$400,000 Department of Mines, Minerals, & Energy grant and an approximate \$1.1 million financed construction loan. The project would implement building energy efficiency and comfort improvements including new lighting, new heating and air conditioning equipment, and controls upgrades, resulting in guaranteed energy savings of approximately \$93,000 per year. The energy savings will be used to pay debt service on the construction loan, minimizing impact to the City's budget over the term of the project. Staff has contacted several local banks to discuss financing options and it appears the issuance of a general obligation bond for the amount and term of the project is the preferred option, with an expected rate of approximately 3.25%. A project cash flow analysis based on use of the \$400,000 grant and a financed amount of approximately \$1,060,307 at a rate of 3.25% was presented for review and staff recommended proceeding with the project and to take necessary steps to initiate financing and development of construction contracts. After Council discussion and on a motion by Mark Stroud, seconded by Danny Turner, with a 5-0 vote, Council authorized moving forward on initiating financing and construction contracts.

Agenda items regarding Fund Balance Policy and Write-Off Policies were tabled until a future meeting.

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

October 11, 2011

RE-APPROPRIATIONS FY11 TO FY12

ORG CODE	OBJECT	DEPARTMENT	ACCOUNT DESCRIPTION	DEBIT	CREDIT
<b>GENERAL FUND</b>					
01103938	462101		Contribution From Fund Balance		\$ 1,111,020
01132068	501100	Registrar	Full-time Salaries	\$ 15,348	
01221082	501100	Commonwealth's Attorney	Full-time Salaries	\$ 2,380	
01221082	505500	Commonwealth's Attorney	Travel	\$ 762	
01221082	506105	Commonwealth's Attorney	State - Confiscated Assets	\$ 455	
01221082	506118	Commonwealth's Attorney	Local - Confiscated Assets	\$ 590	
01217078	506047	Sheriff - Courts	Project Lifesaver	\$ 5,758	
01217078	508207	Sheriff - Courts	ADP Equipment	\$ 6,900	
01311085	501100	Police	Full-time Salaries	\$ 98,471	
01311085	501206	Police	Overtime - DMV Grant	\$ 3,646	
01311085	506044	Police	Terrorism Prevention Program	\$ 784	
01311085	506061	Police	Ammunition	\$ 4,934	
01311085	506078	Police	State - Confiscated Assets	\$ 1,323	
01311085	506079	Police	Federal - Confiscated Assets	\$ 6,838	
01311085	506106	Police	Non-Capital Equip JAG	\$ 805	
01311085	506118	Police	Local - Confiscated Assets	\$ 572	
01311085	208165	Police	Construction - Animal Shelter	\$ 25,000	
01321102	506110	Fire	Fire Programs	\$ 95,265	
01322105	506114	EMS	Four for Life	\$ 1,703	
01331108	506010	Sheriff - Corrections	Radios & Weapons	\$ 4,480	
01331108	508216	Sheriff - Corrections	COPS Technology	\$ 65,657	
01413145	503185	Street Maintenance	Paving	\$ 99,902	
01711210	506091	Parks & Recreation	Special Events/Cruise-In	\$ 2,123	
01812245	503830	Uptown Master Plan Phase I	PS - Comfort Station	\$ 213,830	
01812245	503831	Uptown Master Plan Phase I	PS - Depot St	\$ 5,745	
01812245	503832	Uptown Master Plan Phase I	PS - NCI Parking	\$ 3,989	
01812245	503833	Uptown Master Plan Phase I	PS - North Lawn	\$ 4,117	
01812245	203834	Uptown Master Plan Phase I	PS - Baldwin Block	\$ 3,638	
01812245	503835	Uptown Master Plan Phase I	PS - Wayfinding	\$ 7,388	
01812245	506831	Uptown Master Plan Phase I	Supplies - Depot St	\$ 116,500	
01812245	506832	Uptown Master Plan Phase I	Supplies - NCI Parking	\$ 62,500	
01812245	506833	Uptown Master Plan Phase I	Supplies - North Lawn	\$ 63,682	
01812245	506834	Uptown Master Plan Phase I	Supplies - Baldwin Block	\$ 57,000	
01812245	506835	Uptown Master Plan Phase I	Supplies - Wayfinding	\$ 115,750	
01816244	505645	Contributions-Outside Agencies	E911 Communications Center	\$ 8,185	
01913250	505620	General Expense	Goals & Initiatives	\$ 5,000	
<b>REFUSE FUND</b>					
09103938	462101		Contribution From Fund Balance		\$ 339,455
09425302	508220	Landfill	Physical Plant Expansion	\$ 339,455	
<b>WATER FUND</b>					
12103938	462101		Contribution From Fund Balance		\$ 46,616
12542312	508220	Reservoir	Physical Plant Expansion	\$ 18,000	
12542312	503140	Reservoir	Prof Serv - Eng & Arch	\$ 10,000	
12541311	508220	Water Plant	Physical Plant Expansion	\$ 15,000	
12541311	508220	Water Plant	Physical Plant Expansion	\$ 3,616	
<b>ELECTRIC FUND</b>					
14103938	462101		Contribution From Fund Balance		\$ 60,400
14565340	506900	Electric General Expense	Disaster Recovery	\$ 60,400	
<b>CAPITAL RESERVE FUND</b>					
16103938	462101		Contribution From Fund Balance		\$ 58,982
16575365	508105	Vehicles	Public Works	\$ 11,400	
16575365	508085	Vehicles	Sheriff - Jail	\$ 28,726	
16572362	508075	Tools/Equipment	Police Dept	\$ 10,056	

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16577367	508660	Physical Plant Expansion	Purchasing	\$	8,800	
<b>CDBG FUND</b>						
47103938	462101		Contribution From Fund Balance		\$	666
47825501	503144	CDBG Administration	Certificate Recordation	\$	179	
47825501	506100	CDBG Administration	Adm Supplies & Equip	\$	487	
<b>HOUSING CHOICE FUND</b>						
49103938	462101		Contribution From Fund Balance		\$	43,399
49535280	503150	HAP Administration	Prof. Services - Legal	\$	12,000	
49535280	503300	HAP Administration	Software Maint.	\$	9,666	
49535280	505210	HAP Administration	Postal Services	\$	1,788	
49535280	505500	HAP Administration	Travel	\$	5,922	
49535280	505540	HAP Administration	Training	\$	12,045	
49535280	505810	HAP Administration	Dues	\$	627	
49535280	506001	HAP Administration	Office Supplies	\$	1,352	
<b>TOTAL CITY FUNDS:</b>					\$	<b>1,660,537</b>
<b>SCHOOL FUNDS</b>						
18103938	462101		Contribution From Fund Balance		\$	138,529
61101100	561120	SEMAA	Instructional S & W	\$	34,000	
61101100	561151	SEMAA	Instructional Aide S & W	\$	15,000	
61101100	562100	SEMAA	Social Security	\$	3,038	
61101100	562150	SEMAA	Medicare	\$	711	
61101100	562210	SEMAA	Retirement	\$	5,552	
61101100	562300	SEMAA	Medical Insurance	\$	9,656	
61101100	562400	SEMAA	State Life Insurance	\$	137	
61101100	562520	SEMAA	Long-term Disability Insurance	\$	70	
61101100	562750	SEMAA	Retiree Health Care Credit	\$	294	
61101100	565503	SEMAA	Travel	\$	2,000	
61101100	566000	SEMAA	Materials & Supplies	\$	1,500	
61101100	566013	SEMAA	Instructional Materials & Supplies	\$	1,500	
66501100	561120	SEMAA SUMMER	Instructional S & W	\$	12,000	
66501100	561151	SEMAA SUMMER	Teachers Aides S & W	\$	5,500	
66501100	562100	SEMAA SUMMER	Social Security	\$	744	
66501100	562150	SEMAA SUMMER	Medicare	\$	174	
66501100	563000	SEMAA SUMMER	Purchased Services	\$	1,000	
66501100	565503	SEMAA SUMMER	Travel	\$	300	
66501100	565800	SEMAA SUMMER	Miscellaneous Expense	\$	1,000	
66501100	566013	SEMAA SUMMER	Instructional Materials & Supplies	\$	918	
71001100	567000	HIGH SCHOOL REGULAR	Tuition Payment/Joint Operation	\$	4,287	
81621310	561120	HARVEST - ELEMENTARY	Instructional S & W	\$	2,000	
81621310	562100	HARVEST - ELEMENTARY	Social Security	\$	124	
81621310	562150	HARVEST - ELEMENTARY	Medicare	\$	29	
81621310	563000	HARVEST - ELEMENTARY	Purchased Services	\$	20,259	
81631310	561120	HARVEST - SECONDARY	Instructional S & W	\$	3,000	
81631310	562100	HARVEST - SECONDARY	Social Security	\$	186	
81631310	562150	HARVEST - SECONDARY	Medicare	\$	44	
81631310	563000	HARVEST - SECONDARY	Purchased Services	\$	13,506	
<b>TOTAL SCHOOL FUNDS:</b>					\$	<b>138,529</b>
<b>TOTAL FY11 RE-APPROPRIATIONS INTO FY12</b>					\$	<b>1,799,066</b>

No comments were made regarding semi-annual reports submitted by outside agencies.

Mayor Adkins stated the closed session will be delayed.

