

VIRGINIA: AT A REGULAR MEETING OF THE BRUNSWICK COUNTY BOARD OF SUPERVISORS HELD WEDNESDAY, SEPTEMBER 19, 2018, IN THE BOARD ROOM OF THE BRUNSWICK COUNTY GOVERNMENT BUILDING

PRESENT: HON. BARBARA JARRETT-HARRIS, CHAIR, HON. JOHN W. ZUBROD, VICE-CHAIR, HON. FREDERICK A. HARRISON, SR., HON. BERNARD L. JONES, SR., HON. WELTON TYLER, BOARD OF SUPERVISOR MEMBERS; PAUL C. JACOBSON, COUNTY ATTORNEY; LESLIE R. WEDDINGTON, ASSISTANT COUNTY ADMINISTRATOR/DEPUTY CLERK/RECORDER OF MINUTES

Re: Closed Meeting – 6:00 p.m.

Upon a motion by Mr. Zubrod, seconded by Mr. Harrison, and unanimously carried, the Board of Supervisors of Brunswick County, Virginia convened in Closed Meeting to discuss the following matters under:

- 2.2-3711.A.1: Discussion regarding personnel matters.
- 2.2-3711.A.3: Discussion of the acquisition of real property for a public use.
- 2.2-3711.A.7: Discussion with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Reconvene in Open Meeting

Upon a motion by Mr. Zubrod, seconded by Mr. Harrison, and unanimously carried, the Board of Supervisors of Brunswick County, Virginia reconvened in Open Meeting.

WHEREAS, the Board of Supervisors of Brunswick County, Virginia (“Board”), convened a Closed Meeting on this date pursuant to an affirmative recorded vote in accordance with the provisions of the Virginia Freedom of Information Act; and,

WHEREAS, Section 2.2-3712 of the Code of Virginia, 1950, as amended, requires a certification by the Board that such Closed Meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby certifies that to the best of each member’s knowledge

(i) only public business matters lawfully exempted from Open Meeting requirements by Virginia law were discussed in the Closed Meeting to which this certification resolution applies, and

(ii) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed or considered by the Board.

WILL EACH MEMBER NOW SO CERTIFY:

Mr. Harrison: Aye
Mr. Jones: Aye
Mr. Tyler: Aye
Mr. Zubrod: Aye
Mrs. Harris: Aye

Re: Call to Order – 7:30 p.m.

Chair Harris called the meeting to order and welcomed all citizens in attendance.

Re: Invocation and Pledge of Allegiance

Chair Harris invited anyone in the audience who would like to participate in the invocation with the Board members to please stand and join them. Supervisor Harrison gave the Invocation and Pledge of Allegiance.

Re: Approval of Agenda

Upon a motion by Mr. Zubrod, seconded by Mr. Harrison, and unanimously carried, the Board approved the agenda with the following additions and deletions:

Add under County Attorney's Report
Stonewall Property Purchase

Delete under New Business
Personnel

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Re: Public Hearings

Conditional Use Permit Case #18-007 – Submitted by Prepared Outcomes, LLC, to operate and maintain a shooting sport facility in the Agricultural (A-1) Zoning District

Mr. George Morrison, Director of Planning, stated that Prepared Outcomes, LLC, applicants for Conditional Use Permit Case #18-007, has withdrawn their application for consideration.

Upon a motion by Mr. Tyler, seconded by Mr. Harrison, and unanimously carried, the Board accepted the withdrawal of Conditional Use Permit Case #18-007.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Proposed Amendment to County Fiscal Year 2018-2019 Budget

Mrs. Keli Reekes, Director of Finance, stated that the Board of Supervisors is considering the acquisition of land for the purposes of economic development at a total cost of \$1,447,225. In FY18, the Board appropriated \$500,000 to acquire land for economic development and this amount is included in the Capital Projects fund balance. An additional appropriation of \$500,000 to acquire land for economic development is included in the FY19 Consolidated Budget. An appropriation of \$447,225 from the undesignated FY19 General Fund Balance is also needed to acquire land for economic development.

Mrs. Reekes stated that in order to account for the land acquisition in full, an appropriation of \$947,225 (\$500,000 FY18 + \$447,225 FY19) is needed. This appropriation exceeds 1% of the total expenditures of the currently adopted budget. Therefore, according to the Code of Virginia §15.2-2507, a public hearing is required to amend the budget.

Upon a motion by Mr. Tyler, seconded by Mr. Jones, and unanimously carried, the Board approved the following:

- Authorized an expenditure of \$500,000 from the FY19 Capital Projects budget to acquire land for economic development.
- Approved an appropriation of \$500,000 from the FY19 Capital Projects Fund Balance to acquire land for economic development.
- Approved an appropriation of \$447,225 from the undesignated FY19 General Fund Balance, for a total amount of \$1,447,225, to acquire land for the purposes of economic development.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Re: Approval of Minutes

Upon a motion by Mr. Harrison, seconded by Mr. Jones, and unanimously carried, the Board approved the minutes of the following meeting minutes:

- August 15, 2018, Regular Meeting.
- August 20, 2018, Joint School Board Meeting
- September 5, 2018, Adjourned Meeting

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Re: Virginia Department of Transportation

Mr. Tommy Johnson, Assistant Residency Administrator, presented the monthly report as follows:

Maintenance Forces

- Performing safety-mowing operations.
- Performing ditching and pipe repairs on various routes.
- Patching potholes on various routes.
- Machining National Highway System (NHS) roadways and hauling stone as needed.
- Performed routine maintenance and litter patrol on various routes.

