

PRESENT: Greg Benton, Livingston District
Greg Cebula, Berkeley District
Timothy J. McLaughlin, Chancellor District
David Ross, Courtland District
Gary F. Skinner, Lee Hill District
Paul D. Trampe, Salem District
Chris Yakabouski, Battlefield District

STAFF PRESENT: Mark B. Taylor, County Administrator
Mark Cole, Deputy County Administrator
Karl Holsten, County Attorney
Aimee R. Mann, Deputy Clerk

Mr. Ross called the meeting to order at 6:00 p.m. Mr. Benton gave the invocation and Mr. Trampe led the Pledge of Allegiance.

POSSIBLE AGENDA ADDITIONS

Mr. Trampe made a motion to approve the agenda with the following changes:

Reappointment of Arthur Snyder to the Transportation Committee representing the Livingston District added to the Consent Agenda;
Remove CA17-0005: Ordinance 23-171 – Off Street Parking, Loading and Stacking for future consideration.

The motion passed unanimously.

VOTE:

Ayes:	7	Mr. Benton, Mr. Cebula, Mr. McLaughlin, Mr. Ross Mr. Skinner, Mr. Trampe and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

APPROVAL OF THE CONSENT AGENDA

The County Administrator read the synopsis as a brief preview of these agenda items for the public.

The following item was removed for separate discussion:

Approval of Contract to J.L Kent & Sons, Inc. to Provide Construction Services for the Massaponax Church Road 3R Design Improvements.

On a motion by Mr. Cebula and passed unanimously, the Board approved the amended Consent Agenda as follows:

1. Appointment of the Fire Marshall and Fire Code Official;
2. Authorization for the Sale of 2017 Bonds and of Related Public Hearing as follows:

VOTE:

Ayes:	7	Mr. Benton, Mr. Cebula, Mr. McLaughlin, Mr. Ross Mr. Skinner, Mr. Trampe and Mr. Yakabowski
Nays:	0	
Absent:	0	
Abstain:	0	

RESOLUTION NO. 2017-81

RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND AWARD OF SPOTSYLVANIA COUNTY, VIRGINIA, GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2017A, AND GENERAL OBLIGATION PUBLIC IMPROVEMENT REFUNDING BONDS, SERIES 2017B (2019 CROSSOVER), IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$48,000,000, AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

WHEREAS, the issuance of \$241,422,467 in general obligation public improvement bonds of Spotsylvania County, Virginia (the “County”) was authorized by a resolution adopted by the Board on July 8, 2014, and was approved by the qualified voters of the County at an election held on November 4, 2014 (the “2014 Referendum”), of which \$141,724,876 was authorized for the financing of school projects, \$36,388,641 was authorized for public safety projects, and \$63,308,950 was authorized for transportation projects;

WHEREAS, under the 2014 Referendum, (1) \$119,891,960 in principal amount of bonds authorized for public school projects remains authorized and unissued on the date hereof, and (2) \$28,953,641 in principal amount of bonds authorized for public safety projects remains authorized and unissued on the date hereof;

WHEREAS, the County issued its \$15,905,000 General Obligation Public Improvement Bonds, Series 2009B (Taxable-Build America Bonds) on July 30, 2009 (the “2009B Bonds”);

WHEREAS, County administration, in consultation with Davenport & Company LLC, the County’s financial advisor (the “Financial Advisor”), has determined that the County can effect considerable debt service savings by issuing its general obligation refunding bonds in the aggregate principal amount not to exceed \$18,000,000 (the “Refunding Bonds”) to refund all or a portion of the outstanding 2009B Bonds (hereinafter, the “Refunded Bonds”);

WHEREAS, County administration, in consultation with the County's Financial Advisor, has recommended to the Board a plan of finance and refunding under which the County would issue and sell general obligation public improvement bonds in the maximum aggregate principal amount not to exceed \$30,000,000 pursuant to the above-described authority given in the 2014 Referendum, including (a) up to \$28,000,000 in general obligation public improvement bonds to finance or reimburse the County for costs associated with public school projects in the County, (b) up to \$2,000,000 in general obligation public improvement bonds to finance or reimburse the County for costs associated with public safety projects in the County, and (c) up to \$18,000,000 in general obligation public improvement refunding bonds to refund the Refunded Bonds (collectively, the "Plan of Finance and Refunding"); and

WHEREAS, the Board has determined that it would benefit the County to issue and sell such bonds and that the County Administrator should be authorized to implement the Plan of Finance and Refunding and to finalize and approve the final terms of the bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF SPOTSYLVANIA COUNTY, VIRGINIA:

1. Issuance of Bonds. There shall be issued and sold, pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991, general obligation public improvement bonds of the County in the maximum aggregate principal amount of \$48,000,000 (the "Bonds"), consisting of not to exceed \$30,000,000 of General Obligation Public Improvement Bonds, Series 2017A (the "Series 2017A Bonds") and not to exceed \$18,000,000 of General Obligation Public Improvement Refunding Bonds, Series 2017B (2019 Crossover) (the "Series 2017B Bonds"), to provide funds to pay all or a portion of the costs of the Plan of Finance and Refunding and the costs of issuing the Bonds.

2. Bond Details. The Series 2017A Bonds shall be designated as "General Obligation Public Improvement Bonds, Series 2017A," and the Series 2017B Bonds shall be designated as "General Obligation Public Improvement Refunding Bonds, Series 2017B (2019 Crossover)" with such series or subseries designations as may be determined to be advisable by the County Administration, shall be in registered form, shall be dated such date as may be determined by the County Administrator, shall be in denominations of \$5,000 and integral multiples thereof, and shall be numbered R-1 upward. Subject to the provisions of Section 8, the issuance and sale of the Bonds are authorized on terms as shall be satisfactory to the County Administrator; provided, however, that the Bonds (a) shall have a "true" or "Canadian" interest cost not to exceed 5.00% per annum, taking into account any original issue discount or premium, (b) shall be sold at a price not less than 98% of the original aggregated principal amount thereof, excluding any original issue discount, (c) the Series 2017B Bonds shall generate and result in an aggregate net present value debt service savings to the County on the Refunded Bonds of at least 3%, taking into account the federal subsidy expected to be received on the Refunded Bonds through the first optional redemption date of such Refunded Bonds, and (d) shall mature, or be subject to mandatory sinking fund redemption, in annual installments beginning no later than December 31, 2018 and ending no later than December 31, 2037.

Each Bond shall bear interest from its date at such rate as shall be determined at the time of sale, calculated on the basis of a 360-day year of twelve 30-day months, and payable semiannually on dates determined by the County Administrator. Principal and premium, if any, shall be payable to the registered owners upon surrender of Bonds as they become due at the office of the Registrar (as defined in Section 7 hereof). Interest shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the registration books kept by the Registrar on the date 15 days prior to each interest payment date (the "Record Date") or as otherwise determined by the County Administrator. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

Initially, one Bond certificate for each maturity of the Bonds shall be issued to and registered in the name of The Depository Trust Company, New York, New York ("DTC"), or its nominee. The County has heretofore entered into a Letter of Representations relating to a book-entry system to be maintained by DTC with respect to the Bonds. "Securities Depository" shall mean DTC or any other securities depository for the Bonds appointed pursuant to this Section. In the event that the Bonds are sold by direct private placement with one or more financial institutions, the Bonds shall be issued to and registered in the name of such institution(s) at the request of such institution(s).

In the event that (a) the Securities Depository determines not to continue to act as the securities depository for the Bonds by giving notice to the Registrar, and the County discharges its responsibilities hereunder, or (b) the County in its sole discretion determines (i) that beneficial owners of Bonds shall be able to obtain certificated Bonds or (ii) to select a new Securities Depository, then the Director of Finance of the County shall, at the direction of the County, attempt to locate another qualified securities depository to serve as Securities Depository and authenticate and deliver certificated Bonds to the new Securities Depository or its nominee, or authenticate and deliver certificated Bonds to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for in Section 5; provided, however, that such form shall provide for interest on the Bonds to be payable (A) from the date of the Bonds if they are authenticated prior to the first interest payment date, or (B) otherwise from the interest payment date that is or immediately precedes the date on which the Bonds are authenticated (unless payment of interest thereon is in default, in which case interest on such Bonds shall be payable from the date to which interest has been paid). In delivering certificated Bonds, the Director of Finance shall be entitled to rely on the records of the Securities Depository as to the beneficial owners or the records of the Securities Depository participants acting on behalf of beneficial owners. Such certificated Bonds will then be registrable, transferable and exchangeable as set forth in Section 7.

So long as there is a Securities Depository for the Bonds (1) it or its nominee shall be the registered owner of the Bonds, (2) notwithstanding anything to the contrary in this Resolution, determinations of persons entitled to payment of principal, premium, if any, and interest transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established by such Securities Depository, (3) the Registrar and the County shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants, (4) references in this Resolution to registered owners of

the Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial owners of the Bonds, and (5) in the event of any inconsistency between the provisions of this Resolution and the provisions of the above-referenced Letter of Representations such provisions of the Letter of Representations, except to the extent set forth in this paragraph and the next preceding paragraph, shall control.