Wayne Knox briefed Council on the Neighborhood Stabilization Project and policy statements and certifications requiring action. The Neighborhood Stabilization Program–

October 11, 2011

3(NSP), funded by the Congress in the Dodd – Frank Wall Street reform and Consumer Protection Act of 2010, utilizes the Community Development Block Grant framework to provide the general guidelines for NSP3. This is the third round of funding under that legislation, and the City of Martinsville is the only locality that is eligible for funding. This program is intended to assist localities in restoring residential properties that have been foreclosed on and are now vacant. The Housing Program for the City of Martinsville will operate under written program design. It will be managed by a team of local residents and staff, along with city council representation, local real estate related agencies, a rehab specialist and management consultant. Funding for this program will cover all costs of the program. As part of the requirements for implementing an NSP3 program, policies regarding non – discrimination, fair housing and local business and employment, as well as the actual program design, must be approved by City Council. On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council approved the required Fair Housing Certification, Non-Discrimination Policy, and Local Business & Employment Plan.

Business from the Floor: Craig Dietrich, Lanier Road, commented as a new school board member and as a citizen noting that he would like to see the school board and city council come together and he feels the city council should be kept very informed by the school board.

There being no further business, the meeting adjourned at 11:30 PM.

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Clarence Monday  
Clerk of Council

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Kim Adkins  
Mayor

**Meeting Date:** November 22, 2011

**Item No:** 2.

**Department:** Human Resources

**Issue:** Recognize City Employees who are eligible for Service Awards – October 1 through December 31, 2011

**Summary:** The Service Award Program is designed to build individual morale and show appreciation to the long-service employee for his/her faithful service to the City of Martinsville.

**Attachment:** Listing of City Employees who are eligible for the service award for the second quarter of FY 11-12.

**TO BE READ BY MAYOR. NO ACTION NECESSARY.**

**SERVICE AWARD RECIPIENTS  
SECOND QUARTER - FISCAL YEAR 11-12  
FOR THE PERIOD OF OCTOBER 1 THROUGH DECEMBER 31, 2011**

EMPLOYEE NAME	YEARS OF SERVICE	DEPARTMENT
Chad Stallard	5	Sheriff's Department
Sandra Tomlinson	5	Commissioner of Revenue
James Hopkins	10	Fire Department
Danny Worrell	15	Public Works Department
Mark Gilbert	20	Police Department
Doug Boaz	20	Utility Billing Department
William Stultz	25	Utility Billing Department

**Meeting Date:** November 22, 2011

**Item No:** 3.

**Department:** Electric

**Issue:** Hear an update from Marc Gerken of American Municipal Power, Inc. (AMP) Phase I Hydroelectric Construction

**Summary:** AMP currently has three separate hydroelectric projects under construction on the Ohio River and in various stages of completion with a total capacity of 208 megawatts (MW): Cannelton, Smithland and Willow Island.

Mr. Marc Gerken, President and CEO of AMP will make a presentation providing an update on the construction budgets for these generation facilities in which Martinsville is one of 79 participants at 4.3 MW or 2.1% of the project. He will review construction costs as they have evolved since the projects were subscribed, reductions achieved in budgets and comparisons to costs of power from the market as well as the long term, levelized cost from the project.

**Attachments:** none

**Recommendations:** none

**Date:** November 22, 2011

**Item No:** 4.

**Department:** City Attorney

**Issue:** Hear from local legislators and consider approval of 2012 City Legislative agenda and Unfunded Mandate List.

**Summary:** The City annually determines its legislative priorities. Attached is 2012's tentative legislative agenda for adoption.

Also attached are VML and VACO reports concerning unfunded mandates, and additional mandates identified for discussion by the City Attorney. It is also recommended that the School Board and Social Services Board and Constitutional Officers be requested to identify any mandates they deem objectionable.

Prefiling for specific legislation is December 5, 2011. Most mandates are addressed through modification of the state budget, may not require individual bills, and could be addressed during the General Assembly session.

**Attachments:** [Proposed 2012 City Legislative Agenda](#)  
[Unfunded Mandates document](#)  
[VML & VACO mandates and barriers document](#)

**Recommendations:** Motion to approve.



The City of Martinsville appreciates the efforts its legislators undertake at both the state and federal level on behalf of its citizens. Listed below are the City's priorities requested of its legislative delegation in 2012.

### *Virginia General Assembly*

#### **Transportation**

1. Urge the CTB to reach a final conclusion on the I-73 corridor.
2. In the short term, upgrade those portions of Route 220 overlaying I-73 to interstate standards. Any construction or upgrades to the I-73 corridor should begin on those sections passing through Henry County.
3. Continue to place priority on Route 58 improvements, particularly the section between Stuart and Hillsville, Virginia.
4. Endorse the rapid development of the Trans-Dominion Express, with particular emphasis on extension of passenger rail service to Roanoke.
5. Request that the Trans-Dominion Express be extended to include a spur from Lynchburg to Danville.
6. Encourage the enactment of a long-term capital funding formula for the future transportation needs of the Commonwealth.

#### **Education**

1. City Council endorses the agenda proposed by the Martinsville City School System and also endorses the educational priorities adopted by Henry County, on behalf of its school system.
2. Oppose the imposition of unaided education mandates and in the event of revenue cuts by the Commonwealth opposes targeted cuts by the Commonwealth, instead preferring local decision making authority on where to make any such cuts.
3. Recognizing its potential to promote economic development within our community and region, continue support for the development and funding of the New College Institute; urge that any funding reductions to New College Institute, if considered, be minimized to the greatest extent possible; and support the affiliation of The New College Institute as a branch of a four-year public university.

#### **Economic Development**

1. Maintain current levels of funding for economic development incentives, including but not limited to the Governor's Opportunity Fund.
2. Enhance the authority granted to localities to address and eliminate blighted properties, and the formation of interstate compacts to allow expedited recourse against out-of-state property owners.
3. Continue current funding levels of the Virginia Museum of Natural History.
4. Support the development of a multiuse trail traversing Southern Virginia from the Blue Ridge Parkway to the Chesapeake Bay in order to stimulate economic growth and promote regional tourism.
5. Include Mayo River State Park on the Commonwealth's list for future capital funding, as a benefit to the entire southern Virginia region.
6. Request enhanced state and federal financial assistance for localities which exceed the average state unemployment rate by 300% or more.
7. Request state and federal economic development reimbursements to Martinsville and Henry County for development of the Commonwealth Crossing site.
8. Support continued tourism awareness initiatives in the Martinsville-Henry County region.

## **Governance**

1. Request the appointment of a joint gubernatorial/legislative commission to examine the structure of local government in Virginia, the commission's mandate to include:
  - a. Examination of local government in the other 49 states for potential adaptation to Virginia.
  - b. Enable cities to expand their revenue base
  - c. Elimination of the "zero-sum" revenue base structure, which creates friction between cities and counties.
  - d. Elimination of redundant services and programs between contiguous cities and counties.
2. Require full funding for HB 599 funds, in fulfillment of the Commonwealth's commitment to cities in return for their acquiescence in the annexation moratorium.
3. Explore all potential options for the generation of revenue by localities.
4. Elimination of all unfunded mandates from the Commonwealth to localities.
5. Oppose any elimination or alteration of local revenue streams, and specifically oppose any amendment to the current manner in which the Business Occupation and Licensing Tax and the Machinery and Tools Tax are levied.
6. Request additional funding to adequately accommodate the space and office requirements of the Henry-Martinsville Department of Social Services.
7. Request that the General Assembly leaves intact the fire programs fund and the rescue squad assistance funds and not use these funds as a way to balance the state budget.
8. Support legislation directing health insurance credit for retirees of local government, constitutional officers, school division employees, and state employees.
9. Request that the Commonwealth fully fund its obligations to constitutional officers.
10. Oppose any attempt to curtail the doctrine of sovereign immunity for localities.
11. Oppose any attempt to permit collective bargaining for state and local government employees.
12. Request that the 2011 legislative redistricting result in at least the same number of legislative districts and members as are currently representing Martinsville and Henry County and that Martinsville and Henry County remain in the Fifth Congressional district.
13. Oppose any amendment of the existing burden of proof or process in local tax appeals cases.

## **United States Congress**

1. Continue to place priority on Route 58 improvements and the development of I-73.
2. In the short term, upgrade those portions of Route 220 overlaying I-73 to interstate standards.
3. Oppose any change in the route of the Amtrak Crescent train service. Encourage Amtrak to provide motorcoach transfer service between Danville and Martinsville.
4. Request \$3.72M in funds for the redevelopment of brownfields extending from the former Sara Lee site, along Aaron Street, to Rives Road.
5. Request \$6.25M in funds for the elimination and redevelopment of blighted areas in the city.
6. Request legislation to provide special federal incentives to businesses locating in regions which have experienced job losses in excess of 5% of the total workforce and/or declines in median incomes since the adoption of NAFTA, WTO or GATT. Target such areas for increased federal funding in education or workforce retraining.
7. Extend high speed broadband service throughout southern Virginia.
8. Request enhanced state and federal financial assistance for localities which exceed the average state unemployment rate by 300% or more.
9. Request state and federal economic development reimbursements to Martinsville and Henry County for development of the Commonwealth Crossing site.

**Staff Designations**

**City Council empowers the following staff members to speak on its behalf and in its best interests to the General Assembly, its members and committees:**

City Attorney Eric Monday

City Manager Clarence Monday

Other department heads as appointed by the City Manager

## Catalog of State and Federal Mandates on Local Governments - 2011

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### **Comprehensive Plan to Include Coastal Resource Management**

SNR.MRC003

Beginning in 2013, Tidewater localities shall incorporate the guidance developed by the Virginia Institute of Marine Science pursuant to § 28.2-1100 (9) into the next scheduled comprehensive plan review. This guidance is intended to foster the sustainability of shoreline resources, identify preferred options for shoreline management, and consider the future condition of the Commonwealth's shoreline with respect to potential sea-level rise.