Mr. Johnson reported on the following projects:

- Route 712, Old Stage Road Bridge over Reedy Creek – Bridge repairs have been completed. The road was reopened to traffic on Friday, August 31, 2018. The bridge weight restriction has been removed.

- Route 692, Matthews Chapel Road – Pipe repairs have been completed The road was reopened to traffic on Friday, August 24, 2018.
- Bridge Replacement Project Route 46 Nottoway/Brunswick County Line – A public hearing is scheduled for Wednesday, September 26, 2018, from 5:00 p.m. to 7:00 p.m. at Blackstone Primary School. The bridge will be closed during construction and detours will be put in place.
- Bridge Replacement Project Route 715 Iron Bridge Road – A public hearing has been scheduled for Thursday, November 1, 2018, from 5:00 p.m. to 7:00 p.m., at the Brunswick County Government Building. The bridge will be closed during construction and detours will be put in place.
- Road Closures – The following roads were closed along the Meherrin River Basin due to flooding from Hurricane Florence:
 - Route 623, Diamond Grove Road
 - Route 644, Robinson Ferry Road
 - Route 715, Iron Bridge Road
 - Route 686, Fort Hill Road
 As waters recede, VDOT crews will inspect the roads and develop repair plans as required.

Resolution – Lewis Drive, State Route 605 – Realignment and Abandonment

Upon a motion by Mr., seconded by Mr., and unanimously carried, the Board adopted the following resolution:

WHEREAS, the project sketch and VDOT Form(s) AM4.3, attached and incorporated herein as part of this resolution, define adjustments required in the secondary system of state highways as a result of the realignment and new construction of a segment of Rte. 605, and

WHEREAS, certain segments identified on the incorporated Form AM4.3 appear to no longer serve public convenience and should be abandoned as a part of the secondary system of state highways, and

WHEREAS, certain segments identified on the incorporated Form AM4.3 are ready to be accepted into the secondary system of state highways, and

NOW THEREFORE, BE IT RESOLVED, this board hereby requests the Virginia Department of Transportation to take the necessary action to abandon those segments identified on the attached Form AM4.3 and project sketch as a part of the secondary system of state highways, pursuant to §33.2-912, *Code of Virginia*, and

BE IT FURTHER RESOLVED, this board hereby requests the Virginia Department of Transportation to add the segments identified on the incorporated Form AM4.3 and project sketch to the secondary system of state highways, pursuant to, §33.2-705, *Code of Virginia*, and

BE IT FURTHER RESOLVED, this Board guarantees a clear and unrestricted right of way, as described on the attached form AM-4.3, and any necessary easements for cuts, fills and drainage, and

BE IT FINALLY RESOLVED, that a certified copy of this resolution be forwarded to the Virginia Department of Transportation.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Re: Brunswick County Public Schools Monthly Report

FY18 School Budget Tracking Report

Mr. Darrell Owens, Director of Business and Support Services, provided an overview of the schools monthly financial report. This was provided for the Board's information.

See attached report.

Request for Budget Transfer

Mr. Owens stated that in an effort to close the FY18 budget and to comply with audit requirements, the school system request to transfer \$57,655.84 from the Instruction category to the Administration, Attendance, and Health category. He further requested to transfer \$125,987.69 from the Instruction category to the Technology category.

Upon a motion by Mr., seconded by Mr., and unanimously carried, the Board approved a budget transfer of \$57,655.84 from the Instruction category to the Administration, Attendance, and Health category, and a budget transfer of \$125,987.69 from the Instruction category to the Technology category.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Re: Citizen Comments

The Chair opened the citizen comment period and advised that each citizen will be allotted three (3) minutes to speak. The following citizens spoke:

- Cynthia Jones, President of the Brunswick Education Association, thanked the Board for approving the additional funding for school personnel raises.

Re: Consent Calendar of Reports

Upon a motion by Mr. Harrison, seconded by Mr. Jones, and unanimously carried, the Board acknowledged receipt of the following reports:

- Industrial Development Authority, July 10, 2018, meeting minutes
- Industrial Development Authority, August 14, 2018, meeting minutes
- Roanoke River Service Authority, June 26, 2018, meeting minutes

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Re: Finance Director's Report

Approval of Disbursements

Mrs. Keli Reeks, Director of Finance, presented disbursements as follows:

- System checks dated August 24, 2018, (FY18) in the amount of \$139,368.51
- System checks dated September 12, 2018, in the amount of \$178,921.56
- System checks dated September 19, 2018, in the amount of \$485,468.21
- System checks dated September 20, 2018, in the amount of \$103,146.51

Upon a motion by Mr. Jones, seconded by Mr. Zubrod, and unanimously carried, the Board approved disbursements in the amount of \$922,996.27, as presented.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

FY19 – FY19 Re-appropriations of Unexpended Funds

Upon a motion by Mr. Jones, seconded by Mr. Zubrod, and unanimously carried, the Board approved the following appropriations and re-appropriations:

- Appropriate \$175,000 from the undesignated FY19 General Fund balance to account for the payoff of school debt before it matures.
- Commonwealth's Attorney –Re-appropriate unused funds from FY18 in the amount of \$17,667 to fund additional full-time staff.
- Road Projects (VDOT) –Re-appropriation of \$25,000 to fund two road projects that have been approved in FY19.