3. Redemption Provisions. The Bonds may be subject to redemption prior to maturity at the option of the County on or after the dates, if any, determined by the County Administrator, in whole or in part (in \$5,000 integrals) at any time, at a redemption price equal to the principal amount of the Bonds, together with any interest accrued to the redemption date, plus a redemption premium not to exceed 2% of the principal amount of the Bonds, such redemption premium to be determined by the County Administrator.

Any Bonds designated and sold as term bonds may be subject to mandatory sinking fund redemption upon terms determined by the County Administrator.

If less than all of the Bonds are called for redemption, the maturities of the Bonds to be redeemed shall be selected by the Director of Finance of the County in such manner as she may determine to be in the best interests of the County. If less than all the Bonds of a particular maturity are called for redemption, the Bonds within such maturity to be redeemed shall be selected by the Securities Depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (a) the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof and (b) in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by \$5,000. The County shall cause notice of the call for redemption identifying the Bonds or portions thereof to be redeemed to be sent by facsimile or electronic transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner of the Bonds. The County shall not be responsible for giving notice of redemption to anyone other than DTC or another qualified securities depository then serving or its nominee unless no qualified securities depository is the registered owner of the Bonds. If no qualified securities depository is the registered owner of the Bonds, notice of redemption shall be mailed to the registered owners of the Bonds. If a portion of a Bond is called for redemption, a new Bond in principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof.

In the case of an optional redemption, the notice may state that (1) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, no later than the redemption date or (2) the County retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any Conditional Redemption may be rescinded at any time. The County shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain outstanding, and the rescission shall not constitute an event of default. Further, in the case of a

Conditional Redemption, the failure of the County to make funds available on or before the redemption date shall not constitute an event of default, and the County shall give immediate notice to all organizations registered with the Securities and Exchange Commission as securities depositories or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

4. Execution and Authentication. The Bonds shall be signed by the manual or facsimile signature of the Chairman or Vice Chairman of the Board, shall be countersigned by the manual or facsimile signature of the Clerk or Deputy Clerk of the Board and the Board's seal shall be affixed thereto or a facsimile thereof printed thereon; provided, however, that if both of such signatures are facsimiles, no Bond shall be valid until it has been authenticated by the manual signature of an authorized officer or employee of the Registrar and the date of authentication noted thereon.

5. Bond Form. The Bonds shall be in substantially the form attached hereto, and incorporated herein by this reference, as Exhibit A, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officers signing the Bonds, whose approval shall be evidenced conclusively by the execution and delivery of the Bonds.

6. Pledge of Full Faith and Credit. The full faith and credit of the County are irrevocably pledged for the payment of principal of and premium, if any, and interest on the Bonds. Unless other funds are lawfully available and appropriated for timely payment of the Bonds, the Board shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the County sufficient to pay when due the principal of and premium, if any, and interest on the Bonds.

7. Registration, Transfer and Owners of Bonds. In the event that the Bonds are sold by competitive or negotiated public sale, U.S. Bank National Association, Richmond, Virginia, shall be and is hereby appointed as paying agent and registrar for the Bonds (the "Registrar"). The County may at any time replace the Registrar with another qualified bank or trust company. The Registrar shall maintain registration books for the registration and registration of transfers of Bonds. Upon presentation and surrender of any Bonds at the corporate trust office of the Registrar, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the County shall execute and the Registrar shall authenticate, if required by Section 4, and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form, right of redemption and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner or his duly authorized attorney or legal representative. Any such exchange shall be at the expense of the County, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Registrar shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and

powers of the owner, except that interest payments shall be made to the person shown as owner on the registration books on the Record Date.

In the event that the Bonds are sold by direct, private placement with one or more financial institutions, the Treasurer of the County is hereby appointed to serve as paying agent and registrar for the Bonds.