Type: Compulsory Order

Agency: **Marine Resources Commission**

Secretariat: Natural Resources

Authority: Code of Virginia §§ 15.2-2223.2 and 28.2-1100 (9).

Last Assessment Period:

Last Assessment Finding:

Current Assessment Period

Comment:

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### **Constitutional Officer Legal Expenses**

SOA.CB001

Local governments and the Commonwealth are required to pay proportional shares of the attorney fees for constitutional officers or law enforcement officers in civil cases arising out of their official duties.

Type: Compulsory Order

Agency: **Compensation Board**

Secretariat: Administration

Authority: Code of Virginia §§15.2-1606, 15.2-1636.14, 15.2-1711

Last Assessment Period: 2/1/2005 to 3/31/2005

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### **Constitutional Officer Annual Budget Request**

SOA.CB002

Each city and county must elect a treasurer, clerk of court, commissioner of revenue, sheriff, and attorney for the Commonwealth. All constitutional officers shall file, on or before February 1 of the fiscal year for which the request is made, a request for the expense of their offices. The requests shall be made in the manner prescribed by the Compensation Board.

Type: Compulsory Order

Agency: **Compensation Board**

Secretariat: Administration

Authority: Code of Virginia §§ 15.2-1600, 15.2-1636.7, 15.2-1636.18

Last Assessment Period: 2/1/2005 to 3/31/2005

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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**Catalog of State and Federal Mandates on Local Governments - 2011**

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**Funding Constitutional Officer Expenses**

SOA.CB003

The salaries, expenses, allowances, and office equipment of constitutional officers shall be paid for in full by all counties and cities, and the State shall reimburse the counties and cities for their approved, proportional share.

Type: Compulsory Order

Agency: **Compensation Board**

Secretariat: Administration

Authority: Code of Virginia §§ 15.2-1636.13, 15.2-1636.14, 17.1-287

Last Assessment Period: 2/1/2005 to 3/31/2005

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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**Jail Inmate Reporting**

SOA.CB004

Local or regional jails that receive funding from the Compensation Board shall report inmate populations to the Board daily. Such reports shall utilize Virginia Crime Codes for reporting offenses for which inmates are incarcerated.

Type: Compulsory Order

Agency: **Compensation Board**

Secretariat: Administration

Authority: Code of Virginia §§ 53.1-115.1 and 53.1-121

Last Assessment Period: 2/1/2002 to 4/30/2002

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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**Jail Revenues and Expenditures Reporting**

SOA.CB005

Local and regional jails and jail farms which receive funds from the Compensation Board shall provide to the Board all sources and amounts of revenues and all expenditures associated with facility operations. Data shall be prescribed in a manner prescribed by the Board.

Type: Compulsory Order

Agency: **Compensation Board**

Secretariat: Administration

Authority: Item 67.90.K., Chapter 890, 2011 Virginia Acts of Assembly

Last Assessment Period: 2/1/2006 to 3/31/2006

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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## Catalog of State and Federal Mandates on Local Governments - 2011

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### Motor Vehicle Emissions Control Program

SNR.DEQ036

Local governments must obtain an emissions inspection of motor vehicles that they own or lease and comply with tailpipe emission limits.

Type: Compulsory Order

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia §§ 46.2-1177 et seq.; 9 VAC 5 Chapter 91; Federal Clean Air Act §§ 110, 182 (Fed.); 40 CFR 51 (Fed.)

Last Assessment Period: 8/1/2008 to 10/31/2008

Last Assessment Finding: Retain

Current Assessment Period

Comment: Applies to Counties of Arlington, Fairfax, Loudoun, Prince William, and Stafford; and to the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park.

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### Local and Regional Water Supply Plans

SNR.DEQ037

Local governments, either individually or jointly as a region, are required to submit water supply plans to the Department of Environmental Quality (DEQ). These plans are due to be submitted between 2008 and 2011, depending on the population of the region or jurisdiction. The DEQ will review the plans to determine compliance with regulations and consistency with the State Water Resources Plan. After the plans are approved, DEQ will re-review them every five years.

Type: Compulsory Order

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia § 62.1-44.38:1; State Water Control Board Regulations 9 VAC 25-780 et seq.

Last Assessment Period: 8/1/2008 to 10/31/2008

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### Environmental Impact Reports for Local Road Projects

SNR.DEQ038

Any local government that undertakes highway construction, reconstruction, or an improvement project affecting highways or roads with a cost of \$500,000 or more must prepare an environmental impact report.

Type: Regulation of Optional Activity

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia §10.1-1188

Last Assessment Period: 9/1/2009 to 11/30/2009

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### Compliance with Air Emission Standards

SNR.DEQ031

Local governments that operate landfills, incinerators, wastewater treatment facilities, boilers, or other facilities that generate air pollution must comply with air emissions standards and permitting requirements.

Type: Regulation of Optional Activity

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia §§ 10.1-1308, 10.1-1314, 10.1-1322; Regulations for the Control and Abatement of Air Pollution (9 VAC 5-10 through 9 VAC 5-85, 9 VAC 5-130, 9 VAC 5-170-150; Federal Clean Air Act §§ 110, 111, 112, 123, 129, 171, 172, 173, 182, 501 - 506 (Fed.); 40 CFR 51, 60, 61, 63 (Fed.)

Last Assessment Period: 9/1/2005 to 11/30/2005

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### Landfill Closure

SNR.DEQ032

Local governments that own or operate municipal solid waste landfills that do not have liners and leachate collection systems meeting the requirements of the Virginia Waste Management Board must close them in accordance with a schedule developed by the Department of Environmental Quality.

Type: Compulsory Order

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia § 10.1-1413.2

Last Assessment Period: 9/1/2003 to 10/31/2003

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### Exceptional Waters Notification

SNR.DEQ033

Local governments must provide, upon the request of the Department of Environmental Quality, names and addresses of riparian property owners impacted by a nomination of a waterway or segment of a waterway for designation as an exceptional state water.

Type: Compulsory Order

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia § 62.1-44.15:4(B); Water Quality Standards Regulation 9 VAC 25-260-30

Last Assessment Period: 9/1/2006 to 11/30/2006

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### Recycling Program and Annual Recycling Rate Report

SNR.DEQ015

Solid Waste Planning Units (individual local governments or regional authorities) must develop and implement recycling programs to maintain a mandated recycling rate of 15% or 25%. Solid Waste Planning Units with population densities less than 100 persons per square mile or with a civilian unemployment level more than 50% above the statewide average qualify for the 15% level, while all others must meet the 25% mandate. Plans for achieving this rate must be included in the solid waste management plans on file with DEQ. Data to document recycling rates for the preceding calendar year must be reported by April 30 of each year to DEQ.

Type: Compulsory Order

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia § 10.1-1411; Virginia Waste Management Board Regulation 9 VAC 20-130-10 et seq.

Last Assessment Period: 4/1/2005 to 6/30/2005

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### Hazardous Waste Management Requirements

SNR.DEQ016

Local governments that generate, transport, treat, store, or dispose of hazardous wastes must comply with hazardous waste management requirements. To ship hazardous wastes, localities must use manifests and permitted transporters. Such wastes can be shipped only to certain treatment or disposal facilities. In general, any treatment, storage, or disposal requires a permit.

Type: Regulation of Optional Activity

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia §§ 10.1-1400 et seq.; 9 VAC 20-60-10 et seq.; P.L. 94-580 (Fed.); P.L. 98-616 (Fed.); 42 USC 6901 et seq. (Fed.); 40 CFR 124 and 40 CFR 260-279 (Fed.)

Last Assessment Period: 9/1/2006 to 11/30/2006

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### Medical Waste Management

SNR.DEQ017

Local governments electing to generate, transport, and/or treat, store, or dispose of regulated medical waste must meet certain minimum regulatory standards. Generators must ensure that their regulated medical waste is appropriately handled, and transporters must be registered with the Department of Environmental Quality.

Type: Regulation of Optional Activity

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia § 10.1-1402; Virginia Waste Management Board Regulation 9 VAC 20-120-10 et seq.

Last Assessment Period: 10/1/2006 to 12/31/2006

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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## Catalog of State and Federal Mandates on Local Governments - 2011

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### **Solid Waste Management Facility Operator Certification**

SNR.DEQ005

Local government waste management facilities must be operated under the direct supervision of a person licensed by the Board of Waste Management Facility Operators.

Type: Regulation of Optional Activity

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia §§ 10.1-1408.2 and 54.1-2212; Board of Waste Management Facility Operators Regulations 18 VAC 155-20-10 et seq.

Last Assessment Period: 6/1/2006 to 8/31/2006

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### **Solid Waste Management Facility Permit**

SNR.DEQ006

Local governments that operate solid waste management facilities are required to have a permit from the Department of Environmental Quality to ensure proper siting, design, construction, and operation; and must provide financial assurance to cover the cost of closure and post closure maintenance of the facility. Local governments seeking a permit to operate a new sanitary landfill or transfer station are required to hold an advertised public hearing to seek comment from affected residents and to form a citizen advisory group to assist in site selection.

Type: Regulation of Optional Activity

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia §§ 10.1-1408.1, 10.1-1408.3 et seq., 10.1-1410.2; Virginia Waste Management Board Regulations 9 VAC 20-70-10 et seq., 9 VAC 20-81-10 et seq.; P.L. 94-580 (Fed.); P.L. 98-616 (Fed.); 42 USC 6901 et seq. (Fed.); 40 CFR 257, 258 (Fed.)

Last Assessment Period: 6/1/2006 to 8/31/2006

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### **Vegetative Waste Management and Yardwaste Composting**

SNR.DEQ009

Local governments electing to compost yardwaste or other vegetative waste must comply with the requirements of the Solid Waste Management Regulations related to the siting, operation, and monitoring of such facilities.