- Fort Christanna –Re-appropriate funds totaling \$15,000 in FY19 in order to build two structures that will represent original buildings that were located on the outside perimeter of the Fort.
- Tourism – Funds totaling \$75,000 remain unexpended at the end of FY18. Re-appropriate \$75,000 to the FY19 budget to account for the purchase of a vehicle and tourism-related expenses.
- Economic Development –Re-appropriate \$77,000 to the FY19 budget to account for marketing efforts.
- Capital Projects-Economic Development & Land Acquisition –Re-appropriate \$195,000 in FY19 for the purposes of economic development and land acquisition.
- Capital Projects-Solid Waste –Re-appropriate \$50,000 in FY19 to account for engineering costs.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Resolution - Adoption of Rate of Tax Relief for Tax Year 2018 for Qualifying Vehicles

Upon a motion by Mr., seconded by Mr., and unanimously carried, the Board adopted the following resolution:

WHEREAS, the Personal Property Tax Relief Act of 1998, Va. Code §58.1-3523 et seq. (“PPTRA”), has been substantially modified by the enactment of Chapter 1 of the Acts of Assembly, 2004 Special Session I (Senate Bill 5005), and the provisions of Item 503 of Chapter 951 of the 2005 Acts of Assembly (the 2005 revisions of the 2004-06 Appropriations Act).

WHEREAS, by its enactment of an ordinance on December 21, 2005, (“Ordinance”), the Board of Supervisors of Brunswick County, Virginia (the Board of Supervisors) has previously implemented such modifications of the PPTRA.

WHEREAS, the Board of Supervisors now desires to set the rate of tax relief for tax year 2018, for purposes of the Ordinance.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF BRUNSWICK COUNTY, VIRGINIA:

1. For purposes of § 3 (c) of the Ordinance, the rate of tax relief with respect to qualifying vehicles with assessed values of more than \$1,000, and applied to the first \$20,000 in value of each such qualifying vehicle, shall be fifty-three percent (53%).
2. All other provisions of the Ordinance shall be implemented by the Commissioner of the Revenue or the County Treasurer, as applicable, including, without limitation, those set forth in § 3 (b) of the Ordinance,

pertaining to the elimination of personal property taxation of each qualifying vehicle with an assessed value of \$1,000 or less, and in § 4, pertaining to liability of taxpayers whose taxes with respect to a qualifying vehicle for tax year 2005 or any prior tax year remain unpaid.

3. This Resolution shall take effect immediately upon its adoption.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Resolution – Line of Duty

Upon a motion by Mr., seconded by Mr., and unanimously carried, the Board adopted the following resolution:

WHEREAS, pursuant to Section 9.1-400 of the Code of Virginia, Brunswick County shall recognize each volunteer fire company or department or rescue squad as an integral part of the official safety program of Brunswick County in order for each volunteer member to be eligible for benefits under the Line of Duty Act; and

WHEREAS, Brunswick County has recognized and will continue to recognize each volunteer fire and rescue squad department as an integral part of the official safety program of Brunswick County; and

NOW, THEREFORE, BE IT RESOLVED that Brunswick County recognizes each volunteer fire and rescue squad department as emergency responders for the citizens of Brunswick County; and

BE IT FURTHER RESOLVED that to the best of the knowledge of Brunswick County, the following entities constitute the population of its past and present covered volunteer members under the Line of Duty Act; and

Alberta Volunteer Fire Department
Brodnax Volunteer Fire Department
Central Volunteer Rescue Squad
Dolphin Volunteer Fire Department
Ebony Volunteer Fire Department
Gasburg Volunteer Fire Department
Lawrenceville Volunteer Fire Department
Triplet Volunteer Fire Department

BE IT FURTHER RESOLVED that the aforementioned volunteer fire and rescue squad departments are an integral part of the official safety program of Brunswick County and are eligible for benefits under the Line of Duty Act.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Re: County Attorney's Report

Resolutions – Virginia Resources Authority (VRA) – Land Acquisition for Economic Development

Mr. Paul Jacobson, County Attorney stated that the Board had previously discussed financing property acquisition for economic development purposes through the Virginia Resources Authority and that this was also to include refinancing existing debt on the County Government Building. Mr. Jacobson further stated that in the Board's meeting materials were two resolutions covering both aspects of this financing, the Resolution Approving Lease Financing of Land Acquisition for Economic Development purposes and the Resolution Approving Lease Financing of County Capital Improvements which covers the refinancing aspect.

Upon a motion by Mr. Tyler, seconded by Mr. Jones, and unanimously carried, the Board adopted the following resolutions:

**Resolution of Board of Supervisors of the County of Brunswick, Virginia
Approving Lease Financing of County Capital Improvements**

WHEREAS, the Board of Supervisors (**the "Board"**) of Brunswick County, Virginia (**the "County"**) has previously entered into lease financing agreements for the purpose of providing lease financing for the renovation of the County's historic courthouse for use as the primary County Government Building (**the "Lease Financing to be Refunded"**), specifically a Ground and Structure Lease dated as of November 20, 2012 between the County as grantor and SunTrust Bank as grantee, a Lease Agreement dated as of November 20, 2012 between the SunTrust Bank as Grantor and the County as grantee, and a Lease Financing Agreement dated as of November 20, 2012 between the County and SunTrust Bank (**collectively, the "Refunded 2012 Financing Lease Documents"**); and

WHEREAS, the Board has the power to acquire by lease real property and personal property currently being used for County purposes which includes, as may be required by VRA (as defined below) for refunding of the Lease Financing to be Refunded (**the "Refunding"**), all or a portion of real property currently subject to the Refunded 2012 Financing Lease Documents, specifically including the County Government Building, as further described in the Refunding Local Lease Acquisition Agreement and Financing Lease (as defined below) (**the "Leased Property"**); and

WHEREAS, the Leased Property is essential to the governmental functions of the County, and the Board reasonably expects the Leased Property to continue to be essential to the governmental functions of the County for a period not less than the terms of the Refunding Prime Lease (as defined below) and the Refunding Local Lease Acquisition Agreement and Financing Lease; and