8. Sale of Bonds. The Board authorizes the sale of the Bonds upon the following terms. The Bonds may be sold by competitive bid, by negotiated sale, or by direct private placement with one or more financial institutions, as the County Administrator, in collaboration with the Financial Advisor, determines to be in the best interests of the County. The Series 2017A Bonds and the Series 2017B Bonds may be sold on the same date, or on different sale dates, in the discretion of the County Administrator. The County Administrator, in collaboration with the Financial Advisor, is authorized and directed to determine (a) the aggregate principal amount of the Bonds, subject to the limitations set forth in Section 1, (b) the maturity dates, interest rates and purchase prices of the Bonds, subject to the limitations and net present value debt service savings on the Refunded Bonds set forth in Section 2, (c) the redemption provisions of the Bonds, subject to the limitations set forth in Section 3, and (d) the dated date, sale date, principal and interest payment dates and Record Date of the Bonds, all as the County Administrator determines to be in the best interests of the County.

If the County Administrator determines to sell either or both series of the Bonds by competitive bid, the County Administrator shall receive bids for the Bonds and award the Bonds to the bidder providing the lowest “True” or “Canadian” interest cost, subject to the limitations set forth in Section 2. Following a competitive sale of the Bonds, the County Administrator, as Clerk of the Board, shall file a certificate setting forth the final terms of the Bonds with the County's permanent records. The actions of the County Administrator in selling the Bonds by competitive sale shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Board.

If the County Administrator determines to sell either or both series of the Bonds by negotiated sale, the County Administrator is authorized, in collaboration with the Financial Advisor, to choose any investment bank or firm to serve as underwriter for the Bonds and to execute and deliver to each such underwriter a bond purchase agreement (the “Bond Purchase Agreement”) in a form approved by the County Administrator to reflect the final terms of the Bonds, and as approved as to form and correctness by the County Attorney. The execution thereof by the County Administrator shall constitute conclusive evidence of his approval of the final form of the Bond Purchase Agreement. Following a negotiated sale, the County Administrator, as Clerk of the Board, shall file a copy of the Bond Purchase Agreement with the County's permanent records. The actions of the County Administrator in selling the Bonds by negotiated sale to any underwriter shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Board.

If the County Administrator determines to sell either or both series of the Bonds through a direct private placement with one or more financial institutions, the County Administrator shall file a certificate setting forth the final terms of the Bonds with the County's permanent records.

The actions of the County Administrator in selling the Bonds by direct, private placement with one or more financial institutions shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Board.

9. Notice of Sale; RFP for Private Placement of Bonds. If either or both series of the Bonds are sold by competitive sale, the County Administrator, in collaboration with the Financial Advisor, is authorized and directed to take all proper steps to advertise such Bonds for sale substantially in accordance with the form of Notice of Sale, a draft of which has been provided to the members of the Board, which is hereby approved; provided that the County Administrator, in collaboration with the Financial Advisor, may make such changes in the Notice of Sale not inconsistent with the provisions of this Resolution as he may consider to be in the best interests of the County. The distribution of the Notice of Sale shall constitute conclusive evidence of the approval of the County Administrator of any such changes.

If either or both series of the Bonds are sold by direct private placement with one or more financial institutions, the County Administrator, in collaboration with the County's Financial Advisor, is authorized and directed to take all proper steps to solicit proposals from qualified financial institutions for the purchase of such Bonds through a request for proposals or other process to be instituted by the County's Financial Advisor on behalf of the County.

10. Official Statement. The form of Preliminary Official Statement describing the Bonds, a draft of which has been provided to the members of the Board, is approved as the form of the Preliminary Official Statement by which the Bonds will be offered for sale, with such completions, omissions, insertions and changes not inconsistent with this Resolution as the County Administrator, in collaboration with the Financial Advisor, may consider appropriate, including changes as necessary to reflect a competitive sale or a negotiated sale; provided however, that the County Administrator may, in collaboration with the Financial Advisor, elect to utilize separate Preliminary Official Statements for the Series 2017A Bonds and the Series 2017B Bonds, so long as each such Preliminary Official Statement is substantially in the form of the draft previously provided to the Board, with such provisions as may be applicable to the particular series of Bonds. After the Bonds have been sold, the County Administrator, in collaboration with the Financial Advisor, shall make such completions, omissions, insertions and changes in each such Preliminary Official Statement not inconsistent with this Resolution as are necessary or desirable to complete it as a final Official Statement, execution thereof by the County Administrator to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes. The County shall arrange for the delivery to the underwriters of the Bonds of a reasonable number of copies of each such final Official Statement, within seven business days after the Bonds described therein have been sold, for delivery to each potential investor requesting a copy of the Official Statement and to each person to whom the underwriters initially sell such Bonds.