Type: Regulation of Optional Activity

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia § 10.1-1408.1; Virginia Waste Management Board Regulation 9 VAC 20-81-10 et seq.; 42 USC 6901 et seq. (Fed.); 40 CFR 257, 258 (Fed.)

Last Assessment Period: 3/1/2006 to 5/31/2006

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### **Solid Waste Management Facility Compliance Notification**

SNR.DEQ013

Upon receipt of a request for certification that the location and operation of a solid waste management facility are consistent with all applicable ordinances, the local government is required to inform both the applicant and the Department of Environmental Quality of the facility's compliance or noncompliance within 120 days. Additionally, local governments that host, but do not own or operate, a new or expanding municipal solid waste landfill must certify to the Department of Environmental Quality that a host agreement, having certain required provisions, has been reached between the applicant and the host jurisdiction.

Type: Compulsory Order

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia § 10.1-1408.1; Virginia Waste Management Board Regulation 9 VAC 20-81-10 et seq.

Last Assessment Period: 4/1/2000 to 6/30/2000

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### **Solid Waste Management Plan**

SNR.DEQ014

Local governments, either individually or joining together as an approved region, are required to submit comprehensive 20-year solid waste management plans by July 1, 2004 to the Department of Environmental Quality. Plans must be kept up-to-date by amendment and approval by the Department of Environmental Quality. Permitting of solid waste management facilities in the region must conform to the plan.

Type: Compulsory Order

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia §§ 10.1-1402 and 10.1-1411; Virginia Waste Management Board Regulation 9 VAC 20-130-10 et seq.

Last Assessment Period: 4/1/2005 to 6/30/2005

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### **Waste Tire End User Reimbursement Program**

SNR.DEQ027

Localities that beneficially use at least 50 tons of Virginia-generated waste tire material are eligible to receive End User Reimbursement payments to offset the costs of using such material. End User Reimbursement Applications are filed with DEQ documenting the amount of Virginia waste tire material used, the specific use of the material, the site of use, as well as the cost of use.

Type: Non-Discretionary Condition of Aid

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia §§ 10.1-1422.1 through 10.1-1422.4; Virginia Waste Management Board Regulation 9 VAC 20-150

Last Assessment Period: 6/1/2002 to 8/31/2002

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### **Solid Waste Management Reporting**

SNR.DEQ028

Local governments that operate solid waste management facilities are to report annually on the volume and category of waste disposed and the amounts originating from outside the State.

Type: Regulation of Optional Activity

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia § 10.1-1413.1; Virginia Waste Management Board Regulation 9 VAC 20-81

Last Assessment Period: 4/1/2005 to 6/30/2005

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### **Water Quality Improvement Fund (WQIF) Point Source Program**

SNR.DEQ029

Local governments receiving grants from the Virginia Water Quality Improvement Fund for installing nutrient removal technology in publicly owned wastewater treatment plants must comply with the guidelines established by the Secretary of Natural Resources.

Type: Non-Discretionary Condition of Aid

Agency: **Department of Environmental Quality**

Secretariat: Natural Resources

Authority: Code of Virginia §§ 10.1-2117 et seq.

Last Assessment Period: 9/1/2006 to 11/30/2006

Last Assessment Finding: Retain

Current Assessment Period

Comment:

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### **Governor's Opportunity Fund**

IND.VEDP001

Local governments can apply for grants or loans to be used to attract economic development projects that meet statutory capital investment and job creation criteria. Funds may be used for infrastructure improvements, site acquisition, site preparation, building construction, training, or grants or loans to a public entity for the purpose of attracting economic development prospects. Awards are subject to a performance agreement among the prospective company, the locality, and the locality's industrial or economic development authority, if it is a participant. A local match is likely to be required.

Type: Non-Discretionary Condition of Aid

Agency: **Virginia Economic Development Partnership**

Authority: Code of Virginia § 2.2-115

Comment: Not subject to review: No executive agency oversight.

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### **Major Employment and Investment Project Site Planning Grant Fund**

IND.VEDP002

Local governments can apply for grants to be used to assist in site development work for prospective major economic development projects in order to enhance a community's readiness to compete for such projects. Awards are made on a competitive basis, and are subject to a performance agreement between the local government and VEDP. A local match is required, and may be cash or in-kind.

Type: Non-Discretionary Condition of Aid

Agency: **Virginia Economic Development Partnership**

Authority: Code of Virginia § 2.2-2240.2; Item 96 (K), Chapter 890, 2011 Acts of Assembly.

Comment: Not subject to review. No executive agency oversight. Newly identified.

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### **Employee Retirement System**

IND.VRS001

Local governments with a population of 5,000 or more must provide a retirement system for eligible employees either by participating directly in the Virginia Retirement System (VRS) or by establishing a local retirement system which provides a service retirement allowance that equals or exceeds two-thirds of the service retirement allowance at age 65 or older to which the employee would have been entitled had the allowance been computed under the provisions of the VRS. All school divisions are required enroll teachers in the Virginia Retirement System or a comparable local retirement system. Each county and city participating in the VRS shall provide the benefit coverage described in §51.1-138(B) to each deputy sheriff. Each regional jail board and regional jail authority participating in the VRS and each county and city participating in such board or authority shall provide the benefit coverage described in §51.1-138(B) to each sworn officer of a regional jail. The City of Danville shall provide to each deputy sheriff the benefit coverage described in §51.1-138(B).

Type: Compulsory Order

Agency: **Virginia Retirement System**

Authority: Code of Virginia §§ 51.1-132 through 51.1-135, 51.1-138, 51.1-800

Comment: Not subject to review: No executive agency oversight.

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### Line of Duty Act Benefits

IND.VRS002

Local governments with employees and volunteers subject to coverage under the Line of Duty Act must fund benefit payments to eligible participants and their families that result from deaths or disabilities incurred in the line of duty. By July 1, 2012, localities must choose to either: (1) fund these liabilities by joining and contributing to the Line of Duty Act Fund, or (2) opt-out as a non-participating employer and either self-insure or obtain insurance from a third party. The election to opt-out is irrevocable.

Type: Compulsory Order

Agency: **Virginia Retirement System**

Authority: Code of Virginia §§ 9.1-400 et. seq; Item 258, Chapter 890, 2011 Acts of Assembly.

Comment: Not subject to review: No executive agency oversight.

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### Virginia Workers' Compensation Act

IND.VWC001

Local governments must insure the payment of benefits to workers under the Virginia Workers' Compensation Act for injuries or occupational diseases that are the result of employment. Work-related injuries, accidents and diseases must be reported to the Virginia Workers Compensation Commission within 10 days.

Type: Compulsory Order

Agency: **Virginia Workers' Compensation Commission**

Authority: Code of Virginia §§ 65.2-100 et seq.; Rules of the Workers' Compensation Commission; Regulations 16 VAC 30-30-10 et seq.; 16 VAC 30-80-10 et seq.; 16 VAC 30-91-10 et seq.

Comment: Not subject to review: No executive agency oversight.

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### Workers' Compensation Information

IND.VWC002

Local government officials who license employers to conduct business under Chapter 37 of Title 58.1 must provide employers requesting such licenses with information concerning the statutory workers' compensation insurance requirements. The information to be distributed by the local government officials is supplied by the Virginia Workers' Compensation Commission.

Type: Compulsory Order

Agency: **Virginia Workers' Compensation Commission**

Authority: Code of Virginia § 65.2-800

Comment: Not subject to review: No executive agency oversight.

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### Notification of Rights for Victim of Crime

IND.VWC003

Local law enforcement officers in counties, cities, and towns must make reasonable efforts, where practicable, to notify victims of crime of their rights by distributing notices to each victim. In cases where a claim is pending before the Criminal Injuries Compensation Fund, when an associated criminal prosecution has been concluded in the circuit court the attorney for the Commonwealth shall promptly notify the Commission. If a criminal prosecution occurs regarding the alleged crime, the attorney for the Commonwealth shall request the court to order restitution. Any such restitution shall be paid over to the Comptroller for deposit into the Criminal Injuries Compensation Fund to the extent of the amount of the award paid from the Fund.

Type: Compulsory Order

Agency: **Virginia Workers' Compensation Commission**

Authority: Code of Virginia § 19.2-368.17, 19.2-368.5(D)

Comment: Not subject to review: No executive agency oversight.

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## Mandates and barriers to innovation

The issue of mandates is complex and multi-faceted. While the overall reformation of mandates may be a difficult and time-consuming effort, a start can be made by identifying some requirements that the administration and/or General Assembly can quickly address.

Even if state mandates are justified through a proposed process that would change the way state agencies enforce them, localities should have the authority to seek waivers or access an appeals process related to mandates and state regulations in order to encourage innovation, regional approaches and other cost efficiencies at the local level. At the very least, such a process would highlight the need for further consideration of “unintended consequences.”

The list that appears below reflects Gov. Bob McDonnell’s direction to his commission on reform to explore opportunities to make government more efficient, effective and simpler and to re-evaluate administrative and regulatory measures to remove barriers to lower costs and better public services.

This list reflects input from Virginia’s local government organizations as well as localities across the Commonwealth. Thousands upon thousands of dollars and hours of valuable time are wasted each year as legislators and the Division of Legislative Services staff work on legislation on topics that are more appropriately handled at the local level. The state code contains numerous examples of unnecessarily restrictive language that inhibits efficiency, improved public services and innovation.