WHEREAS, to assist in the Refunding, the Virginia Resources Authority ("**VRA**") intends to (a) issue its Series 2018C VRA Fall Pool Bonds (**as more particularly defined in the below defined Refunding Local Lease Acquisition Agreement and Financing Lease, the "VRA Bonds"**) and, subject to VRA credit approval, to make available a portion of the proceeds to the County to finance all or a portion of the costs to accomplish the Refunding in an amount sufficient to accomplish the Refunding and pay local issuance costs of the Refunding or such other amount as requested by the County in writing and approved by VRA prior to the VRA Sale Date, as defined below (**the "Proceeds Requested"**); (b) acquire a leasehold interest in the Leased Property pursuant to the terms of the Refunding Prime Lease; and (c) lease the Leased Property to the County pursuant to the terms of the Refunding Local Lease Acquisition Agreement and Financing Lease (**collectively, the "Lease Obligations"**); and

WHEREAS, the County has submitted its application to VRA for the Refunding and to undertake the Lease Obligations; and

WHEREAS, VRA has advised the County that the sale date of the VRA Bonds is tentatively scheduled for October 30, 2018 but may occur, subject to market conditions, at any time between October 25 and November 29, 2018 (**the "VRA Sale Date"**), and that VRA's objective is to pay the County an amount which, in VRA's judgment, reflects the market value of the Lease Obligations under the Refunding Local Lease Acquisition Agreement and Financing Lease (**the "Purchase Price Objective"**), taking into consideration such factors as the purchase price received by VRA for the VRA Bonds, the underwriters' discount and other issuance costs of the VRA Bonds, and other market conditions relating to the sale of the VRA Bonds; and

WHEREAS, such factors may result in the County receiving an amount other than the par amount of the aggregate principal components of the Lease Obligations under the Refunding Local Lease Acquisition Agreement and Financing Lease and consequently the aggregate principal components of the Lease Obligations under the Refunding Local Lease Acquisition Agreement and Financing Lease may be greater than the Proceeds Requested in order to receive an amount of proceeds that is not less than the Proceeds Requested;

WHEREAS, the Refunding Local Lease Acquisition Agreement and Financing Lease shall provide that the aggregate total principal components of Lease Obligations and the interest component of the Lease Obligations will not exceed the parameters set forth herein; and

WHEREAS, there have been presented to this meeting drafts of the following documents (**together, the "Refunding Basic Documents"**) in connection with the transactions described above, copies of which shall be filed with the records of the Board:

- A. Prime Lease, between the County and VRA, dated as of September 21, 2018 conveying certain interests in the Leased Property to VRA (**the “Refunding Prime Lease”**);
- B. Local Lease Acquisition Agreement and Financing Lease, between the County and VRA, dated as of September 21, 2018 (i) providing for a portion of the proceeds of the sale of the VRA Bonds to be provided by VRA to the County and (ii) conveying to the County a leasehold interest in the Leased Property (**the “Refunding Local Lease Acquisition Agreement and Financing Lease”**); and
- C. Leasehold Deed of Trust and Security Agreement, between VRA and certain deed of trust trustees to be named therein, dated as of September 21, 2018 regarding VRA’s leasehold interest in the Leased Property (**the “Refunding Leasehold Deed of Trust”**).

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. It is hereby found and determined that the terms of the Refunding Basic Documents in the respective forms presented to this meeting and incorporated in this Resolution are in the best interests of the County for the Refunding.

2. The Refunding Basic Documents and related financing documents are hereby approved in substantially the respective forms presented to this meeting. The Chairman, Vice Chairman, County Administrator and any officer of the Board who shall have power generally to execute contracts on behalf of the Board be, and each of them hereby is, authorized to execute, acknowledge, consent to and deliver, as appropriate, the Refunding Basic Documents, any amendments, cancellations or terminations to or of the Refunded 2012 Financing Lease Documents that may be required by VRA for the Refunding and any other related financing documents, with any changes, insertions and omissions therein as may be approved by the individuals executing them, such approval to be conclusively evidenced by the execution and delivery thereof. The actions of the Chairman, the Vice Chairman and the County Administrator, each of whom is authorized to act, shall be conclusive, and no further action shall be necessary on the part of the County.

The final pricing terms of the Refunding Local Lease Acquisition Agreement Financing Lease will be determined by VRA, subject to VRA’s Purchase Price Objective and market conditions described in the Recitals hereof; provided, however that (i) the Lease Obligations shall be composed of principal components having a maximum aggregate principal amount of not to exceed \$2,250,000 (**the “Maximum Authorized Principal Amount”**) and interest components with a maximum interest rate of 4.5% per annum (exclusive of "supplemental interest" as provided in the Refunding Local Lease Acquisition Agreement and Financing Lease) and (ii) the Lease Obligations shall be payable over a term expiring not later than December 1, 2032. Subject to the preceding terms, the Board further authorizes VRA to determine the aggregate total of principal and interest components of the Lease Obligations, establish a schedule of Lease Obligations including the dates and amounts and the optional and extraordinary prepayment provisions, if any, of the Lease Obligations, all in accordance with the provisions hereof.

The term of the Refunding Prime Lease shall not be more than five years longer than the term of the Refunding Local Lease Acquisition Agreement and Financing Lease; such term is intended to provide security to VRA in the event of default or non-appropriation by the County, all as more fully set forth in the Refunding Local Lease Acquisition Agreement and Financing Lease (or any supplement thereto).