11. Official Statement Deemed Final. The County Administrator is authorized, on behalf of the County, to deem each Preliminary Official Statement and each Official Statement in final form to be final as of their dates within the meaning of Rule 15c2-12, as amended (the "Rule"), of the Securities and Exchange Commission, except for the omission from such Preliminary Official Statement of certain pricing and other information permitted to be omitted

pursuant to the Rule. The distribution of such Preliminary Official Statement and such Official Statement in final form shall be conclusive evidence that each has been deemed final as of its date by the County, except for the omission in each Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

12. Preparation and Delivery of Bonds. After the Bonds have been awarded, the Chairman or Vice Chairman and the Clerk or Deputy Clerk of the Board are authorized and directed to take all proper steps to have the Bonds prepared and executed in accordance with their terms and to deliver the Bonds to the purchasers thereof upon payment therefor.

13. Escrow Deposit Agreement. The County Administrator, the County Treasurer and the Director of Finance, or any of them, are authorized and directed to execute an escrow deposit agreement (the "Escrow Agreement") between the County and U.S. Bank National Association, Richmond, Virginia, which is hereby appointed Escrow Agent (the "Escrow Agent"). The Escrow Agreement shall be in substantially the form of the draft of such agreement which has previously been provided to the members of the Board and utilized by the County in refunding transactions, and shall provide for the deposit of a portion of the proceeds of the Series 2017B Bonds for the payment of interest on the Series 2017B Bonds through the first optional redemption date of the Refunded Bonds, and to the redemption of the Refunded Bonds on such first optional redemption date. The Escrow Agreement shall be in such final form as approved by the County Administrator, the County Treasurer and the Director of Finance, or any of them, in collaboration with the County Attorney and the County's bond counsel, the execution thereof by the County Administrator, the County Treasurer and the Director of Finance, or any of them, to constitute conclusive evidence of their approval of the Escrow Agreement. The Escrow Agreement shall provide for the irrevocable deposit of a portion of the Series 2017B Bond proceeds in an escrow fund which shall be, together with interest or investment earnings on such funds if such funds are invested, as determined by the County Administrator with the direction of the Financial Advisor, sufficient to provide for payment of interest on the Series 2017B Bonds through the first optional redemption date of the Refunded Bonds, and to provide for payment of the redemption price of the Refunded Bonds on such first optional redemption date; provided, however, that such Series 2017B Bond proceeds shall be invested in such manner that none of the Bonds will be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (the "Code").

14. Deposit of Bond Proceeds. The County Treasurer is authorized and directed to provide for the deposit of the proceeds of the Series 2017A Bonds in one or more special accounts to be used to pay or reimburse the County for the costs of the public school projects and public safety projects to be financed with such proceeds of the Series 2017A Bonds, and to pay the costs of issuing the Series 2017A Bonds. The County Treasurer is further authorized and directed (a) to provide for the delivery of a portion of the proceeds of the Series 2017B Bonds to the Escrow Agent for deposit in the escrow fund established by the Escrow Agreement, in an amount that will be, together with interest or investment earnings on such funds if such funds are invested, as determined by the County Administrator with the direction of the Financial Advisor, sufficient (i) to pay when due the interest on the Series 2017B Bonds through the first optional redemption date of the Refunded Bonds, and (ii) to pay the principal, interest, and redemption

premium, if any of the Refunded Bonds on the first date on which they may be redeemed at the option of the County.

15. Arbitrage Covenants. The County covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations issued pursuant thereto (the “Code”), or otherwise cause interest on the Bonds to be includable in the gross income of the registered owners thereof under existing law. Without limiting the generality of the foregoing, the County shall comply with any provision of law which may require the County at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bonds, unless the County receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bonds from being includable in the gross income of the registered owners thereof under existing law. The County shall pay any such required rebate from its legally available funds.

16. Non-Arbitrage Certificate and Elections. Such officers of the County as may be requested are authorized and directed to execute an appropriate certificate setting forth the expected use and investment of the proceeds of the Bonds in order to show that such expected use and investment will not violate the provisions of Section 148 of the Code, and any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificate and elections shall be in such form as may be requested by bond counsel for the County.

17. Limitation on Private Use. The County covenants that it shall not permit the proceeds of the Bonds or the facilities financed or refinanced with the proceeds of the Bonds to be used in any manner that would result in (a) 5% or more of such proceeds or the facilities financed or refinanced with 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, (b) 5% or more of such proceeds or the facilities financed or refinanced with 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 any such covenants need not be complied with to prevent the interest on the Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the County need not comply with such covenants.