As an example of the specificity of existing law, consider this code section relating to animal licenses:

### **§ 3.2-6528. Amount of license tax.**

The governing body of each county or city shall impose by ordinance a license tax on the ownership of dogs within its jurisdiction. The governing body of any locality that has adopted an ordinance pursuant to subsection B of § 3.2-6524 shall impose by ordinance a license tax on the ownership of cats within its jurisdiction. The governing body may establish different rates of taxation for ownership of female dogs, male dogs, spayed or neutered dogs, female cats, male cats, and spayed or neutered cats. The tax for each dog or cat shall not be less than \$1 and not more than \$10 for each year. If the dog or cat has been spayed, the tax shall not exceed the tax provided for a male dog or cat. Any ordinance may provide for a license tax for kennels of 10, 20, 30, 40, or 50 dogs or cats not to exceed \$50 for any one such block of kennels.

No license tax shall be levied on any dog that is trained and serves as a guide dog for a blind person, that is trained and serves as a hearing dog for a deaf or hearing impaired person or that is trained and serves as a service dog for a mobility-impaired person.

As used in this section, “hearing dog” means a dog trained to alert its owner by touch to sounds of danger and sounds to which the owner should

respond and “service dog” means a dog trained to accompany its owner for the purpose of carrying items, retrieving objects, pulling a wheelchair or other such activities of service or support.

(1984, cc. 248, 492, § 29-213.57; 1986, c. 169; 1987, c. 488, § 3.1-796.87; 1993, c. 817; 1994, c. 108; 2006, c. 836; 2008, c. 860.)

Is it really a core service of the state to control how much a dog license costs? Other than statutes relating to service animals, why wouldn't localities have the flexibility to handle this issue themselves? There has to be a better way to authorize local governments to impose animal licenses.

**A second example:** Currently the definition of industrialized buildings encompasses bus shelters. However, bus shelters, which are small structures designed to provide protection from the elements for transit patrons, are much less complex than other industrialized/modular buildings and should be subject to less rigorous application and permit requirements. The current permit process for bus shelter installation can take months to complete. Revising installation requirements will remove bureaucratic layers, save months of time for completion, and reduce costs.

**A third example concerns small improvement and construction projects subject to permitting and approval by state transportation agencies.** In one instance in Fairfax County, a bus stop improvement plan to install a five-foot by eight-foot concrete loading pad began on Oct. 17, 2007. Due to the Bureau of Capital Outlay Management permit processes, including time-consuming reviews and inspections, the project, which totaled \$13,020, was not completed until after July 22, 2008. Allowing a blanket permit process for such projects could accelerate their completion by several months and more quickly improve pedestrian and road conditions. This will remove bureaucratic layers, save months of time for completion, and reduce project costs.

The list below is by no means a complete one, but includes a variety of requirements that could be addressed in the next session of the General Assembly. To take action on these items would send a signal that the administration and General Assembly are serious about getting results in reforming government.

One of the unintended consequences of the Dillon Rule is to encourage very narrow interpretations of laws, to the point of running afoul of the governor's desire to relieve unduly burdensome requirements relating to ministerial local functions. One solution, which does not violate the Dillon Rule, could be to support an amendment to Title 1 of the Code of Virginia stating: “Any act of general law that supplements special legislation shall prevail unless the general law provision provides otherwise.” Adoption of this or similar language would negate the need for separate legislation on some of the items presented below, and would relieve the General Assembly of using its valuable time to address issues that do not represent core priorities and statewide public interests.

**Local governments should have the authority to:**

1. Set the cost of pet licenses.
2. Provide for the cutting of grass and weeds on properties within their boundaries.
3. Include mosquito control in an existing gypsy moth control tax district.
4. Consolidate the functions and activities of the general government and those of the local public school division specifically for the acquisition, or improvement of real property, including the administration of any capital construction project for public educational purposes.

5. Consolidate the functions and activities of the governing body and those of the local school division for the purchasing functions, building and vehicle maintenance and any other function that now requires the consent or a request of the local public school division as required by State law.

6. Establish alternatives to publication in a newspaper of general circulation for legal ads and other notices, such as allowing publication in at least two of the following forms of publications: (i) newspaper of general circulation in the locality, including online newspapers, if any; (ii) locality's website and community/neighborhood websites; (iii) public access channel operated by the locality, to be aired during prime time programming and at least two other times during the day; (iv) automated voice or text alert system used by the locality; or (v) postings at the local public library.

7. Allow localities and state agencies to bid together for services such as health, vision and dental insurance.

8. Change the certified and registered mail requirements for notices by local government to allow notice via regular mail to the last addresses available through government records. Requirements to use certified and registered mail unnecessarily increase the cost of notices. The Commonwealth of Virginia now sends many drivers license renewals and licenses via regular mail - not registered mail. Despite the increased scrutiny of license issues and photos in the wake of security enhancements since 9/11, the renewals and licenses are still sent via regular mail.

9. Eliminate requirement for copies of cancelled checks when localities claim reimbursement from the state, and instead authorize local governments to certify that these are true costs.

10. Exempt local governments from the unclaimed property laws, or at a minimum, increase the threshold to a more reasonable level, such as \$5000. Currently, local governments must forward to the state uncashed checks that have been sent to vendors. There is an intensive process involved to send the letters and document the work.

## **Transportation**

Local governments have identified a number of unduly restrictive requirements that do not add value to transportation services but instead make it more time consuming and expensive for local governments to deliver.

**Therefore, local governments should be granted the authority to:**

1. Design and build local bus stops and pedestrian facilities.
2. Determine the color of local public vehicles.
3. Allow quick take for pedestrian improvement condemnations to facilitate a faster negotiation process with property owners for pedestrian access and safety.
4. Develop an expedited process for installation of bus shelters.
5. Establish a blanket permit process for transportation agencies for small improvement and construction projects that do not exceed a set amount.
6. Grant localities the authority to install Watch for Children and school speed zone signs.
7. Exempt new bike and pedestrian trails adjacent to existing roadways from stormwater runoff regulations.
8. Direct the commissioner to develop a process that includes alternative compliance methods for localities to meet the state acceptance process for roads established in older communities prior to 1932, the enactment of the Byrd Road Act which created the state secondary road system.

9. Install photo red light cameras as needed in the local government.

### **The Comprehensive Services Act**

Local governments can technically work together on this expensive and complicated human services program, but there's little incentive to build regional services for the following reasons:

- Each locality has a different match rate for the CSA program. If localities in a region want to try to create a single program to serve children in their area, the differing match rates remain. If localities could use the lowest match rate of the locality in that region, there would be more incentive in many parts of the state for localities to build those regional services to serve children and families on a more cost-effective basis. It would also be more cost-effective and therefore attractive to private providers who could create a single program for an area.

- The CSA program has a state "pool" of funds from which each locality gets an allocation each year (each locality also pays a local match for funds it uses). Localities are unable to obtain any of this pool funding upfront to create services in their communities. Funds can only be used on a "per child" basis, and are only granted on a reimbursement basis. This creates a disincentive to build programs that can serve a number of children and families. If localities could use even a portion of its share of pool funds to build services upfront (through a private or non-profit vendor in most cases), the infrastructure would be there to serve more children and families, which could give some economies of scale for the locality and the taxpayers.



## Relationship of state and local governments

*The ideas and suggestions in this paper stem from suggestions made at a June 10 meeting of local legislative liaisons, and from suggestions forwarded by individual localities.*

*There is probably not complete agreement on many (if any) of these items among all local governments. They are presented below to give suggestions on how the Intergovernmental Relations Committee can proceed to tackle its assignments.*

### **Issue**

Reform efforts at the state level should not only focus on how the state reorganizes its own agencies, but also on how the state can enable local governments to operate efficiently and effectively. Reform efforts should not result in the transfer of state responsibilities to local government.

Each year the General Assembly must contend with numerous pieces of legislation that have little or no connection to core state functions. Localities need more authority to manage the activities for which they are responsible.

### **Background**

Any consideration of the devolution of state services to localities must be carefully evaluated. Factors to be considered include the transfer of adequate funding streams to the entity providing the service, flexibility in administering programs to tailor them to community standards, and the reduction of state requirements in exchange for any reduction in state dollars funding the service. Any reorganization at the state level should consider both the revenue and spending sides of the state budget, especially in light of the structural imbalance in the current state budget. Local governments need alternative revenue sources should they be required to assume greater service and funding responsibilities from the Commonwealth.

### **Possible Approaches**

Expand local authority to provide services and programs that have no compelling statewide priority or impact.

#### *Short term*

- Support legislation to clarify the authority of local governments to (for example):
  1. Design and build local bus stops and pedestrian facilities.
  2. Determine the color of local vehicles.
  3. Set the cost of pet licenses.
  4. Cut grass and weeds on derelict, abandoned and foreclosed properties.
  5. Include mosquito control in an existing gypsy moth control tax district.
  6. Install photo red light cameras.

7. Set fines locally as a means of enforcing community expectations for property maintenance and protecting community health and welfare.
  8. Set fees locally so that users of government services contribute toward the costs of these local services (example: proposed \$3 court fee to fund an electronic summons system).
  9. Seek waivers from state regulations in order to meet community standards, as Governor Allen's Blue Ribbon Strike Force recommended the state be allowed to do at the federal level.
- Support an amendment to Title 1 of the Code of Virginia stating that "Any act of general law that supplements, supersedes or differs from special legislation shall prevail unless the general law provision provides otherwise." Adoption of this or similar language would negate the need for separate legislation on some of the items in the list above.
  - In the area of transportation (for example):
    1. Allow eminent domain authority for quick-take associated with pedestrian improvements.
    2. Exempt bus shelters from General Services permits.
    3. Relax requirements to eliminate duplicative state reviews for small state-funded projects.
    4. Authorize Watch for Children sign installation.
    5. Require gross vehicle weight rating (GVWR) verification for vehicles excluding motorcycles and passenger cars.
    6. Exempt new bike and pedestrian trails adjacent to existing roadways from stormwater runoff regulations.
    7. Include transit operators and maintenance personnel as operating expenses.
    8. Broaden the use of toll facilities revolving account.
    9. Grant localities increased flexibility in their use of transportation funding.