Given the Purchase Price Objective and market conditions, it may become necessary to enter into the Refunding Local Lease Acquisition Agreement and Financing Lease with aggregate principal components of the Lease Obligations greater than the Proceeds Requested. If the limitation on the maximum aggregate principal components of Lease Obligations on the Refunding Local Lease Acquisition Agreement and Financing Lease set forth in this Section 2 restricts VRA's ability to generate the Proceeds Requested, the Refunding Local Lease Acquisition Agreement and Financing Lease may be entered into for an amount less than the Proceeds Requested.

The Chairman, the Vice Chairman, the County Administrator, or any of them and such other officer or officers of the County as either may designate are hereby authorized and directed to enter into the Refunding Local Lease Acquisition Agreement and Financing Lease, the Refunding Prime Lease and any amendments to the Prior Lease and Financing Documents that may be required by VRA for financing of the Lease Financing to be Refunded.

As set forth in the Refunding Local Lease Acquisition Agreement and Financing Lease, the County agrees to pay such "supplemental interest" and other charges as provided therein, including such amounts as may be necessary to maintain or replenish any VRA Reserve (as defined in the Refunding Local Lease Acquisition Agreement and Financing Lease).

Rental Payments (as defined in the Refunding Local Lease Acquisition Agreement and Financing Lease) due under the Refunding Local Lease Acquisition Agreement and Financing Lease shall be payable in lawful money of the United States of America and otherwise comply with the terms set forth in the Refunding Local Lease Acquisition Agreement and Financing Lease. The County may, at its option, prepay the principal components of Rental Payments upon the terms set forth in the Refunding Local Lease Acquisition Agreement and Financing Lease.

3. The same officers of the Board, and the County Administrator and the County Attorney be, and each of them hereby is, authorized and directed to take all actions and procure, execute and deliver any and all other agreements, financing statements, papers, instruments, title insurance policies, real property surveys and inspections, opinions, certificates, affidavits and other documents, and to do or cause to be done any and all other acts and things necessary or proper for carrying out the purposes and intent of this resolution and the Refunding Basic Documents that may be required by VRA for the Refunding, including the final selection and description of property to be utilized as the Leased Property as may be required by VRA prior to the recording of the Refunding Local Lease Acquisition and Financing Lease. The same officers are authorized and directed to work with the County's bond counsel, Sands Anderson PC, and representatives of VRA, including without limitation McGuireWoods LLP, Bond Counsel to

VRA, to perform all services and prepare all documentation necessary or appropriate for the execution, delivery and recording, as appropriate, of the Refunding Basic Documents.

4. The same officers of the Board, and the County Administrator and the County Attorney be, and each of them hereby is, authorized and directed to take all actions and procure, execute and deliver any and all other agreements, financing statements, papers, instruments, title insurance policies, real property surveys and inspections, opinions, certificates, affidavits and other documents, and to do or cause to be done any and all other acts and things necessary or proper for carrying out the purposes and intent of this resolution and the Refunding Basic Documents that may be required by VRA for the Refunding, including the final selection and description of property to be utilized as the Leased Property as may be required by VRA prior to the recording of the Refunding Local Lease Acquisition and Financing Lease. The same officers are authorized and directed to work with the County's bond counsel, Sands Anderson PC, and representatives of VRA, including without limitation McGuireWoods LLP, Bond Counsel to VRA, to perform all services and prepare all documentation necessary or appropriate for the execution, delivery and recording, as appropriate, of the Refunding Basic Documents.

5. The County represents and covenants that it shall not take or omit to take any action in relation to the Leased Property or the Refunding Local Lease Acquisition Agreement and Financing Lease the taking or omission of which would (a) cause the VRA Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (**the "Code"**) or (b) otherwise cause interest on any VRA Bonds to be includable in the gross income for Federal income tax purposes of the registered owners thereof under existing law. Without limiting the generality of the foregoing, the County shall comply with any provision of law that may require it at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the VRA Bonds. The County shall pay any such required rebate from legally available funds.

6. The County covenants that it shall not permit any proceeds derived from the Lease Obligations to be used in any manner that would result in (a) 10% or more of such proceeds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, provided that no more than 5% of such proceeds may be used in a trade or business unrelated to the County's use of the Leased Property, (b) 5% or more of such proceeds being used with respect to any "output facility" (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the County receives an opinion of nationally recognized bond counsel that compliance with any such covenant is not required or is no longer required in order to prevent the interest on the VRA Bonds from being includable in the gross income for Federal income tax purposes of the registered owner thereof under existing law, the County need not comply with such covenant to the extent provided in such opinion.

7. Such officers of the County as may be requested are authorized and directed to execute and deliver a tax compliance agreement in relation to the Lease Obligations **(the “Tax Compliance Agreement”)** in the form approved by the Chairman or Vice Chairman of the Board or the County Administrator, or any of them, in collaboration with the County’s bond counsel, with such completions, omissions, insertions and changes as may be approved by the officers of the County executing such Tax Compliance Agreement, whose approval shall be evidenced conclusively by the execution and delivery thereof.

8. The undertaking by the County under the Refunding Local Lease Acquisition Agreement and Financing Lease to make Rental Payments and any other payments due under the Lease Obligations shall be a limited obligation of the County, payable solely from funds to be appropriated by the Board from time to time for such purpose and shall not constitute a debt of the County within the meaning of any constitutional or statutory limitation or a pledge of the faith and credit of the County beyond any fiscal year for which the Board has lawfully appropriated from time to time. Nothing herein or in the Lease Obligations shall constitute a debt of the County within the meaning of any constitutional or statutory limitation or a pledge of the faith and credit or taxing power of the County.