18. Continuing Disclosure Agreement. The Chairman or Vice Chairman of the Board and the County Administrator and such officer or officers of the County as either may designate are hereby authorized and directed to execute a continuing disclosure agreement (the “Continuing Disclosure Agreement”) setting forth the reports and notices to be filed by the County and containing such covenants as may be necessary to assist the purchasers of the Bonds in complying with the provisions of the Rule. The Continuing Disclosure Agreement shall be substantially in the form attached as Appendix D to the draft Preliminary Official Statement

circulated to the Board prior to this meeting, with such completions, omissions, insertions and changes that are not inconsistent with this Resolution.

19. SNAP Investment Authorization. The Board has previously received and reviewed an Information Statement describing the State Non-Arbitrage Program of the Commonwealth of Virginia (“SNAP”) and the Contract Creating the State Non-Arbitrage Program Pool I (the “Contract”), and the Board has determined to authorize the County Treasurer to utilize SNAP in connection with the investment of the proceeds of the Series 2017A Bonds, if the County Administrator determines that the utilization of SNAP is in the best interests of the County. The Board acknowledges that the Treasury Board of the Commonwealth of Virginia is not, and shall not be, in any way liable to the County in connection with SNAP, except as otherwise provided in the Contract.

20. Official Intent. The County intends that the adoption of this resolution be considered as “official intent” within the meaning of the Treasury Regulations, Section 1.150-2, promulgated under the Code.

21. Other Actions. All other actions of officers of the County and the Board in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds are approved and confirmed. The officers of the County are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Bonds.

22. Repeal of Conflicting Resolutions. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

23. Filing of Resolution with Circuit Court. The County Administrator is hereby directed to file a certified copy of this Resolution with the Circuit Court of Spotsylvania County, Virginia, promptly following its adoption.

24. Effective Date. This Resolution shall take effect immediately.

3. Approval of Contracts to J. King DeShazo, III, Inc. to provide construction services for the Motts Run Water Treatment Plant Roof Replacement;
4. Approval of Contract Modification for Renewal with Telephone Answering Service, Inc., d/b/a Hilldrup Taxi and Virginia Cab for Transportation Services;
5. Approval of Contract Renewal to Welch, Graham & Ogden Insurance, Inc. for Property, Liability, Accident and Disability Insurance Services for FREM Volunteer Personnel;
6. Approval of Special Events Permit for the 2017 Stars & Stripes Spectacular;
7. Authorization of Transfer from Contingency to External Legal Counsel for Assessment Appeals;
8. Fort A.P. Hill Executive Steering Committee MOU;
9. Proclamation Request for National Night Out 2017;
10. Reappointment of Kenneth Lapin to the Rappahannock Area Community Services Board;

11. Recommendation for Appointment of George M. Allen to the Board of Zoning Appeals;
12. Remote Attendance Policy - Spotsylvania County Boards and Commissions;
13. Reappointment of Arthur Snyder to the Transportation Committee Representing the Livingston District.

VOTE:

Ayes:	7	Mr. Benton, Mr. Cebula, Mr. McLaughlin, Mr. Ross Mr. Skinner, Mr. Trampe and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

Approval of Contract to J.L Kent & Sons, Inc. to Provide Construction Services for the Massaponax Church Road 3R Design Improvements

Mr. Skinner asked staff to review the design improvements. On a motion by Mr. Skinner and passed unanimously, the Board approved the contract to J.L. Kent & Sons, Inc. to provide construction services for the Massaponax Church Road 3R design improvements.

VOTE:

Ayes:	7	Mr. Benton, Mr. Cebula, Mr. McLaughlin, Mr. Ross Mr. Skinner, Mr. Trampe and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

PUBLIC PRESENTATIONS

Mary Lou Collier shared that the stop bar was faded at the railroad tracks on Benchmark Road. She also asked for a yield sign and no shoulder sign exiting I95 onto Route 1 towards Massaponax.

Justin Langridge, Spotsylvania Career Firefighters Association, supported a 25 year salary schedule for hazardous duty LEOS positions, a fair and equitable compensation range and accelerated implementation over a 2 year period.

Larry Plating spoke about strategic planning.

BOARD OF SUPERVISORS REPORTS

Mr. Trampe requested that staff brief the Board at a future meeting on the effects of the opioid epidemic on county resources by surveying each department.

Mr. Skinner asked the County Administrator to determine whether CSX or VDOT would be responsible for the stop bar at the railroad tracks on Benchmark Road. Additionally, Mr. Skinner formerly announced that he would be seeking re-election for Supervisor for Lee Hill District.