## Reorganization of state government

### *Short term*

- Ensure that local comprehensive plans and zoning ordinances determine the location and number of new private ABC stores and franchises. Further, any privatization of existing ABC stores and new franchises must comply with local zoning ordinances.
- Reexamine the administration and funding of local constitutional officers.
- Grant counties the same taxing and bonding authorities as cities, while protecting town authority.
- Consider funding mechanisms for local governments in order to decrease reliance on currently authorized local taxes.
- Allow local governments to "piggy-back" on state contracts for services like insurance, purchasing, health care and maintenance, among others, where the locality determines it to be cost-beneficial.
- Coordinate state and local input into the federal regulatory process.



## Regional incentives

*The ideas and suggestions in this paper stem from suggestions made at a June 10 meeting of local legislative liaisons, and from suggestions forwarded by individual localities. There is probably not complete agreement on many (if any) of these items among all local governments.*

*They are presented below to give suggestions on how the Intergovernmental Relations Committee can proceed to tackle its assignments.*

### **Issue**

The state relies on local governments to deliver mandated state services and cooperatively-funded state-local services, but greater efficiencies and economies of scale could be achieved if some services were delivered on a regional basis.

### **Background**

Policymakers in Virginia have often cited intergovernmental cooperation as one solution to the problems of local governments. The functional consolidation of services or total merger of governments has been cited by many as the panacea for stagnating local tax bases and growing citizen demands. Yet, when presented opportunities to increase interlocal cooperation, voters and some local governments have shown little interest.

The General Assembly deserves credit for granting local governments the authority to address almost any issue on a multi-jurisdictional basis. The *Code of Virginia* also includes provisions allowing localities to establish independent authorities to provide water, sewer, solid waste, parks, mass transportation, airports and many other services in a cooperative manner. Besides fostering cooperation through legislation, the Commonwealth also provides some financial incentives, such as support for local jail construction and for libraries, to encourage local governments to work together. Despite this framework, many opportunities for increased cooperation and consolidation remain.

Additional incentives to foster interlocal cooperation are needed, and those do not always have to be in the form of direct dollars. They could be additional legal authority, program flexibility and capital improvements out of state bond issues. The incentives need to be mutually beneficial to the interested localities and of significant magnitude to attract participation.

### **Possible Approaches**

Promote and create incentives for interjurisdictional cooperation and mergers of services.

#### *Short term*

- Establish incentives to encourage the consolidation of “back office” operations between school systems and local governments (finance, information technology, human resources, buildings and grounds, communications, legal, procurement, capital project management).

- Extend the “no-loss” period for state funding for functional consolidation from 5 to 10 years (See §15.2-1302, *Code of Virginia*)
- Provide meaningful incentives to localities that address economic development needs and issues on a regional, rather than local basis.
- Waive or relax state mandates for consolidated governments or for services offered cooperatively.
- Give preferential treatment in funding formulas to consolidated activities such as social services, transportation, and waste water treatment.
- Establish a web site of best practices in regional cooperation on the state web site, including access to experts in the field of consolidated service delivery (including mediators and facilitators to help overcome local political barriers).

*Longer term*

- Remove barriers (such as referendum requirements) to revenue sharing among localities to encourage joint development of infrastructure, sites, and facilities.
- Provide counties access to the same revenue authority as municipalities, although town authority should be protected.
- Link state agencies’ programs such as within DHCD, VDOT and DRPT toward a goal of more efficient and sustainable state development policies.
- Find ways to increase local option taxing authority.
- Look for incentives to reduce infrastructure costs arising from urban sprawl.
- Promote state-level "smart growth" policies to limit congestion, prevent urban sprawl, save open space, and protect the environment.
- Authorize regional taxing authority and tolling authority to localities working in concert on transportation improvements and meeting certain requirements. The General Assembly should set the standards and then allow localities to create the political environment to achieve success.

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Virginia Association of Counties 1111 2222



## VACo presents governor its list of top mandates of concern to counties

County supervisors recently received an announcement from Gov. Robert F. McDonnell about the creation of his Task Force for Local Government Mandate Review. This five-member task force was appointed to review state mandates imposed on localities and to recommend temporary suspension or permanent repeal of such mandates.

The message urged local officials to provide the task force with a list of state mandates that they believe should be modified or eliminated. The governor also indicated that he had received a VACo list of burdensome mandates, especially unfunded ones, which the state dictates to counties.

Listed below are the mandates that VACo sent to the governor at his request late last month. This same list was presented by former VACo President Phillip Bradshaw to the Intergovernmental Relations Committee of the Reform Commission on Aug. 4, 2010.

While this is not an exhaustive inventory of all burdensome mandates imposed on counties, it includes the top mandates identified by VACo's leadership.

For further information, contact [Ted McCormack](#) or [Dean Lynch](#).

### Aid to localities

Reverse the \$120 million biennial reduction in aid to localities.

### Line of Duty Act

Delete local funding requirement for Line of Duty benefit. The 2010 General Assembly included budget language transitioning the Line of Duty benefit in FY 2012 from a fully state funded program to one paid by local governments and state agencies. The program is administered by the state, and many local governments opting to self-fund need the authorization to administer the program.

### Public Education

- Review the Standards of Learning, the Standards of Accreditation and other administrative regulations to bring them into sync with the current Standards of Quality. If the state cannot afford its standards, then it needs to develop standards that it can afford instead of simply passing those costs onto local governments. Fully fund rebenchmarking.

- Delete state educational mandates that exceed federal requirements:

-Currently, the state mandates all students in grades 3-8 be tested in not only reading and math, but also in social studies and history, and that students in high school take additional end of course tests. The federal No Child Left Behind (NCLB) only requires students be tested in reading and math as well as in science once while in elementary, middle and high school.

-Virginia exceeds the federal requirements under the Individuals with Disabilities Education Act (IDEA), however, in over 175 areas. When Virginia's regulations exceed the federal requirements, those regulations impose significant additional costs on the state and, most importantly, local governments.

### Comprehensive Services Act (CSA)

- Make the CSA program subject to the Administrative Process Act. Local governments pay more than 80 percent of the administrative costs of this "shared" program. The state share of administrative costs has not been increased in more than a decade. At the same time, the administrative burdens on local governments have increased in data collection and reporting requirements. The APA ensures adequate public notice about, and input into proposed rules and regulations that affect all taxpayers in the Commonwealth.
- Return local CSA service rates to the FY 2006 level. The Commonwealth has increased mandatory local participation percentages for the provision of services funded through the Comprehensive Services Act. Mandates increasing local rates for residential and foster care related services should be abolished and returned to the FY 2006 level.
- Increase state match for certain youth programs in CSA. Local governments pay a healthy portion of the state's Medicaid match for certain youth in this program. The portion paid by local governments has increased over the life of this program, which began in the early 1990s. The state pays the Medicaid match for other service areas and should do so for this program.
- Establish financial incentives for local governments that foster regional contracting for provider services. Local governments who participate in regional contracts should provide local fund match at the lowest rate of the participating local governments.

### Constitutional Officers

Fund fully the state's obligations for mandated constitutional officers. A full fiscal and program analysis should determine state and local responsibilities and whether state funding responsibilities are sufficient. Additionally, the study should examine jail issues including staffing, funding, construction, per diems, operational costs, and benefits.

### Equal Tax Authority

Equalize county taxing authority to enact local excise taxes including the cigarette tax, admissions tax, transient occupancy tax and meals tax with that of cities and towns.

### Public Safety

Increase state funding for state prisoners housed in local jails. Since 2008, the state has closed eight adult correctional facilities and one juvenile facility. More than 3,000 prison beds, or about a tenth of the state capacity, have been eliminated. The state has lowered the per diem payment for state-responsible prisoners held in local jails. The state also has redefined the legal definition for state-responsible inmates so that going forward, state funding will drop even further.

### Election Administration

Increase state funding for the local election administration. The state budget contains \$13.8 million in FY11 and \$12.8 million in FY12 for election administration. Of that amount, \$5.8 million a year is designated for electoral services, primarily to pay a portion of salaries for general registrars, and for the salaries and limited expenses for local electoral boards. Localities, however, spent \$40.8 million on election administration in FY09. Thus, localities pay the tab for not only local elections, but also primaries, state and federal elections.

### Courthouse Construction

Remove the mandate for localities to build and maintain court facilities. State law requires localities to assume the mandated cost to construct and maintain court facilities. If, in the sole opinion of the local circuit court, localities do not meet those requirements, the court can order to build a new courthouse without regard to the fiscal condition of the local government. Additionally, the state has not established incentives for court officials to foster regional facilities. While this mandate has been temporarily suspended by the General Assembly, it remains a threat of significant unplanned expenditures to all cities and counties.

### Environmental Protection

- Increase funding for Chesapeake Bay clean up. Virginia local governments face an estimated cost of more than \$7 billion to comply with the Watershed Implementation Plan under Chesapeake Bay TMDL. Localities need additional state and federal funds.
- Delete local monitoring requirements in the Chesapeake Bay Preservation Act.

-Local governments subject to the Chesapeake Bay Preservation Act are required to devote staff resources to monitor the five-year septic tank pump out provision of the Act. This should be the job of the Virginia Department of Health since it currently has the records and personnel already in place to monitor this requirement.