9. The Board believes that funds sufficient to make payment of all amounts payable under the Lease Obligations can be obtained. While recognizing that it is not empowered to make any binding commitment to make such payments beyond the current fiscal year, the Board hereby states its intent to make annual appropriations for future fiscal years in amounts sufficient to make all such payments and hereby recommends that future Boards do likewise during the term of the Lease Obligations. The Board directs the County Administrator, or such other officer who may be charged with the responsibility for preparing the County’s annual budget, to include in the budget request for each fiscal year during the term of the Lease Obligations an amount sufficient to pay all amounts coming due under the Lease Obligations during such fiscal year. As soon as practicable after the submission of the County’s annual budget to the Board, the County Administrator is authorized and directed to deliver to VRA evidence that a request for an amount sufficient to make the payment of all amounts payable under the Lease Obligations has been made. Throughout the term of the Lease Obligations, the County Administrator shall deliver to VRA within 30 days after the adoption of the budget for each fiscal year, but not later than July 1, a certificate stating whether an amount equal to the Rental Payments and any other amounts due under the Lease Obligations which will be due during the next fiscal year has been appropriated by the Board in such budget. If at any time during any fiscal year of the County, the amount appropriated in the County’s annual budget in any such fiscal year is insufficient to pay when due the amounts payable under the Lease Obligations, the Board directs the County Administrator, or such other officer who may be charged with the responsibility for preparing the County’s annual budget, to submit to the Board at the next scheduled meeting, or as promptly as practicable but in any event within 45 days, a request for a supplemental appropriation sufficient to cover the deficit.

10. The County authorizes and consents to the inclusion of information with respect to the County to be contained in VRA’s Preliminary Official Statement and VRA’s Official Statement in final form, both prepared in connection with the sale of the VRA

Bonds, a portion of the proceeds of which will be used to purchase the Lease Obligations. If appropriate, such disclosure documents shall be distributed in such manner and at such times as the Chairman of the Board, the Vice Chairman of the Board or the County Administrator, each of whom is authorized to act, shall determine. The Chairman of the Board, the Vice Chairman of the Board or the County Administrator, each of whom is authorized to act, are authorized and directed to take whatever actions are necessary and/or appropriate to aid VRA in ensuring compliance with Securities and Exchange Commission Rule 15c2-12.

11. The recitals to this resolution are hereby incorporated by reference and are declared to be findings of the Board in connection with its decision to finance the Lease Financing to be Refunded.

12. The Board hereby determines that it is in the best interests of the County to authorize the County Treasurer to participate in the Virginia State Non-Arbitrage Program in connection with the Lease Obligations if requested by VRA.

13. Nothing in this Resolution, the Refunding Basic Documents or other related documents shall constitute a debt or a pledge of the faith and credit of the County, and the County shall not be obligated to make any payments under the Refunding Basic Documents except from funds that may be appropriated by the Board.

14. All acts of the officers, agents and representatives of the County that are in conformity with the purposes and intent of this resolution and in furtherance of the leasing of the Leased Property by the County to finance the Lease Financing to be Refunded are hereby approved, ratified and confirmed.

15. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto, to record such document where appropriate and to pay from County funds all appropriate recording fees, taxes and related charges.

16. This Resolution shall be effective immediately upon its adoption.

**Resolution of Board of Supervisors of the County of Brunswick, Virginia
approving Lease Financing of Land Acquisition for Economic Development**

WHEREAS, the Board of Supervisors (**the "Board"**) of Brunswick County, Virginia (**the "County"**) has determined that a true and very real need exists for the acquisition of certain real estate for future economic development projects in the County (**the "Project"**); and

WHEREAS, the Board has the power to acquire by lease real property and personal property currently being used for County purposes which includes, as may be required by VRA (as defined below) for financing of the Project, all or a portion of (i) real property including the Albertis H. Harrison Courthouse, as further described in the Local Lease Acquisition Agreement and Financing Lease (as defined below) (**the "Leased Property"**); and

WHEREAS, the Leased Property is used by the County for uses including courthouse purposes and is essential to the governmental functions of the County, and the Board reasonably expects the Leased Property to continue to be essential to the governmental functions of the County for a period not less than the terms of the Prime Lease (as defined below) and the Local Lease Acquisition Agreement and Financing Lease; and

WHEREAS, to assist in providing financing of the Project, the Virginia Resources Authority ("**VRA**") intends to (a) issue its Series 2018C VRA Fall Pool Bonds (**as more particularly defined in the below defined Local Lease Acquisition Agreement and Financing Lease, the "VRA Bonds"**) and, subject to VRA credit approval, to make available a portion of the proceeds to the County to finance all or a portion of the costs of the Project in the amount of approximately \$5,800,000 plus capitalized interest on the Lease Obligations (as defined below) through April 1, 2019 plus local costs of issuance of the Lease Obligations or such other amount as requested by the County in writing and approved by VRA prior to the VRA Sale Date, as defined below (**the "Proceeds Requested"**); (b) acquire a leasehold interest in the Leased Property pursuant to the terms of the Prime Lease; and (c) lease the Leased Property to the County pursuant to the terms of the Local Lease Acquisition Agreement and Financing Lease (**collectively, the "Lease Obligations"**); and

WHEREAS, the County has submitted its application to VRA to finance the Project and to undertake the Lease Obligations; and