PUBLIC HEARINGS

CA17-0004: Ordinance No. 23-170 - Enforcement

Mr. Pastwik presented.

The Planning Commission recommended approval of CA17-0004: Ordinance No. 23-170-Enforcement (vote 7-0).

Staff recommended that the Board of Supervisors approve CA17-0004: Ordinance No. 23-170-Enforcement.

Mr. Ross declared the public hearing opened and when no one indicated an intention to speak, closed the public hearing.

On a motion by Mr. Skinner and passed unanimously, the Board adopted the ordinance as follows:

VOTE:

Ayes:	7	Mr. Benton, Mr. Cebula, Mr. McLaughlin, Mr. Ross Mr. Skinner, Mr. Trampe and Mr. Yakabowski
Nays:	0	
Absent:	0	
Abstain:	0	

AN ORDINANCE No. 23-170 CA17-0004: Enforcement

To amend County Code Chapter 23, Article 9 Enforcement, to clarify administrative and enforcement functions. The following amendments have been suggested with the assistance of the Zoning Department.

PUBLIC HEARING: June 27, 2017

WHEREAS, staff has reviewed the Code Amendments and recommends approval as stated in the Executive Summary dated June 27, 2017 and attached hereto; and

WHEREAS, the Planning Commission held a public hearing on this item on May 17, 2017 and a motion was made and seconded to recommend approval of the Zoning Ordinance Amendments, with a vote of 7-0; and

WHEREAS, the Spotsylvania County Board of Supervisors' public hearing, duly advertised in a local newspaper for a period of two weeks, was held on June 27, 2017, and interested citizens were offered the opportunity to be heard; and

WHEREAS, good zoning practice and the general welfare are served by approval of the Code Amendment.

NOW, THEREFORE, THE BOARD OF SUPERVISORS FOR THE COUNTY OF SPOTSYLVANIA HEREBY ORDAINS:

§ 1. That Chapter 23, Article 9, be and is hereby **amended** and reordained as follows:

ARTICLE 9. - ENFORCEMENT

Sec. 23-9.1.1. - Enforcement responsibilities.

- (a) The terms and requirements of this Chapter shall be administered and enforced by the Zoning Administrator and his or her designees.
- (b) If upon inspection, the Zoning Administrator determines that a violation of this Chapter exists, then he or she shall notify the owner in writing, describing the violation and the corrective action that would be required to eliminate the violation.
- (c) If the violation is not corrected within seven (7) calendar days after the date of the notice of violation or such longer period of time that may be set forth in the notice, the Zoning Administrator shall swear out a warrant to the clerk of the proper court, citing the zoning violation and forward a copy of all information in the case to the County Attorney.
- (d) No Zoning Permits shall be issued for property that is in violation of this Chapter until the violation is corrected, unless and except to remedy such cited violation.

(Ord. No. 23-66, 10-24-95)

Sec. 23-9.1.2. - Criminal penalty for violations.

- (a) Any person violating any provision of this chapter shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than ten dollars (\$10.00) nor more than one thousand dollars (\$1,000.00).
- (b) If the violation is uncorrected at the time of the conviction, the court shall order the violator to abate or remedy the violation in compliance with the zoning ordinance, within a time period established by the court.
- (c) Failure to remove or abate a zoning violation within the specified time period shall constitute a separate misdemeanor offense punishable by a fine of not less than ten dollars (\$10.00) nor more than one thousand dollars (\$1,000.00), and any such failure during any succeeding ten (10) -day period shall constitute a separate misdemeanor offense for each ten (10) -day period punishable by a fine of not less than one hundred dollars (\$100.00) nor more than one thousand five hundred dollars (\$1,500.00).
- (d) However, any conviction resulting from a violation of provisions regulating the number of unrelated persons in single-family residential dwellings shall be punishable by a fine of up

to two thousand dollars (\$2,000.00). Failure to abate the violation within the specified time period shall be punishable by a fine of up to two thousand dollars (\$2,000.00), and any such failure during any succeeding ten (10) -day period shall constitute a separate misdemeanor offense for each ten-day period punishable by a fine of up to two thousand five hundred dollars (\$2,500.00). However, no such fine shall accrue against an owner or managing agent of a single-family residential dwelling unit during the pendency of any legal action commenced by such owner or managing agent of such dwelling unit against a tenant to eliminate an overcrowding condition, in accordance with Chapter 13 or Chapter 13.2 of Title 55, of the Code of Virginia, as applicable. A conviction resulting from a violation of provisions regulating the number of unrelated persons in single-family residential dwellings shall not be punishable by a jail term.