-Local governments subject to the Chesapeake Bay Preservation Act are required to review soil and water runoff control and water quality assessments prepared by all agricultural operations within their jurisdiction, and to take enforcement action when necessary. This function should appropriately be the responsibility of either the Virginia Department of Conservation and Recreation or the Virginia Department of Agriculture.

### VACo's Legislative Team: Contact Information

If you have questions about legislation, give us a call.

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The Virginia Association of Counties exists to support county officials and to effectively represent, promote and protect the interests of counties to better serve the people of Virginia.

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## Unfunded mandates and shared state-local programs

*The ideas and suggestions in this paper stem from suggestions made at a June 10 meeting of local legislative liaisons, and from suggestions forwarded by individual localities. There is probably not complete agreement on many (if any) of these items among all local governments. They are presented below to give suggestions on how the Intergovernmental Relations Committee can proceed to tackle its assignments.*

### **Issue**

A multitude of local government services are driven by state requirements. Indeed, local governments deliver more state services than state agencies do. Reliance on local government for the delivery of state services has led to inefficiency in the delivery of some services, a growing disconnect between authority for setting the parameters of service and the responsibility for delivering the service, and a lack of consistent and reliable funding.

### **Background**

The state requires cities and counties to deliver, to participate in the delivery or to fund many services including education, social services, mental health, health, election administration, incarceration, courts and judicial administration, and transportation. Other local services are driven by state requirements such as training requirements for police, animal control officers, building officials and inspectors, emergency medical technicians and other personnel; environmental requirements and standards for facilities including jails, animal shelters, and so forth. As a result, numerous opportunities exist for disagreements over funding, service responsibility, transparency and standards.

A different approach to service delivery would be to clearly assign responsibility for functions to either the state or to local governments. Possibilities include the state assuming service delivery of some functions or sub functions, contracting for service delivery with local governments in order to clearly delineate responsibilities and service delivery outcomes, and the elimination of state responsibility for areas that are not core state functions.

### **Possible Approaches**

#### **Human services**

##### *Short term*

- Examine whether the state should determine eligibility for Medicaid and social services. Technology and computer software is available to determine eligibility for programs and other administrative functions. State determination of eligibility for Medicaid also may make it easier for the state to meet upcoming deadlines under federal health care reform.

- Study the elimination of the free-standing State Executive Council for the Comprehensive Services Act and the placement of this function under the jurisdiction of the Secretary of Health and Human Services or some other agency subject to the Administrative Process Act. If the SEC is not eliminated, it should be made subject to the Administrative Process Act, and local representation should be increased to reflect the ever-increasing importance of local funding in the CSA program.
- Enable local Comprehensive Services Act agencies to jointly negotiate for services, and/or have the state negotiate contracts for services to be delivered through local CSAs. This would allow for some economies of scale to be realized, as presently smaller agencies are at a distinct disadvantage in trying to negotiate contracts for community-based services.
- Encourage consolidation of human services delivered at the local level through the use of financial and other incentives, such as enhanced reimbursement rates for localities.

*Longer term*

- Consider if the state should assume responsibility for social services in exchange for local governments assuming responsibility for some other state-local service.
- Establish a contractual relationship whereby the state contracts with local governments for the delivery of social services, enabling requirements, funding and accountability standards to be set for both the state and local governments, and allowing for changes in service levels when funding is cut.

**Education**

*Short term*

- Grant local governing bodies the authority to compel the consolidation of non-classroom school functions, where cost beneficial and operationally efficient. Some examples include:
  1. Administration of any capital construction project for public educational purposes.
  2. Purchasing functions, building and vehicle maintenance, personnel, printing, grounds maintenance and any administrative function that now requires the consent or a request of the local public school division.
- Consider asking the U.S. Department of Education for a one-year waiver of IDEA spending requirements for FY11 or FY12 as allowed under federal law. The states of Iowa and Kansas have both been granted waivers. Iowa was able to decrease its spending by \$38 million in FY10, which amounted to 7.2 percent of spending in special education. (Reference: *Education Week*, June 15, 2010)

*Longer term*

- Have the Virginia Department of Education examine state laws and regulations in education to determine:
  1. Which are required under federal laws, which are not required, and which exceed federal requirements (as is the case with special education).

2. Which statutes and regulations are not recognized under the Standards of Quality (and therefore are not funded).
3. Which unfunded regulations or mandates should be eliminated.
4. Which unfunded regulations or mandates should be funded.

- Offer a state plan for health insurance for teachers and other school employees. Currently each school division is on its own in negotiating health insurance, and smaller divisions in particular have difficulties in finding affordable policies.

## **General government**

### *Short term*

- Enact legislation to require that bills creating a new mandate or significantly increasing current mandates, and bills eliminating or curtailing local revenue authority, would not take place unless re-enacted the following session. In the interim the new requirements would be studied to determine more authoritatively the financial or operational impacts of the new or expanded mandate or the loss of revenue.
- Allow localities and state agencies to bid together for services such as health, vision and dental insurance.
- Consider if the state should assume full responsibility for election administration (which could be combined with DMV operations for efficiencies). Local government has little or no authority over election administration but is responsible for most of the cost of voter registration and the holding of elections.
- Study whether probation and parole services should be consolidated within a state agency other than the Department of Corrections (such as the Department of Criminal Justice Services). Alternatively, consolidate probation and parole services at the local level in exchange for the state assumption of some other responsibility.
- Eliminate the state role in animal control except for the requirement that animals receive rabies vaccinations, and grant local governments the authority to carry out this function. Animal control is not a core state function.

### *Longer term*

- Phase out state use of local jails for housing state-responsible prisoners. Should the state use local jails, the arrangement should be according to a contractual agreement between the state and localities that reflects the actual operating/debt service costs of running the jail.
- Study the placement of all responsibility for the court system at the state level, thereby eliminating local financial support for offices, staff, or buildings.
- Study the appropriate responsibility for funding and administration of constitutional officers.

**Meeting Date:** November 22, 2011

**Item No:** 5.

**Department:** Public Works

**Issue:** Conduct a Public Hearing on the 2011 update of the City of Martinsville's Solid Waste Management Plan.

**Summary:** Section 9 VAC 20-130-175.F of the Solid Waste Planning and Recycling Regulations, Amendment 2 requires that solid waste management planning units submit a plan update on a 5-year cycle. The City's last SWMP update was approved by Virginia DEQ on December 12, 2006, with the 5 year update due on or before December 12, 2011.

The City and Henry County (including the Town of Ridgeway) have submitted joint plans previously and are cooperating again on the current update with the City's solid waste engineering consultant, Joyce Engineering, Inc., handling the project. The Public Hearing is required to meet the public participation element of the plan. Henry County will likewise hold their hearing on November 22nd.

Staff will present a summary of the plan at the November 22<sup>nd</sup> Council meeting. In the meantime, copies of the plan have been placed for public review at the Library on East Church Street, in the Martinsville Public Works office, Room 226 of the Municipal Building, and at the Henry County Administration Building. Additionally, a link to the plan has been posted on the City's website for viewing via the Internet at [http://www.martinsville-va.gov/content/File/plan\\_2011\\_solid\\_waste\\_mgmt\\_plan\\_5\\_yr\\_update\\_plan\\_for\\_public\\_viewing.pdf](http://www.martinsville-va.gov/content/File/plan_2011_solid_waste_mgmt_plan_5_yr_update_plan_for_public_viewing.pdf)

**Attachments:** None

**Recommendations:** Staff recommends that Council adopt the Solid Waste Management Plan update, subject to any changes resulting from the Public Hearing or public review process.

**Meeting Date:** November 22, 2011

**Item No:** 6.

**Department:** Finance

**Issue:** Consider approval of Preliminary Ordinance, on second reading, for the Building Energy Efficiency Project

**Summary:** At the October 25 Council meeting, Council approved a Resolution authorizing a Public Hearing and directing necessary actions related to potential bond issuance.

The next step in this process is to consider an Ordinance on second reading that serves the following purposes:

1. Reciting the expediency of the issuance of up to \$1,250,000 of General Obligation Bonds (expediency does not mean that the Council declares this as a matter of emergency). Instead, expediency means that the most efficient, effective, and expedient way to provide for such acquisition is by the issuance of General Obligation Bonds.
2. The intended use of the Bonds is for municipal purposes, specifically for energy saving improvements to City buildings and facilities.
3. Issuance of the Bonds is within the power of the City.
4. The issuance of the bonds is in the best interest of the City and its citizens.

This Preliminary Ordinance was adopted on first reading at the November 8, 2011 meeting.

**Tentative project timeline:**

November 22, 2011 – Preliminary Ordinance, 2<sup>nd</sup> reading.