WHEREAS, VRA has advised the County that the sale date of the VRA Bonds is tentatively scheduled for October 30, 2018 but may occur, subject to market conditions, at any time between October 25 and November 29, 2018 (**the "VRA Sale Date"**), and that VRA's objective is to pay the County an amount which, in VRA's judgment, reflects the market value of the Lease Obligations under the Local Lease Acquisition Agreement and Financing Lease (**the "Purchase Price Objective"**), taking into consideration such factors as the purchase price received by VRA for the VRA Bonds, the underwriters' discount and other issuance costs of the VRA Bonds, and other market conditions relating to the sale of the VRA Bonds; and

WHEREAS, such factors may result in the County receiving an amount other than the par amount of the aggregate principal components of the Lease Obligations under the Local Lease Acquisition Agreement and Financing Lease and consequently the aggregate principal components of the Lease Obligations under the Local Lease Acquisition Agreement and Financing Lease may be greater than the Proceeds Requested in order to receive an amount of proceeds that is not less than the Proceeds Requested;

WHEREAS, the Local Lease Acquisition Agreement and Financing Lease shall provide that the aggregate total principal components of Lease Obligations and the interest component of the Lease Obligations will not exceed the parameters set forth herein; and

WHEREAS, there have been presented to this meeting drafts of the following documents (**together, the "Basic Documents"**) in connection with the transactions described above, copies of which shall be filed with the records of the Board:

- A. Prime Lease, between the County and VRA, dated as of September 21, 2018 conveying certain interests in the Leased Property to VRA (**the “Prime Lease”**);
- B. Local Lease Acquisition Agreement and Financing Lease, between the County and VRA, dated as of September 21, 2018 (i) providing for a portion of the proceeds of the sale of the VRA Bonds to be provided by VRA to the County and (ii) conveying to the County a leasehold interest in the Leased Property (**the “Local Lease Acquisition Agreement and Financing Lease”**); and
- C. Leasehold Deed of Trust and Security Agreement, between VRA and certain deed of trust trustees to be named therein, dated as of September 21, 2018 regarding VRA’s leasehold interest in the Leased Property (**the “Leasehold Deed of Trust”**).

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. It is hereby found and determined that the terms of the Basic Documents in the respective forms presented to this meeting and incorporated in this Resolution are in the best interests of the County for the acquisition of the Project.

2. The Basic Documents and related financing documents are hereby approved in substantially the respective forms presented to this meeting. The Chairman, Vice Chairman, County Administrator and any officer of the Board who shall have power generally to execute contracts on behalf of the Board be, and each of them hereby is, authorized to execute, acknowledge, consent to and deliver, as appropriate, the Basic Documents and related financing documents, with any changes, insertions and omissions therein as may be approved by the individuals executing them, such approval to be conclusively evidenced by the execution and delivery thereof. The actions of the Chairman, the Vice Chairman and the County Administrator, each of whom is authorized to act, shall be conclusive, and no further action shall be necessary on the part of the County.

The final pricing terms of the Local Lease Acquisition Agreement and Financing Lease will be determined by VRA, subject to VRA’s Purchase Price Objective and market conditions described in the Recitals hereof; provided, however that (i) the Lease Obligations shall be composed of principal components having a maximum aggregate principal amount of not to exceed \$6,500,000 (**the “Maximum Authorized Principal Amount”**) and interest components with a maximum interest rate of 6.0% per annum (exclusive of "supplemental interest" as provided in the Local Lease Acquisition Agreement and Financing Lease) and (ii) the Lease Obligations shall be payable over a term expiring not later than December 1, 2038. Subject to the preceding terms, the Board further authorizes VRA to determine the aggregate total of principal and interest components of the Lease Obligations, establish a schedule of Lease Obligations including the dates and amounts and the optional and extraordinary prepayment provisions, if any, of the Lease Obligations, all in accordance with the provisions hereof. The term of the Prime Lease shall not be more than five years longer than the term of the Local Lease Acquisition Agreement and Financing Lease; such term is intended to provide security to VRA in the event of default or non-appropriation by the County, all as more fully set forth in the Local Lease Acquisition Agreement and Financing Lease (or any supplement thereto).

Given the Purchase Price Objective and market conditions, it may become necessary to enter into the Local Lease Acquisition Agreement and Financing Lease with aggregate principal components of the Lease Obligations greater than the Proceeds Requested. If the limitation on the maximum aggregate principal components of Lease Obligations on the Local Lease Acquisition Agreement and Financing Lease set forth in this Section 2 restricts VRA's ability to generate the Proceeds Requested, the Local Lease Acquisition Agreement and Financing Lease may be entered into for an amount less than the Proceeds Requested.

The Chairman, the Vice Chairman, the County Administrator, or any of them and such other officer or officers of the County as either may designate are hereby authorized and directed to enter into the Local Lease Acquisition Agreement and Financing Lease, the Prime Lease and any amendments to the Prior Lease and Financing Documents that may be required by VRA for financing of the Project.

As set forth in the Local Lease Acquisition Agreement and Financing Lease, the County agrees to pay such "supplemental interest" and other charges as provided therein, including such amounts as may be necessary to maintain or replenish any VRA Reserve (as defined in the Local Lease Acquisition Agreement and Financing Lease).

Rental Payments (as defined in the Local Lease Acquisition Agreement and Financing Lease) due under the Local Lease Acquisition Agreement and Financing Lease shall be payable in lawful money of the United States of America and otherwise comply with the terms set forth in the Local Lease Acquisition Agreement and Financing Lease. The County may, at its option, prepay the principal components of Rental Payments upon the terms set forth in the Local Lease Acquisition Agreement and Financing Lease.