(Ord. No. 23-66, 10-24-95; Ord. No. 23-118, 7-10-07; Ord. No. 23-119, 9-11-07; Ord. No. 23-127, 10-14-08)

Sec. 23-9.1.3. - Injunctive relief and other civil remedies.

Any violation or attempted violation of a provision of this Chapter may be restrained corrected, or abated by injunction or other appropriate legal proceeding.

(Ord. No. 23-66, 10-24-95; Ord. No. 23-73, 8-12-97)

§ 2. This ordinance shall be in force and effect upon adoption.

PRESENTATIONS/REPORTS BY OTHERS

Follow Up – Total Compensation Study Implementation

Staff presented follow up information regarding the proposed implementation of the total compensation study. Mr. Benton requested a 2 year implementation plan, Mr. Ross asked for additional examples of salary bands and asked for retention data for the bands receiving longevity bonuses.

On a motion by Mr. McLaughlin and passed unanimously, the Board approved the implementation of the total compensation study as presented.

VOTE:

Ayes:	7	Mr. Benton, Mr. Cebula, Mr. McLaughlin, Mr. Ross Mr. Skinner, Mr. Trampe and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

Update on Status of the Financial Management, Real Estate, and Personal Property System Upgrades

Staff provided an update on the status of upgrades to three of the County's legacy systems, the Financial Management system, the Real Estate System and the Personal Property system.

Strategic Plan Work Session

The Board of Supervisors has discussed preparing a strategic plan to guide decisions and the allocation of resources in the future. The purpose of this work session was to gain additional feedback from the Board on the focus of the strategic plan and process for its development.

Discussion ensued including infrastructure needs and the means to address them, the cost of residential growth, the need for new revenue to keep taxes low and efficient government.

Mr. Yakabouski asked staff to bring back a strategic plan outline.

CLOSED MEETING

On a motion by Mr. Yakabouski and passed unanimously, the Board adopted a resolution to adjourn into closed meeting as follows:

VOTE:

Ayes:	7	Mr. Benton, Mr. Cebula, Mr. McLaughlin, Mr. Ross Mr. Skinner, Mr. Trampe and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

RESOLUTION NO. 2017-82

To Adjourn into Closed Meeting

WHEREAS, the Spotsylvania County Board of Supervisors desires to adjourn into Closed Meeting for discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; specifically, personnel in Fire, Rescue, and Emergency Management Department; and

WHEREAS, the Spotsylvania County Board of Supervisors desires to adjourn into Closed Meeting for discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body; specifically, discussion of real properties in the Lee's Hill, Berkeley and Courtland Districts; and

WHEREAS, the Spotsylvania County Board of Supervisors desires to adjourn into Closed Meeting for discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community, specifically a food manufacturing business, vehicle sales and travel lodging business, and expansion of a recreational sports industry; and

WHEREAS, pursuant to Va. Code Ann. § 2.2-3711(A)(1), (3) and (5), such discussions may occur in Closed Meeting.

NOW, THEREFORE, BE IT RESOLVED that the Spotsylvania County Board of Supervisors does hereby authorize discussion of the aforesated matters.

RETURN TO OPEN MEETING AND CERTIFICATION

On a roll call vote, the Board returned to open meeting and adopted the following resolution:

VOTE:

Ayes:	7	Mr. Benton, Mr. Cebula, Mr. McLaughlin, Mr. Ross Mr. Skinner, Mr. Trampe and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

RESOLUTION NO. 2017-83

Return to Open Meeting

WHEREAS, the Spotsylvania County Board of Supervisors has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 (D) of the Code of Virginia requires a certification by this Board of Supervisors that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Spotsylvania County Board of Supervisors hereby returns to open session and certifies, by roll call vote, that to the best of each member's knowledge only public business matters lawfully exempted from the open meeting requirements of the Freedom of Information Act and identified in the motion to go into Closed Meeting were heard, discussed or considered in the Closed Meeting.

NEW BUSINESS

None

ADJOURNMENT

On a motion by Mr. Cebula and passed unanimously, the Board adjourned its meeting at 9:52 p.m.

VOTE:

Ayes:	7	Mr. Benton, Mr. Cebula, Mr. McLaughlin, Mr. Ross Mr. Skinner, Mr. Trampe and Mr. Yakabouski
Nays:	0	
Absent:	0	
Abstain:	0	

Mark B. Taylor
Clerk to the Board of Supervisors