December 13, 2011 – Financing Ordinance, 1<sup>st</sup> reading

January 10, 2012 – Public Hearing and 2<sup>nd</sup> reading of Financing Ordinance

January TBD – Closing

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

**Recommendations:** Staff recommends adoption of the Ordinance on second reading.

**CITY OF MARTINSVILLE, VIRGINIA**

**AN ORDINANCE RECITING THE EXPEDIENCY OF THE ISSUANCE OF UP TO \$1,250,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE CITY OF MARTINSVILLE, VIRGINIA, AND SETTING FORTH THE PURPOSE, IN GENERAL TERMS, FOR WHICH THE BONDS ARE TO BE ISSUED, THE MAXIMUM AMOUNT OF THE BONDS TO BE ISSUED AND THE MAXIMUM LENGTH OF TIME SUCH BONDS WILL BE OUTSTANDING**

**Adopted on November 22, 2011**

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

### **Section 1 - Findings and Determinations**

The City Council ("**City Council**") of the City of Martinsville, Virginia (**the "City"**) proposes to issue bonds for the purpose of assisting in the acquisition, construction, expansion, renovation and equipping of energy saving improvements to City buildings and facilities, all for municipal purposes (**together, the "Project"**) and hereby finds and determines that: (i) the City is in need of funds to be used by the City for such construction and equipment needs brought to the attention of the City Council by the Martinsville City Manager, specifically for the Project, for costs of issuance of the Bonds (defined below) and for payment of interest on the Bonds; (ii) the obtaining of such funds will be for municipal purposes of the City, for the welfare of citizens of the City for purposes which will serve the City and its citizens pursuant to the authority of the City to provide funds for the City's buildings and facilities used for municipal purposes; (iii) the most effective, efficient and expedient manner in which to provide such funds to the City is through the issuance of general obligation bonds in an original principal amount not to exceed \$1,250,000 to be issued by the City as further described herein (**the "Bonds"**) to be used for the acquisition, construction and equipping of the Project and for certain costs of issuance of the Bonds; (iv) the issuance of the Bonds is within the power of the City to contract debts, borrow money and make and issue evidence of indebtedness; and, (iv) the issuance of the Bonds is in the best interests of the City and its citizens.

### **Section 2 - Description of the Bonds**

The City Council finds that it is expedient for the City to borrow money and issue the Bonds for the Project in a maximum amount not to exceed ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$1,250,000). The maximum length of time that the Bonds will be outstanding is twenty years from the date of issuance of the Bonds. The form and details of the Bonds which are proposed to be issued will be more specifically set forth in a City Ordinance to be entitled "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, which will be introduced before the Council and considered for final passage following a public hearing on the issuance of the Bonds, as required by law.

### **Section 3 - Further Actions Authorized**

The City Manager, Clerk of the Council, City Treasurer, City Attorney, Sands Anderson PC as bond counsel, Davenport & Company LLC as financial advisor to the City and all other

officers, employees and agents of the City are hereby authorized and directed to take any and all such further action as shall be deemed necessary or desirable to facilitate consideration of the issuance of the Bonds. All actions of the City Manager, Clerk of the Council, City Treasurer, City Attorney, bond counsel, the City's financial advisor and all other officers, employees and agents of the City in furtherance of the issuance of the Bonds and the financing of the Project are hereby approved and ratified.

**Section 4 - Invalidity of Sections**

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

**Section 5 - Headings of Sections**

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

**Section 6 - Effective Date and Filing of Ordinance**

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

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

Ayes

Nays

Absent

Abstentions

Adopted this 22nd day of November, 2011 (second reading).

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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 November 22, 2011, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly called meeting and that, during the consideration of the foregoing Ordinance, a quorum was present.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2011.

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Clerk, City Council of  
City of Martinsville, Virginia

**Meeting Date:** November 22, 2011

**Item No:** 7.

**Department:** City Manager and Finance

**Issue:** Consider approval on first reading of Supplemental Ordinance regarding school bonds (QSCB program) for renovations at Martinsville High School.

**Summary:** The purpose of the final ordinance is known as a Supplemental Ordinance, and its purpose is to approve the terms of the bond sale. Interest will be shown; however, under QSCB program, such interest is subsidized.

The exact terms and effective interest rate of the school bonds will not be known until bonds are sold by VPSA on November 30, 2011. Principal payment schedule is proposed and not yet approved by VPSA. Once bonds are sold, Council will be given complete information before the second reading of the Supplemental Ordinance at the special called meeting on December 6, 2011.

**Attachments:** [Supplemental Ordinance](#)

**Recommendations:** Motion to adopt the Supplemental Ordinance on first reading.

**CITY OF MARTINSVILLE, VIRGINIA**

**A SUPPLEMENTAL ORDINANCE AUTHORIZING THE ISSUANCE OF A NOT TO EXCEED \$9,300,000 GENERAL OBLIGATION SCHOOL BOND, SERIES 2011, OF THE CITY OF MARTINSVILLE, VIRGINIA, TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY**

**Adopted on November 22, 2011 (first reading)**

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

**Section 1- Findings and Determinations**

The City Council (the “**City Council**”) of the City of Martinsville, Virginia (the “**City**”) on October 11, 2011 adopted an Ordinance entitled “Ordinance Authorizing the Issuance of a Not to Exceed \$9,300,000 General Obligation School Bond, Series 2011, of the City of Martinsville, Virginia to be Sold to the Virginia Public School Authority and Providing for the Form and Details Thereof” (the “**Authorizing Ordinance**”). All words and terms defined in Authorizing Ordinance have the same meaning in this Supplemental Ordinance, except as otherwise defined herein.

**Section 2- Authorization, Form and Details of the Bond**

The issuance of such General Obligation School Bond, Series 2011 (the “**Bond**”) with payment terms as set forth in **Exhibit A** attached hereto, including the term thereof, interest rates, and dates and amounts of principal and interest payments due as described therein is approved. All other provisions of the Bond shall be set as set forth in the Authorizing Ordinance.

**Section 3- Affirmation of Authorizing Ordinance**

The Authorizing Ordinance is hereby ratified and confirmed and remains in full force and effect, except as such Authorizing Ordinance is amended and supplemented hereby. All acts of the officers, employees, agents and representatives of the City in conformity with the purposes and intent of the Authorizing Ordinance and in furtherance of the issuance and sale of the Bond are hereby approved and ratified.

**Section 4- Effectiveness and filing of Supplemental Ordinance**

This Ordinance shall take effect immediately as provided for in the Act (as defined in the Authorizing Ordinance) and Section 3 of Chapter 3 of the City Charter. A certified copy of this Supplemental Ordinance shall be filed by the Clerk with the Clerk of the Circuit Court of the City of Martinsville, Virginia.

The Members of the Council voted as follows:

Ayes

Nays

Absent

Abstentions

Adopted this 22nd day of November, 2011

**CERTIFICATE**

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 Council held on November 22, 2011, and of the whole thereof so far as applicable to the matters referred to in such extract. The undersigned further certifies that such meeting was a regularly called meeting and that, during the consideration of the foregoing Supplemental Ordinance, a quorum was present.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2011

---

Clerk, City Council  
City of Martinsville, Virginia

**Exhibit A**

Date	Principal Amount	Interest Amount	Interest Rate
__/__/12	\$ ____	\$	____%
__/__/12	____		____
__/__/13	42,552		____
__/__/13			____
__/__/14	64,293		____
__/__/14			____
__/__/15	86,350		____
__/__/15			____
__/__/16	108,715		____
__/__/16			____
__/__/17	128,924		____
__/__/17			____
__/__/18	399,657		____
__/__/18			____
__/__/19	415,617		____
__/__/19			____
__/__/20	429,448		____
__/__/20			____
__/__/21	599,853		____
__/__/21			____
__/__/22	988,603		____
__/__/22			____
__/__/23	670,665		____
__/__/23			____
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__/__/29	670,665		____
__/__/29			____
__/__/30	670,665		____
__/__/30			____
__/__/31	670,665		____
__/__/31			____

Interest amounts are before receipt of Qualified School Construction Bond subsidy payments.

**Meeting Date:** November 22, 2011  
**Item No:** 8.  
**Department:** Martinsville Fire & EMS

**Issue:** Consider adoption of a resolution regarding update of West Piedmont Hazard Mitigation Plan.

**Summary:** The West Piedmont Planning District Commission, in cooperation with the Counties of Franklin, Henry, Patrick, and Pittsylvania, the Cities of Danville and Martinsville, and the Towns of Rocky Mount, Boones Mill, Chatham, Gretna, Hurt, Ridgeway, and Stuart, has been working to update the regional Multi-Jurisdictional Hazard Mitigation Plan, originally adopted in 2006. The Draft Plan has been approved by the Virginia Department of Emergency Management and by the Federal Emergency Management Agency. The purpose of the plan is to identify potential natural and man-made hazards and develop strategies to address them. Formal adoption of a Hazard Mitigation Plan is required in order to qualify for Hazard Mitigation Assistance Grants.

The 312 page West Piedmont Hazard Mitigation Plan document can be viewed on the city website at <http://www.martinsville-va.gov/Fire-EMS.html>

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

**Recommendations:** Motion to adopt the Resolution approving the West Piedmont Hazard Mitigation Plan.



**RESOLUTION**

**WEST PIEDMONT MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN**

**WHEREAS**, the Disaster Mitigation Act of 2000, as amended, requires that local governments, develop, adopt, and update natural hazard mitigation plans in order to receive certain federal assistance; and

**WHEREAS**, a Mitigation Advisory Committee (MAC) comprised of representatives from the counties of Franklin, Henry, Patrick and Pittsylvania; the cities of Danville and Martinsville; and the towns of Chatham, Boones Mill, Gretna, Hurt, Ridgeway, Rocky Mount and Stuart was convened in order to study the West Piedmont Region's risks from and vulnerabilities to natural hazards, and to make recommendations on mitigating the effects of such hazards on the West Piedmont Region; and

**WHEREAS**, a request for proposals was issued to hire an experienced consulting firm to work with the MAC to update a comprehensive hazard mitigation plan for the West Piedmont Planning District; and

**WHEREAS**, the efforts of the MAC members and the consulting firm of Dewberry, in consultation with members of the public, private and non-profit sectors, have resulted in an update of the West Piedmont Multi-Jurisdictional Hazard Mitigation Plan including the City of Martinsville, Virginia; and

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Martinsville, Virginia that the West Piedmont Multi-Jurisdictional Hazard Mitigation Plan dated November, 2011 is hereby approved and adopted for the City of Martinsville, Virginia. A copy of the plan is attached to this resolution.

\* \* \* \* \*

Attest:

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Clarence C. Monday, Clerk of Council

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Date Adopted