3. The same officers of the Board, and the County Administrator and the County Attorney be, and each of them hereby is, authorized and directed to take all actions and procure, execute and deliver any and all other agreements, financing statements, papers, instruments, title insurance policies, real property surveys and inspections, opinions, certificates, affidavits and other documents, and to do or cause to be done any and all other acts and things necessary or proper for carrying out the purposes and intent of this resolution, the Basic Documents and any amendments to the Prior Lease and Financing Documents that may be required by VRA for financing of the Project, including the final selection of property to be utilized as the Leased Property as may be required by VRA prior to the recording of the Local Lease Acquisition and Financing Lease. The same officers are authorized and directed to work with the County's bond counsel, Sands Anderson PC, and representatives of VRA, including without limitation McGuire Woods LLP, bond counsel to VRA, to perform all services and prepare all documentation necessary or appropriate for the execution, delivery and recording, as appropriate, of the Basic Documents.

4. The undertaking by the County under the Local Lease Acquisition Agreement and Financing Lease to make Rental Payments and any other payments due under the Lease Obligations shall be a limited obligation of the County, payable solely from funds to be appropriated by the Board from time to time for such purpose and shall not constitute a debt of the County within the meaning of any constitutional or statutory

limitation or a pledge of the faith and credit of the County beyond any fiscal year for which the Board has lawfully appropriated from time to time. Nothing herein or in the Lease Obligations shall constitute a debt of the County within the meaning of any constitutional or statutory limitation or a pledge of the faith and credit or taxing power of the County.

5 The Board believes that funds sufficient to make payment of all amounts payable under the Lease Obligations can be obtained. While recognizing that it is not empowered to make any binding commitment to make such payments beyond the current fiscal year, the Board hereby states its intent to make annual appropriations for future fiscal years in amounts sufficient to make all such payments and hereby recommends that future Boards do likewise during the term of the Lease Obligations. The Board directs the County Administrator, or such other officer who may be charged with the responsibility for preparing the County's annual budget, to include in the budget request for each fiscal year during the term of the Lease Obligations an amount sufficient to pay all amounts coming due under the Lease Obligations during such fiscal year. As soon as practicable after the submission of the County's annual budget to the Board, the County Administrator is authorized and directed to deliver to VRA evidence that a request for an amount sufficient to make the payment of all amounts payable under the Lease Obligations has been made. Throughout the term of the Lease Obligations, the County Administrator shall deliver to VRA within 30 days after the adoption of the budget for each fiscal year, but not later than July 1, a certificate stating whether an amount equal to the Rental Payments and any other amounts due under the Lease Obligations which will be due during the next fiscal year has been appropriated by the Board in such budget. If at any time during any fiscal year of the County, the amount appropriated in the County's annual budget in any such fiscal year is insufficient to pay when due the amounts payable under the Lease Obligations, the Board directs the County Administrator, or such other officer who may be charged with the responsibility for preparing the County's annual budget, to submit to the Board at the next scheduled meeting, or as promptly as practicable but in any event within 45 days, a request for a supplemental appropriation sufficient to cover the deficit.

6. The County authorizes and consents to the inclusion of information with respect to the County to be contained in VRA's Preliminary Official Statement and VRA's Official Statement in final form, both prepared in connection with the sale of the VRA Bonds, a portion of the proceeds of which will be used to purchase the Lease Obligations. If appropriate, such disclosure documents shall be distributed in such manner and at such times as the Chairman of the Board, the Vice Chairman of the Board or the County Administrator, each of whom is authorized to act, shall determine. The Chairman of the Board, the Vice Chairman of the Board or the County Administrator, each of whom is authorized to act, are authorized and directed to take whatever actions are necessary and/or appropriate to aid VRA in ensuring compliance with Securities and Exchange Commission Rule 15c2-12.

7. The recitals to this resolution are hereby incorporated by reference and are declared to be findings of the Board in connection with its decision to finance the Project.

8. The Board hereby determines that it is in the best interests of the County to

authorize the County Treasurer to participate in the Virginia State Non-Arbitrage Program in connection with the Lease Obligations if requested by VRA or in such other deposit or investment program in accordance with applicable law.

9. Nothing in this Resolution, the Basic Documents or other related documents shall constitute a debt or a pledge of the faith and credit of the County, and the County shall not be obligated to make any payments under the Basic Documents except from funds that may be appropriated by the Board.

10. All acts of the officers, agents and representatives of the County that are in conformity with the purposes and intent of this resolution and in furtherance of the leasing of the Leased Property by the County to finance the Project are hereby approved, ratified and confirmed.

11. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto, to record such document where appropriate and to pay from County funds all appropriate recording fees, taxes and related charges.

12. This Resolution shall be effective immediately upon its adoption.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Stonewall Property Purchase

Mr. Jacobson stated that a public hearing had been held earlier in the meeting regarding an amendment to the County budget for purchase of property for economic development purposes.

Upon a motion by Mr. Tyler, seconded by Mr. Jones, and unanimously carried, the Board authorized the Chair to execute an agreement for the purchase of property known as the Stonewall property for the purchase price of \$1,362,480 containing the terms and conditions outlined by attorney Russell Slayton, special counsel to the County for purchase of the property.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Re: Appointments

Lake Country Soil and Water Conservation District

Upon a motion by Mr. Tyler, seconded by Mr. Harrison, and unanimously carried, the Board approved the re-appointment of Austin Puryear to the Lake Country Soil and Water Conservation as an At-Large Director.

Ayes: Harrison, Jones, Tyler, Zubrod, Harris; Nays: None

Re: Adjourn

Upon a motion by Mr. Harrison, seconded by Mr. Jones, and unanimously carried, the Board adjourned.

Hon. Barbara Jarrett-Harris, Chair

Leslie R. Weddington, Deputy Clerk